

THE SOCIETY OF ACCOUNTING EDUCATION
CERTIFIED FINANCIAL & MANAGEMENT ACCOUNTANT MEMBERSHIP
PROGRAM

Model Paper for Course : Business Management

Course Code: ML-02

Level: Managerial Level

1. The process of monitoring performance, comparing it with goals and correcting any significant deviations is known as:
 - a) Planning
 - b) Organizing
 - c) Leading
 - d) **Controlling**

2. Mr. A is a Manager on XYZ company; he has a reputation for being an open and honest person and understands how to motivate employees and customers, he said to have good _____ skills.
 - a) Sales
 - b) Political
 - c) **Interpersonal**
 - d) Technical

3. Someone who works with and through other people by coordinating their work activities to accomplish organizational goals is called:
 - a) A Very intelligent: Individual
 - b) A Supervisor of Production Work
 - c) **A Manager**
 - d) An operation Supervisor

4. SWOT analysis divides organizational strength into two categories; Common strength and _____.

- a) Strategic imitation
 - b) Competitive Parity
 - c) **Distinctive Competencies**
 - d) Threats
5. The Continues line if authority that extends from the upper level of management to the lowest levels of the organization is called:
- a) Authority line of responsibility
 - b) Unity of Commerce
 - c) Responsibility factor
 - d) **Chain of command**
6. Which is the most common cause of business failure?
- a) Insufficient Capital
 - b) Unstable market
 - c) **Insufficient experience**
 - d) Poor Entrepreneurship
7. Which of the following is the accountability for the achievement of objectives, the use of resources, and the adherence to organizational policy?
- a) Power
 - b) Responsibility
 - c) **Authority**
 - d) Planning
8. Organizations can play role in addressing global environment issues through all of the following ways EXCEPT:
- a) Greening of Management
 - b) **Depletion of natural Resources**
 - c) Fulfilling their Social Obligation

- d) Avoiding industrial accidents
9. _____ are large scale action plans of an organization for interacting with environment in order to achieve long term goals.
- a) Objectives
 - b) Strategic Goals
 - c) **Strategies**
 - d) Actions
10. Living Organisms take substances from their environment such as food and air and return other substances environment. This is an example of
- a) Close System
 - b) Hybrid System
 - c) **Open System**
 - d) None of Above
11. When the strength provides superior and unique customer value and is difficult to imitate then the distinctive competence creates a sustainable_____.
- a) **Competitive Advantage**
 - b) Scope
 - c) Resource Deployment
 - d) Effective Strategy
12. Which of the following organization is rigidly controlled and efficient?
- a) Organic
 - b) **Mechanistic**
 - c) Horizontal
 - d) Learning
13. In a juice making company sales manager has the set the goal of increasing the sales by 10% in summer season. At the end of summer Manager will check either goal has archived or not. This function is known as

- a) Planning
 - b) Organizing
 - c) Leading
 - d) Controlling**
14. When the strength provides superior and unique customer value and is difficult to imitate then the distinctive competence creates a sustainable _____.
- a) **Competitive Advantage**
 - b) Scope
 - c) Resource deployment
 - d) Effective strategy
15. Dell Company sells the variety of products like computers, laptops, accessories over the internet. Dell is engaged in
- a) Intranet
 - b) Extranet
 - c) E-commerce
 - d) E-Business**
16. The people who work under the first line managers are often called by all of the following names EXCEPT:
- a) Non managers
 - b) Supervisors**
 - c) Skilled workers
 - d) Semi skilled workers
17. A plan developed to carry out a course of action that is not likely to be repeated in the future is called:
- a) Single use plan**
 - b) Specific plan
 - c) Reaction plan
 - d) Directional plan
18. The leader of an organization performs _____, as per Mintzberg.
- a) An Interpersonal role
 - b) An Informational role

- c) A Decisional role
 - d) **All of the given options**
19. A manager transmits the information outside the organization. He is performing which of the following role?
- a) **Spokes person**
 - b) Representative
 - c) Disseminator
 - d) Agent
20. Which of the following skill is most essential to get most out of the people?
- a) Technical skill
 - b) Conceptual skill
 - c) **Human skills**
 - d) Mechanical skill
21. The degree to which jobs are standardized and guided by rules and procedures is called:
- a) Work specialization
 - b) Centralization
 - c) Decentralization
 - d) **Formalization**
22. Which factor has been the most rapidly changing component in an organization's general environment in the past quarter-century?
- a) Global
 - b) Economic
 - c) Social
 - d) **Technological**
23. Monitoring organizational progress towards goal attainment is called:
- a) Planning
 - b) Organizing
 - c) Leading
 - d) **Controlling**
24. Which one of the following individuals is most closely associated with scientific management?
- a) **Fredrick Taylor**
 - b) Mary Parker Follett
 - c) Harold Koontz

- d) Max Weber
25. Which of the following means that you achieve the best possible balance among several goals?
- a) Sacrificing
 - b) Satisfying
 - c) Minimizing
 - d) **Optimizing**
26. PERT Chart assists in _____ the tasks within an organization.
- a) **Budgeting**
 - b) Scheduling
 - c) Evaluating
 - d) Finalizing
27. As a transportation manager you are supposed to select transportation routes to minimize shipping cost. Which optimum technique will be used?
- a) Forecasting
 - b) **Project management**
 - c) Budgeting
 - d) Linear programming
28. The process of monitoring performance, comparing it with goals and correcting any significant deviations is known as:
- a) Planning
 - b) Organizing
 - c) Leading
 - d) **Controlling**
29. Nestle and ICI have taken steps to address human rights issues in their overseas factories. This represent that these companies have
- a) Social obligation
 - b) Social Screening
 - c) **Social Responsibility**
 - d) Social responsiveness
30. Asma, a new manager at XYZ Inc. primarily worries about assembling and coordinating the human, financial, physical, and other resources needed to achieve her goals. Which function is Asma primarily concerned about

- a) **Organizing**
 - b) Controlling
 - c) Planning
 - d) Leading
31. The set of strengths, characteristics and qualities including skills, technologies, or resources that distinguish a firm from its competitors is called:
- a) Scope
 - b) **Distinctive Competency**
 - c) Resource deployment
 - d) Effective strategy
32. All of the following are the characteristics of an organization EXCEPT:
- a) People
 - b) Product
 - c) Purpose
 - d) **Structure**
33. Most of the countries in the world are moving towards globalization all of the following reasons EXCEPT:
- a) For free market economy
 - b) **For liberalization in trade**
 - c) Increase efficiency
 - d) Refutation of economic power
34. Which of the following management thinker created a role classification system based on how managers spend their time at work to describe a manager's role?
- a) Peter Brabeck-Letmathe
 - b) Abraham Maslow
 - c) Andrea Jung
 - d) **Henry Mintzberg**
35. The process of collaborative goal setting by a manager and subordinate; the extent to which goals are accomplished is a major factor in evaluating and rewarding the subordinate's performance. It is called:
- a) Management by objective
 - b) Management by resources
 - c) Management by authority
 - d) **Management by system**

