

More Than 700 Solved MCQs of MGT503
By
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- 1. Toyota motor company will be called efficient if it produces:**
 - High quality products at relatively low cost
 - Quality products at high cost
 - High quality products at relatively high cost
 - **Quality products at low cost**

- 2. Sony Corporation's focus on product innovation is an example of which of the following dimensions of organizational culture?**
 - People orientation
 - Attention to detail
 - **Outcome orientation**
 - Aggressiveness

- 3. Interpersonal and communication skills are often referred to as:**
 - A. Technical skills
 - B. Conceptual skills
 - C. People skills**
 - D. Planning skills

- 4. Organizational culture is similar to an individual's:**
 - A. Skills
 - B. Personality pg 33**
 - C. Motivation
 - D. Ability

- 5. Which of the following is a highly structured technique, designed to keep personal interactions at a minimum?**
 - A. Clustering
 - B. Brainstorming**
 - C. Nominal group technique
 - D. Group interview

- 6. To determine the _____, a manager must determine what is relevant or important in resolving the problem.**
 - A. Geocentric behavior needed
 - B. Number of allowable alternatives**
 - C. Weighting of decision criteria
 - D. Decision criteria

7. Fredrick Taylor was the student of: }

- A. Robert Owen
- B. Charles Babbage
- hugo munsterberg** pg 21
- C. Henry Towne

8. Plant managers come under which of following management levels?

- A. First-line managers**
- B. Non-managerial employees
- C. Middle managers
- D. Top managers

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9. A human resource manager attending a local Society for Human Resource Management meeting would be functioning in which of the following role?

- A. Informational
- B. Leader
- C. Liaison**
- D. Disseminator

10. Which of the following is important in effectively implementing the chosen alternative in the decision-making process?

- A. Getting upper-management support
- B. Double-checking your analysis for potential errors
- C. Allowing those impacted by the outcome to participate in the process
- D. Ignoring criticism concerning your chosen alternative**

11. Which of the following is a highly structured technique, designed to keep personal interactions at a minimum?

- A. Clustering
- B. Brainstorming**
- C. Nominal group technique
- D. Group interview

12. The most important point of Prof. Edward Deming's Philosophy was:

- A. Achieving the Goals**
- B. Consistency of Purpose
- C. Wastage of the resources should be minimized
- D. Collaboration among the members

13. The belief that businesses should be responsible because such actions are right for their own sake is known as which argument for social responsibility? Pg 32

- A. Public expectation
- B. Ethical obligation**
- C. Public image
- D. Discouragement of government regulation

14. The task environment of organizations consists of constituencies that have a direct impact on managers' decisions and actions. The main constituencies are made up of customers, suppliers, competitors, and _____.

- A. Legislators
- B. Pressure groups
- C. Employees**
- D. Lawyers

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15. The most outspoken advocate of the classical view of social responsibility is economist and Nobel prize winner:

- A. Carnegie Milton
- B. Charles Darwin
- C. Milton Freeman
- D. Milton Friedman**

16. Which of the following is a cultural measure of the degree to which people will tolerate risk and unconventional behavior?

- A. Power distance
- B. Uncertainty avoidance
- C. Short- versus long-term orientation
- D. Individualism versus collectivism

17. The following four different approaches to management thinking were developed in the first half of the 20th century:

- A. Scientific management, general administrative, quantitative, and contingency approach.
- B. Scientific management, general administrative, quantitative, and organizational behavior.**
- C. General administrative, globalization, organizational behavior, and quantitative.
- D. Systems approach, scientific management, general administrative, and organizational behaviour.
- E. Scientific management, Hawthorne Studies, quantitative, and organizational behavior.

18. _____ need involves the desire to affiliate with and be accepted by others.

- A. Esteem
- B. Belongingness**
- C. Safety
- D. Self Actualization

19. _____ involves allocating resources by detailing what activities have to be done, the order in which they are to be completed, who is to do each, and when they are to be completed.

- A. Benchmarking
- B. Budgeting
- C. Scheduling pg 53**
- D. Competitor intelligence

20. Mr. A. is a manager in a manufacturing company, he attempts to establish a culture of quality affecting the attitudes and actions of every employee and relies on a workforce that wants to improve quality. He focuses on establishing:

- A. Total Quality Management
- B. Knowledge management
- C. Operations Management**
- D. Management of Information System

21. Conceptual skills relate to a manager's ability to

- A. · Take a strategic view of how parts of the organization function
- B. · Solve detailed problems in groups
- C. · Correctly evaluate organizational problems
- D. · Understand and interact effectively with others in the organization

22. For a company such as PIA, a bank would be an example of what kind of factor in its specific environment?

- a) Competitor
- b) Special-interest group**
- c) Supplier
- d) Government agency

23. If a company provides job-share programs, builds a day-care facility, and only uses recycled paper, it can be termed as:

- a) Fulfilling its social obligation
- b) Socially aware
- c) Socially image conscious

d) Socially responsive

24. An increased commitment to a previous decision despite evidence that it may have been wrong is referred to:
- A. Economies of commitment
 - B. Escalation of commitment
 - C. Dimensional commitment
 - D. Expansion of commitment
25. Which of the following means that you achieve the best possible balance among several goals?
- a) Sacrificing
 - b) Optimizing**
 - c) Satisficing
 - d) Minimizing

26. Which viewpoint emphasizes finding ways to manage work more efficiently?
- A Behavioral
 - B Quantitative
 - C Classical**
 - D Qualitative
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27. The set of strengths, characteristics and qualities including skills, technologies, or resources that distinguish a firm from its competitors is called:

► Select correct option:

- Scope
- Distinctive Competency**
- Resource deployment
- Effective strategy

28. A leading supporter of the classical view argues that anytime managers decide on their own to spend their organization's resources for the "social good," are:

► Select correct option:

- Contributing social benefits in the name of goodwill
- Just doing what the government says they have to do
- Helping make society a better place for everyone to live
- Adding to the costs of doing business**

29.The belief that businesses should be responsible because such actions are right for their own sake is known as which argument for social responsibility?

► Select correct option:

- Public expectation
- Ethical obligation**
- Public image
- Discouragement of government regulation

30.A production plan usually includes:

► Select correct option:

- Prices of organization's products**
- Evaluation of the weaknesses of the business
- Names of suppliers of raw materials
- Flow of orders for goods or services

31.Which of the following types of plans is highly interdependent and must take into account the resources and capabilities of the entire organization and its external environments?

► Select correct option:

- Operational plans
- Strategic plans
- Tactical plans
- Budgetary plans**

32.A plan used to operationalize any other kind of plan is called:

► Select correct option:

- Reaction plan
- Specific plan
- Directional plan
- Action plan

The belief that businesses should be responsible because such actions are right for their own sake is known as which argument for social responsibility?

Select correct option:

- Public expectation
- Ethical obligation
- Public image
- Discouragement of government regulation

Non-programmed decisions are typically made under a condition of which of the following?

Select correct option:

- Certainty
- Low levels of risk

Uncertainty

Reliability

The _____ suggested that when a manager or leader shows concern for employees, their motivation and productivity levels are likely to improve.

Select correct option:

Hawthorne effect

Hawthorne studies not sure

Human relations approach

Administrative management

An organization is called:

Select correct option:

The physical location where people work

A collection of individuals working for the same company

A deliberate arrangement of people to accomplish some specific purpose

A group of individuals focused on profit-making for their shareholders

A culture where employees show a great deal of respect for authority and where titles and ranks are important would be an example of which dimension

of national culture?

Select correct option:

- Individualism versus collectivism
- Power distance**
- Uncertainty avoidance
- Short- versus long-term orientation

The sales and marketing component of e-business is:

Select correct option:

- Intranet
- Evolution
- E-commerce
- Extranet not sure**

- Show quoted text -





C Stakeholder's not sure - [Show quoted text](#) -

- [Show quoted text](#) -

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~Sometimes you put walls up, not to keep people out, but to see who cares enough to break them down~

- [Show quoted text](#) -

Fall 2008_FinalTerm_MGT503_s1_solved

FINALTERM EXAMINATION

Fall 2008

MGT503- Principles of Management (Session - 1)

Question No: 1 (Marks: 1) - Please choose one

Value chain partners are part of which of the following component of Value Chain Management.

- ▶ Technical investment
- ▶ Leadership
- ▶ **Coordination and Collaboration**
- ▶ Planning

Question No: 2 (Marks: 1) - Please choose one

The process of managing the entire sequence of integrated activities and information about product flow is called:

- ▶ Total Quality Management
- ▶ **Supply Chain Management**
- ▶ Kaizen
- ▶ Value Chain Management

Question No: 3 (Marks: 1) - Please choose one

Control that prevents anticipated problems is called:

- ▶ **Feed forward control**
- ▶ Concurrent control
- ▶ Feedback control
- ▶ Management control

Question No: 4 (Marks: 1) - Please choose one

The organizational communication network that uses internet technology and allows authorized users inside the organization to communicate with certain outsiders such as customers or vendors is called:

- ▶ Intranet
- ▶ **Extranet**
- ▶ Videoconference
- ▶ E-mail

Question No: 5 (Marks: 1) - Please choose one

A leader who involves employees in decision making, delegates authority and allows employees to have direct input into the final decision is using which of the following leadership style?

