



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

COURSE CODE : **MGT101**
COURSE TITLE : **Principles of Management**
LECTURER(S) : **Dorita Felix, Ernest Ottley,**
Loraine Ollivierre, Miland Popo
DATE : **December 9, 2024**
TIME : **9 a.m.**
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 from the options

1. Kimberley is the manager at a large company that helps employees with personal problems, is friendly and approachable, treats all employees as equals, and expresses appreciation and support. In the light of the Ohio State Studies, this indicates that Karim, as a leader, is _____.
 - A. low in relationship orientation
 - B. high in consideration
 - C. task oriented
 - D. high in initiating structure.
2. Cain is, the CEO at a large fast food company. He tends to assign group members to particular tasks, expects workers to maintain definite standards of performance, and emphasizes the meeting of deadlines. In the light of the Ohio State Studies, this indicates that Cain, as a leader, is _____.
 - A. high in initiating structure
 - B. employee oriented
 - C. low in task orientation
 - D. high in consideration
3. The two dimensions of leadership behavior identified in the University of Michigan studies are _____.
 - A. employee-oriented and production-oriented
 - B. emotional oriented and rational oriented
 - C. coercion and motivation
 - D. initiating structure and consideration
4. 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
5. 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
6. According to Hersey and Blanchard, in SLT Leadership theory, the leadership style which is best suited for these types of followers who are “**Able 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
 - C. Delegating, in which the leader provides little direction or support for the followers
 - D. Telling, in which the leader defines roles and tells people what, how, when, and where to do various tasks.

7. Fran completes the LPC questionnaire and finds that she described her least preferred co-worker in relatively positive terms. She is surprised by this finding because she recalls being particularly annoyed by this difficult co-worker. Based on your understanding of Fiedler's model, you need to explain to Fran that her LPC score makes sense within the model because _____.
 - A. Fran is usually much more focused on productivity than on developing relationships
 - B. Fran tends to become very dominating when given ambiguous tasks
 - C. Fran is usually chosen for positions of high responsibility within your organization
 - D. Fran tends in general to focus on building good relationships with the other employees at your company
8. According to Alderfer's ERG theory, which of the following needs categories condenses Maslow's first two levels of human needs?
 - A. Growth needs
 - B. Relatedness needs
 - C. Existence needs
 - D. Safety needs
9. According to Alderfer's ERG theory, what type of needs are satisfied when an individual feels recognized and secure as part of a group?
 - A. Existence needs
 - B. Relatedness needs
 - C. Growth needs
 - D. Physiological needs
10. 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

Use the following scenario to answer questions 11-13

Jack Jones and Jill Smith are both managers 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. Jill has tried hard to build a good rapport with her employees and knows each of their families. She encourages her employees to work hard, but to be certain to take time for themselves and their families.

11. Fiedler's contingency model would classify Jack as _____ oriented.
 - A. employee
 - B. organization
 - C. task
 - D. relationship
12. Fiedler's contingency model would classify Jill as _____ oriented.
 - A. employee
 - B. organization
 - C. task
 - D. relationship
13. Which of the following would be assumed by Fiedler's contingency model about the leadership styles of Jack and Jill?
 - A. The leadership styles can be adjusted to fit the situation.
 - B. The leadership styles are fixed, regardless of the situation.
 - C. The leadership styles can be changed with appropriate training.
 - D. Jack's style is well suited for unstructured tasks.

14. Transactional leaders are leaders who guide _____.
A. and direct groups towards their goals and tasks for employees
B. and clarify the followers' goals and task requirements
C. or clarify the group's goals and roles for the employees
D. their followers about established goals by clarifying role and task requirements
15. Which of the following is an accurate statement about transformational leaders?
A. They are poor motivators.
B. They clarify task requirements.
C. They exhibit more than just charisma.
D. They focus on tasks and pay little attention to followers.
16. Carlos, the team leader, will be mediating a dispute between three team members who are bickering about overtime assignments. He recently learned about the technique of letting the parties involved in the dispute come up with the solution. In working with his employees, Carlos tries to ensure that they are involved in decision making and he encourages them to participate in deciding their work methods and goals. Carlos's leadership style can best be described as _____.
A. autocratic
B. laissez-faire
C. democratic
D. charismatic
17. The Maslow's hierarchy of needs includes
A. Physiological, Esteem, Happiness, and Psychological and Self-Actualization,
B. Physiological, Safety, Belonging-Love, Self-Esteem, and Self-Actualization
C. Psychological, Safety, Belonging-Love, Self-Esteem, and Self-Actualization
D. Psychological, Self-Actualization, Esteem, Happiness, and Safety
18. 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
19. In Maslow's Hierarchy of Needs, which of the following are considered as higher-order needs?
A. Social and Esteem needs
B. Esteem and Safety needs
C. Self-actualization and Physiological needs
D. Psychological and Physiological needs
20. According to McClelland, the need to make others behave in a way they wouldn't have behaved otherwise is which of the following work motives?
A. need for achievement
B. need for power
C. need for affiliation
D. need for motivation
21. 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

