Chapter 01

Introduction to the Field of Organizational Behavior

**True / False Questions**

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| 1. | Three challenges organizations are facing include globalization, increasing workforce diversity, and emerging employment relationships.  True    False |

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| 2. | Organizational behavior encompasses the study of how organizations interact with their external environments.  True    False |

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| 3. | Studying OB at multiple levels is not recommended as it could lead to perceptual errors.  True    False |

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| 4. | In order for something to be called an organization, it must have certain assets such as buildings and equipment.  True    False |

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| 5. | All organizations have a collective sense of purpose, whether it's producing oil or creating the fastest Internet search engine.  True    False |

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| 6. | Organizational behavior emerged as a distinct field around the 1940s. Before that, organizations had not been studied at all.  True    False |

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| 7. | German sociologist Max Weber wrote about rational organizations and systematic ways to organize work processes and motivate employees through goal setting and rewards.  True    False |

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| 8. | The "human relations" school of management emphasized the study of employee attitudes and informal group dynamics in the workplace.  True    False |

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| 9. | Until the 1930s, most organizational research and practice tried to improve work efficiency by changing working conditions and job duties. Employee thoughts and feelings were ignored and usually considered irrelevant.  True    False |

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| 10. | Studying OB does not make a difference in one's career success.  True    False |

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| 11. | The greatest value of OB knowledge is that it helps us to get things done in the workplace.  True    False |

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| 12. | Organizational behavior knowledge is strictly for managers, not for working level employees.  True    False |

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| 13. | OB knowledge is beneficial not only to an individual, but also to an organization's financial health.  True    False |

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| 14. | Investment portfolio studies suggest that specific OB characteristics are important "positive screens" for selecting companies with the best long-term share appreciation.  True    False |

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| 15. | A company's success is only mildly influenced by the quality of its CEO.  True    False |

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| 16. | Organizational effectiveness is considered the "ultimate dependent variable" in organizational behavior.  True    False |

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| 17. | The best indicator of a company's effectiveness is how well it achieves its stated objectives.  True    False |

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| 18. | The best yardstick of organizational effectiveness is a composite of four perspectives: open systems, organizational learning, high-performance work practices, and stakeholders.  True    False |

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| 19. | Open systems cannot exist without dependence on an external environment, whereas closed systems can exist without dependence on an external environment.  True    False |

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| 20. | According to the open systems perspective, most organizations have one working part rather than many sub-components.  True    False |

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| 21. | The best organizational practices are those built on the notion that organizations are closed systems.  True    False |

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| 22. | The open systems perspective emphasizes that organizations survive by adapting to changes in the external environment.  True    False |

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| 23. | The organizational learning perspective is focused on physical resources that enter and are processed in the organization.  True    False |

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| 24. | Organizations that have high employee turnover will be better able to retain intellectual capital within the organization.  True    False |

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| 25. | Intellectual capital represents the stock of knowledge held by an organization.  True    False |

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| 26. | Intellectual capital includes, among other things, the knowledge captured in an organization's systems and structures.  True    False |

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| 27. | The knowledge, skills, and abilities of employees are examples of structural capital.  True    False |

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| 28. | One of the fastest ways to acquire knowledge is to hire individuals or purchase entire companies that have valued knowledge.  True    False |

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| 29. | According to the organizational learning perspective, an effective organization not only learns but also unlearns certain routines and patterns of behavior.  True    False |

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| 30. | The perspective that effective organizations incorporate several workplace practices that leverage the potential of human capital is called high-performance work practices.  True    False |

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| 31. | Employee involvement is a widely recognized high-performance work practice.  True    False |

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| 32. | Working in a self-directed team reduces employee motivation because employees in such a team will support individualistic behaviors rather than team behaviors.  True    False |

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| 33. | High performance work practices build human capital, which improves performance as employees develop skills and knowledge to perform the work.  True    False |

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| 34. | Stakeholders of an organization are shareholders, customers, suppliers, governments and any other groups with a vested interest in the organization.  True    False |

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| 35. | Labor unions are an example of a type of stakeholder in a company.  True    False |

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| 36. | Stakeholder relations are a static, fixed condition.  True    False |

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| 37. | Managing and satisfying the interests of stakeholders is not very challenging because stakeholders all have the same interests and goals.  True    False |

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| 38. | Values represent an individual's short-term beliefs about what will happen in the future.  True    False |

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| 39. | Values are relatively stable, evaluative beliefs that guide our preferences for outcomes or courses of action in a variety of situations.  True    False |

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| 40. | The stakeholder perspective also provides a strong case for ethics and corporate social responsibility.  True    False |

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| 41. | Ethics refers to the study of moral principles or values that determine whether actions are right or wrong and outcomes are good or bad.  True    False |

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| 42. | Everyone agrees that organizations need to cater to a wide variety of stakeholders.  True    False |

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| 43. | Corporate social responsibility has no effect on financial performance.  True    False |

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| 44. | Globalization may have both positive and negative implications for people working in organizations.  True    False |

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| 45. | Globalization refers to economic, social, and cultural connectivity with people in other parts of the world.  True    False |

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| 46. | Globalization offers numerous benefits to organizations in terms of larger markets, lower costs, and greater access to knowledge and innovation.  True    False |

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| 47. | Reduced job security and increased work intensification are partly caused by globalization.  True    False |

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| 48. | The observable demographic or physiological differences in people, such as their race, ethnicity, gender, age, and physical disabilities is called deep-level diversity.  True    False |

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| 49. | Deep-level diversity refers to the observable demographics such as age, gender and race.  True    False |

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| 50. | Surface-level diversity is evident in a person's decisions, statements, and actions.  True    False |

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| 51. | Employees who are born between 1946 and 1964 are referred to as Generation X employees.  True    False |

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| 52. | Research indicates that Baby Boomers and Generation-X employees bring the same values and expectations to the workplace.  True    False |

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| 53. | Workforce diversity potentially improves decision making and team performance on complex tasks.  True    False |

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| 54. | Teams with diverse employees usually perform effectively in a shorter amount of time.  True    False |

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| 55. | Work/life balance refers to minimizing conflict between work and non-work demands.  True    False |

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| 56. | Germany, France, and the U.S.A. all have work-life balances below the global average.  True    False |

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| 57. | An organization's employees use information technology to perform their jobs away from the traditional physical workplace. This is an example of virtual work.  True    False |

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| 58. | According to research, although telecommuting significantly increases employee stress and reduces productivity and job satisfaction, it makes employees feel more empowered.  True    False |

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| 59. | Telework is better suited to those who are seeking sufficient fulfilment of social needs elsewhere in their life.  True    False |

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| 60. | Systematic research investigation produces evidence-based management which involves making decisions and taking actions based on this research evidence.  True    False |

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| 61. | The field of organizational behavior relies on qualitative rather than quantitative research to understand organizational phenomena.  True    False |

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| 62. | The systematic research anchor relies mainly on qualitative data and subjective procedures to test hypotheses.  True    False |

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| 63. | The evidence-based management approach embraces scientific methods because they produce more valid theories to guide management decisions.  True    False |

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| 64. | All popular management concepts rely on hard evidence that proves they are valid.  True    False |

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| 65. | Most organizational behavior theories have been developed by OB scholars rather than scholars from other disciplines.  True    False |

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| 66. | Communications and information systems are two emerging fields from which organizational behavior is now acquiring knowledge.  True    False |

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| 67. | The contingency anchor in organizational behavior suggests that we need to diagnose a situation to identify the most appropriate action under those specific circumstances.  True    False |

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| 68. | Most organizational events may be studied from all three levels of analysis: individual, team and organization.  True    False |

**Multiple Choice Questions**

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| 69. | Which of the following statements is true about organizational behavior?

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| A.  | OB researchers systematically study various topics at a single level rather than at multiple levels. |

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| B.  | It is concerned with the study of people who work independently. |

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| C.  | It does not include the study of collective entities. |

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| D.  | It is less effective in studying people who interact in highly organized fashion. |

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| E.  | It includes team, individual, and organizational level analyses. |

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| 70. | Which of these statements is true about the field of organizational behavior?

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| A.  | It examines how individuals and teams in organizations relate to one another and to their counterparts in other organizations. |

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| B.  | OB researchers systematically study various topics at a common level rather than at multiple levels. |

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| C.  | Information technology has almost no effect on organizational behavior. |

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| D.  | The field of organizational behavior relies exclusively on ideas generated within the field by organizational behavior scholars. |

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| E.  | The origins of organizational behavior are traced mainly to the field of economics. |

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| 71. | In the field of organizational behavior, organizations are described as:

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| A.  | entities which are considered a legal grouping of people and systems. |

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| B.  | groups of people who work independently to achieve a collective goal. |

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| C.  | social entities with a publicly stated set of formal goals. |

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| D.  | groups of people with independent profit-centered motives and objectives. |

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| E.  | groups of people who work interdependently towards some purpose. |

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| 72. | Organizational behavior knowledge:

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| A.  | originates mainly from models developed in chemistry and other natural sciences. |

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| B.  | accurately predicts how anyone will behave in any situation. |

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| C.  | is more appropriate for people who work in computer science than in marketing. |

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| D.  | helps us to understand, predict, and influence the behaviors of others in organizational settings. |

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| E.  | is important only for the managers of an organization. |

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| 73. | Which of the following statements is true of organizational behavior knowledge?

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| A.  | It is relevant to everyone who works in organizations. |

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| B.  | It should never be used to influence the behavior of other people. |

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| C.  | It should be used by managers and senior executives alone. |

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| D.  | It should not be used by subordinates to influence the behavior of their managers. |

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| E.  | It is less significant when the level of interpersonal interaction is high. |

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| 74. | Which of the following perspectives of organizational effectiveness argues that companies take their sustenance from the environment and, in turn, affect that environment through their outputs?

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| A.  | Stakeholder |

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| B.  | Systematic research |

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| C.  | High-performance work practice |

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| D.  | Organizational learning |

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| E.  | Open systems |

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| 75. | Organizational behavior views organizations as:

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| A.  | non-systems. |

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| B.  | a single unitary subsystem. |

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| C.  | open systems. |

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| D.  | closed systems. |

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| E.  | a system without interactions with the external environment. |

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| 76. | The open systems anchor of organizational behavior states that:

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| A.  | organizations affect and are affected by their external environments. |

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| B.  | organizations can operate efficiently by ignoring changes in the external environment. |

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| C.  | people are the most important organizational input needed for effectiveness. |

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| D.  | organizations should avoid internal conflicts to achieve efficiency. |

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| E.  | organizations should be open to internal competition to be able to obtain a sustainable competitive advantage. |

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| 77. | Which organizational behavior perspective discusses inputs, outputs, and feedback?

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| A.  | Organizational learning |

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| B.  | Open systems |

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| C.  | Multidisciplinary |

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| D.  | Systematic research |

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| E.  | Intellectual capital |

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| 78. | According to the open systems view of organizations, \_\_\_\_\_ is (are) an input for organizations.

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| A.  | incentive plans |

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| B.  | products |

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| C.  | financial resources |

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| --- | --- |
| D.  | employee motivation |

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| E.  | employee behavior |

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| 79. | ACME Software Inc. has developed a training program to make employees more aware of how their job performance affects customers and other employees within the organization and to inform them of the changing market conditions. This training program relates most closely with which of the following concepts?

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| A.  | Contingency anchor |

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| B.  | Grounded theory |

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| C.  | Open systems |

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| D.  | Virtual teams |

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| E.  | Telecommuting |

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| 80. | A firm has good associations with its customers, suppliers, and others who provide added mutual value for the firm. Name the form of intellectual capital that is possessed by the firm due to its good associations.

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| A.  | Structural capital |

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| B.  | Intellectual capital |

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| C.  | Human capital |

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| D.  | Knowledge capital |

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| E.  | Relationship capital |

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| 81. | The \_\_\_\_\_ perspective, also called knowledge management, views knowledge as the main driver of competitive advantage.

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| A.  | open systems |

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| B.  | organizational learning |

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| C.  | stakeholder |

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| D.  | systematic research |

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| E.  | shared values |

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| 82. | Intellectual capital refers to the:

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| A.  | total spending on training and development of employees. |

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| B.  | total number of employees in the organization. |

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| C.  | total cost of computers and other 'intelligent' machines in the organization. |

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| D.  | stock of knowledge that resides in an organization. |

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| E.  | cost of hiring a typical employee. |

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| 83. | Organizations retain intellectual capital by:

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| A.  | transferring employee capital into structural capital. |

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| B.  | encouraging employees to take early retirement. |

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| C.  | discouraging employees from communicating with each other. |

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| D.  | reducing the level of documentation in organizations. |

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| E.  | building strong human capital. |

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| 84. | Which of the following typically results in a loss of intellectual capital?

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| A.  | The employees help the organization discover opportunities. |

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| B.  | The employees protect the firm from threats in the external environment. |

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| C.  | The company sells one of its divisions and its employees now work for the other organization. |

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| D.  | The workers help in documentation of work procedures. |

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| E.  | The company has a good physical layout of the production line. |

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| 85. | Which of the following is a form of knowledge acquisition?

