

Student: _____

1. Scholars have been studying behaviour in organisations at least since the time of Greek and Chinese philosophers.
True False
2. In order for something to be called an organisation it must have buildings and equipment.
True False
3. All organisations have a collective sense of purpose, even though this purpose might not be fully understood or agreed upon.
True False
4. Collective entities are called organisations only when their members have complete agreement on the goals they want to achieve.
True False
5. Evidence indicates that applying organisational behaviour knowledge tends to improve the organisation's financial performance.
True False
6. Globalisation may have both positive and negative implications for people working in organisations.
True False
7. Reduced job security and increased work intensification in Australia are partly caused by globalisation.
True False
8. Education is a primary category of surface-level diversity.
True False
9. Australian employees are more diverse today than a few decades ago on many deep-level categories but have actually reduced their diversity on most surface categories.
True False
10. Research indicates that baby boomers and Generation-X employees bring the same values and expectations to the workplace.
True False
11. Workforce diversity potentially improves decision making and team performance on complex tasks.
True False
12. Surveys indicate that most Australian employees do not experience conflicting work–life balance.
True False
13. Generation X and Generation Y expectations are causing employers to reduce hierarchy and command-and-control management.
True False

14. Teams with diverse employees usually take longer to perform effectively. If this is so, explain why and the reasons for still using them.
15. Teleworking is more successful when employers evaluate employee performance based on 'face time' rather than work output.
True False
16. Successful teleworkers tend to be self-motivated, organised and able to fulfil their social needs outside of the work context.
True False
17. Virtual teams rely on information technology to keep team members connected to each other.
True False
18. A team's 'virtualness' depends on how often and how many team members interact face-to-face.
True False
19. 'Values' represent an individual's short-term beliefs about what will happen in the future.
True False
20. Values have a strong influence on our priorities, our preferences and our desires.
True False
21. Globalisation has brought increased benefits to individuals and organisations as well as increased the complexity in the workplace.
True False
22. 'Ethics' refers to the study of moral principles or values that determine whether actions are right or wrong and outcomes are good or bad.
True False
23. One reason why workplace values have become more important is that employees increasingly value work as a central life interest.
True False
24. 'Stakeholders' are shareholders, customers, suppliers, governments and any other groups with a vested interest in the organisation.
True False
25. The 'triple bottom line' philosophy says that successful organisations focus on financial performance three times more often than do less successful organisations.
True False
26. Fads, consulting models and pet beliefs are often embraced by corporate leaders without any evidence of their success.
True False
27. Conceptual anchors which are based on a set of basic beliefs or knowledge structures represent only one small aspect of knowledge from which organisational behaviour knowledge is developed and refined.
True False

28. Psychology and sociology have contributed many theories and concepts to the field of organisational behaviour.
True False
29. Communications and information systems are two emerging fields from which organisational behaviour is now acquiring knowledge.
True False
30. Borrowing theories from other disciplines has helped bring a diversity of knowledge and perspectives to organisational behaviour but has created a potential 'trade deficit' in knowledge.
True False
31. The field of organisational behaviour relies on quantitative—never qualitative—research to understand organisational phenomena.
True False
32. The contingency anchor in organisational behaviour suggests that we need to diagnose the situation to identify the most appropriate action under those specific circumstances.
True False
33. Most organisational events may be studied from all three levels of analysis—individual, team and organisation.
True False
34. The best organisational practices are those built on the notion that organisations are closed systems.
True False
35. The open systems perspective emphasises that organisations survive by adapting to changes in the external environment.
True False
36. Organisations have a dynamic capability when they are able to change the outputs and transformational processes that produce those outputs.
True False
37. According to the systems perspective, most organisations have one working part rather than many sub-components.
True False
38. As organisations grow, they tend to develop more subsystems, and relationships among them become more complex requiring well tuned coordination.
True False
39. Knowledge management develops an organisation's capacity to acquire, share and use knowledge in ways that improve its survival and success.
True False
40. 'Intellectual capital' includes, among other things, the knowledge captured in an organisation's systems and structures.
True False
41. 'Intellectual capital' represents the stock of knowledge held by an organisation.
True False
42. 'Absorptive capacity' refers to how easily the field of organisational behaviour can bring in new knowledge from other fields of study.
True False
43. One of the fastest ways to acquire knowledge is to hire individuals or purchase entire companies that have the valued knowledge.
True False

44. 'Organisational memory' includes knowledge embedded in the organisation's systems and structures.
True False
45. Successful organisations never 'unlearn' knowledge that they have previously gained.
True False
46. Which of these statements about the field of organisational behaviour is FALSE?
A Organisational behaviour scholars study individual, team and structural characteristics that influence behaviour within organisations
B. Leadership, communication and other organisational behaviour topics were not discussed by scholars until the 1940s
C. Organisational behaviour emerged as a distinct field around the 1940s
D. The field of organisational behaviour has adopted concepts and theories from other fields of inquiry
47. Which of these statements about the field of organisational behaviour is TRUE?
A. Organisational behaviour emerged as a distinct field during the 1980s
B. The origins of some organisational behaviour concepts date back to Greek and Chinese philosophers
C. Information technology has almost no effect on organisational behaviour
D. The field of organisational behaviour relies exclusively on ideas generated within the field by organisational behaviour scholars
48. In the field of organisational behaviour, organisations are best described as:
A. Legal entities that must abide by government regulations and pay taxes
B. Physical structures with observable capital equipment
C. Social entities with a publicly stated set of formal goals
D. Groups of people who work interdependently towards some purpose
49. Organisational behaviour knowledge:
A. Originates mainly from models developed in chemistry and other natural sciences
B. Accurately predicts how anyone will behave in any situation
C. Is more appropriate for people who work in computer science than in marketing
D. Helps us to understand, predict and influence the behaviours of others in organisational settings
50. According to the authors of *Organisational Behaviour*, organisational behaviour knowledge:
A. Should never be used to influence the behaviour of other people
B. Should be used mostly by managers and senior executives
C. Should never replace your commonsense knowledge about how organisations work
D. Is relevant to everyone who works in organisations
51. Workforce diversity:
A. Includes the entry of younger people into the workforce
B. Can potentially improve decision making and team performance in organisations
C. Includes the increasing proportion of women in the workforce
D. All of the options listed here are correct
52. Which of the following is a surface-level category of diversity?
A. Physical qualities
B. Gender
C. Ethnicity
D. All of the options listed here are correct
53. Personalities, beliefs, values and attitudes are:
A. Deep-level categories of workforce diversity
B. Surface-level categories of workforce diversity
C. Necessary contingencies in all organisational behaviour theories
D. Never discussed in organisational behaviour

