

**All Final Term Past Solved Papers of MGT503 in one File**  
**By**  
<http://vustudents.ning.com>

**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

**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

**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

<http://vustudents.ning.com>

**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:**

<http://vustudents.ning.com>

- ▶ 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

**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?**

- ▶ 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?**

<http://vustudents.ning.com>

- ▶ 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.**

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

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 pervious 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 but 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 wokers

Stability is equal to safety in malsow'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 appericated. 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.

<http://vustudents.ning.com>

- 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 inot Grievances and disputes

## FINALTERM EXAMINATION

### Spring 2009 Session 3

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

**What is the basic assumption of situational approaches to leadership?**

- ▶ 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

<http://vustudents.ning.com>

**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 Munsterbeg (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:**

- ▶ 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 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*.

<http://vustudents.ning.com>

**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?**

- ▶ 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?**

- ▶ 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**

<http://vustudents.ning.com>

**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
- 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 <http://vustudents.ning.com>

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.

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

**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

<http://vustudents.ning.com>

**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

<http://vustudents.ning.com>

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, shared 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..**



## 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

**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)

<http://vustudents.ning.com>

**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**

References

1. [Reference](#) (page 188,189)
2. [Reference](#)

**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

<http://vustudents.ning.com>

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.

**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?**

<http://vustudents.ning.com>

- ▶ 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. In spite of 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 demotivate 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 manger 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.

<http://vustudents.ning.com>