36. Which of the following is the process of developing businesses to pursue trends and changes that no one else has seen before?
- a) **Entrepreneurship**
 - b) Division of labor
 - c) Evolution
 - d) E-commerce
37. What is the best term to describe the process of attempting to influence other people to attain the organization's objectives?
- a) Planning
 - b) Organizing
 - c) **Leading**
 - d) Controlling
38. An organization that assigns specialists from different functional departments to work on one or more than one projects being led by project managers is called -----
- a) Team Organization
 - b) Virtual Organization
 - c) **Matrix organization**
 - d) Learning Organization
39. Activities such as taking visitors to dinner and attending ribbon cutting ceremonies come under which of the following management role?
- a) Leader
 - b) Liaison
 - c) **Figurehead**
 - d) Negotiator
40. The degree to which decision making is confined at a single point in an organization is described as _____.
- a) Unity of command
 - b) Chain of command
 - c) Span of management
 - d) **Centralization**
41. Global competition, accelerated product development by competitors, and increased demands by customers for better service have encouraged organizations to become more _____.
- a) **Organic**
 - b) Mechanistic

- c) Technologically pure
 - d) Task oriented
42. The idea that employees should also share the profit of organization was given by:
- a) Frederick Taylor
 - b) Robert Owen
 - c) **Charles Babbage**
 - d) W. Edwards Deming
43. Plant managers come under which of following management levels?
- a) First-line managers
 - b) Non-managerial employees
 - c) **Middle managers**
 - d) Top managers
44. When Shumaila is comparing actual sales figures with goals established earlier to see if her department met the target, she is performing which of the following functions?
- a) Planning
 - b) Organizing
 - c) Leading
 - d) **Controlling**
45. Which one of the following ethical approaches exemplifies the belief that every person has fundamental human rights that should be respected as well as protected?
- a) Justice approach
 - b) **Rights Approach**
 - c) Individualism approach
 - d) Utilitarianism approach
46. _____, identifies the order of activities to be performed in order to achieve a particular goal.
- a) Budgeting
 - b) Linear programming
 - c) Break-even analysis
 - d) **Scheduling**
47. All levels of management between the supervisory level and the top level of the organization are termed as:
- a) **Middle managers**
 - b) First-line managers

- c) Supervisors
 - d) Foremen
48. A situation in which an organization is not implementing valuable strategies that are being implemented by competing organization is called:
- a) **Competitive Disadvantage**
 - b) Distinctive competencies
 - c) Competitive edge
 - d) Competitive parity
49. A budget is an example of which of the following plan?
- a) Strategic plan
 - b) **Single plan use**
 - c) Informal plan
 - d) Standing plan
50. The management function that specifies goals to be achieved and deciding in advance the appropriate actions to achieve those goals is:
- a) Leading
 - b) Controlling
 - c) Organizing
 - d) **Planning**
51. _____ is a situation that offers a strong potential for significant organizational gain if appropriate actions are taken
- a) Crises problem
 - b) **Opportunity Problem**
 - c) None crises problem
 - d) None of above
52. Pakistan Federal government has passed disabilities act of 2005 to protect rights of disable persons and to give them flexibility in job. This comes under which of the following environmental sub context
- a) Economic
 - b) Socio cultural
 - c) **Political/Legal**
 - d) Technological
53. Which of the following statement best describes Social Obligation?
- a) Firm's capacity to adapt changing social condition

- b) Applying social criteria to investment decisions
 - c) **Firms obligation pursue long term goals that are good for society**
 - d) Firm's obligation to meet its economic & legal responsibilities
54. Which of the following view is concerned with respecting and protecting individual liberties and privileges such as the rights to privacy, freedom of conscience, free speech, life and safety, and due process?
- a) Utilitarian view
 - b) **Rights View**
 - c) Theory of justice view
 - d) Integrative social contracts theory view
55. Communication should be:
- a) From Top to Bottom level
 - b) From Bottom to top
 - c) **Two Way**
56. Which type of environment is best suited for mechanistic organizations?
- a) Dynamic
 - b) Manufacturing
 - c) Service
 - d) **Stable**
57. Global competition, accelerated product development by competitors, and increased demands by customers for better service have encouraged organizations to become more _____.
- a) **Organic**
 - b) Mechanistic
 - c) Technologically pure
 - d) Task oriented
58. The process through which raw materials changed into consumer products is termed as:

- a) Development process
 - b) **Transformation Process**
 - c) Marketing process
 - d) Procurement process
59. The best way to characterize management is to say that it is:
- a) Part of the economy
 - b) An activity or process
 - c) **An overcrowded career field**
 - d) One of the chief difficulties for most firms
60. Computers and campus facilities given to a university are called its:
- a) Human resources
 - b) Financial resources
 - c) Physical resources
 - d) **Information resources**
61. Which is the most common cause of business failure?
- a) Insufficient capital
 - b) Unstable market
 - c) Insufficient experience
 - d) **Poor Entrepreneurship**
62. GANTT Chart is a tool of:
- a) Budgeting
 - b) Linear programming
 - c) Break-even analysis
 - d) **Scheduling**
63. Transformation process within a system transfers:
- a) Raw materials into inputs

- b) Inputs into raw materials
 - c) Output into finished goods
 - d) **Inputs into finished goods**
64. Sales responsibilities divided into the Southwest, Midwest, southern, northern, and western regions would be an example of what type of departmentalization?
- a) Product
 - b) **Geographic**
 - c) Process
 - d) Outcome
65. In the MBO system:
- a) Objectives are determined by management
 - b) Goals are only reviewed at the time of completion
 - c) **Goals are used as controls**
66. An organic organizational structure is characterized by-----
- a) **Minimal formalization**
 - b) Rigid departmentalization
 - c) Narrow spans of control
 - d) High formalization
67. In XYZ Company HR director has negotiated with striking employees who were demanding for increase in salaries due to inflation. He has performed the role of
- a) Leader
 - b) Negotiator
 - c) **Liaison**
68. All of following are elements of planning function EXCEPT
- a) Establishing strategies

