True / False Questions

1. Personality traits are the enduring tendencies to feel, think, and act in certain ways.
   
   True  False

2. The effectiveness of managers is determined by a complex interaction between the characteristics of managers and the nature of the job and organization in which they are working.
   
   True  False

3. Personality traits enhance managerial effectiveness in all situations.
   
   True  False

4. Managers who are low on extraversion are not efficient even in jobs that require very little social interaction.
   
   True  False
5. The tendency of a manager to feel distressed and to be critical of himself/herself and others is called negative affectivity.

True  False

6. Managers who are low on agreeableness are, in all likelihood, strongly antagonistic most of the time.

True  False

7. A low level of agreeableness is an asset in managerial jobs that actually requires that managers be antagonistic.

True  False

8. Managers who are high on the conscientiousness continuum are organized and self-disciplined.

True  False

9. Managers who are low on openness might be an asset in certain organizations and positions.

True  False

10. Managers need an external locus of control because they are responsible for what happens in organizations.

True  False

11. Since managers are accountable for ensuring that organizations and their members behave in an ethical fashion, they need an external locus of control.

True  False
12. The need for achievement is the extent to which an individual is concerned about establishing and maintaining good interpersonal relations, being liked, and having the people around him/her get along with one another.

True  False

13. The need for affiliation is the extent to which a manager has a strong interest in performing challenging tasks well and to meet personal standards of excellence.

True  False

14. Research suggests that a high need for affiliation is especially important for upper-level managers.

True  False

15. A personal conviction about lifelong goals or objectives is called a terminal value.

True  False

16. The terminal and instrumental values that are guiding principles in an individual's life are known as norms.

True  False

17. A sense of accomplishment and a strong desire for equality are examples of instrumental values.

True  False

18. Levels of job satisfaction tend to increase as one moves up the hierarchy in an organization.

True  False
19. Satisfied managers are more likely to perform organizational citizenship behaviors than dissatisfied managers.

True  False

20. Downsizing tends to increase employee satisfaction because employees’ increased workloads make them feel more responsible and empowered.

True  False

21. Helping layoff victims in their job search efforts is one of the ways in which managers can humanely manage a layoff.

True  False

22. Organizational commitment is likely to help managers perform some of their figurehead and spokesperson roles.

True  False

23. Differences in the levels of organizational commitment among managers in different countries are likely because these managers have different kinds of opportunities and rewards.

True  False

24. People who are high on extraversion are especially likely to experience positive moods.

True  False

25. People who are high on negative affectivity are always in a bad mood.

True  False
26. Emotions are more intense feelings than moods and are long-lived.

   True   False

27. Studies conducted over time have suggested that critical thinking is promoted by negative moods.

   True   False

28. Emotional intelligence concerns understanding and managing the moods and emotions of others but not oneself.

   True   False

29. Emotional intelligence helps managers perform their interpersonal roles.

   True   False

30. When organizational members share an intense commitment to cultural values, beliefs, and routines and use them to achieve their goals, a strong organizational culture exists.

   True   False

31. The personal characteristics of the founders of an organization have an important role in the creation of the organization's culture.

   True   False

32. The attraction-selection-attrition framework suggests that employees who are dissimilar in personality from that of the founders are more likely to leave the organization over time.

   True   False
33. The terminal values and not the instrumental values of managers play a role in determining organizational culture.

True  False

34. Both values and norms help managers to determine and shape the organizational culture.

True  False

35. Organizational socialization is the process by which newcomers learn an organization’s values and norms and acquire the work behaviors necessary to perform jobs effectively.

True  False

36. Rites of passage such as shared announcements of organizational successes, office parties, and company cookouts, build and reinforce common bonds among organizational members.

True  False

37. Rites of integration help build common norms and values.

True  False

38. Stories (only factual) about organizational heroes and villains and their actions provide important clues about values and norms.

True  False

39. Top managers in an organization with an innovative culture are likely to emphasize formal top-down planning.

True  False
40. In an innovative culture, managers are likely to lead by example, encouraging employees to take risks and experiment.

True    False

Multiple Choice Questions

41. An individual's enduring tendency to feel, think, and act in certain ways are referred to as his/her:

A. personality traits.
B. terminal values.
C. norms.
D. attitudes.
E. moods.

42. What are the big five personality traits?

A. Extraversion, tension, perfectionism, self-reliance, and apprehension
B. Extraversion, negative affectivity, agreeableness, conscientiousness, and openness to experience
C. Extraversion, negative affectivity, agreeableness, conscientiousness, and tension
D. Extraversion, negative affectivity, agreeableness, tension, and perfectionism
E. Extraversion, negative affectivity, tension, perfectionism, and self-reliance
43. The tendency to experience positive emotions and moods and feel good about oneself and the rest of the world is known as:

A. conscientiousness.
B. openness to experience.
C. rationality.
D. extraversion.
E. social recognition.

44. People who tend to be sociable, outgoing, and friendly are said to:

A. be extraverts.
B. be introverts.
C. have low self-esteem.
D. be conscientious.
E. have an internal locus of control.

45. Max enjoys being the center of attraction during his office parties. He has excellent social skills and easily makes friends with new employees. He can rightly be said to:

A. have an internal locus of control.
B. be an extravert.
C. have a low self-esteem.
D. be an introvert.
E. be conscientious.
46. People who are less inclined toward social interactions and to have a less positive outlook are known to be:

A. optimistic.
B. dominant.
C. introverts.
D. agreeable.
E. extraverts.

47. Steven is an effective and efficient manager. However, he is quite pessimistic and avoids social interactions. Steven can be classified as an:

A. extravert.
B. individual with a high external locus of control.
C. individual with high self-esteem.
D. introvert.
E. individual who is open to change.

48. The tendency of a person to feel bad emotions and moods, to feel distressed, and to be critical of oneself and others is called:

A. agreeableness.
B. conscientiousness.
C. negative affectivity.
D. high on self-esteem.
E. optimism.
49. Edward, a manager at Real Corp., is a very positive individual. He rarely exhibits adverse emotions or moods and is always optimistic about himself and others. It can be said that Edward is:

A. low on negative affectivity.
B. low on agreeableness.
C. high on conscientiousness.
D. high on self-esteem.
E. an extravert.

50. The tendency to get along well with others is known as:

A. need for affiliation.
B. agreeableness.
C. conscientiousness.
D. self-esteem.
E. need for achievement.

51. Penelope is a manager with Quick Pizza. She is very good at understanding the feelings of her subordinates and takes time out for all of them. She listens to their problems, sympathizes with them, and tries her best to give them solutions regarding the same. From this information, it can be said that Penelope is:

A. an introvert.
B. a pessimist.
C. high on agreeableness.
D. low on conscientiousness.
E. high on ambition.
52. ____________ is the tendency to be careful, scrupulous, and persevering.

A. Conscientiousness  
B. Openness to experience  
C. Need for achievement  
D. Agreeableness  
E. Extraversion

53. Managers who are ____________ appear to lack direction and self-discipline.

A. low on negative affectivity  
B. low on conscientiousness  
C. low on agreeableness  
D. extraverts  
E. optimists

54. ____________ is the tendency to be original, have broad interests, be daring, and take risks.

A. Agreeableness  
B. Conscientiousness  
C. Openness to experience  
D. Introversion  
E. Negative affectivity
55. As a manager, Nancy is known in the company as a risk-taker and an innovator. Nancy is:

A. high on introversion.
B. low on agreeableness.
C. high on openness to experience.
D. high on negative affectivity.
E. high on conscientiousness.

56. Brian has been employed at Precision Services for nearly 10 years. He is an effective manager, but does not like to take risks. Brian is more comfortable following guidelines and maintaining the status quo. Brian is:

A. low on conscientiousness.
B. high on extraversion.
C. high on agreeableness.
D. low on openness to experience.
E. high on the need for affiliation.

57. People who have ________________ believe they themselves are responsible for their own fate; they see their own actions and behaviors as being major and decisive determinants of important outcomes.

A. low self-esteem
B. a low sense of achievement
C. high neuroticism
D. an internal locus of control
E. an external locus of control
58. Whenever Cate does not perform well in a test, she blames it on the lack of preparedness on her part. Cate is said to have:

A. an external locus of control.
B. low self-esteem.
C. a low sense of achievement.
D. high neuroticism.
E. an internal locus of control.

59. People who believe that outside forces are responsible for what happens to and around them and do not think that their own make much of a difference have:

A. a high sense of achievement.
B. less neuroticism.
C. an internal locus of control.
D. an external locus of control.
E. high self-esteem.

60. Whenever Daniel performs well in a test, he thinks that his teacher was being lenient or that he was lucky. Daniel is said to have:

A. an internal locus of control.
B. high self-esteem.
C. a high sense of achievement.
D. low neuroticism.
E. an external locus of control.
61. _____________ is the degree to which individuals feel good about themselves and their capabilities.

A. Self-esteem
B. Attitude
C. Emotional intelligence
D. Self-criticism
E. Hedonism

62. As the night manager of Spicy Bites, Ronald feels competent, deserving, and capable of handling most situations. Ronald:

A. has an external locus of control.
B. has low sense of achievement.
C. has high self-esteem.
D. is highly hedonistic.
E. is highly self-critical.

63. According to psychologist David McClelland, the extent to which an individual has a strong desire to perform challenging tasks well and to meet personal standards for excellence is known as the individual's need for:

A. affiliation.
B. achievement.
C. power.
D. affection.
E. conscientiousness.
64. The need for ______________ is the extent to which an individual is concerned about establishing and maintaining good interpersonal relations, being liked, and having the people around him/her get along with one another.