22. Chandra, a project manager at a marketing firm, is known for her strong work ethic and attention to detail. She always meets deadlines, keeps her team on track with well-organized plans, and can be relied upon to follow through on commitments, even when faced with challenges. Her persistence ensures that any obstacles are overcome to achieve the team's goals. These traits make her a highly valued employee. In the Big Five model of personality, these qualities are part of _____ which refers to being responsible, organized, dependable, and persistent.
- A. openness to experience
 - B. extroverted
 - C. conscientiousness
 - D. agreeableness
23. 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
24. 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
25. According to Herzberg two factor theory, what characteristics are associated with job dissatisfaction?
- A. achievement and recognition
 - B. salary and working conditions
 - C. work itself and coworker relations
 - D. growth and working conditions
26. Angie wants to understand what her subordinates think about their jobs. These employees are unmotivated. The employees begin to compare their pay and work conditions to the pay and work conditions of friends and relatives who work in other companies in the local area. This process falls under _____ theory.
- A. reinforcement
 - B. expectancy
 - C. goal-setting
 - D. equity

Use the following scenario to answer questions 27 - 29

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.

27. The stage of group development characterized by their being at the retreat for a business reason is known as _____.
 - A. performing
 - B. storming
 - C. forming
 - D. adjourning
28. The group was in the _____ stage when they were competing to see who would lead the group.
 - A. performing
 - B. storming
 - C. forming
 - D. adjourning
29. 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
30. Piece-rate pay plans, wage incentive plans, profit sharing, and lump-sum bonuses are examples of _____ programs.
 - A. open-book management
 - B. expectancy theory
 - C. pay-for-performance
 - D. equity theory
31. In a small factory that produces handmade wooden toys, employees are paid based on the number of toys they create each day. Maria, one of the workers, is highly skilled and produces 20 toys per day, while John, who is still learning, produces only 10. The employees receive \$5 for each toy produced. As a result, Maria earns \$100 per day (20 toys x \$5 per toy), whereas John earns \$50 per day (10 toys x \$5 per toy). This system motivates workers to increase their productivity, as their pay depends on the number of completed units rather than the hours they work. What type of pay is given based on the number of units produced rather than time spent?
 - A. Salary
 - B. Wage rate
 - C. Piece rate pay
 - D. Commission

32. In a busy accounting firm, Sarah is working on a major client project. The standard workweek at her company is 40 hours. This week, due to tight deadlines, Sarah works an additional 10 hours, bringing her total to 50 hours for the week. The extra 10 hours she worked are calculated and paid. What term describes the calculation of hours worked that exceed the standard workweek?
 - A. Wage rate
 - B. Overtime rate
 - C. Commission
 - D. Fringe benefits
33. Which of the following is a fixed regular payment often expressed as an annual sum?
 - A. Commission
 - B. Wage rate
 - C. Piece rate pay
 - D. Salary
34. 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

Use the following scenario to answer Questions 35-36

Marty sat in his favorite chair at home and pondered his work situation. The funding in his division had been cut by 25 percent, but the numerical goals did not budge. Something had to change, and he knew it was his job to figure out how to make the goals reachable. He had decided to try to make it work by changing the way tasks are combined in each job. First, he needed to know how many tasks there were to each job and how frequently each task was repeated. He also knew that because of the funding cut, people were going to be asked to increase their job tasks horizontally. But, he also felt that to balance this he should add planning and evaluating responsibilities. No one looked forward to this coming year—managers or staff—but it was do or die.

35. Marty was going to ask people to horizontally increase their jobs, also known as job _____.
 - A. enlargement
 - B. scope
 - C. enrichment
 - D. design
36. The vertical expansion of employees' jobs, or job _____, was also suggested by Marty.
 - A. enlargement
 - B. scope
 - C. enrichment
 - D. design
37. At a large retail chain, the human resources department desire to motivate their employees. Maria, a cashier, is moved to the stockroom for a few weeks to learn inventory management, and then she spends time in customer service to develop her communication skills. The goal is to expose Maria to a wider variety of tasks and responsibilities, allowing her to gain new skills and experience in different areas of the store. This technique is known as *Job* _____.
 - A. enlargement
 - B. scope
 - C. enrichment
 - D. rotation