- b) Developing Plans
 - c) **Monitoring performance**
 - d) Coordinate activities
69. In order to communicate, motivate and delegate a manager must have:
- a) Political skills
 - b) Conceptual skills
 - c) Technical skills
 - d) **Interpersonal Skills**
70. In the pyramid of levels of management, non-managerial staff is placed at/in:
- a) Top
 - b) Middle
 - c) **Bottom**
 - d) None of the given options
71. How would you define the problem if all outcomes of every alternative are known?
- a) Bounded rationality
 - b) Unbounded rationality
 - c) **Certainty**
 - d) Uncertainty
72. Mr. A is a Manager on XYZ company; he has a reputation for being an open and honest person and understands how to motivate employees and customers, he said to have good_____ skills.
- a) Sales
 - b) Political
 - c) **Interpersonal**
 - d) Technical
73. Someone who works with and through other people by coordinating their work activities to accomplish organizational goals is called:

- a) A Very intelligent: Individual
 - b) A Supervisor of Production Work
 - c) **A Manager**
 - d) An operation Supervisor
74. XYZ Company has policy of employee's Job security, career progress and ensure that replacement are available to fill vacancies. This company is practicing which of the following principle.
- a) **Initiative**
 - b) Remuneration
 - c) Esprit de-cops
 - d) Stability if tender of personnel
75. SWOT analysis divides organizational strength into two categories; Common strength and_____.
- a) Strategic imitation
 - b) **Competitive Parity**
 - c) Distinctive Competencies
76. The Continues line if authority that extends from the upper level of management to the lowest levels of the organization is called:
- a) Authority line of responsibility
 - b) Unity of Commerce
 - c) Responsibility factor
 - d) **Chain of command**
77. Which ethical approach guided by what will result in the greatest good for the greatest number of People?
- a) **Moral Rights Approach**
 - b) Individual approach
 - c) Utilitarian Approach
 - d) Justice Approach
78. Plans that Provide guidelines form activities to be performed repeatedly like policy, procedure are called.
- a) Single Use Plans
 - b) Standard Plans
 - c) Contingency Plan
 - d) **Short term Plans**
79. Which is the most common cause of business failure?

- a) **Insufficient Capital**
 - b) Unstable market
 - c) Insufficient experience
 - d) Poor Entrepreneurship
80. Reading of a business journal, publication on regular basis to gather information for upcoming business trends, this role is called
- a) Disseminator
 - b) Liaison
 - c) **Spokesperson**
 - d) Monitor
81. Which of the following is the accountability for the achievement of objectives, the use of resources, and the adherence to organizational policy?
- a) Power
 - b) Responsibility
 - c) Authority
 - d) **Planning**
82. Organizations can play role in addressing global environment issues through all of the following ways EXCEPT:
- a) Greening of Management
 - b) Depletion of natural Resources
 - c) Fulfilling their Social Obligation
 - d) **Avoiding industrial accidents**
83. System Theory and Contingency Theory are related to which of the following:
- a) **Classical theories**
 - b) Beta ode theories
 - c) Contemporary
84. _____ are large scale action plans of an organization for interacting with environment in order to achieve long term goals.
- a) Objectives
 - b) Strategic Goals
 - c) Strategic
 - d) **Actions**
85. Hawthorne studies were a series of early experiments that focused on:
- a) **Behavior in the work place**

- b) Ethics in the workplace
 - c) Group norms
 - d) Interpersonal dynamics
86. Selecting an alternative in the decision-making process is accomplished by:
- a) **Choosing the alternative with the highest score**
 - b) Choosing the One You Like Best
 - c) Selecting the alternative that has the lowest price
 - d) Selecting the alternative that is the most reliable
87. A plan developed to carry out a course of action that is not likely to be repeated in the future is called:
- a) Single-use plan
 - b) **Specific plans**
 - c) Reaction plan
 - d) Direction plan
88. Concern for employee motivation is most closely associated with which of the following management approach?
- a) Bureaucracy
 - b) **Organizational behavior**
 - c) Scientific management
 - d) Systems
89. Interest rates, inflation rates, and stock market indexes are all examples of which of the factor of an organization's general environment?
- a) **Economic**
 - b) Political
 - c) Social
 - d) Technological
90. Which factor has been the most rapidly changing component in an organization's general environment in the past quarter-century?
- a) Global
 - b) Economic
 - c) Social
 - d) **Technological**
91. When Usman decides to deploy employees to another department that is lagging behind in production, he is acting in which of the following roles?

- a) Spokesperson
- b) Negotiator
- c) Leader
- d) **Resource Allocator**

92. The greater the risk involved in making a decision, the greater the:

- a) Outcomes
- b) Information available
- c) **Rewards**
- d) Uncertainty

93. Each subordinate should report to one and only one superior is called:

- a) Authority
- b) **Unity of command**
- c) Unity of direction
- d) Order

94. Which of the following is part of the 14 principles of management identified by Henri Fayol?

- a) **Scalar chain**
- b) Innovation
- c) Efficiency
- d) Motivation

95. A learning organization has developed its_____.

- a) Educational department to keep employees trained
- b) **Capacity to adapt change**
- c) Barriers to entry of its markets
- d) A sustainable competitive advantage that is easy to maintain

96. Which of the following is not a suggestion for motivating employees?

- a) Recognize individual differences
- b) **Makes goal difficult to achieve**
- c) Match people to jobs
- d) Individualize rewards

97. In Maslow's need hierarchy, a healthy work environment is an example of what type of need?

- a) Physiological
- b) Esteem

- c) **Safety**
 - d) Social
98. The plans which deal with fairly small set of activities are called:
- a) Strategic plan
 - b) Tactical plan
 - c) **Operational Plans**
 - d) Personal plan
99. Which of the following is known as the process of getting activities completed efficiently and effectively with and through other people?
- a) Leading
 - b) **Management**
 - c) Supervision
 - d) Controlling
100. Which of the following describe(s) a global marketplace?
- a) The entire world is a marketplace
 - b) National borders are irrelevant
 - c) The potential for organizations to grow expands dramatically
 - d) **All of given options**
101. The assignment of new or additional responsibilities to a subordinate is called:
- a) Coordination
 - b) Specialization
 - c) **Delegation**
 - d) Span of control
102. Which expectancy theory linkage explains the degree to which a student desires a good job?
- a) **Expectancy**
 - b) Effort to performance
 - c) Input to outcome
 - d) Valence
103. The assignment of new or additional responsibilities to a subordinate is called:
- a) Coordination
 - b) Specialization
 - c) **Delegation**
 - d) Span of control