A. power  
B. self-esteem  
C. conscientiousness  
D. achievement  
E. affiliation

65. The extent to which an individual desires to influence others is known as the individual's need for:

A. affiliation.  
B. affection.  
C. power.  
D. conscientiousness.  
E. benevolence.

66. Which of the following describes what managers are trying to achieve through work and how they think they should behave?

A. Emotions  
B. Moods  
C. Intelligence  
D. Values  
E. Attitudes
67. A(n) ______________ value is a personal conviction about lifelong goals or objectives.

A. terminal  
B. instrumental  
C. moral  
D. means  
E. competence-related

68. A(n) ______________ value is a personal conviction about desired modes of conduct or ways of behaving.

A. terminal  
B. personal  
C. social  
D. ends  
E. instrumental

69. Unwritten, informal codes of conduct that prescribe how people should act in particular situations and are considered important by most members of a group are known as:

A. norms.  
B. goals.  
C. values.  
D. ideologies.  
E. rules.
70. Which of the following is an example of a terminal value?

A. Self-reliant
B. Self-sufficient
C. Self-respect
D. Self-controlled
E. Self-disciplined

71. A(n) ________________ is a collection of feelings and beliefs.

A. habit
B. attitude
C. value
D. norm
E. aptitude

72. The collection of feelings and beliefs that managers have about their current jobs is referred to as:

A. organizational citizenship behavior.
B. job satisfaction.
C. organizational culture.
D. organizational commitment.
E. emotional intelligence.
73. Organizational citizenship behaviors refer to an employee's:

A. strict adherence to organizational goals.
B. willingness to perform above and beyond the call of duty.
C. indisposition to offer suggestions to the organization.
D. emotional attachment to the organization.
E. collection of feelings and beliefs about the organization as a whole.

74. The collection of feelings and beliefs that managers have about their organization as a whole is known as organizational:

A. commitment.
B. climate.
C. citizenship.
D. socialization.
E. culture.

75. Which of the following refers to a feeling or state of mind?

A. Affect
B. Moods
C. Values
D. Emotional labor
E. Self-efficacy
76. An intense, relatively short-lived feeling is called a(n):

   A. emotion.
   B. value.
   C. motivation.
   D. commitment.
   E. attitude.

77. One of the attributes that make Anthony an excellent manager is his ability to understand the moods of his subordinates coupled with his ability to manage his own moods. Anthony has a high level of:

   A. fluid intelligence.
   B. intelligence quotient.
   C. emotional intelligence.
   D. crystallized intelligence.
   E. dispositional effect.

78. Emotional intelligence can help managers perform interpersonal roles like that of a:

   A. resource allocator.
   B. monitor.
   C. planner.
   D. liaison.
   E. decision maker.
79. Organizational ______________ comprises the shared set of beliefs, expectations, values, norms, and work routines that influence how members of an organization relate to one another and work together to achieve organizational goals.

A. planning  
B. hierarchy  
C. chart  
D. structure  
E. culture

80. Which of the following reflects the distinctive ways in which organizational members perform their jobs and relate to others inside and outside the organization?

A. Organizational culture  
B. Organizational capital  
C. Organizational hierarchy  
D. Organizational planning  
E. Organizational structure

81. Which of the following posits that when founders hire employees for their new ventures, they tend to be drawn to and choose employees whose personalities are similar to their own?

A. Equity theory  
B. Attraction-selection-attrition framework  
C. Belief-desire-intentional framework  
D. Organizational commitment  
E. Socialization
82. _____________ signify what an organization and its employees are trying to accomplish.

A. Emotions  
B. Moods  
C. Terminal values  
D. Instrumental values  
E. Attitudes

83. _____________ guide how the organization and its members achieve organizational goals.

A. Attitudes  
B. Emotions  
C. Moods  
D. Instrumental values  
E. Terminal values

84. The process by which newcomers learn an organization’s values and norms and acquire the work behaviors necessary to perform jobs effectively is known as organizational:

A. conscientiousness.  
B. socialization.  
C. planning.  
D. controlling.  
E. agreeableness.
85. In Dave's Steel Manufacturing Co., new employees go through a short orientation process after their induction. During this process, they are told about the organization and its history, values, jargon, culture, and procedures. They are then introduced to their work group, the specific people they would work with, informed about their own role in the organization, the skills needed to do their job, and both formal procedures and informal norms. This is an example of organizational:

A. controlling.
B. planning.
C. socialization.
D. agreeableness.
E. conscientiousness.

86. The formal events that recognize incidents of importance to the organization as a whole and to specific employees are known as:

A. values.
B. rituals.
C. stories.
D. rites.
E. norms.
87. The rites of ____________ determine how individuals enter, advance within, and leave the organization.

A. passage
B. integration
C. celebration
D. inauguration
E. enhancement

88. Every year on the Saturday prior to Christmas, Smart Enterprises holds its annual holiday party. This is an example of a rite of:

A. enhancement.
B. integration.
C. inauguration.
D. celebration.
E. passage.

89. Orbit Inc., puts out newspaper releases announcing employees' promotions. This is an example of a rite of:

A. inauguration.
B. celebration.
C. integration.
D. passage.
E. enhancement.
90. Which of the following is true of the planning process in an organization with an innovative culture?

A. It encourages lower-level managers to participate in the process.
B. It rarely takes risks involving the development of new products.
C. It emphasizes formal top-down planning.
D. It subjects the suggestions from lower-level managers to a formal review process that significantly slows decision making.
E. It creates a well-defined hierarchy of authority and establishes clear reporting relationships so that employees know exactly whom to report to.

91. Which of the following is true of the managerial function of organizing in an organization that has a conservative culture?

A. It has a decentralized authority which encourages employees to work together to solve ongoing problems.
B. It creates a well-defined hierarchy of authority and establishes clear reporting relationships so that employees know exactly whom to report to.
C. A product team structure is most suitable for an organization with a conservative culture.
D. Such organizations have a flat structure.
E. Such organizations have fewer levels in the hierarchy.
92. With regard to the managerial function of leading in an organization with an innovative culture, managers:

A. emphasize formal top-down communication.
B. emphasize caution, maintenance of the status quo, and set specific goals.
C. are likely to lead by example, encouraging employees to take risks and experiment.
D. are likely to use management by objectives.
E. constantly monitor subordinates' progress toward goals, overseeing their every move.

93. With regard to the managerial function of controlling in an organization that has a conservative culture, managers:

A. recognize that there are multiple potential paths to success and that failure must be accepted for creativity to thrive.
B. are less concerned about employees' performing their jobs in a specific, predetermined manner.
C. are concerned about employees' being flexible and taking the initiative to come up with ideas for improving performance.
D. set specific, difficult goals for employees, frequently monitor progress toward these goals, and develop a clear set of rules that employees are expected to adhere to.
E. encourage risk taking, creativity, and innovation.

Essay Questions
94. Define personality traits. What are the Big Five personality traits?

95. Discuss extraversion. How does it affect managers' thoughts, feelings, and behaviors?

96. Distinguish between internal and external locus of control.
97. Psychologist David McClelland has extensively researched the needs for achievement, affiliation, and power. Define these needs.

98. What are the two types of personal values? Explain.

99. Define job satisfaction and discuss why it is so important for managers to be satisfied with their jobs.
100. Discuss organizational commitment and its relationship to organizational culture.

101. Differentiate between moods and emotions. How do moods and emotions affect the organization?

102. Define the concept of emotional intelligence. How does having emotional intelligence help managers?
103. What is organizational culture?

104. Explain the attraction-selection-attrition (ASA) framework. How does it help explain the formation of organizational cultures?

105. Differentiate between terminal and instrumental values. How do they contribute to the organizational culture?
106. What is socialization? How does it help an organization?

107. Explain what organizational rites are. What are the different types? Give one example of each.

108. Explain how culture influences the way managers perform their four main functions: planning, organizing, leading, and controlling.
Chapter 02 Values, Attitudes, Emotions, and Culture: The Manager as a Person Answer Key

True / False Questions

1. Personality traits are the enduring tendencies to feel, think, and act in certain ways.

TRUE

All people, including managers, have certain enduring characteristics that influence how they think, feel, and behave both on and off the job. These characteristics are personality traits: particular tendencies to feel, think, and act in certain ways that can be used to describe the personality of every individual.

AACSB: Analytic
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 02-01 Describe the various personality traits that affect how managers think, feel, and behave.

Topic: Enduring Characteristics: Personality Traits
2. The effectiveness of managers is determined by a complex interaction between the characteristics of managers and the nature of the job and organization in which they are working.

**TRUE**

No single trait is right or wrong for being an effective manager. Rather, effectiveness is determined by a complex interaction between the characteristics of managers and the nature of the job and organization in which they are working. Moreover, personality traits that enhance managerial effectiveness in one situation may impair it in another.

AACSB: Analytic
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 02-01 Describe the various personality traits that affect how managers think; feel; and behave.
Topic: Enduring Characteristics: Personality Traits

3. Personality traits enhance managerial effectiveness in all situations.

**FALSE**

Personality traits that enhance managerial effectiveness in one situation may impair it in another.

AACSB: Analytic
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 02-01 Describe the various personality traits that affect how managers think; feel; and behave.
Topic: Enduring Characteristics: Personality Traits
4. Managers who are low on extraversion are not efficient even in jobs that require very little social interaction.

**FALSE**

Managers who are low on extraversion may be highly effective and efficient, especially when their jobs do not require much social interaction. Their quieter approach may enable them to accomplish quite a bit of work in limited time.

AACSB: Analytic

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 02-01 Describe the various personality traits that affect how managers think; feel; and behave.

Topic: Enduring Characteristics: Personality Traits

5. The tendency of a manager to feel distressed and to be critical of himself/herself and others is called negative affectivity.