54. Which of the following statements is TRUE?
- A. Australia is becoming a more homogeneous society
 - B. Deep-level diversity is evident in a person's decisions, statements and actions
 - C. Most Australians believe that the government should disband multiculturalism
 - D. Diversity offers tremendous advantages to organisations with almost no disadvantages
55. Which of the following statements about Australia's population and workforce is FALSE?
- A. More than half of immigrants to Australia over the past decade were born in Europe
 - B. The participation of women in the workforce has increased over the past few decades
 - C. Generation X employees bring somewhat different needs and expectations to the workplace than their baby-boomer counterparts
 - D. Australia is becoming a more multicultural society
56. Which of the following statements is FALSE?
- A. Employment relationships are shifting towards the idea that companies must provide employees with a . high degree of job security, possibly even a job for life
 - B. Generation X employees bring somewhat different values and needs to the workplace than do baby boomers
 - C. The workforce is becoming more diverse
 - D. Successful firms increasingly rely on values rather than direct supervision to guide employee decisions and behaviour
57. Virtual work:
- A. Is more common in Australia than in New Zealand
 - B. Occurs when job applicants are asked to pretend they are performing the job in the interview setting in . order to determine their ability to perform that work
 - C. Tends to improve an employee's social involvement in the organisation
 - D. Is supported by information technology
58. What effect can teleworking have in the workplace?
- A. Teleworking can improve the teleworker's work-life balance
 - B. Teleworking forces corporate leaders to evaluate employees more for their work results rather than their 'face time'
 - C. Teleworking increases the risk that employees feel socially isolated from each other
 - D. All of the options listed here are correct
59. Stable, long-lasting beliefs about what is important in a variety of situations are:
- A. Called 'intellectual capital'
 - B. The foundations of the open systems anchor
 - C. Rarely studied in the field of organisational behaviour
 - D. Called 'values'
60. Values have become more important in organisational behaviour because of:
- A. Increased globalisation
 - B. Increased pressure on organisations to engage in ethical practices
 - C. Direct supervision is expensive and incompatible with today's workforce
 - D. All of the options listed here are correct
61. Corporate social responsibility is most closely related to which of the following organisational behaviour trends?
- A. Workforce diversity
 - B. Virtual work
 - C. Globalisation
 - D. Workplace values and ethics

62. 'Stakeholders' include:
- A. Shareholders
 - B. Suppliers
 - C. governments
 - D. All of the options listed here are correct
63. Employees, suppliers and governments:
- A. Are organisational stakeholders
 - B. Are rarely considered in organisational behaviour theories
 - C. Represent the three levels of analysis in organisational behaviour
 - D. Are excluded from the open systems anchor
64. The triple bottom line philosophy says that:
- A. Companies should pay three times more attention to profits than to employee wellbeing
 - B. The main goal of all companies is to satisfy the needs of three groups—employees, shareholders and suppliers
 - C. Companies should pay attention to local, national and global customers
 - D. Companies should try to support the economic, social and environmental spheres of sustainability
65. Which of the following concepts are closely associated with corporate social responsibility?
- A. Knowledge management
 - B. Triple bottom line
 - C. Stakeholders
 - D. Triple bottom line and stakeholders
66. Which of these statements about corporate social responsibility (CSR) is FALSE?
- A. All Australian companies now publicly report on their CSR practices
 - B. CSR emphasises the economic, social and environmental spheres of sustainability
 - C. Many Australians expect companies to engage in CSR
 - D. CSR is closely related to the topics of values and ethics
67. Which of the following is NOT a conceptual anchor in organisational behaviour?
- A. Contingency anchor
 - B. Systematic research anchor
 - C. Economic anchor
 - D. Multidisciplinary anchor
68. Which of the following does NOT represent a belief that anchors organisational behaviour?
- A. OB should view organisations as closed systems
 - B. OB should assume that the effectiveness of an action usually depends on the situation
 - C. OB should draw on knowledge from other disciplines
 - D. OB should rely on the systematic research methods to generate knowledge
69. Which of the following statements about the field of organisational behaviour is FALSE?
- A. OB is the study of what people think, feel and do in and around organisations
 - B. OB emerged as a distinct field of inquiry in the 1940s
 - C. OB is a self-contained discipline, independent of other disciplines
 - D. OB theories are usually tested using the scientific method
 - E. Many OB theories are contingency-oriented
70. Which of these statements is consistent with the four anchors of organisational behaviour?
- A. Organisational behaviour theories must apply universally to every situation
 - B. Organisations are like machines that operate independently of their external environment
 - C. Each organisational behaviour topic relates to only one level of analysis
 - D. The field of organisational behaviour should rely on other disciplines for some of its theory development

71. Which discipline has provided organisational behaviour with much of its theoretical foundation for team dynamics, organisational power and organisational socialisation?
- A. Sociology
 - B. Psychology
 - C. Economics
 - D. Industrial engineering
72. Which of the following is identified as an emerging field from which organisational behaviour is acquiring new knowledge?
- A. Industrial engineering
 - B. Information systems
 - C. Anthropology
 - D. Economics
73. To collect and analyse information systematically, organisational behaviour researchers rely on:
- A. The scientific method
 - B. Closed systems theory
 - C. Grounded theory
 - D. The scientific method and grounded theory.
74. Organisational behaviour scholars use which of the following to discover knowledge?
- A. They use form research questions
 - B. They systematically collect data
 - C. They test hypotheses
 - D. All of the options listed here are correct
75. The contingency anchor of organisational behaviour states that:
- A. We should have a second organisational behaviour theory to explain the situation in case our first choice does not work
 - B. Organisational behaviour theories must view organisations as systems that need to adapt to their environments
 - C. There is usually one best way to resolve organisational problems
 - D. A particular action may have different consequences in different situations
76. According to the multiple levels of analysis anchor:
- A. Organisational behaviour is mainly the study of how all levels of the organisational hierarchy interact with the external environment
 - B. Organisational behaviour topics typically relate to the individual, team and organisational levels of analysis
 - C. There are eight levels of analysis that scholars should recognise when conducting organisational behaviour research
 - D. Organisational events can be studied from only one level of analysis
77. Which organisational behaviour anchor discusses development of the field from other areas of human research?
- A. Contingency anchor
 - B. Open systems anchor
 - C. Multidisciplinary anchor
 - D. Systematic research anchor
78. Organisational behaviour views organisations as:
- A. Non-systems
 - B. A single unitary subsystem
 - C. Open systems
 - D. Closed systems

79. The open systems perspective on organisational behaviour states that:
- A. Organisations affect and are affected by their external environments
 - B. Organisations can operate efficiently by ignoring changes in the external environment
 - C. People are the only important organisational input
 - D. Organisations basically have only one working part
80. Which of the following is included in the systems model of organisations?
- A. Inputs
 - B. Subsystems
 - C. Outputs
 - D. All of the options listed here are correct
81. Which of the following relates to the perspective that organisations are open systems?
- A. The organisation adjusts its services to satisfy changing consumer demand
 - B. Production and sales employees coordinate their work activities to provide a more efficient work process
 - C. The organisation changes its products to suit customer needs
 - D. All of the options listed here are correct
82. 'Intellectual capital' refers to:
- A. How much money an organisation spends on training and development
 - B. The stock of knowledge that resides in an organisation
 - C. The percentage of information available that is actually used productively by the organisation
 - D. The total cost of computers and other 'intelligent' machines in the organisation
83. 'Intellectual capital' consists of:
- A. Knowledge that employees possess and generate
 - B. The knowledge captured in an organisation's systems and structures
 - C. The value that customers provide to the organisation
 - D. All of the options listed here are correct
84. A computer maintenance company wants to 'capture' the knowledge that employees carry around in their heads by creating a database where employees document their solutions to unusual maintenance problems. This practice tries to:
- A. Transform intellectual capital into knowledge management
 - B. Transfer human capital into structural capital
 - C. Prevent relationship capital from interfering with human capital
 - D. Reduce the amount of human capital
85. Companies 'manage' knowledge by:
- A. Extracting information and ideas from the external environment and through experimentation
 - B. Ensuring that knowledge is shared throughout the organisation
 - C. Ensuring that employees effectively use the knowledge available to them
 - D. All of the options listed here are correct
86. Which of the following is a form of knowledge acquisition?
- A. Hiring new employees
 - B. Research, development and experimentation
 - C. Information sessions where employees describe to colleagues unique incidents involving customers
 - D. All of the answers are correct
87. Which of the following is an example of knowledge acquisition?
- A. Surveying employees about their attitudes towards recent corporate changes
 - B. Developing a training program for employees to learn the latest goals of the leader
 - C. Encouraging employees to share their knowledge with co-workers
 - D. Hiring people who bring valuable knowledge that is not available from current employees

