



SIR ARTHUR LEWIS COMMUNITY COLLEGE
ACADEMIC YEAR (2024/2025) – SEMESTER ONE
END OF SEMESTER EXAMINATION
ALTERNATE

COURSE CODE : **MGT101**
COURSE TITLE : **Principles of Management**
LECTURER(S) : **Dorita Felix, Ernest Ottley,**
Loraine Ollivierre, Miland Popo
DATE :
TIME :
DURATION : **1 hr 30 minutes**
STUDENT ID # : _____

GENERAL INFORMATION AND INSTRUCTIONS

- Students must sign **IN** and **OUT** on the examination class list.
- Write your ID number on the question paper.
- This paper has 60 questions.
- Circle the correct answer on the question paper.
- This examination is worth 50 marks.

DO NOT TURN THIS PAGE UNTIL YOU ARE TOLD TO DO SO

Instructions: Read **ALL** questions carefully and choose the correct answer

1. At home, Carrie was fixing dinner and thinking about the new CEO her firm had hired. In her speech the previous day, the new CEO had discussed her experience in the industry and her education. Carrie thought that the new CEO would do a great job given these characteristics, coupled with how well-spoken she was and the fact that she just looked like a CEO. Laughing, Carrie realized that she had been judging the new CEO in a manner consistent with the _____ theories of leadership that were popular in the 1920s and 1930s.
 - A. trait
 - B. behavioral
 - C. contingency
 - D. situational
2. According to the Big Five model, teams that are composed of people who score high on this trait are more creative and innovative.
 - A. extroversion
 - B. openness to experience
 - C. emotional stability
 - D. agreeableness
3. Lane possesses the traits of being responsible, organized, dependable, and persistent which is highly valued in the workplace. In the Big Five model this is known as
 - A. openness to experience
 - B. extroverted
 - C. conscientiousness
 - D. agreeableness
4. Pearl is characterized as a person who is cooperative, warm, and trusting. Which trait in the Big Five model is mentioned above?
 - A. Openness to Experience
 - B. Agreeableness
 - C. Conscientiousness
 - D. Extraversion
5. Brian, Blake and Bonny are triplets from a small rural town in Spiceville. They all score low on Openness to Experience. In the Big five personality model they would most likely be:
 - A. Creative and imaginative
 - B. Conventional and comfortable with routines
 - C. Assertive and sociable with friends
 - D. Organized and reliable at work
6. Which of the following leadership styles describes a leader who provides both directive and supportive behavior according to Hersey and Blanchard leadership theory?
 - A. participating
 - B. telling
 - C. delegating
 - D. selling
7. According to Hersey and Blanchard, in SLT Leadership theory, the leadership style which is best suited for these types of followers who are “**Unable but willing**” is_____.
 - A. Selling in which the leader provides both directive and supportive behaviour.
 - B. Participating in which the leader and followers share in decision making and the main role of the leader is facilitating and communicating.
 - C. Delegating in which the leader provides little direction or support for the employees and the main role is to communicate.
 - D. Telling in which the leader defines roles and tells people what, how, when, and where to do various tasks.

8. According to Hersey and Blanchard, readiness encompasses the _____.
 - A. amount of influence a leader has over variables such as hiring, firing, and salaries
 - B. ability and willingness of the followers to accomplish a task
 - C. degree of confidence, trust, and respect members have in their leader
 - D. level of morale and satisfaction of the employees
9. If a survey respondent sees his or her least preferred co-worker in unfavorable terms, Fiedler would categorize the respondent as _____.
 - A. overly critical
 - B. task-oriented
 - C. laissez-faire
 - D. emotionally deficient

Use the following scenario to answer questions 10 -14

Brooke is a manager of the night shift in a nursing home. She has been reading literature on House's **path-goal theory** and would like to apply that information to becoming a better leader.

