

TEST BANK FOR

Organization Theory & Design 13th Edition by Richard L. Daft

Chapter 1-14 **Answers are at the End of Each Chapter**

Chapter 1

Indicate whether the statement is true or false.

1. Scientific management focuses primarily on design and functioning of an organization as a whole.
 - a. True
 - b. False

2. An organization obtains inputs from the external environment, adds value through a transformation process, and discharges products and services back to the environment.
 - a. True
 - b. False

3. With decentralization, decision-making authority is pushed up to higher organizational levels.
 - a. True
 - b. False

4. Organizations are social entities that are only linked to the internal environment.
 - a. True
 - b. False

5. Vertical complexity is the number of departments or occupational specialties existing horizontally across an organization.
 - a. True
 - b. False

6. If specialization is low, each employee performs only a narrow range of tasks.
 - a. True
 - b. False

7. Financial resources for government and charity nonprofits typically come from the sale of products or services to customers rather than from government appropriations, grants, and donations.
 - a. True
 - b. False

8. The growing global interdependence means that the environment for companies has become less complex and competitive.
 - a. True
 - b. False

9. An organization exists when people interact with one another to perform essential functions that help attain goals.
- a. True
 - b. False

10. Organizational behavior is concerned with people aggregated into departments and organizations and with the differences in structure and behavior at the organization level of analysis.
- a. True
 - b. False

Indicate the answer choice that best completes the statement or answers the question.

11. _____ is the degree to which an organization achieves its goals.
- a. Effectiveness
 - b. Contingency
 - c. Sustainability
 - d. Efficiency

12. _____ pertains to the amount of written documentation in an organization.
- a. Centralization
 - b. Specialization
 - c. Decentralization
 - d. Formalization

13. Which of the following is a difference between organization design and organizational behavior?
- a. Organization design focuses on individuals within organizations, while organizational behavior analyzes the whole organization as a unit.
 - b. Organization design is concerned with cognitive and emotional differences among people within organizations, while organizational behavior is concerned with the differences in structure and behavior at the organization level of analysis.
 - c. Organization design is concerned with lower management, while organizational behavior is concerned with top- and middle-management.
 - d. Organization design might be considered the sociology of organizations, while organizational behavior is the psychology of organizations.

14. During the first week of his new job as a sales representative for a national auto parts distributor, Tyler attended a regional sales conference. He couldn't help but notice that of the 400 or so sales reps there, nearly all of them were good-looking men under 35, like himself. He began to wonder if he got the job because of his skill in sales or because he fit a certain profile. Which aspect of organizational design is Tyler concerned about?
- a. The hierarchy of authority
 - b. Specialization
 - c. Organizational culture
 - d. Organizational environment

Name: _____ Class: _____ Date: _____

15. Phoenix Software employs fewer than 20 employees. They do not have job titles, and they typically organize themselves into collaborative work teams as new projects arise. Which of the following best describes Phoenix Software?

- a. Mechanistic
- b. Centralized
- c. Informal
- d. Bossless

16. Subzero Enterprises is a publishing company based in the United States of America. The company has 70 employees. Information flows in all directions within and across departments and hierarchical levels. The rules and regulations at Subzero Enterprises are flexibly applied. Subzero Enterprises follows a(n) _____ design.

- a. vertical
- b. specialized
- c. organic
- d. mechanistic

17. As the Operations Manager of a manufacturing plant, you have recently become aware of a conflict. The purchasing department wants to switch to a foreign supplier of a particular component part in order to save money, but the manufacturing floor manager says the new supplier's parts are lower in quality, break more easily, and thus, fewer pieces pass the final inspection, lowering overall production. Which of the following challenges are you facing?

- a. Solving an ethical dilemma
- b. Motivating employees to work together to achieve organizational goals
- c. Creating a more diverse workforce
- d. Adapting to conducting business in a global environment

18. Maxi's Magical Mystery Tour is a nonprofit organization operated by a group of six actors, singers, and dancers. They intend to bring the arts to school-aged children by performing at a minimum of nine grade schools in the tri-state region each school year. To which of the following elements is this information related?

- a. Being a social entity
- b. Goals
- c. A deliberately structured and coordinated system
- d. Links to the external environment

19. _____ refers to economic development that generates wealth and meets the needs of the current generation while saving the environment so future generations can meet their needs as well.

- a. Centralization
- b. Formalization
- c. Contingency
- d. Sustainability

20. In Bangladesh, Nobel Peace Prize-winning economist Muhammad Yunus designed an organization that would manufacture a low-cost, fortified yogurt for toddlers to help lower the high mortality rate among two- and three-year-old children in that country. The organization would also provide jobs to those who worked in the plant, as well as to women who would sell the product door-to-door, keeping a small percentage of each sale as their commission. Which of the following best describes this organization?

- a. For-profit organization
- b. Nonprofit organization
- c. Social organization
- d. Hybrid organization

21. Poppy, a small boutique, specializes in clothing for the mature woman who wants to look fashionable without looking too young or trendy. The organization's ideal customer comes from a higher income bracket, is 40+ years old, and seeks unique fashions. To which of the following elements of an organization is this information related?

- a. Being a social entity
- b. Goals
- c. A deliberately structured and coordinated system
- d. Links to the external environment

22. _____ is the degree to which organizational tasks are subdivided into separate jobs.

- a. Centralization
- b. Specialization
- c. Decentralization
- d. Formalization

23. Which of the following types of communication is emphasized by mechanistic organizations?

- a. Lateral communication
- b. Spatial communication
- c. Horizontal communication
- d. Vertical communication

24. _____ refers to the amount of resources used to achieve an organization's goals.

- a. Effectiveness
- b. Contingency
- c. Sustainability
- d. Efficiency

25. _____ emphasize designing and managing organizations on an impersonal, rational basis through such elements as clearly defined authority and responsibility, formal recordkeeping, and uniform application of standard rules.

- a. Structural dimensions
- b. Administrative principles
- c. Contingency factors
- d. Bureaucratic organizations

26. Kodak, once considered the leading film and camera producer, was one of the first to invest in developing digital cameras, yet the organization's managers decided against launching the product because they feared it would detract from sales of its existing photographic products. Kodak ultimately declared bankruptcy and no longer produces photographic equipment. Which of the following global challenges did Kodak fail to address?