104. Which ethical approach is guided by what will result in the greatest good for the greatest number of people?
- a) Moral-Rights approach
 - b) Individual approach
 - c) Utilitarian approach
 - d) **Justice approach**
105. Low level management has a complete authority to make decisions in case of:
- a) Centralization
 - b) **Decentralization**
 - c) Scalar Chain
 - d) Order
106. Which one of the following individuals is most closely associated with scientific management?
- a) **Fredrick Taylor**
 - b) Mary Parker Follett
 - c) Harold Koontz
 - d) Max Weber
107. There are many healthcare products manufacturers. XYZ Company manufactures only personal hygiene products. It markets such products deodorant, body powder, body creams, and exfoliates. Because it only stocks body care and personal hygiene products, it is
- a) Prospecting
 - b) Emergent
 - c) **Focus strategy**
 - d) Cost leadership
108. When managers give goals to employees, they must always:
- a) Use employee-recognition as a reward
 - b) Provide feedback to the employees
 - c) Let the employees participate in setting the goals
 - d) **All of given options**
109. The organization that has developed the capacity to continuously learn, adapt, and change is called:
- a) Virtual organization
 - b) **Learning organizations**
 - c) Traditional organization

- d) Bureaucratic organization
110. Your firm's attorney has which of the following power when giving legal advice?
- a) Legitimate
 - b) Status
 - c) **Expert**
 - d) Coercive
111. Which of the following is a function of how much decision-making authority is pushed down to lower levels in the organization?
- a) **Departmentalization**
 - b) Centralization
 - c) Span of control
 - d) Power
112. Organizations that are highly flexible and adaptive are described as which of the following?
- a) Organic
 - b) Mechanistic
 - c) **Rational**
 - d) Intuitive
113. 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
114. Which type of environment is best suited for mechanistic organizations?
- a) **Dynamic**
 - b) Manufacturing
 - c) Service
 - d) Stable
115. 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**
116. In traditional goal setting, the goals are set at the top level of management and after that they:
- a) Become the responsibility of first-line management
 - b) **Are broken down into sub goals for each level of organization**
 - c) All the efforts to achieve the goals are directed by top management
 - d) Are delegated to the next lower level to be achieved
117. Which of the management tasks is the most important for a supervisory manager?
- a) Planning
 - b) Organizing
 - c) **Controlling**
 - d) Staffing
118. A budget is an example of which of the following plan?
- a) Strategic plan
 - b) **Estimating Plan**
 - c) Informal plan
 - d) Standing plan
119. Which of the following is the final step in the decision-making process?
- a) Identifying the problem
 - b) **Evaluating the decision's effectiveness**
 - c) Identifying decision criteria
 - d) Selecting an alternative that can resolve the problem
120. The behavioral dimension of leadership involving the concern that the leader has for the feelings, needs, personal interest, problems, and well being of followers is referred to as which of the following?
- a) Consideration
 - b) Initiating structure
 - c) Autocratic
 - d) **Democratic**
121. What type of an organization actively creates, acquires, and transfers knowledge within itself and is able to modify its behavior to reflect new knowledge?
- a) Enlightened organization
 - b) Conceptualized organization
 - c) **Learning organization**

- d) Modern organization
122. A primary benefit of MBO is:
- a) Avoid competition
 - b) Resistance against new entrance
 - c) **Improve employee motivation**
 - d) Increase resources
123. Functional departmentalization groups jobs by which of the following?
- a) **Tasks they perform**
 - b) Territories they serve
 - c) Products or services they manufacture or produce
 - d) Type of customer they serve
124. Henri Fayol, a French industrialist, first analyzed what managers do and divided that work into functions. The study of the management function that defines goals and establishes strategies to achieve them is called:
- a) **Planning**
 - b) Organizing
 - c) Leading
 - d) Controlling
125. Which one of the following items best reflects the extent to which a society places a high value on reducing risk and instability?
- a) **Uncertainty avoidance**
 - b) Power distance
 - c) Masculinity/femininity
 - d) Long-term/short-term orientation
126. When a manager made a decision and he is uncertain about the outcomes. His decision is likely to be:
- a) Poor Quality
 - b) Unacceptable
 - c) Successful
 - d) **Risky**
127. Forecasting techniques fall into which of the following two categories?
- a) Fixed asset and human capital
 - b) Predictive and confirmatory

- c) **Quantitative and qualitative**
 - d) Empirical and conceptual
128. A plan developed to carry out a course of action that is not likely to be repeated in the future is called:
- a) **Single Plan**
 - b) Specific plan
 - c) Reaction plan
 - d) Directional plan
129. The organization which has no interaction with its external environment is called:
- a) Open system
 - b) **Closed System**
 - c) Non-interactive system
 - d) Moderated system
130. Which famous management thinker was related with the development of "Theory X"?
- a) **Douglas Mc gregor**
 - b) Abraham Maslow
 - c) Frederick Herzberg
 - d) Chester Barnard
131. The management function that specifies goals to be achieved and deciding in advance the appropriate actions to achieve those goals is:
- a) Leading
 - b) Controlling
 - c) Organizing
 - d) **Planning**
132. Organizational culture is similar to an individual's:
- a) Skills

- b) **Personality**
 - c) Motivation
 - d) Ability
133. Which of the following is NOT an example of an organization's general environment?
- a) Economic conditions
 - b) Political conditions
 - c) **Social condition**
134. Who presented the Concept of Quality?
- a) Henri Fayol
 - b) Prof. Henry Mintzberg
 - c) Frank & Lillian Gilbreth
 - d) **Prof. Edward Deming**
135. In order to communicate, motivate and delegate a manager must have:
- a) Political skills
 - b) Conceptual skills
 - c) Technical skills
 - d) **Interpersonal Skills**
136. Which of the following departmentalization is used more in recent years to better monitor the needs of customers and to respond to changes in those needs?
- a) **Need based**
 - b) Functional
 - c) Process
 - d) Customer
137. Which of the following is called output of a system?
- a) Services
 - b) **Material**

