

Proficiency Test Study Guide
for
MGMT 5012: Foundations of Management

Test Format: 2 hours, closed book 100 multiple choice questions (approximately 8 questions per chapter); Passing grade 70%.

Text: The test is based on the content in the following text, chapters 1-12. Earlier editions or the alternative text (a longer version of the same material) is adequate for review.

Jones, G. & George J. (2015) Essentials of Contemporary Management 6th edition. McGraw-Hill. (or prior editions) OR
Jones, G. & George J. (2016) Contemporary Management 9th edition. McGraw-Hill. (or prior editions).

Chapter Learning Objectives (LO):

Chapter 01: The Management Process Today

- LO 1-1. Describe what management is, why management is important, what managers do, and how managers use organizational resources efficiently and effectively to achieve organizational goals.
- LO 1-2. Distinguish among planning, organizing, leading and controlling (the four principal managerial tasks), and explain how managers' ability to handle each one affects organizational performance.
- LO 1-3. Differentiate among three levels of management and understand the tasks and responsibilities of managers at different levels in the organizational hierarchy.
- LO 1-4. Distinguish among three kinds of managerial skill, and explain why managers are divided into different departments.
- LO 1-5. Discuss some major changes in management practices today that have occurred as a result of globalization and the use of advanced information technology (IT).
- LO 1-6. Discuss the principal challenges managers face in today's increasingly competitive global environment.

Chapter 02: Values, Attitudes, Emotions, and Culture: The Manager as a Person

LO 2-1. Describe the various personality traits that affect how managers think, feel, and behave.

LO 2-2. Explain what values and attitudes are and describe their impact on managerial action.

LO 2-3. Appreciate how moods and emotions influence all members of an organization.

LO 2-4. Describe the nature of emotional intelligence and its role in management.

LO 2-5. Define organizational culture and explain how managers both create and are influenced by organizational culture

Chapter 03: Managing Ethics and Diversity

LO 3-1. Illustrate how ethics help managers determine the right way to behave when dealing with different stakeholder groups.

LO 3-2. Explain why managers should behave ethically and strive to create ethical organizational cultures.

LO 3-3. Appreciate the increasing diversity of the workforce and of the organization environment.

LO 3-4. Grasp the central role that managers play in the effective management of diversity.

LO 3-5. Understand why the effective management of diversity is both an ethical and a business imperative.

LO 3-6. Understand the two major forms of sexual harassment and how they can be eliminated.

Chapter 04: Managing in the Global Environment

LO 4-1. Explain why the ability to perceive, interpret, and respond appropriately to the global environment is crucial for managerial success.

LO 4-2. Differentiate between the global task and global general environments.

LO 4-3. Identify the main forces in both the global task and general environments and describe the challenges that each force presents to managers.

LO 4-4. Explain why the global environment is becoming more open and competitive and identify the forces behind the process of globalization that increase the opportunities, complexities, challenges, and threats that managers face.

LO 4-5. Discuss why national cultures differ and why it is important that managers be sensitive to the effects of falling trade barriers and regional trade associations on the political and social systems of nations around the world.

Chapter 05: Decision Making, Learning, Creativity, and Entrepreneurship

LO 5-1. Understand the nature of managerial decision making, differentiate between programmed and nonprogrammed decisions, and explain why nonprogrammed decision making is a complex, uncertain process.

LO 5-2. Describe the six steps that managers should take to make the best decisions.

LO 5-3. Identify the advantages and disadvantages of group decision making, and describe techniques that can improve it.

LO 5-4. Explain the role that organizational learning and creativity play in helping managers to improve their decisions.

LO 5-5. Describe how managers can encourage and promote entrepreneurship to create a learning organization, and differentiate between entrepreneurs and intrapreneurs.

Chapter 06: Planning, Strategy, and Competitive Advantage

LO 6-1. Identify the three main steps of the planning process and explain the relationship between planning and strategy.

LO 6-2. Differentiate between the main types of business-level strategies and explain how they give an organization a competitive advantage that may lead to superior performance.

LO 6-3. Differentiate between the main types of corporate-level strategies and explain how they are used to strengthen a company's business-level strategy and competitive advantage.

LO 6-4. Describe the vital role managers play in implementing strategies to achieve an organization's mission and goals.

Chapter 07: Designing Organizational Structure

LO 7-1. Identify the factors that influence managers' choice of an organizational structure.

LO 7-2. Explain how managers group tasks into jobs that are motivating and satisfying for employees.

LO 7-3. Describe the types of organizational structures managers can design, and explain why they choose one structure over another.

LO 7-4. Explain why managers must coordinate jobs, functions, and divisions using the hierarchy of authority and integrating mechanisms.

Chapter 08: Control, Change, and Entrepreneurship

LO 8-1. Define organizational control, and identify the main output and behavior controls managers use to coordinate and motivate employees. LO 8-2.

LO 8-2. Describe the four steps in the control process and the way it operates over time.

LO 8-3. Identify the main output controls, and discuss their advantages and disadvantages as means of coordinating and motivating employees.

LO 8-4. Explain the role of clan control or organizational culture in creating an effective organizational architecture.

LO 8-5. Discuss the relationship between organizational control and change, and explain why managing change is a vital management task.

LO 8-6. Understand the role of entrepreneurship in the control and change process.

Chapter 09: Motivation

LO 9-1. Explain what motivation is and why managers need to be concerned about it.

LO 9-2. Describe from the perspectives of expectancy theory and equity theory what managers should do to have a highly motivated workforce.

LO 9-3. Explain how goals and needs motivate people and what kinds of goals are especially likely to result in high performance.

LO 9-4. Identify the motivation lessons that managers can learn from operant conditioning theory and social learning theory.

LO 9-5. Explain why and how managers can use pay as a major motivation tool.

Chapter 10: Leaders and Leadership

LO 10-1. Explain what leadership is, when leaders are effective and ineffective, and the sources of power that enable managers to be effective leaders.

LO 10-2. Identify the traits that show the strongest relationship to leadership, the behaviors leaders engage in, and the limitations of the trait and behavior models of leadership.

LO 10-3. Explain how contingency models of leadership enhance our understanding of effective leadership and management in organizations.

LO 10-4. Describe what transformational leadership is, and explain how managers can engage in it.

LO 10-5. Characterize the relationship between gender and leadership and explain how emotional intelligence may contribute to leadership effectiveness.

Chapter 11: Effective Team Management

LO 11-1. Explain why groups and teams are key contributors to organizational effectiveness.

LO 11-2. Identify the different types of groups and teams that help managers and organizations achieve their goals.

LO 11-3. Explain how different elements of group dynamics influence the functioning and effectiveness of groups and teams.

LO 11-4. Explain why it is important for groups and teams to have a balance of conformity and deviance and a moderate level of cohesiveness.

LO 11-5. Describe how managers can motivate group members to achieve organizational goals and reduce social loafing in groups and teams.

Chapter 12: Building and Managing Human Resources

LO 12-1. Explain why strategic human resource management can help an organization gain a competitive advantage.

LO 12-2. Describe the steps managers take to recruit and select organizational members.

LO 12-3. Discuss the training and development options that ensure organizational members can effectively perform their jobs.

LO 12-4. Explain why performance appraisal and feedback are such crucial activities, and list the choices managers must make in designing effective performance appraisal and feedback procedures.

LO 12-5. Explain the issues managers face in determining levels of pay and benefits.

LO 12-6. Understand the role that labor relations play in the effective management of human resources.