

***Organizational Behavior, 15e (Robbins/Judge)***

**Chapter 18 Organizational Change and Stress Management**

1) An example of change in the nature of the workforce is an increase in \_\_\_\_\_.

- A) college attendance
- B) mergers and consolidations
- C) capital investment
- D) divorce rates
- E) cultural diversity

Answer: E

Explanation: E) Almost every organization must adjust to a multicultural environment, demographic changes, immigration, and outsourcing. This represents the changing nature of the workforce.

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LO: 1

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Define diversity and describe the effects of diversity in the workforce

2) Organizations are increasingly adjusting their processes and positioning their products as environment friendly and sustainable in order to increase their appeal to consumers. This is a response to changes in \_\_\_\_\_.

- A) demographic trends
- B) social trends
- C) cultural trends
- D) legal requirements
- E) nature of the workforce

Answer: B

Explanation: B) Social trends don't remain static. Consumers now meet and share information in chat rooms and blogs. Companies must continually adjust product and marketing strategies to be sensitive to changing social trends. Consumers, employees, and organizational leaders are more sensitive to environmental concerns. "Green" practices are quickly becoming expected rather than optional.

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LO: 1

Difficulty: Moderate

Quest. Category: Concept

3) Tesco Education is an educational publishing company that provides textbooks in the area of higher education. The company has been in business for almost 20 years now and has earned substantial profits during this period. Which of the following trends, if true, would drive the company to change its business strategy?

- A) a rise in the cost of electronic products such as iPads and e-book readers, and subscriptions charges for educational apps
- B) an upward trend in students' preference for face-to-face interaction with instructors using traditional classroom learning techniques
- C) a need for learning environments where students feel safe to apply the knowledge they've acquired in the classroom to real-life situations
- D) a decrease in the number of people going back to school to upgrade their skills, due to an economic boom
- E) an increase in the number of laws and regulations related to intellectual property

Answer: C

Explanation: C) If students feel the need for learning environments where they feel safe to apply the knowledge they've acquired in the classroom to real-life situations, then online learning methods would be best suited to meet this need. This would require the company to change its business strategy from providing textbooks to focusing on online learning. A rise in the cost of technological tools and a preference for face-to-face interaction with instructors using traditional classroom learning techniques would increase the requirement for textbooks and would not have an impact on the company's business strategy. A decrease in the number of people going back to school to upgrade their skills would imply that there are a fewer number of students and hence the company would not need to change its strategy. Intellectual property laws apply to both online and traditional publishing and would not drive a company to change its business strategy.

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LO: 1

AACSB: Reflective Thinking

Difficulty: Hard

Quest. Category: Critical Thinking

Learning Outcome: Explain how to manage resistance to change

Fony Corp., headquartered in China, is a leading manufacturer of electronic devices and solutions intended for professional markets. The company is considering upgrading the technology currently being used at Fony's manufacturing facility located in Guangdong that specializes in producing lithium-ion batteries, which are used to power laptops, cameras, cell phones, and other similar gadgets. The new technology is expected to increase efficiency levels and will also allow for greater adherence to quality standards.

- 4) Which of the following, if true, would most strengthen the argument that Fony Corp. should upgrade its technology?
- A) The market for consumer electronics such as laptops, cameras, cell phones, and other similar gadgets is in the late maturity stage.
  - B) Fony will be able to recover the cost of the new technology within eight years.
  - C) Fony's main client account is at risk after the client had to recall nearly 2 million notebooks owing to defective batteries.
  - D) The existing technology is currently functioning at the optimal level and the cost of maintenance is minimal.
  - E) Fony last upgraded its technology six years ago and it has an adequate budget to fund the acquisition.
- Answer: C

Explanation: C) If Fony's future as a supplier to a primary client is under threat due to its production of defective batteries, then this would most strengthen the argument to upgrade its technology. Given the new technology will ensure better quality, this option would be the most compelling argument. If the market for consumer electronics is in the late maturity stage then this would weaken the argument. The fact that Fony will be able to recover the cost of the new technology within eight years neither strengthens nor weakens the argument. If the existing technology is functioning at the optimal level and the cost of maintenance is minimal, then this weakens the argument. The argument is not strengthened by the fact that Fony last upgraded its technology six years ago and has an adequate budget to fund the acquisition.

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LO: 1

AACSB: Reflective Thinking

Difficulty: Hard

Quest. Category: Critical Thinking

Learning Outcome: Explain how to manage resistance to change

- 5) Which of the following, if true, would most weaken the argument that Fony Corp. should upgrade its technology?
- A) Employees fear that the new technology will render them obsolete.
  - B) The company will be able to recover the cost of the technology within four years of implementation.
  - C) The new technology is expected to reduce the company's overall cost of production.
  - D) The company's main client is threatening legal action after it had to recall nearly 2 million notebooks owing to defective batteries.
  - E) The technology which the company is considering adopting was recently developed and the company will be first to implement it in a real business context.
- Answer: E

Explanation: E) If the technology which the company plans to adopt was newly developed and the company will be first to use it in a real business context, then this is a potential risk for the company, should the implementation fail. Hence, this most weakens the argument that Fony should upgrade its technology. The company should not avoid upgrading its technology just because of employees' unfounded fears that they might be rendered obsolete due to the new technology. That Fony will be able to recover the cost of the new technology within four years slightly strengthens the argument. If the technology is expected to reduce the cost of production then this would strengthen the argument to upgrade the technology, as would the threat of legal action by a client.

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LO: 1

AACSB: Reflective Thinking

Difficulty: Hard

Quest. Category: Critical Thinking

Learning Outcome: Explain how to manage resistance to change

6) An example of change in competition is \_\_\_\_\_.

A) U.S. manufactured Toyota vehicles

B) collapse of Enron Corporation

C) Iraq-U.S. war

D) increased interest in urban living

E) a decrease in interest rates

Answer: A

Explanation: A) Competitors are as likely to come from across the ocean as from across town.

Successful organizations will be fast on their feet, capable of developing new products rapidly and getting them to market quickly. They'll be flexible and will require an equally flexible and responsive workforce.

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LO: 1

AACSB: Analytic Skills

Difficulty: Moderate

Quest. Category: Application

7) A paper sales company designs and offers a new method of purchasing and shipping commercial quantities of paper through their Web site. Earlier, the company used to do its business through its sales representative. This is an example of a(n) \_\_\_\_\_ change.

A) accidental

B) secondary

C) planned

D) cognitive

E) integrated

Answer: C

Explanation: C) The change mentioned in the case is an example of a planned change, or activities that are intentional and goal oriented, compared to accidental change which refers to activities that just happen.

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LO: 1

AACSB: Analytic Skills

Difficulty: Moderate

Quest. Category: Application

Learning Outcome: Explain how to manage resistance to change

8) \_\_\_\_\_ are persons who act as catalysts and assume the responsibility for managing refinement activities.

- A) Early adopter
- B) Free riders
- C) Laggards
- D) Change agents
- E) Whistle-blowers

Answer: D

Explanation: D) Change agents are responsible for managing change activities in an organization. They see a future for the organization that others have not identified, and they are able to motivate, invent, and implement this vision. Change agents can be managers or nonmanagers, current or new employees, or outside consultants.

Page Ref: 580

LO: 1

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

9) Which of the following reactions from employees is preferable as a response to change?

- A) silence
- B) apathy
- C) resignation
- D) open discussion
- E) increase in the use of sick time

Answer: D

Explanation: D) Employees who have negative feelings about a change cope by not thinking about it, increasing their use of sick time, and quitting. All these reactions can sap the organization of vital energy when it is most needed. Resistance to change can be positive if it leads to open discussion and debate. These responses are usually preferable to apathy or silence and can indicate that members of the organization are engaged in the process, providing change agents an opportunity to explain the change effort.