- c) Human
 - d) Information resource
138. Who is credited for the theory of motivation based on the hierarchy of needs?
- a) **Abraham Maslow**
 - b) Douglas McGregor
 - c) Henri Fayol
 - d) Mary Parker Follett
139. Which of the following is NOT an example of a constituency that makes up the specific environment?
- a) Customers
 - b) **Socio- Cultural**
 - c) Suppliers
 - d) Competitors
140. The SWOT approach assesses an organization's:
- a) Speed, Wants, Order, Timing
 - b) Studies, Workflows, Opportunities, Trials
 - c) **Strength, weakness, opportunities, threats**
 - d) Signs, Worries, Objectives, Techniques
141. An office supply firm that has three departments based upon retail, wholesale, and governmental customers is using which of the following types of departmentalization?
- a) **Functional**
 - b) Product
 - c) Customer
 - d) Geographic
142. 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**
143. A manager who strives to ensure the activities of the organization's employees are supported and blend well with those of individuals outside the firm could be said to hold which of the following interpersonal role within the company?
- a) Liaison
 - b) Disseminator
 - c) **Figure Head**
 - d) Entrepreneur
144. What would be the best description of plans that focus on the broad future of the organization and incorporate both external environmental demands and internal resources into managers' actions?
- a) Operational plans
 - b) Tactical plans
 - c) **Strategic Plans**
 - d) Holistic plans
145. Which of the following scientist is most closely associated with the Hawthorne studies?
- a) Adams
 - b) **Mayo**
 - c) Lawler
 - d) Barnard
146. When objectives are not written down or rarely verbalized, and the planning is general and lacks continuity, which of the following types of planning is used?
- a) Environmental planning
 - b) Economic planning
 - c) **Informal Planning**
 - d) Formal planning

147. Which of the following is the power that rests on the leader's ability to punish or control?
- a) Reward power
 - b) Coercive power
 - c) **Expert Power**
 - d) Referent power
148. Inspiring people to be high performer is called:
- a) Controlling
 - b) **Leading**
 - c) Planning
 - d) Organizing
149. Which of the following theory is currently the most widely accepted when describing employee motivation?
- a) Reinforcement
 - b) **Three- Need**
 - c) Expectancy
 - d) Equity
150. 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?
- a) **Liaison**
 - b) Leader
 - c) Disseminator
 - d) Spokesperson
151. A skill or capability that enables an organization to conceive of and implement its strategies is its:
- a) **Strength**
 - b) Weakness

- c) Opportunity
 - d) Threat
152. 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) **Legislator**
 - b) Pressure groups
 - c) Employees
 - d) Lawyers
153. Set of processes involved in creating or determining the strategies of the organization is called:
- a) **Strategic Formulation**
 - b) Strategy implementation
 - c) Strategy evaluation
 - d) Strategy imitation
154. What type of an organization actively creates, acquires, and transfers knowledge within itself and is able to modify its behavior to reflect new knowledge?
- a) Enlightened organization
 - b) Conceptualized organization
 - c) **Learning Organization**
 - d) Modern organization
155. Which of the following is a general statement or understanding that guide or channelize thinking in decision making?
- a) **Policy**
 - b) Procedure
 - c) Rule
 - d) Project
156. Which of the following is a process that involves managers from all parts of the organization in the formulation of strategic goals?
- a) **Strategic Management**
 - b) Strategic positioning
 - c) Strategic planning
 - d) Strategic organizing

157. Maslow's need hierarchy, a healthy work environment is an example of what type of need?
- a) Physiological
 - b) Esteem
 - c) **Safety**
 - d) Social
158. Which of the following is NOT a key element of the Total Quality Management approach?
- a) Focus on the customer
 - b) Employee involvement
 - c) Continuous improvement
 - d) **Focus on suppliers**
159. When call center managers spend much of their time monitoring customer calls and giving employees feedback about how to improve their dialogue with customers in the future, these managers are using which of the following skills?
- a) **Technical**
 - b) Conceptual
 - c) Situational
 - d) Ethical
160. The process of selecting decision criteria is accomplished by:
- a) Massaging the data that will support a given decision
 - b) **Flipping a coin to produce a 50-50 chance of being right**
 - c) Determining what is relevant in making the decision
161. Examining the difference in the opportunities available :Alternatives that an organization chooses from its operations across several industries and several markets is called:
- a) Business-level strategy
 - b) Corporate-level strategy
 - c) Functional-level strategy
 - d) **Market level strategy**
162. In the MBO system:
- a) **Objective are determined by management**
 - b) Goals are only reviewed at the time of completion
 - c) Progress is periodically reviewed

163. Strategic plans cover a broader view of the organization and include the formulation of goals, whereas operational plans define ways to:
- a) Maximize the organization's profits
 - b) **Achieve Goals**
 - c) Minimize the number of employees
 - d) Provide the most efficient methods of production
164. The first step in the decision-making process is which of the following?
- a) Developing decision criteria
 - b) Allocating weights to the criteria
 - c) Analyzing alternatives
 - d) **Identifying a problem**
165. A skill or capability that enables an organization to conceive of and implement its strategies is its:
- a) **Strength**
 - b) Weakness
 - c) Opportunity
 - d) Threat
166. The management function that specifies goals to be achieved and deciding in advance the appropriate actions to achieve those goals is:
- a) Leading
 - b) Controlling
 - c) Organizing
 - d) **Planning**
167. The plans which deal with fairly small set of activities are called:
- a) Strategic plan
 - b) Tactical plan
 - c) Operational plan
 - d) **Personal plans**
168. Which of the following can be defined as the art and science of formulating, implementing and evaluating cross-functional decisions that enable an organization to achieve its objectives?
- a) Strategy formulation
 - b) Strategy evaluation
 - c) Strategy implementation
 - d) **Strategic management**

169. Which of the following is NOT one of the situational factors thought to influence the relationship between leader behavior and subordinate motivation to perform in the path-goal theory?
- a) Preferences of the leader
 - b) Subordinate locus of control
 - c) Characteristics of the work group
 - d) **Task structure**
170. Social obligation is the obligation of a business to meet its:
- a) Social and technological responsibilities
 - b) Economic and social responsibilities
 - c) Technological and economic responsibilities
 - d) **Economic and legal responsibilities**
171. All of the following are the examples of the actions that can be taken in strategy implementation stage EXCEPT:
- a) **Changing organization's pricing strategy**
 - b) Developing new employee benefits
 - c) Transferring managers among divisions
 - d) Taking corrective action when needed
172. The method by which strategies are operationalized or executed within the organization is called:
- a) **Strategic Implementation**
 - b) Strategy evaluation
 - c) Strategy formulation
 - d) Strategy imitation
173. In some countries, such as Venezuela, titles, rank, and status carry a lot of weight. These countries have a large:
- a) **Power distance**
 - b) Uncertainty avoidance
 - c) Short- versus long-term orientation
 - d) Individualism versus collectivism