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| A.  | Observation |

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| B.  | Experimentation |

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| C.  | Documentation |

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| D.  | Internal communication |

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| E.  | Group discussion |

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| 86. | As part of the knowledge management process, experimentation is conducive to:

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| A.  | measuring intellectual capital. |

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| B.  | knowledge acquisition. |

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| C.  | increasing organizational memory. |

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| D.  | knowledge sharing. |

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| E.  | unlearning. |

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| 87. | Eastern University performs a daily computer search through newspaper articles to identify any articles about the university or its faculty members. University administrators use this information to receive feedback about how the public reacts to university activities. In knowledge management, searching for newspaper articles and other external writing about the organization is mainly a form of:

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| A.  | knowledge acquisition. |

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| B.  | grafting. |

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| C.  | organizational unlearning. |

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| D.  | knowledge sharing. |

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| E.  | documentation. |

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| 88. | Twice every year, a major car parts manufacturer brings together the production and engineering specialists from its eight divisions to discuss ideas, solutions, and concerns. This helps to minimize the 'silos of knowledge' problem that exists in many organizations. This practice is primarily an example of:

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| A.  | grafting. |

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| B.  | experimentation. |

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| C.  | knowledge sharing. |

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| D.  | documentation. |

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| E.  | organizational unlearning. |

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| 89. | The ability to recognize the value of new information, assimilate it, and use it for value-added activities is known as \_\_\_\_\_.

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| A.  | perception ability |

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| B.  | realization capacity |

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| C.  | observation skill |

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| D.  | absorptive capacity |

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| E.  | adaptive capacity |

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| 90. | A computer maintenance company wants to 'capture' the knowledge that employees carry around in their heads by creating a database where employees document their solutions to unusual maintenance problems. This practice tries to:

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| A.  | transform intellectual capital into knowledge management. |

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| B.  | transfer human capital into structural capital. |

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| C.  | prevent relationship capital from interfering with human capital. |

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| D.  | reduce the amount of human capital. |

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| --- | --- |
| E.  | transfer structural capital into relationship capital. |

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| 91. | The perspective that effective organizations incorporate several workplace practices that leverage the potential of human capital is called the \_\_\_\_\_ perspective.

|  |  |
| --- | --- |
| A.  | HPWP |

|  |  |
| --- | --- |
| B.  | learning |

|  |  |
| --- | --- |
| C.  | human capital |

|  |  |
| --- | --- |
| D.  | intellectual capital |

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| --- | --- |
| E.  | open-systems |

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| 92. | Which of the following statements is true about human capital in an organization?

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| A.  | Human capital helps the organization use opportunities more than realizing them. |

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| B.  | Existence of human capital increases the threats in the external environment. |

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| C.  | Human capital is non-substitutable though it is abundant. |

|  |  |
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| D.  | Human capital is independent of the challenges of the external environment. |

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| E.  | It is a key variable in the HPWP model of organizational effectiveness. |

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| 93. | Employees, suppliers, and governments:

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| --- | --- |
| A.  | are organizational stakeholders. |

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| --- | --- |
| B.  | are rarely considered in organizational behavior theories. |

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| --- | --- |
| C.  | represent the three levels of analysis in organizational behavior. |

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| --- | --- |
| D.  | are excluded from the open systems anchor. |

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| E.  | are independent units in an organizational set up. |

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| 94. | Stable, long-lasting beliefs about what is important in a variety of situations are:

|  |  |
| --- | --- |
| A.  | called intellectual capital. |

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| --- | --- |
| B.  | the foundations of the open systems anchor. |

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| --- | --- |
| C.  | the main reason why virtual teams fail. |

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| --- | --- |
| D.  | rarely studied in the field of organizational behavior. |

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| E.  | called the values of the organization. |

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| 95. | The topic of ethics is most closely associated with the \_\_\_\_\_ perspective.

|  |  |
| --- | --- |
| A.  | stakeholder |

|  |  |
| --- | --- |
| B.  | systems |

|  |  |
| --- | --- |
| C.  | high-performance work practices |

|  |  |
| --- | --- |
| D.  | open systems anchor |

|  |  |
| --- | --- |
| E.  | contingency |

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| 96. | \_\_\_\_\_ refers to the study of moral principles or values that determine whether actions are right or wrong and outcomes are good or bad.

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| --- | --- |
| A.  | Performance orientation |

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| --- | --- |
| B.  | Ethics |

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| --- | --- |
| C.  | Multicultural teams |

|  |  |
| --- | --- |
| D.  | Legal obligations |

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| --- | --- |
| E.  | Organizational behavior |

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| 97. | Which of these organizational behavior trends is corporate social responsibility most closely related to?

|  |  |
| --- | --- |
| A.  | Workforce diversity |

|  |  |
| --- | --- |
| B.  | Employment relationships |

|  |  |
| --- | --- |
| C.  | Information technology |

|  |  |
| --- | --- |
| D.  | Globalization |

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| --- | --- |
| E.  | Workplace values and ethics |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 98. | \_\_\_\_\_ refers to an organization's moral obligation toward all of its stakeholders.

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| --- | --- |
| A.  | Values |

|  |  |
| --- | --- |
| B.  | Legal obligation |

|  |  |
| --- | --- |
| C.  | Multicultural teams |

|  |  |
| --- | --- |
| D.  | Corporate social responsibility |

|  |  |
| --- | --- |
| E.  | Organizational behavior |

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| 99. | The triple bottom line philosophy says that:

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| A.  | companies should pay three times as much attention to profits as they do to employee wellbeing. |

|  |  |
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| B.  | the main goal of all companies is to satisfy the needs of three groups: employees, shareholders, and suppliers. |

|  |  |
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| C.  | business success increases by having three times more contingent workers than permanent employees. |

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| --- | --- |
| D.  | companies should treat their local, national, and global customers fairly. |

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| E.  | companies should try to support the economic, social, and environmental spheres of sustainability. |

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| 100. | Which of the following is most closely associated with corporate social responsibility?

|  |  |
| --- | --- |
| A.  | Knowledge management |

|  |  |
| --- | --- |
| B.  | Triple bottom line |

|  |  |
| --- | --- |
| C.  | Absorptive capacity |

|  |  |
| --- | --- |
| D.  | Adaptive ability |

|  |  |
| --- | --- |
| E.  | Knowledge acquisition |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 101. | \_\_\_\_\_ refers to economic, social, and cultural connectivity with people in other parts of the world.

|  |  |
| --- | --- |
| A.  | OB |

|  |  |
| --- | --- |
| B.  | Globalization |

|  |  |
| --- | --- |
| C.  | Work/Life balance |

|  |  |
| --- | --- |
| D.  | Knowledge management |

|  |  |
| --- | --- |
| E.  | Corporate social responsibility |

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| 102. | Which of the following is an example of globalization?

|  |  |
| --- | --- |
| A.  | A footwear firm based in San Diego opens a new branch in Los Angeles. |

|  |  |
| --- | --- |
| B.  | A car company based in Pittsburgh manufactures its cars in Philadelphia. |

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| --- | --- |
| C.  | Rewind, a German music band which plays traditional German folk music performs in Berlin. |

|  |  |
| --- | --- |
| D.  | Rowan, a French citizen, publishes a novel within France. |

|  |  |
| --- | --- |
| E.  | An American-based burger joint opens a new outlet in China. |

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| 103. | Which of the following statements is true about globalization and organizational behavior?

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| --- | --- |
| A.  | Globalization has little or no effect on organizational behavior. |

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| --- | --- |
| B.  | Globalization has forced organizational behavior researchers to study only large multinational businesses. |

|  |  |
| --- | --- |
| C.  | Globalization offers numerous benefits to organizations. |

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| --- | --- |
| D.  | Globalization has forced organizational behavior textbooks to discuss only companies with headquarters in North America. |

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| --- | --- |
| E.  | Globalization does not have a significant impact on today's organizations. |

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| 104. | The observable demographic or physiological differences in people, such as their race, ethnicity, gender, age, and physical disabilities constitute \_\_\_\_\_ diversity.

|  |  |
| --- | --- |
| A.  | deep-level |

|  |  |
| --- | --- |
| B.  | internal |

|  |  |
| --- | --- |
| C.  | surface-level |

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| --- | --- |
| D.  | organizational |

|  |  |
| --- | --- |
| E.  | reflective |

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| 105. | At Clickz, an American photography magazine firm, more than half of the senior management positions are held by women. African Americans represent 40 percent of the company's workforce. The description of Clickz's diversity refers to:

|  |  |
| --- | --- |
| A.  | deep-level diversity. |

|  |  |
| --- | --- |
| B.  | psychological diversity. |

|  |  |
| --- | --- |
| C.  | personality diversity. |

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| --- | --- |
| D.  | surface-level diversity. |

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| --- | --- |
| E.  | attitude diversity. |

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| 106. | \_\_\_\_\_ diversity includes differences in the psychological characteristics of employees, including personalities, beliefs, values, and attitudes.

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| --- | --- |
| A.  | Reflective |

|  |  |
| --- | --- |
| B.  | Deep-level |

|  |  |
| --- | --- |
| C.  | Organizational |

|  |  |
| --- | --- |
| D.  | Surface-level |

|  |  |
| --- | --- |
| E.  | External |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 107. | Deep-level diversity includes:

|  |  |
| --- | --- |
| A.  | physiological differences. |

|  |  |
| --- | --- |
| B.  | attitudes. |

|  |  |
| --- | --- |
| C.  | ethnicity. |

|  |  |
| --- | --- |
| D.  | gender. |

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| --- | --- |
| E.  | All of these. |

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| 108. | Out of the generational groups discussed in the textbook, which group has the highest preference for leisure and the lowest value of social interaction?

|  |  |
| --- | --- |
| A.  | Gen-Xers |

|  |  |
| --- | --- |
| B.  | Gen-Yers |

|  |  |
| --- | --- |
| C.  | Baby Boomers |

|  |  |
| --- | --- |
| D.  | Millennials |

|  |  |
| --- | --- |
| E.  | Silent Generation |

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| 109. | Mick works for a company as a financial analyst from home using information technology. He does not work in a traditional physical workplace. This trend is known as:

|  |  |
| --- | --- |
| A.  | deep-level diversity. |

|  |  |
| --- | --- |
| B.  | work-life balance. |

|  |  |
| --- | --- |
| C.  | virtual work. |

|  |  |
| --- | --- |
| D.  | surface-level diversity. |

|  |  |
| --- | --- |
| E.  | frictional unemployment. |

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| 110. | Which of the following is true according to the systematic research anchor?

|  |  |
| --- | --- |
| A.  | OB topics typically relate to the individual, team and organizational levels of analysis. |

|  |  |
| --- | --- |
| B.  | OB should import knowledge from other disciplines, not just create its own knowledge. |

|  |  |
| --- | --- |
| C.  | OB theory should recognize that the effects of actions often vary with the situation. |

|  |  |
| --- | --- |
| D.  | A particular action may have different consequences in different situations. |

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| --- | --- |
| E.  | OB should study organizations by forming questions, collecting data, and testing hypotheses against those data. |

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| 111. | Which discipline has provided organizational behavior with much of its theoretical foundation for team dynamics, organizational power, and organizational socialization?

|  |  |
| --- | --- |
| A.  | Sociology |

|  |  |
| --- | --- |
| B.  | Psychology |

|  |  |
| --- | --- |
| C.  | Economics |

|  |  |
| --- | --- |
| D.  | Industrial engineering |

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| --- | --- |
| E.  | Political science |

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| 112. | Which of these statements is consistent with the five anchors of organizational behavior?

|  |  |
| --- | --- |
| A.  | Organizational behavior theories must apply universally to every situation. |

|  |  |
| --- | --- |
| B.  | Organizations are like machines that operate independently of their external environment. |

|  |  |
| --- | --- |
| C.  | Each OB topic relates to only one level of analysis. |

|  |  |
| --- | --- |
| D.  | The field of organizational behavior should rely on other disciplines for some of its theory development. |

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| --- | --- |
| E.  | Organizational behavioral decision making does not require evidence from research. |

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| 113. | Which of the following statements is consistent with the concept of contingency anchor?

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| --- | --- |
| A.  | To obtain the best results, actions should be taken without considering their consequences. |

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| --- | --- |
| B.  | A particular action may have different consequences in different situations. |

|  |  |
| --- | --- |
| C.  | OB theories are based on simple, common-sense ideas about what managers should do. |

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| D.  | OB theories point out the one best way to resolve organizational problems. |

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| E.  | Organizations should never be viewed as systems that process inputs to provide outputs. |

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| 114. | According to the multiple levels of analysis anchor:

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| A.  | organizational behavior is mainly the study of how all levels of the organizational hierarchy interact with the external environment. |

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| B.  | OB topics typically relate to the individual, team and organizational levels of analysis. |

|  |  |
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| C.  | there are eight levels of analysis that scholars should recognize when conducting OB research. |

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| D.  | organizational events can be studied from only one level of analysis. |

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| --- | --- |
| E.  | corporate executives need to understand business ethics from various levels and perspectives. |

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| 115. | Which of the following is a conceptual anchor in organizational behavior?

|  |  |
| --- | --- |
| A.  | Contingency anchor |

|  |  |
| --- | --- |
| B.  | Economic anchor |

|  |  |
| --- | --- |
| C.  | Social anchor |

|  |  |
| --- | --- |
| D.  | Single level anchor |

|  |  |
| --- | --- |
| E.  | Scientific anchor |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 116. | Scenario: Allison AlbrightYour roommate, Allison Albright, is a non-business major. When she discovered that you are taking a course in Organizational Behavior, she was thoroughly confused as to why one would need to study OB and what it entails. Based on what you have studied, can you help Allison obtain knowledge of organizational behavior?To help Allison understand some preliminary information about OB, which of these statements about the field is true?

|  |  |
| --- | --- |
| A.  | Organizational behavior scholars give more importance to individual characteristics than structural characteristics. |

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| --- | --- |
| B.  | The field of organizational behavior is independent of the concepts and theories from other fields of inquiry. |

|  |  |
| --- | --- |
| C.  | Organizational behavior emerged as a distinct field late in the 1990s. |

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| --- | --- |
| D.  | Given the specific utility of the field, OB is useful for the managers in the organizations but not for the employees. |

