Principles of Management Practice

Use this key to check answers and read the explanations.

1. A repair cooperative decides what it wants its new service to achieve and chooses an approach before work starts. Which management function is it performing?

A. Planning
B. Organizing
C. Leading
D. Controlling

Correct answer: A. Planning

Planning establishes what the cooperative wants to accomplish and how it intends to get there.

2. A dispatch center already has an approved plan. Its manager groups the work into teams, assigns equipment, and sets reporting relationships. Which management function is this?

A. Leading
B. Planning
C. Organizing
D. Controlling

Correct answer: C. Organizing

Organizing arranges people and resources for the work. Grouping tasks and setting who reports to whom put the approved plan into operation.

3. A new service is already approved and staffed. The manager works with hesitant employees, demonstrates how to help customers, and encourages the team to use the new service. Which management function is most evident?

A. Controlling
B. Leading
C. Organizing
D. Planning

Correct answer: B. Leading

Leading involves guiding and motivating people as they carry out work. The manager demonstrates the service and helps the team put it into practice.

4. A service supervisor measures actual caller wait times, compares them with a set standard, and makes changes when waits are too long. Which management function is this?

A. Leading
B. Planning
C. Organizing
D. Controlling

Correct answer: D. Controlling
Controlling compares measured performance with a standard and responds when results fall outside the expected range.

5. A studio groups all designers under a design manager, all sales staff under a sales manager, and all account clerks under an accounting manager. What structure does it use?

A. Matrix
B. Functional
C. Geographic
D. Product divisional

Correct answer: B. Functional
A functional structure groups people by the work they specialize in, such as design, sales, or accounting.

6. During a renovation, an engineer reports to the engineering department head for technical standards and to the renovation lead for project deadlines. Both have formal decision authority. What structure does this illustrate?

A. Matrix
B. Functional only
C. Geographic
D. Product divisional

Correct answer: A. Matrix
A matrix combines two reporting relationships. Here they run through the employee’s department and the cross-department project.

7. A program manager assigns a deputy responsibility for publishing routine notices once they pass the required review. Which added permission lets the deputy carry out that delegated task?

A. Let the deputy measure publication delays and leave publishing with the manager.
B. Let the deputy collect the notices and send each to the manager to publish.
C. Let the deputy change who must review notices and leave publishing with the manager.
D. Let the deputy publish notices that have passed the required review.

Correct answer: D. Let the deputy publish notices that have passed the required review.
Delegation can match a task to the decision authority needed to complete it. The deputy can publish within the stated review requirement.

8. Three supervisors report directly to a service director. Four assistants report to each supervisor. What is the director’s span of control, measured by direct reports?

A. 12 people
B. 4 people
C. 3 people
D. 15 people

Correct answer: C. 3 people
The director supervises three people directly. Each group of assistants reports to its own supervisor.

9. A production manager assigns work and determines how staff carry it out. A quality analyst supplies reports and recommendations to that manager. Who has line authority over the production staff in this arrangement?

A. The production manager
B. The quality analyst
C. Both roles equally
D. Neither role

Correct answer: A. The production manager
The production manager has direct authority over the staff performing the work. The analyst provides specialized advice to support those decisions.

10. A returns desk sets a standard of at most 4 unresolved cases at closing. On Friday, 7 cases are unresolved. What should its control report say?

A. The result is 7 cases above the limit.
B. The result is 3 cases below the limit.
C. The result is 4 cases above the limit.
D. The result is 3 cases above the limit.

Correct answer: D. The result is 3 cases above the limit.
Subtract the limit of 4 from the 7 unresolved cases. The result is 3 above a maximum, so the standard was missed.

11. A company wants each product lead to direct that product's sales, service, and production. Management accepts that teams with the same specialty may exist in several divisions. Which design meets both conditions?

A. Place those teams under regional directors who handle all products in their regions.
B. Keep those teams under shared specialty heads and give product leads an advisory role.
C. Place separate sales, service, and production teams under each product lead.
D. Keep the teams under specialty heads and appoint a separate coordinator for deadlines.

Correct answer: C. Place separate sales, service, and production teams under each product lead.
A product divisional design puts the different functions for each product under its division lead. That structure can duplicate a specialty across divisions.

12. A matrix team assigns release order to the project lead and staff allocations to department leads. The team needs to reorder two releases and borrow a designer. Who decides each change under those rules?

A. The design department lead decides release order, and the project lead decides the designer's allocation.
B. The project lead decides release order, and the design department lead decides the designer's allocation.
C. The project lead decides both changes because they affect the project.
D. The design department lead decides both changes because a designer is needed.

Correct answer: B. The project lead decides release order, and the design department lead decides the designer's allocation.
The matrix has two areas of authority. The project lead owns the release decision. The design department lead decides how its staff are assigned.

13. A center requires at least 90% of requests to pass review across both teams combined. Team A passed 38 of 40 requests and Team B passed 136 of 160. What belongs in the control report?

A. 95% passed, 5 percentage points above the standard.
B. 90% passed, so the center met the standard exactly.
C. 85% passed, 5 percentage points below the standard.
D. 87% passed, 3 percentage points below the standard.

Correct answer: D. 87% passed, 3 percentage points below the standard.
Together the teams passed 174 of 200 requests, or 87%. That is 3 percentage points short. Combining counts gives each request equal weight.

14. An exhibit manager lets a team lead allocate up to 16 staff-hours in total. The manager approves any hours above that cap and remains accountable for the exhibit. Two assignments need 9 and 8 hours. What fits the agreement?

A. The lead requests approval for one extra hour, and the manager stays accountable for the exhibit.

B. The lead approves all 17 hours because each assignment is under 16 hours.

C. The lead requests approval for one extra hour and takes over accountability for the exhibit.

D. The lead approves both assignments because the manager remains accountable for the exhibit.

Correct answer: A. The lead requests approval for one extra hour, and the manager stays accountable for the exhibit.

The assignments total 17 hours, one above the delegated cap. The manager decides whether to authorize the extra hour and retains overall accountability.

15. A help desk aims to resolve at least 90% of tickets within one shift and reopen at most 5%. Before a process change the rates were 88% and 8%. Afterward they were 92% and 6%. Which conclusion fits the standards?

A. The reopen target is met. Timely resolution is 2 percentage points below its target.

B. Both targets are met because each measure improved compared with its earlier result.

C. The timely-resolution target is met. Reopens improved and remain 1 percentage point above their limit.

D. Both targets are missed because the two current rates add up to less than 100%.

Correct answer: C. The timely-resolution target is met. Reopens improved and remain 1 percentage point above their limit.

The 92% timely rate clears its minimum by 2 points. The reopen rate fell by 2 points to 6%, leaving it 1 percentage point above its maximum.