**TRUE**

Negative affectivity is the tendency to experience negative emotions and moods, feel distressed, and be critical of oneself and others. Managers high on this trait may often feel angry and dissatisfied and complain about their own and others' lack of progress.

AACSB: Analytic

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 02-01 Describe the various personality traits that affect how managers think; feel; and behave.

Topic: Enduring Characteristics: Personality Traits
6. Managers who are low on agreeableness are, in all likelihood, strongly antagonistic most of the time.

**FALSE**

Managers who are low on agreeableness may be somewhat distrustful of others, unsympathetic, uncooperative, and even at times antagonistic.

AACSB: Analytic
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 2 Medium

Learning Objective: 02-01 Describe the various personality traits that affect how managers think; feel; and behave.
Topic: Enduring Characteristics: Personality Traits

7. A low level of agreeableness is an asset in managerial jobs that actually requires that managers be antagonistic.

**TRUE**

Being high on agreeableness may be especially important for managers whose responsibilities require that they develop good, close relationships with others. Nevertheless, a low level of agreeableness may be an asset in managerial jobs that actually require that managers be antagonistic, such as drill sergeants and some other kinds of military managers.

AACSB: Analytic
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 02-01 Describe the various personality traits that affect how managers think; feel; and behave.
Topic: Enduring Characteristics: Personality Traits
8. Managers who are high on the conscientiousness continuum are organized and self-disciplined.

**TRUE**

Conscientiousness is the tendency to be careful, scrupulous, and persevering. Managers who are high on the conscientiousness continuum are organized and self-disciplined; those who are low on this trait might sometimes appear to lack direction and self-discipline.

**AACSB: Analytic**
**Accessibility: Keyboard Navigation**
**Blooms: Remember**
**Difficulty: 1 Easy**

*Learning Objective: 02-01 Describe the various personality traits that affect how managers think, feel, and behave.*

*Topic: Enduring Characteristics: Personality Traits*

9. Managers who are low on openness might be an asset in certain organizations and positions.

**TRUE**

Managers who are low on openness to experience may be less prone to take risks and more conservative in their planning and decision making. In certain organizations and positions, this tendency might be an asset.

**AACSB: Analytic**
**Accessibility: Keyboard Navigation**
**Blooms: Remember**
**Difficulty: 1 Easy**

*Learning Objective: 02-01 Describe the various personality traits that affect how managers think, feel, and behave.*

*Topic: Enduring Characteristics: Personality Traits*
10. Managers need an external locus of control because they are responsible for what happens in organizations.

**FALSE**

People with an internal locus of control believe they themselves are responsible for their own fate; they see their own actions and behaviors as being major and decisive determinants of important outcomes. Managers need an internal locus of control because they are responsible for what happens in organizations; they need to believe they can and do make a difference.

AASCB: Analytic
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 02-01 Describe the various personality traits that affect how managers think; feel; and behave.

Topic: Enduring Characteristics: Personality Traits

11. Since managers are accountable for ensuring that organizations and their members behave in an ethical fashion, they need an external locus of control.

**FALSE**

Managers need an internal locus of control because they are responsible for what happens in organizations; they need to believe they can and do make a difference. Moreover, managers are responsible for ensuring that organizations and their members behave in an ethical fashion, and for this as well they need an internal locus of control—they need to know and feel they can make a difference.

AASCB: Analytic
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 02-01 Describe the various personality traits that affect how managers think; feel; and behave.

Topic: Enduring Characteristics: Personality Traits
12. The need for achievement is the extent to which an individual is concerned about establishing and maintaining good interpersonal relations, being liked, and having the people around him/her get along with one another.

**FALSE**

The need for achievement is the extent to which an individual has a strong desire to perform challenging tasks well and to meet personal standards for excellence. The need for affiliation is the extent to which an individual is concerned about establishing and maintaining good interpersonal relations, being liked, and having the people around him/her get along with one another.

AACSB: Analytic

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 02-01 Describe the various personality traits that affect how managers think; feel; and behave.

Topic: Enduring Characteristics: Personality Traits

13. The need for affiliation is the extent to which a manager has a strong interest in performing challenging tasks well and to meet personal standards of excellence.

**FALSE**

The need for achievement is the extent to which an individual has a strong desire to perform challenging tasks well and to meet personal standards for excellence. The need for affiliation is the extent to which an individual is concerned about establishing and maintaining good interpersonal relations, being liked, and having the people around him/her get along with one another.

AACSB: Analytic

Accessibility: Keyboard Navigation
14. Research suggests that a high need for affiliation is especially important for upper-level managers.

**FALSE**

Research suggests that high needs for achievement and for power are assets for first-line and middle managers and that a high need for power is especially important for upper-level managers. A high need for affiliation may not always be desirable in managers because it might lead them to try too hard to be liked by others rather than doing all they can to ensure that performance is as high as it can and should be.

**AACSB: Analytic**

**Accessibility: Keyboard Navigation**

**Blooms: Remember**

**Difficulty: 2 Medium**

**Learning Objective: 02-01 Describe the various personality traits that affect how managers think; feel; and behave.**

**Topic: Enduring Characteristics: Personality Traits**

15. A personal conviction about lifelong goals or objectives is called a terminal value.

**TRUE**

The two kinds of personal values are terminal and instrumental. A terminal value is a personal conviction about lifelong goals or objectives; an instrumental value is a personal conviction about desired modes of conduct or ways of behaving.
16. The terminal and instrumental values that are guiding principles in an individual's life are known as norms.

**FALSE**

The terminal and instrumental values that are guiding principles in an individual's life are known as value systems.

17. A sense of accomplishment and a strong desire for equality are examples of instrumental values.

**FALSE**

A sense of accomplishment and a strong desire for equality are examples of terminal values.

Refer: Figure 2.4
18. Levels of job satisfaction tend to increase as one moves up the hierarchy in an organization.

**TRUE**

Levels of job satisfaction tend to increase as one moves up the hierarchy in an organization.

AACSB: Analytic
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 02-02 Explain what values and attitudes are and describe their impact on managerial action.
Topic: Values, Attitudes, and Moods and Emotions

19. Satisfied managers are more likely to perform organizational citizenship behaviors than dissatisfied managers.

**TRUE**

Satisfied managers are more likely to go the extra mile for their organization or perform organizational citizenship behaviors (OCBs)—behaviors that are not required of organizational members but that contribute to and are necessary for organizational efficiency, effectiveness, and competitive advantage. Managers who are satisfied with their jobs are more likely to perform these "above and beyond the call of duty" behaviors.

AACSB: Analytic
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 02-02 Explain what values and attitudes are and describe their impact on managerial action.
Topic: Values, Attitudes, and Moods and Emotions
20. Downsizing tends to increase employee satisfaction because employees' increased workloads make them feel more responsible and empowered.

**FALSE**

A growing source of dissatisfaction for many lower- and middle-level managers, as well as for nonmanagerial employees, is the threat of unemployment and increased workloads from organizational downsizings and layoffs. Organizations that try to improve their efficiency through restructuring and layoffs often eliminate a sizable number of first-line and middle management positions. This decision obviously hurts the managers who are laid off, and it also can reduce the job satisfaction levels of managers who remain.

**AACSB: Analytic**

**Accessibility: Keyboard Navigation**

**Blooms: Remember**

**Difficulty: 1 Easy**

Learning Objective: 02-02 Explain what values and attitudes are and describe their impact on managerial action.

Topic: Values, Attitudes, and Moods and Emotions

21. Helping layoff victims in their job search efforts is one of the ways in which managers can humanely manage a layoff.

**TRUE**

Showing compassion and empathy for layoff victims, giving them as much advance notice as possible about the layoff, providing clear information about severance benefits, and helping layoff victims in their job search efforts are a few of the ways in which managers can humanely manage a layoff.

**AACSB: Analytic**

**Accessibility: Keyboard Navigation**

**Blooms: Remember**

**Difficulty: 1 Easy**

Learning Objective: 02-02 Explain what values and attitudes are and describe their impact on managerial action.
22. Organizational commitment is likely to help managers perform some of their figurehead and spokesperson roles.

**TRUE**

Organizational commitment is likely to help managers perform some of their figurehead and spokesperson roles. It is much easier for a manager to persuade others both inside and outside the organization of the merits of what the organization has done and is seeking to accomplish if the manager truly believes in and is committed to the organization.

**AACSB: Analytic**

**Accessibility: Keyboard Navigation**

**Blooms: Remember**

**Difficulty: 1 Easy**

**Learning Objective: 02-02 Explain what values and attitudes are and describe their impact on managerial action.**

23. Differences in the levels of organizational commitment among managers in different countries are likely because these managers have different kinds of opportunities and rewards.

**TRUE**

Differences in the levels of job satisfaction and organizational commitment among managers in different countries are likely because these managers have different kinds of opportunities and rewards and because they face different economic, political, and sociocultural forces in their organizations' general environments.

**AACSB: Analytic**

**Accessibility: Keyboard Navigation**

**Blooms: Remember**

**Difficulty: 1 Easy**

**Learning Objective: 02-02 Explain what values and attitudes are and describe their impact on managerial action.**
24. People who are high on extraversion are especially likely to experience positive moods.

**TRUE**

People who are high on extraversion are especially likely to experience positive moods; people who are high on negative affectivity are especially likely to experience negative moods.


25. People who are high on negative affectivity are always in a bad mood.

**FALSE**

People's situations or circumstances also determine their moods; however, receiving a raise is likely to put most people in a good mood regardless of their personality traits. People who are high on negative affectivity are not always in a bad mood, and people who are low on extraversion still experience positive moods.
26. Emotions are more intense feelings than moods and are long-lived.