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| --- | --- |
| E.  | Organizational behavior scholars study what people think, feel, and do in and around organizations. |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 117. | Scenario: Allison AlbrightYour roommate, Allison Albright, is a non-business major. When she discovered that you are taking a course in Organizational Behavior, she was thoroughly confused as to why one would need to study OB and what it entails. Based on what you have studied, can you help Allison obtain knowledge of organizational behavior?Allison thinks that organization is the same as an organism. However, in the field of organizational behavior, organizations are best described as:

|  |  |
| --- | --- |
| A.  | legal entities that must abide by government regulations and pay taxes. |

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| --- | --- |
| B.  | physical structures with observable capital equipment. |

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| --- | --- |
| C.  | social entities with a publicly stated set of formal goals. |

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| --- | --- |
| D.  | groups of people who work interdependently towards some purpose. |

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| E.  | any social entity with profit-centered motives and objectives. |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 118. | Scenario: Allison AlbrightYour roommate, Allison Albright, is a non-business major. When she discovered that you are taking a course in Organizational Behavior, she was thoroughly confused as to why one would need to study OB and what it entails. Based on what you have studied, can you help Allison obtain knowledge of organizational behavior?Allison should understand that organizational behavior knowledge:

|  |  |
| --- | --- |
| A.  | should never be used to influence the behavior of other people. |

|  |  |
| --- | --- |
| B.  | should be used only by managers and senior executives. |

|  |  |
| --- | --- |
| C.  | should never replace common-sense knowledge about how organizations work. |

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| --- | --- |
| D.  | is relevant to everyone who works in organizations. |

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| --- | --- |
| E.  | is an independent science that has evolved independently. |

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| 119. | Scenario: Bob BaldwinAs an owner and manager of Tricky Toys, Bob Baldwin has been fascinated by all the changes occurring and transforming the workplace. Bob is concerned about the important OB trends that he can understand and take advantage of in developing and positioning his company in the marketplace.Bob has been interested in this trend of globalization. He should know that globalization occurs when an organization:

|  |  |
| --- | --- |
| A.  | increases its connectivity with people and organizations in other parts of the world. |

|  |  |
| --- | --- |
| B.  | serves diverse customers within the firm's home country. |

|  |  |
| --- | --- |
| C.  | has a diverse workforce within the firm's home country. |

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| --- | --- |
| D.  | has a substantially strong domestic market. |

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| --- | --- |
| E.  | operates in a country with strict foreign trade policies. |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 120. | Scenario: Bob BaldwinAs an owner and manager of Tricky Toys, Bob Baldwin has been fascinated by all the changes occurring and transforming the workplace. Bob is concerned about the important OB trends that he can understand and take advantage of in developing and positioning his company in the marketplace.If Bob wants to study deep-level diversity in his organization, he would:

|  |  |
| --- | --- |
| A.  | review the demographic characteristics of his workforce. |

|  |  |
| --- | --- |
| B.  | consider the likelihood of long-term employment with the organization for each of his employees. |

|  |  |
| --- | --- |
| C.  | observe the differences in the people who represent his workforce. |

|  |  |
| --- | --- |
| D.  | look at different attitudes and expectations of his employees. |

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| --- | --- |
| E.  | research the cultural and racial background of the workforce in the industry. |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 121. | Scenario: Bob BaldwinAs an owner and manager of Tricky Toys, Bob Baldwin has been fascinated by all the changes occurring and transforming the workplace. Bob is concerned about the important OB trends that he can understand and take advantage of in developing and positioning his company in the marketplace.Bob is considering the idea of implementing telecommuting in Tricky Toys. Which of the following is an advantage of telecommuting?

|  |  |
| --- | --- |
| A.  | Reduced employee stress |

|  |  |
| --- | --- |
| B.  | Larger markets |

|  |  |
| --- | --- |
| C.  | Greater demand for firm's products |

|  |  |
| --- | --- |
| D.  | Enhanced employee recognition |

|  |  |
| --- | --- |
| E.  | Ability to recognize the value of new information |

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**Essay Questions**

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| 122. | Name the four important perspectives of organizational effectiveness. Explain each perspective.      |

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| 123. | Explain the organization-environment fit concept of the open systems perspective.      |

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| --- | --- |
| 124. | Senior officers in a national military organization decided that operations in supplies requisition were inefficient and costly. They brought in consultants who recommended that the entire requisition process be 'reengineered'. This involved throwing out the old practices and developing an entirely new set of work activities around workflow. However, like many reengineering changes, this intervention resulted in lower productivity, higher employee turnover, and other adverse outcomes. Discuss likely problems with the intervention in terms of systems theory.      |

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| 125. | Marketing specialists at Sarasota Beer Co. developed a new advertising campaign for summer sales. The ads were particularly aimed at sports events where Sarasota Beer sold kegs of beer on tap. The marketing group worked for months with a top advertising firm on the campaign. Their effort was successful in terms of significantly higher demand for Sarasota Beer's keg beer at sports stadiums. However, the production department had not been notified of the marketing campaign and was not prepared for the increased demand. The company was forced to buy empty kegs at a premium price. It also had to brew some of the lower-priced keg beer in vats that would have been used for higher-priced specialty beer. The result was that Sarasota Beer sold more of the lower-priced keg beer and less of the higher-priced products that summer. Moreover, the company could not initially fill consumer demand for the keg beer, resulting in customer dissatisfaction. Use system theory to explain what has occurred at Sarasota Beer Co.      |

|  |  |
| --- | --- |
| 126. | An aircraft manufacturing company developed a computer simulation representing the very complex processes and subgroups that create an airplane. Teams of production employees would participate in a game where trainers gave them the challenge of reducing costs or minimizing space using the simulation. As the trainers predicted, the team's actions would almost always result in unexpected consequences. Explain how this simulation relates to the open systems perspective of organizational behavior.      |

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| 127. | A courier service laid off a large percentage of its production staff during last year's recession. These low-skilled employees performed routine tasks filling orders. The company now wants to rehire them. However, most of the unskilled employees have since found employment in other companies and industries. Do you think the courier company lost much intellectual capital in this situation? Explain your answer.      |

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| 128. | According to the organizational learning perspective, what are the four organizational learning processes? Explain each process.      |

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| 129. | Explain the three propositions that high-performance work practices (HPWP) are based on.      |

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| 130. | Many organizations are placing increasing importance on values in the workplace. Explain the differences between values, ethics, and corporate social responsibility.      |

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| 131. | The changing workforce is one of the emerging trends in organizational behavior. Describe how the workforce is changing and briefly identify two consequences of these changes for organizations.      |

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| 132. | Telecommuting has been identified as an important trend in organizational behavior. Discuss three organizational behavior topics that are influenced by telecommuting.      |

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| 133. | Discuss the conceptual anchors based on which organizational behavior is developed and redefined.      |

Chapter 01 Introduction to the Field of Organizational Behavior Answer Key

**True / False Questions**

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| 1. | Three challenges organizations are facing include globalization, increasing workforce diversity, and emerging employment relationships.  **TRUE**Three challenges organizations are facing include globalization, increasing workforce diversity, and emerging employment relationships. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-01 Define organizational behavior and organizations; and discuss the importance of this field of inquiry.Level of Difficulty: 2 MediumTopic: Welcome to the Field of Organizational Behavior* |

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| 2. | Organizational behavior encompasses the study of how organizations interact with their external environments.  **TRUE**Organizational behavior encompasses the study of how organizations interact with their external environments, particularly in the context of employee behavior and decisions. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-01 Define organizational behavior and organizations; and discuss the importance of this field of inquiry.Level of Difficulty: 2 MediumTopic: Welcome to the Field of Organizational Behavior* |

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| 3. | Studying OB at multiple levels is not recommended as it could lead to perceptual errors.  **FALSE**OB researchers systematically study these topics at multiple levels of analysis—namely the individual, the team (including interpersonal), and the organization. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-01 Define organizational behavior and organizations; and discuss the importance of this field of inquiry.Level of Difficulty: 2 MediumTopic: The Field of Organizational Behavior* |

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| 4. | In order for something to be called an organization, it must have certain assets such as buildings and equipment.  **FALSE**Organizations are groups of people who work interdependently toward some purpose. Many organizations exist without either physical walls or government documentation. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-01 Define organizational behavior and organizations; and discuss the importance of this field of inquiry.Level of Difficulty: 1 EasyTopic: The Field of Organizational Behavior* |

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| 5. | All organizations have a collective sense of purpose, whether it's producing oil or creating the fastest Internet search engine.  **TRUE**A key feature of organizations is that its members have a collective sense of purpose. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-01 Define organizational behavior and organizations; and discuss the importance of this field of inquiry.Level of Difficulty: 1 EasyTopic: The Field of Organizational Behavior* |

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| 6. | Organizational behavior emerged as a distinct field around the 1940s. Before that, organizations had not been studied at all.  **FALSE**Organizational behavior emerged as a distinct field around the early 1940s, but organizations have been studied by experts in other fields for many centuries. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-01 Define organizational behavior and organizations; and discuss the importance of this field of inquiry.Level of Difficulty: 2 MediumTopic: Historical Foundations of Organizational Behavior* |

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| 7. | German sociologist Max Weber wrote about rational organizations and systematic ways to organize work processes and motivate employees through goal setting and rewards.  **FALSE**German sociologist Max Weber wrote about rational organizations, the work ethic, and charismatic leadership. Soon after, industrial engineer Frederick Winslow Taylor proposed systematic ways to organize work processes and motivate employees through goal setting and rewards. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-01 Define organizational behavior and organizations; and discuss the importance of this field of inquiry.Level of Difficulty: 2 MediumTopic: Historical Foundations of Organizational Behavior* |

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| 8. | The "human relations" school of management emphasized the study of employee attitudes and informal group dynamics in the workplace.  **TRUE**From the 1920s to the 1940s, Harvard professor Elton Mayo and his colleagues established the "human relations" school of management, which emphasized the study of employee attitudes and informal group dynamics in the workplace. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-01 Define organizational behavior and organizations; and discuss the importance of this field of inquiry.Level of Difficulty: 2 MediumTopic: Historical Foundations of Organizational Behavior* |

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| 9. | Until the 1930s, most organizational research and practice tried to improve work efficiency by changing working conditions and job duties. Employee thoughts and feelings were ignored and usually considered irrelevant.  **TRUE**Until the 1930s, most organizational research and practice tried to improve work efficiency by changing working conditions and job duties. Employee thoughts and feelings were ignored and usually considered irrelevant. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-01 Define organizational behavior and organizations; and discuss the importance of this field of inquiry.Level of Difficulty: 1 EasyTopic: Historical Foundations of Organizational Behavior* |

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| 10. | Studying OB does not make a difference in one's career success.  **FALSE**OB does make a difference to one's career success. OB helps us to make sense of and predict the world in which we live. We use OB theories to question our personal beliefs and assumptions and to adopt more accurate models of workplace behavior. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-01 Define organizational behavior and organizations; and discuss the importance of this field of inquiry.Level of Difficulty: 1 EasyTopic: Why Study Organizational Behavior?* |

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| 11. | The greatest value of OB knowledge is that it helps us to get things done in the workplace.  **TRUE**Probably the greatest value of OB knowledge is that it helps us to get things done in the workplace. By definition, organizations are people who work together to accomplish things, so we need a toolkit of knowledge and skills to work successfully with others. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-01 Define organizational behavior and organizations; and discuss the importance of this field of inquiry.Level of Difficulty: 2 MediumTopic: Why Study Organizational Behavior?* |

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| 12. | Organizational behavior knowledge is strictly for managers, not for working level employees.  **FALSE**A common misunderstanding is that organizational behavior is for managers. Although OB knowledge is critical for effective management, this book pioneered the broader view that the idea in this book are valuable for everyone who works in and around organizations. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-01 Define organizational behavior and organizations; and discuss the importance of this field of inquiry.Level of Difficulty: 2 MediumTopic: Why Study Organizational Behavior?* |

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| 13. | OB knowledge is beneficial not only to an individual, but also to an organization's financial health.  **TRUE**OB knowledge is just as important for the organization's financial health. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-01 Define organizational behavior and organizations; and discuss the importance of this field of inquiry.Level of Difficulty: 2 MediumTopic: Why Study Organizational Behavior?* |

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| 14. | Investment portfolio studies suggest that specific OB characteristics are important "positive screens" for selecting companies with the best long-term share appreciation.  **TRUE**The bottom-line value of organizational behavior is also supported by investment portfolio studies. These investigations suggest that specific OB characteristics (employee attitudes, work/life balance, performance-based rewards, leadership, employee training and development, and so forth) are important "positive screens" for selecting companies with the best long-term share appreciation. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-01 Define organizational behavior and organizations; and discuss the importance of this field of inquiry.Level of Difficulty: 2 MediumTopic: Why Study Organizational Behavior?* |

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| 15. | A company's success is only mildly influenced by the quality of its CEO.  **FALSE**Various studies report that a company's performance is significantly influenced by the quality of its chief executive officer. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-01 Define organizational behavior and organizations; and discuss the importance of this field of inquiry.Level of Difficulty: 2 MediumTopic: Why Study Organizational Behavior?* |

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| 16. | Organizational effectiveness is considered the "ultimate dependent variable" in organizational behavior.  **TRUE**Organizational effectiveness is considered the "ultimate dependent variable" in organizational behavior. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 1 EasyTopic: Perspectives of Organizational Effectiveness* |

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| 17. | The best indicator of a company's effectiveness is how well it achieves its stated objectives.  **FALSE**Any leadership team could set corporate goals that are easy to achieve, yet would put the organization out of business. These goals could also be left in the dust by competitors' more aggressive objectives. Worse still, some goals might aim the organization in the wrong direction. Consequently, goal attainment is not part of organizational effectiveness. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 3 HardTopic: Perspectives of Organizational Effectiveness* |