10. Brooke should understand that the path-goal theory is a(n) _____ model of leadership that extracts key elements from the expectancy theory of motivation.
 - A. fixed
 - B. alternative
 - C. contingency
 - D. untested
11. Brooke generally lets subordinates know what's expected of them, schedules work to be done, and gives specific guidance as to how to accomplish tasks. She would be termed a(n) _____ leader.
 - A. achievement-oriented
 - B. participative
 - C. supportive
 - D. directive
12. Brooke would like to become a participative leader. She should _____.
 - A. let subordinates know what's expected of them, schedule work to be done, and give specific guidance as to how to accomplish tasks
 - B. be friendly and show concern for the needs of subordinates
 - C. consult with subordinates and use their suggestions before making a decision
 - D. set challenging goals and expect subordinates to perform at their highest level
13. Lately Brooke has been setting challenging goals and expecting subordinates to perform at their highest level. She is acting as a(n) _____ leader.
 - A. achievement-oriented
 - B. participative
 - C. supportive
 - D. directive
14. Brooke has decided that the appropriate leadership style would be to show friendliness and concern for the needs of her subordinates. She wishes to be a(n) _____ leader.
 - A. achievement-oriented
 - B. participative
 - C. supportive
 - D. directive
15. 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, is known as a(n) _____.
 - A. transactional leader
 - B. directive leader
 - C. informational leader
 - D. transformational leader

16. In Maslow's Hierarchy of Needs which of the following is considered as a lower-order need?
- A. social
 - B. esteem
 - C. self-actualization
 - D. safety
17. _____ assumes that employees have little ambition, dislike work, and avoid responsibility.
- A. Theory Y
 - B. Theory X
 - C. Self-actualization Need Theory
 - D. Belongingness Need Theory
18. Which of the following best describes the 'Relatedness' needs in Alderfer's ERG theory?
- A. Needs related to food and physical safety
 - B. Internal esteem and the desire to achieve one's potential
 - C. The need for social connections and external esteem
 - D. The need to engage in creative and productive activities
19. An individual who would enjoy taking on the challenge of personally redesigning the workflow of a manufacturing line to improve employee productivity would probably be rated high on which of the following?
- A. need for affiliation
 - B. need for impact
 - C. need for achievement
 - D. need for power
20. According to Herzberg, when _____ are adequate, people won't be dissatisfied, but they also will not be satisfied.
- A. achievement needs
 - B. affiliation needs
 - C. power needs
 - D. hygiene factors
21. According to Herzberg, in order to provide employees with job satisfaction, managers should concentrate on _____.
- A. hygiene factors
 - B. issues such as pay
 - C. motivator factors
 - D. extrinsic factors
22. According to Hertzberg, what characteristic is associated with job dissatisfaction?
- A. advancement
 - B. salary
 - C. work itself
 - D. growth
23. Jack Jones is a manager at a medium-sized medical supply firm. Jack emphasizes to his people that the work must be done, regardless of circumstances, and encourages his employees to meet their sales quotas. He is generally liked, but because sales are unstructured, sometimes his employees resent his rather heavy-handed approach. Fiedler's contingency model would classify Jack as _____ oriented.
- A. employee
 - B. organization
 - C. relationship
 - D. task

24. Theory Y assumes that people inherently _____.
A. want to belong more than anything else
B. avoid responsibility and need to be closely controlled
C. want to work and can exercise self-direction
D. work to satisfy hygiene factors
25. Joan has considered her own motivation and discussed it with some of her peers. These other students live in her dormitory. She finds some distinct differences within these other students based on their motivation to study. In one class, Joan questions how fairly she is being treated compared to other students. This part of her motivational processes would best fit into _____.
A. Maslow's hierarchy
B. Herzberg's motivation-hygiene theory
C. Equity theory
D. Reinforcement theory
26. A commission is typically paid when an employee:
A. Works more than the standard hours
B. Completes a specific task, usually involving sales
C. Produces a specific number of units
D. Works on a fixed salary basis
27. In a large sales company, employees are encouraged to go above and beyond their standard job duties. Daniel, one of the top sales associates, exceeds his annual sales target by 30%, brings in several new high-value clients, and mentor's newer employees throughout the year. At the end of the year, the company rewards him for his exceptional contributions in the form of a year-end bonus. What type of pay is awarded based on the scenario?
A. Fringe benefits
B. Performance-related pay
C. Commissions
D. Overtime rate and salary
28. A bonus is typically:
A. Paid based on hours worked beyond the standard work week
B. An additional payment on a seasonal basis as a reward for good performance
C. Part of an employee's regular salary paid within a given period of time.
D. A non monetary benefit like a subsidized meal for employees.
29. Sally is employed with a local business selling cosmetics. She receives additional compensation in the form of subsidized meals, allowances, or pension plans. This is known as:
A. Salary
B. Bonus
C. Fringe benefits
D. Commission
30. At the end of the year, Blanco Company hosted a Christmas dinner and prize-giving ceremony for all employees. Fern was recognized as "Employee of the Year" for her achievements in her department. This type of motivation is:
A. Reward
B. Fringe benefits
C. Award
D. Salary
31. This is a financial compensation that is above and beyond the normal payment expectations of its recipient. Alexia got an extra payment at Christmas for good work performance.
A. Overtime rate
B. Piece rate pay
C. Commission
D. Bonus