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LO: 2

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

10) It is easiest for management to deal with resistance when it is \_\_\_\_\_.

- A) concealed
- B) deferred
- C) passive
- D) implicit
- E) overt

Answer: E

Explanation: E) Resistance doesn't necessarily surface in standardized ways. It can be overt, implicit, immediate, or deferred. It's easiest for management to deal with overt and immediate resistance, such as complaints, a work slowdown, or a strike threat. The greater challenge is managing resistance that is implicit or deferred.

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LO: 2

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

11) A(n) \_\_\_\_\_ resistance to change clouds the link between the change and the reaction to it and may surface weeks, months, or even years later.

A) overt

B) immediate

C) active

D) explicit

E) deferred

Answer: E

Explanation: E) A deferred resistance to change clouds the link between the change and the reaction to it and may surface weeks, months, or even years later.

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LO: 2

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

12) Which of the following resistances to change is overt and immediate?

A) loss of loyalty

B) increased absenteeism

C) loss of motivation

D) increased error

E) complaint

Answer: E

Explanation: E) Complaint is an overt and immediate response to change.

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LO: 2

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

13) Which of the following resistances to change is implicit?

A) strike

B) increased error

C) resignation

D) complaint

E) work slowdown

Answer: B

Explanation: B) Resistance to change that is implicit or deferred is difficult to manage. Examples of such responses are loss of loyalty or motivation and increased errors or absenteeism.

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LO: 2

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

14) Organizations have built-in mechanisms—like their selection processes and formalized regulations—to produce stability. When an organization is confronted with change, these mechanisms act as a counterbalance to sustain stability. Which of the following organizational sources of resistance to change is represented by these mechanisms?

- A) group inertia
- B) selective information processing
- C) employee-orientation
- D) structural inertia
- E) product-orientation

Answer: D

Explanation: D) Organizations have built-in mechanisms—like their selection processes and formalized regulations—to produce stability. When an organization is confronted with change, these mechanisms act as a counterbalance to sustain stability. These mechanisms represent structural inertia.

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LO: 2

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

15) Which of the following is an example of an individual source of resistance to change?

- A) limited focus of change
- B) product orientation
- C) fear of the unknown
- D) structural inertia
- E) employee orientation

Answer: C

Explanation: C) Individual sources of resistance to change are habit, security, economic factors, fear of the unknown, and selective information processing.

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LO: 2

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

16) As a result of changing technology and unstable environment, your company is planning to undertake restructuring of the business. The employees in your company are worried about this upcoming change and many of them are anxious due to a fear that they will lose their jobs as a result of this change. But that is not the case. The company only wants to restructure its business units and it is not planning to cut down on jobs. In such a situation, which of the following techniques is most likely to be used by your company to deal with the employees' resistance to change?

- A) implementing changes fairly
- B) education and communication
- C) participation
- D) manipulation and cooptation
- E) coercion

Answer: B

Explanation: B) Communicating the logic of a change can reduce employee resistance on two levels. First, it fights the effects of misinformation and poor communication: if employees receive the full facts and clear up misunderstandings, resistance should subside. Second, communication can help "sell" the need for change by packaging it properly.

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LO: 2

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

17) Which of the following is an example of an organizational source of resistance to change?

- A) limited focus of change
- B) security
- C) fear of the unknown
- D) selective information processing
- E) habit

Answer: A

Explanation: A) Organizational sources of resistance to change include structural inertia, limited focus of change, group inertia, threat to expertise, threat to established power relationships, and threat to established resource allocations.

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LO: 2

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change



18) Limited focus of change is a major force for resistance to change that originates from an organizational source. It indicates that \_\_\_\_\_.

- A) groups in the organization that control sizable resources often resist change
- B) changes in organizational patterns may threaten the expertise of specialized groups so these groups tend to resist change
- C) organizations have structural inertia that acts as a counterbalance to sustain stability
- D) organizations consist of a number of interdependent subsystems and one can't be changed without affecting the others
- E) even if individuals want to change their behavior, group norms may act as a constraint

Answer: D

Explanation: D) Organizations are made up of a number of interdependent subsystems. One can't be changed without affecting the others. So limited changes in subsystems tend to be nullified by the larger system. This force of resistance to change is known as limited focus of change.

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LO: 2

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

19) Selective information processing is a major force for resistance to change. It indicates that \_\_\_\_\_.

- A) changes in organizational patterns may threaten the expertise of specialized groups so these groups tend to resist change
- B) individuals hear what they want to hear and they ignore information that challenges the world they've created
- C) limited changes in subsystems tend to be nullified by the larger system
- D) groups in the organization that control sizable resources often resist change
- E) even if individuals want to change their behavior, group norms may act as a constraint

Answer: B

Explanation: B) Individuals are guilty of selectively processing information in order to keep their perceptions intact. They hear what they want to hear and they ignore information that challenges the world they've created.

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LO: 2

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

20) After restructuring, your division has had trouble filling the open positions with appropriate candidates. The selection processes used by human resources have not yet adjusted to the new criteria required for the restructured job positions. This problem is an example of which kind of resistance to change?

- A) structural inertia
- B) limited focus of change
- C) group inertia
- D) threat to expertise
- E) threat to established power relationships

Answer: A

Explanation: A) This is an example of structural inertia. Organizations have built-in mechanisms, such as their selection processes and formalized regulations, to produce stability. When an organization is confronted with change, this structural inertia acts as a counterbalance to sustain stability.

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LO: 2

AACSB: Analytic Skills

Difficulty: Moderate

Quest. Category: Application

Learning Outcome: Explain how to manage resistance to change

21) Which tactic for overcoming resistance to change basically assumes that the source of resistance lies in misinformation?

- A) implementing changes fairly
- B) participation
- C) education and communication
- D) coercion
- E) cooptation and manipulation

Answer: C

Explanation: C) Communicating the logic of a change can reduce employee resistance on two levels. First, it fights the effects of misinformation and poor communication: if employees receive the full facts and clear up misunderstandings, resistance should subside. Second, communication can help "sell" the need for change by packaging it properly.

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LO: 2

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

22) Which of the following tactics for overcoming resistance to change is most likely to be beneficial when employees' fear and anxiety are high?

- A) manipulation
- B) building support and commitment
- C) participation
- D) implementing changes fairly
- E) coercion

Answer: B

Explanation: B) When employees' fear and anxiety are high, counseling and therapy, new-skills training, or a short paid leave of absence may facilitate adjustment. These are the various ways of building support and commitment.

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LO: 2

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

23) Procedural fairness while implementing changes is especially important when \_\_\_\_\_.

- A) the organization is facing intense competition
- B) the employees have participated in the decision-making process
- C) the employees perceive the outcome as negative
- D) the environment in which the business operates is dynamic
- E) the employees are resisting the change due to group inertia

Answer: C

Explanation: C) One way organizations can minimize negative impact is to make sure change is implemented fairly. Procedural fairness is especially important when employees perceive an outcome as negative, so it's crucial that employees see the reason for the change and perceive its implementation as consistent and fair.

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LO: 2

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

24) Using covert influence to overcome resistance to change is called \_\_\_\_\_.

- A) negotiation
- B) conciliation
- C) education
- D) coercion
- E) manipulation

Answer: E

Explanation: E) Manipulation refers to covert influence attempts. Twisting facts to make them more attractive, withholding information, and creating false rumors to get employees to accept change are all examples of manipulation.

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LO: 2

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

25) Management of a company threatens to close a manufacturing plant in the company whose employees are resisting an across-the-board pay cut. But this threat is actually untrue. In this case, which of the following tactics of overcoming resistance to change is being used by the management?

- A) procedural fairness
- B) negotiation
- C) conciliation
- D) manipulation
- E) arbitration

Answer: D

Explanation: D) Manipulation refers to covert influence attempts. Twisting facts to make them more attractive, withholding information, and creating false rumors to get employees to accept change are all examples of manipulation.