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| 18. | The best yardstick of organizational effectiveness is a composite of four perspectives: open systems, organizational learning, high-performance work practices, and stakeholders.  **TRUE**The best yardstick of organizational effectiveness is a composite of four perspectives: open systems, organizational learning, high-performance work practices, and stakeholders. Organizations are effective when they have a good fit with their external environment, are learning organizations, have efficient and adaptive internal subsystems (i.e. high-performance work practices), and satisfy the needs of key stakeholders. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 2 MediumTopic: Perspectives of Organizational Effectiveness* |

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| 19. | Open systems cannot exist without dependence on an external environment, whereas closed systems can exist without dependence on an external environment.  **TRUE**Open systems cannot exist without dependence on an external environment, whereas closed systems can exist without dependence on an external environment. The open systems perspective emphasizes the external dependence of organizations. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 2 MediumTopic: Open Systems Perspective* |

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| 20. | According to the open systems perspective, most organizations have one working part rather than many sub-components.  **FALSE**The open systems perspective states that organizations depend on the external environment for resources, affect that environment through their output, and consist of internal subsystems that transform inputs to outputs. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 2 MediumTopic: Open Systems Perspective* |

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| 21. | The best organizational practices are those built on the notion that organizations are closed systems.  **FALSE**Closed systems have little dependence on the external environment whereas in reality, organizations depend on the external environment for resources, including raw materials, employees, financial resources, information, and equipment. So it is better to consider organizations as open systems than closed systems. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 2 MediumTopic: Open Systems Perspective* |

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| 22. | The open systems perspective emphasizes that organizations survive by adapting to changes in the external environment.  **TRUE**The open systems perspective advocates the view that organizations depend on the external environment for resources, affect that environment through their output, and consist of internal subsystems that transform inputs to outputs. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 1 EasyTopic: Open Systems Perspective* |

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| 23. | The organizational learning perspective is focused on physical resources that enter and are processed in the organization.  **FALSE**The open systems perspective has traditionally focused on physical resources that enter the organization and are processed into physical goods. The organizational learning perspective emphasizes knowledge as a key driver of competitive advantage. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 2 MediumTopic: Organizational Learning Perspective* |

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| 24. | Organizations that have high employee turnover will be better able to retain intellectual capital within the organization.  **FALSE**Human capital - the knowledge, skills, and abilities that employees carry around in their heads - is an important part of intellectual capital. Employee turnover reduces human capital. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 2 MediumTopic: Organizational Learning Perspective* |

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| 25. | Intellectual capital represents the stock of knowledge held by an organization.  **TRUE**A company's stock of knowledge is called its intellectual capital. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 1 EasyTopic: Organizational Learning Perspective* |

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| 26. | Intellectual capital includes, among other things, the knowledge captured in an organization's systems and structures.  **TRUE**Intellectual capital includes knowledge that employees possess as well as knowledge embedded in the organization's systems and structures. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 2 MediumTopic: Organizational Learning Perspective* |

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| 27. | The knowledge, skills, and abilities of employees are examples of structural capital.  **FALSE**Structural capital refers to the knowledge captured and retained in an organization's systems and structures, such as the documentation of work procedures and the physical layout of the production line. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 1 EasyTopic: Organizational Learning Perspective* |

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| 28. | One of the fastest ways to acquire knowledge is to hire individuals or purchase entire companies that have valued knowledge.  **TRUE**Knowledge acquisition includes extracting information and ideas from the external environment as well as through insight. One of the fastest and most powerful ways to acquire knowledge is by hiring individuals or acquiring entire companies. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 2 MediumTopic: Organizational Learning Perspective* |

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| 29. | According to the organizational learning perspective, an effective organization not only learns but also unlearns certain routines and patterns of behavior.  **TRUE**The organizational learning perspective states not only that effective organizations learn but also that they unlearn routines and patterns of behavior that are no longer appropriate. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 2 MediumTopic: Organizational Learning Perspective* |

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| 30. | The perspective that effective organizations incorporate several workplace practices that leverage the potential of human capital is called high-performance work practices.  **TRUE**The high-performance work practices (HPWP) perspective analyzes specific bundles of organizational practices that offer competitive advantage. It incorporates several workplace practices. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 1 EasyTopic: High-Performance Work Practices (HPWP) Perspective* |

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| 31. | Employee involvement is a widely recognized high-performance work practice.  **TRUE**Two widely recognized high-performance practices are employee involvement and job autonomy. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 1 EasyTopic: High-Performance Work Practices (HPWP) Perspective* |

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| 32. | Working in a self-directed team reduces employee motivation because employees in such a team will support individualistic behaviors rather than team behaviors.  **FALSE**Employee involvement and job autonomy strengthens employee motivation and both often take the form of self-directed teams. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 2 MediumTopic: High-Performance Work Practices (HPWP) Perspective* |

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| 33. | High performance work practices build human capital, which improves performance as employees develop skills and knowledge to perform the work.  **TRUE**High performance work practices build human capital, which improves performance as employees develop skills and knowledge to perform the work. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 2 MediumTopic: High-Performance Work Practices (HPWP) Perspective* |

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| 34. | Stakeholders of an organization are shareholders, customers, suppliers, governments and any other groups with a vested interest in the organization.  **TRUE**Stakeholders include individuals, organizations, and other entities that affect, or are affected by, the organization's objectives and actions. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 1 EasyTopic: Stakeholder Perspective* |

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| 35. | Labor unions are an example of a type of stakeholder in a company.  **TRUE**Stakeholders include anyone with a stake in the company—employees, stockholders, suppliers, labor unions, government, communities, consumer and environmental interest groups, and so on. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 1 EasyTopic: Stakeholder Perspective* |

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| 36. | Stakeholder relations are a static, fixed condition.  **FALSE**Stakeholder relations are dynamic; they can be negotiated and managed, not just taken as a fixed condition. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 1 EasyTopic: Stakeholder Perspective* |

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| 37. | Managing and satisfying the interests of stakeholders is not very challenging because stakeholders all have the same interests and goals.  **FALSE**Understanding, managing, and satisfying the interests of stakeholders is more challenging than it sounds because stakeholders have conflicting interests and organizations don't have the resources to satisfy every stakeholder to the fullest. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 2 MediumTopic: Stakeholder Perspective* |

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| 38. | Values represent an individual's short-term beliefs about what will happen in the future.  **FALSE**Values are relatively stable, evaluative beliefs that guide our preferences for outcomes or courses of action in a variety of situations. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 1 EasyTopic: Stakeholder Perspective* |

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| 39. | Values are relatively stable, evaluative beliefs that guide our preferences for outcomes or courses of action in a variety of situations.  **TRUE**Values are relatively stable, evaluative beliefs that guide our preferences for outcomes or courses of action in a variety of situations. Many companies have adopted the values-driven organization model, whereby employee decisions and behavior are guided by the company's espoused values rather than by expensive and often demoralizing command-and-control management. Hence, they are definitely an important subject within an organization. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 1 EasyTopic: Stakeholder Perspective* |

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| 40. | The stakeholder perspective also provides a strong case for ethics and corporate social responsibility.  **TRUE**The stakeholder perspective also provides the strongest case for ethics and corporate social responsibility. |

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| *AACSB: AnalyticAACSB: EthicsAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 2 MediumTopic: Stakeholder Perspective* |

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| 41. | Ethics refers to the study of moral principles or values that determine whether actions are right or wrong and outcomes are good or bad.  **TRUE**Ethics refers to the study of moral principles or values that determine whether actions are right or wrong and outcomes are good or bad. |

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| *AACSB: AnalyticAACSB: EthicsAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 1 EasyTopic: Stakeholder Perspective* |

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| 42. | Everyone agrees that organizations need to cater to a wide variety of stakeholders.  **FALSE**Not everyone agrees that organizations need to cater to a wide variety of stakeholders. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 2 MediumTopic: Stakeholder Perspective* |

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| 43. | Corporate social responsibility has no effect on financial performance.  **FALSE**Companies with a positive CSR reputation tend to have better financial performance, more loyal employees (stronger organizational identification), and better relations with customers, job applicants, and other stakeholders. |

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| *AACSB: AnalyticAACSB: EthicsAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 2 MediumTopic: Stakeholder Perspective* |

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| 44. | Globalization may have both positive and negative implications for people working in organizations.  **TRUE**Globalization offers numerous benefits to organizations in terms of larger markets, lower costs, and greater access to knowledge and innovation. At the same time, there is considerable debate about whether globalization benefits developing nations, and whether it is primarily responsible for increasing work intensification, as well as reducing job security and work/life balance in developed countries. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-03 Debate the organizational opportunities and challenges of globalization; workforce diversity; and emerging employment relationships.Level of Difficulty: 2 MediumTopic: Globalization* |

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| 45. | Globalization refers to economic, social, and cultural connectivity with people in other parts of the world.  **TRUE**Globalization refers to economic, social, and cultural connectivity with people in other parts of the world. |

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| *AACSB: AnalyticAACSB: DiversityAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-03 Debate the organizational opportunities and challenges of globalization; workforce diversity; and emerging employment relationships.Level of Difficulty: 1 EasyTopic: Globalization* |

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| 46. | Globalization offers numerous benefits to organizations in terms of larger markets, lower costs, and greater access to knowledge and innovation.  **TRUE**Globalization refers to economic, social, and cultural connectivity with people in other parts of the world. It offers numerous benefits to organizations in terms of larger markets, lower costs, and greater access to knowledge and innovation. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-03 Debate the organizational opportunities and challenges of globalization; workforce diversity; and emerging employment relationships.Level of Difficulty: 1 EasyTopic: Globalization* |

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| 47. | Reduced job security and increased work intensification are partly caused by globalization.  **TRUE**There is considerable debate about whether globalization benefits developing nations, and whether it is primarily responsible for increasing work intensification, as well as reducing job security and work/life balance in developed countries. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-03 Debate the organizational opportunities and challenges of globalization; workforce diversity; and emerging employment relationships.Level of Difficulty: 2 MediumTopic: Globalization* |

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| 48. | The observable demographic or physiological differences in people, such as their race, ethnicity, gender, age, and physical disabilities is called deep-level diversity.  **FALSE**The observable demographic or physiological differences in people, such as their race, ethnicity, gender, age, and physical disabilities is called surface-level diversity. |

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| *AACSB: AnalyticAACSB: DiversityAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-03 Debate the organizational opportunities and challenges of globalization; workforce diversity; and emerging employment relationships.Level of Difficulty: 1 EasyTopic: Increasing Workforce Diversity* |

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| 49. | Deep-level diversity refers to the observable demographics such as age, gender and race.  **FALSE**Deep-level diversity includes differences in the psychological characteristics of employees, including personalities, beliefs, values, and attitudes. |

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| *AACSB: AnalyticAACSB: DiversityAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-03 Debate the organizational opportunities and challenges of globalization; workforce diversity; and emerging employment relationships.Level of Difficulty: 1 EasyTopic: Increasing Workforce Diversity* |

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| 50. | Surface-level diversity is evident in a person's decisions, statements, and actions.  **FALSE**Globalization refers to economic, social, and cultural connectivity with people in other parts of the world. Organizations globalize when they actively participate in other countries and cultures. |

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| *AACSB: AnalyticAACSB: DiversityAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-03 Debate the organizational opportunities and challenges of globalization; workforce diversity; and emerging employment relationships.Level of Difficulty: 1 EasyTopic: Increasing Workforce Diversity* |

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| 51. | Employees who are born between 1946 and 1964 are referred to as Generation X employees.  **FALSE**Employees who are born between 1946 and 1964 are called baby boomers. |

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| *AACSB: AnalyticAACSB: DiversityAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-03 Debate the organizational opportunities and challenges of globalization; workforce diversity; and emerging employment relationships.Level of Difficulty: 2 MediumTopic: Increasing Workforce Diversity* |

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| 52. | Research indicates that Baby Boomers and Generation-X employees bring the same values and expectations to the workplace.  **FALSE**Baby Boomers seem to expect and desire more job security, and are more intent on improving their economic and social status whereas Generation-X employees expect less job security and are motivated more by workplace flexibility, the opportunity to learn, and working in an egalitarian and "fun" organization. |

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| *AACSB: AnalyticAACSB: DiversityAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-03 Debate the organizational opportunities and challenges of globalization; workforce diversity; and emerging employment relationships.Level of Difficulty: 1 EasyTopic: Increasing Workforce Diversity* |

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| 53. | Workforce diversity potentially improves decision making and team performance on complex tasks.  **TRUE**Diversity is an advantage because it provides diverse knowledge. Furthermore, teams with some forms of diversity (particularly occupational diversity) make better decisions on complex problems than do teams whose members have similar backgrounds. |

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| *AACSB: AnalyticAACSB: DiversityAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-03 Debate the organizational opportunities and challenges of globalization; workforce diversity; and emerging employment relationships.Level of Difficulty: 2 MediumTopic: Increasing Workforce Diversity* |

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| 54. | Teams with diverse employees usually perform effectively in a shorter amount of time.  **FALSE**Teams with diverse employees usually take longer to perform effectively. |

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| *AACSB: AnalyticAACSB: DiversityAccessibility: Keyboard NavigationBlooms: AnalyzeLearning Objective: 01-03 Debate the organizational opportunities and challenges of globalization; workforce diversity; and emerging employment relationships.Level of Difficulty: 2 MediumTopic: Increasing Workforce Diversity* |

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| 55. | Work/life balance refers to minimizing conflict between work and non-work demands.  **TRUE**The process of minimizing conflict between work and non-work demands is called work-life balance. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-03 Debate the organizational opportunities and challenges of globalization; workforce diversity; and emerging employment relationships.Level of Difficulty: 1 EasyTopic: Emerging Employment Relationships* |