88. An organisation's 'absorptive capacity' refers to:
- A. Its ability to hire more people without moving to new offices
 - B. Its level of current knowledge that makes it possible for it to bring in new knowledge from the environment
 - C. Its ethical standards in the local community
 - D. Its diversity along the primary dimension
89. A technology company wants to move into the field of wireless communications. Unfortunately, few of its employees know enough about the basic technology to acquire emerging knowledge about that field or to launch a separate business unit to enter that market. With respect to learning about wireless technology knowledge, this organisation has:
- A. Too much virtual work
 - B. High intellectual capital
 - C. High human capital but low relationship capital
 - D. Low absorptive capacity
90. Eastern University performs a daily computer search through newspaper articles to identify any articles about the university or its faculty members. University administrators use this information to receive feedback about how the public reacts to university activities. In knowledge management, searching for newspaper articles and other external writing about the organisation is mainly a form of:
- A. Knowledge acquisition
 - B. Communities of practice
 - C. Organisational unlearning
 - D. Knowledge sharing
91. Twice each year, a major car parts manufacturer brings together production and engineering specialists from its eight divisions to discuss ideas, solutions and concerns. This helps to minimise the 'silos of knowledge' problem that exists in many organisations. This practice is primarily an example of:
- A. Relationship capital
 - B. Experimentation
 - C. Knowledge sharing
 - D. Documentation
92. 'Organisational memory' is BEST DESCRIBED as:
- A. The total terabytes of hard disk space available on computers throughout an organisation
 - B. The ability of senior executives to recall important information about the company's products, services and employees
 - C. The storage and preservation of intellectual capital within an organisation
 - D. The ability of employees throughout the organisation to recall important information about the company's products and services
93. Organisations retain intellectual capital by:
- A. Transferring human capital into structural capital
 - B. Encouraging employees to take early retirement
 - C. Discouraging employees from communicating with each other
 - D. All of the options listed here are correct
94. Which of the following typically results in a loss of organisational memory?
- A. The processes used to make a unique product are incorrectly documented
 - B. The company lays off nearly one-quarter of its workforce
 - C. The company sells one of its divisions (including employees in that division) to another organisation
 - D. All of the options listed here are correct
95. Organisations should 'unlearn':
- A. In many situations involving organisational change
 - B. Whenever new knowledge is brought into the organisation
 - C. Whenever the organisation shifts from communities of practice to experimentation in the knowledge acquisition process
 - D. All of the options listed here are correct

96. The changing workforce is one of the emerging trends in organisational behaviour. Describe how the workforce is changing and briefly identify two consequences of these changes for organisations.
97. Virtual work has been identified as an important trend in organisational behaviour. Discuss three organisational behaviour topics that are influenced by virtual work.
98. Many organisations are placing increasing importance on values in the workplace. Discuss two reasons why workplace values have become more important in recent years. Your answer should briefly define values.
99. Two organisational behaviour students are debating the idea that many OB theories are contingency-oriented. One student believes that every OB theory should be contingency-oriented. The other student disagrees, saying that most theories should try to be universal. Evaluate both positions and provide your opinion on this issue.

100. Marketing specialists at Napanee Beer Co. developed a new advertising campaign for summer sales. The ads were particularly aimed at sports events where Napanee Beer sold kegs of beer on tap. The marketing group worked for months with a top advertising firm on the campaign. Their effort was successful in terms of significantly higher demand for Napanee Beer's keg beer at sports stadiums. However, the production department had not been notified of the marketing campaign and was not prepared for the increased demand. The company was forced to buy empty kegs at a premium price. It also had to brew some of the lower-priced keg beer in vats that would have been used for higher-priced specialty beer. The result was that Napanee Beer sold more of the lower-priced keg beer and less of the higher-priced products that summer. Moreover, the company could not initially fill consumer demand for the keg beer, resulting in customer dissatisfaction. Use system theory to explain what has occurred at Napanee Beer Co.
101. Senior officers in a national military organisation decided that operations in supplies requisition were inefficient and costly. They brought in consultants who recommended that the entire requisition process be 'reengineered'. This involved throwing out the old practices and developing an entirely new set of work activities around workflow. However, contrary to expectations, this intervention resulted in lower productivity, higher employee turnover and other adverse outcomes. Discuss likely problems with the intervention in terms of systems theory.
102. An aircraft manufacturing company developed a computer simulation representing the very complex processes and subgroups that create an airplane. Teams of production employees would participate in a game where trainers gave them the challenge of reducing costs or minimising space using the simulation. As the trainers predicted, the team's actions would almost always result in unexpected consequences. Explain how this simulation relates to the open systems perspective on organisational behaviour.
103. Comment on the accuracy of the following statement: 'Without employees, an organisation has no organisational memory.'

104. A courier service laid off a large percentage of its production staff during last year's recession. These low-skilled employees performed routine tasks filling orders. The company now wants to rehire them. However, most of the unskilled employees have since found employment in other companies and industries. Do you think the courier company lost much organisational memory in this situation? Explain your answer.
105. WindTunnel Ltd, a manufacturer of commercial vacuum cleaner systems, has heard about new computer-based technologies that help vacuum cleaner systems to work more efficiently and provide additional features to users. So far, only one British vacuum cleaner company has apparently moved to integrate this technology into its products, but more firms will soon follow. Senior executives at WindTunnel are also aware of a small engineering firm that has applied similar computer technology to military suction-like products. No one at WindTunnel has much experience or knowledge with this computer technology, yet the company needs such expertise quickly. Explain which knowledge acquisition strategy would best help WindTunnel to gain the necessary intellectual capital.
106. Comment on the accuracy of the following statement: 'An important objective in knowledge management is to ensure that intellectual capital is stored and preserved.'
107. Comment on your agreement or disagreement with the following statement: Hiring and keeping talented employees is the most important task for managers.
108. Explain the three propositions that high-performance work practices (HPWP) are based on.

109. Review the evidence to support 'evidence based' management and suggest why it is often ignored.

1 Key

1. Scholars have been studying behaviour in organisations at least since the time of Greek and Chinese philosophers.
TRUE

*AACSB: Multicultural
Difficulty: Medium
Learning Objective: 01-01 Define organisational behaviour and organisations, and discuss the importance of this field of inquiry.
McShane - Chapter 01 #1*

2. In order for something to be called an organisation it must have buildings and equipment.
FALSE

*Difficulty: Easy
Learning Objective: 01-01 Define organisational behaviour and organisations, and discuss the importance of this field of inquiry.
McShane - Chapter 01 #2*

3. All organisations have a collective sense of purpose, even though this purpose might not be fully understood or agreed upon.
TRUE

*Difficulty: Easy
Learning Objective: 01-01 Define organisational behaviour and organisations, and discuss the importance of this field of inquiry.
McShane - Chapter 01 #3*

4. Collective entities are called organisations only when their members have complete agreement on the goals they want to achieve.
FALSE

*Difficulty: Medium
Learning Objective: 01-01 Define organisational behaviour and organisations, and discuss the importance of this field of inquiry.
McShane - Chapter 01 #4*

5. Evidence indicates that applying organisational behaviour knowledge tends to improve the organisation's financial performance.
TRUE

*Difficulty: Easy
Learning Objective: 01-01 Define organisational behaviour and organisations, and discuss the importance of this field of inquiry.
McShane - Chapter 01 #5*