- ▶ **Democratic-participative**
- ▶ Laissez-faire
- ▶ Autocratic
- ▶ Democratic-consultative

Three types of leadership behavior styles were identified.

- a. Autocratic leaders tend to make unilateral decisions, dictate work methods, limit worker knowledge about goals to just the next step to be performed, and sometimes give feedback that is punitive.
- b. Democratic leaders tend to involve the group in decision making, let the group determine work methods, make overall goals known, and use feedback as an opportunity for helpful coaching.
- c. Laissez-faire leaders generally give the group complete freedom, provide necessary materials, participate only to answer questions, and avoid giving feedback.

Question No: 6 (Marks: 1) - Please choose one

According to Fiedler, in moderately favorable situations which of the following leader performs better?

- Structure oriented
- Position oriented
- Production oriented
- Relationship oriented**

Question No: 7 (Marks: 1) - Please choose one

The recent survey depicts that in the opinion of employees the most powerful workplace motivator is:

- Flextime
- Recognition
- Goals**
- Salary

Question No: 8 (Marks: 1) - Please choose one

Which theory includes the component that employee motivation is influenced by relative as well as absolute rewards?

- Expectancy
- Three-needs
- Goal-setting
- Equity**

Equity theory recognizes that individuals are concerned with their absolute rewards as well as the relationship of those rewards to what others receive.

Question No: 9 (Marks: 1) - Please choose one

According to Herzberg's Motivation-Hygiene Theory, which of the following is NOT a hygiene factor?

- Working Conditions
- Salary
- Relationship with supervisor
- Work itself**

Hygiene factors are necessary to keep workers away from feeling dissatisfied. There are several hygiene factors.

- a. Pay
- b. Working conditions
- c. Supervisors
- d. Company policies

Question No: 10 (Marks: 1) - Please choose one

According to Maslow's hierarchy of needs, which needs are predominantly satisfied internally?

- ▶ Safety
- ▶ **Esteem**
- ▶ Physiological
- ▶ social

Maslow's hierarchy of needs from the most basic to the highest.

- a. **Physiological needs** are basic and include needs for food, water, and shelter.
- b. **Safety needs** pertain to the desire to be safe, secure and free from threats to our existence.
- c. **Belongingness needs** involve the desire to affiliate with and be accepted by others.
- d. **Esteem needs** are related to the two-pronged desire to have a positive self-image and to have our contributions valued and appreciated by others.
- e. **Self-actualization needs** pertain to the requirement of developing our capabilities and reaching our full potential.

Question No: 11 (Marks: 1) - Please choose one

Maslow's hierarchy of needs theory proposes that every person has a hierarchy of:

- ▶ Four needs
- ▶ **Five needs**
- ▶ Three needs
- ▶ Six needs

Question No: 12 (Marks: 1) - Please choose one

What should a manager do while motivating employees?

- ▶ Increase wages and salaries
- ▶ Incorporate promotional opportunities
- ▶ Recognize individual differences
- ▶ **Use employee-recognition program**

Question No: 13 (Marks: 1) - Please choose one

An unsatisfied need creates which type of emotion?

- ▶ Anxiety
- ▶ **Tension**
- ▶ Drive
- ▶ Pressure

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Question No: 14 (Marks: 1) - Please choose one

Which of the following is the best description of effort?

- ▶ The level of willpower towards work
- ▶ **The measure of intensity or drive**
- ▶ One's ability to work
- ▶ The work required to complete a task

Question No: 15 (Marks: 1) - Please choose one

Contemporary organizational design includes all of the following EXCEPT :

- ▶ Team based structure
- ▶ Matrix structure
- ▶ Project structure
- ▶ **Divisional structure**

Traditional Designs includes (simple, divisional, Functional)

Contemporary Designs includes (Team, matrix, Project, Boundary less)

Question No: 16 (Marks: 1) - Please choose one

Which of the following is the crucial element of team structure?

- ▶ Employee empowerment
- ▶ Faster decision-making
- ▶ Inexpensive to maintain
- ▶ Clear chain of command

Description: Some of important features of Team based structure

Employees are more involved and empowered.

Reduce barrier among functional areas.

No. clear chain of command

Pressure on team to perform

Question No: 17 (Marks: 1) - Please choose one

Which of the following factors influence an organization towards centralization?

- ▶ Lower-level managers want a part in decision making
- ▶ Environment is complex and uncertain
- ▶ Decisions are significant
- ▶ Company is geographically dispersed

Question No: 18 (Marks: 1) - Please choose one

Identify the organizational design process which has a potential weakness that, managers will not be able to provide necessary leadership and support?

- ▶ Span of control
- ▶ Decentralization
- ▶ Departmentalization
- ▶ Chain of command

Question No: 19 (Marks: 1) - Please choose one

An organization that groups activities according to women's footwear, men's footwear, apparel and accessories would use which of the following departmentalization?

- ▶ Product
- ▶ Customer
- ▶ Geographic
- ▶ Functional

Question No: 20 (Marks: 1) - Please choose one

What kind of departmentalization would be in place in a government organization where different public service responsibilities are divided into activities for employers, children, and the disabled?

- ▶ Product
- ▶ Geographic
- ▶ Outcome
- ▶ Customer

Question No: 21 (Marks: 1) - Please choose one

Which of the following is not among the three perspectives that should be considered in preparing a business plan?

- ▶ Marketing perspective
- ▶ Perspective of the entrepreneur
- ▶ **Investor perspective**
- ▶ **Technical perspective**

Reference

http://books.google.ae/books?id=7AGX2Hdhop8C&pg=RA1-PA188&lpg=RA1-PA188&dq=three+perspectives+that+should+be+considered+in+preparing+a+business+plan&source=bl&ots=ARnTL4Qy0u&sig=TyNfSmKrNBbPKkMdsvxto-1-4o&hl=en&ei=BolQSpPhBJCAsgPF68iqDQ&sa=X&oi=book_result&ct=result&resnum=1 (page 188,189)

Question No: 22 (Marks: 1) - Please choose one

An organization's structure should facilitate which of the following?

- ▶ Chain of command
- ▶ Necessity of departmentalization
- ▶ **Achievement of goals**
- ▶ Span of control

Question No: 23 (Marks: 1) - Please choose one

In which organizational structure employee have two managers?

- ▶ Team
- ▶ Learning
- ▶ Boundaryless
- ▶ **Matrix**

Question No: 24 (Marks: 1) - Please choose one

The fact that managers can become experts within their industry is a function of which kind of departmentalization?

- ▶ Process
- ▶ Geographical
- ▶ **Functional**
- ▶ Product

Question No: 25 (Marks: 1) - Please choose one

Which of the following is a process by which individuals pursue opportunities, fulfill needs and wants through innovation, without regard to the resources they currently control?

- ▶ Small business ownership
- ▶ Innovative Management
- ▶ **Entrepreneurship**
- ▶ Privatization



Question No: 26 (Marks: 1) - Please choose one

First step of strategic management process, the mission, answers which of the following question?

- What business should we be in?
- **What is our reason for being in business?**
- Who are our customers?
- Who are our creditors?

Question No: 27 (Marks: 1) - Please choose one

When the hierarchy of organizational goals is clearly defined, it forms an integrated network of goals which is called:

- Hierarchical-link chain
- **Means-ends chain**
- Weakest-link chain
- Level-level chain

The three levels of goals within an organization form a hierarchy of goals, with lower-level goals forming a mean-end chain with the next level of goals.

1. Strategic goals are broadly defined targets or future end results set by top management.

2. Tactical goals are the targets or future end results usually set by middle management for specific departments or units.

3. Operational goals are those targets or future end results set by lower management that address specific, measurable outcomes required from the lower levels.

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Question No: 28 (Marks: 1) - Please choose one

Safeguard is an anti-bacterial soap that provides superior longer lasting germ protection.

Through this soap Procter & Gamble is practicing which of the following strategies?

- Stability Strategy
- **Differentiation strategy**
- Emergent strategy
- Cost leadership strategy

Question No: 29 (Marks: 1) - Please choose one

At the first step of goal setting a manager should:

- Evaluate available resources
- **Review organization's mission**
- Write down goals
- Estimate expected benefits

Question No: 30 (Marks: 1) - Please choose one

Which of the following is a primary benefit of MBO?

- Avoid competition
- Resistance against new entrance
- **Improve employee motivation**
- Increase resources

Question No: 31 (Marks: 1) - Please choose one

Which of the following is an area in the environment that if exploited may generate high performance for organization?