**FALSE**

Emotions are more intense feelings than moods, are often directly linked to whatever caused the emotion, and are more short-lived. However, once whatever has triggered the emotion has been dealt with, the feelings may linger in the form of a less intense mood.

_AACSB: Analytic  
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Blooms: Remember  
Difficulty: 1 Easy  
Learning Objective: 02-03 Appreciate how moods and emotions influence all members of an organization.  
Topic: Values, Attitudes, and Moods and Emotions_

27. Studies conducted over time have suggested that critical thinking is promoted by negative moods.

**TRUE**

Research suggests that when people are in negative moods, they tend to be more detail-oriented and focused on the facts at hand. Some studies suggest that critical thinking and devil's advocacy may be promoted by a negative mood, and sometimes especially accurate judgments may be made by managers in negative moods.

_AACSB: Analytic  
Accessibility: Keyboard Navigation  
Blooms: Remember  
Difficulty: 1 Easy  
Learning Objective: 02-03 Appreciate how moods and emotions influence all members of an organization.  
Topic: Values, Attitudes, and Moods and Emotions_
28. Emotional intelligence concerns understanding and managing the moods and emotions of others but not oneself.

**FALSE**

Emotional intelligence is the ability to understand and manage one's own moods and emotions and the moods and emotions of other people. Managers with a high level of emotional intelligence are more likely to understand how they are feeling and why, and they are more able to effectively manage their feelings.

AACSB: Analytic
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 02-04 Describe the nature of emotional intelligence and its role in management.
Topic: Emotional Intelligence

29. Emotional intelligence helps managers perform their interpersonal roles.

**TRUE**

Emotional intelligence helps managers perform their important roles such as their interpersonal roles. Understanding how your subordinates feel, why they feel that way, and how to manage these feelings is central to developing strong interpersonal bonds with them.

AACSB: Analytic
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 02-04 Describe the nature of emotional intelligence and its role in management.
Topic: Emotional Intelligence
30. When organizational members share an intense commitment to cultural values, beliefs, and routines and use them to achieve their goals, a strong organizational culture exists.

**TRUE**

When organizational members share an intense commitment to cultural values, beliefs, and routines and use them to achieve their goals, a strong organizational culture exists. When organizational members are not strongly committed to a shared system of values, beliefs, and routines, organizational culture is weak.

AACSB: Analytic
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 02-05 Define organizational culture and explain how managers both create and are influenced by organizational culture.

Topic: Organizational Culture

31. The personal characteristics of the founders of an organization have an important role in the creation of the organization's culture.

**TRUE**

Entrepreneurs who start their own companies are typically also the startups' top managers until the companies grow and become profitable. Often referred to as the firms' founders, these managers literally create their organizations’ cultures. The founders’ personal characteristics play an important role in the creation of organizational culture.

AACSB: Analytic
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 02-05 Define organizational culture and explain how managers both create and are influenced by organizational culture.
32. The attraction-selection-attrition framework suggests that employees who are dissimilar in personality from that of the founders are more likely to leave the organization over time.

**TRUE**

The attraction-selection-attrition (ASA) framework, posits that when founders hire employees for their new ventures, they tend to be attracted to and choose employees whose personalities are similar to their own. These similar employees are more likely to stay with the organization. Although employees who are dissimilar in personality might be hired, they are more likely to leave the organization over time.

33. The terminal values and not the instrumental values of managers play a role in determining organizational culture.

**FALSE**

Both terminal and instrumental values of managers play a role in determining organizational culture. Managers who highly value freedom and equality, for example, might be likely to stress the importance of autonomy and empowerment in their organizations, as well as fair treatment for all.
34. Both values and norms help managers to determine and shape the organizational culture.

**TRUE**

Shared terminal and instrumental values play a particularly important role in organizational culture. Terminal values signify what an organization and its employees are trying to accomplish, and instrumental values guide how the organization and its members achieve organizational goals. Managers determine and shape organizational culture through the kinds of values and norms they promote in an organization.

35. Organizational socialization is the process by which newcomers learn an organization's values and norms and acquire the work behaviors necessary to perform jobs effectively.

**TRUE**

Organizational socialization is the process by which newcomers learn an organization's values and norms and acquire the work behaviors necessary to perform jobs effectively.
Learning Objective: 02-05 Define organizational culture and explain how managers both create and are influenced by organizational culture.
Topic: Organizational Culture

36. Rites of passage such as shared announcements of organizational successes, office parties, and company cookouts, build and reinforce common bonds among organizational members.

**FALSE**

Rites of passage determine how individuals enter, advance within, and leave the organization. Rites of integration, such as shared announcements of organizational successes, office parties, and company cookouts, build and reinforce common bonds among organizational members.

37. Rites of integration help build common norms and values.

**TRUE**

Rites of passage help in learning and internalizing norms and values. Rites of integration help in building common norms and values. Rites of enhancement help in motivating commitment to norms and values.

Refer: Table 2.1

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Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
38. Stories (only factual) about organizational heroes and villains and their actions provide important clues about values and norms.

**FALSE**

Stories and language also communicate organizational culture. Stories (whether fact or fiction) about organizational heroes and villains and their actions provide important clues about values and norms.

**Learning Objective:** 02-05 Define organizational culture and explain how managers both create and are influenced by organizational culture.

39. Top managers in an organization with an innovative culture are likely to emphasize formal top-down planning.

**FALSE**

Top managers in an organization with an innovative culture are likely to encourage lower-level managers to participate in the planning process and develop a flexible approach to planning. They are likely to be willing to listen to new ideas and to take risks involving the development of new products. In contrast, top managers in an organization with conservative values are likely to emphasize formal top-down planning.
40. In an innovative culture, managers are likely to lead by example, encouraging employees to take risks and experiment.

**TRUE**

In an innovative culture, managers are likely to lead by example, encouraging employees to take risks and experiment. They are supportive regardless of whether employees succeed or fail.

Multiple Choice Questions
41. An individual's enduring tendency to feel, think, and act in certain ways are referred to as his/her:

A. personality traits.
B. terminal values.
C. norms.
D. attitudes.
E. moods.

All people, including managers, have certain enduring characteristics that influence how they think, feel, and behave both on and off the job. These characteristics are personality traits: particular tendencies to feel, think, and act in certain ways that can be used to describe the personality of every individual.

AACSB: Analytic
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 02-01 Describe the various personality traits that affect how managers think; feel; and behave.
Topic: Enduring Characteristics: Personality Traits
42. What are the big five personality traits?

A. Extraversion, tension, perfectionism, self-reliance, and apprehension
B. Extraversion, negative affectivity, agreeableness, conscientiousness, and openness to experience
C. Extraversion, negative affectivity, agreeableness, conscientiousness, and tension
D. Extraversion, negative affectivity, agreeableness, tension, and perfectionism
E. Extraversion, negative affectivity, tension, perfectionism, and self-reliance

An individual's personality is composed of five general traits or characteristics: extraversion, negative affectivity, agreeableness, conscientiousness, and openness to experience. Researchers often consider these the Big Five personality traits.

AACSB: Analytic
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 02-01 Describe the various personality traits that affect how managers think; feel; and behave.

Topic: Enduring Characteristics: Personality Traits
The tendency to experience positive emotions and moods and feel good about oneself and the rest of the world is known as:

A. conscientiousness.
B. openness to experience.
C. rationality.
D. extraversion.
E. social recognition.

Extraversion is the tendency to experience positive emotions and moods and feel good about oneself and the rest of the world. Managers who are high on extraversion tend to be sociable, affectionate, outgoing, and friendly. Managers who are low on extraversion tend to be less inclined toward social interactions and to have a less positive outlook.
44. People who tend to be sociable, outgoing, and friendly are said to:

A. be extraverts.
B. be introverts.
C. have low self-esteem.
D. be conscientious.
E. have an internal locus of control.

Extraversion is the tendency to experience positive emotions and moods and feel good about oneself and the rest of the world. Managers who are high on extraversion (often called extraverts) tend to be sociable, affectionate, outgoing, and friendly. Managers who are low on extraversion (often called introverts) tend to be less inclined toward social interactions and to have a less positive outlook.

AACSB: Analytic
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 02-01 Describe the various personality traits that affect how managers think, feel, and behave.

Topic: Enduring Characteristics: Personality Traits
45. Max enjoys being the center of attraction during his office parties. He has excellent social skills and easily makes friends with new employees. He can rightly be said to:

A. have an internal locus of control.
B. be an extravert.
C. have a low self-esteem.
D. be an introvert.
E. be conscientious.

Extraversion is the tendency to experience positive emotions and moods and feel good about oneself and the rest of the world. Managers who are high on extraversion (often called extraverts) tend to be sociable, affectionate, outgoing, and friendly. Managers who are low on extraversion (often called introverts) tend to be less inclined toward social interactions and to have a less positive outlook.
46. People who are less inclined toward social interactions and to have a less positive outlook are known to be:

A. optimistic.
B. dominant.
C. introverts.
D. agreeable.
E. extraverts.

Extraversion is the tendency to experience positive emotions and moods and feel good about oneself and the rest of the world. Managers who are high on extraversion (often called extraverts) tend to be sociable, affectionate, outgoing, and friendly. Managers who are low on extraversion (often called introverts) tend to be less inclined toward social interactions and to have a less positive outlook.

AACSB: Analytic
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 02-01 Describe the various personality traits that affect how managers think; feel; and behave.

Topic: Enduring Characteristics: Personality Traits
47. Steven is an effective and efficient manager. However, he is quite pessimistic and avoids social interactions. Steven can be classified as an:

A. extravert.
B. individual with a high external locus of control.
C. individual with high self-esteem.
D. introvert.
E. individual who is open to change.