6. Globalisation may have both positive and negative implications for people working in organisations.
TRUE

*Difficulty: Easy
Learning Objective: 01-03 Debate the organisational opportunities and challenges of globalisation, workforce diversity and emerging employment relationships.
McShane - Chapter 01 #6*

7. Reduced job security and increased work intensification in Australia are partly caused by globalisation.
TRUE

*Difficulty: Medium
Learning Objective: 01-03 Debate the organisational opportunities and challenges of globalisation, workforce diversity and emerging employment relationships.
McShane - Chapter 01 #7*

8. Education is a primary category of surface-level diversity.
FALSE

*AACSB: Multicultural/ diversity
Difficulty: Medium
Learning Objective: 01-03 Debate the organisational opportunities and challenges of globalisation, workforce diversity and emerging employment relationships.
McShane - Chapter 01 #8*

9. Australian employees are more diverse today than a few decades ago on many deep-level categories but have actually reduced their diversity on most surface categories.
FALSE

*AACSB: Multicultural/ diversity
Difficulty: Medium
Learning Objective: 01-03 Debate the organisational opportunities and challenges of globalisation, workforce diversity and emerging employment relationships.
McShane - Chapter 01 #9*

10. Research indicates that baby boomers and Generation-X employees bring the same values and expectations to the workplace.

FALSE

Learning Objective: 01-03 Debate the organisational opportunities and challenges of globalisation, workforce diversity and emerging employment relationships.
Difficulty: Easy
McShane - Chapter 01 #10

11. Workforce diversity potentially improves decision making and team performance on complex tasks.

TRUE

AACSB: Multicultural/ diversity
Difficulty: Medium
Learning Objective: 01-03 Debate the organisational opportunities and challenges of globalisation, workforce diversity and emerging employment relationships.
McShane - Chapter 01 #11

12. Surveys indicate that most Australian employees do not experience conflicting work–life balance.

FALSE

Difficulty: Easy
Learning Objective: 01-03 Debate the organisational opportunities and challenges of globalisation, workforce diversity and emerging employment relationships.
McShane - Chapter 01 #12

13. Generation X and Generation Y expectations are causing employers to reduce hierarchy and command-and-control management.

TRUE

Difficulty: Easy
Learning Objective: 01-03 Debate the organisational opportunities and challenges of globalisation, workforce diversity and emerging employment relationships.
McShane - Chapter 01 #13

14. Teams with diverse employees usually take longer to perform effectively. If this is so, explain why and the reasons for still using them.

AACSB: Multicultural/ diversity
Difficulty: Medium
Learning Objective: 01-03 Debate the organisational opportunities and challenges of globalisation, workforce diversity and emerging employment relationships.
McShane - Chapter 01 #14

15. Teleworking is more successful when employers evaluate employee performance based on 'face time' rather than work output.

FALSE

AACSB: Technology
Difficulty: Medium
Learning Objective: 01-03 Debate the organisational opportunities and challenges of globalisation, workforce diversity and emerging employment relationships.
McShane - Chapter 01 #15

16. Successful teleworkers tend to be self-motivated, organised and able to fulfil their social needs outside of the work context.

TRUE

AACSB: Technology
Difficulty: Easy
Learning Objective: 01-03 Debate the organisational opportunities and challenges of globalisation, workforce diversity and emerging employment relationships.
McShane - Chapter 01 #16

17. Virtual teams rely on information technology to keep team members connected to each other.

TRUE

AACSB: Technology
Difficulty: Medium
Learning Objective: 01-03 Debate the organisational opportunities and challenges of globalisation, workforce diversity and emerging employment relationships.
McShane - Chapter 01 #17

18. A team's 'virtualness' depends on how often and how many team members interact face-to-face.

FALSE

AACSB: Technology
Difficulty: Hard
Learning Objective: 01-03 Debate the organisational opportunities and challenges of globalisation, workforce diversity and emerging employment relationships.
McShane - Chapter 01 #18

19. 'Values' represent an individual's short-term beliefs about what will happen in the future.

FALSE

AACSB: Ethics
Difficulty: Medium
Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #19

20. Values have a strong influence on our priorities, our preferences and our desires.

TRUE

AACSB: Ethics

Difficulty: Easy

Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.

McShane - Chapter 01 #20

21. Globalisation has brought increased benefits to individuals and organisations as well as increased the complexity in the workplace.

TRUE

AACSB: Ethics

AACSB: Multicultural/ diversity

Difficulty: Easy

Learning Objective: 01-03 Debate the organisational opportunities and challenges of globalisation, workforce diversity and emerging employment relationships.

McShane - Chapter 01 #21

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

TRUE

AACSB: Ethics

Difficulty: Easy

Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.

McShane - Chapter 01 #22

23. One reason why workplace values have become more important is that employees increasingly value work as a central life interest.

FALSE

AACSB: Ethics

Difficulty: Medium

Learning Objective: 01-03 Debate the organisational opportunities and challenges of globalisation, workforce diversity and emerging employment relationships.

McShane - Chapter 01 #23

24. 'Stakeholders' are shareholders, customers, suppliers, governments and any other groups with a vested interest in the organisation.

TRUE

Difficulty: Easy

Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.

McShane - Chapter 01 #24

25. The 'triple bottom line' philosophy says that successful organisations focus on financial performance three times more often than do less successful organisations.

FALSE

AACSB: Ethics

Difficulty: Medium

Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.

McShane - Chapter 01 #25

26. Fads, consulting models and pet beliefs are often embraced by corporate leaders without any evidence of their success.

TRUE

AACSB: Analytic

Difficulty: Easy

Learning Objective: 01-04 Discuss the anchors on which organisational behaviour knowledge is based.

McShane - Chapter 01 #26

27. Conceptual anchors which are based on a set of basic beliefs or knowledge structures represent only one small aspect of knowledge from which organisational behaviour knowledge is developed and refined.

FALSE

Difficulty: Medium

Learning Objective: 01-04 Discuss the anchors on which organisational behaviour knowledge is based.

McShane - Chapter 01 #27

28. Psychology and sociology have contributed many theories and concepts to the field of organisational behaviour.

TRUE

Difficulty: Medium

Learning Objective: 01-04 Discuss the anchors on which organisational behaviour knowledge is based.

McShane - Chapter 01 #28

29. Communications and information systems are two emerging fields from which organisational behaviour is now acquiring knowledge.

TRUE

Difficulty: Medium
Learning Objective: 01-04 Discuss the anchors on which organisational behaviour knowledge is based.
McShane - Chapter 01 #29

30. Borrowing theories from other disciplines has helped bring a diversity of knowledge and perspectives to organisational behaviour but has created a potential 'trade deficit' in knowledge.

TRUE

Difficulty: Medium
Learning Objective: 01-04 Discuss the anchors on which organisational behaviour knowledge is based.
McShane - Chapter 01 #30

31. The field of organisational behaviour relies on quantitative—never qualitative—research to understand organisational phenomena.

FALSE

Difficulty: Medium
Learning Objective: 01-04 Discuss the anchors on which organisational behaviour knowledge is based.
McShane - Chapter 01 #31

32. The contingency anchor in organisational behaviour suggests that we need to diagnose the situation to identify the most appropriate action under those specific circumstances.