- Strength
- Weakness
- **Opportunity**
- Threat

Question No: 32 (Marks: 1) - Please choose one

A skill and capability that does not enable an organization to choose and implement strategies that support its mission is called its:

- ▶ Strength
- ▶ Weakness
- ▶ Opportunity
- ▶ Threat

Question No: 33 (Marks: 1) - Please choose one

Which of the following strategy specifies the range of markets in which an organization will compete?

- ▶ Scope
- ▶ Distinctive Competency
- ▶ Resource deployment
- ▶ Effective strategy

Question No: 34 (Marks: 1) - Please choose one

Few years ago Nike has problem with inconsistency of goals. The firm was producing high quality shoes but they were not stylish. As a result company lost substantial market share. In this situation which kind of goal was missing?

- ▶ Manufacturing goal
- ▶ Marketing goal
- ▶ Financial goal
- ▶ Operational goal

Question No: 35 (Marks: 1) - Please choose one

Sony has a goal to acquire a firm in the entertainment industry. The goal was realized when Sony bought Columbia picture. It comes under which of the following?

- ▶ Strategic goal
- ▶ Operational goal
- ▶ Tactical goal
- ▶ Personal goal

Question No: 36 (Marks: 1) - Please choose one

Which of the following group technique allows group members to meet together, but also allows independent thinking?

- ▶ Groupthink
- ▶ Electronic meetings
- ▶ Brainstorming
- ▶ Nominal group technique

Question No: 37 (Marks: 1) - Please choose one

Many decisions fail after the final choice because of the occurrence of which of the following?

- ▶ Decision criteria weights were incorrect
- ▶ People affected failed to accept the solution
- ▶ Satisficing occurred

► Choice was wrong

Question No: 38 (Marks: 1) - Please choose one

Which of the following term sometimes used to describe picking a course of action that is satisfactory under the circumstances?

- Escalation of commitment
- **Satisficing**
- Risk
- Bounded rationality

Question No: 39 (Marks: 1) - Please choose one

Jay tends to always look at the broad picture and likes to look at many alternatives. He focuses on the long run and looks for creative solutions. He prefers which of the following styles of decision making?

- Analytic
- **Conceptual**
- Directive
- Behavioral

Question No: 40 (Marks: 1) - Please choose one

The decision-making model consists of four styles: directive, analytic, behavioral and _____.

- **Conceptual**
- Intuitive
- Group interaction
- Laggard

- a. The **directive style** is one that's characterized by low tolerance for ambiguity and a rational way of thinking.
- b. The **analytic style** is one characterized by a high tolerance for ambiguity and a rational way of thinking.
- c. The **conceptual style** is characterized by an intuitive way of thinking and a high tolerance for ambiguity.
- d. The **behavioral style** is one characterized by a low tolerance for ambiguity and an intuitive way of thinking.

Question No: 41 (Marks: 1) - Please choose one

"Whenever possible, we promote from within" is an example of which of the following?

- Rule
- Procedure
- **Policy**
- Plan

Question No: 42 (Marks: 1) - Please choose one

A large chemical company not only disposes of all toxic waste properly as outlined by law, but it also spends \$1 million dollars each year on research to determine better processes for all businesses to use in disposing of toxic wastes. This company is exhibiting which of the following?

- **Social responsibility**
- Social obligation
- Moral obligation
- **Social responsiveness**

Question No: 43 (Marks: 1) - Please choose one

Which of the following approaches recognize differences among organizations and categorizes variables that affect an organization's performance?

- Process approach
- Contingency approach
- Function approach
- System approach

Question No: 44 (Marks: 1) - Please choose one

Giving prestigious job titles would be one way to satisfy people's need for :

- Esteem
- Belongingness
- Self-actualization
- Safety

Question No: 45 (Marks: 1) - Please choose one

"Specialization increases output by making employees more efficient" it is called:

- Division of work
- Authority
- Scalar chain
- Order

Question No: 46 (Marks: 1) - Please choose one

Henry Fayol described principles of management in the form of:

- 11 points
- 12 points
- 14 points
- 15 points

Question No: 47 (Marks: 1) - Please choose one

Which of the following functions or activities involve recruiting and placing qualified personnel needed for the organization so that it may achieve its objectives and goals?

- Planning
- Organizing
- Staffing
- Leading

Question No: 48 (Marks: 1) - Please choose one

An organized set of behavior that is associated with particular office or position is called:

- Role
- Obligation
- Responsibility
- Responsibility

Question No: 49 (Marks: 1) - Please choose one

The person who maintains network of connection outside the organization to obtain information is called:

- Entrepreneur
- Disseminator
- Spokesperson
- Liaison

The **liaison** maintains a network of contacts outside the work unit to obtain information.

Question No: 50 (Marks: 1) - Please choose one

Ali has a job that pays him well, he desires to make a contribution to the organization, and he has an active social life. His desire is to become all that he is capable of becoming. Ali is at which of the following need defined by maslow?

- Self-actualization

- Safety
- Social
- Esteem

Question No: 51 (Marks: 5)

Who are responsible for setting goals? Do you think different Managers set goals, or one manager is responsible for it?

ANS: GOAL SETTING: Goals are the desired outcomes for the individuals, groups or organizations. The success of an organization depends on its goals and how they are achieved. Goal setting is the responsibility of a manager. There are three managers at three different levels:

- Top manager
- Middle manager
- First Line manager

Each manager is responsible for setting goals at different level.

1. Top manager sets the strategic goals which are organization wide.
2. Middle managers set Tactical goals
3. First line managers set operational goals which are related to the operations of the organization.

But it is important that all the goals set by managers should be in accordance to organization's mission.

Question No: 52 (Marks: 10)

Describe the significant workplace issues that affect motivation in today's workforce.

ANS: MOTIVATION: It is the willingness to exert high levels of efforts to reach organizational goals.

Motivation is an important aspect in today's world where competition is increasing day by day, so there is a strong need for motivating employees in order to get best performance from them. Inspite the importance of motivation there are various issues which affect the motivation in today's workforce. Some of the such factors are given below:

- **Inappropriate Goals:** the goal itself acts as a motivator but if not set well it creates lack of understanding in employees which results in poor performance.
- **Recognition:** In today's world recognition acts as a strong motivator. If a worker's performance is good he needs to be recognized so that his performance is reinforced but if there is lack of recognition it will de-motivate the worker.
- **Salary/Pay:** The basic physiological needs are satisfied by money so salary /pay plays an important role in motivating an employee. If it is not upto to the limit where it satisfies workers basic needs it is obvious that low salary will cause de-motivation in employee.
- **Opportunities:** Everyone desires to develop their capabilities and reaching their full potential, it can somehow be achieved by career opportunities offered by the organization. If an organization does not allow an employee to excel in his/her career this may lose his interest in work.
- **Work Itself:** The job and the working conditions if not liked by worker he will not do his job with interest and will yield low performance.

Question No: 53 (Marks: 10)

How can a manager make the delegation process more effective? Give logical reasons to support your answer.

ANS: DELEGATION: Delegation is the assignment of part of manager's work to others along with responsibility and authority.

Effective Delegation: Delegation can be made effective in many ways:

- **Trust:** It is very important while delegating to have full trust in the subordinates. If manager lacks trust in subordinates he will always have a threat of their failure.
- **Training the subordinates:** Delegation can be effectively done if subordinates know what and how they have to do their work. For this they must be trained well.
- **Manager's knowledge about delegation:** While delegating manager should know how to delegate i.e how to take work from subordinates and which tasks should be assigned to subordinates.

Question No: 54 (Marks: 10)

Discuss the Boston Consulting Group (BCG) matrix and explain its usefulness in segmenting businesses. Discuss the characteristics for each of the four categories based on the BCG matrix..

ANS: BOSTON CONSULTING GROUP (BCG) MATRIX: The BCG matrix was developed by Boston Consulting Group. Its main purpose was to compare different businesses in an organization's portfolio on the basis of market share and market growth. It helps the organization in allocating resources to its various businesses.

Categories of BCG matrix:

The matrix defines four business groups. The SBUs plotted on BCG matrix can be classified as follows:

- **Star:** Star has a high market share in a growing market.
- **Cash Cow:** Cash Cow is an SBU which has high market share in a slowly growing market.
- **Question Mark:** Have low market share in a growing market. They are the problem creators.
- **Dog:** Has low market share in a low growing market.

FINALTERM EXAMINATION

Spring 2009 Session 3

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Question No: 1 (Marks: 1) - Please choose one

What is the basic assumption of situational approaches to leadership?

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- ▶ Increasing worker job satisfaction through consideration behavior will get leaders the best results
- ▶ Initiating structure for employees by telling them what to do and how to do.
- ▶ The appropriate leadership style varies from one set of circumstances to another
- ▶ Effective leaders possess certain traits that are situation specific

Lack of success in identifying an effective leadership style generalize-able to all situations led to consideration of situational factors—i.e., any particular style of leadership could be effective depending on the situation.

Question No: 2 (Marks: 1) - Please choose one

Which of the following statement is NOT true for productivity?

