Test Bank

Chapter 1: Changing Organizations in Our Complex World

## Multiple Choice

1. Organizational change is the planned alteration of organizational components to improve the \_\_\_\_\_\_ of organizations.

a. effectiveness

b. profitability

c. efficiency

d. culture

Ans: A

AACSB: Leading in organizational situations

Cognitive Domain: Knowledge

Answer Location: Defining Organizational Change

Difficulty Level: Medium

2. According to the authors’ focus, which of the following can be classified as organizational change?

a. increasing production of a popular product line

b. installing new technology

c. increasing existing sales efforts

d. adding staff to the marketing department

Ans: B

AACSB: Leading in organizational situations

Cognitive Domain: Comprehension

Answer Location: Defining Organizational Change

Difficulty Level: Medium

3. Which of the following about organizational change as defined by the authors is true?

a. Organizational change can happen by accident.

b. Organizational change includes additional effort on existing strategies.

c. Organizational change is clear and linear.

d. Organizational change requires concrete initiatives.

Ans: D

AACSB: Leading in organizational situations

Cognitive Domain: Comprehension

Answer Location: Defining Organizational Change

Difficulty Level: Easy

4. What is the best way to foster strong organization change and commitment?

a. Instill a broader perspective in employees’ connection to their work.

b. Focus on initiatives piecemeal to disrupt as little of the operations as possible.

c. Tell employees exactly what to do so they don’t have to think about it.

d. Offer financial incentives for employee compliance.

Ans: A

AACSB: Leading in organizational situations

Cognitive Domain: Application

Answer Location: The Orientation of This Book

Difficulty Level: Medium

5. Which employee perspective increases the likelihood that change will be accepted and internalized?

a. when employees are detached and just think of their work as a job, because then they don’t really care about major organizational changes

b. passive employees who don’t fight against proposed changes

c. employees who understand and identify with the vision and mission of the organization

d. employees who are focused on one task at a time

Ans: C

AACSB: Group and individual behaviors

Cognitive Domain: Application

Answer Location: The Orientation of This Book

Difficulty Level: Medium

6. Which of the following would be an example of a company strategy to address issues related to gender, race, and diversity?

a. Change the sales commission rewards structure.

b. Redirect conversations about gender and diversity to lessen conflict.

c. Change recruiting strategies to attract more diverse candidates.

d. Provide lunch at meetings to increase morale.

Ans: C

AACSB: Social responsibility

Cognitive Domain: Application

Answer Location: Diversity Matters

Difficulty Level: Easy

7. Which of the following should companies consider when expanding their reach internationally?

a. how to keep wages modest so they can maintain profitability

b. maintaining their culture and norms despite cultural shifts

c. nothing; if they are small companies they will not be affected

d. diversity-related challenges and differing rules and regulations

Ans: D

AACSB: Social responsibility

Cognitive Domain: Application

Answer Location: Diversity Matters

Difficulty Level: Medium

8. The triple bottom line focuses on \_\_\_\_\_\_.

a. profitability

b. sustainability

c. efficiency

d. equality

Ans: B

AACSB: Social responsibility

Cognitive Domain: Knowledge

Answer Location: The Physical Environment and Social Responsibility Matters

Difficulty Level: Easy

9. Which of the following is a macro-change facing us today?

a. digitization of information

b. barriers to global communication

c. increased isolation

d. a shrinking market

Ans: A

AACSB: Contexts of organizations in a global society

Cognitive Domain: Application

Answer Location: New Technologies

Difficulty Level: Easy

10. Which of the following is an example of episodic change?

a. alteration of core competencies over time

b. small changes that tweak the existing system

c. a new technology that makes current operations obsolete

d. a decade-long change in the make-up of the workforce

Ans: C

AACSB: Application of knowledge

Cognitive Domain: Comprehension

Answer Location: Four Types of Organizational Change

Difficulty Level: Medium

11. Which characteristic describes continuous change?

a. infrequent

b. simple

c. cumulative

d. episodic

Ans: C

AACSB: Application of knowledge

Cognitive Domain: Knowledge

Answer Location: Four Types of Organizational Change

Difficulty Level: Easy

12. Which of the following describes *Tuning*?

a. minor changes in response to external stimuli

b. small, deliberate, ongoing changes

c. large strategic change resulting from internal planning

d. significant shift due to external events

Ans: B

AACSB: Leading in organizational situations

Cognitive Domain: Knowledge

Answer Location: Four Types of Organizational Change

Difficulty Level: Easy

13. Which of the following statements is true?

a. Reorienting is more time consuming and challenging than re-creating

b. Tuning is more laborious than adapting

c. Reorienting is much more challenging than tuning

d. Adapting requires much more effort than overhauling

Ans: C

AACSB: Systems and processes in organizations

Cognitive Domain: Comprehension

Answer Location: Four Types of Organizational Change

Difficulty Level: Hard

14. If one department in an organization is being reorganized in response to customer feedback, this can be considered what kind of change?