174. Which of the following is associated with the classical view of social responsibility?
- a) **Economist Robert Riche**
 - b) Concern for social welfare
 - c) Stockholder financial return
 - d) Voluntary activities
175. A leader, such as Bill Gates of Microsoft, who can inspire followers above their own self-interests and can have a profound effect on their performance, are known as which of the following?
- a) Transactional leaders
 - b) **Direct leaders**
 - c) Informational leaders
 - d) Transformational leaders
176. Which of the following term is defined as a business firm's obligation, beyond that required by law and economics, to pursue long-term goals that are good for society?
- a) **Social Obligation**
 - b) Social responsibility
 - c) Social screening
 - d) Values-based management
177. Feed Back of ____ is necessary to improve the quality of the product.
- a) **Customers**
 - b) Employees
 - c) Investors
 - d) All of the given options
178. Which of the following is the accountability for the achievement of objectives, the use of resources, and the adherence to organizational policy?
- a) Power
 - b) Responsibility

- c) **Authority**
 - d) Planning
179. Which management theory focuses on managing the total organization?
- a) **Scientific Management**
 - b) Administrative management
 - c) Behavioral management
 - d) Quantitative management
180. The following is the process of developing businesses to pursue trends and changes that no one else has seen before?
- a) **Entrepreneurship**
 - b) Division of labor
 - c) Evolution
 - d) E-commerce
181. A learning organization has developed its_____.
- a) Educational department to keep employees trained
 - b) **Capacity to adapt change**
 - c) Barriers to entry of its markets
182. A sustainable competitive advantage that is easy to maintain the greater the risk involves in making a decision, the greater the:
- a) Outcomes
 - b) Information available
 - c) **Uncertainty**
183. A skill and capability held by numerous competing firms is called:
- a) **Common Strength**
 - b) Competitive edge
 - c) Competitive parity
 - d) Distinctive competencies

184. The quantitative approach has contributed directly in the areas of:
- a) **Planning and control**
 - b) Control and leading
 - c) Organizing and control
 - d) Planning and leading
185. Which of the following early advocates of organizational behavior was the first to argue that organizations were open systems?
- a) Robert Owens
 - b) **Hugo Munsterberg**
 - c) Mary Parker Follett
 - d) Chester Barnard
186. The people at the bottom of the organization generally deal with repetitive and familiar problems such as workers who are late or machinery that breaks down. As a result, most of the decisions made by first line supervisors are:
- a) Programmed decisions
 - b) **Structured Decision**
 - c) Novel decisions
 - d) Non-programmed decisions
187. The method by which strategies are operational zed or executed within the organization is called:
- a) **Strategy Implementation**
 - b) Strategy evaluation
 - c) Strategy formulation
 - d) Strategy imitation
188. The belief that businesses should be responsible because such actions are right for their own sake is known as which argument for social responsibility?
- a) Public expectation
 - b) **Ethical obligation**
 - c) Public image
 - d) Discouragement of government regulation
189. Selecting an alternative in the decision-making process is accomplished by:

- a) **Choosing the alternative with highest scores**
 - b) Choosing the One You Like Best
 - c) Selecting the alternative that has the lowest price
 - d) Selecting the alternative that is the most reliable
190. _____ courses help managers gain a better understanding of motivation, leadership, trust, employee selection, performance appraisals, and training techniques.
- a) **Psychology**
 - b) Sociology
 - c) Political science
 - d) Anthropology
191. In general, entrepreneurs are better able than managers in a traditional hierarchical organization to
- a) Lead.
 - b) Organize.
 - c) **Respond to a changing environment.**
 - d) Respond to a static environment.
192. A construction supervisor site who sees an impending thunderstorm, tells workers to go home, and secures the site is demonstrating
- a) **Authority.**
 - b) Delegation.
 - c) Accountability.
 - d) Responsibility
193. _____ involves the delegation of decision-making and authority to lower levels in the organization.
- a) **Decentralization**
 - b) Departmentalization
 - c) Specialization
 - d) Centralization
194. The belief that a firm's obligation goes beyond that required by law and economics, and includes a pursuit of long-term goals that are good for society is known as
- a) Social responsiveness.
 - b) Ethical responsibility.
 - c) **Social responsibility.**
 - d) Social obligation

195. The objective of TQM is to create an organization committed to continuous

a) **Improvement.**

b) Development

c) Struggle

d) A & B

196. The process of assigning authority and responsibility to one's subordinates to manage a project is called

a) Centralization.

b) Supervision.

c) **Delegation.**

d) Specialization.

197. One of the greatest effects of e-commerce is that

a) Costs will be reduced.

b) **Customers will be empowered.**

c) Employees become more powerful.

d) Computers will be less important.

198. Time -and- motion study introduced by

a) Henri Fayol

b) **Fredrick W. Taylor**

c) Frank and Lillian Gilberth

d) Adam Smith

199. _____ focused on the work or the job and how to do it better.

a) **Scientific management**

- b) Bureaucratic management
 - c) Classical management
 - d) Administrative management
200. _____ is the degree to which followers perceives someone as honest, competent, and able to inspire.
- a) **Credibility**
 - b) Trust
 - c) Integrity
 - d) Consistency
201. Women leaders tend to adopt a more _____ than men do.
- a) Autocratic
 - b) **Democratic**
 - c) Directive
 - d) None of above
202. _____ leadership is described as going beyond charisma with the ability to create and articulate a realistic, credible, attractive vision of the future for an organization or organizational unit that grows out of and improves on the present.
- a) Charismatic
 - b) Transformational
 - c) **Visionary**
 - d) None of above
203. _____ studied three leadership styles: autocratic, democratic, and laissez-faire.
- a) Ohio State Studies
 - b) University of Michigan Studies
 - c) **University of Iowa Studies**
 - d) Hawthorne studies
204. When a divisional structure is superimposed over a functional structure, the type of structure that results is called a _____ organization.
- a) Functional
 - b) Divisional
 - c) **Matrix**
 - d) Product

205. _____ would NOT be considered a source of position or legitimate power for a manager.
- a) The ability to give special monetary rewards to deserving subordinates
 - b) **Possession of a charismatic personality**
 - c) The ability to recommend disciplinary action for subordinates
 - d) Being a high-ranking executive in the company
206. The rights inherent in a managerial position to give orders and expect them to be obeyed is known as:
- a) Responsibility
 - b) Span of control
 - c) **Authority**
 - d) Accountability
207. Power can be viewed as a three-dimensional concept. It includes functional and hierarchical dimensions as well as a third dimension called:
- a) Influence.
 - b) Legitimacy.
 - c) Departmentalization.
 - d) **Centrality**
208. An organization that groups activities according to women's footwear, men's footwear, apparel, accessories, and leggings would use _____ departmentalization.
- a) Functional
 - b) **Product**
 - c) Customer
 - d) Geographic
209. One of the following is characteristic of Democratic Leaders:
- a) Unilateral decisions
 - b) **Involve group in decision making**
 - c) Dictate work method
 - d) Participate only to answer question.
210. Strategic management entails all of the basic management functions:
- a) **Planning, organizing, leading, and controlling.**
 - b) Motivation, efficiency, authority and effectiveness.