TRUE

Difficulty: Medium
Learning Objective: 01-04 Discuss the anchors on which organisational behaviour knowledge is based.
McShane - Chapter 01 #32

33. Most organisational events may be studied from all three levels of analysis—individual, team and organisation.

TRUE

Difficulty: Easy
Learning Objective: 01-04 Discuss the anchors on which organisational behaviour knowledge is based.
McShane - Chapter 01 #33

34. The best organisational practices are those built on the notion that organisations are closed systems.

FALSE

Difficulty: Easy
Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #34

35. The open systems perspective emphasises that organisations survive by adapting to changes in the external environment.

TRUE

Difficulty: Medium
Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #35

36. Organisations have a dynamic capability when they are able to change the outputs and transformational processes that produce those outputs.

TRUE

Difficulty: Medium
Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #36

37. According to the systems perspective, most organisations have one working part rather than many sub-components.

FALSE

Difficulty: Medium
Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #37

38. As organisations grow, they tend to develop more subsystems, and relationships among them become more complex requiring well tuned coordination.

TRUE

Difficulty: Easy
Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #38

39. Knowledge management develops an organisation's capacity to acquire, share and use knowledge in ways that improve its survival and success.

TRUE

Difficulty: Easy
Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #39

40. 'Intellectual capital' includes, among other things, the knowledge captured in an organisation's systems and structures.

TRUE

Difficulty: Hard
Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #40

41. 'Intellectual capital' represents the stock of knowledge held by an organisation.

TRUE

Difficulty: Easy
Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #41

42. 'Absorptive capacity' refers to how easily the field of organisational behaviour can bring in new knowledge from other fields of study.

FALSE

Difficulty: Hard
Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #42

43. One of the fastest ways to acquire knowledge is to hire individuals or purchase entire companies that have the valued knowledge.

TRUE

Difficulty: Easy
Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #43

44. 'Organisational memory' includes knowledge embedded in the organisation's systems and structures.

TRUE

Difficulty: Easy
Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #44

45. Successful organisations never 'unlearn' knowledge that they have previously gained.

FALSE

Difficulty: Easy
Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #45

46. Which of these statements about the field of organisational behaviour is FALSE?

A. Organisational behaviour scholars study individual, team and structural characteristics that influence behaviour within organisations

B. Leadership, communication and other organisational behaviour topics were not discussed by scholars until the 1940s

C. Organisational behaviour emerged as a distinct field around the 1940s

D. The field of organisational behaviour has adopted concepts and theories from other fields of inquiry

Difficulty: Easy
Learning Objective: 01-01 Define organisational behaviour and organisations, and discuss the importance of this field of inquiry.
McShane - Chapter 01 #46

47. Which of these statements about the field of organisational behaviour is TRUE?
- A. Organisational behaviour emerged as a distinct field during the 1980s
 - B. The origins of some organisational behaviour concepts date back to Greek and Chinese philosophers**
 - C. Information technology has almost no effect on organisational behaviour
 - D. The field of organisational behaviour relies exclusively on ideas generated within the field by organisational behaviour scholars

Difficulty: Medium

Learning Objective: 01-01 Define organisational behaviour and organisations, and discuss the importance of this field of inquiry.
McShane - Chapter 01 #47

48. In the field of organisational behaviour, organisations are best described as:
- A. Legal entities that must abide by government regulations and pay taxes
 - B. Physical structures with observable capital equipment
 - C. Social entities with a publicly stated set of formal goals
 - D. Groups of people who work interdependently towards some purpose**

Difficulty: Easy

Learning Objective: 01-01 Define organisational behaviour and organisations, and discuss the importance of this field of inquiry.
McShane - Chapter 01 #48

49. Organisational behaviour knowledge:
- A. Originates mainly from models developed in chemistry and other natural sciences
 - B. Accurately predicts how anyone will behave in any situation
 - C. Is more appropriate for people who work in computer science than in marketing
 - D. Helps us to understand, predict and influence the behaviours of others in organisational settings**

Difficulty: Easy

Learning Objective: 01-01 Define organisational behaviour and organisations, and discuss the importance of this field of inquiry.
McShane - Chapter 01 #49

50. According to the authors of *Organisational Behaviour*, organisational behaviour knowledge:
- A. Should never be used to influence the behaviour of other people
 - B. Should be used mostly by managers and senior executives
 - C. Should never replace your commonsense knowledge about how organisations work
 - D. Is relevant to everyone who works in organisations**

Difficulty: Medium

Learning Objective: 01-01 Define organisational behaviour and organisations, and discuss the importance of this field of inquiry.
McShane - Chapter 01 #50

51. Workforce diversity:
- A. Includes the entry of younger people into the workforce
 - B. Can potentially improve decision making and team performance in organisations
 - C. Includes the increasing proportion of women in the workforce
 - D. All of the options listed here are correct**

AACSB: Multicultural/ diversity

Difficulty: Easy

Learning Objective: 01-03 Debate the organisational opportunities and challenges of globalisation, workforce diversity and emerging employment relationships.
McShane - Chapter 01 #51

52. Which of the following is a surface-level category of diversity?
- A. Physical qualities
 - B. Gender
 - C. Ethnicity
 - D. All of the options listed here are correct**

AACSB: Multicultural/ diversity

Difficulty: Medium

Learning Objective: 01-03 Debate the organisational opportunities and challenges of globalisation, workforce diversity and emerging employment relationships.
McShane - Chapter 01 #52

53. Personalities, beliefs, values and attitudes are:
A. Deep-level categories of workforce diversity
B. Surface-level categories of workforce diversity
C. Necessary contingencies in all organisational behaviour theories
D. Never discussed in organisational behaviour

AACSB: Multicultural/ diversity
Difficulty: Medium
Learning Objective: 01-03 Debate the organisational opportunities and challenges of globalisation, workforce diversity and emerging employment relationships.
McShane - Chapter 01 #53

54. Which of the following statements is TRUE?
A. Australia is becoming a more homogeneous society
B. Deep-level diversity is evident in a person's decisions, statements and actions
C. Most Australians believe that the government should disband multiculturalism
D. Diversity offers tremendous advantages to organisations with almost no disadvantages

AACSB: Multicultural/ diversity
Difficulty: Medium
Learning Objective: 01-03 Debate the organisational opportunities and challenges of globalisation, workforce diversity and emerging employment relationships.
McShane - Chapter 01 #54

55. Which of the following statements about Australia's population and workforce is FALSE?
A. More than half of immigrants to Australia over the past decade were born in Europe
B. The participation of women in the workforce has increased over the past few decades
C. Generation X employees bring somewhat different needs and expectations to the workplace than their baby-boomer counterparts
D. Australia is becoming a more multicultural society

AACSB: Multicultural/ diversity
Difficulty: Medium
Learning Objective: 01-03 Debate the organisational opportunities and challenges of globalisation, workforce diversity and emerging employment relationships.
McShane - Chapter 01 #55

56. Which of the following statements is FALSE?
A. Employment relationships are shifting towards the idea that companies must provide employees with a high degree of job security, possibly even a job for life
B. Generation X employees bring somewhat different values and needs to the workplace than do baby boomers
C. The workforce is becoming more diverse
D. Successful firms increasingly rely on values rather than direct supervision to guide employee decisions and behaviour

AACSB: Multicultural/ diversity
Difficulty: Easy
Learning Objective: 01-03 Debate the organisational opportunities and challenges of globalisation, workforce diversity and emerging employment relationships.
McShane - Chapter 01 #56

57. Virtual work:
A. Is more common in Australia than in New Zealand
B. Occurs when job applicants are asked to pretend they are performing the job in the interview setting in order to determine their ability to perform that work
C. Tends to improve an employee's social involvement in the organisation
D. Is supported by information technology