a. tuning

b. re-orienting

c. adapting

d. overhauling

Ans: C

AACSB: Systems and processes in organizations

Cognitive Domain: Comprehension

Answer Location: Four Types of Organizational Change

Difficulty Level: Medium

15. Since change initiatives so often fail, it is best for organizations to \_\_\_\_\_\_.

a. avoid change projects whenever possible

b. wait until an issue becomes critical before enacting change

c. enact change, but use fewer resources

d. move forward boldly with the change project

Ans: D

AACSB: Making sound decisions

Cognitive Domain: Application

Answer Location: Planned Changes Don’t Always Produce the Intended Results

Difficulty Level: Hard

16. Which of the following are the four change roles described in the book?

a. implementers, initiators, recipients, and facilitators

b. leaders, followers, resisters, and receivers

c. initiators, champions, recipients, and facilitators

d. agents, leaders, facilitators, and planners

Ans: A

AACSB: Group and individual behaviors

Cognitive Domain: Knowledge

Answer Location: Organizational Change Roles

Difficulty Level: Hard

17. Which of the following statements is true about change roles?

a. If you are the change initiator, it doesn’t matter how anyone else feels about the change.

b. You can only have one change role at a time.

c. If you are the change leader, you cannot also be a change recipient.

d. Change recipients often have to change their behavior to make the change effective.

Ans: D

AACSB: Group and individual behaviors

Cognitive Domain: Application

Answer Location: Organizational Change Roles

Difficulty Level: Medium

18. Which of these describes the role of a change implementer?

a. Talk up a good idea and spread the vision.

b. Align internal systems and processes.

c. Identify the need for change.

d. Initiate the change.

Ans: B

AACSB: Leading in organizational situations

Cognitive Domain: Comprehension

Answer Location: Change Implementers

Difficulty Level: Easy

19. Which are characteristics commonly found in change facilitators?

a. stubborn, persistent, and independent

b. self-aware, emotionally mature, with high interpersonal skills

c. power hungry, politically motivated, and strong public speaker

d. nice, in a position of power, and persuasive

Ans: B

AACSB: Group and individual behaviors

Cognitive Domain: Application

Answer Location: Change Facilitators

Difficulty Level: Medium

20. Which of the following is a common managerial difficulty mentioned in the book?

a. Communicate the change too strongly.

b. See transitions as an investment rather than a cost.

c. They are hyper-aware of their own behavior causing them to overthink.

d. Assume they have the power and rationale to enact the change.

Ans: D

AACSB: Leading in organizational situations

Cognitive Domain: Comprehension

Answer Location: Common Challenges for Managerial Roles

Difficulty Level: Medium

21. People who are on the receiving end of change are called \_\_\_\_\_\_.

a. change victims

b. change participants

c. change receptacles

d. change recipients

Ans: D

AACSB: Leading in organizational situations

Cognitive Domain: Knowledge

Answer Location: Change Recipients

Difficulty Level: Easy

22. What is a common response for people who feel that they’ve had little to no voice in the process?

a. engagement

b. dedication

c. sadness

d. absenteeism

Ans: D

AACSB: Group and individual behaviors

Cognitive Domain: Comprehension

Answer Location: Change Recipients

Difficulty Level: Easy

23. Change leaders will be most effective if they have which of the following characteristics?

a. distrust of organizational fads

b. seeing the world in linear terms

c. low tolerance for ambiguity

d. pessimism

Ans: A

AACSB: Leading in organizational situations

Cognitive Domain: Analysis

Answer Location: The Requirements for Becoming a Successful Change Leader

Difficulty Level: Medium

24. How should change leaders respond to resistance?

a. Understand that resisters are just being oppositional and difficult.

b. Do whatever you can to silence resisters so they don’t disrupt the change.

c. Consider their perspective and why they are resisting the change.

d. Try to overcome their attitudes by getting more people on board to override them.

Ans: C

AACSB: Making sound decisions

Cognitive Domain: Application

Answer Location: The Requirements for Becoming a Successful Change Leader

Difficulty Level: Easy

25. Macro-changes are \_\_\_\_\_\_ changes that affect organizations and what they do.

a. relatively small and internal

b. large-scale environmental

c. large-scale self-imposed

d. modest and predictable

Ans: B

AACSB: Managing in a global context

Cognitive Domain: Comprehension

Answer Location: Defining Organizational Change

Difficulty Level: Easy

26. What is the purpose of organizational change?

a. to enhance the organization’s effectiveness to generate value

b. to become more global

c. to increase its footprint and grow substantially

d. to make employees and consumers happy

Ans: A

AACSB: Managing in a global context

Cognitive Domain: Application

Answer Location: Defining Organizational Change

Difficulty Level: Medium

27. Successful change leaders require which of the following attributes?

a. only a basic understanding of forces in the external world since all change happens within an organization

b. linear thinking and a need for clarity so they can push the change along and help others understand it

c. comfort with power and risk assessment so they can make sound decisions and lead confidently

d. a cursory understanding of the stakeholders, so they can remember their names in meetings