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| 56. | Germany, France, and the U.S.A. all have work-life balances below the global average.  **TRUE**The Global Work-Life Balance Index indicates that Germany, France and the U.S.A. all have work-life balances below the global average. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-03 Debate the organizational opportunities and challenges of globalization; workforce diversity; and emerging employment relationships.Level of Difficulty: 2 MediumTopic: Emerging Employment Relationships* |

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| 57. | An organization's employees use information technology to perform their jobs away from the traditional physical workplace. This is an example of virtual work.  **TRUE**Virtual work refers to the condition where employees use information technology to perform their jobs away from the traditional physical workplace. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-03 Debate the organizational opportunities and challenges of globalization; workforce diversity; and emerging employment relationships.Level of Difficulty: 1 EasyTopic: Emerging Employment Relationships* |

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| 58. | According to research, although telecommuting significantly increases employee stress and reduces productivity and job satisfaction, it makes employees feel more empowered.  **FALSE**Research has proved that telecommuting significantly increases employee stress and reduces productivity and job satisfaction. However, it does not make employees feel more empowered. Telework is clearly better suited to people who are self-motivated and organized, can work effectively with broadband and other technology, and have sufficient fulfilment of social needs elsewhere in their life. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-03 Debate the organizational opportunities and challenges of globalization; workforce diversity; and emerging employment relationships.Level of Difficulty: 1 EasyTopic: Emerging Employment Relationships* |

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| 59. | Telework is better suited to those who are seeking sufficient fulfilment of social needs elsewhere in their life.  **FALSE**Telework is clearly better suited to people who are self-motivated, organized, can work effectively with broadband and other technology, and have sufficient fulfillment of social needs elsewhere in their life. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-03 Debate the organizational opportunities and challenges of globalization; workforce diversity; and emerging employment relationships.Level of Difficulty: 2 MediumTopic: Emerging Employment Relationships* |

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| 60. | Systematic research investigation produces evidence-based management which involves making decisions and taking actions based on this research evidence.  **TRUE**Systematic research investigation produces evidence-based management which involves making decisions and taking actions based on this research evidence. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-04 Discuss the anchors on which organizational behavior knowledge is based.Level of Difficulty: 2 MediumTopic: The Systematic Research Anchor* |

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| 61. | The field of organizational behavior relies on qualitative rather than quantitative research to understand organizational phenomena.  **FALSE**A critical feature of OB knowledge is that it should be based on systematic research, which typically involves forming research questions, systematically collecting data, and testing hypotheses against those data. These are facets of quantitative research. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: ApplyLearning Objective: 01-04 Discuss the anchors on which organizational behavior knowledge is based.Level of Difficulty: 3 HardTopic: The Systematic Research Anchor* |

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| 62. | The systematic research anchor relies mainly on qualitative data and subjective procedures to test hypotheses.  **FALSE**A critical feature of OB knowledge is that it should be based on systematic research, which typically involves forming research questions, systematically collecting data, and testing hypotheses against those data. These are facets of quantitative research. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-04 Discuss the anchors on which organizational behavior knowledge is based.Level of Difficulty: 3 HardTopic: The Systematic Research Anchor* |

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| 63. | The evidence-based management approach embraces scientific methods because they produce more valid theories to guide management decisions.  **TRUE**This evidence-based management (EBM) approach particularly embraces scientific methods - relevant measures, appropriate sampling, systematic experimental design, and the like - because they produce more valid theories to guide management decisions. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-04 Discuss the anchors on which organizational behavior knowledge is based.Level of Difficulty: 3 HardTopic: The Systematic Research Anchor* |

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| 64. | All popular management concepts rely on hard evidence that proves they are valid.  **FALSE**Some management concepts have become popular (some have even found their way into OB textbooks!) because of heavy marketing, not because of any evidence that they are valid. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: AnalyzeLearning Objective: 01-04 Discuss the anchors on which organizational behavior knowledge is based.Level of Difficulty: 3 HardTopic: The Systematic Research Anchor* |

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| 65. | Most organizational behavior theories have been developed by OB scholars rather than scholars from other disciplines.  **FALSE**Organizational behavior is anchored around the idea that the field should welcome theories and knowledge in other disciplines, not just from its own isolated research base. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-04 Discuss the anchors on which organizational behavior knowledge is based.Level of Difficulty: 1 EasyTopic: Multidisciplinary Anchor* |

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| 66. | Communications and information systems are two emerging fields from which organizational behavior is now acquiring knowledge.  **TRUE**OB knowledge has benefited from knowledge in emerging fields such as communications, marketing, and information systems. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-04 Discuss the anchors on which organizational behavior knowledge is based.Level of Difficulty: 1 EasyTopic: Multidisciplinary Anchor* |

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| 67. | The contingency anchor in organizational behavior suggests that we need to diagnose a situation to identify the most appropriate action under those specific circumstances.  **TRUE**The contingency anchor recognizes that a particular action may have different consequences in different situations. In other words, no single solution is best in all circumstances. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-04 Discuss the anchors on which organizational behavior knowledge is based.Level of Difficulty: 2 MediumTopic: The Contingency Anchor* |

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| 68. | Most organizational events may be studied from all three levels of analysis: individual, team and organization.  **TRUE**The multiple levels of analysis anchor OB knowledge should include three levels of analysis: individual, team, and organization. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-04 Discuss the anchors on which organizational behavior knowledge is based.Level of Difficulty: 1 EasyTopic: The Multiple Levels of Analysis Anchor* |

**Multiple Choice Questions**

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| 69. | Which of the following statements is true about organizational behavior?

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| A.  | OB researchers systematically study various topics at a single level rather than at multiple levels. |

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| B.  | It is concerned with the study of people who work independently. |

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| C.  | It does not include the study of collective entities. |

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| D.  | It is less effective in studying people who interact in highly organized fashion. |

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| **E.**  | It includes team, individual, and organizational level analyses. |

OB researchers systematically study various topics at multiple levels of analysis, namely the individual, the team (including interpersonal), and the organization. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-01 Define organizational behavior and organizations; and discuss the importance of this field of inquiry.Level of Difficulty: 2 MediumTopic: The Field of Organizational Behavior* |

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| 70. | Which of these statements is true about the field of organizational behavior?

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| **A.**  | It examines how individuals and teams in organizations relate to one another and to their counterparts in other organizations. |

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| B.  | OB researchers systematically study various topics at a common level rather than at multiple levels. |

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| C.  | Information technology has almost no effect on organizational behavior. |

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| D.  | The field of organizational behavior relies exclusively on ideas generated within the field by organizational behavior scholars. |

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| E.  | The origins of organizational behavior are traced mainly to the field of economics. |

Organizational behavior (OB) is the study of what people think, feel, and do in and around organizations. It looks at employee behavior, decisions, perceptions, and emotional responses. It examines how individuals and teams in organizations relate to one another and to their counterparts in other organizations. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-01 Define organizational behavior and organizations; and discuss the importance of this field of inquiry.Level of Difficulty: 2 MediumTopic: The Field of Organizational Behavior* |

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| 71. | In the field of organizational behavior, organizations are described as:

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| A.  | entities which are considered a legal grouping of people and systems. |

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| B.  | groups of people who work independently to achieve a collective goal. |

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| C.  | social entities with a publicly stated set of formal goals. |

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| D.  | groups of people with independent profit-centered motives and objectives. |

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| **E.**  | groups of people who work interdependently towards some purpose. |

From an organizational behavior perspective, organizations are defined as groups of people who work interdependently toward some purpose. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-01 Define organizational behavior and organizations; and discuss the importance of this field of inquiry.Level of Difficulty: 1 EasyTopic: The Field of Organizational Behavior* |

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| 72. | Organizational behavior knowledge:

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| A.  | originates mainly from models developed in chemistry and other natural sciences. |

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| B.  | accurately predicts how anyone will behave in any situation. |

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| C.  | is more appropriate for people who work in computer science than in marketing. |

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| **D.**  | helps us to understand, predict, and influence the behaviors of others in organizational settings. |

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| E.  | is important only for the managers of an organization. |

OB is important because it helps to fulfill the need to understand and predict. But the main reason why people with work experience value OB knowledge is that they have discovered how it helps them get things done in organizations. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-01 Define organizational behavior and organizations; and discuss the importance of this field of inquiry.Level of Difficulty: 2 MediumTopic: Why Study Organizational Behavior?* |

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| 73. | Which of the following statements is true of organizational behavior knowledge?

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| **A.**  | It is relevant to everyone who works in organizations. |

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| B.  | It should never be used to influence the behavior of other people. |

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| C.  | It should be used by managers and senior executives alone. |

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| D.  | It should not be used by subordinates to influence the behavior of their managers. |

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| E.  | It is less significant when the level of interpersonal interaction is high. |

Everyone has to understand the behavior of others in organizations. Hence, it is important to everyone in an organization. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-01 Define organizational behavior and organizations; and discuss the importance of this field of inquiry.Level of Difficulty: 2 MediumTopic: Why Study Organizational Behavior?* |

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| 74. | Which of the following perspectives of organizational effectiveness argues that companies take their sustenance from the environment and, in turn, affect that environment through their outputs?

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| A.  | Stakeholder |

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| --- | --- |
| B.  | Systematic research |

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| --- | --- |
| C.  | High-performance work practice |

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| --- | --- |
| D.  | Organizational learning |

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| **E.**  | Open systems |

The open systems perspective views organizations as complex organisms that "live" within an external environment. As open systems, organizations depend on the external environment for resources, including raw materials, employees, financial resources, information, and equipment. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 1 EasyTopic: Open Systems Perspective* |

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| 75. | Organizational behavior views organizations as:

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| --- | --- |
| A.  | non-systems. |

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| --- | --- |
| B.  | a single unitary subsystem. |

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| --- | --- |
| **C.**  | open systems. |

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| --- | --- |
| D.  | closed systems. |

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| E.  | a system without interactions with the external environment. |

The open systems perspective views organizations as complex organisms that "live" within an external environment. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 1 EasyTopic: Open Systems Perspective* |

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| 76. | The open systems anchor of organizational behavior states that:

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| **A.**  | organizations affect and are affected by their external environments. |

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| B.  | organizations can operate efficiently by ignoring changes in the external environment. |

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| C.  | people are the most important organizational input needed for effectiveness. |

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| D.  | organizations should avoid internal conflicts to achieve efficiency. |

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| E.  | organizations should be open to internal competition to be able to obtain a sustainable competitive advantage. |

The open systems perspective views organizations as complex organisms that "live" within an external environment. As open systems, organizations depend on the external environment for resources, including raw materials, employees, financial resources, information, and equipment. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 2 MediumTopic: Open Systems Perspective* |

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| 77. | Which organizational behavior perspective discusses inputs, outputs, and feedback?

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| A.  | Organizational learning |

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| --- | --- |
| **B.**  | Open systems |

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| --- | --- |
| C.  | Multidisciplinary |

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| --- | --- |
| D.  | Systematic research |

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| E.  | Intellectual capital |

According to the open systems perspective, organizations depend on the external environment for resources, affect that environment through their output, and consist of internal subsystems that transform inputs to outputs. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 1 EasyTopic: Open Systems Perspective* |

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| 78. | According to the open systems view of organizations, \_\_\_\_\_ is (are) an input for organizations.

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| --- | --- |
| A.  | incentive plans |

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| --- | --- |
| B.  | products |

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| --- | --- |
| **C.**  | financial resources |

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| --- | --- |
| D.  | employee motivation |

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| --- | --- |
| E.  | employee behavior |

According to the open systems perspective the inputs are external factors such as raw materials, human resources, information, financial resources, and equipments. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 2 MediumTopic: Open Systems Perspective* |

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| 79. | ACME Software Inc. has developed a training program to make employees more aware of how their job performance affects customers and other employees within the organization and to inform them of the changing market conditions. This training program relates most closely with which of the following concepts?

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| --- | --- |
| A.  | Contingency anchor |

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| --- | --- |
| B.  | Grounded theory |

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| --- | --- |
| **C.**  | Open systems |

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| D.  | Virtual teams |

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| E.  | Telecommuting |

According to the open systems perspective, successful organizations monitor their environments and are able to maintain a close "fit" with those changing conditions. It also considers how well it operates internally—that is, how well the company transforms inputs into outputs. It explains the interdependence of employees and departments within the organization. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: ApplyLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 3 HardTopic: Open Systems Perspective* |

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| 80. | A firm has good associations with its customers, suppliers, and others who provide added mutual value for the firm. Name the form of intellectual capital that is possessed by the firm due to its good associations.

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| --- | --- |
| A.  | Structural capital |

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| --- | --- |
| B.  | Intellectual capital |

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| --- | --- |
| C.  | Human capital |

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| --- | --- |
| D.  | Knowledge capital |

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| **E.**  | Relationship capital |

Relationship capital is a form of intellectual capital, which is the value derived from an organization's relationships with customers, suppliers, and others who provide added mutual value for the organization. It includes the organization's goodwill, brand image, and combination of relationships that organizational members have with people outside the organization. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: ApplyLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 1 EasyTopic: Organizational Learning Perspective* |

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| 81. | The \_\_\_\_\_ perspective, also called knowledge management, views knowledge as the main driver of competitive advantage.