38. What is the primary focus of quality circles in participatory management?
- A. Increasing employee salaries
 - B. Solving problems related to employees' own jobs
 - C. Conducting regular performance evaluations
 - D. Setting organizational goals
39. Participative management involves employees contributing to:
- A. Organizational goals, problem-solving, and decision-making
 - B. Marketing and advertising strategies for the organization
 - C. Financial auditing and organizational goals
 - D. Daily task assignments, production and marketing of goods
40. At a mid-sized tech company, the CEO, Lisa, implements a new approach where employees from all departments are invited to participate in quarterly strategy meetings. During these sessions, team members can share their ideas on product development, marketing strategies, and operational improvements. For instance, during one meeting, a customer support representative suggests a feature that could reduce the number of support tickets, which the development team decides to integrate. This collaborative approach, known as
- A. Participative management
 - B. Quality circles
 - C. Job quality model
 - D. Job characteristics model
41. Which of the following is NOT mentioned as a way to add challenge to a job, according to the Job Characteristics Model?
- A. Variety
 - B. Autonomy
 - C. Decision authority
 - D. Teamwork
42. Which of the following statements about groups is true?
- A. You need five or more people to be considered a work group.
 - B. The definition of groups suggests that a group is two or more people together for any reason.
 - C. Groups can be either formal or informal.
 - D. Formal groups are aimed at specific social agendas.
43. _____ are work groups established by the organization that have designated work assignments and specific tasks.
- A. Virtual groups
 - B. Formal groups
 - C. Informal groups
 - D. Cross-functional groups
44. At a manufacturing company, a new project is launched to improve the efficiency of the production line. To tackle this, the company forms a team with members from different departments: engineering, quality control, procurement, and human resources. Although these employees are all at the same hierarchical level within their respective departments, they bring unique perspectives and expertise to the table. This type of team is known as.
- A. Cross functional team
 - B. Virtual
 - C. Self-managed
 - D. Problem solving team
45. This factor, which influences group performance, refers to an accepted standard or way of behaving that most people agree upon.
- A. Norms
 - B. Cohesion
 - C. Size
 - D. Composition

46. Harry was not sure about the control process and asked Blake to help him understand the various steps in the control process. Blake indicated that the first step in the control process is _____.
- A. Setting standards and correcting deviations
 - B. Measuring actual performance
 - C. Comparing performance against expectations
 - D. Taking managerial action
47. The final step in the control process is _____
- A. Measuring actual performance
 - B. Comparing performance against expectations
 - C. Setting standards
 - D. Taking managerial action
48. The function of management that culminates in the attainment of the organization's objectives is:
- A. Organizing
 - B. Controlling
 - C. Planning
 - D. Leading
49. 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
50. A _____ can be defined as a statement of expected results in numerical terms.
- A. Plan
 - B. Forecast
 - C. Budget
 - D. Estimate
51. This is a systematic approach to dealing with the transition or transformation of an organization's goals, processes or technologies.
- A. Change management
 - B. Organizational structure
 - C. Leading change
 - D. Centralization
52. 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
53. TPE's cashflow swings over the calendar year. Revenues come in early when students enroll in summer camps before June. In the summer, the camp pays camp counselors, rents performance locations, and buys gasoline for the buses. TPE needs to be disciplined about expenses in the spring, when the bank account is fat, so they can pay everyone through the summer. For this, TPE needs a
- A. Balance score card
 - B. Budget
 - C. Benchmarking
 - D. Balance sheet

54. 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
- feedforward control
 - concurrent control
 - feedback control
 - fast-forward control
55. Alice finished calculating the _____ ratio, because Sandy wanted to know how efficiently and effectively management is using its assets to generate profits.
- Leverage
 - Activity
 - Profitability
 - Equity
56. Daniel is interested in understanding the Unitec company's ability to meet short-term obligations, which meant that he had to calculate _____ ratio.
- Leverage
 - Activity
 - Profitability
 - Liquidity
57. 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.
- Market value added
 - Principle value added
 - Economic value added
 - Real value added
58. 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 Bryn review the results and determine whether the sales goal was achieved. As part of the process, Bryn may also implement changes if the goal is not achieved. Three months after the changes are implemented, she will review the new results to see whether the goal was achieved. This is an example of
- concurrent control
 - balance score card
 - feedforward control
 - feedback control
59. In a bustling logistics warehouse, the manager, Alex, makes it a point to spend time on the floor every day. He goes through the aisles, talks to employees, checks on their progress, and listens to any concerns they may have. By observing operations firsthand and engaging with the workers, Alex gains valuable insights into the workflow and morale of his team. This practice is known as
- Concurrent control
 - Direct interaction
 - Management by walking around
 - Work area management
60. Which one of the following is not listed as a tactic for dealing with resistance to change?
- education
 - acceleration
 - cooptation
 - Participation