- ▶ Productivity is a major goal in virtually every organization
- ▶ For individual companies, increased productivity means a more competitive cost structure
- ▶ Productivity is a composite of people and operations variables
- ▶ Productivity can be improved by dealing with large number of suppliers

Question No: 3 (Marks: 1) - Please choose one

All of the following are primary management functions EXCEPT:

- ▶ Setting goals
- ▶ Hiring employees
- ▶ Monitoring activities
- ▶ Motivating employees

Question No: 4 (Marks: 1) - Please choose one

Which one of the following is explaining the Entrepreneur in the best way?

- ▶ Goals Setter
- ▶ Decision Maker
- ▶ Communicator
- ▶ Initiator

1) The **entrepreneur** acts as an initiator, designer, and encourager of change and innovation.

Question No: 5 (Marks: 1) - Please choose one

The success of the business can be judged through:

- ▶ Customer satisfaction
- ▶ Achieving of Organizational Goals
- ▶ Cost price reduction
- ▶ All of the given options

Question No: 6 (Marks: 1) - Please choose one

LG and Sony electronics agreed to cooperate on developing new technologies. Representatives from each firm meet regularly to coordinate this new venture. Which of the following roles these managers are playing?

- ▶ Liaison
- ▶ Leader
- ▶ Disseminator
- ▶ Spokesperson

Question No: 7 (Marks: 1) - Please choose one

Determining the tasks to be accomplished, how the tasks are to be grouped and who is responsible for the various tasks is known as which of the following processes of management?

► Planning

► **Organizing**

► Leading

► Controlling

Question No: 8 (Marks: 1) - Please choose one

Which level of management is responsible for making organization wide decisions and establishing the plans and goals that affect the entire organization?

► Non managerial staff

► **Top management**

► Middle management

► First-line management

Question No: 9 (Marks: 1) - Please choose one

Henry Fayol described principles of management in the form of:

► 11 points

► 12 points

► **14 points**

► 15 points

Fayol gives us 14 principles of management which are still being used

nowadays.

Question No: 10 (Marks: 1) - Please choose one

When management provides orderly personnel planning and ensures that replacements are available to fill vacancies, it is called :

- ▶ Division of work
- ▶ Discipline
- ▶ Unity of command
- ▶ **Stability of tenure of personnel**

Stability of tenure of personnel

Management should provide orderly personnel planning and ensure that replacements are available to fill vacancies.

Question No: 11 (Marks: 1) - Please choose one

The father of industrial psychology is:

- ▶ Robert Owen
- ▶ **Hugo Munsterberg**
- ▶ Mary Parker Follett
- ▶ Max Weber

Hugo Munsterberg (1863-1916) is considered to be the “father of industrial psychology” and is regarded by students of psychology as an important figure

Question No: 12 (Marks: 1) - Please choose one

Environment reacts to the output of organization and provides:

- ▶ Feed forward
- ▶ Input
- ▶ Output
- ▶ **Feedback**

Feedback: information about results and organizational status relative to its environment.

Question No: 13 (Marks: 1) - Please choose one

Which of the following styles of decision making is characterized by individuals who prefer complete information and consider several alternatives?

- ▶ Analytic
- ▶ Conceptual
- ▶ Directive
- ▶ Behavioral

The **directive style** is one that's characterized by low tolerance for ambiguity and a rational way of thinking.

Question No: 14 (Marks: 1) - Please choose one

The intent of which of the following is to reduce uncertainty by playing out potential situations under different specific conditions?

- ▶ Project management
- ▶ Scheduling
- ▶ Environmental analysis
- ▶ Scenario planning

The intent of scenario planning is not to try to predict the future but to reduce uncertainty by playing out potential situations under different specified conditions

Question No: 15 (Marks: 1) - Please choose one

Mission Statement of Dow Chemicals is:

“To share the world’s obligation for the protection of the environment.”

This statement shows which of the following attributes of mission statement?

- ▶ Desired public image
- ▶ Customers
- ▶ Location
- ▶ Self concept

Concern for public image: what are the organization’s public responsibilities and what image is desired?

Question No: 16 (Marks: 1) - Please choose one

Which of the following is an area in the environment that if exploited may generate high performance for organization?

- ▶ Strength
- ▶ Weakness
- ▶ Opportunity
- ▶ Threat

Question No: 17 (Marks: 1) - Please choose one

Which of the following is a system in which specific performance objectives are jointly determined by subordinates and their superiors and progress towards objectives is periodically reviewed?

- ▶ Management by objective

- ▶ Management by resources
- ▶ Management by authority
- ▶ Management by system

In Management by objectives (MBO) specific performance goals are jointly determined by employees and their managers, progress toward accomplishing these goals is periodically reviewed, and rewards are allocated on the basis of this progress.

Question No: 18 (Marks: 1) - Please choose one

Most managers believe that if an MBO (program is to be successful, it must start at:

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- ▶ Non-managerial level
- ▶ Top Level
- ▶ Middle level
- ▶ Lower level

The **weaknesses** of MBO are that it

1. Tends to falter without strong, continual commitment from top management.

Question No: 19 (Marks: 1) - Please choose one

A firm that stops buying supplies from other companies and begins to provide its own supplies, has diversified through:

- ▶ Forward vertical integration
- ▶ Backward vertical integration
- ▶ Forward horizontal integration
- ▶ Backward horizontal integration

Vertical integration involves effecting growth through the production of

inputs previously provided by suppliers or through the replacement of a

customer role (Such as that of a distributor) by disposing of one's own

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outputs. 1) Backward integration occurs when a business grows by becoming its own supplier

Question No: 20 (Marks: 1) - Please choose one

In BCG matrix which of the following businesses have the largest share of a rapidly growing market?

- ▶ Cash cow
- ▶ Question mark
- ▶ Star
- ▶ Dogs

Question No: 21 (Marks: 1) - Please choose one

In BCG matrix which of the following businesses have a large share of a market that are not expected to grow substantially?

- ▶ Dogs
- ▶ Question mark
- ▶ Star
- ▶ Cash cow

Question No: 22 (Marks: 1) - Please choose one

The degree to which tasks in an organization are divided into separate jobs is called:

- ▶ Centralization
- ▶ Span of control
- ▶ Chain of command

► Work specialization

Work specialization is the degree to which the work necessary to achieve organizational goals is broken down into various jobs.

In Work specialization the tasks in an organization are divided into separate jobs. Another term for this is *division of labor*.

Question No: 23 (Marks: 1) - Please choose one

As the number of employees in an organization grows, structure tends to become more:

- Informal
- Centralized
- **Decentralized**
- Specialized

Question No: 24 (Marks: 1) - Please choose one

The fact that managers can become experts within their industry is a function of which kind of departmentalization?

- Product
- Functional
- Process
- Geographical

Product departmentalization - Grouping activities by product line. Tasks can also be grouped according to a specific product or service, thus placing all activities related to the product or the service under one manager. Each major product area in the corporation is under the authority of a senior manager who is specialist in, and is responsible for, everything related to the product line. LA Gear is an example of company that uses product departmentalization. Its structure is based on its varied product lines which include women's footwear, children's footwear and men's' footwear.

Process departmentalization - Grouping activities on the basis of product or service or customer flow. Because each process requires different skills, process departmentalization allows homogenous activities to be categorized. For example, the applicants might need to go through several departments namely validation, licensing and treasury, before receiving the driver's license.

Question No: 25 (Marks: 1) - Please choose one

The organization structure in which separate business units are grouped under a manager who is responsible for performance, strategy and operations is called:

- ▶ Outdated structure
- ▶ A divisional structure
- ▶ Functional structure
- ▶ A simple structure

Question No: 26 (Marks: 1) - Please choose one

“CLEAR” shampoo introduced the first ever anti-dandruff shampoo range for men. Through this shampoo Unilever is practicing which of the following strategies?

- ▶ Focus Strategy
- ▶ Differentiation strategy
- ▶ Cost leadership strategy
- ▶ Emergent strategy

A **differentiation strategy** involves attempting to develop products and services that are viewed as unique in the industry.

Question No: 27 (Marks: 1) - Please choose one

What things the Organizations are doing to facilitate an effective wider span of control for their managers?

- ▶ Decentralizing management functions
- ▶ Increasing inventory levels
- ▶ Increasing budget allowances
- ▶ Investing in employee training

Question No: 28 (Marks: 1) - Please choose one

A complex uncertain environment influences an organization toward which of the following?

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- ▶ Work specification
- ▶ Departmentalization
- ▶ Decentralization
- ▶ Formalization

Organizations should move toward a decentralized structure when The environment is increasingly uncertain

Question No: 29 (Marks: 1) - Please choose one

A company's "chain of command" is a part of which process?

- ▶ Span of control
- ▶ Organizational design
- ▶ Formalization
- ▶ Work specialization

Organization design is the process of developing an organization structure. **Organizational**

design is the process of developing or changing an organization's structure. It involves decisions about six key elements: work specialization, departmentalization, chain of command, span of control,

centralization/decentralization, and formalization. We need to take a closer look at each of these structural elements.