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| --- | --- |
| A.  | open systems |

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| **B.**  | organizational learning |

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| --- | --- |
| C.  | stakeholder |

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| --- | --- |
| D.  | systematic research |

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| E.  | shared values |

The open-systems perspective has traditionally focused on physical resources that enter the organization and are processed into physical goods. The organizational learning perspective (also called knowledge management) views knowledge as the main driver of competitive advantage. It is an extension of the open-systems perspective. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 1 EasyTopic: Organizational Learning Perspective* |

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| 82. | Intellectual capital refers to the:

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| A.  | total spending on training and development of employees. |

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| B.  | total number of employees in the organization. |

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| C.  | total cost of computers and other 'intelligent' machines in the organization. |

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| **D.**  | stock of knowledge that resides in an organization. |

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| E.  | cost of hiring a typical employee. |

A company's stock of knowledge is called its intellectual capital. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 1 EasyTopic: Organizational Learning Perspective* |

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| 83. | Organizations retain intellectual capital by:

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| **A.**  | transferring employee capital into structural capital. |

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| B.  | encouraging employees to take early retirement. |

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| C.  | discouraging employees from communicating with each other. |

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| D.  | reducing the level of documentation in organizations. |

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| E.  | building strong human capital. |

Human capital is the knowledge available with the employees and is risky for the organization. It has to be converted to structural capital, which includes knowledge captured and retained in an organization's systems and structures, such as the documentation of work procedures and the physical layout of the production line. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 2 MediumTopic: Organizational Learning Perspective* |

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| 84. | Which of the following typically results in a loss of intellectual capital?

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| A.  | The employees help the organization discover opportunities. |

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| B.  | The employees protect the firm from threats in the external environment. |

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| **C.**  | The company sells one of its divisions and its employees now work for the other organization. |

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| D.  | The workers help in documentation of work procedures. |

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| E.  | The company has a good physical layout of the production line. |

Intellectual capital refers to the stock knowledge residing in the organization which consists of human capital, structural capital, and so on. Human capital is a competitive advantage as well as a huge risk for most organizations. When key people leave, they take with them some of the most valuable knowledge that makes the company effective. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: ApplyLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 3 HardTopic: Organizational Learning Perspective* |

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| 85. | Which of the following is a form of knowledge acquisition?

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| --- | --- |
| A.  | Observation |

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| --- | --- |
| **B.**  | Experimentation |

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| C.  | Documentation |

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| D.  | Internal communication |

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| E.  | Group discussion |

Knowledge acquisition includes extracting information and ideas from the external environment as well as through insight. It involves individual learning, environment scanning, grafting, and experimentation. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 2 MediumTopic: Organizational Learning Perspective* |

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| 86. | As part of the knowledge management process, experimentation is conducive to:

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| A.  | measuring intellectual capital. |

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| --- | --- |
| **B.**  | knowledge acquisition. |

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| --- | --- |
| C.  | increasing organizational memory. |

|  |  |
| --- | --- |
| D.  | knowledge sharing. |

|  |  |
| --- | --- |
| E.  | unlearning. |

Knowledge acquisition includes extracting information and ideas from the external environment as well as through insight. It involves individual learning, environment scanning, grafting, and experimentation. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 2 MediumTopic: Organizational Learning Perspective* |

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| 87. | Eastern University performs a daily computer search through newspaper articles to identify any articles about the university or its faculty members. University administrators use this information to receive feedback about how the public reacts to university activities. In knowledge management, searching for newspaper articles and other external writing about the organization is mainly a form of:

|  |  |
| --- | --- |
| **A.**  | knowledge acquisition. |

|  |  |
| --- | --- |
| B.  | grafting. |

|  |  |
| --- | --- |
| C.  | organizational unlearning. |

|  |  |
| --- | --- |
| D.  | knowledge sharing. |

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| --- | --- |
| E.  | documentation. |

Knowledge acquisition includes extracting information and ideas from the external environment as well as through insight. Environmental scanning is used for knowledge acquisition. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: ApplyLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 3 HardTopic: Organizational Learning Perspective* |

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| 88. | Twice every year, a major car parts manufacturer brings together the production and engineering specialists from its eight divisions to discuss ideas, solutions, and concerns. This helps to minimize the 'silos of knowledge' problem that exists in many organizations. This practice is primarily an example of:

|  |  |
| --- | --- |
| A.  | grafting. |

|  |  |
| --- | --- |
| B.  | experimentation. |

|  |  |
| --- | --- |
| **C.**  | knowledge sharing. |

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| --- | --- |
| D.  | documentation. |

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| --- | --- |
| E.  | organizational unlearning. |

Knowledge sharing involves distributing knowledge to others across the organization. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: ApplyLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 3 HardTopic: Organizational Learning Perspective* |

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| 89. | The ability to recognize the value of new information, assimilate it, and use it for value-added activities is known as \_\_\_\_\_.

|  |  |
| --- | --- |
| A.  | perception ability |

|  |  |
| --- | --- |
| B.  | realization capacity |

|  |  |
| --- | --- |
| C.  | observation skill |

|  |  |
| --- | --- |
| **D.**  | absorptive capacity |

|  |  |
| --- | --- |
| E.  | adaptive capacity |

The ability to recognize the value of new information, assimilate it, and use it for value-added activities is known as absorptive capacity. An important prerequisite for acquiring new knowledge is the amount and quality of knowledge already held within the organization. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 2 MediumTopic: Organizational Learning Perspective* |

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| 90. | A computer maintenance company wants to 'capture' the knowledge that employees carry around in their heads by creating a database where employees document their solutions to unusual maintenance problems. This practice tries to:

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| A.  | transform intellectual capital into knowledge management. |

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| --- | --- |
| **B.**  | transfer human capital into structural capital. |

|  |  |
| --- | --- |
| C.  | prevent relationship capital from interfering with human capital. |

|  |  |
| --- | --- |
| D.  | reduce the amount of human capital. |

|  |  |
| --- | --- |
| E.  | transfer structural capital into relationship capital. |

Human capital is the knowledge available with the employees and is risky for the organization. It has to be converted to structural capital, which includes knowledge captured and retained in an organization's systems and structures, such as the documentation of work procedures and the physical layout of the production line. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: ApplyLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 2 MediumTopic: Organizational Learning Perspective* |

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| 91. | The perspective that effective organizations incorporate several workplace practices that leverage the potential of human capital is called the \_\_\_\_\_ perspective.

|  |  |
| --- | --- |
| **A.**  | HPWP |

|  |  |
| --- | --- |
| B.  | learning |

|  |  |
| --- | --- |
| C.  | human capital |

|  |  |
| --- | --- |
| D.  | intellectual capital |

|  |  |
| --- | --- |
| E.  | open-systems |

The perspective that effective organizations incorporate several workplace practices that leverage the potential of human capital is called HPWP perspective. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 1 EasyTopic: High-Performance Work Practices (HPWP)* |

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| 92. | Which of the following statements is true about human capital in an organization?

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| --- | --- |
| A.  | Human capital helps the organization use opportunities more than realizing them. |

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| B.  | Existence of human capital increases the threats in the external environment. |

|  |  |
| --- | --- |
| C.  | Human capital is non-substitutable though it is abundant. |

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| --- | --- |
| D.  | Human capital is independent of the challenges of the external environment. |

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| **E.**  | It is a key variable in the HPWP model of organizational effectiveness. |

The HPWP perspective states that human capital, the knowledge, skills, and abilities that employees possess, is an important source of competitive advantage for organizations. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 2 MediumTopic: High-Performance Work Practices (HPWP) Perspective* |

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| 93. | Employees, suppliers, and governments:

|  |  |
| --- | --- |
| **A.**  | are organizational stakeholders. |

|  |  |
| --- | --- |
| B.  | are rarely considered in organizational behavior theories. |

|  |  |
| --- | --- |
| C.  | represent the three levels of analysis in organizational behavior. |

|  |  |
| --- | --- |
| D.  | are excluded from the open systems anchor. |

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| E.  | are independent units in an organizational set up. |

Stakeholders include individuals, organizations, and other entities that affect, or are affected by, the organization's objectives and actions. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 1 EasyTopic: Stakeholder Perspective* |

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| 94. | Stable, long-lasting beliefs about what is important in a variety of situations are:

|  |  |
| --- | --- |
| A.  | called intellectual capital. |

|  |  |
| --- | --- |
| B.  | the foundations of the open systems anchor. |

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| --- | --- |
| C.  | the main reason why virtual teams fail. |

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| --- | --- |
| D.  | rarely studied in the field of organizational behavior. |

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| **E.**  | called the values of the organization. |

Values are relatively stable, evaluative beliefs that guide our preferences for outcomes or courses of action in a variety of situations. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 1 EasyTopic: Stakeholder Perspective* |

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| 95. | The topic of ethics is most closely associated with the \_\_\_\_\_ perspective.

|  |  |
| --- | --- |
| **A.**  | stakeholder |

|  |  |
| --- | --- |
| B.  | systems |

|  |  |
| --- | --- |
| C.  | high-performance work practices |

|  |  |
| --- | --- |
| D.  | open systems anchor |

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| --- | --- |
| E.  | contingency |

The stakeholder perspective provides the strongest case for ethics and corporate social responsibility. In fact, it emerged out of earlier writing about ethics and corporate social responsibility. |

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| *AACSB: AnalyticAACSB: EthicsAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 2 MediumTopic: Stakeholder Perspective* |

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| 96. | \_\_\_\_\_ refers to the study of moral principles or values that determine whether actions are right or wrong and outcomes are good or bad.

|  |  |
| --- | --- |
| A.  | Performance orientation |

|  |  |
| --- | --- |
| **B.**  | Ethics |

|  |  |
| --- | --- |
| C.  | Multicultural teams |

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| --- | --- |
| D.  | Legal obligations |

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| --- | --- |
| E.  | Organizational behavior |

Ethics refers to the study of moral principles or values that determine whether actions are right or wrong and outcomes are good or bad. |

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| *AACSB: AnalyticAACSB: EthicsAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 1 EasyTopic: Stakeholder Perspective* |

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| 97. | Which of these organizational behavior trends is corporate social responsibility most closely related to?

|  |  |
| --- | --- |
| A.  | Workforce diversity |

|  |  |
| --- | --- |
| B.  | Employment relationships |

|  |  |
| --- | --- |
| C.  | Information technology |

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| --- | --- |
| D.  | Globalization |

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| **E.**  | Workplace values and ethics |

By linking values to organizational effectiveness, the stakeholder perspective also incorporates ethics and corporate social responsibility into the organizational effectiveness equation. Hence, corporate social responsibility is most closely related to workplace values and ethics. |

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| *AACSB: AnalyticAACSB: EthicsAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 1 EasyTopic: Stakeholder Perspective* |

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| 98. | \_\_\_\_\_ refers to an organization's moral obligation toward all of its stakeholders.

|  |  |
| --- | --- |
| A.  | Values |

|  |  |
| --- | --- |
| B.  | Legal obligation |

|  |  |
| --- | --- |
| C.  | Multicultural teams |

|  |  |
| --- | --- |
| **D.**  | Corporate social responsibility |

|  |  |
| --- | --- |
| E.  | Organizational behavior |

Corporate social responsibility refers to an organization's moral obligation toward all of its stakeholders. It is the view that companies have a contract with society, in which they must serve stakeholders beyond shareholders and customers. |

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| *AACSB: AnalyticAACSB: EthicsAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 1 EasyTopic: Stakeholder Perspective* |

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| 99. | The triple bottom line philosophy says that:

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| --- | --- |
| A.  | companies should pay three times as much attention to profits as they do to employee wellbeing. |

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| --- | --- |
| B.  | the main goal of all companies is to satisfy the needs of three groups: employees, shareholders, and suppliers. |

|  |  |
| --- | --- |
| C.  | business success increases by having three times more contingent workers than permanent employees. |

|  |  |
| --- | --- |
| D.  | companies should treat their local, national, and global customers fairly. |

|  |  |
| --- | --- |
| **E.**  | companies should try to support the economic, social, and environmental spheres of sustainability. |

As part of CSR, many companies have adopted the triple-bottom-line philosophy. They try to support or "earn positive returns" in the economic, social, and environmental spheres of sustainability. Firms that adopt the triple bottom line aim to survive and be profitable in the marketplace (economic), but they also intend to maintain or improve conditions for society (social) as well as the physical environment. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 2 MediumTopic: Stakeholder Perspective* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 100. | Which of the following is most closely associated with corporate social responsibility?

|  |  |
| --- | --- |
| A.  | Knowledge management |

|  |  |
| --- | --- |
| **B.**  | Triple bottom line |

|  |  |
| --- | --- |
| C.  | Absorptive capacity |

|  |  |
| --- | --- |
| D.  | Adaptive ability |

|  |  |
| --- | --- |
| E.  | Knowledge acquisition |

As part of CSR, many companies have adopted the triple bottom line philosophy: They try to support or "earn positive returns" in the economic, social, and environmental spheres of sustainability. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 2 MediumTopic: Stakeholder Perspective* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 101. | \_\_\_\_\_ refers to economic, social, and cultural connectivity with people in other parts of the world.

|  |  |
| --- | --- |
| A.  | OB |

|  |  |
| --- | --- |
| **B.**  | Globalization |

|  |  |
| --- | --- |
| C.  | Work/Life balance |

|  |  |
| --- | --- |
| D.  | Knowledge management |

|  |  |
| --- | --- |
| E.  | Corporate social responsibility |

Globalization refers to economic, social, and cultural connectivity with people in other parts of the world. |

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| *AACSB: AnalyticAACSB: DiversityAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-03 Debate the organizational opportunities and challenges of globalization; workforce diversity; and emerging employment relationships.Level of Difficulty: 1 EasyTopic: Globalization* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 102. | Which of the following is an example of globalization?

|  |  |
| --- | --- |
| A.  | A footwear firm based in San Diego opens a new branch in Los Angeles. |

|  |  |
| --- | --- |
| B.  | A car company based in Pittsburgh manufactures its cars in Philadelphia. |

|  |  |
| --- | --- |
| C.  | Rewind, a German music band which plays traditional German folk music performs in Berlin. |

|  |  |
| --- | --- |
| D.  | Rowan, a French citizen, publishes a novel within France. |

|  |  |
| --- | --- |
| **E.**  | An American-based burger joint opens a new outlet in China. |

