

A company that uses a computerized system extensively in their production process from the design stage through the automatic ordering of raw materials through preparation for delivery would be using which type of organizational decision making?

D Management science

A small university department was comprised of six male faculty members. During faculty meetings when the department was faced with a difficult decision, a faculty member would suggest they take a break. During the break, four faculty would adjourn to the coffee room and agree on the decision that would be made. This is an example of:

C a coalition.

According to the contingency framework for decision models, the Carnegie Model for organizational decision making should be used when:

A there is high uncertainty in both problems and solutions.

All of the following, except _____, are the domains of **political activity**.

B expanded networks

Applying what you know about sources of conflict, you could conclude that as task interdependence moves from pooled to reciprocal interdependence:

C the potential for conflict increases.

Attributes identified in our text as generating intergroup conflict include all of the following except:

D personality.

Being centrally located in the organization and having access to information and people that are critical to the company's success is referred to as:

C network centrality.

Bounded rationality:

D describes how decisions actually have to be made under severe time and resource constraints.

Collective bargaining:

B is one type of negotiation used to resolve disagreements between workers and management, through a union, establishing fixed responsibilities for the next two to three years.

Confrontation as a method of reducing conflict is likely to be more effective when:

C. the conflict is viewed as a win-win situation and the groups avoid threats.

Dependency power is derived from:

B having something someone else wants.

For lower level employees, network centrality:

B can be gained by becoming knowledgeable about certain activities or taking on difficult tasks and acquiring specialized knowledge.

Given the principles of escalating commitment, in which situation described below would you give the greatest funding to the same program in 1995?

C After you funded the program in 1993, it turned out to be a "loser," showing actual prospects of failing.

If a manager decides to control decision premises, he will:

D place constraints on decisions made by lower ranking persons.

In distinguishing between power and authority, we learned that power is:

B can be exercised upward, downward, and horizontally.

In the example given at Paramount Pictures, what style of decision making did Michael Eisner use in selecting films?

A Intuitive

In the garbage can model:

A solutions may be proposed even when problems do not exist.

In the garbage can model of decision making:

A a "choice opportunity" could explain an odd choice simply because it was time to make some decision.

Intuitive decision making uses _____ to make decisions.

B judgment

Intuitive decision processes would work best when which of the following factors were dominant:

C experience with similar decisions is extensive, and has been successful.

Legitimate power comes from:

A the positions in the organizations.

Management science works best for decisions when problems:

C are analyzable.

One measure of _____ is the extent to which the work of the department affects the final output of the organization.

D centrality

Only by making mistakes can managers and organizations go through the process of _____ and acquire sufficient experience and knowledge to perform more effectively in the future.

D decision learning

People have authority in an organization because of:

A the positions they hold.

Putting together what you know about the sources of potential conflict and about interdependence, which of the following attributes will create the greatest potential for conflict?

C Reciprocal interdependence

Relative to power, the concept of formal authority is:

A more narrow in scope.

Strategic contingencies refer to:

A events and activities that are essential for attaining organizational goals.

The agreement among managers about the nature of a problem or opportunity and about which goals and outcomes to pursue is referred to as:

D problem consensus.

The Carnegie model of organizational decision making says that organizational decisions:

B use coalitions for the final choice.

The first four steps of the rational approach to decision making are specifically designed to help a manager:

D identify the problem.

The garbage can model shows:

C four streams of events which influence decision making.

The greatest cause of intergroup conflict in organizations is probably:

A goal incompatibility.

The important decisions made on the title of the *Star Wars* movie or purchasing the McDonald name for \$2.7 million were examples of:

C intuitive decision making.

The incremental decision model is based on research showing that:

B many major organizational decisions occur through a series of smaller decisions made over a fairly long period of time.

The incremental decision process model places emphasis on:

C the sequence of activities in the decision process.

The management science model for decision making is best to use when:

B problems are analyzable and measurable, and parties involved agree on goals.

The phenomenon known as "escalating commitment" refers to:

B continuing to invest time and money in a solution despite evidence of failure.

The rational approach to decision making involves all of the following steps *except*:

C implement an alternative to test its viability.

The stage in which alternative courses of action are considered and one is chosen and implemented is:

B the last 4 steps of the rational approach, called problem solution.

The win-win strategy of negotiation:

B finds creative agreements that satisfy both groups.

Vertical sources of power include all of the following *except*:

D manipulation.

We know which of the following about horizontal power?

C Its relationships changes as strategic contingencies change.

What process would explain increasing the amount of budget for an on-going project on which managers received feedback that it was destined for failure?

C Escalating commitment

When goals are in alignment, there is little differentiation, departments are characterized by pooled interdependence, and resources seem abundant, managers can use _____ of organization.

D a rational model

When Tom Smith, CEO of Food Lion reads Modern Grocer, visits other grocery stores to compare prices, and reviews daily sales figures, he is doing activities in which of the following steps of the rational approach?

A Monitor the decision environment

Which of the following are characteristics of organized **anarchies**?

B Unclear technology, turnover, and problematic preferences

Which of the following is a political tactic for increasing power?

D All of the above

Which of the following is not a political tactic for using power?

B Schedule intergroup consultation

Which of the following is *not* recognized as a constraint and trade-off during nonprogrammed decision making?

B Environmental constraints

Which of the following means that a department's function cannot be performed by other readily available resources?

D No substitutability

Which of the following was not a reaction of managers toward political behavior uncovered in surveys?

A Managers believe political behavior is uncommon to practically all organizations.

Which type of decision-making would typically be used to the extent possible in an objective process of selection of a new employee?