Extraversion is the tendency to experience positive emotions and moods and feel good about oneself and the rest of the world. Managers who are high on extraversion (often called extraverts) tend to be sociable, affectionate, outgoing, and friendly. Managers who are low on extraversion (often called introverts) tend to be less inclined toward social interactions and to have a less positive outlook.
48. The tendency of a person to feel bad emotions and moods, to feel distressed, and to be critical of oneself and others is called:

A. agreeableness.
B. conscientiousness.
C. negative affectivity.
D. high on self-esteem.
E. optimism.

Negative affectivity is the tendency to experience negative emotions and moods, feel distressed, and be critical of oneself and others. Managers high on this trait may often feel angry and dissatisfied and complain about their own and others' lack of progress.

AACSB: Analytic
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 02-01 Describe the various personality traits that affect how managers think; feel; and behave.
Topic: Enduring Characteristics: Personality Traits
Edward, a manager at Real Corp., is a very positive individual. He rarely exhibits adverse emotions or moods and is always optimistic about himself and others. It can be said that Edward is:

A. low on negative affectivity.
B. low on agreeableness.
C. high on conscientiousness.
D. high on self-esteem.
E. an extravert.

Negative affectivity is the tendency to experience negative emotions and moods, feel distressed, and be critical of oneself and others. Managers high on this trait may often feel angry and dissatisfied and complain about their own and others’ lack of progress. Managers who are low on negative affectivity do not tend to experience many negative emotions and moods and are less pessimistic and critical of themselves and others.
50. The tendency to get along well with others is known as:

A. need for affiliation.

B. agreeableness.

C. conscientiousness.

D. self-esteem.

E. need for achievement.

Agreeableness is the tendency to get along well with others. Managers who are high on the agreeableness continuum are likable, tend to be affectionate, and care about other people. Managers who are low on agreeableness may be somewhat distrustful of others, unsympathetic, uncooperative, and even at times antagonistic.
51. Penelope is a manager with Quick Pizza. She is very good at understanding the feelings of her subordinates and takes time out for all of them. She listens to their problems, sympathizes with them, and tries her best to give them solutions regarding the same. From this information, it can be said that Penelope is:

A. an introvert.
B. a pessimist.
C. high on agreeableness.
D. low on conscientiousness.
E. high on ambition.

Agreeableness is the tendency to get along well with others. Managers who are high on the agreeableness continuum are likable, tend to be affectionate, and care about other people. Managers who are low on agreeableness may be somewhat distrustful of others, unsympathetic, uncooperative, and even at times antagonistic.
52. _____________ is the tendency to be careful, scrupulous, and persevering.

A. Conscientiousness
B. Openness to experience
C. Need for achievement
D. Agreeableness
E. Extraversion

Conscientiousness is the tendency to be careful, scrupulous, and persevering. Managers who are high on the conscientiousness continuum are organized and self-disciplined; those who are low on this trait might sometimes appear to lack direction and self-discipline.

AACSB: Analytic
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 02-01 Describe the various personality traits that affect how managers think, feel, and behave.
Topic: Enduring Characteristics: Personality Traits
53. Managers who are _______________ appear to lack direction and self-discipline.

A. low on negative affectivity

B. low on conscientiousness

C. low on agreeableness

D. extraverts

E. optimists

Conscientiousness is the tendency to be careful, scrupulous, and persevering. Managers who are high on the conscientiousness continuum are organized and self-disciplined; those who are low on this trait might sometimes appear to lack direction and self-discipline.
54. _______________ is the tendency to be original, have broad interests, be daring, and take risks.

A. Agreeableness
B. Conscientiousness
C. Openness to experience
D. Introversion
E. Negative affectivity

Openness to experience is the tendency to be original, have broad interests, be open to a wide range of stimuli, be daring, and take risks. Managers who are high on this trait continuum may be especially likely to take risks and be innovative in their planning and decision making. Managers who are low on openness to experience may be less prone to take risks and more conservative in their planning and decision making.

AACSB: Analytic
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 02-01 Describe the various personality traits that affect how managers think; feel; and behave.

Topic: Enduring Characteristics: Personality Traits
55. As a manager, Nancy is known in the company as a risk-taker and an innovator. Nancy is:

A. high on introversion.
B. low on agreeableness.
C. high on openness to experience.
D. high on negative affectivity.
E. high on conscientiousness.

Openness to experience is the tendency to be original, have broad interests, be open to a wide range of stimuli, be daring, and take risks. Managers who are high on this trait continuum may be especially likely to take risks and be innovative in their planning and decision making. Managers who are low on openness to experience may be less prone to take risks and more conservative in their planning and decision making.

AACSB: Analytic
Accessibility: Keyboard Navigation
Blooms: Apply
Difficulty: 2 Medium
Learning Objective: 02-01 Describe the various personality traits that affect how managers think, feel, and behave.
Topic: Enduring Characteristics: Personality Traits
56. Brian has been employed at Precision Services for nearly 10 years. He is an effective manager, but does not like to take risks. Brian is more comfortable following guidelines and maintaining the status quo. Brian is:

A. low on conscientiousness.
B. high on extraversion.
C. high on agreeableness.
D. low on openness to experience.
E. high on the need for affiliation.

Openness to experience is the tendency to be original, have broad interests, be open to a wide range of stimuli, be daring, and take risks. Managers who are high on this trait continuum may be especially likely to take risks and be innovative in their planning and decision making. Managers who are low on openness to experience may be less prone to take risks and more conservative in their planning and decision making.

AACSB: Analytic
Accessibility: Keyboard Navigation
Blooms: Apply
Difficulty: 2 Medium

Learning Objective: 02-01 Describe the various personality traits that affect how managers think; feel; and behave.
Topic: Enduring Characteristics: Personality Traits
People who have ______________ believe they themselves are responsible for their own fate; they see their own actions and behaviors as being major and decisive determinants of important outcomes.

A. low self-esteem  
B. a low sense of achievement  
C. high neuroticism  
**D.** an internal locus of control  
E. an external locus of control

People with an internal locus of control believe they themselves are responsible for their own fate; they see their own actions and behaviors as being major and decisive determinants of important outcomes such as attaining levels of job performance, being promoted, or being turned down for a choice job assignment. Some managers with an internal locus of control see the success of a whole organization resting on their shoulders.
58. Whenever Cate does not perform well in a test, she blames it on the lack of preparedness on her part. Cate is said to have:

A. an external locus of control.
B. low self-esteem.
C. a low sense of achievement.
D. high neuroticism.
E. an internal locus of control.

People with an internal locus of control believe they themselves are responsible for their own fate; they see their own actions and behaviors as being major and decisive determinants of important outcomes such as attaining levels of job performance, being promoted, or being turned down for a choice job assignment. Some managers with an internal locus of control see the success of a whole organization resting on their shoulders.

AACSB: Analytic
Accessibility: Keyboard Navigation
Blooms: Apply
Difficulty: 2 Medium

Learning Objective: 02-01 Describe the various personality traits that affect how managers think; feel; and behave.

Topic: Enduring Characteristics: Personality Traits
59. People who believe that outside forces are responsible for what happens to and around them and do not think that their own make much of a difference have:

A. a high sense of achievement.
B. less neuroticism.
C. an internal locus of control.
D. an external locus of control.
E. high self-esteem.

People with an external locus of control believe that outside forces are responsible for what happens to and around them; they do not think their own actions make much of a difference. As such, they tend not to intervene to try to change a situation or solve a problem, leaving it to someone else.
60. Whenever Daniel performs well in a test, he thinks that his teacher was being lenient or that he was lucky. Daniel is said to have:

A. an internal locus of control.
B. high self-esteem.
C. a high sense of achievement.
D. low neuroticism.

**E. an external locus of control.**

People with an external locus of control believe that outside forces are responsible for what happens to and around them; they do not think their own actions make much of a difference. As such, they tend not to intervene to try to change a situation or solve a problem, leaving it to someone else.
61. ____________ is the degree to which individuals feel good about themselves and their capabilities.

A. Self-esteem  
B. Attitude  
C. Emotional intelligence  
D. Self-criticism  
E. Hedonism

Self-esteem is the degree to which individuals feel good about themselves and their capabilities. People with high self-esteem believe they are competent, deserving, and capable of handling most situations.

AACSB: Analytic  
Accessibility: Keyboard Navigation  
Blooms: Remember  
Difficulty: 1 Easy

Learning Objective: 02-01 Describe the various personality traits that affect how managers think, feel, and behave.  

Topic: Enduring Characteristics: Personality Traits
62. As the night manager of Spicy Bites, Ronald feels competent, deserving, and capable of handling most situations. Ronald:

A. has an external locus of control.
B. has low sense of achievement.
C. has high self-esteem.
D. is highly hedonistic.
E. is highly self-critical.

Self-esteem is the degree to which individuals feel good about themselves and their capabilities. People with high self-esteem believe they are competent, deserving, and capable of handling most situations.

AACSB: Analytic
Accessibility: Keyboard Navigation
Blooms: Apply
Difficulty: 2 Medium

Learning Objective: 02-01 Describe the various personality traits that affect how managers think; feel; and behave.

Topic: Enduring Characteristics: Personality Traits
63. According to psychologist David McClelland, the extent to which an individual has a strong desire to perform challenging tasks well and to meet personal standards for excellence is known as the individual's need for:

A. affiliation.

B. achievement.

C. power.

D. affection.

E. conscientiousness.

Psychologist David McClelland has extensively researched the needs for achievement, affiliation, and power. The need for achievement is the extent to which an individual has a strong desire to perform challenging tasks well and to meet personal standards for excellence. People with a high need for achievement often set clear goals for themselves and like to receive performance feedback.