AACSB: Technology
Difficulty: Medium
Learning Objective: 01-03 Debate the organisational opportunities and challenges of globalisation, workforce diversity and emerging employment relationships.
McShane - Chapter 01 #57

58. What effect can teleworking have in the workplace?
A. Teleworking can improve the teleworker's work-life balance
B. Teleworking forces corporate leaders to evaluate employees more for their work results rather than their 'face time'
C. Teleworking increases the risk that employees feel socially isolated from each other
D. All of the options listed here are correct

AACSB: Technology
Difficulty: Easy
Learning Objective: 01-03 Debate the organisational opportunities and challenges of globalisation, workforce diversity and emerging employment relationships.
McShane - Chapter 01 #58

59. Stable, long-lasting beliefs about what is important in a variety of situations are:
- A. Called 'intellectual capital'
 - B. The foundations of the open systems anchor
 - C. Rarely studied in the field of organisational behaviour
 - D.** Called 'values'

AACSB: Ethics
Difficulty: Medium

*Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #59*

60. Values have become more important in organisational behaviour because of:
- A. Increased globalisation
 - B. Increased pressure on organisations to engage in ethical practices
 - C. Direct supervision is expensive and incompatible with today's workforce
 - D.** All of the options listed here are correct

AACSB: Ethics
Difficulty: Easy

*Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #60*

61. Corporate social responsibility is most closely related to which of the following organisational behaviour trends?
- A. Workforce diversity
 - B. Virtual work
 - C. Globalisation
 - D.** Workplace values and ethics

AACSB: Ethics
Difficulty: Hard

*Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #61*

62. 'Stakeholders' include:
- A. Shareholders
 - B. Suppliers
 - C. governments
 - D.** All of the options listed here are correct

AACSB: Ethics
Difficulty: Easy

*Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #62*

63. Employees, suppliers and governments:
- A.** Are organisational stakeholders
 - B. Are rarely considered in organisational behaviour theories
 - C. Represent the three levels of analysis in organisational behaviour
 - D. Are excluded from the open systems anchor

AACSB: Ethics
Difficulty: Easy

*Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #63*

64. The triple bottom line philosophy says that:
- A. Companies should pay three times more attention to profits than to employee wellbeing
 - B. The main goal of all companies is to satisfy the needs of three groups—employees, shareholders and suppliers
 - C. Companies should pay attention to local, national and global customers
 - D.** Companies should try to support the economic, social and environmental spheres of sustainability

AACSB: Ethics
Difficulty: Medium

*Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #64*

65. Which of the following concepts are closely associated with corporate social responsibility?
- A. Knowledge management
 - B. Triple bottom line
 - C. Stakeholders
 - D. Triple bottom line and stakeholders**

AACSB: Ethics

Difficulty: Medium

Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.

McShane - Chapter 01 #65

66. Which of these statements about corporate social responsibility (CSR) is FALSE?
- A. All Australian companies now publicly report on their CSR practices**
 - B. CSR emphasises the economic, social and environmental spheres of sustainability
 - C. Many Australians expect companies to engage in CSR
 - D. CSR is closely related to the topics of values and ethics

AACSB: Ethics

Difficulty: Medium

Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.

McShane - Chapter 01 #66

67. Which of the following is NOT a conceptual anchor in organisational behaviour?
- A. Contingency anchor
 - B. Systematic research anchor
 - C. Economic anchor**
 - D. Multidisciplinary anchor

Difficulty: Medium

Learning Objective: 01-04 Discuss the anchors on which organisational behaviour knowledge is based.

McShane - Chapter 01 #67

68. Which of the following does NOT represent a belief that anchors organisational behaviour?
- A. OB should view organisations as closed systems**
 - B. OB should assume that the effectiveness of an action usually depends on the situation
 - C. OB should draw on knowledge from other disciplines
 - D. OB should rely on the systematic research methods to generate knowledge

Difficulty: Easy

Learning Objective: 01-04 Discuss the anchors on which organisational behaviour knowledge is based.

McShane - Chapter 01 #68

69. Which of the following statements about the field of organisational behaviour is FALSE?
- A. OB is the study of what people think, feel and do in and around organisations
 - B. OB emerged as a distinct field of inquiry in the 1940s
 - C. OB is a self-contained discipline, independent of other disciplines**
 - D. OB theories are usually tested using the scientific method
 - E. Many OB theories are contingency-oriented

Difficulty: Easy

Learning Objective: 01-04 Discuss the anchors on which organisational behaviour knowledge is based.

McShane - Chapter 01 #69

70. Which of these statements is consistent with the four anchors of organisational behaviour?
- A. Organisational behaviour theories must apply universally to every situation
 - B. Organisations are like machines that operate independently of their external environment
 - C. Each organisational behaviour topic relates to only one level of analysis
 - D. The field of organisational behaviour should rely on other disciplines for some of its theory development**

Difficulty: Medium

Learning Objective: 01-04 Discuss the anchors on which organisational behaviour knowledge is based.

McShane - Chapter 01 #70

71. Which discipline has provided organisational behaviour with much of its theoretical foundation for team dynamics, organisational power and organisational socialisation?
- A.** Sociology
 - B. Psychology
 - C. Economics
 - D. Industrial engineering

Difficulty: Medium
Learning Objective: 01-04 Discuss the anchors on which organisational behaviour knowledge is based.
McShane - Chapter 01 #71

72. Which of the following is identified as an emerging field from which organisational behaviour is acquiring new knowledge?
- A. Industrial engineering
 - B.** Information systems
 - C. Anthropology
 - D. Economics

Difficulty: Medium
Learning Objective: 01-04 Discuss the anchors on which organisational behaviour knowledge is based.
McShane - Chapter 01 #72

73. To collect and analyse information systematically, organisational behaviour researchers rely on:
- A.** The scientific method
 - B. Closed systems theory
 - C. Grounded theory
 - D. The scientific method and grounded theory.

Difficulty: Hard
Learning Objective: 01-04 Discuss the anchors on which organisational behaviour knowledge is based.
McShane - Chapter 01 #73

74. Organisational behaviour scholars use which of the following to discover knowledge?
- A. They use form research questions
 - B. They systematically collect data
 - C. They test hypotheses
 - D.** All of the options listed here are correct

Difficulty: Medium
Learning Objective: 01-04 Discuss the anchors on which organisational behaviour knowledge is based.
McShane - Chapter 01 #74

75. The contingency anchor of organisational behaviour states that:
- A. We should have a second organisational behaviour theory to explain the situation in case our first choice does not work
 - B. Organisational behaviour theories must view organisations as systems that need to adapt to their environments
 - C. There is usually one best way to resolve organisational problems
 - D.** A particular action may have different consequences in different situations

Difficulty: Medium
Learning Objective: 01-04 Discuss the anchors on which organisational behaviour knowledge is based.
McShane - Chapter 01 #75

76. According to the multiple levels of analysis anchor:
- A. Organisational behaviour is mainly the study of how all levels of the organisational hierarchy interact with the external environment
 - B.** Organisational behaviour topics typically relate to the individual, team and organisational levels of analysis
 - C. There are eight levels of analysis that scholars should recognise when conducting organisational behaviour research
 - D. Organisational events can be studied from only one level of analysis

Difficulty: Medium
Learning Objective: 01-04 Discuss the anchors on which organisational behaviour knowledge is based.
McShane - Chapter 01 #76

77. Which organisational behaviour anchor discusses development of the field from other areas of human research?
- A. Contingency anchor
 - B. Open systems anchor
 - C. Multidisciplinary anchor**
 - D. Systematic research anchor

Difficulty: Medium
Learning Objective: 01-04 Discuss the anchors on which organisational behaviour knowledge is based.
McShane - Chapter 01 #77

