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PROFESSOR FUAKYE ACADEMY COLLEGE AND TRAINING SCHOOL, P-FACTS
College of Science

Bsc. (Physics) First Semester Examination, 2015

Fourth Year

PHY 471 PRINCIPLES OF MANAGEMENT I

- 1 The external environment of an organization includes factors and forces that can affect how the organization operates.
A) True
B) False

- 2 The components of an organization's external environment include a technological component and a political component.
A) True
B) False

- 3 The sociocultural component of the external environment of an organization includes trends and traditions, but not basic attitudes and values.
A) True
B) False

- 4 The overall trend toward globalization is part of the political component of an organization's external environment.
A) True
B) False

- 5 The symbolic view of management holds that an organization's performance is based solely on the decisions of managers.
A) True
B) False

6. The omnipotent view of management holds that good managerial decisions result in an organization's success.

- A) True
- B) False

7. The age of a population is one of its most important demographics.

- A) True
- B) False

8. The phrase "demographics is destiny" refers to the idea that older nations get tired, which causes their performance to slip.

- A) True
- B) False

9. Technology has changed the way managers manage by forcing them to keep track of employees in remote locations at all times of the day and night.

- A) True
- B) False

10. An industry with a dynamic business environment that is also highly complex faces the maximum amount of environmental uncertainty.

- A) True
- B) False

11. Given a choice, managers would prefer to operate in an environment that has a minimum of uncertainty.

- A) True
- B) False

12. A good manager considers the interests of all stakeholders equally when making an important decision.

- A) True
- B) False

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13. A company's organizational culture refers to a system of shared political beliefs.

- A) True
- B) False

14. An organization's founder has little influence on its culture.

- A) True
- B) False

15. Environmental complexity refers to the number of components that an organization must deal with.

- A) True
- B) False

16. How employees dress has nothing to do with an organization's culture.

- A) True
- B) False

17. Strong organizational culture can eliminate the need for rules and bylaws.

- A) True
- B) False

18. Having a strong culture can allow an organization to avoid any worry about ethics violations.

- A) True
- B) False

19. Organizational culture largely determines how much risk members of an organization will take.

- A) True
- B) False

20. Which of the following is not involved with the demographic component of an organization's external environment?

- A) values
- B) gender
- C) race
- D) income

21. A ban on gay marriage is an example of a change in which components of an organization's external environment?

- A) political/legal and technological
- B) economic and demographic
- C) sociocultural and global
- D) sociocultural and political/legal

22. Which innovation did the United States bring to the world's economic system?

- A) a social welfare state
- B) the corporate model of ownership
- C) planned economies
- D) income taxes

23. Which of the following is most likely to be the biggest change that the "new economy" will usher in?

- A) organizations taking on more risk
- B) fewer regulations
- C) a smaller government role
- D) a larger government role

24. Which view of management describes a situation in which managers are directly responsible for a company's success or failure?

- A) the structural view of management
- B) the symbolic view of management
- C) the omnipotent view of management
- D) the realistic view of management

25. Which kind of company would be less likely to fire its CEO after a poor performance?

- A) a company with a symbolic view of management
- B) a company with a realistic view of management
- C) a company with an external view of management
- D) a company with an omnipotent view of management

26. Which kind of company would you expect to pay its CEO the most?

- A) a company with a symbolic view of management
- B) a company with a liberal view of management
- C) a company with a semipotent view of management
- D) a company with an omnipotent view of management

27. Which of the following best explains why increased regulations cannot be the complete solution to reforming the economy?

- A) The regulators are all corrupt.
- B) It is extremely difficult to write regulations.
- C) There are too many transactions to keep track of.
- D) There are too many regulations to keep track of.

28. Which of the following are many managers concerned about as a result of increased government participation in the economy?

- A) an overheated economy
- B) a growing budget deficit
- C) an enormous budget surplus
- D) corrupt government officials taking bribes

29. Which of the following identifies the best illustration of the phrase "demographics is destiny"?

- A) India is experiencing explosive growth partly because its population is growing rapidly.
- B) India is experiencing poverty because its population is growing rapidly.
- C) The United States is experiencing slow growth partly because its population is growing rapidly.
- D) The United States is experiencing healthy growth partly because its population is not growing and people are saving their resources.

30. Which of the following provides the best illustration of technology transforming how managers manage in the workplace?