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LO: 1

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

26) If individuals resisting change are included in making change decisions in an attempt to gain their support, this approach is called \_\_\_\_\_.

- A) cooptation
- B) exploitation
- C) arbitration
- D) coercion
- E) conciliation

Answer: A

Explanation: A) Cooptation combines manipulation and participation. It seeks to "buy off" the leaders of a resistance group by giving them a key role, seeking their advice not to find a better solution but to get their endorsement.

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LO: 2

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

27) Which tactic to overcome resistance to change is a relatively inexpensive way to gain the support of adversaries, but may backfire if the targets become aware of the tactic?

- A) negotiation
- B) conciliation
- C) manipulation
- D) coercion
- E) arbitration

Answer: C

Explanation: C) Both manipulation and cooptation are relatively inexpensive ways to gain the support of adversaries, but they can backfire if the targets become aware they are being tricked or used. Once that's discovered, the change agent's credibility may drop to zero.

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LO: 2

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

28) "Buying off" the leaders of a resistance group by giving them a key role and seeking their advice not to find a better solution but to get their endorsement is an example of \_\_\_\_\_.

- A) coercion
- B) cooptation
- C) procedural fairness
- D) distributive bargaining
- E) operant conditioning

Answer: B

Explanation: B) Cooptation combines manipulation and participation. "Buying off" the leaders of a resistance group by giving them a key role and seeking their advice not to find a better solution but to get their endorsement is an example of cooptation.

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LO: 2

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

29) The application of direct threats or force upon resisters is called \_\_\_\_\_.

- A) negotiation
- B) cooptation
- C) manipulation
- D) coercion
- E) arbitration

Answer: D

Explanation: D) Coercion is the application of direct threats or force on the resisters. If management really is determined to close a manufacturing plant whose employees don't acquiesce to a pay cut, the company is using coercion.

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LO: 2

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

Your company, Johnson Farm Products, has decided to expand its traditional business serving farm owners in order to include home gardeners in its customer base. This change is not met with enthusiasm by the sales personnel who have had good long-term relationships with area farmers. You know that the change will be difficult to implement if you cannot overcome the resistance of the sales personnel and obtain their cooperation.

30) You have brought in the local extension agent to explain demographics and the changing nature of the area in which you live. The method for overcoming resistance that you have chosen is \_\_\_\_\_.

- A) education and communication
- B) participation
- C) negotiation
- D) manipulation and cooptation
- E) coercion

Answer: A

Explanation: A) In this example, the method chosen for overcoming resistance is education and communication. Communicating the logic of a change can reduce employee resistance on two levels. First, it fights the effects of misinformation and poor communication; if employees receive the full facts and clear up misunderstandings, resistance should subside. Second, communication can help "sell" the need for change by packaging it properly.

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LO: 2

AACSB: Analytic Skills

Difficulty: Moderate

Quest. Category: Application

Learning Outcome: Explain how to manage resistance to change

31) You have decided to involve the sales personnel in planning for the change and in stocking appropriate new items to sell to gardeners. The method for overcoming resistance that you have chosen is \_\_\_\_\_.

- A) education and communication
- B) participation
- C) negotiation
- D) manipulation
- E) coercion

Answer: B

Explanation: B) In this example, the method chosen for overcoming resistance is participation. It's difficult to resist a change decision in which we've participated. Assuming participants have the expertise to make a meaningful contribution, their involvement can reduce resistance, obtain commitment, and increase the quality of the change decision.

Page Ref: 582-583

LO: 2

AACSB: Analytic Skills

Difficulty: Moderate

Quest. Category: Application

Learning Outcome: Explain how to manage resistance to change

32) You have threatened to eliminate positions and even to close down the company if your sales personnel don't change their attitudes. The method for overcoming resistance that you have chosen is \_\_\_\_\_.

- A) education and communication
- B) participation
- C) negotiation
- D) coercion
- E) cooptation

Answer: D

Explanation: D) In this example, the method chosen for overcoming resistance is coercion. Coercion is the application of direct threats or force on the resisters. If management really is determined to close a manufacturing plant whose employees don't acquiesce to a pay cut, the company is using coercion. Other examples are threats of transfer, loss of promotions, negative performance evaluations, and a poor letter of recommendation.

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LO: 2

AACSB: Analytic Skills

Difficulty: Hard

Quest. Category: Application

Learning Outcome: Explain how to manage resistance to change

33) Who developed a three-step model for change that included unfreezing, movement, and refreezing?

- A) John Kotter
- B) David McClelland
- C) Douglas Surber
- D) Lawrence Summers
- E) Kurt Lewin

Answer: E

Explanation: E) Kurt Lewin argued that successful change in organizations should follow three steps: unfreezing the status quo, movement to a desired end state, and refreezing the new change to make it permanent.

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LO: 3

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

Strum Services provides content management services to major educational publishers. Due to low morale, the level of employee output has been below par which has caused a backlog in work.

34) Which of the following, if true, would strengthen the argument to use coercive techniques in this situation?

- A) The company is on a tight deadline to complete a major project for an important client.
- B) The company is in its lean season and work volumes are low.
- C) The company can afford to hire temp workers to handle the backlog and complete the work on time.
- D) The company's workforce is comprised of employees with highly specialized skill sets.
- E) Employees are demotivated because of the company's stringent work culture.

Answer: A

Explanation: A) If the company is on a tight deadline to complete a major project for an important client, then this would most likely justify the use of coercive techniques. If the company is in its lean season and work volumes are low, then this weakens the argument to use coercive techniques. If the company can afford to hire temp workers to handle the backlog and complete the work on time, then this would weaken the need to use coercion. If employees have highly specialized skill sets then the use of coercion might result in employee backlash. If employees are demotivated because of the stringent work culture, then using coercive techniques would only demoralize them further.

Page Ref: 584

LO: 2

AACSB: Reflective Thinking

Difficulty: Hard

Quest. Category: Critical Thinking

Learning Outcome: Explain how to manage resistance to change

35) Which of the following, if true, would weaken the argument to use coercive techniques in this situation?

- A) The company cannot afford to hire temp workers to handle the backlog and complete the work on time.
- B) The company has taken several efforts to improve the level of employee morale and motivation.
- C) The company's current work volumes are quite high.
- D) The company recently learned that one of its clients utilizes the services of a rival content management firm.
- E) The company just finished its peak season, during which employees were required to work overtime and on weekends.

Answer: E

Explanation: E) If the company just finished its peak season, during which employees were required to work overtime and on weekends, then this would explain their low morale. Using coercive techniques under such conditions would not be effective. If current work volumes are high, and if the option of hiring temp workers is not available to the company, then coercive techniques might be required. If the company runs the risk of losing business to a rival firm due to poor productivity then the use of coercion would make sense. The argument is only slightly strengthened by the fact that the company has taken several efforts to improve employee morale and motivation.

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LO: 2

AACSB: Reflective Thinking

Difficulty: Hard

Quest. Category: Critical Thinking

Learning Outcome: Explain how to manage resistance to change



36) Which of the following is one of the three steps in the Lewin's three-step change model?

- A) analysis
- B) movement
- C) evaluation
- D) dreaming
- E) designing

Answer: B

Explanation: B) The three steps in the Lewin's three-step change model are unfreezing, movement, and refreezing.

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LO: 3

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

37) \_\_\_\_\_ is one way to achieve unfreezing of an organization's status quo.

- A) Increasing the driving forces directing behavior away from the status quo
- B) Incorporating a structural inertia in the structure of the organization
- C) Increasing employee investment in the status quo
- D) Decreasing management's investment in change
- E) Increasing the rigidity of the organizational hierarchy

Answer: A

Explanation: A) The status quo is an equilibrium state. To move from equilibrium, to overcome the pressures of both individual resistance and group conformity, unfreezing must happen. The driving forces, which direct behavior away from the status quo, can be increased to achieve unfreezing.