Question No: 30 (Marks: 1) - Please choose one

While addressing the organizational design needs of the small organization which of the following is an important consideration?

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- ▶ More formalization
- ▶ More specialization
- ▶ More centralization
- ▶ Tall hierarchy of authority

A **simple structure** is an organizational design with low departmentalization, wide spans of control, authority centralized in a single person, and little formalization.

- a. Its strengths are its flexibility, speed and low cost to maintain.
- b. Its major drawback is that it's most effective in small organizations

Question No: 31 (Marks: 1) - Please choose one

Which of the following is an internal state that makes certain outcomes appear attractive?

- ▶ Fad
- ▶ Desire
- ▶ Need
- ▶ Fashion

A **need** is an internal state that makes certain outcomes appear attractive. An unsatisfied need creates tension that stimulates drives within an individual. These drives generate a search behavior to find particular goals that, if attained, will satisfy the need and reduce the tension.

Hence motivation is the force that energizes behavior, gives direction to

Question No: 32 (Marks: 1) - Please choose one

Which of the following is the best description of effort?

- ▶ The level of willpower towards work
- ▶ The measure of intensity or drive
- ▶ One's ability to work
- ▶ The work required to complete a task

Effort is a measure of intensity or drive. High levels of effort are unlikely to lead to favorable job performance unless the effort is channeled in a direction that benefits the organization.

Question No: 33 (Marks: 1) - Please choose one

Which of the following factor is more important for men than women?

- ▶ Opportunity to learn
- ▶ Flexibility
- ▶ Autonomy
- ▶ Convenient

Question No: 34 (Marks: 1) - Please choose one

According to Maslow, which hierarchy is in proper order from lowest to highest?

- ▶ Safety, physiological, esteem, self-actualization, social.
- ▶ Esteem, physiological, self-actualization, safety, social
- ▶ Self-actualization, physiological, social, esteem, safety
- ▶ **Physiological, safety, social, esteem, self-actualization**

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Question No: 35 (Marks: 1) - Please choose one

According to Herzberg's Motivation-Hygiene Theory, which of the following is NOT a motivator?

- ▶ Recognition
- ▶ Responsibility
- ▶ Advancement
- ▶ **Status**

Motivator factor can only lead workers to feel satisfied and motivated.

a. Achievement

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- b. Responsibility
- c. Work itself
- d. Recognition
- e. Growth and achievement

Question No: 36 (Marks: 1) - Please choose one

According to McClelland's three-need theory, people who are striving for personal achievement rather than for the trappings and rewards of success have a high:

- ▶ Need for achievement
- ▶ Need for affiliation
- ▶ Need for power
- ▶ Need for sympathy

The **need of achievement (nAch)** is the desire to accomplish challenging tasks and achieve a standard of excellence in one's work.

- . The **need for affiliation (nAff)** is the desire to maintain warm, friendly relationships with others.
- . The **need for power (nPow)** is the desire to influence others and control one's environment.

Question No: 37 (Marks: 1) - Please choose one

While motivating Professionals which of the following is at the lowest Priority list?

- ▶ Challenging Goals
- ▶ Money and Promotion
- ▶ Appreciation letters
- ▶ Job satisfaction

Money and promotions are typically low on the motivation priority list for professionals. Job

challenge is usually ranked high as is support and the feeling that they're working on something important.

Question No: 38 (Marks: 1) - Please choose one

Which of the following is NOT an option while motivating low skilled employees?

- ▶ Clarity of goals
- ▶ Security
- ▶ High pay
- ▶ Job satisfaction

Low-skilled minimum-wage workers typically have limited education and skills; offering higher pay is usually not an option.

Question No: 39 (Marks: 1) - Please choose one

Visionary leaders appear to have all of the following qualities related to effectiveness in their leadership roles EXCEPT:

- ▶ Ability to explain the vision
- ▶ Ability to express the vision
- ▶ Ability to extend the vision
- ▶ Ability to enforce the vision

Skills do visionary leaders have

- a. The ability to explain the vision to others.
- b. The ability to express the vision not just verbally but through behavior.
- c. The ability to extend or apply the vision to different leadership contexts.

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Question No: 40 (Marks: 1) - Please choose one

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Leaders who guide or motivate their followers toward established goals by clarifying role and task requirements are using which of the following?

- ▶ Charismatic
- ▶ Transformational
- ▶ **Transactional**
- ▶ Democratic-participative

Transactional leaders are leaders who guide or motivate their followers in the direction of established goals by clarifying role and task requirements.

Question No: 41 (Marks: 1) - Please choose one

Which of the following group engages in collective work that requires joint effort and generates a positive synergy?

- ▶ **Work group**
- ▶ Work team
- ▶ Quality circle
- ▶ Functional team

Work Group Processes

A. Group processes are the dynamic, inner workings of groups as they operate over a period of time.

1. Process loss is the energy diverted from the task to develop and operate the group itself.
2. **Positive synergy** is the force that results when the combined gains from group interaction (as opposed to individuals operating alone) are greater than group process losses.
3. **Negative synergy** is the force that results when group process losses are greater than any gains achieved from combining the forces of group members.

Question No: 42 (Marks: 1) - Please choose one

All of the following are advantages of oral communication EXCEPT:

- It is easy to use
- It is accurate
- It facilitates feedback
- It can be done with little preparation

Question No: 43 (Marks: 1) - Please choose one

Which of the following is the process of monitoring activities and correcting any significant deviations?

- Controlling
- Planning
- Organizing
- Leading

Question No: 44 (Marks: 1) - Please choose one

Which of the following is NOT a formal group?

- Command groups
- Task forces
- Cross-functional teams
- Business unit alliances

A **formal group** is a group officially planned and created by an organization for a specific purpose.

a. A **command** or **functional group** is a formal group consisting of a manager and all the subordinates who report to that manager.

Question No: 45 (Marks: 1) - Please choose one

Decisions which deal with situations where the factors are fairly structured and occur with some frequency are called:

- ▶ Heuristic decision
- ▶ Programmed decision
- ▶ Satisficing decision
- ▶ Non-programmed decision

Question No: 46 (Marks: 1) - Please choose one

Which one of the following functions or activities involves in recruiting and placing qualified personnel needed for the organization so that it may achieve its objectives and goals?

- ▶ Planning
- ▶ Organizing
- ▶ Staffing
- ▶ Leading

Question No: 47 (Marks: 1) - Please choose one

An organized set of behavior that is associated with particular office or position is called:

- ▶ Role
- ▶ Obligation
- ▶ Responsibility
- ▶ Function

Management Roles:

Managers fulfill a variety of roles. A **role** is an organized set of behaviors that is associated with a particular office or position

Question No: 48 (Marks: 1) - Please choose one

Which of the following is the disadvantage of the Process departmentalization?

- ▶ Time consuming process
- ▶ Cost of Production is high
- ▶ Can be used only with certain type of products
- ▶ Duplication of functions across the departments

Question No: 49 (Marks: 1) - Please choose one

Which of the following are groups defined by the organization's structure, that have designated work assignments and specific tasks?

- ▶ Formal groups
- ▶ Informal groups
- ▶ Command groups
- ▶ Interest groups

Formal groups

work groups defined by the organization's structure that have designated work assignments and tasks. Appropriate behaviors are defined by and directed toward organizational goals.

Informal groups : Groups that are independently formed to meet the social needs of their members.

Question No: 50 (Marks: 1) - Please choose one

There are three different approaches to designing control systems. Which of the following is used primarily in team-based or less bureaucratic types of organizations?

- ▶ Market control
- ▶ Economic control
- ▶ Bureaucratic control
- ▶ **Clan control**

Clan control relies on values, beliefs, traditions, corporate culture, share norms and information relationships to regulate employee behaviors and facilitate the reaching of organizational goals.

Question No: 51 (Marks: 5)

Is organizing important for all levels of managers? Give your opinion.

Question No: 52 (Marks: 10)

ABC Ltd is a small marketing services company. You have been put in charge of a new project team. It is the second week the team has been together, and progress on the task is frustratingly slow. There are lots of creative ideas being put forward, but team members criticize everything and try to put their own ideas over others. Your manager is getting concerned and asks you to report on how the team is working.

Propose different measures for encouraging cohesion in your team.

Question No: 53 (Marks: 10)

Suppose that an organization has some distinctive competencies, how long it will retain those competencies?

Question No: 54 (Marks: 10)

Discuss the Boston Consulting Group (BCG) matrix and explain its usefulness in segmenting businesses. Discuss the characteristics for each of the four categories based on the BCG matrix..