D Rational approach

Which type of power does a manager enjoy because of his right to promote subordinates?

B Reward

_____ **is a mechanism for arriving** at consensus when uncertainty is high and there is disagreement over goals or problem priorities.

C Politics

Which step in the rational approach immediately follows developing alternative solutions?

A Evaluate alternatives

_____ **is defined as the behavior that** occurs among organizational groups when participants identify with one group and perceive that other groups may block their group's goal achievement or expectations.

B Intergroup conflict

_____ **is the potential ability of** one person/department to influence other persons/departments to carry out orders or do something they would not otherwise have done.

C Power

_____ **means organizations accept a satisfactory** rather than a maximum level of performance, enabling them to achieve several goals simultaneously.

A Satisficing

_____ **is difficult to measure because** power differences are not defined on the organization chart.

B Horizontal power

A decision interrupt occurs when an organization must cycle back through a previous decision and try something new. **T**

A lack of trust within the organization can magnify natural differences and increase the potential for conflict among departments and with top managers. **T**

A win-win strategy means that both departments adopt a positive attitude and strive to resolve the conflict in a way that will benefit each other. **T**

Departments can cope with critical uncertainties by obtaining prior information, prevention, and absorption. **T**

Differentiation refers to the dependence of one unit on another for materials, resources, or information. **F**

During the “specify decision objectives” step of the rational approach, the manager determines what performance outcomes should be achieved by a decision. **T**

Formal authority is exercised downward along the hierarchy and is the same as vertical power and legitimate power. **T**

Goal incompatibility can be a kind of "built-in" conflict between departments--especially marketing and manufacturing--that are faithfully attempting to accomplish their own missions. **T**

“He who has the gold makes the rules” refers to control of financial resources as a strategic contingency that influences horizontal power among departments. **T**

High-velocity environments call for decision makers to depend heavily on one or two savvy, trusted colleagues as counselors, even though everyone is ultimately involved in the decision. **T**

Horizontal power is not defined by the formal hierarchy or the organization chart. **T**

In intuitive decision making, experience and judgment rather than sequential logic or explicit reasoning are used to make decisions. **T**

In the garbage can model, potential solutions may be independent of problems, but are ideas brought to organizational consciousness because participants are attracted to those ideas for some logical or illogical reason. **T**

Intergroup conflict requires three ingredients: group identification, observable group differences, and commitment. **F**

Intergroup conflict can occur horizontally across departments, vertically between different levels, and between divisions or business units within the organization. **T**

Intuition should not be used in organizational decision making. **F**

Legitimate power is the authority to punish or recommend punishment, whereas expert power derives from a person's greater skill or knowledge about the tasks being performed. **F**

Limited resources refer to the dependence of one unit on another for materials, resources, or information. **F**

Managers block or distort negative information when they are personally responsible for a negative decision and consistency and persistence are valued in contemporary society are the two explanations why managers escalate commitment to a failing decision. **T**

Management science, although cumbersome, cannot produce failures in decision making. **F**

Management science is an excellent device for organizational decision making when problems are analyzable and when the variables can be identified and measured. **T**

Management science sometimes produces decision failures, in part because quantitative data are not rich. **T**

Network centrality means that managers have access to information and people that are critical to the company's success, and thereby increase their power base. **T**

Nonprogrammed decisions are repetitive and well defined, and procedures exist for resolving the problem. **F**

Nonsubstitutability means that departmental power will be decreased with the loss of control over resources. **F**

One of the three primary domains of political activity is structural change. **T**

Organized anarchy is characterized by rapid change and a collegial, nonbureaucratic environment. **T**

People at the bottom levels of an organization can never obtain more power than those in higher levels of the organization. **F**

Political activity is effective only when goals and needs are made explicit so the organization can respond. **T**

Problem consensus and technical knowledge about the means to solve those problems are two characteristics of organizations that determine the use of decision approaches. **T**

Problem consensus refers to understanding and agreement about how to solve problems and reach organizational goals. **F**

Problemistic search means that managers look around in the extended environment until they find the perfect solution to eventually resolve a problem. **F**

Since programmed decisions are novel and poorly defined, and no procedure exists for solving them, a program must be devised using the garbage can method. **F**

Strategic contingencies are succession plans that are made within the corporation. **F**

The advantage of intergroup consultation is that individuals become submerged in the values, attitudes, problems, and goals of the other department. **F**

The allocation of power to middle managers and staff is dangerous because it hinders those employees from being productive. **F**

The bounded rationality approach is often associated with programmed decision processes. **F**

The Carnegie Model and the incremental model disagree with each other on how decisions are made—the former claiming that they are made through a political process and the latter claiming that they emerge over time following careful objective analysis. **F**

The Carnegie Model of organizational decision making was developed by Max Weber. **F**

The following statement is a correct usage of the terms “power” and “authority:” Some secretaries are likely to have a great deal of power in the organization even though they have little authority. **T**

The incremental model places major emphasis on political and social factors that influence decision outcomes. **F**

The point of the rational approach is that managers use systematic procedures to arrive at good decisions. **T**

The selection phase of the incremental model is very clear that managers must analyze and choose on the basis of objective criteria in order to avoid any future delay that would interrupt implementation. **F**

The use of power should always be obvious in order to get tasks accomplished. **F**

Two of the four tactics suggested in our text for increasing management's power are: (1) Answer every challenge, and (2) Get those who can help you indebted to you. **F**

When decisions are nonprogrammed, ill-defined, and piling on top of one another, there is not reason for the individual manager to even attempt to use the steps in the rational approach. **F**