- A) Managers oversee very large design teams.
- B) Managers must supervise design teams more closely.
- C) Managers oversee very large clerical and secretarial staffs.
- D) Managers oversee very small clerical and secretarial staffs.

31. Which demographic do managers pay closest attention to with respect to large-scale trends in the business world?

- A) age
- B) sex
- C) employment status
- D) geographic location

33. Which statement about the external environment and employment is true?

- A) External environmental conditions improve employment during upswings and worsen employment during downturns.
- B) External environmental conditions worsen employment during upswings and improve employment during downturns.
- C) External environmental conditions have no effect on employment during upswings and worsen employment during downturns.
- D) External environmental conditions worsen employment during upswings and have no effect on employment during downturns.

34. Which trend do most managers need to get used to in the coming years?

- A) Most workers will be hired as permanent employees at a lower pay scale than they were in the past.
- B) Many workers will be hired as consultants rather than as freelance employees.
- C) Most workers will be hired as permanent employees rather than on a freelance basis.
- D) Many workers will be hired on a freelance basis rather than as permanent employees.

35. The greater the environmental uncertainty, the more an organization needs to become _____.

- A) organic
- B) mechanistic
- C) stable
- D) high-tech

36. Which kind of company has the lowest amount of environmental uncertainty in the environmental uncertainty matrix?

- A) Cell 1
- B) Cell 2
- C) Cell 3
- D) Cell 4

37. Which of the following best defines environmental uncertainty?

- A) the amount of innovation and creativity in an organization's internal environment
- B) the amount of resources and expertise in an organization's internal environment
- C) the amount of change and confidence in an organization's external environment
- D) the amount of change and complexity in an organization's external environment

38. Which of the following is LEAST likely to be considered a stakeholder for a newspaper company, *The Daily Recorder*?

- A) the paper boy who delivers the paper to customers
- B) critics who claim that all newspapers are biased and dishonest
- C) customers who buy the paper at newsstands
- D) subscribers

39. Which of the following is an internal stakeholder for the newspaper, *The Daily Recorder*?

- A) the editor of *The Daily Sun*
- B) the city council
- C) shareholders in *The Daily Sun*
- D) *The Daily Recorder* shareholders

40. *The Daily Recorder* is trying to decide whether it will fire about 200 employees if things don't change in the near future. The paper is scheduling a meeting with the 200 employees. The employees want to include their own family members at the meeting. How should the paper respond?

- A) Family members are internal stakeholders, so they should have a separate meeting with the paper without the employees.
- B) Family members are internal stakeholders, but they not should be allowed to attend the meeting.
- C) Family members are external stakeholders, so they should be allowed to attend the meeting.
- D) Family members are not stakeholders, so they should not be allowed to attend the meeting.

41. *The Daily Recorder* is considering raising its price from 60 cents to 75 cents. Which stakeholders should it consider most in making this decision?

- A) All stakeholders should be considered equally.
- B) all internal stakeholders
- C) all external stakeholders
- D) its customers

42. *The Daily Recorder* is considering charging online readers a flat fee for access to the news on their computers and electronic devices. Which stakeholder should the paper NOT worry about informing?

- A) the paper's online customers
- B) the paper's rival, *The Daily Sun*
- C) the unions that control the paper's workers
- D) the paper's print subscribers

43. Which of the following identifies one reason why managers should NOT put time into managing stakeholder relationships?

- A) Managing stakeholder relationships can lead to less predictability of environmental changes!
- B) Managing stakeholder relationships can lead to more predictability of environmental changes
- C) Managing stakeholder relationships can lead to innovations.
- D) Managing stakeholder relationships can lead to increased trust among stakeholders.

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44. What do most high performing companies have in common when it comes to stakeholder relationships?

- A) High performing companies tend to consider the interests of all stakeholder groups when they make important decisions.
- B) High performing companies tend to consider the interests of internal stakeholder groups only when they make important decisions.
- C) High performing companies tend to consider the interests of external stakeholder groups only when they make important decisions.
- D) High performing companies tend not to consider the interests of stakeholder groups when they make important decisions.

