

Paper 1 Quiz 8

Name: _____

Class: _____

1. Which of the following show the importance of management?
- (1) enhance the efficient use of resources of the business
 - (2) help staff achieve the goal of the business effectively
 - (3) prevent the business from being affected by external factors
- A. (1) and (2) only
- B. (1) and (3) only
- C. (2) and (3) only
- D. (1), (2) and (3)
- ☐
2. Mr Chan is the general manager of a large supermarket chain. He sets a target for the chain: "We will increase the sales volume of the Kowloon are by 10% as soon as possible." Which of the following criteria for setting good objectives is/are NOT met in this target?
- (1) specific
 - (2) time-bound
 - (3) measurable
- A. (1) only
- B. (2) only
- C. (1) and (3) only
- D. (2) and (3) only
- ☐
3. The number of staff in Firm A and Firm B are the same. Firm A has a flat organisational structure while Firm B has a tall organisational structure. Which of the following statements is/are correct?
- (1) Firm A is more responsive to market changes.
 - (2) There are more levels of management in Firm A.
 - (3) There are more managers in Firm A.
- A. (1) only
- B. (2) only
- C. (1) and (3) only
- D. (2) and (3) only
- ☐
4. The process of allocating work and arranging a company's human resources for contributing to its objectives is known as:
- A. controlling
- B. directing
- C. organizing
- D. planning
- ☐
5. Susan is the supervisor of a group of fashion designers in a garment firm. She only gives broad directions to the designers, allowing them to complete the assigned tasks in their own ways. Susan is adopting the _____ style of leadership.
- A. autocratic
- B. centralised
- C. laissez faire
- D. participative
- ☐

6. Which of the following are performance indicators for property agents?
- (1) number of customer complaints
 - (2) volume of transactions
 - (3) appreciation of property values
- A. (1) and (2) only
- B. (1) and (3) only
- C. (2) and (3) only
- D. (1), (2) and (3)
7. Which of the following statements about 'unity of direction' is correct?
- A. Each supervisor is responsible for one project at a time.
- B. Each employee works towards one goal in each period.
- C. Employees working on the same project have the same goal.
- D. The goals of a business should be accomplished within a reasonable timeframe.
8. Which of the following statements about business management are correct?
- (1) Under the unity of command principle, each employee only receives orders from one superior.
 - (2) A tall organisation has more layers than a flat organisation.
 - (3) Communication between superiors and subordinates can be improved by adopting Management by Objectives.
- A. (1) and (2) only
- B. (1) and (3) only
- C. (2) and (3) only
- D. (1), (2) and (3)
9. Arrange the following procedures of Management by Objectives.
- (1) formulate the action plan
 - (2) evaluate the result of the action plan
 - (3) set objectives for the action plan
 - (4) implement the action plan
- A. (1), (2), (3), (4)
- B. (1), (4), (3), (2)
- C. (3), (1), (4), (2)
- D. (3), (2), (1), (4)
10. The process of establishing goals and objectives for an organisation, and determining the best ways to achieve them is known as
- A. planning.
- B. organising.
- C. leading.
- D. controlling.
11. Which of the following is least likely to be the goal under the planning process of a company?
- A. To increase the company's sales
- B. To cut the company's operating costs
- C. To decrease the need for control of the company
- D. To improve the company's profits

12. What is the first step in a company's planning process?
- A. Setting a time frame for actions
 - B. Gathering useful and relevant information
 - C. Establishing objectives and goals
 - D. Evaluating and determining alternative options
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. Susan is the general manager at an audit firm. She keeps all the power to herself and does not involve others in decision-making. Susan has adopted a/an _____ style of leadership.
- A. autocratic
 - B. centralised
 - C. laissez faire
 - D. participative
15. Autocratic leadership is appropriate when
- A. workers are willing to take up additional job responsibilities.
 - B. a quick decision is needed.
 - C. the tasks require a high level of creativity such as scientific research.
 - D. the decision cannot be carried out without support from workers.
16. Johnny is the general manager at BAFS Hotel. He finds that the net profits of the hotel decreased 10% between 2010 and 2011. Which of the following data cannot help him figure out the reason for the decline?
- A. The number of customers who stayed at the hotel in 2010 and 2011
 - B. Staff turnover rate at the hotel
 - C. Average spending per customer at the hotel
 - D. Changes in the hotel's food costs and material prices
17. A factory has two operations managers. Which principle of effective management has been violated?
- A. Authority and delegation
 - B. Unity of direction
 - C. Unity of command
 - D. Division of labour
18. Which of the following is not a disadvantage of division of labour?
- A. Workers with specialised skills may find it difficult to change jobs.
 - B. Workers may not get a sense of satisfaction from their jobs.
 - C. Managers may find it difficult to rearrange tasks among employees with specialised skills.
 - D. Communication between managers and employees is hindered.

19. Which of the following is/are disadvantage(s) of MBO?
- (1) It focuses only on long-term objectives.
 - (2) Employees play a passive role in the whole MBO process.
 - (3) It is time consuming as managers and subordinates need to meet regularly.
- A. (1) only
B. (3) only
C. (1) and (3) only
D. (2) and (3) only
20. Which of the following are the benefits to a business of applying management by objectives?
- (i) Communication between managers and their subordinates can be improved as they have regular meetings.
 - (ii) Employees' performance can be improved as their performance is regularly reviewed and they can receive feedback from their managers.
 - (iii) Managers can delegate authority to subordinates and their efficiency can be improved.
 - (iv) MBO can ensure that the organisation's long-term objectives are met.
- A. (i) only
B. (i) and (ii)
C. (iii) and (iv)
D. All of the above
21. A CEO groups similar activities at his company under one plan and assigns one manager to be responsible for monitoring its implementation. This is an application of
- A. MBO.
B. division of labour.
C. unity of command.
D. unity of direction.