Globalization refers to economic, social, and cultural connectivity with people in other parts of the world. Organizations globalize when they actively participate in other countries and cultures. In this case, the American burger chain has opened an outlet in another country. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: ApplyLearning Objective: 01-03 Debate the organizational opportunities and challenges of globalization; workforce diversity; and emerging employment relationships.Level of Difficulty: 1 EasyTopic: Globalization* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 103. | Which of the following statements is true about globalization and organizational behavior?

|  |  |
| --- | --- |
| A.  | Globalization has little or no effect on organizational behavior. |

|  |  |
| --- | --- |
| B.  | Globalization has forced organizational behavior researchers to study only large multinational businesses. |

|  |  |
| --- | --- |
| **C.**  | Globalization offers numerous benefits to organizations. |

|  |  |
| --- | --- |
| D.  | Globalization has forced organizational behavior textbooks to discuss only companies with headquarters in North America. |

|  |  |
| --- | --- |
| E.  | Globalization does not have a significant impact on today's organizations. |

Globalization offers numerous benefits to organizations in terms of larger markets, lower costs, and greater access to knowledge and innovation. Globalization is now well entrenched, so the most important issue in organizational behavior is how corporate leaders and employees alike can lead and work effectively in this emerging reality. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-03 Debate the organizational opportunities and challenges of globalization; workforce diversity; and emerging employment relationships.Level of Difficulty: 2 MediumTopic: Globalization* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 104. | The observable demographic or physiological differences in people, such as their race, ethnicity, gender, age, and physical disabilities constitute \_\_\_\_\_ diversity.

|  |  |
| --- | --- |
| A.  | deep-level |

|  |  |
| --- | --- |
| B.  | internal |

|  |  |
| --- | --- |
| **C.**  | surface-level |

|  |  |
| --- | --- |
| D.  | organizational |

|  |  |
| --- | --- |
| E.  | reflective |

The observable demographic or physiological differences in people, such as their race, ethnicity, gender, age, and physical disabilities constitute surface-level diversity. |

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| *AACSB: AnalyticAACSB: DiversityAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-03 Debate the organizational opportunities and challenges of globalization; workforce diversity; and emerging employment relationships.Level of Difficulty: 1 EasyTopic: Increasing Workforce Diversity* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 105. | At Clickz, an American photography magazine firm, more than half of the senior management positions are held by women. African Americans represent 40 percent of the company's workforce. The description of Clickz's diversity refers to:

|  |  |
| --- | --- |
| A.  | deep-level diversity. |

|  |  |
| --- | --- |
| B.  | psychological diversity. |

|  |  |
| --- | --- |
| C.  | personality diversity. |

|  |  |
| --- | --- |
| **D.**  | surface-level diversity. |

|  |  |
| --- | --- |
| E.  | attitude diversity. |

The observable demographic or physiological differences in people, such as their race, ethnicity, gender, age, and physical disabilities constitute surface-level diversity. |

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| *AACSB: AnalyticAACSB: DiversityAccessibility: Keyboard NavigationBlooms: ApplyLearning Objective: 01-03 Debate the organizational opportunities and challenges of globalization; workforce diversity; and emerging employment relationships.Level of Difficulty: 2 MediumTopic: Increasing Workforce Diversity* |

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| 106. | \_\_\_\_\_ diversity includes differences in the psychological characteristics of employees, including personalities, beliefs, values, and attitudes.

|  |  |
| --- | --- |
| A.  | Reflective |

|  |  |
| --- | --- |
| **B.**  | Deep-level |

|  |  |
| --- | --- |
| C.  | Organizational |

|  |  |
| --- | --- |
| D.  | Surface-level |

|  |  |
| --- | --- |
| E.  | External |

Diversity also includes differences in the psychological characteristics of employees, including personalities, beliefs, values, and attitudes. Deep-level diversity cannot be seen, but it is evident in a person's decisions, statements, and actions. |

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| *AACSB: AnalyticAACSB: DiversityAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-03 Debate the organizational opportunities and challenges of globalization; workforce diversity; and emerging employment relationships.Level of Difficulty: 1 EasyTopic: Increasing Workforce Diversity* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 107. | Deep-level diversity includes:

|  |  |
| --- | --- |
| A.  | physiological differences. |

|  |  |
| --- | --- |
| **B.**  | attitudes. |

|  |  |
| --- | --- |
| C.  | ethnicity. |

|  |  |
| --- | --- |
| D.  | gender. |

|  |  |
| --- | --- |
| E.  | All of these. |

Deep-level diversity is differences in the psychological characteristics of employees, including personalities, beliefs, values and attitudes. |

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| *AACSB: AnalyticAACSB: DiversityAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-03 Debate the organizational opportunities and challenges of globalization; workforce diversity; and emerging employment relationships.Level of Difficulty: 1 EasyTopic: Increasing Workforce Diversity* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 108. | Out of the generational groups discussed in the textbook, which group has the highest preference for leisure and the lowest value of social interaction?

|  |  |
| --- | --- |
| A.  | Gen-Xers |

|  |  |
| --- | --- |
| B.  | Gen-Yers |

|  |  |
| --- | --- |
| C.  | Baby Boomers |

|  |  |
| --- | --- |
| **D.**  | Millennials |

|  |  |
| --- | --- |
| E.  | Silent Generation |

One large-scale cohort study surveyed the three generational groups when each was in senior high school. The results suggest that Millennials have the highest preference for leisure, followed by Gen-Xers and Baby Boomers. Millennials and Gen-Xers also value extrinsic rewards significantly more than do Boomers, and Millennials value social interaction significantly less than do Boomers or Gen-Xers. |

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| *AACSB: AnalyticAACSB: DiversityAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-03 Debate the organizational opportunities and challenges of globalization; workforce diversity; and emerging employment relationships.Level of Difficulty: 1 EasyTopic: Increasing Workforce Diversity* |

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| 109. | Mick works for a company as a financial analyst from home using information technology. He does not work in a traditional physical workplace. This trend is known as:

|  |  |
| --- | --- |
| A.  | deep-level diversity. |

|  |  |
| --- | --- |
| B.  | work-life balance. |

|  |  |
| --- | --- |
| **C.**  | virtual work. |

|  |  |
| --- | --- |
| D.  | surface-level diversity. |

|  |  |
| --- | --- |
| E.  | frictional unemployment. |

Work performed away from the traditional physical workplace using information technology is called virtual work. In this case, Mick works from home using information technology and not in a workplace. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: ApplyLearning Objective: 01-03 Debate the organizational opportunities and challenges of globalization; workforce diversity; and emerging employment relationships.Level of Difficulty: 2 MediumTopic: Emerging Employment Relationships* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 110. | Which of the following is true according to the systematic research anchor?

|  |  |
| --- | --- |
| A.  | OB topics typically relate to the individual, team and organizational levels of analysis. |

|  |  |
| --- | --- |
| B.  | OB should import knowledge from other disciplines, not just create its own knowledge. |

|  |  |
| --- | --- |
| C.  | OB theory should recognize that the effects of actions often vary with the situation. |

|  |  |
| --- | --- |
| D.  | A particular action may have different consequences in different situations. |

|  |  |
| --- | --- |
| **E.**  | OB should study organizations by forming questions, collecting data, and testing hypotheses against those data. |

A key feature of OB knowledge is that it should be based on systematic research, which typically involves forming research questions, systematically collecting data, and testing hypotheses against those data. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-04 Discuss the anchors on which organizational behavior knowledge is based.Level of Difficulty: 2 MediumTopic: Systematic Research Anchor* |

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| 111. | Which discipline has provided organizational behavior with much of its theoretical foundation for team dynamics, organizational power, and organizational socialization?

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| **A.**  | Sociology |

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| B.  | Psychology |

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| C.  | Economics |

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| D.  | Industrial engineering |

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| E.  | Political science |

In OB, sociologists have contributed to our knowledge of team dynamics, organizational socialization, organizational power, and other aspects of the social system. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-04 Discuss the anchors on which organizational behavior knowledge is based.Level of Difficulty: 1 EasyTopic: The Multidisciplinary Anchor* |

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| 112. | Which of these statements is consistent with the five anchors of organizational behavior?

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| A.  | Organizational behavior theories must apply universally to every situation. |

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| B.  | Organizations are like machines that operate independently of their external environment. |

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| C.  | Each OB topic relates to only one level of analysis. |

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| **D.**  | The field of organizational behavior should rely on other disciplines for some of its theory development. |

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| E.  | Organizational behavioral decision making does not require evidence from research. |

The concept of multidisciplinary anchor says that organizational behavior is anchored around the idea that the field should develop from knowledge in other disciplines, not just from its own isolated research base. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-04 Discuss the anchors on which organizational behavior knowledge is based.Level of Difficulty: 1 EasyTopic: The Multidisciplinary Anchor* |

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| 113. | Which of the following statements is consistent with the concept of contingency anchor?

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| A.  | To obtain the best results, actions should be taken without considering their consequences. |

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| **B.**  | A particular action may have different consequences in different situations. |

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| C.  | OB theories are based on simple, common-sense ideas about what managers should do. |

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| D.  | OB theories point out the one best way to resolve organizational problems. |

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| E.  | Organizations should never be viewed as systems that process inputs to provide outputs. |

The contingency anchor states that a particular action may have different consequences in different situations. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-04 Discuss the anchors on which organizational behavior knowledge is based.Level of Difficulty: 2 MediumTopic: The Contingency Anchor* |

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| 114. | According to the multiple levels of analysis anchor:

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| A.  | organizational behavior is mainly the study of how all levels of the organizational hierarchy interact with the external environment. |

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| **B.**  | OB topics typically relate to the individual, team and organizational levels of analysis. |

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| C.  | there are eight levels of analysis that scholars should recognize when conducting OB research. |

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| D.  | organizational events can be studied from only one level of analysis. |

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| E.  | corporate executives need to understand business ethics from various levels and perspectives. |

According to the multiple levels of analysis anchor, OB topics typically relate to the individual, team and organizational levels of analysis. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-04 Discuss the anchors on which organizational behavior knowledge is based.Level of Difficulty: 2 MediumTopic: The Multiple Levels of Analysis Anchor* |

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| 115. | Which of the following is a conceptual anchor in organizational behavior?

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| **A.**  | Contingency anchor |

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| B.  | Economic anchor |

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| C.  | Social anchor |

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| D.  | Single level anchor |

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| E.  | Scientific anchor |

Contingency anchor is one of the five conceptual anchors in organizational behavior. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-04 Discuss the anchors on which organizational behavior knowledge is based.Level of Difficulty: 1 EasyTopic: The Contingency Anchor* |

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| 116. | Scenario: Allison AlbrightYour roommate, Allison Albright, is a non-business major. When she discovered that you are taking a course in Organizational Behavior, she was thoroughly confused as to why one would need to study OB and what it entails. Based on what you have studied, can you help Allison obtain knowledge of organizational behavior?To help Allison understand some preliminary information about OB, which of these statements about the field is true?

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| A.  | Organizational behavior scholars give more importance to individual characteristics than structural characteristics. |

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| B.  | The field of organizational behavior is independent of the concepts and theories from other fields of inquiry. |

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| C.  | Organizational behavior emerged as a distinct field late in the 1990s. |

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| D.  | Given the specific utility of the field, OB is useful for the managers in the organizations but not for the employees. |

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| **E.**  | Organizational behavior scholars study what people think, feel, and do in and around organizations. |

Organizational behavior (OB) is the study of what people think, feel, and do in and around organizations. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-01 Define organizational behavior and organizations; and discuss the importance of this field of inquiry.Level of Difficulty: 2 MediumTopic: The Field of Organizational Behavior* |

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| 117. | Scenario: Allison AlbrightYour roommate, Allison Albright, is a non-business major. When she discovered that you are taking a course in Organizational Behavior, she was thoroughly confused as to why one would need to study OB and what it entails. Based on what you have studied, can you help Allison obtain knowledge of organizational behavior?Allison thinks that organization is the same as an organism. However, in the field of organizational behavior, organizations are best described as:

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| A.  | legal entities that must abide by government regulations and pay taxes. |

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| B.  | physical structures with observable capital equipment. |

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| C.  | social entities with a publicly stated set of formal goals. |

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| **D.**  | groups of people who work interdependently towards some purpose. |

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| E.  | any social entity with profit-centered motives and objectives. |

Organizations are groups of people who work interdependently towards some purpose. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: RememberLearning Objective: 01-01 Define organizational behavior and organizations; and discuss the importance of this field of inquiry.Level of Difficulty: 2 MediumTopic: The Field of Organizational Behavior* |

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| 118. | Scenario: Allison AlbrightYour roommate, Allison Albright, is a non-business major. When she discovered that you are taking a course in Organizational Behavior, she was thoroughly confused as to why one would need to study OB and what it entails. Based on what you have studied, can you help Allison obtain knowledge of organizational behavior?Allison should understand that organizational behavior knowledge:

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| A.  | should never be used to influence the behavior of other people. |

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| B.  | should be used only by managers and senior executives. |

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| C.  | should never replace common-sense knowledge about how organizations work. |

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| **D.**  | is relevant to everyone who works in organizations. |

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| E.  | is an independent science that has evolved independently. |

Everyone has to understand the behavior of others and oneself. So OB is for everyone. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-01 Define organizational behavior and organizations; and discuss the importance of this field of inquiry.Level of Difficulty: 2 MediumTopic: Why Study Organizational Behavior?* |

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| 119. | Scenario: Bob BaldwinAs an owner and manager of Tricky Toys, Bob Baldwin has been fascinated by all the changes occurring and transforming the workplace. Bob is concerned about the important OB trends that he can understand and take advantage of in developing and positioning his company in the marketplace.Bob has been interested in this trend of globalization. He should know that globalization occurs when an organization:

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| **A.**  | increases its connectivity with people and organizations in other parts of the world. |

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| B.  | serves diverse customers within the firm's home country. |

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| C.  | has a diverse workforce within the firm's home country. |

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| D.  | has a substantially strong domestic market. |

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| E.  | operates in a country with strict foreign trade policies. |

Globalization refers to economic, social, and cultural connectivity with people in other parts of the world. Globalization increases when this connectivity is increased. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-03 Debate the organizational opportunities and challenges of globalization; workforce diversity; and emerging employment relationships.Level of Difficulty: 1 EasyTopic: Globalization* |

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| 120. | Scenario: Bob BaldwinAs an owner and manager of Tricky Toys, Bob Baldwin has been fascinated by all the changes occurring and transforming the workplace. Bob is concerned about the important OB trends that he can understand and take advantage of in developing and positioning his company in the marketplace.If Bob wants to study deep-level diversity in his organization, he would:

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| A.  | review the demographic characteristics of his workforce. |

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| B.  | consider the likelihood of long-term employment with the organization for each of his employees. |

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| C.  | observe the differences in the people who represent his workforce. |

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| **D.**  | look at different attitudes and expectations of his employees. |

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| E.  | research the cultural and racial background of the workforce in the industry. |

Deep-level diversity includes differences in the psychological characteristics of employees, including personalities, beliefs, values, and attitudes. |

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| *AACSB: AnalyticAACSB: DiversityAccessibility: Keyboard NavigationBlooms: ApplyLearning Objective: 01-03 Debate the organizational opportunities and challenges of globalization; workforce diversity; and emerging employment relationships.Level of Difficulty: 2 MediumTopic: Increasing Workforce Diversity* |

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| 121. | Scenario: Bob BaldwinAs an owner and manager of Tricky Toys, Bob Baldwin has been fascinated by all the changes occurring and transforming the workplace. Bob is concerned about the important OB trends that he can understand and take advantage of in developing and positioning his company in the marketplace.Bob is considering the idea of implementing telecommuting in Tricky Toys. Which of the following is an advantage of telecommuting?