AACSB: Analytic
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 02-01 Describe the various personality traits that affect how managers think, feel, and behave.

Topic: Enduring Characteristics: Personality Traits
64. The need for ____________ is the extent to which an individual is concerned about establishing and maintaining good interpersonal relations, being liked, and having the people around him/her get along with one another.

A. power
B. self-esteem
C. conscientiousness
D. achievement
E. affiliation

Psychologist David McClelland has extensively researched the needs for achievement, affiliation, and power. The need for affiliation is the extent to which an individual is concerned about establishing and maintaining good interpersonal relations, being liked, and having the people around him/her get along with one another.
65. The extent to which an individual desires to influence others is known as the individual’s need for:

A. affiliation.
B. affection.
C. power.
D. conscientiousness.
E. benevolence.

Psychologist David McClelland has extensively researched the needs for achievement, affiliation, and power. The need for power is the extent to which an individual desires to control or influence others.

AACSB: Analytic
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 02-01 Describe the various personality traits that affect how managers think, feel, and behave.

Topic: Enduring Characteristics: Personality Traits
66. Which of the following describes what managers are trying to achieve through work and how they think they should behave?

A. Emotions  
B. Moods  
C. Intelligence  
D. Values  
E. Attitudes

Values, attitudes, and moods and emotions capture how managers experience their jobs as individuals. Values describe what managers are trying to achieve through work and how they think they should behave.

AACSB: Analytic  
Accessibility: Keyboard Navigation  
Blooms: Remember  
Difficulty: 1 Easy

Learning Objective: 02-02 Explain what values and attitudes are and describe their impact on managerial action.  
Topic: Values, Attitudes, and Moods and Emotions
67. A(n) _____________ value is a personal conviction about lifelong goals or objectives.

A. terminal  
B. instrumental  
C. moral  
D. means  
E. competence-related

The two kinds of personal values are terminal and instrumental. A terminal value is a personal conviction about lifelong goals or objectives; an instrumental value is a personal conviction about desired modes of conduct or ways of behaving.

AACSB: Analytic  
Accessibility: Keyboard Navigation  
Blooms: Remember  
Difficulty: 1 Easy

Learning Objective: 02-02 Explain what values and attitudes are and describe their impact on managerial action.  
Topic: Values, Attitudes, and Moods and Emotions
68. A(n) _______________ value is a personal conviction about desired modes of conduct or ways of behaving.

A. terminal  
B. personal  
C. social  
D. ends  
E. instrumental

The two kinds of personal values are terminal and instrumental. A terminal value is a personal conviction about lifelong goals or objectives; an instrumental value is a personal conviction about desired modes of conduct or ways of behaving.
69. Unwritten, informal codes of conduct that prescribe how people should act in particular situations and are considered important by most members of a group are known as:

A. norms.
B. goals.
C. values.
D. ideologies.
E. rules.

Terminal values often lead to the formation of norms, which are unwritten, informal codes of conduct, such as behaving honestly or courteously, that prescribe how people should act in particular situations and are considered important by most members of a group or organization.

AACSB: Analytic
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 02-02 Explain what values and attitudes are and describe their impact on managerial action.

Topic: Values, Attitudes, and Moods and Emotions
70. Which of the following is an example of a terminal value?

A. Self-reliant
B. Self-sufficient
C. Self-respect
D. Self-controlled
E. Self-disciplined

A sense of self-respect is an example of a terminal value. Being self-reliant, self-sufficient, self-controlled, and self-disciplined are examples of instrumental values.

Refer: Figure 2.4

71. A(n) ________________ is a collection of feelings and beliefs.

A. habit
B. attitude
C. value
D. norm
E. aptitude

An attitude is a collection of feelings and beliefs. Like everyone else, managers have attitudes about their jobs and organizations, and these attitudes affect how they approach their jobs.
72. The collection of feelings and beliefs that managers have about their current jobs is referred to as:

A. organizational citizenship behavior.
B. job satisfaction.
C. organizational culture.
D. organizational commitment.
E. emotional intelligence.

Job satisfaction is the collection of feelings and beliefs that managers have about their current jobs. Managers who have high levels of job satisfaction generally like their jobs, feel they are fairly treated, and believe their jobs have many desirable features or characteristics.
73. Organizational citizenship behaviors refer to an employee's:

A. strict adherence to organizational goals.
B. willingness to perform above and beyond the call of duty.
C. indisposition to offer suggestions to the organization.
D. emotional attachment to the organization.
E. collection of feelings and beliefs about the organization as a whole.

Satisfied managers may be more likely to go the extra mile for their organization or perform organizational citizenship behaviors (OCBs)—behaviors that are not required of organizational members but that contribute to and are necessary for organizational efficiency, effectiveness, and competitive advantage. Managers who are satisfied with their jobs are more likely to perform these “above and beyond the call of duty” behaviors.

AACSB: Analytic
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 02-02 Explain what values and attitudes are and describe their impact on managerial action.

Topic: Values, Attitudes, and Moods and Emotions
The collection of feelings and beliefs that managers have about their organization as a whole is known as organizational:

A. commitment.
B. climate.
C. citizenship.
D. socialization.
E. culture.

Organizational commitment is the collection of feelings and beliefs that managers have about their organization as a whole. Managers who are committed to their organizations believe in what their organizations are doing, are proud of what these organizations stand for, and feel a high degree of loyalty toward their organizations.

AACSB: Analytic
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 02-02 Explain what values and attitudes are and describe their impact on managerial action.
Topic: Values, Attitudes, and Moods and Emotions
75. Which of the following refers to a feeling or state of mind?

A. Affect

B. Moods

C. Values

D. Emotional labor

E. Self-efficacy

A mood is a feeling or state of mind. When people are in a positive mood, they feel excited, enthusiastic, active, or elated.

AACSB: Analytic
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 02-03 Appreciate how moods and emotions influence all members of an organization.
Topic: Values, Attitudes, and Moods and Emotions

76. An intense, relatively short-lived feeling is called a(n):

A. emotion.
B. value.
C. motivation.
D. commitment.
E. attitude.

Emotions are more intense feelings than moods, are often directly linked to whatever caused the emotion, and are more short-lived. However, once whatever has triggered the emotion has been dealt with, the feelings may linger in the form of a less intense mood.

AACSB: Analytic
77. One of the attributes that make Anthony an excellent manager is his ability to understand the moods of his subordinates coupled with his ability to manage his own moods. Anthony has a high level of:

A. fluid intelligence.
B. intelligence quotient.
C. emotional intelligence.
D. crystallized intelligence.
E. dispositional effect.

Emotional intelligence is the ability to understand and manage one’s own moods and emotions and the moods and emotions of other people. Managers with a high level of emotional intelligence are more likely to understand how they are feeling and why, and they are more able to effectively manage their feelings.

AACSB: Analytic
Emotional intelligence can help managers perform interpersonal roles like that of a:

A. resource allocator.
B. monitor.
C. planner.
D. liaison.
E. decision maker.

Emotional intelligence can help managers perform their important roles such as their interpersonal roles (figurehead, leader, and liaison). Understanding how the subordinates feel, why they feel that way, and how to manage these feelings is central to developing strong interpersonal bonds with them.
79. Organizational ______________ comprises the shared set of beliefs, expectations, values, norms, and work routines that influence how members of an organization relate to one another and work together to achieve organizational goals.

A. planning  
B. hierarchy  
C. chart  
D. structure  
E. culture

Organizational culture comprises the shared set of beliefs, expectations, values, norms, and work routines that influence how members of an organization relate to one another and work together to achieve organizational goals. In essence, organizational culture reflects the distinctive ways in which organizational members perform their jobs and relate to others inside and outside the organization.

AACSB: Analytic  
Accessibility: Keyboard Navigation  
Blooms: Remember  
Difficulty: 1 Easy

Learning Objective: 02-05 Define organizational culture and explain how managers both create and are influenced by organizational culture.  
Topic: Organizational Culture
80. Which of the following reflects the distinctive ways in which organizational members perform their jobs and relate to others inside and outside the organization?

A. Organizational culture  
B. Organizational capital  
C. Organizational hierarchy  
D. Organizational planning  
E. Organizational structure  

Organizational culture comprises the shared set of beliefs, expectations, values, norms, and work routines that influence how members of an organization relate to one another and work together to achieve organizational goals. In essence, organizational culture reflects the distinctive ways in which organizational members perform their jobs and relate to others inside and outside the organization.
81. Which of the following posits that when founders hire employees for their new ventures, they tend to be drawn to and choose employees whose personalities are similar to their own?

A. Equity theory
B. Attraction-selection-attrition framework
C. Belief-desire-intentional framework
D. Organizational commitment
E. Socialization

The attraction-selection-attrition (ASA) framework posits that when founders hire employees for their new ventures, they tend to be attracted to and choose employees whose personalities are similar to their own. These similar employees are more likely to stay with the organization. Although employees who are dissimilar in personality might be hired, they are more likely to leave the organization over time.

AACSB: Analytic
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 02-05 Define organizational culture and explain how managers both create and are influenced by organizational culture.

Topic: Organizational Culture
82. ______________ signify what an organization and its employees are trying to accomplish.

A. Emotions
B. Moods
C. Terminal values
D. Instrumental values
E. Attitudes

Shared terminal and instrumental values play a particularly important role in organizational culture. Terminal values signify what an organization and its employees are trying to accomplish, and instrumental values guide how the organization and its members achieve organizational goals.
83. ____________ guide how the organization and its members achieve organizational goals.