Page Ref: 585

LO: 3

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

38) Who built on Lewin's three-step model to create a more detailed eight-step plan for implementing change?

- A) John Kotter
- B) David McClelland
- C) Douglas Surber
- D) Lawrence Summers
- E) Henry Mintzberg

Answer: A

Explanation: A) John Kotter built on Lewin's three-step model to create a more detailed approach for implementing change. Kotter began by listing common mistakes managers make when trying to initiate change. Kotter then established eight sequential steps to overcome these problems.

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LO: 3

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

- 39) Which of the following is the first step in Kotter's eight-step plan for implementing change?
- A) Create a new vision to direct the change and strategies for achieving the vision.
  - B) Establish a sense of urgency by creating a compelling reason for why change is needed.
  - C) Plan for, create, and reward short-term "wins" that move the organization toward the new vision.
  - D) Form a coalition with enough power to lead the change.
  - E) Communicate the vision throughout the organization.

Answer: B

Explanation: B) The first step in Kotter's eight-step plan for implementing change is establishing a sense of urgency by creating a compelling reason for why change is needed.

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LO: 3

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

- 40) Which of the following is the last step in Kotter's eight-step plan for implementing change?
- A) Form a coalition with enough power to lead the change.
  - B) Establish a sense of urgency by creating a compelling reason for why change is needed.
  - C) Communicate the vision throughout the organization.
  - D) Reinforce the changes by demonstrating the relationship between new behaviors and organizational success.
  - E) Consolidate improvements, reassess changes, and make necessary adjustments in the new programs.

Answer: D

Explanation: D) The last step in Kotter's eight-step plan for implementing change is reinforcing the changes by demonstrating the relationship between new behaviors and organizational success.

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LO: 3

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

- 41) John Kotter built on Lewin's three-step model to create a more detailed approach for implementing change. Which of the following steps in Kotter's eight-step plan for implementing change represents the "unfreezing" stage in Lewin's three-step model?

- A) Plan for, create, and reward short-term "wins" that move the organization toward the new vision.
- B) Consolidate improvements, reassess changes, and make necessary adjustments in the new programs.
- C) Create a new vision to direct the change and strategies for achieving the vision.
- D) Empower others to act on the vision by removing barriers to change and encouraging risk taking and creative problem solving.
- E) Reinforce the changes by demonstrating the relationship between new behaviors and organizational success.

Answer: C

Explanation: C) The first four steps in Kotter's eight-step plan for implementing change represent the "unfreezing" stage in Lewin's three-step model. One of these four steps is, "create a new vision to direct the change and strategies for achieving the vision."

Page Ref: 586

LO: 3

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

42) Which of the following steps in Kotter's eight-step plan for implementing change represents the "movement" stage in Lewin's three-step model?

A) Establish a sense of urgency by creating a compelling reason for why change is needed.

B) Plan for, create, and reward short-term "wins" that propel the organization toward the new vision.

C) Form a coalition with enough power to lead the change.

D) Create a new vision to direct the change and strategies for achieving the vision.

E) Reinforce the changes by demonstrating the relationship between new behaviors and organizational success.

Answer: B

Explanation: B) Planning for, creating, and rewarding short-term "wins" that move the organization toward the new vision is the sixth step in Kotter's eight-step plan for implementing change and it represents the "movement" stage in Lewin's model. Steps 5 through 7 in Kotter's eight-step plan represent the "movement" stage in the Lewin's three-step model.

Page Ref: 586

LO: 3

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

43) Which of the following steps in Kotter's eight-step plan for implementing change represents the "refreezing" stage in Lewin's three-step model?

A) Plan for, create, and reward short-term "wins" that move the organization toward the new vision.

B) Consolidate improvements, reassess changes, and make necessary adjustments in the new programs.

C) Create a new vision to direct the change and strategies for achieving the vision.

D) Empower others to act on the vision by removing barriers to change and encouraging risk taking and creative problem solving.

E) Reinforce the changes by demonstrating the relationship between new behaviors and organizational success.

Answer: E

Explanation: E) Reinforcing the changes by demonstrating the relationship between new behaviors and organizational success is the last step in Kotter's eight-step plan for implementing change and it represents the "refreezing" stage in Lewin's three-step model.

Page Ref: 586

LO: 3

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

44) \_\_\_\_\_ is a change process based on systematic collection of data and selection of a change action based on what the analyzed data indicate.

- A) Organizational development
- B) Action research
- C) Planned change
- D) Process consultation
- E) Organizational restructuring

Answer: B

Explanation: B) Action research is defined as a change process based on systematic collection of data and selection of a change action based on what the analyzed data indicate. Its value is in providing a scientific methodology for managing planned change.

Page Ref: 587

LO: 3

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

45) The step in the action research process where information is gathered about problems, concerns, and needed changes is known as the \_\_\_\_\_ stage.

- A) feedback
- B) evaluation
- C) diagnosis
- D) action
- E) prognosis

Answer: C

Explanation: C) A change agent begins by gathering information about problems, concerns, and needed changes from members of the organization in the diagnosis stage. In action research, the change agent asks questions, reviews records, and interviews employees and listens to their concerns.

Page Ref: 587

LO: 3

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

46) \_\_\_\_\_ is a collection of change methods that seek to improve organizational effectiveness and employee well-being.

- A) Organizational development
- B) Organizational polarization
- C) Operant conditioning
- D) Organizational restructuring
- E) Action research

Answer: A

Explanation: A) Organizational development (OD) is a collection of change methods that try to improve organizational effectiveness and employee well-being. OD methods value human and organizational growth, collaborative and participative processes, and a spirit of inquiry.

Page Ref: 587

LO: 3

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

47) The deemphasizing of hierarchical authority and control in organizational development is referred to as \_\_\_\_\_.

- A) horizontal integration
- B) power equalization
- C) trust and support
- D) respect for people
- E) vertical blending

Answer: B

Explanation: B) Power equalization is one of the values in OD. It means that effective organizations deemphasize hierarchical authority and control.

Page Ref: 588

LO: 3

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

48) \_\_\_\_\_ is a method of changing behavior through unstructured group interaction.

- A) Action research
- B) Planned modification
- C) Process consultation
- D) Sensitivity training
- E) Psychoanalysis

Answer: D

Explanation: D) Sensitivity training refers to an early method of changing behavior through unstructured group interaction. Members are brought together in a free and open environment in which participants discuss themselves and their interactive processes, loosely directed by a professional behavioral scientist who created the opportunity to express ideas, beliefs, and attitudes without taking any leadership role.

Page Ref: 588

LO: 3

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

49) Which of the following is an organizational development technique that involves an outsider assisting a manager to identify what to improve and how?

- A) action research
- B) intergroup development
- C) appreciative inquiry
- D) process consultation
- E) social reinforcement

Answer: D

Explanation: D) Managers often sense their unit's performance can be improved but are unable to identify what to improve and how. The purpose of process consultation (PC) is for an outside consultant to assist a client, usually a manager, "to perceive, understand, and act upon process events" with which the manager must deal.

Page Ref: 589

LO: 3

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

50) Rather than looking for problems, \_\_\_\_\_ seeks to identify the unique qualities and special strengths of an organization, which can then be built upon to improve performance.

- A) appreciative inquiry
- B) action research
- C) team building
- D) process consultation
- E) social reinforcement

Answer: A

Explanation: A) Most organizational development approaches are problem centered. They identify a problem or set of problems, then look for a solution. Appreciative inquiry (AI) instead accentuates the positive. Rather than looking for problems to fix, it seeks to identify the unique qualities and special strengths of an organization, which members can build on to improve performance. That is, AI focuses on an organization's successes rather than its problems.

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LO: 3

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

51) Which of the following is a step in the appreciative inquiry process?