32. Rihanna worked for the entire week without taking a break. As a result she received a ticket from her supervisor to attend a jazz and arts show sponsored by her company. This is an example of a
- A. reward
 - B. commission
 - C. award
 - D. overtime rate
33. A commission is typically paid when an employee:
- A. Works more than the standard hours
 - B. Completes a specific task, usually involving sales
 - C. Produces a specific number of units
 - D. Works on a fixed salary basis
34. Patrick, the manager of a supermarket, noticed that employees in the produce section were getting bored with their repetitive tasks and productivity was slipping. To make their work more engaging, he decided to expand their responsibilities by adding tasks such as setting up special produce displays and handling customer questions about fruits and vegetables. This would diversify their roles without changing the level of responsibility. This approach is known as job _____
- A. enlargement
 - B. scope
 - C. enrichment
 - D. design

Use the following scenario to answer questions 35-37

The first-line managers were sent on a retreat to Silver Falls for their inaugural strategic planning meeting. Few people knew each other, but their task was clear: design a new performance appraisal system for subordinates that will be effective and usable. Their years of complaining about the old system had landed them with this new responsibility. They had 4 days to become brilliant, and everyone was a little on edge.

The first day, little was accomplished except for the jockeying to see who would be the official leader. Finally, Jim seemed to wrangle control and helped provide the first real direction for the group. By the second day, the group seemed to begin working well. They spent the morning deciding how they would make decisions within the group and how to manage the idea-generation process.

On the third and fourth days, the new managers moved amazingly quickly, with ideas flowing freely. By the end of the fourth day, they had a workable system developed, and they felt satisfied. That night they all signed the new document to be presented to the regional manager the next day. They all felt a twinge of regret at having to break up the group and return to normal work life.

35. When the management group was deciding on their decision rules, they were in the _____ stage of group development.
- A. norming
 - B. storming
 - C. forming
 - D. adjourning
36. In the third and fourth days of the retreat, the managers were in the _____ stage of group development.
- A. performing
 - B. storming
 - C. forming
 - D. adjourning
37. When the management team left Silver Falls to return to their workplace, they had just completed the _____ stage of group development.
- A. performing
 - B. storming
 - C. forming
 - D. adjourning

38. Black Investment Inc conducted an interview with a group of approximately six to twelve people who share similar characteristics or common interests. Their facilitator, Sandy, guided the discussion using a predetermined set of topics and created an environment that encouraged participants to share their perceptions and points of view. This is known as
- A. Quality circles
 - B. Virtual teams
 - C. Focus groups
 - D. Cross functional teams
39. A method or technique of collecting qualitative marketing research data where respondents are asked to supply the word or idea which first comes to mind in response to a word or phrase given to them by a researcher. This is known as:
- A. Brainstorming
 - B. Focus groups
 - C. Reverse brainstorming
 - D. Free association
40. In the controlling function this is a method of planning, scheduling and controlling projects involving interrelated but distinct elements of work, or activities.
- A. Network analysis
 - B. Value chain
 - C. E business
 - D. E commerce
41. This category of change includes any alteration in authority relations, coordination mechanisms, degree of centralization, job redesign, or similar structural variables.
- A. Structure
 - B. People
 - C. Marketplace
 - D. Technology
42. Dominique has set up an online boutique to sell fashionable trendy clothes. She uses the internet to conduct transactions such as the buying and selling of goods or services using the internet, and the transfer of money and data to execute these transactions. This is known as:
- A. Value chain
 - B. E-Business
 - C. Knowledge management
 - D. E-Commerce
43. You're working toward an accounting degree and do the bookkeeping for your parents clothing boutique on the side. Your parents are trying to implement controls to deal with theft. You have been asked to provide the sales and inventory figures for the last quarter so they can determine whether the controls they put in place have been effective. Once you provide them with that data, what's the next step in the control process?
- A. Take corrective action
 - B. Analyze deviation or performance relative to standards
 - C. Doing a management walk through
 - D. Set standards in case there is theft
44. Controlling is considered to be
- I. Backward looking
 - II. Forward looking
 - III. A continuous process
- A. I only
 - B. I and II only
 - C. I, II and III
 - D. II and III only

