

Paper 1 Quiz 8

Name: _____

Class: _____

1. Which is the importance of management to a business?
 - (1) optimize utilisation of organisational resources
 - (2) establish sound organizational structure
 - (3) achieve organisational goals effectively

A. (1) and (2) only

B. (1) and (3) only

C. (2) and (3) only

D. (1), (2) and (3)

☐
2. Which of the following are the benefits of defining the goal of a project?
 - (1) provide clear directions to employees
 - (2) help control the progress of work and monitor the performance of employees
 - (3) reduce employees' workload

A. (1) and (2) only

B. (1) and (3) only

C. (2) and (3) only

D. (1), (2) and (3)

☐
3. A bank has the following departments: deposit, loan, credit card, investment and personal financial planning. Under the personal financial planning department, there are Hong Kong Island, Kowloon and New Territories divisions. State the forms of departmentalization adopted by the bank.
 - (1) by product
 - (2) by function
 - (3) by location

A. (1) and (2) only

B. (1) and (3) only

C. (2) and (3) only

D. (1), (2) and (3)

☐
4. In a company with departmentalization by geographical location,
 - A. departmental offices are set up in the regions which are department oversees.
 - B. departmental managers are responsible for business operations in the regions which the department oversees.
 - C. departmental outlets only sell goods produced in the regions which the department oversees.
 - D. departmental staff is only recruited from the regions which the department oversees.☐
5. Under which of the following circumstances should autocratic leadership be adopted by management?
 - (1) Subordinates are only responsible for repetitive and simple jobs.
 - (2) Subordinates are willing to take responsibility.
 - (3) The company always needs to make quick decisions.

A. (1) only

B. (1) and (2) only

C. (1) and (3) only

D. (2) and (3) only

☐
6. Which of the following is not within the process of **controlling** in a sales department of a business?
 - A. set sales targets
 - B. assign salespersons to different sales teams
 - C. record sales of each salesperson
 - D. adjust sales targets☐

7. Which of the following statements about “unity of command” is correct?

- A. Each manager takes up one project only.
- B. Each subordinate directly reports to one supervisor only.
- C. All employees are working towards the same goals.
- D. All employees receive the same instructions when assigned the same tasks.

☐

8. Which of the following statements are correct?

- (1) Authority can be assigned to subordinates.
- (2) Authority is the right to direct and make decisions.
- (3) Front-line staff do not need authority to perform their duties.
- A. (1) and (2) only
- B. (1) and (3) only
- C. (2) and (3) only
- D. (1), (2) and (3)

☐

9. Which of the following are benefits of applying Management by Objectives in a business?

- (1) improved communication between management and staff
- (2) better staff morale
- (3) enhanced monitoring of staff performance
- A. (1) and (2) only
- B. (1) and (3) only
- C. (2) and (3) only
- D. (1), (2) and (3)

☐

10. Which of the following show(s) the importance of management?

- (1) Improves communication between management and staff
- (2) Helps staff work towards the goal of the company
- (3) Ensures the efficient use of resources in the company
- A. (1) only
- B. (2) only
- C. (1) and (3) only
- D. (2) and (3) only

☐

11. The following are reasons for making plan except for _____.

- A. anticipating potential problems
- B. providing direction to employees
- C. aiding managers in monitoring the progress of employees
- D. coordinating the work of different departments

☐

12. Miss Wong sets a target for her boutique: Increasing the sales volume by 10% as soon as possible. Which of the following criteria for setting effective goals has not been met by this target?

- A. specific
- B. measurable
- C. relevance
- D. time frame

☐

13. Which of the following are the characteristics of a flat structure over a tall structure?
- (1) Faster communication
 - (2) Fewer levels of management
 - (3) Wider span of control
- A. (1) and (2) only
- B. (1) and (3) only
- C. (2) and (3) only
- D. (1), (2) and (3)
14. The most effective leader is one who
- A. makes managerial decisions without consulting others.
- B. works with top managers and employees to make decisions.
- C. has the leadership style most appropriate to the situation and the employee involved.
- D. delegates authority to subordinates and supports them in performing their tasks.
15. Laissez-faire leadership
- A. is appropriate when the information needed for decision-making is available only to managers.
- B. is also called democratic leadership.
- C. means that the leader allows subordinates to make their own decisions.
- D. encourages the leader to maintain the power of decision-making.
16. Which of the following is an effective standard for a control system?
- A. Renting new premises of 1,500 square feet
- B. Deciding to hire 10 new employees next year
- C. Increasing the sales of product A by 10% next month
- D. Replacing all of the old machines to improve product quality
17. Which of the following statements about division of work is correct?
- (1) It facilitates automation of production as production is divided into small tasks.
 - (2) Even if a worker makes mistakes, the entire production process will not be affected.
 - (3) Workers can find it easier to master the production process for which they are responsible.
- A. (1) and (2) only
- B. (1) and (3) only
- C. (2) and (3) only
- D. (1), (2) and (3)
18. A trading company has two managers of the same rank. They can both give orders to employees. Which of the following principles of effective management has been violated?
- A. Unity of command
- B. Unity of direction
- C. Division of labour
- D. All of the above

19. Which of the following statements are correct?

- (1) Authority cannot be assigned to subordinates.
 - (2) Authority is the right to give orders and make decisions.
 - (3) More authority should be given to the person occupying a position with greater responsibility.
- A. (1) and (2) only
- B. (1) and (3) only
- C. (2) and (3) only
- D. (1), (2) and (3)

☐

20. Which of the following statements concerning MBO is correct?

- A. Managers can devote less time communicating with employees as each employee has a clear understanding of what he should do.
- B. Employees have a higher commitment to objectives that they set themselves than those imposed on them by their managers.
- C. Coordination among workers in different departments is improved as employees work together to carry out the organisation's plan.
- D. MBO can ensure that employees' objectives are linked to the organisation's long-term objectives.

☐

21. Which of the following statements about business management are correct?

- (1) A tall organisation has more layers than a flat organisation.
- (2) Under the principle of unity of direction, employees working on the same project have the same goal.
- (3) Management by Objectives helps enhance coordination between different levels.
- A. (1) and (2) only
- B. (1) and (3) only
- C. (2) and (3) only
- D. (1), (2) and (3)

☐