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| **A.**  | Reduced employee stress |

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| B.  | Larger markets |

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| C.  | Greater demand for firm's products |

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| D.  | Enhanced employee recognition |

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| E.  | Ability to recognize the value of new information |

Telework attracts job applicants as well as improves the employee's work-life balance which reduces stress and productivity. |

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| *AACSB: AnalyticAccessibility: Keyboard NavigationBlooms: UnderstandLearning Objective: 01-03 Debate the organizational opportunities and challenges of globalization; workforce diversity; and emerging employment relationships.Level of Difficulty: 2 MediumTopic: Emerging Employment Relationships* |

**Essay Questions**

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| 122. | Name the four important perspectives of organizational effectiveness. Explain each perspective.  Organizational effectiveness is a composite of four perspectives: open systems, organizational learning, high-performance work practices, and stakeholders. The open systems perspective holds that organizations depend on their external environments for resources, affect that environment through their output, and consist of internal subsystems that transform inputs to outputs. The organizational learning perspective (also called knowledge management) views knowledge as the main driver of competitive advantage. Specifically, organizational learning is founded on the idea that organizational effectiveness depends on the organization's capacity to acquire, share, use, and store valuable knowledge. The high-performance work practices perspective states that effective organizations incorporate several workplace practices that leverage their potential human capital. The stakeholder perspective holds that an organization must take into account the individuals, organizations, or other entities that affect, or are affected by, the organization's objectives and actions. |

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| *AACSB: AnalyticBlooms: RememberLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 2 MediumTopic: Perspectives of Organizational Effectiveness* |

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| 123. | Explain the organization-environment fit concept of the open systems perspective.  According to the open systems perspective, organizations are effective when they maintain a good "fit" with their external environment. Good fit exists when the organization puts resources where they are most useful to adapt to and align with the needs of the external environment. In contrast, companies with a poor fit with the environment offer the wrong products and operate inappropriately in their environments. Successful organizations maintain a good fit by anticipating changes in the environment and fluidly reconfiguring their subsystems to become more consistent with that environment. Companies also maintain a good fit by actively managing their external environment. The third fit strategy is to move into different environments if the current environment is too challenging. |

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| *AACSB: AnalyticBlooms: UnderstandLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 3 HardTopic: Open Systems Perspective* |

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| 124. | Senior officers in a national military organization decided that operations in supplies requisition were inefficient and costly. They brought in consultants who recommended that the entire requisition process be 'reengineered'. This involved throwing out the old practices and developing an entirely new set of work activities around workflow. However, like many reengineering changes, this intervention resulted in lower productivity, higher employee turnover, and other adverse outcomes. Discuss likely problems with the intervention in terms of systems theory.  There are two possible ways that systems theory explains these problems. The first and more likely of these is the fact that open systems have interdependent parts. In this situation, reengineering the supplies requisition process may have disrupted other parts of the organization, which, in turn, undermined the supplies' group's ability to complete their work. The point here is that open systems consist of interdependent parts and that it is always useful to ensure that changes in one part of the organization have minimal adverse effects on other parts of the organization.The second possible (but less likely) problem is in terms of inputs, transformation, outputs, and feedback. The reengineering process may have thrown out a functioning transformation process.The change could also have resulted in less feedback from the environment regarding how well the organization is interacting with the environment. Perhaps the change resulted in a disruption of inputs or side effects in the outputs. Student answers will vary for this question. |

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| *AACSB: AnalyticBlooms: ApplyLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 3 HardTopic: Open Systems Perspective* |

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| 125. | Marketing specialists at Sarasota Beer Co. developed a new advertising campaign for summer sales. The ads were particularly aimed at sports events where Sarasota Beer sold kegs of beer on tap. The marketing group worked for months with a top advertising firm on the campaign. Their effort was successful in terms of significantly higher demand for Sarasota Beer's keg beer at sports stadiums. However, the production department had not been notified of the marketing campaign and was not prepared for the increased demand. The company was forced to buy empty kegs at a premium price. It also had to brew some of the lower-priced keg beer in vats that would have been used for higher-priced specialty beer. The result was that Sarasota Beer sold more of the lower-priced keg beer and less of the higher-priced products that summer. Moreover, the company could not initially fill consumer demand for the keg beer, resulting in customer dissatisfaction. Use system theory to explain what has occurred at Sarasota Beer Co.  This incident mainly relates to the open systems idea that organizations consist of many interdependent parts. In larger organizations, subsystem interdependence is so complex that an event in one department may ripple through the organization and affect other subsystems. In this case, the marketing group's advertising campaign had unintended implications for the production group. The marketing group's campaign increased demand for keg beer, which forced production to brew more of the lower-priced product rather than the higher-priced specialty beer. It was also necessary to keep up with demand by paying premium prices for empty kegs.The students could discuss the necessity of co-ordination and the effect of interdependence when discussing this scenario. Student answers will vary for this question. |

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| *AACSB: AnalyticBlooms: ApplyLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 3 HardTopic: Open Systems Perspective* |

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| 126. | An aircraft manufacturing company developed a computer simulation representing the very complex processes and subgroups that create an airplane. Teams of production employees would participate in a game where trainers gave them the challenge of reducing costs or minimizing space using the simulation. As the trainers predicted, the team's actions would almost always result in unexpected consequences. Explain how this simulation relates to the open systems perspective of organizational behavior.  The production simulation teaches teams that organizations are complex systems with many interdependent parts. As such, complex systems tend to produce unintended consequences when one part of the system is altered. The lesson here is to recognize the repercussions of subsystem actions on other parts of the organization. The student answers would vary though they should address these issues in the answer. |

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| *AACSB: AnalyticBlooms: ApplyLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 2 MediumTopic: Open Systems Perspective* |

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| 127. | A courier service laid off a large percentage of its production staff during last year's recession. These low-skilled employees performed routine tasks filling orders. The company now wants to rehire them. However, most of the unskilled employees have since found employment in other companies and industries. Do you think the courier company lost much intellectual capital in this situation? Explain your answer.  Intellectual capital refers to the storage and preservation of the company's stock of knowledge — in other words, the knowledge that the organization possesses. The courier company has lost some intellectual capital, but probably not a great deal. These are unskilled employees, some of whom have moved to other industries. This suggests that they might have been fairly replaceable and do not have much unique knowledge for the organization. Similarly, the tasks are fairly routine, suggesting that most knowledge is established within the task routines and thereby documented in procedures manuals.However, some knowledge loss has occurred because every employee possesses some unique knowledge that is of value to the organization. For instance, the laid off employees may have had undocumented knowledge about the preferences of certain customers or the operation of certain equipment. When employees leave the firm, they take this knowledge with them unless it is clearly documented or retained in other ways within the organization. The student answers will vary for this question. |

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| *AACSB: AnalyticBlooms: ApplyLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 2 MediumTopic: Organizational Learning Perspective* |

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| 128. | According to the organizational learning perspective, what are the four organizational learning processes? Explain each process.  Organizations nurture their intellectual capital through four organizational learning processes: knowledge acquisition, sharing, use, and storage. Knowledge acquisition includes extracting information and ideas from the external environment, as well as through insight. It involves individual learning, environment scanning, grafting, and experimentation. Knowledge sharing is an aspect of organizational learning that involves distributing knowledge to others across the organization. It includes communication, training, information systems, and observation. Knowledge use includes applying knowledge in ways that add value to the organization and its stakeholders. It involves knowledge awareness, knowledge location, and the freedom to apply it. Knowledge storage includes any means by which knowledge is held for later retrieval. It includes human memory, documentation, practices/habits, and databases. |

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| *AACSB: AnalyticBlooms: UnderstandLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 2 MediumTopic: Organizational Learning Perspective* |

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| 129. | Explain the three propositions that high-performance work practices (HPWP) are based on.  The HPWP perspective is based on three propositions:1. Employees are an important source of competitive advantage. As such, this human capital is (a) valuable, (b) rare, (c) difficult to imitate, and (d) non-substitutable.2. The value of this human capital can be increased through the presence of specific organizational practices. Companies become more effective by investing in employees.3. Most HPWP experts state that these organizational practices must be bundled together to maximize their potential. This suggests a synergistic effect, in which these specific activities are mutually reinforcing. |

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| *AACSB: AnalyticBlooms: UnderstandLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 2 MediumTopic: High-Performance Work Practices (HPWP) Perspective* |

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| 130. | Many organizations are placing increasing importance on values in the workplace. Explain the differences between values, ethics, and corporate social responsibility.  Values are relatively stable, evaluative beliefs that guide our preferences for outcomes or courses of action in a variety of situations. Values help us to know what is right or wrong, or good or bad, in the world. Values are an important part of our self-concept and, as such, motivate our actions.By incorporating values into organizational effectiveness, the stakeholder perspective also provides the strongest case for ethics and corporate social responsibility. Ethics refers to the study of moral principles or values that determine whether actions are right or wrong and outcomes are good or bad. We rely on our ethical values to determine "the right thing to do." Ethical behavior is driven by the moral principles we use to make decisions. These moral principles represent fundamental values.Corporate social responsibility consists of organizational activities intended to benefit society and the environment beyond the firm's immediate financial interests or legal obligations. |

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| *AACSB: AnalyticAACSB: EthicsBlooms: RememberLearning Objective: 01-02 Compare and contrast the four current perspectives of organizational effectiveness.Level of Difficulty: 1 EasyTopic: Stakeholder Perspective* |

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| 131. | The changing workforce is one of the emerging trends in organizational behavior. Describe how the workforce is changing and briefly identify two consequences of these changes for organizations.  There are numerous workforce changes that students might correctly identify. However, the textbook specifically refers to the following: (a) more ethnic diversity; (b) visible minorities represent a large percentage of the workforce and are entering occupations previously held mostly by men; and (c) younger people (Generation-X and Generation-Y) are bringing somewhat different values and needs to the workforce.There are several consequences of these workforce changes. The textbook identifies the following: (a) potentially better decision making, (b) potentially better customer service; and (c) underrepresentation of women and ethnic minorities in senior positions (i.e. discrimination). |

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| *AACSB: AnalyticAACSB: DiversityBlooms: UnderstandLearning Objective: 01-03 Debate the organizational opportunities and challenges of globalization; workforce diversity; and emerging employment relationships.Level of Difficulty: 2 MediumTopic: Increasing Workforce Diversity* |

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| 132. | Telecommuting has been identified as an important trend in organizational behavior. Discuss three organizational behavior topics that are influenced by telecommuting.  (Note: Students may identify the relevance of various OB topics through creative and logical thinking.) Some of the organizational behavior topics that are influenced by telecommuting include.Stress management: Telecommuting tends to offer better work-family balance.Performance: Telecommuting seems to improve job performance by about 10 percent.Self-leadership: Telecommuters need to manage themselves rather than rely on supervisors for continuous guidance.Organizational influence and politics: Telecommuters have to adjust to the lack of networking, and learn to overcome the limitations of limited face time in demonstrating their value. |

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| *AACSB: AnalyticBlooms: RememberLearning Objective: 01-03 Debate the organizational opportunities and challenges of globalization; workforce diversity; and emerging employment relationships.Level of Difficulty: 2 MediumTopic: Emerging Employment Relationships* |

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| 133. | Discuss the conceptual anchors based on which organizational behavior is developed and redefined.  The systematic research anchor states that OB knowledge should be based on systematic research, which typically involves forming research questions, systematically collecting data, and testing hypotheses against those data. The multidisciplinary anchor states that organizational behavior should welcome theories and knowledge in other disciplines, not just from its own isolated research base. The contingency anchor states that a particular action may have different consequences in different situations. The multiple levels of analysis anchor states that OB events should be understood from three levels of analysis: individual, team, and organization. |

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| *AACSB: AnalyticBlooms: UnderstandLearning Objective: 01-04 Discuss the anchors on which organizational behavior knowledge is based.Level of Difficulty: 2 MediumTopic: Anchors of Organizational Behavior Knowledge* |