- A) analysis
- B) dreaming
- C) inferring
- D) classifying
- E) collaboration

Answer: B

Explanation: B) The appreciative inquiry process consists of four steps: discovery, dreaming, design, and destiny. These steps are often played out in a large-group meeting over a 2- or 3-day time period and overseen by a trained change agent.

Page Ref: 591

LO: 3

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

52) Appreciative inquiry (AI) is an organizational development technique. Which of the following statements is true regarding appreciative inquiry?

- A) It tries to identify discrepancies among member perceptions and solve these differences.
- B) It uses high-interaction group activities to increase trust and openness among team members, improve coordinative efforts, and increase team performance.
- C) It involves an outside consultant who helps the manager to analyze processes within his or her unit and identify what to improve and how.
- D) It consists of four steps including discovery, dreaming, design, and destiny.
- E) It seeks to change groups' attitudes, stereotypes, and perceptions about each other.

Answer: D

Explanation: D) AI focuses on an organization's successes rather than its problems. The AI process consists of four steps — discovery, dreaming, design, and destiny — often played out in a large-group meeting over a 2- or 3-day time period and overseen by a trained change agent.

Page Ref: 591

LO: 3

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

53) Which of the following steps of the appreciative inquiry attempts to identify what people think are the organization's strengths?

- A) dreaming
- B) destiny
- C) collaboration
- D) inferring
- E) discovery

Answer: E

Explanation: E) The appreciative inquiry process consists of four steps — discovery, dreaming, design, and destiny — often played out in a large-group meeting over a 2- or 3-day time period and overseen by a trained change agent. Discovery sets out to identify what people think are the organization's strengths.

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LO: 3

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

54) During the "dreaming" step of appreciative inquiry, participants \_\_\_\_\_.

- A) identify the organization's strengths
- B) use information from the discovery phase to speculate on possible futures
- C) find a common vision of how the organization will look in the future
- D) write action plans and develop implementation strategies
- E) recount times they felt the organization worked best

Answer: B

Explanation: B) During the "dreaming" step of appreciative inquiry, employees use information from the discovery phase to speculate on possible futures, such as what the organization will be like in 5 years.

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LO: 3

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

55) During the "design" step of appreciative inquiry, participants \_\_\_\_\_.

- A) find a common vision of how the organization will look in the future
- B) use information from the discovery phase to speculate on possible futures
- C) identify the organization's strengths
- D) recount times they felt the organization worked best
- E) write action plans and develop implementation strategies

Answer: A

Explanation: A) During the "design" step of appreciative inquiry, participants find a common vision of how the organization will look in the future and agree on its unique qualities.

Page Ref: 591

LO: 3

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

56) Which of the following types of changes involves a new idea being applied to initiating or improving a product, process, or service?

- A) continuous improvement
- B) double-loop learning
- C) innovation
- D) process reengineering
- E) organizational streaming

Answer: C

Explanation: C) Innovation, a more specialized kind of change, is a new idea applied to initiating or improving a product, process, or service. So all innovations imply change, but not all changes necessarily introduce new ideas or lead to significant improvements.

Page Ref: 592

LO: 4

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

57) Which of the following statements is true regarding innovation?

- A) Organic structures negatively influence innovation.
- B) Interunit communication is low in innovative organizations.
- C) Short tenure in management is associated with innovation.
- D) Innovation is nurtured when there is an abundance of resources.
- E) Innovative organizations reward both successes and failures.

Answer: E

Explanation: E) Organic structures positively influence innovation. Long tenure in management is associated with innovation. Innovation is nurtured when there are slack resources. Interunit communication is high in innovative organizations. Innovative organizations reward both successes and failures. They celebrate mistakes.



Page Ref: 593

LO: 4

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

58) Bart has a new idea for a way to cut costs in his department, but he is not willing to share his idea with his boss because the last department head that tried new cost cutting methods was recently fired because the new methods could not achieve expected results. Based on the example, how can Bart's company improve the culture to create innovation?

- A) flatten the organizational structure
- B) reward both successes and failures
- C) increase the resources in Bart's department
- D) encourage communication between various departments
- E) conduct team building activities

Answer: B

Explanation: B) Innovative organizations tend to have similar cultures. They encourage experimentation. People will suggest and try new ideas only when they feel such behaviors exact no penalties. Managers in innovative organizations recognize that failures are a natural by-product of venturing into the unknown.

Page Ref: 593

LO: 4

AACSB: Analytic Skills

Difficulty: Hard

Quest. Category: Application

Learning Outcome: Explain how to manage resistance to change

59) Which of the following actions can extinguish risk taking and innovation?

- A) long tenure in management
- B) encouraging experimentation
- C) rewarding for the absence of failures rather than for the presence of successes
- D) using organic organizational structures
- E) using an organizational structure that scores low on vertical differentiation, formalization, and centralization

Answer: C

Explanation: C) Innovative organizations encourage experimentation. Organic structures positively influence innovation because they're lower in vertical differentiation, formalization, and centralization. The long tenure in management is associated with innovation. Innovative organizations reward both successes and failures. They celebrate mistakes. Unfortunately, in too many organizations, people are rewarded for the absence of failures rather than for the presence of successes. Such cultures extinguish risk taking and innovation.

Page Ref: 593

LO: 4

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

60) Brian's team just had a research breakthrough. They'll need several thousands of dollars to complete the project. Brian has called a series of meetings in which he's promoting the significance of the new discovery, explaining the economic benefits that will result from the final project, and answering questions. Brian is a(n) \_\_\_\_\_ within his company.

- A) change agent
- B) arbitrator
- C) manipulator
- D) idea champion
- E) stress creator

Answer: D

Explanation: D) Brian is an idea champion. Idea champions are individuals who take an innovation and actively and enthusiastically promote the idea, build support, overcome resistance, and ensure that the idea is implemented.

Page Ref: 593

LO: 4

AACSB: Analytic Skills

Difficulty: Moderate

Quest. Category: Application

Learning Outcome: Explain how to manage resistance to change

61) Idea champions display characteristics associated with \_\_\_\_\_ leadership.

- A) narcissistic
- B) transformational
- C) autocratic
- D) transactional
- E) laissez-faire

Answer: B

Explanation: B) Idea champions display characteristics associated with transformational leadership — they inspire and energize others with their vision of an innovation's potential and their strong personal conviction about their mission.

Page Ref: 593

LO: 4

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

62) \_\_\_\_\_ involves correcting errors using past routines and present policies.

- A) Process reengineering
- B) Single-loop learning
- C) Circular logrolling
- D) Double-loop learning
- E) Organizational restructuring

Answer: B

Explanation: B) Most organizations engage in single-loop learning. When they detect errors, their correction process relies on past routines and present policies.

Page Ref: 594

LO: 4

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

63) \_\_\_\_\_ involves correcting errors by modifying the organization's objectives, policies, and standard routines.

- A) Action research
- B) Double-loop learning
- C) Process reengineering
- D) Single-loop learning
- E) Organizational restructuring

Answer: B

Explanation: B) Learning organizations that use double-loop learning correct errors by modifying objectives, policies, and standard routines. Double-loop learning challenges deeply rooted assumptions and norms. It provides opportunities for radically different solutions to problems and dramatic jumps in improvement.

Page Ref: 594

LO: 4

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

64) In order to make their firm a learning organization, managers should \_\_\_\_\_.

- A) increase the number of hierarchical levels in the organization
- B) avoid the use of cross-functional teams
- C) penalize mistakes
- D) increase the degree of departmentalization
- E) reinforce interdependence and reduce boundaries

Answer: E

Explanation: E) The formal structure of an organization can be a serious impediment to learning. Flattening the structure, eliminating or combining departments, and increasing the use of cross-functional teams, reinforces interdependence and reduces boundaries, helping to create a learning organization. Also, managers should reward people who take chances and make mistakes.