- c) Planning, bossing, controlling, and organizing.
 - d) Making things happen, meeting the competition, organizing the people and leading.
211. Which of the following is not a part of strategy formulation?
- a) Identifying the mission and strategic goals.
 - b) Conducting competitive analysis.
 - c) Developing specific strategies.
 - d) **Carrying strategic plans.**
212. Planning involves two important elements:
- a) **Goals and plans.**
 - b) Organizing and controlling.
 - c) Lead and plans.
 - d) Staffing and leading.
213. Strategic goals are concerned with :
- a) **Top level managers.**
 - b) Middle level managers.
 - c) First-Line Managers.
 - d) Non-managerial Employees.
214. Tactical goals and plans typically involve time periods of _____.
- a) 1 year.
 - b) **1 to 3 years.**
 - c) 3 to 5 years.
 - d) More than 5 years.
215. _____ are those targets or future end results set by lower management that address specific, measurable outcomes required from the lower levels.
- a) Strategic goals.
 - b) Tactical goals.
 - c) **Operational goals.**
 - d) None of given options.
216. MBO was first described by _____.
- a) **Peter Drucker.**
 - b) Henry Mintzberg.

- c) Henry Fayol.
 - d) Fredrick W. Taylor.
217. A _____ is a prescribed series of related steps to be taken under certain recurring circumstances.
- a) **Procedure.**
 - b) Plans.
 - c) Policy.
 - d) Project.
218. Tactical plans tend to be _____ specific and concrete than strategic plans.
- a) **More.**
 - b) Less.
 - c) Lower.
 - d) None of given
219. A mission statement is a _____ declaration of the basic, unique purpose.
- a) Narrow.
 - b) **Broad.**
 - c) Contracted.
 - d) None of given options.
220. Which of the following statements regarding managers in today's world is accurate?
- a) Their age range is limited to between 30 and 65.
 - b) They are found only in large corporations.
 - c) They can be found exclusively in for profit organizations.
 - d) **The single most important variable in employee productivity and loyalty is the quality of the relationship between employees and their direct supervisors.**
221. According to data collected by Catalyst, a nonprofit research group, _____ percent of corporate officers in *Fortune 500* companies are women.
- a) 55.3
 - b) **15.7**
 - c) 39.7

- d) 21.9
222. Someone who works with and through other people by coordinating their work activities in order to accomplish organizational goals is _____.
- a) A very intelligent individual
 - b) A supervisor of production work
 - c) **A manager**
 - d) An operations supervisor
223. Managers who are responsible for making organization-wide decisions and establishing the plans and goals that affect the entire organization are _____.
- a) First-line managers
 - b) **Top managers**
 - c) Production managers
 - d) Research managers
224. All levels of management between the supervisory level and the top level of the organization are termed _____.
- a) **Middle managers**
 - b) First-line managers
 - c) Supervisors
 - d) Foremen
225. Executive vice president, president, managing director, chief operating officer, chief executive officer, or chairman of the board are positions associated with which of the following levels of management?
- a) Team leaders
 - b) Middle managers
 - c) First-line managers
 - d) **Top managers**
226. Agency head or plant manager is most likely associated with which of the following?
- a) Team leaders
 - b) **Middle managers**
 - c) First-line managers
 - d) Top managers
227. The lowest level of management is _____.
- a) A non-managerial employee

- b) A department of research manager
 - c) A vice president
 - d) **A first-line manager**
228. Supervisor is another name for whom?
- a) Team leaders
 - b) Middle managers
 - c) **First-line managers**
 - d) Top managers
229. Managers with titles such as department head, project leader, plant manager, or division manager are _____.
- a) First-line managers
 - b) Top managers
 - c) Production managers
 - d) **Middle managers**
230. All levels of management between the supervisory level and the top level of the organization are termed _____.
- a) **Middle managers**
 - b) First-line managers
 - c) Supervisors
 - d) Foremen
231. Division manager is associated with which of the following levels of management?
- a) Team leaders
 - b) **Middle managers**
 - c) First-line managers
 - d) Top managers
232. _____ is the process of getting activities completed efficiently and effectively with and through other people.
- a) Leading
 - b) **Management**
 - c) Supervision
 - d) Controlling
233. The distinction between a managerial position and a nonmanagerial position is _____.

- a) Planning the work of others
 - b) **Coordinating the work of others**
 - c) Controlling the work of others
 - d) Organizing the work of others
234. _____ distinguishes a managerial position from a nonmanagerial one.
- a) Manipulating others
 - b) Concern for the law
 - c) Increasing efficiency
 - d) **Coordinating and integrating others' work**
235. An automobile manufacturer that increased the total number of cars produced at the same cost, but with many defects, would be _____.
- a) Efficient and effective
 - b) **Increasing efficiency**
 - c) Increasing effectiveness
 - d) Concerned with inputs
236. Effectiveness is synonymous with _____.
- a) Cost minimization
 - b) Resource control
 - c) **Goal attainment**
 - d) Efficiency
237. Efficiency refers to _____.
- a) **The relationship between inputs and outputs**
 - b) The additive relationship between costs and benefits
 - c) The exponential nature of costs and outputs
 - d) Increasing outputs regardless of cost
238. The management process functions consist of _____.
- a) Planning, organizing, staffing, and directing
 - b) Planning, organizing, leading, and directing
 - c) Planning, organizing, leading, and staffing
 - d) **Planning, organizing, leading, and controlling**
239. In successful organizations, _____.
- a) Low efficiency and high effectiveness go hand in hand
 - b) High efficiency and low effectiveness go hand in hand
 - c) **High efficiency and high effectiveness go hand in hand**