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FINALTERM EXAMINATION

Spring 2009

MGT503- Principles of Management (Session - 1)

Question No: 1 (Marks: 1) - Please choose one

All of the following are requirements for successful value chain management EXCEPT :

- ▶ Coordination and Collaboration
- ▶ Continuous Process Improvement
- ▶ **Organizational Processes**
- ▶ Technology Investment

Question No: 2 (Marks: 1) - Please choose one

An individual's belief that he or she is capable of performing a task is called:

- ▶ Self esteem
- ▶ Self direction
- ▶ **Self efficacy**
- ▶ Self confidence

Question No: 3 (Marks: 1) - Please choose one

The most important point of Prof. Edward Deming's Philosophy was:

- ▶ Achieving the Goals
- ▶ **Consistency of Purpose**
- ▶ Wastage of the resources should be minimized
- ▶ Collaboration among the members

Question No: 4 (Marks: 1) - Please choose one

LG and Sony electronics agreed to cooperate on developing new technologies. Representatives from each firm meet regularly to coordinate this new venture. Which of the following roles these managers are playing?

- Liaison
- Leader
- Disseminator
- Spokesperson

Question No: 5 (Marks: 1) - Please choose one

Munib is the CEO of a hospital. He has spent his day planning the schedules of employees for next month. He spent his day in:

- Planning
- Organizing
- Leading
- Controlling

Question No: 6 (Marks: 1) - Please choose one

Which type of managerial skill refers to the ability to analyze and diagnose complex situations?

- Problem-solving
- Interpersonal
- Conceptual
- Technical

Question No: 7 (Marks: 1) - Please choose one

Munsterberg is considered to be the father of _____ psychology.

- Clinical
- Industrial
- Behavior
- Theoretical

Question No: 8 (Marks: 1) - Please choose one

Two major characteristics of open system are :

- Negative entropy and synergy
- Positive entropy and synergy
- Entropy and synergy
- Anthropology and synergy

Question No: 9 (Marks: 1) - Please choose one

In Europe today banks and insurance companies are linking up in an effort to market a wide array of financial products that each would have trouble selling on its own. They are practicing which of the following concept?

- Transformation
- Entropy
- Negative Entropy
- Synergy

Question No: 10 (Marks: 1) - Please choose one

Few years ago, employees of a international company took wages cuts to help the firm offset large losses. Now firm is again earning profits and employees believe that their wages should be restored but company is not willing to restore their wages. Organization is showing which of the following behavior?

- Unethical
- Socially responsible
- Ethical
- Socioeconomic

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Question No: 11 (Marks: 1) - Please choose one

Under which of the following approach, managers impose and enforce rules fairly and impartially and do so by following all legal rules and regulations. A manager using this theory would decide to provide the same rate of pay to individuals who are similar in their level of skills, performance and gender?

- Integrative social contracts
- Right view of ethics
- Utilitarian view of ethics
- Theory of justice of ethics

Question No: 12 (Marks: 1) - Please choose one

Only employees with top-secret clearance may enter the sealed room, is an example of which of the following?

- Rule
- Procedure
- Policy
- Plan

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Question No: 13 (Marks: 1) - Please choose one

Jay tends to always look at the broad picture and likes to look at many alternatives. He focuses on the long run and looks for creative solutions. He prefers which of the following styles of decision making?

- ▶ Analytic
- ▶ Conceptual
- ▶ Directive
- ▶ Behavioral

Question No: 14 (Marks: 1) - Please choose one

The strap of Ali's bag tore off as he threw it over his shoulder. On the way to school, he stopped at the first store that carries bags, walked in and purchased one from the front rack. Ali has just made which of the following type of decision?

- ▶ Maximizing
- ▶ Satisficing
- ▶ Risky
- ▶ Optimal

Question No: 15 (Marks: 1) - Please choose one

All of the following include in the definition of planning EXCEPT:

- ▶ Defining organization's objectives or goals
- ▶ Establishing an overall strategy for achieving objectives or goals
- ▶ Allocating resources and developing a chain of communication
- ▶ Developing a hierarchy of plans to integrate and coordinate activities

Question No: 16 (Marks: 1) - Please choose one

Mission Statement of Johnson & Johnson is:

“We believe our first responsibility is to the doctors, nurses, and patients, to mothers and all others who use our products”

This statement shows which of the following attributes of mission statement?

- ▶ Location
- ▶ Customers
- ▶ Self concept
- ▶ Desired public image

Question No: 17 (Marks: 1) - Please choose one

When objectives are not written down or rarely verbalized, and the planning is general and lacks continuity, which one of the following type of planning is used?

- ▶ Environmental planning
- ▶ Economic planning
- ▶ Informal planning
- ▶ Formal planning

Question No: 18 (Marks: 1) - Please choose one

In those organizations where formal planning did not lead to higher performance, the culprit may be which of the following?

- ▶ Employees
- ▶ Marketing plan

- ▶ Management
- ▶ Environment

Question No: 19 (Marks: 1) - Please choose one

Which of the following is the set of strengths, characteristics and qualities including skills, technologies or resources that distinguish a firm from its competitors?

- ▶ Scope
- ▶ Distinctive Competency
- ▶ Resource deployment
- ▶ Effective strategy

Question No: 20 (Marks: 1) - Please choose one

A skill and capability that does not enable an organization to choose and implement strategies that support its mission is called its:

- ▶ Strength
- ▶ Weakness
- ▶ Opportunity
- ▶ Threat

Question No: 21 (Marks: 1) - Please choose one

ABC Company is in the process of buying a smaller competitor and incorporating that company's resources into his business. This is an example of which of the following types of strategies?

- ▶ Merger
- ▶ Stability
- ▶ Retrenchment
- ▶ Acquisition

Question No: 22 (Marks: 1) - Please choose one

Few years before Polka was a leading brand of ice-cream in Pakistan. Than it was purchased by Walls and all its products were replaced with "Walls" name. Here "Walls" adopted which of the following strategy?

- ▶ Merger
- ▶ Vertical integration
- ▶ **Acquisition**
- ▶ Horizontal integration

Question No: 23 (Marks: 1) - Please choose one

In BCG matrix which of the following businesses have only a small share of a quickly growing market?

- ▶ Star
- ▶ Dogs
- ▶ Cash cow
- ▶ **Question mark**

Question No: 24 (Marks: 1) - Please choose one

Which of the following is NOT a strategy implementation step?

- ▶ Define strategic tasks
- ▶ Develop implementation agenda
- ▶ **Develop mission and goals**
- ▶ Assess organizational capabilities

Question No: 25 (Marks: 1) - Please choose one

The degree to which tasks in an organization are divided into separate jobs is called:

- ▶ Centralization
- ▶ Span of control
- ▶ Chain of command
- ▶ Work specialization

Question No: 26 (Marks: 1) - Please choose one

While making a business plan an entrepreneur cannot conduct market research until he:

- ▶ Develops legal plan
- ▶ Develops insurance plan
- ▶ Writes cover letter
- ▶ Chooses product or service

Question No: 27 (Marks: 1) - Please choose one

Which of the following is the set of elements that can be used to configure an organization?

- ▶ Organization structure
- ▶ Organization design
- ▶ Organization chart
- ▶ Organization rotation

Question No: 28 (Marks: 1) - Please choose one

An owner of an organization hires a sales representative to market his products. He gave power to sale representative to make certain decision. He has been given:

- ▶ Responsibility

- ▶ Span of control
- ▶ Authority
- ▶ Accountability

Question No: 29 (Marks: 1) - Please choose one

What kind of departmentalization would be in place in a government organization where different public service responsibilities are divided into activities for employers, children, and the disabled?

- ▶ Product
- ▶ Geographic
- ▶ Outcome
- ▶ Customer

Question No: 30 (Marks: 1) - Please choose one

Identify the organizational design process which has a potential weakness that, managers will not be able to provide necessary leadership and support?

- ▶ Decentralization
- ▶ Departmentalization
- ▶ Chain of command
- ▶ Span of control

Question No: 31 (Marks: 1) - Please choose one

Today the concepts of Unity of Command, Authority and Responsibility are less important because of which of the following?

- ▶ Organizational structure
- ▶ Centralization and decentralization
- ▶ Employee's Empowerment and Information Technology
- ▶ Departmentalization

Question No: 32 (Marks: 1) - Please choose one

A structure that is characterized by narrow span of management and many hierarchical levels is:

- ▶ Tall Structure
- ▶ Flat Structure
- ▶ Matrix Structure
- ▶ Divisional Structure

Question No: 33 (Marks: 1) - Please choose one

Which of the following is a weakness of a simple structure?

- ▶ It relies on one person
- ▶ It is not flexible
- ▶ It is expensive
- ▶ There is unclear accountability

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Question No: 34 (Marks: 1) - Please choose one

Which of the following is a contemporary organizational structural design?

- ▶ Functional
- ▶ Divisional
- ▶ Learning
- ▶ Simple

Question No: 35 (Marks: 1) - Please choose one

Which type of organizational entity is more of an organizational mind-set than a structured design?

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- Matrix
- Boundaryless
- Functional
- Learning

Question No: 36 (Marks: 1) - Please choose one

Which of the following creates the “Dual Chain of Command?”

- Team based and Project Structure
- Functional and Simple structure
- Project and matrix Structure
- Simple and matrix Structure

Question No: 37 (Marks: 1) - Please choose one

An unsatisfied need creates which type of emotion?

