M2 Sample Questions

1) The result of the job design process is a(n)
   a) division of labor among employees.
   b) decrease in employee productivity.
   c) increase in the number of tasks that each employee has to perform.
   d) decrease in job specialization.

2) Which of the following statements is true about inert cultures?
   a) Poor working relationships frequently develop between the organization and its employees.
   b) The organization tries to avoid layoffs.
   c) The organization emphasizes long-term employment.
   d) Employees often receive rewards for their performance.

3) Which of the following is true about measuring actual performance?
   a) Managers can either evaluate output or behavior, never both.
   b) Outputs and behavior can be measured easily always.
   c) It is easy to measure outputs and behavior of complex, nonroutine activities.
   d) Outputs are easier to measure because they are more tangible and objective.

4) _____ is the process by which managers determine the potential of job applicants in performing particular jobs by evaluating their qualifications and previous job experience.
   a) Interviewing
   b) Selection
   c) A 360-degree appraisal
   d) Validating

5) The source of _____ motivation lies with actually performing the behavior, and motivation comes from doing the work itself.
   a) extrinsic
   b) ethnocentric
   c) xenocentric
   d) intrinsic

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6) _____ reinforcement gives people outcomes they desire when they perform organizationally functional behaviors.
   a) Negative
   b) Extrinsic
   c) Positive
   d) Absolute

7) Which financial statement is primarily concerned with reporting the financial position of a business at a particular time?
   a) The balance sheet.
   b) The income statement.
   c) The statement of cash flows.
   d) Consolidated statement of stockholders' equity.

8) Profitability may be defined as:
   a) the ability to pay the debts of the company as they become due.
   b) the ability to increase retained earnings.
   c) distributing dividends out of retained earnings.
   d) having excess cash.

9) When budgeted amounts are set at reasonable and achievable levels:
   a) they reflect a "total quality management" philosophy of management.
   b) a highly efficient department should fall slightly short of budget standards.
   c) meeting the budgeted amounts ensures a maximum level of profitability.
   d) failure to stay within the budget is viewed as an unacceptable level of performance

10) If the company's accounts receivable turnover is increasing, the average collection period
   a) is going up slightly.
   b) is going down.
   c) could be moving in either direction.
   d) is going up by a significant amount.

KEY:

1.A 2.A 3.D 4.B 5.D 6.C 7.A 8.B 9.D 10.B