45. The culture of an organization is analogous to the _____ of an individual.

- A) skills
- B) personality
- C) motivation
- D) ability

46. Which of the following phrases best characterizes the culture of an organization?

- A) our official code of conduct
- B) how things are done around here
- C) the most efficient way to do things
- D) guidelines for where this organization is going

47. Which of the following is NOT a common way in which corporate cultures are transmitted to employees?

- A) stories
- B) informal rituals
- C) formal culture meetings
- D) symbols

48. Which of the following is NOT considered to be a characteristic of organizational culture?

- A) attitudes about taking risks
- B) aggressiveness and competitiveness
- C) purchasing policies
- D) attention to detail

50. The original source of an organization's culture usually reflects the vision and attitudes of _____

- A) the current president or CEO of the organization
- B) the organization's original employees
- C) contemporaries who are admired by the organization
- D) the organization's founders

51. Which of the following most accurately reflects the difference between strong cultures and weak cultures?

- A) Strong cultures tend to encourage employee innovation, while weak cultures do not.
- B) Weak cultures are found in most successful organizations, whereas strong cultures are relatively rare.
- C) Strong cultures have less of an influence on employee behavior than do weak cultures.
- D) Company values are more deeply held and widely shared in strong cultures than in weak cultures.

52. What determines whether an organization has a strong culture or a weak culture?

- A) how much employees are compensated for their efforts and whether they think their compensation is fair
- B) how much employees accept the organization's key values and are committed to those values
- C) whether or not employees feel that the organization is ethical
- D) how fairly employees feel that they are being treated

53. Which kind of culture most affects the way managers plan?

- A) A weak organizational culture gives managers the freedom to make their own decisions.
- B) A strong organizational culture gives managers the freedom to make their own decisions independent of organizational values.
- C) A strong organizational culture helps guide the way managers plan.
- D) A weak organizational culture helps guide the way managers plan.

54. Which of the following statements about organizational culture is correct?
- A) An organization with a weak culture would need fewer written rules and regulations to conduct business than a strong culture.
 - B) An organization with a strong culture would need more written rules and regulations to conduct business than a weak culture.
 - C) An organization with a strong culture would need fewer written rules and regulations to conduct business than a weak culture.
 - D) Both weak and strong organizational cultures need as many written rules and regulations to conduct business as possible.
55. Which managerial planning decision is most affected by organizational culture?
- A) the degree of risk that plans contain
 - B) how much autonomy employees should have
 - C) how to implement the best leadership styles
 - D) how much to empower employees
56. Which managerial controlling decision is most affected by organizational culture?
- A) how to improve employee job satisfaction
 - B) how much environmental scanning should be done
 - C) how much to empower employees
 - D) how to deal with sexual harassment
57. Which managerial organizing decision is most affected by organizational culture?
- A) how much environmental scanning should be done
 - B) how to deal with employee disagreements
 - C) how to structure employee evaluations
 - D) whether workers should work individually or in teams

58. Which managerial organizing decision is most affected by organizational culture?

- A) the amount of autonomy that employees should have
- B) how much environmental scanning should be done
- C) the amount of risk that is acceptable
- D) ~~how to structure employee evaluations~~

59. The CEO of a major corporation experiences emotional problems and makes an appointment to see a psychiatrist. Which of the following has the LEAST legitimate right to be informed about the situation?

- A) the stockholders
- B) ~~the media~~
- C) the CEO's colleagues
- D) the employees of the CEO's company

60. The CEO of a major corporation experiences emotional problems and begins to see a psychiatrist.

Which of the following has the most legitimate right to be informed about the situation?

- A) The media, if it is possible that the CEO will need to take medication for his condition.
- B) The stockholders, if it is likely that the CEO's condition will affect his personal life.
- C) ~~The CEO's colleagues, if it is possible that the CEO's condition can affect his ability to make decisions.~~
- D) The CEO's colleagues, if it is likely that the CEO will need to take medication for his condition

61. The CEO of a major corporation experiences emotional problems and is prescribed antidepressants by his psychiatrist. Which of the following do the CEO's stakeholders have the most legitimate right to be informed about?

- A) ~~whether the medication can impair judgment~~
- B) whether the medication is long term or short term
- C) whether the CEO continues to receive counseling from the psychiatrist

D) whether the medication has any side effects

62. The CEO of a major corporation experiences emotional problems and is prescribed antidepressants by his psychiatrist. The medication has been shown in studies to "cloud judgment." Which of the following do the CEO's stakeholders have the most legitimate right to demand?
- A) that the CEO resign from his position
 - B) that the CEO appoint a colleague to share his leadership position and keep an eye on him
 - C) that the CEO curtail his use of the medication
 - D) that the CEO be tested to see if his judgment is impaired