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LO: 4

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

65) \_\_\_\_\_ is a dynamic condition in which an individual is confronted with an opportunity, demand, or resource related to what the individual desires and for which the outcome is perceived to be both uncertain and important.

- A) Change
- B) Stress
- C) Innovation
- D) Stimulation
- E) Creativity

Answer: B

Explanation: B) Stress is a dynamic condition in which an individual is confronted with an opportunity, demand, or resource related to what the individual desires and for which the outcome is perceived to be both uncertain and important.

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LO: 5

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Discuss the effects of stress in the workplace and methods of stress management

66) Which of the following stressors is likely to produce less strain than the other stressors?

A) confusion over job responsibilities

B) office politics

C) lack of unity of command

D) red tape

E) pressure to complete tasks

Answer: E

Explanation: E) Pressure to complete tasks is a challenge stressor whereas red tape, office politics, lack of unity of command, and confusion over job responsibilities are hindrance stressors. Although research is just starting to accumulate, early evidence suggests challenge stressors produce less strain than hindrance stressors.

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LO: 5

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Discuss the effects of stress in the workplace and methods of stress management

67) One of Carl's department employees was severely injured on the job. Carl has called in psychological counselors to talk to the other employees, and scheduled a series of safety trainings for the department to be completed by the end of the week. He has also asked the HR personnel to talk to the department about the disability insurance that the company offers and make sure that his employees know what is available. Carl is using \_\_\_\_\_ to help cope with the stress caused by his employee's injury.

A) demands

B) action research

C) resources

D) innovation

E) appreciative inquiry

Answer: C

Explanation: C) Resources are things within an individual's control that he or she can use to resolve the demands. Research suggests adequate resources help reduce the stressful nature of demands when demands and resources match. Having resources to cope with stress is just as important in offsetting it as demands are in increasing it.

Page Ref: 596

LO: 5

AACSB: Analytic Skills

Difficulty: Hard

Quest. Category: Application

Learning Outcome: Discuss the effects of stress in the workplace and methods of stress management

68) Political uncertainties, economic uncertainties, and technological change are examples of the \_\_\_\_\_ factors of potential stress.

- A) structural
- B) environmental
- C) organizational
- D) personal
- E) social

Answer: B

Explanation: B) There are three main types of environmental uncertainty or stress: economic, political, and technological.

Page Ref: 597

LO: 5

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Discuss the effects of stress in the workplace and methods of stress management

69) Jerry is feeling very stressed because his boss expects a project to be delivered to the client within a very unreasonable deadline. Jerry has to work nights and weekends to make the deadline. Jerry is feeling stress due to a(n) \_\_\_\_\_ factor.

- A) environmental
- B) organizational
- C) economic
- D) structural
- E) personal

Answer: B

Explanation: B) Organizational stress factors include pressures to avoid errors or complete tasks in a limited time, work overload, a demanding and insensitive boss, and unpleasant co-workers.

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LO: 5

AACSB: Analytic Skills

Difficulty: Moderate

Quest. Category: Application

Learning Outcome: Discuss the effects of stress in the workplace and methods of stress management

70) Family issues, economic problems, and personality characteristics are examples of the \_\_\_\_\_ factor of potential stress.

- A) social
- B) environmental
- C) structural
- D) psychological
- E) personal

Answer: E

Explanation: E) One category that creates stress are factors in the employee's personal life: family issues, personal economic problems, and inherent personality characteristics. Marital difficulties, the breaking of a close relationship, and discipline troubles with children create stresses employees often can't leave at the front door when they arrive at work.

Page Ref: 599

LO: 5

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Discuss the effects of stress in the workplace and methods of stress management

71) Benny is stressed with the new corporate reorganization. He now reports to a foreign office that has usurped many of his responsibilities, including the contract labor for his projects, therefore he's working with less qualified and new contractors with whom he doesn't have a relationship. However, the managers of the other departments find themselves in the same boat and everyday they are able to laugh over lunch about their new managerial impotence. \_\_\_\_\_ is helping Benny handle his stress.

- A) Emotional contagion
- B) Cognitive dissonance
- C) Social support
- D) Time-management
- E) Self-efficacy

Answer: C

Explanation: C) Social support, collegial relationships with co-workers or supervisors, can buffer the impact of stress. It acts as a palliative, mitigating the negative effects of even high-strain jobs. Benny is using this social support to be able to laugh at his new situation.

Page Ref: 600

LO: 5

AACSB: Analytic Skills

Difficulty: Moderate

Quest. Category: Application

Learning Outcome: Discuss the effects of stress in the workplace and methods of stress management

72) Risa has to work long hours and sometimes weekends, losing out on family time. Risa doesn't find her long hours overly stressful, but rather she sees it as her contribution to maintaining her family's equilibrium and well being, and bettering her children's future. In which country is Risa most likely employed?

- A) Venezuela
- B) United States
- C) Canada
- D) United Kingdom
- E) Netherlands

Answer: A

Explanation: A) A study of 5,270 managers from 20 countries found individuals from individualistic countries such as the United States, Canada, and the United Kingdom experienced higher levels of stress due to work interfering with family than did individuals from collectivist countries in Asia and Latin America. The authors proposed that this may occur because in collectivist cultures working extra hours is seen as a sacrifice to help the family, whereas in individualistic cultures work is seen as a means to personal achievement that takes away from the family.

Page Ref: 600

LO: 5

AACSB: Analytic Skills

Difficulty: Hard

Quest. Category: Application

Learning Outcome: Discuss the effects of stress in the workplace and methods of stress management

73) Rudolf is dealing with impending layoffs at work. Yesterday at a pharmacy he measured his blood pressure and it was high. He also notices that when he thinks about the future his heart rate accelerates. Rudolf is demonstrating \_\_\_\_\_ symptoms of stress.

- A) psychological
- B) physiological
- C) behavioral
- D) personal
- E) reactive

Answer: B

Explanation: B) Specialists in the health and medical sciences have determined that stress can cause physiological symptoms such as changes in metabolism, increase heart and breathing rates and blood pressure, bring on headaches, and induce heart attacks.

Page Ref: 601

LO: 6

Difficulty: Easy

Quest. Category: Application

Learning Outcome: Discuss the effects of stress in the workplace and methods of stress management

74) Excessive smoking, substance abuse, and sleep disorders are all examples of \_\_\_\_\_ symptoms of stress.

- A) personal
- B) psychological
- C) behavioral
- D) physiological
- E) pathological

Answer: C

Explanation: C) Behavior-related stress symptoms include changes in productivity, absence, and turnover, as well as changes in eating habits, increased smoking or consumption of alcohol, rapid speech, fidgeting, and sleep disorders.

Page Ref: 602

LO: 6

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Discuss the effects of stress in the workplace and methods of stress management

75) Which of the following types of jobs is least likely to create stress and reduce satisfaction?

- A) jobs that make multiple and conflicting demands
- B) jobs that provide a high level of feedback
- C) jobs that lack clarity about the incumbent's duties
- D) jobs that provide the incumbents less control over the pace of their work
- E) jobs that provide a low level of variety

Answer: B

Explanation: B) Jobs that provide a low level of variety, significance, autonomy, feedback, and identity appear to create stress and reduce satisfaction and involvement in the job. Jobs that make multiple and conflicting demands or that lack clarity about the incumbent's duties, authority, and responsibilities increase both stress and dissatisfaction.

Page Ref: 602

LO: 6

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Discuss the effects of stress in the workplace and methods of stress management

76) Louise is overwhelmed with the new tasks that she has been assigned after the department merger. Everyday, she arrives at work and makes a list of the new tasks, writes a number next to each one according to the urgency of completion, and schedules a time to complete each one. Although she's still stressed, Louise is able to get most of the work done and feels better at the end of the day. Louise is using \_\_\_\_\_ techniques to reduce her stress.