- d) High efficiency and high equity go hand in hand
240. Your boss never gives you the benefit of the doubt. When you were late back from lunch, he assumed that you had simply taken too much time. He never considered that the elevators were out and you had to walk up 10 flights of stairs. Your boss is guilty of ____.
- a) Self-serving bias
 - b) Selective perception
 - c) **Fundamental attribution error**
 - d) Stereotyping
241. What are the three primary determinants of behavior that organizational behavior focuses upon?
- a) Profit structure, organizational complexity, job satisfaction
 - b) Individuals, profit structure, and job satisfaction
 - c) Individuals, groups, and job satisfaction
 - d) **Individuals, groups, and structure**
242. Analyzing relationships, determining causes and effects, and basing conclusions on scientific evidence all constitute aspects of ____ study.
- a) Organizational
 - b) Intuitive
 - c) Theoretical
 - d) **Systematic**
243. How is the satisfying decision maker best characterized?
- a) As using rationality
 - b) **As using bounded rationality**
 - c) As affected by anchoring bias
 - d) As relying on others to make decisions
244. Who sets MBO objectives?
- a) The boss
 - b) The boss and immediate subordinates
 - c) **They are set jointly by superior and subordinate**
 - d) The employees performing the task in question
245. Classical conditioning would view which of the following as most likely to be a conditioned response?
- a) Wincing when you stub your toe

- b) Driving on the right side of the road
 - c) Flinching when startled by a loud noise
 - d) **Looking for shelter when the sky turns gray**
246. Social learning theory is an extension of _____.
- a) Classical conditioning
 - b) **Operant conditioning**
 - c) Shaping
 - d) Continuous reinforcement principles
277. The sales and marketing component of e-business is known as _____.
- a) Intranet
 - b) Evolution
 - c) **E-commerce**
 - d) Extranet
278. _____ and _____ were two of the pioneers in the area of total quality management.
- a) Fayol; Weber
 - b) Taylor; Gilbreth
 - c) Owen; Munsterberg
 - d) **Deming; Juran**
279. Which of the following is not one of the three important themes that stand out in the definition of entrepreneurship?
- a) The pursuit of opportunities
 - b) The theme of innovation
 - c) **The importance of conformity with tradition**
 - d) The theme of growth
280. Which of the following involves changing, revolutionizing, transforming, or introducing new products or services or new ways of doing business?
- a) Organizational structures
 - b) **Innovation**
 - c) Organizational systems
 - d) Ethical standards
281. All of the following are characteristic of learning organizations except _____.
- a) Positive attitudes toward change
 - b) Viewing managers as enablers
 - c) Emphasizing the importance of knowledge for competitive advantage

- d) **Fear of making mistakes**
282. _____ is the generic term used to describe the quality revolution that swept through both the business and public sectors during the 1980s and 1990s.
- a) Ethno quality management
 - b) **Total quality management**
 - c) Hyper quality management
 - d) Partial quality management
283. All of the following are characteristics of total quality management except _____.
- a) **Intense focus on the competition**
 - b) Concern for continual improvement
 - c) Accurate measurement
 - d) Empowerment of employees
284. A _____ organization is one that has developed the capacity to continuously learn, adapt, and change.
- a) Virtual
 - b) **Learning**
 - c) Traditional
 - d) Bureaucratic
285. _____ involves cultivating a learning culture where organizational members systematically gather knowledge and share it with others in the organization so as to achieve better performance.
- a) Systems management
 - b) Software management
 - c) Technical management
 - d) **Knowledge management**
286. Each of the following might be expressed by employees of a learning organization except _____.
- a) "If it was invented or reinvented here, reject it"
 - b) "If you aren't changing, you won't be working for long"
 - c) "Innovation is the responsibility of all employees"
 - d) **"Good managers are directive and controlling"**
287. Quality management is driven by a focus _____.
- a) Workplace diversity
 - b) Workplace spirituality
 - c) **Continual improvement**

d) Knowledge management

288. Which of the following is not allowed in a brainstorming session?

- a) Clear definition of the problem
- b) **Criticism of poor ideas**
- c) Large number of alternatives
- d) Recording of all alternatives

289. Mr. A is the HR Manager of XYZ Company. He decided to terminate a group of employees because their positions were no longer necessary in the organization. What will you say Mr. A has decided for?

- a) Restructuring
- b) Turnover
- c) **Downsizing**
- d) Job Rotation

290. A job has high ----- if workers are given substantial freedom, independence, and discretion in scheduling the work and determining the procedures to be used in carrying it out.

- a) **Autonomy**
- b) Feed back
- c) Skill Variety
- d) Enlargement

291. A ----- Structure is well suited to organizations which have a single or dominant core product because each subunit becomes extremely adept at performing its particular portion of the process.

- a) Divisional
- b) **Functional**
- c) Matrix
- d) Both A and B

292. Which of the following has not contributed to the boundary less organization?

- a) Changes in technology
- b) Complex and dynamic environments
- c) **Static environments**
- d) Increases in telecommunication

293. Managers will often not choose the decision alternative that rational decision making indicates to be best because they have a “vague feeling” that another alternative

will be better. Which of the behavioral factors that influence decision-making does this behavior reflect?

- a) Bounded rationality
- b) Escalation of commitment
- c) **Intuition**
- d) Satisfying

294. ----- means that the two merging companies became history and a new firm is established

- a) Acquisition
- b) **Merger**
- c) Joint Venture
- d) Both A and B

295. ----- means only one company became history which is the acquired company while the acquiring company remain.

- a) Joint Venture
- b) Merger
- c) **Acquisition**
- d) Both A and B

296. A ----- takes as input an object or situation described by a set of properties, and outputs a yes/no decision.

- a) Decision Criteria
- b) Decision Making Process
- c) **Decision Tree**
- d) None of the given options

297. Maslow's hierarchy of needs proposes that an individual begins by satisfying ----- needs.

- a) Self-actualization
- b) Esteem
- c) **Physiological**
- d) Safety

298. Which element of structure refers to the continuous line of authority that extends from the highest organizational levels to the lowest and clarifies who reports to whom?

- a) Work specialization
- b) Span of control
- c) Centralization

d) **Unity of command**

299. For a manager to control or direct the work of an employee, the manager must have _____.

- a) **Line authority**
- b) Responsibility
- c) Referent power
- d) Staff authority

300. Organizations that have developed the capacity to continuously adapt and change because their members take an active role in identifying and resolving work-related issues are called _____ organizations.

- a) **Learning**
- b) Visionary
- c) Community
- d) Interdependent

301. Master Sofa Makers recently bought an upholstery firm, Fabulous Fabrics, in an effort to control its inputs by becoming its own supplier. This is an example of -----

- a) Concentration
- b) **Vertical integration**
- c) Horizontal integration
- d) Diversification

302. When an organization is in several different businesses, these single businesses that are independent and formulate their own strategies are often called _____.

- a) **Strategic business units**
- b) Monopolistic advantages
- c) Quality controllers
- d) Stars