A. Attitudes
B. Emotions
C. Moods
D. Instrumental values
E. Terminal values

Shared terminal and instrumental values play a particularly important role in organizational culture. Terminal values signify what an organization and its employees are trying to accomplish, and instrumental values guide how the organization and its members achieve organizational goals.

AACSB: Analytic
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 02-05 Define organizational culture and explain how managers both create and are influenced by organizational culture.

Topic: Organizational Culture
84. The process by which newcomers learn an organization's values and norms and acquire the work behaviors necessary to perform jobs effectively is known as organizational:

A. conscientiousness.
B. socialization.
C. planning.
D. controlling.
E. agreeableness.

Organizational socialization is the process by which newcomers learn an organization's values and norms and acquire the work behaviors necessary to perform jobs effectively. As a result of their socialization experiences, organizational members internalize an organization's values and norms and behave in accordance with them not only because they think they have to but because they think these values and norms describe the right and proper way to behave.
In Dave's Steel Manufacturing Co., new employees go through a short orientation process after their induction. During this process, they are told about the organization and its history, values, jargon, culture, and procedures. They are then introduced to their work group, the specific people they would work with, informed about their own role in the organization, the skills needed to do their job, and both formal procedures and informal norms. This is an example of organizational:

A. controlling.
B. planning.
C. socialization.
D. agreeableness.
E. conscientiousness.

Organizational socialization is the process by which newcomers learn an organization's values and norms and acquire the work behaviors necessary to perform jobs effectively. As a result of their socialization experiences, organizational members internalize an organization's values and norms and behave in accordance with them not only because they think they have to but because they think these values and norms describe the right and proper way to behave.
86. The formal events that recognize incidents of importance to the organization as a whole and to specific employees are known as:

A. values.
B. rituals.
C. stories.
D. rites.
E. norms.

One of the ways in which managers can create or influence organizational culture is by developing organizational ceremonies and rites—formal events that recognize incidents of importance to the organization as a whole and to specific employees. The most common rites that organizations use to transmit cultural norms and values to their members are rites of passage, of integration, and of enhancement.

AACSB: Analytic
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 02-05 Define organizational culture and explain how managers both create and are influenced by organizational culture.

Topic: Organizational Culture
87. The rites of ______________ determine how individuals enter, advance within, and leave the organization.

A. passage  
B. integration  
C. celebration  
D. inauguration  
E. enhancement

Rites of passage determine how individuals enter, advance within, and leave the organization. These rites help the individuals to learn and internalize the norms and values of the organization.

AACSB: Analytic
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 02-05 Define organizational culture and explain how managers both create and are influenced by organizational culture.

Topic: Organizational Culture
Every year on the Saturday prior to Christmas, Smart Enterprises holds its annual holiday party. This is an example of a rite of:

A. enhancement.

B. integration.

C. inauguration.

D. celebration.

E. passage.

Rites of integration, such as shared announcements of organizational successes, office parties, and company cookouts, build and reinforce common bonds among organizational members. These rites help the organization to build common norms and values within their employees.

AACSB: Analytic

Accessibility: Keyboard Navigation

Blooms: Apply

Difficulty: 2 Medium

Learning Objective: 02-05 Define organizational culture and explain how managers both create and are influenced by organizational culture.

Topic: Organizational Culture
89. Orbit Inc., puts out newspaper releases announcing employees' promotions. This is an example of a rite of:

A. inauguration.  
B. celebration.  
C. integration.  
D. passage.  
E. enhancement.

Rites of enhancement, such as awards dinners, newspaper releases, and employee promotions, let organizations publicly recognize and reward employees' contributions and thus strengthen their commitment to organizational values. By bonding members within the organization, rites of enhancement reinforce an organization's values and norms.
90. Which of the following is true of the planning process in an organization with an innovative culture?

A. It encourages lower-level managers to participate in the process.
B. It rarely takes risks involving the development of new products.
C. It emphasizes formal top-down planning.
D. It subjects the suggestions from lower-level managers to a formal review process that significantly slows decision making.
E. It creates a well-defined hierarchy of authority and establishes clear reporting relationships so that employees know exactly whom to report to.

Top managers in an organization with an innovative culture are likely to encourage lower-level managers to participate in the planning process and develop a flexible approach to planning. They are likely to be willing to listen to new ideas and to take risks involving the development of new products. In contrast, top managers in an organization with conservative values are likely to emphasize formal top-down planning. Suggestions from lower-level managers are likely to be subjected to a formal review process, which can significantly slow decision making.
91. Which of the following is true of the managerial function of organizing in an organization that has a conservative culture?

A. It has a decentralized authority which encourages employees to work together to solve ongoing problems.

B. It creates a well-defined hierarchy of authority and establishes clear reporting relationships so that employees know exactly whom to report to.

C. A product team structure is most suitable for an organization with a conservative culture.

D. Such organizations have a flat structure.

E. Such organizations have fewer levels in the hierarchy.

Valuing creativity, managers in innovative cultures are likely to try to create an organic structure—one that is flat, with few levels in the hierarchy, and one in which authority is decentralized so employees are encouraged to work together to solve ongoing problems. A product team structure may be suitable for an organization with an innovative culture. In contrast, managers in a conservative culture are likely to create a well-defined hierarchy of authority and establish clear reporting relationships so employees know exactly whom to report to and how to react to any problems that arise.

AACSB: Analytic

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 3 Hard

Learning Objective: 02-05 Define organizational culture and explain how managers both create and are influenced by organizational culture.

Topic: Organizational Culture
92. With regard to the managerial function of leading in an organization with an innovative culture, managers:

A. emphasize formal top-down communication.
B. emphasize caution, maintenance of the status quo, and set specific goals.
C. are likely to lead by example, encouraging employees to take risks and experiment.
D. are likely to use management by objectives.
E. constantly monitor subordinates' progress toward goals, overseeing their every move.

In an innovative culture, managers are likely to lead by example, encouraging employees to take risks and experiment. They are supportive regardless of whether employees succeed or fail. In contrast, managers in a conservative culture are likely to use management by objectives and to constantly monitor subordinates' progress toward goals, overseeing their every move.

AACSB: Analytic
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 3 Hard

Learning Objective: 02-05 Define organizational culture and explain how managers both create and are influenced by organizational culture.
Topic: Organizational Culture
With regard to the managerial function of controlling in an organization that has a conservative culture, managers:

A. recognize that there are multiple potential paths to success and that failure must be accepted for creativity to thrive.

B. are less concerned about employees' performing their jobs in a specific, predetermined manner.

C. are concerned about employees' being flexible and taking the initiative to come up with ideas for improving performance.

D. set specific, difficult goals for employees, frequently monitor progress toward these goals, and develop a clear set of rules that employees are expected to adhere to.

E. encourage risk taking, creativity, and innovation.

Managers who want to encourage risk taking, creativity, and innovation recognize that there are multiple potential paths to success and that failure must be accepted for creativity to thrive. Thus they are less concerned about employees' performing their jobs in a specific, predetermined manner and in strict adherence to preset goals and more concerned about employees' being flexible and taking the initiative to come up with ideas for improving performance. In contrast, managers in cultures that emphasize caution and maintenance of the status quo often set specific, difficult goals for employees, frequently monitor progress toward these goals, and develop a clear set of rules that employees are expected to adhere to.

AACSB: Analytic
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 3 Hard

Learning Objective: 02-05 Define organizational culture and explain how managers both create and are influenced by organizational culture.
Topic: Organizational Culture
Essay Questions

94. Define personality traits. What are the Big Five personality traits?

Personality traits refer to the enduring tendencies to feel, think, and act in certain ways. The Big Five personality traits as identified by researchers are extraversion, negative affectivity, agreeableness, conscientiousness, and openness to experience.

AACSB: Analytic
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 02-01 Describe the various personality traits that affect how managers think, feel, and behave.
Topic: Enduring Characteristics: Personality Traits

95. Discuss extraversion. How does it affect managers' thoughts, feelings, and behaviors?

Extraversion is the tendency to experience positive emotions and moods and feel good about oneself and the rest of the world.
Managers who are high on extraversion (extraverts) tend to be sociable, affectionate, outgoing, and friendly. Managers who are low on extraversion (introverts) tend to be less inclined toward social interactions and to have a less positive outlook. Being high on extraversion may be an asset for managers whose jobs entail especially high levels of social interaction. Managers who are low on extraversion may nevertheless be highly effective and efficient, especially when their jobs do not require much social interaction.

AACSB: Analytic
Blooms: Remember
Difficulty: 2 Medium
96. Distinguish between internal and external locus of control.

People with an internal locus of control believe they themselves are responsible for their own fate; they see their own actions and behaviors as being major and decisive determinants of important outcomes such as attaining levels of job performance, being promoted, or being turned down for a choice job assignment.

People with an external locus of control believe that outside forces are responsible for what happens to and around them; they do not think their own actions make much of a difference.

AACSB: Analytic
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 02-01 Describe the various personality traits that affect how managers think, feel, and behave.
Topic: Enduring Characteristics: Personality Traits
97. Psychologist David McClelland has extensively researched the needs for achievement, affiliation, and power. Define these needs.

Psychologist David McClelland has extensively researched the needs for achievement, affiliation, and power.

- The need for achievement is the extent to which an individual has a strong desire to perform challenging tasks well and to meet personal standards for excellence.
- The need for affiliation is the extent to which an individual is concerned about establishing and maintaining good interpersonal relations, being liked, and having the people around him/her get along with one another.
- The need for power is the extent to which an individual desires to control or influence others.

Learning Objective: 02-01 Describe the various personality traits that affect how managers think, feel, and behave.