78. Organisational behaviour views organisations as:
- A. Non-systems
 - B. A single unitary subsystem
 - C. Open systems**
 - D. Closed systems

Difficulty: Easy
Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #78

79. The open systems perspective on organisational behaviour states that:
- A. Organisations affect and are affected by their external environments**
 - B. Organisations can operate efficiently by ignoring changes in the external environment
 - C. People are the only important organisational input
 - D. Organisations basically have only one working part

Difficulty: Medium
Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #79

80. Which of the following is included in the systems model of organisations?
- A. Inputs
 - B. Subsystems
 - C. Outputs
 - D. All of the options listed here are correct**

Difficulty: Easy
Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #80

81. Which of the following relates to the perspective that organisations are open systems?
- A. The organisation adjusts its services to satisfy changing consumer demand
 - B. Production and sales employees coordinate their work activities to provide a more efficient work process
 - C. The organisation changes its products to suit customer needs
 - D. All of the options listed here are correct**

Difficulty: Medium
Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #81

82. 'Intellectual capital' refers to:
- A. How much money an organisation spends on training and development
 - B. The stock of knowledge that resides in an organisation**
 - C. The percentage of information available that is actually used productively by the organisation
 - D. The total cost of computers and other 'intelligent' machines in the organisation

Difficulty: Easy
Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #82

83. 'Intellectual capital' consists of:
- A. Knowledge that employees possess and generate
 - B. The knowledge captured in an organisation's systems and structures
 - C. The value that customers provide to the organisation
 - D. All of the options listed here are correct**

Difficulty: Easy
Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #83

84. A computer maintenance company wants to 'capture' the knowledge that employees carry around in their heads by creating a database where employees document their solutions to unusual maintenance problems. This practice tries to:
- A. Transform intellectual capital into knowledge management
 - B. Transfer human capital into structural capital**
 - C. Prevent relationship capital from interfering with human capital
 - D. Reduce the amount of human capital

Difficulty: Hard
Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #84

85. Companies 'manage' knowledge by:
- A. Extracting information and ideas from the external environment and through experimentation
 - B. Ensuring that knowledge is shared throughout the organisation
 - C. Ensuring that employees effectively use the knowledge available to them
 - D. All of the options listed here are correct**

Difficulty: Hard
Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #85

86. Which of the following is a form of knowledge acquisition?
- A. Hiring new employees
 - B. Research, development and experimentation
 - C. Information sessions where employees describe to colleagues unique incidents involving customers
 - D. All of the answers are correct**

Difficulty: Hard
Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #86

87. Which of the following is an example of knowledge acquisition?
- A. Surveying employees about their attitudes towards recent corporate changes
 - B. Developing a training program for employees to learn the latest goals of the leader
 - C. Encouraging employees to share their knowledge with co-workers
 - D. Hiring people who bring valuable knowledge that is not available from current employees**

Difficulty: Medium
Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #87

88. An organisation's 'absorptive capacity' refers to:
- A. Its ability to hire more people without moving to new offices
 - B. Its level of current knowledge that makes it possible for it to bring in new knowledge from the environment**
 - C. Its ethical standards in the local community
 - D. Its diversity along the primary dimension

Difficulty: Medium
Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #88

89. A technology company wants to move into the field of wireless communications. Unfortunately, few of its employees know enough about the basic technology to acquire emerging knowledge about that field or to launch a separate business unit to enter that market. With respect to learning about wireless technology knowledge, this organisation has:
- A. Too much virtual work
 - B. High intellectual capital
 - C. High human capital but low relationship capital
 - D. Low absorptive capacity**

Difficulty: Medium
Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #89

90. Eastern University performs a daily computer search through newspaper articles to identify any articles about the university or its faculty members. University administrators use this information to receive feedback about how the public reacts to university activities. In knowledge management, searching for newspaper articles and other external writing about the organisation is mainly a form of:
- A. Knowledge acquisition
 - B. Communities of practice
 - C. Organisational unlearning
 - D. Knowledge sharing

Difficulty: Medium
Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #90

91. Twice each year, a major car parts manufacturer brings together production and engineering specialists from its eight divisions to discuss ideas, solutions and concerns. This helps to minimise the 'silos of knowledge' problem that exists in many organisations. This practice is primarily an example of:
- A. Relationship capital
 - B. Experimentation
 - C. Knowledge sharing
 - D. Documentation

Difficulty: Easy
Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #91

92. 'Organisational memory' is BEST DESCRIBED as:
- A. The total terabytes of hard disk space available on computers throughout an organisation
 - B. The ability of senior executives to recall important information about the company's products, services and employees
 - C. The storage and preservation of intellectual capital within an organisation
 - D. The ability of employees throughout the organisation to recall important information about the company's products and services

Difficulty: Hard
Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #92

93. Organisations retain intellectual capital by:
- A. Transferring human capital into structural capital
 - B. Encouraging employees to take early retirement
 - C. Discouraging employees from communicating with each other
 - D. All of the options listed here are correct

Difficulty: Medium
Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #93

94. Which of the following typically results in a loss of organisational memory?
- A. The processes used to make a unique product are incorrectly documented
 - B. The company lays off nearly one-quarter of its workforce
 - C. The company sells one of its divisions (including employees in that division) to another organisation
 - D. All of the options listed here are correct

Difficulty: Easy
Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #94

95. Organisations should 'unlearn':
- A. In many situations involving organisational change
 - B. Whenever new knowledge is brought into the organisation
 - C. Whenever the organisation shifts from communities of practice to experimentation in the knowledge acquisition process
 - D. All of the options listed here are correct

Difficulty: Easy
Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #95

96. The changing workforce is one of the emerging trends in organisational behaviour. Describe how the workforce is changing and briefly identify two consequences of these changes for organisations.

AACSB: Communication
Difficulty: Easy

Learning Objective: 01-03 Debate the organisational opportunities and challenges of globalisation, workforce diversity and emerging employment relationships.
McShane - Chapter 01 #96

97. Virtual work has been identified as an important trend in organisational behaviour. Discuss three organisational behaviour topics that are influenced by virtual work.

(Note— Students may identify the relevance of various organisational behaviour topics through creative and logical thinking.) Chapter 1 briefly identifies the following topics.

Stress management. Virtual work (particularly telework) tends to offer better work–life balance.

Performance. Virtual work seems to improve job performance in many situations.

Self-leadership. Virtual workers need to manage themselves rather than rely on supervisors for continuous guidance.

Organisational influence and politics. Virtual workers have to adjust to the lack of networking, and learn to overcome the limitations of limited face time in demonstrating their value.

AACSB: Communication
Difficulty: Easy

Learning Objective: 01-03 Debate the organisational opportunities and challenges of globalisation, workforce diversity and emerging employment relationships.
McShane - Chapter 01 #97

98. Many organisations are placing increasing importance on values in the workplace. Discuss two reasons why workplace values have become more important in recent years. Your answer should briefly define values.

Values are defined as stable, long-lasting beliefs about what is important in a variety of situations. They are evaluative standards that help us to define what is right or wrong, or good or bad, in the world.

The textbook offers three reasons for the increased interest in workplace values. Students need to describe any two of these. Some students might also identify other reasons through logical argument. These logical arguments should receive consideration when grading this answer.

Increasing globalisation. As organisations expand across cultures, differences in values become more pronounced. This leads to both personal and organisational challenges. At the individual level, employees may find that their personal values conflict with organisational and cross-cultural values. At the organisational level, leaders are looking for ways to integrate (or, at least, coordinate) people with diverse personal and cultural value systems.