A) job enrichment

B) goal setting

C) relaxation

D) time-management

E) job enlargement

Answer: D

Explanation: D) Louise is using basic time-management principles to better cope with tensions created by job demands. A few of the best-known time-management principles are (1) making daily lists of activities to be accomplished, (2) prioritizing activities by importance and urgency, (3) scheduling activities according to the priorities set, and (4) knowing your daily cycle and handling the most demanding parts of your job when you are most alert and productive.

Page Ref: 603

LO: 7

AACSB: Analytic Skills

Difficulty: Moderate

Quest. Category: Application

Learning Outcome: Discuss the effects of stress in the workplace and methods of stress management

77) Which of the following statements is true regarding stress?

A) Employees with external locus of control tend to be less prone to stress.

B) Training tends to decrease job stress.

C) Highly experienced employees tend to be more prone to stress.

D) Employees who are highly committed to their goals experience more stress.

E) Goal feedback tends to increase stress.

Answer: B

Explanation: B) Individuals with little experience or an external locus of control tend to be more prone to stress. Training can increase an individual's self-efficacy and thus lessen job strain. Employees who are highly committed to their goals and see purpose in their jobs experience less stress. In addition, goal feedback reduces uncertainties about actual job performance. The result is less employee frustration, role ambiguity, and stress.

Page Ref: 605

LO: 7

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Discuss the effects of stress in the workplace and methods of stress management



78) Organizationally supported programs that focus on the employee's total physical and mental condition, such as helping them quit smoking or control alcohol use, are called \_\_\_\_\_ programs.

- A) job redesign
- B) relaxation
- C) employee involvement
- D) organizational development
- E) wellness

Answer: E

Explanation: E) Organizationally supported wellness programs provide workshops to help people quit smoking, control alcohol use, lose weight, eat better, and develop a regular exercise program; they focus on the employee's total physical and mental condition.

Page Ref: 605

LO: 7

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Discuss the effects of stress in the workplace and methods of stress management

79) Elaine is very good at what she does, but she is constantly stressed by internal deadlines assigned to co-workers, obligatory meetings, and time lost in unrelated idle cubicle chatter. Today, after a meeting with her supervisor, she has been given more responsibility for her work, is able to set her own deadlines, decline attendance to various department meetings, and telecommute two days a week. Elaine's boss is using which of the following organizational strategies to reduce her stress?

- A) job redesign
- B) organizational communication
- C) employee involvement
- D) organizational development
- E) process reengineering

Answer: A

Explanation: A) Elaine's boss is redesigning her job. Redesigning jobs to give employees more responsibility, more meaningful work, more autonomy, and increased feedback can reduce stress because these factors give employees greater control over work activities and lessen dependence on others.

Page Ref: 605

LO: 7

AACSB: Analytic Skills

Difficulty: Hard

Quest. Category: Application

Learning Outcome: Discuss the effects of stress in the workplace and methods of stress management

80) Companies with dominant market share are less susceptible to the forces of change than smaller businesses.

Answer: FALSE

Explanation: No company today is in a particularly stable environment. Even those with dominant market share must change, sometimes radically.

Page Ref: 578

LO: 1

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

81) Social trends remain static.

Answer: FALSE

Explanation: Social trends don't remain static. Companies must continually adjust product and marketing strategies to be sensitive to changing social trends.

Page Ref: 579

LO: 1

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

82) Resistance to change can be positive if it leads to open discussion and debate.

Answer: TRUE

Explanation: Resistance to change can be positive if it leads to open discussion and debate. These responses are usually preferable to apathy or silence and can indicate that members of the organization are engaged in the process, providing change agents an opportunity to explain the change effort.

Page Ref: 581

LO: 2

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

83) Cooptation combines manipulation and participation.

Answer: TRUE

Explanation: Cooptation combines manipulation and participation. It seeks to "buy off" the leaders of a resistance group by giving them a key role, seeking their advice not to find a better solution but to get their endorsement.

Page Ref: 583

LO: 2

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

84) Employees are more accepting of changes when they are committed to the organization as a whole.

Answer: TRUE

Explanation: Employees are more accepting of changes when they are committed to the organization as a whole.

Page Ref: 583

LO: 2

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

85) Politics of change suggests that the impetus for change is more likely to come from inside change agents.

Answer: FALSE

Explanation: Politics suggests the impetus for change is more likely to come from outside change agents, employees new to the organization (who have less invested in the status quo), or managers slightly removed from the main power structure.

Page Ref: 584

LO: 2

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

86) Appreciative inquiry refers to a change process based on the systematic collection of data and selection of a change action based on what the analyzed data indicates.

Answer: FALSE

Explanation: Action research is a change process based on the systematic collection of data and selection of a change action based on what the analyzed data indicate. Its value is in providing a scientific methodology for managing planned change.

Page Ref: 587

LO: 3

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

87) Organizational development (OD) is a collection of change methods that try to improve organizational effectiveness and employee well-being.

Answer: TRUE

Explanation: Organizational development (OD) is a collection of change methods that try to improve organizational effectiveness and employee well-being.

Page Ref: 587

LO: 3

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

88) Sensitivity training emphasizes changing behavior through structured group interaction.

Answer: FALSE

Explanation: Sensitivity training refers to an early method of changing behavior through unstructured group interaction.

Page Ref: 588

LO: 3

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

89) In the case of process consultation, the consultants do not solve the organization's problems but rather guide or coach the client to solve his or her own problems after jointly diagnosing what needs improvement.

Answer: TRUE

Explanation: In the case of process consultation, the consultants do not solve the organization's problems but rather guide or coach the client to solve his or her own problems after jointly diagnosing what needs improvement.

Page Ref: 589

LO: 3

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

90) Intergroup development seeks to change groups' attitudes, stereotypes, and perceptions that groups have of each other.

Answer: TRUE

Explanation: Intergroup development seeks to change groups' attitudes, stereotypes, and perceptions about each other. Here training sessions closely resemble diversity training, except that rather than focusing on demographic differences, they focus on differences among occupations, departments, or divisions within an organization.

Page Ref: 590

LO: 3

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

91) Appreciative inquiry involves identifying and fixing problems.

Answer: FALSE

Explanation: Appreciative inquiry (AI) accentuates the positive. Rather than looking for problems to fix, it seeks to identify the unique qualities and special strengths of an organization, which members can build on to improve performance. AI focuses on an organization's successes rather than its problems.

Page Ref: 591

LO: 3

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

92) Innovation is nurtured where there are slack resources.

Answer: TRUE

Explanation: Innovation is nurtured when there are slack resources. Having an abundance of resources allows an organization to afford to purchase innovations, bear the cost of instituting them, and absorb failures.

Page Ref: 592

LO: 4

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

93) Short tenure in management is associated with innovation.

Answer: FALSE

Explanation: Long tenure in management is associated with innovation.

Page Ref: 592

LO: 4

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

94) Idea champions display characteristics associated with transformational leadership.

Answer: TRUE

Explanation: Idea champions actively and enthusiastically promote an idea, build support, overcome resistance, and ensure its implementation. Champions have common personality characteristics: extremely high self-confidence, persistence, energy, and a tendency to take risks. They also display characteristics associated with transformational leadership — they inspire and energize others with their vision of an innovation's potential and their strong personal conviction about their mission.

Page Ref: 593

LO: 4

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

95) Double-loop learning is an error correction process that relies on past routines and present policies.

Answer: FALSE

Explanation: Organizations using double-loop learning to correct errors by modifying objectives, policies, and standard routines. Double-loop learning challenges deeply rooted assumptions and norms. It provides opportunities for radically different solutions to problems and dramatic jumps in improvement.

Page Ref: 594

LO: 4

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

96) "Learning organizations" use single-loop learning.

Answer: FALSE

Explanation: Most organizations engage in single-loop learning. When they detect errors, their correction process relies on past routines and present policies. In contrast, learning organizations use double-loop learning.