45. This is a strategic management tool used to track and measure an organization's performance across four key perspectives: Financial, Customer, Internal processes and Learning and Growth.
A. concurrent control
B. balance score card
C. feedforward control
D. feedback control
46. Which of the following is a traditional financial control measure that managers might employ in the monitoring and measuring of organizational performance?
A. ratio analysis
B. economic value added
C. ethical analysis
D. market value added
47. The _____ ratios measure an organization's ability to meet its current debt obligations.
A. liquidity
B. leverage
C. conformance
D. activity
48. What is the most desirable type of control that prevents anticipated problems?
A. feedforward control
B. concurrent control
C. feedback control
D. fast-forward control
49. Alice finished calculating the _____ ratio, because Sandy wanted to know how efficiently and effectively management is using its assets to generate profits.

A. Leverage
B. Activity
C. Profitability
D. Equity
50. Dan is interested in understanding the Unitec company's ability to meet short-term obligations, which meant that he had to calculate _____ ratio.
A. Leverage
B. Activity
C. Profitability
D. Liquidity
51. If the company's market value is greater than all the capital invested in it, the company has a positive _____, indicating that managers have created wealth.
A. Market value added
B. Principle value added
C. Economic value added
D. Real value added

52. Jan was in a big hurry. She had just been given the assignment of reporting on the financial health of her company to the new divisional vice president. Donna, the new vice president, had asked Jan to work up several calculations to help her gain an understanding of the company's financial shape. Jan was working hard and had a big order to fill, one that could make or break her reputation with Donna. She quickly pulled out her old financial management textbook and turned to the chapter on financial ratios to help her answer the questions that were asked. Donna also asked Jan to give her an idea of the organization's ability to meet the interest payments on its debt. Therefore, Jan looked to the section on _____ ratios.
- A. Leverage
 - B. Activity
 - C. Profitability
 - D. Liquidity
53. Which of the following is a traditional financial control measure that managers might employ in the monitoring and measuring of organizational performance?
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 - D. activity
55. At a software development company, the project manager, Ryan, works closely with his team during the planning phase of a new application. Before starting the project, he carefully analyzes potential risks, such as technical challenges or resource shortages. To prevent these problems, Ryan establishes clear project milestones, allocates resources efficiently, and sets up regular check-ins to identify issues early. By taking these proactive steps, he ensures that the team stays on track and avoids major setbacks. This type of control, which focuses on preventing problems before they occur, is known as
- A. feedforward control
 - B. concurrent control
 - C. feedback control
 - D. fast-forward control
56. An example of _____ control is when a sales goal is set, the sales team of Home depot works to reach that goal for three months, and at the end of the three-month period, the manager Bryan review the results and determine whether the sales goal was achieved. As part of the process, Bryan may also implement changes if the goal is not achieved. Three months after the changes are implemented, he will review the new results to see whether the goal was achieved. This is an example of
- A. concurrent control
 - B. balance score card
 - C. feedforward control
 - D. feedback control
57. At a busy manufacturing plant, the plant manager, John, makes it a point to leave his office and spend time on the production floor each morning. As he walks through the factory, he greets employees, checks in on their progress, and listens to any issues they may be facing with equipment or processes. One day, an assembly line worker mentions a recurring issue with a machine that slows down production. John takes note of it and arranges for maintenance to fix the issue immediately. This hands-on approach, where the manager interacts directly with employees to gather feedback and improve operations, is known as
- A. Concurrent control
 - B. Direct interaction
 - C. Management by walking around
 - D. Work area management

58. Which one of the following is not listed as a tactic for dealing with resistance to change?
- A. education
 - B. acceleration
 - C. cooptation
 - D. Participation
59. In organizational change, changing people refers to changes in an employee's attitudes, expectations, _____ and _____.
- A. perceptions, job design
 - B. job design and management
 - C. perceptions, behavior
 - D. behavior, job design
60. According to Hersey and Blanchard, in SLT Leadership theory, the leadership style which is best suited for these types of followers who are “**Unable but Unwilling**” is _____.
- A. Selling in which the leader provides both directive and supportive behaviour.
 - B. Participating in which the leader and followers share in decision making and the main role of the leader is facilitating and communicating.
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