Replacing direct supervision. The old 'command-and-control' system of direct supervision is expensive and incompatible with today's more independently minded workforce. Organisational values represent a subtle, yet potentially effective, alternative.

Increasing pressure for ethical organisations. Many societies are putting more pressure on organisations to engage in ethical practices. 'Ethics' refers to the study of moral principles or values that determine whether actions are right or wrong and outcomes are good or bad. We rely on our ethical values to determine 'the right thing to do'.

AACSB: Ethics
Difficulty: Medium

Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #98

99. Two organisational behaviour students are debating the idea that many OB theories are contingency-oriented. One student believes that every OB theory should be contingency-oriented. The other student disagrees, saying that most theories should try to be universal. Evaluate both positions and provide your opinion on this issue.

AACSB: Analytic
AACSB: Reflective thinking
Difficulty: Hard

Learning Objective: 01-04 Discuss the anchors on which organisational behaviour knowledge is based.
McShane - Chapter 01 #99

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

AACSB: Reflective thinking

Difficulty: Medium

Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.

McShane - Chapter 01 #100

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

There are two possible ways that systems theory explains these problems. The first and more likely of these is the fact that open systems have interdependent parts. In this situation, reengineering the supplies requisition process may have disrupted other parts of the organisation, which, in turn, undermined the supplies' group's ability to complete their work. The point here is that open systems consist of interdependent parts and that it is always useful to ensure that changes in one part of the organisation have minimal adverse effects on other parts of the organisation.

The second possible (but less likely) problem is in terms of inputs, transformation, outputs and feedback. The reengineering process may have thrown out a functioning transformation process. Possibly the change resulted in less feedback from the environment regarding how well the organisation is interacting with the environment. Perhaps the change resulted in a disruption of inputs or side effects in the outputs.

AACSB: Analytic

Difficulty: Medium

Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.

McShane - Chapter 01 #101

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

The production simulation teaches teams that organisations are complex systems with many interdependent parts. As such, complex systems tend to produce unintended consequences when one part of the system is altered.

The lesson here is to recognise the repercussions of subsystem actions on other parts of the organisation.

AACSB: Reflective thinking

Difficulty: Medium

Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.

McShane - Chapter 01 #102

103. Comment on the accuracy of the following statement: 'Without employees, an organisation has no organisational memory.'

This statement is generally FALSE. An organisation's memory may be embedded in systems and structures, not just the brain cells of employees. Certainly, a considerable amount of memory would be lost if employees suddenly disappeared, but some knowledge remains through structural capital. For example, knowledge is embedded in the company's physical layout, its documentation, the design of its products and so forth.

Of course, it is necessary to have employees transform their human capital into structural capital. But once it is embedded in structural capital, some knowledge exists without employees.

*AACSB: Communication
Difficulty: Medium*

*Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #103*

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

'Organisational memory' refers to the storage and preservation of intellectual capital; in other words, the knowledge that the organisation possesses. The courier company has lost some organisational memory, but probably not a great deal. The amount of organisational memory lost may be fairly small in this situation. These are unskilled employees, some of whom have moved to other industries. This suggests that they might have been fairly replaceable and do not have much unique knowledge for the organisation. Similarly, the tasks are fairly routine, suggesting that most knowledge is established within the task routines and thereby documented in procedures manuals.

However, some organisational memory loss has occurred because every employee possesses some unique knowledge that is of value to the organisation. For instance, the laid-off employees may have had undocumented knowledge about the preferences of certain customers or the operation of certain equipment. When employees leave the firm, they take this knowledge with them unless it is clearly documented or retained in other ways within the organisation.

*AACSB: Analytic
Difficulty: Medium*

*Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #104*

105. WindTunnel Ltd, a manufacturer of commercial vacuum cleaner systems, has heard about new computer-based technologies that help vacuum cleaner systems to work more efficiently and provide additional features to users. So far, only one British vacuum cleaner company has apparently moved to integrate this technology into its products, but more firms will soon follow. Senior executives at WindTunnel are also aware of a small engineering firm that has applied similar computer technology to military suction-like products. No one at WindTunnel has much experience or knowledge with this computer technology, yet the company needs such expertise quickly. Explain which knowledge acquisition strategy would best help WindTunnel to gain the necessary intellectual capital.

Students should begin by defining knowledge acquisition as the organisation's ability to extract information and ideas from its environment as well as through insight. The scenario described in this question strongly suggests that WindTunnel needs to apply the knowledge acquisition practice of hiring individuals or acquiring companies. In this situation, WindTunnel should consider either merging with the small engineering firm, creating a joint venture with it or luring some of its engineers to work at WindTunnel.

Hiring individuals or acquiring companies is most appropriate in this case for a few reasons. First, no one at WindTunnel has the required knowledge and the knowledge does not seem to be something that can be acquired quickly through individual learning or experimentation. Moreover, WindTunnel needs the knowledge quickly to remain competitive, because one competitor has already begun to integrate the new technology. These activities provide quick knowledge acquisition compared to the other strategies.

*AACSB: Analytic
Difficulty: Medium*

*Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #105*

106. Comment on the accuracy of the following statement: 'An important objective in knowledge management is to ensure that intellectual capital is stored and preserved.'

This statement is mostly, but not completely, TRUE. In support of this statement, students should indicate that an organisation's knowledge—its intellectual capital—is the main source of competitive advantage for most companies. One part of this process is knowledge management (acquiring, sharing and using knowledge); the other is maintaining an organisational memory. Organisational memory involves storing and preserving knowledge. For example, effective organisations ensure that knowledgeable employees do not leave. They also document knowledge for future use. Without organisational memory organisations could not compete in the external environment.

Students should also indicate the circumstances where this statement is false. Specifically, students should state that successful companies also unlearn knowledge that is no longer useful or appropriate. In fact, organisational unlearning—expelling some intellectual capital—is necessary so that organisational change may occur more effectively. This means that companies should cast off the routines and patterns of behaviour that are no longer appropriate.

*AACSB: Reflective thinking
Difficulty: Medium*

*Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.
McShane - Chapter 01 #106*

107. Comment on your agreement or disagreement with the following statement: Hiring and keeping talented employees is the most important task for managers.

(1) Task performance, organisational citizenship, and the lack of counterproductive work behaviours are obviously important, but if qualified people don't join and stay with the organisation, none of these performance-related behaviours would occur. (2) Attracting and retaining talented people is becoming particularly important as worries about skills shortages heat up. As skill shortages increase, attracting and retaining talent will logically become a critical factor in an organisation's success. (3) Much of an organisation's intellectual capital is the knowledge employees carry around in their heads. Long-service staff members, in particular, have valuable information about work processes, corporate values and customer needs. Very little of this is documented anywhere. Thus, knowledge management involves keeping valuable employees with the organisation.

AACSB: Reflective thinking

Difficulty: Medium

Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.

McShane - Chapter 01 #107

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

The HPWP is based on three propositions—

1. Employees are an important source of competitive advantage.
2. The value of this human capital can be increased through the presence of specific organisational practices.
3. Most HPWP experts state that these organisational practices must be bundled together to maximise their potential. This suggests a synergistic effect.

AACSB: Reflective thinking

Difficulty: Medium

Learning Objective: 01-02 Compare and contrast the four current perspectives of organisational effectiveness.

McShane - Chapter 01 #108

109. Review the evidence to support 'evidence based' management and suggest why it is often ignored.

AACSB: Analytic

Difficulty: Medium

Learning Objective: 01-04 Discuss the anchors on which organisational behaviour knowledge is based.

McShane - Chapter 01 #109

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