- Anxiety
- Tension
- Drive
- Pressure

Question No: 38 (Marks: 1) - Please choose one

People who want to exert more power often engage in which of the following activities?

- Visionary leadership
- Reward power
- Office politics
- Charismatic training

Question No: 39 (Marks: 1) - Please choose one

At Sony (an electronics manufacturer) a special team was selected to work out a marketing plan for its newest product, a voice-activated DVD player, that uses voice recognition commands instead of control buttons. During their most recent meeting, there was a conflict between a design manager and a marketing representative about whose responsibility it was to draft the marketing plan. Several members of the team got into a shouting match with one another. This team seems to be at which of the following stages of group development?

- ▶ Conflict
- ▶ Forming
- ▶ Norming
- ▶ **Storming**

Question No: 40 (Marks: 1) - Please choose one

A specific group of accountants at an accounting firm that meets regularly to develop better auditing procedures for the firm can be referred as which of the following?

- ▶ Task force
- ▶ **Functional team**
- ▶ Cross-functional team
- ▶ Virtual team

Question No: 41 (Marks: 1) - Please choose one

It is most appropriate to use oral communication when you have to communicate:

- ▶ A monthly report to the CEO on company performance
- ▶ **An impersonal message to a group of people**
- ▶ A lengthy welcoming message to a new salesperson
- ▶ A brief, time sensitive personal message

Question No: 42 (Marks: 1) - Please choose one

Atif just received the news that he has received the promotion for which he has been waiting for two years. He is ecstatic. Every communication for the rest of the day will be affected by which of the following?

- Filtering
- Emotions
- Language
- Nonverbal cues

Question No: 43 (Marks: 1) - Please choose one

Which of the following is a process that involves managers from all parts of the organization in the formulation of strategic goals?

- Strategic organizing
- Strategic management
- Strategic positioning
- Strategic planning

Question No: 44 (Marks: 1) - Please choose one

Which of the following is the obligation or expectation to perform a duty?

- Responsibility
- Unity of command
- Chain of command
- Span of control

Question No: 45 (Marks: 1) - Please choose one

Which one of Fayol's 14 principles of management helps preserve the concept of a continuous line of authority?

- ▶ Unity of demand
- ▶ **Unity of command**
- ▶ Demand structure
- ▶ Continuous demand

Question No: 46 (Marks: 1) - Please choose one

Mr. Kamran is a manager at virtual university of Pakistan. His responsibilities include developing a organization-wide marketing strategy that plays on the synergies between institute's offered Programs in order to drive increased no. of students. Kamran is a:

- ▶ Middle manager
- ▶ First-line manager
- ▶ **Top manager**
- ▶ Non-managerial

Question No: 47 (Marks: 1) - Please choose one

Which of the following was created by the unification of 12 countries in Europe?

- ▶ European Common Market
- ▶ **European Union**
- ▶ Western European Alliance
- ▶ Trans-European Market

Question No: 48 (Marks: 1) - Please choose one

Motivation is the result of interaction between which of the following?

- ▶ Efforts and situation
- ▶ Employee and manager
- ▶ Efforts and intention
- ▶ Individual and situation

Question No: 49 (Marks: 1) - Please choose one

Which of the following are the hygiene factors?

- ▶ Fringe benefits, recognition and motivation
- ▶ Achievement, responsibility and growth
- ▶ Friendship groups, working conditions and responsibilities
- ▶ Company policies, working conditions and salary

Question No: 50 (Marks: 1) - Please choose one

Which of the following is an example of body language?

- ▶ Eye contact
- ▶ Style of dress
- ▶ Facial expressions
- ▶ All of the given options

Question No: 51 (Marks: 5)

Can individual be so much motivated that his/ her performance declines as a result of excessive efforts ? Discuss.

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Yes, in certain case its true. If a person set goals too high for himself, he may end up

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Demotivating himself because of the failure to achieve the goals.

When rewards are used by organizations as payoffs for better performance, the intrinsic rewards, which are derived from person doing what they like, are reduced.

Due to excessive efforts, person loss the control over own behavior so that previous motivation diminishes.

The elimination of extrinsic rewards can produce a shifting from an external to an internal explanation in an individual's perception of thinking that why he works on a task.

Too much motivation make person to think differentiate themselves from others by their desire to do things better.

Question No: 52 (Marks: 10)

How can we implement Maslow's Hierarchy of need theory in our life? Discuss in detail.

Maslow's Hierarchy of Needs is based on the assumption that people are motivated by a series of five universal needs. These needs are ranked, according to the order in which they influence human behavior, in hierarchical fashion.

Physiological needs are deemed to be the lowest- level needs. These needs must be fulfilled

safety needs -- the needs for shelter and security

Social needs include the need for belongingness and love

esteem needs After social needs have been satisfied, ego and esteem needs

self-actualization the need for self-realization, continuous self-development, and the process of becoming all that a person is capable of becoming.

In daily life if we translate this theory its discuss food is basic need of human being we should look into this basic need to motivate our workers

Stability is equal to safety in maslow's theory . friendship is equal to esteem in theory.

Status and achievements esteem and achievement respectively.

Above theory is used to motivate our works,. We also get guideline during our daily life. It provide us the path to look into needs of others.

Question No: 53 (Marks: 10)

Do you think motivation comes from within a person or it is a result of the situation? Explain in your own words.

What is motivation

Motivation is the internal condition that activates behavior and gives it direction; and energizes and directs goal-oriented behavior

Motivation comes from within. Very few people are highly motivated at work. Most people work at only a small fraction of their actual capabilities. Your Employer can create only motivational environment. It is up to you to motivate yourself.

The highest levels of motivation come when we are in tune with our mind and thinking.

Self-improvement is one of the best motivators because its comes from you inner feelings. Money Does Not Motivate. People adapt to the amount of money they are making that motivation is short- lived. Managers often try to motivate employees via promises of financial rewards and promotion but people likes motivators such as feeling valued and appreciated. People are motivated when they feel understood.

True motivation only comes from within an individual but it can only be started from external factors.

Question No: 54 (Marks: 10)

XYZ Ltd is a firm which undertakes reconstruction and maintenance. The work is carried out by teams which operate independently of each other. As a team co-coordinator, you have investigated a number of recent customer complaints about delays. It appears that instructions given to head office are not reaching the teams quickly or clearly enough. The team's come away feeling that head office lacks understanding of their work and respect for their inputs. You have identified the problem as poor communication on many levels.

With the above stated issue explain the particular problems of upward communication in an organization. Suggest how upward communication can be improved?

Upward communication flows from employees to managers.

- Upward communication can be used in order to keep managers aware of how employees feel about their jobs, their coworkers then we must provide them proper facility to communicate with management.
- A climate of trust, respect should be created between worker and managers.
- We should share decision making power with them.
- Listen Problems and exceptions of the team.
- Take Suggestions for improvement from team.
- Try to establish Performance reports to motivate them
- Look into Grievances and disputes

Spring 2009_MidTerm_MGT503_s4_solved

MIDTERM EXAMINATION Spring 2009 MGT503- Principles of Management (Session - 4)

Question No: 1 (Marks: 1) - Please choose one

An organized set of behavior that is associated with particular office or position is called:

- Role
- Role
- Obligation
- Responsibility
- Function

Question No: 2 (Marks: 1) - Please choose one

Sulman thinks about his job while playing with his son on the weekend, and he continually volunteers to do extra assignments and project for his department.

These suggest that Sulman has a strong need for :

- Security
- Esteem
- Security
- Achievement
- Power

Question No: 3 (Marks: 1) - Please choose one

Which of the following is not a basic function of management process?

- Working

- Controlling
- Organizing
- Leading
- Working

Question No: 4 (Marks: 1) - Please choose one

As managers move toward the organizational hierarchy, problems are more likely to become which of the following?

- Ill-structured
- Well-structured
- Ill-structured
- Programmed
- Non-programmed

Question No: 5 (Marks: 1) - Please choose one

Ali is especially good at communicating company goals to his employees and motivating them to achieve these goals. Ali is practicing which of the following skills?

- Human skills
- Conceptual skills
- Organizational skills
- Technical skills
- Human skills

Question No: 6 (Marks: 1) - Please choose one

A state legislative plan that calls for a 2.45 percent increase in tobacco sales tax for the next 2 years would be considered which of the following type of plan?