Ans: C

AACSB: Leading in organizational situations

Cognitive Domain: Application

Answer Location: The Requirements for Becoming a Successful Change Leader

Difficulty Level: Hard

28. Which of these is not one of the paradoxes that change leaders must embrace to be successful?

a. drive and enable

b. ego and humility

c. patience and impatience

d. outcomes and process

Ans: B

AACSB: Leading in organizational situations

Cognitive Domain: Application

Answer Location: The Requirements for Becoming a Successful Change Leader

Difficulty Level: Hard

29. PESTEL stands for \_\_\_\_\_\_.

a. political, economic, social, technological, ecological, and legal

b. positively eager staff together embracing learning

c. potent, easy, simple, timely, efficient, and lifelong

d. politicians, environmentalists, students, technicians, executives, and librarians

Ans: A

AACSB: Managing in a global context

Cognitive Domain: Knowledge

Answer Location: Environmental Forces Driving Change Today

Difficulty Level: Easy

30. What are common managerial difficulties in dealing with change?

a. They overestimate the power of other stakeholders.

b. They assume that employees will easily understand the change and why it is necessary.

c. They intentionally send conflicting messages to both staff and customers.

d. They overestimate the time and dedication needed to manage the people aspect of change initiatives.

Ans: B

AACSB: Leading in organizational situations

Cognitive Domain: Application

Answer Location: Common Challenges for Managerial Roles

Difficulty Level: Easy

## True/False

1. Organizations are exclusively a human phenomenon.

Ans: F

AACSB: Integrating knowledge across fields

Cognitive Domain: Knowledge

Answer Location: Intro

Difficulty Level: Easy

2. The reasons for change are usually clear and easily definable.

Ans: F

AACSB: Leading in organizational situations

Cognitive Domain: Comprehension

Answer Location: Defining Organizational Change

Difficulty Level: Easy

3. Middle managers and employees at all levels should work to change organizational goals and objectives rather than relying on senior leadership.

Ans: T

AACSB: Leading in organizational situations

Cognitive Domain: Analysis

Answer Location: The Orientation of This Book

Difficulty Level: Easy

4. There is no way for an organization to prepare for environmental change.

Ans: F

AACSB: Managing in a global context

Cognitive Domain: Comprehension

Answer Location: Environmental Forces Driving Change Today

Difficulty Level: Easy

5. Re-creation happens in response to a major external event.

Ans: T

AACSB: Leading in organizational situations

Cognitive Domain: Application

Answer Location: Four Types of Organizational Change

Difficulty Level: Medium

6. If an organization is in the process of tuning, it does not need to pay attention to changes in the environment.

Ans: F

AACSB: Contexts of organizations in a global society

Cognitive Domain: Application

Answer Location: Four Types of Organizational Change

Difficulty Level: Easy

7. Organizations can only undergo one change at a time.

Ans: F

AACSB: Leading in organizational situations

Cognitive Domain: Comprehension

Answer Location: Defining Organizational Change

Difficulty Level: Easy

## Short Answer

1. Why do we need organizations?

Ans: Deliver services we need; get things done; educate and care for the population.

AACSB: Contexts of organizations in a global society

Cognitive Domain: Application

Answer Location: Intro

Difficulty Level: Medium

2. Describe the PESTEL factors and give an example of each one.

Ans: Political, economic, social, technological, ecological/environmental, and legal. Examples: change in regulations, recession, increased demand for a diverse workforce, global warming, AI, and trends toward corporate responsibility and increased legal scrutiny

AACSB: Managing in a global context

Cognitive Domain: Analysis

Answer Location: Environmental Forces Driving Change Today

Difficulty Level: Hard

3. Give an example of a demographic change in the world and its economic impact.

Ans: Aging population and dropping fertility. Senior citizens require medical care and pension support that will increase debt-to-GDP ratio significantly. There will be fewer working adults to support the growing number of dependents.

AACSB: Contexts of organizations in a global society

Cognitive Domain: Analysis

Answer Location: Age Matters

Difficulty Level: Hard

4. Describe an emerging technology and how it affects organizations.

Ans: Healthcare delivery by phone, app, and video changes the way physicians practice, healthcare organizations collect revenue, and insurance companies cover services. Adapting this technology requires huge shifts in approach and operations.

AACSB: Demonstration of technology agility and a “learn to learn” mindset

Cognitive Domain: Analysis

Answer Location: New Technologies

Difficulty Level: Hard

5. Give an example of a redirecting organizational change.

Ans: A major strategic change due an anticipated shift in the market. Anticipation of product obsolescence and introduction of new technologies

AACSB: Managing in a global context

Cognitive Domain: Application

Answer Location: Four Types of Organizational Change

Difficulty Level: Hard