AACSB: Analytic
Blooms: Remember
Difficulty: 2 Medium

Topic: Enduring Characteristics: Personality Traits

98. What are the two types of personal values? Explain.

The two kinds of personal values are terminal and instrumental. A terminal value is a personal conviction about lifelong goals or objectives; an instrumental value is a personal conviction about desired modes of conduct or ways of behaving. Terminal values often lead to the formation of norms.

Learning Objective: 02-02 Explain what values and attitudes are and describe their impact on managerial action.

AACSB: Analytic
Blooms: Remember
Difficulty: 1 Easy
99. Define job satisfaction and discuss why it is so important for managers to be satisfied with their jobs.

Job satisfaction is the collection of feelings and beliefs that managers have about their current jobs. Managers who have high levels of job satisfaction generally like their jobs, feel they are fairly treated, and believe their jobs have many desirable features or characteristics. Levels of job satisfaction tend to increase as one moves up the hierarchy in an organization. Upper managers, in general, tend to be more satisfied with their jobs than entry-level employees. Managers' levels of job satisfaction can range from very low to very high. In general, it is desirable for managers to be satisfied with their jobs, for at least two reasons. First, satisfied managers may be more likely to go the extra mile for their organization or perform organizational citizenship behaviors—behaviors that are not required of organizational members but that contribute to and are necessary for organizational efficiency, effectiveness, and competitive advantage. A second reason why it is desirable for managers to be satisfied with their jobs is that satisfied managers may be less likely to quit.

AACSB: Analytic
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 02-02 Explain what values and attitudes are and describe their impact on managerial action.
100. Discuss organizational commitment and its relationship to organizational culture.

Organizational commitment is the collection of feelings and beliefs that managers have about their organization as a whole. Managers who are committed to their organizations believe in what their organizations are doing, are proud of what these organizations stand for, and feel a high degree of loyalty toward their organizations. Committed managers are more likely to go above and beyond the call of duty to help their company and are less likely to quit. Organizational commitment can be especially strong when employees and managers truly believe in organizational values; it also leads to a strong organizational culture.

AACSB: Analytic
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 02-02 Explain what values and attitudes are and describe their impact on managerial action.

Topic: Values, Attitudes, and Moods and Emotions
101. Differentiate between moods and emotions. How do moods and emotions affect the organization?

A mood is a feeling or state of mind. Emotions are more intense feelings than moods, are often directly linked to whatever caused the emotion, and are more short-lived.

Research has found that moods and emotions affect the behavior of managers and all members of an organization. For example, research suggests that the subordinates of managers who experience positive moods at work may perform at somewhat higher levels and be less likely to resign and leave the organization than the subordinates of managers who do not tend to be in a positive mood at work. Other research suggests that under certain conditions creativity might be enhanced by positive moods, whereas under other conditions negative moods might push people to work harder to come up with truly creative ideas. Recognizing that both mood states have the potential to contribute to creativity in different ways, recent research suggests that employees may be especially likely to be creative to the extent that they experience both mood states (at different times) on the job and to the extent that the work environment is supportive of creativity. Research also suggests that moods and emotions may play an important role in ethical decision making. Positive emotions and moods signal that things are going well and thus can lead to more expansive, and even playful, thinking. Negative emotions and moods signal that there are problems in need of attention and areas for improvement. So when people are in negative moods, they tend to be more detail-oriented and focused on the facts at hand. Some studies suggest that critical thinking and devil's advocacy may be promoted by a negative mood, and sometimes especially accurate judgments may be made by managers in negative moods.

AACSB: Analytic
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 02-03 Appreciate how moods and emotions influence all members of an organization.
Topic: Values, Attitudes, and Moods and Emotions
102. Define the concept of emotional intelligence. How does having emotional intelligence help managers?

Emotional intelligence is the ability to understand one's own moods and emotions and the moods and emotions of other people. Managers with a high level of emotional intelligence are more likely to understand how they are feeling and why, and they are more able to effectively manage their feelings. When managers are experiencing stressful feelings and emotions such as fear or anxiety, emotional intelligence lets them understand why and manage these feelings so they do not get in the way of effective decision making. It also can help managers perform their important roles such as their interpersonal roles (figurehead, leader, and liaison).

AACSB: Analytic
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 02-04 Describe the nature of emotional intelligence and its role in management.
Topic: Emotional Intelligence

103. What is organizational culture?

Organizational culture comprises the shared set of beliefs, expectations, values, norms, and work routines that influence how members of an organization relate to one another and work together to achieve organizational goals. In essence, organizational culture reflects the distinctive ways in which organizational members perform their jobs and relate to others inside and outside the organization. When organizational members share an intense commitment to cultural values, beliefs, and routines and use them to achieve their goals, a strong organizational culture exists. When organizational members are not strongly committed to a shared system of values, beliefs, and routines, organizational culture is weak.

AACSB: Analytic
104. Explain the attraction-selection-attrition (ASA) framework. How does it help explain the formation of organizational cultures?

The attraction-selection-attrition (ASA) framework posits that when founders hire employees for their new ventures, they tend to be attracted to and choose employees whose personalities are similar to their own. These similar employees are more likely to stay with the organization. Although employees who are dissimilar in personality might be hired, they are more likely to leave the organization over time. As a result of these attraction, selection, and attrition processes, people in the organization tend to have similar personalities, and the typical or dominant personality profile of organizational members determines and shapes organizational culture.
105. Differentiate between terminal and instrumental values. How do they contribute to the organizational culture?

Shared terminal and instrumental values play a particularly important role in organizational culture. Terminal values signify what an organization and its employees are trying to accomplish, and instrumental values guide how the organization and its members achieve organizational goals. In addition to values, shared norms also are a key aspect of organizational culture. Managers determine and shape organizational culture through the kinds of values and norms they promote in an organization.

AACSB: Analytic
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 02-05 Define organizational culture and explain how managers both create and are influenced by organizational culture.

106. What is socialization? How does it help an organization?

Organizational socialization is the process by which newcomers learn an organization's values and norms and acquire the work behaviors necessary to perform jobs effectively. As a result of their socialization experiences, organizational members internalize an organization's values and norms and behave in accordance with them not only because they think they have to but because they think these values and norms describe the right and proper way to behave.

AACSB: Analytic
Blooms: Remember
Difficulty: 2 Medium

Learning Objective: 02-05 Define organizational culture and explain how managers both create and are influenced by organizational culture.
107. Explain what organizational rites are. What are the different types? Give one example of each.

Rites are formal events that recognize incidents of importance to the organization and its employees.

The most common rites that organizations use to transmit cultural norms and values to their members are rites of passage, of integration, and of enhancement.

- Rites of passage determine how individuals enter, advance within, and leave the organization. The socialization programs developed by military organizations (such as the U.S. Army) or by large accountancy and law firms are rites of passage.

- Rites of integration, such as shared announcements of organizational successes, office parties, and company cookouts, build and reinforce common bonds among organizational members. IDEO uses many rites of integration to make its employees feel connected to one another and special. In addition to having wild “end-of-year” celebratory bashes, groups of IDEO employees periodically take time off to go to a sporting event, movie, or meal, or sometimes on a long bike ride or for a sail. These kinds of shared activities not only reinforce IDEO’s culture but also can be a source of inspiration on the job.

- Rites of enhancement, such as awards dinners, newspaper releases, and employee promotions, let organizations publicly recognize and reward employees’ contributions and thus strengthen their commitment to organizational values.
108. Explain how culture influences the way managers perform their four main functions: planning, organizing, leading, and controlling.

Organizational culture shapes and controls the behavior of all employees, including managers. Culture influences how managers perform their four main functions: planning, organizing, leading, and controlling.

Planning: Top managers in an organization with an innovative culture are likely to encourage lower-level managers to participate in the planning process and develop a flexible approach to planning. They are likely to be willing to listen to new ideas and to take risks involving the development of new products. In contrast, top managers in an organization with conservative values are likely to emphasize formal top-down planning. Suggestions from lower-level managers are likely to be subjected to a formal review process, which can significantly slow decision making.

Organizing: Valuing creativity, managers in innovative cultures are likely to try to create an organic structure—one that is flat, with few levels in the hierarchy, and one in which authority is decentralized so employees are encouraged to work together to solve ongoing problems. A product team structure may be suitable for an organization with an innovative culture. In contrast, managers in a conservative culture are likely to create a well-defined hierarchy of authority and establish clear reporting relationships so that employees know exactly whom to report to and how to react to any problems that arise.

Leading: In an innovative culture, managers are likely to lead by example, encouraging employees to take risks and experiment. They are supportive regardless of whether employees succeed or fail. In contrast, managers in a conservative culture are likely to use management by objectives and to constantly monitor subordinates’ progress toward goals, overseeing their every move.

Controlling: The ways in which managers evaluate, and take actions to improve, performance differ depending on whether the organizational culture emphasizes formality and caution or innovation and change. Managers who want to encourage risk taking, creativity, and innovation recognize that there are multiple potential paths to success and that failure must be accepted for creativity to thrive. Thus they are less concerned about employees’ performing their jobs in
a specific, predetermined manner and in strict adherence to preset goals and more concerned about employees’ being flexible and taking the initiative to come up with ideas for improving performance. Managers in innovative cultures are also more concerned about long-term performance than short-term targets because they recognize that real innovation entails much uncertainty that necessitates flexibility. In contrast, managers in cultures that emphasize caution and maintenance of the status quo often set specific, difficult goals for employees, frequently monitor progress toward these goals, and develop a clear set of rules that employees are expected to adhere to.

AACSB: Reflective Thinking
Blooms: Understand
Difficulty: 3 Hard

Learning Objective: 02-05 Define organizational culture and explain how managers both create and are influenced by organizational culture.

Topic: Organizational Culture