- Specific
- Strategic
- Operational
- Specific
- Directional

Question No: 7 (Marks: 1) - Please choose one

Plans that apply to the entire organization, establish the organization's overall objectives and seek to position the organization in terms of its environment are called:

- Strategic plans

- ▶ Tactical plans
- ▶ Strategic plans
- ▶ Single-use plans
- ▶ Operational plans

Question No: 8 (Marks: 1) - Please choose one

A few years ago Black and Decker bought general electric's small appliance business. 150 products were converted from GE to Black and Decker label. A total of 140 steps were used for each product. It took 3 years. The total conversion of product line was:

- ▶ A project

 - ▶ A Program
 - ▶ A project
 - ▶ A policy
 - ▶ A rule
- Question No: 9 (Marks: 1) - Please choose one**
- Which of the following involves allocating resources by detailing what activities have to be done, the order in which they are to be completed, who is to do each and when they are to be completed?**
- ▶ Scheduling

 - ▶ Benchmarking
 - ▶ Budgeting
 - ▶ Competitor intelligence
 - ▶ Scheduling

Question No: 10 (Marks: 1) - Please choose one

The strap of Ali's bag tore off as he threw it over his shoulder. On the way to school, he stopped at the first store that carries bags, walked in and purchased one from the front rack. Ali has just made which of the following type of decision?

- ▶ Satisficing

- ▶ Maximizing
- ▶ Satisficing
- ▶ Risky
- ▶ Optimal

Question No: 11 (Marks: 1) - Please choose one

Asad spoke out in a meeting in favor of a potential cost savings that would result from a new employee benefits program offered by the company. He later received information that showed that his initial decision about the cost savings was incorrect, but he was too embarrassed to publicly admit that he was wrong, so he stuck by his original statement. Asad is practicing which of the following?

- Bounded rationality
- Bounded rationality
- Satisficing
- Escalation of commitment
- Maximizing

Question No: 12 (Marks: 1) - Please choose one

Jay tends to always look at the broad picture and likes to look at many alternatives. He focuses on the long run and looks for creative solutions. He prefers which of the following styles of decision making?

- Conceptual
- Analytic
- Conceptual
- Directive
- Behavioral

Question No: 13 (Marks: 1) - Please choose one

Akbar has just been given the assignment of developing the marketing strategy for the company's new product to be introduced at Eid. Akbar will require which of the following type of decision making?

Non-Programmed

- Ill-structured
- Programmed
- Non-Programmed
- Well-structured

Question No: 14 (Marks: 1) - Please choose one

Which of the following is the step in the decision-making process that follows identifying a problem and decision criteria?

- Allocating weights to the criteria
- Allocating weights to the criteria
- Analyzing the alternatives

- ▶ Selecting the best alternative
- ▶ Implementing the alternative

Question No: 15 (Marks: 1) - Please choose one

Once a manager has identified a problem, the next step would be the identification of:

Decision criteria

- ▶ Discrepancies
- ▶ Decision criteria
- ▶ Scenarios
- ▶ Factor weights

Question No: 16 (Marks: 1) - Please choose one

Which of the following must be present in order to initiate the decision-making process?

- ▶ Effective use of resources
- ▶ Plenty of time
- ▶ Pressure to act
- ▶ Time management
- ▶ Effective use of resources

Question No: 17 (Marks: 1) - Please choose one

The extent to which an alternative can be accomplished within related organizational constraints such as time, budgets, technology and policies is called:

- ▶ Feasibility

- ▶ Reversibility
- ▶ Sustainability
- ▶ Feasibility
- ▶ Acceptability

Question No: 18 (Marks: 1) - Please choose one

EU, NAFTA, FTAA and ASEAN are examples of:

- ▶ Regional trade alliances

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- ▶ Regional trade alliances
- ▶ Foreign airlines
- ▶ Soccer teams in Europe

- New multinational corporations

Question No: 19 (Marks: 1) - Please choose one

A society where there is relatively little job mobility and widely practiced lifetime employment would be an example of which of the following dimensions of national culture?

- Uncertainty avoidance

- Power distance
- Uncertainty avoidance
- Short- versus long-term orientation
- Individualism versus collectivism

Question No: 20 (Marks: 1) - Please choose one

European Union was established in:

- February 1992

- February 1992
- January 1994
- July 1992
- November 1993

Question No: 21 (Marks: 1) - Please choose one

Under which of the following approach, managers impose and enforce rules fairly and impartially and do so by following all legal rules and regulations. A manager using this theory would decide to provide the same rate of pay to individuals who are similar in their level of skills, performance and gender?

- Theory of justice of ethics
- Integrative social contracts
- Right view of ethics
- Utilitarian view of ethics
- Theory of justice of ethics

Question No: 22 (Marks: 1) - Please choose one

A formal written statement of the values and ethical standards that guide a firm's action is called:

- Code of ethics

- Values
- Code of ethics
- Social responsiveness
- Norms

Question No: 23 (Marks: 1) - Please choose one

A large pulp and paper company meets all federal guidelines and obeys all laws rigorously as it cuts down timber. The primary concern of this company is compliance and profit maximization for its stockholders. This company is exhibiting which of the following?

- Social obligation
- Social responsibility
- Social obligation
- Moral obligation
- Social responsiveness

Question No: 24 (Marks: 1) - Please choose one

All of the following are the parts of organization's external environment, EXCEPT:

- Competitors
- Culture
- Customers
- Competitors
- Regulators

Question No: 25 (Marks: 1) - Please choose one

Task environment is also called:

- Specific environment
- Specific environment
- Goal orientated environment
- Open environment
- Close environment

Question No: 26 (Marks: 1) - Please choose one

Which of the following concept suggests that organizational units may often be more successful working together than working alone?

- Synergy

- Transformation
- Synergy
- Negative Entropy
- Entropy

Question No: 27 (Marks: 1) - Please choose one
Which of the following is called output of a system?

- Employee behavior

- Human
- Information resource
- Employee behavior
- Material

Question No: 28 (Marks: 1) - Please choose one
In Maslow's hierarchy of need, status is an example of which of the following need?

- Esteem
- Physiological
- Esteem
- Safety
- Social

Question No: 29 (Marks: 1) - Please choose one
Munsterberg is considered to be the father of _____ psychology.

- Industrial
- Clinical
- Industrial
- Behavior
- Theoretical

Question No: 30 (Marks: 1) - Please choose one
The formal right to give orders, make decisions, and see that tasks are completed is called:

- Authority

- Centralization
- Authority
- Responsibility
- Decentralization

Question No: 31 (Marks: 1) - Please choose one
Henri Fayol was a successful industrialist of :

- France
- France
- Germany
- America
- Canada

Question No: 32 (Marks: 1) - Please choose one
Which of the following is considered to be the father of modern computing?

- Charles Babbage
- Fredrick W Taylor
- Abraham Maslow
- Charles Babbage
- Max Weber

Question No: 33 (Marks: 1) - Please choose one
Which type of managerial skill refers to the ability to analyze and diagnose complex situations?

- Conceptual
- Problem-solving
- Interpersonal
- Conceptual
- Technical

Question No: 34 (Marks: 1) - Please choose one
The people who work directly on a job or task and have no responsibility for overseeing the work of others are called:

- Non managerial staff
- First-line managers
- Middle managers
- Non managerial staff
- Supervisors

Question No: 35 (Marks: 1) - Please choose one
There are two main concepts referred to as "doing things right and "doing the right things." These factors are:

- Efficiency and effectiveness
- Efficacy and effectiveness

- Efficiency and economy
- Efficiency and effectiveness
- Economy and efficacy

Question No: 36 (Marks: 1) - Please choose one

A manager transmits the information outside the organization. He is performing which of the following role?

- Spokesperson
- Spokesperson
- Representative
- Disseminator
- Agent

Question No: 37 (Marks: 1) - Please choose one

Which of the following is most important characteristic of an entrepreneur?

- Goal setting
- Planning
- Communication
- Rapid decision making
- Goal setting

Question No: 38 (Marks: 1) - Please choose one

The distinct purpose of an organization is typically expressed in terms of:

- Vision & Mission statement
- Systematic structure
- A goal or set of goals
- Management competencies
- Vision & Mission statement

Question No: 39 (Marks: 1) - Please choose one

Which one of the following is the major responsibility of a manager?

- Supervises the work of others
- Works anonymously behind the scenes
- Sets the goals of the organization
- Supervises the work of others
- Actually performs the service or produces the product

Question No: 40 (Marks: 1) - Please choose one

The traditional shape of an organization was:

- Pyramid

- ▶ Circle
- ▶ Pyramid
- ▶ Square
- ▶ Diamond

Question No: 41 (Marks: 10)

Compare and contrast the advantages and disadvantages of Gantt chart and PERT analysis.

A PERT network flowchart kind of system which represents the sequence of activities needed to complete project .

It also keep track of costs linked with that activity

A Gantt chart is special bar type charts which show the present progress of the project. It shows major activity compare to target completion date.

Project activities shown on the left side of the chart. Time shown on bottom or top of the chart

Advantages of Gantt chart

1. It shows how much of the plan has been completed
2. Many people prefer this plan

Disadvantages

1. Estimated values must be given before the chart can be drawn.
2. It can not show critical path
3. Different type of scheduling cannot be shown
4. several scheduling possibilities cannot be shown

Advantages of PERT

Use can determine critical path

You can update project performance

You can expect project completion time

Activity start and end dates

Disadvantages

So many activities

Network charts might become long and hard to understand for someone



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