Page Ref: 594

LO: 4

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Discuss the effects of stress in the workplace and methods of stress management

97) Stressors associated with workload, pressure to complete tasks, and time urgency are examples of hinderance stressors.

Answer: FALSE

Explanation: Stressors associated with workload, pressure to complete tasks, and time urgency are examples of challenge stressors.

Page Ref: 596

LO: 5

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Discuss the effects of stress in the workplace and methods of stress management

98) Experience on the job tends to be positively related to work stress.

Answer: FALSE

Explanation: Experience on the job tends to be negatively related to work stress. Voluntary turnover is more probable among people who experience more stress. Therefore, people who remain with an organization longer are those with more stress-resistant traits or those more resistant to the stress characteristics of their organization.

Page Ref: 599

LO: 5

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Discuss the effects of stress in the workplace and methods of stress management

99) Jobs that make multiple and conflicting demands increase both stress and dissatisfaction.

Answer: TRUE

Explanation: Jobs that make multiple and conflicting demands or that lack clarity about the incumbent's duties, authority, and responsibilities increase both stress and dissatisfaction.

Page Ref: 602

LO: 6

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Discuss the effects of stress in the workplace and methods of stress management

100) Individuals with internal locus of control tend to be more prone to stress.

Answer: FALSE

Explanation: Individuals with external locus of control tend to be more prone to stress.

Page Ref: 604

LO: 7

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Discuss the effects of stress in the workplace and methods of stress management

101) What are the various forces that make it necessary for the organizations to change?

Answer: The six specific forces for change are: the nature of the workforce, technology, economic shocks, competition, social trends, and world politics.

- a) The nature of the workforce includes multicultural environment, demographic changes, immigration, and outsourcing.
- b) Technology is continually changing jobs and organizations.
- c) The housing and financial sectors recently have experienced extraordinary economic shocks, leading to the elimination, bankruptcy, or acquisition of several companies.
- d) Competition is changing. Competitors are as likely to come from across the ocean as from across town. Successful organizations will be fast on their feet, capable of developing new products rapidly and getting them to market quickly.
- e) Social trends don't remain static. Consumers now meet and share information in chat rooms and blogs. Companies must continually adjust product and marketing strategies to be sensitive to changing social trends.
- f) World politics is changing. The opening of China and Southeast Asia, and the rise of Muslim fundamentalism are examples of changing world politics.

Page Ref: 578-579

LO: 1

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

102) Who are "change agents"?

Answer: Change agents are the people in an organization who are responsible for presenting and managing change activities. They see a future for the organization that others have not identified, and they are able to motivate, invent, and implement this vision. Change agents can be managers or nonmanagers, current or new employees, or outside consultants.

Page Ref: 580

LO: 1

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

103) What are the various individual sources of resistance to change?

Answer: The various individual sources of resistance to change are:

- a) Habit: To cope with life's complexities, we rely on habits or programmed responses. But when confronted with change, this tendency to respond in our accustomed ways becomes a source of resistance.
- b) Security: People with a high need for security are likely to resist change because it threatens feelings of safety.
- c) Economic factors: Changes in job tasks or established work routines can arouse economic fears if people are concerned that they won't be able to perform the new tasks or routines to their previous standards, especially when pay is closely tied to productivity.
- d) Fear of the unknown: Change substitutes ambiguity and uncertainty for the unknown.
- e) Selective information processing: Individuals are guilty of selectively processing information in order to keep their perceptions intact. They hear what they want to hear and they ignore information that challenges the world they've created.

Page Ref: 582

LO: 2

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

104) What are the various organizational sources of resistance to change?

Answer: The various organizational sources of resistance to change are:

- a) Structural inertia: Organizations have built-in mechanisms — like their selection processes and formalized regulations — to produce stability. When an organization is confronted with change, this structural inertia acts as a counterbalance to sustain stability.
- b) Limited focus of change: Organizations are made up of a number of interdependent subsystems. One can't be changed without affecting the others. So limited changes in subsystems tend to be nullified by the larger system.
- c) Group inertia: Even if individuals want to change their behavior, group norms may act as a constraint.
- d) Threat to expertise: Changes in organizational patterns may threaten the expertise of specialized groups.
- e) Threat to established power relationships: Any redistribution of decision-making authority can threaten long-established power relationships within the organization.
- f) Threat to established resource allocations: Groups in the organization that control sizable resources often see change as a threat. They tend to be content with the way things are.

Page Ref: 582

LO: 2

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change



105) Define "change agent" and describe where change is most likely to come from. Compare who is most likely to be an agent of change to who is most likely to resist change. Explain your answer.  
Answer: Change agents are the people in an organization who are responsible for presenting and managing change activities. They see a future for the organization that others have not identified, and they are able to motivate, invent, and implement this vision. Change agents can be managers or nonmanagers, current or new employees, or outside consultants. Because change invariably threatens the status quo, it inherently implies political activity. Politics suggests the impetus for change is more likely to come from outside change agents, employees new to the organization (who have less invested in the status quo), or managers slightly removed from the main power structure.

Managers who have spent their entire careers with a single organization and achieved a senior position in the hierarchy are often major impediments to change. It is a very real threat to their status and position and, therefore, they are the most likely to resist organizational change. When forced to introduce change, longtime power holders tend to implement incremental changes. Radical change is too threatening.

Page Ref: 580,584

LO: 1, 2

AACSB: Analytic Skills

Difficulty: Moderate

Quest. Category: Synthesis

Learning Outcome: Explain how to manage resistance to change

106) Describe the various ways of overcoming resistance to change.

Answer: The various ways of overcoming resistance to change are:

- a) Education and communication: Communicating the logic of a change can reduce employee resistance on two levels. First, it fights the effects of misinformation and poor communication: if employees receive the full facts and clear up misunderstandings, resistance should subside. Second, communication can help "sell" the need for change by packaging it properly.
- b) Participation: It's difficult to resist a change decision in which we've participated. Assuming participants have the expertise to make a meaningful contribution, their involvement can reduce resistance, obtain commitment, and increase the quality of the change decision.
- c) Building support and commitment: When employees' fear and anxiety are high, counseling and therapy, new-skills training, or a short paid leave of absence may facilitate adjustment. When managers or employees have low emotional commitment to change, they favor the status quo and resist it. So firing up employees can also help them emotionally commit to the change rather than embrace the status quo.
- d) Develop positive relationships: People are more willing to accept changes if they trust the managers implementing them.
- e) Implementing changes fairly: One way organizations can minimize negative impact is to make sure change is implemented fairly. Procedural fairness is especially important when employees perceive an outcome as negative, so it's crucial that employees see the reason for the change and perceive its implementation as consistent and fair.
- f) Manipulation and cooptation: Manipulation refers to covert influence attempts. Twisting facts to make them more attractive, withholding information, and creating false rumors to get employees to accept change are examples of manipulation. Cooptation, on the other hand, combines manipulation and participation. It seeks to "buy off" the leaders of a resistance group by giving them a key role, seeking their advice not to find a better solution but to get their endorsement. Both manipulation and cooptation are relatively inexpensive ways to gain the support of adversaries, but they can backfire if the targets become aware they are being tricked or used.
- g) Selecting people who accept change: Research suggests the ability to easily accept and adapt to change is related to personality — some people simply have more positive attitudes about change than

others. Such individuals are open to experience, take a positive attitude toward change, are willing to take risks, and are flexible in their behavior.

h) Coercion: Last on the list of tactics is coercion, the application of direct threats or force on the resisters. Examples of coercion are threats of transfer, loss of promotions, negative performance evaluations, and a poor letter of recommendation.

Page Ref: 582-584

LO: 2

Difficulty: Hard

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

107) Describe Lewin's three-step model used for managing change.

Answer: Kurt Lewin argued that successful change in organizations should follow three steps: unfreezing the status quo, movement to a desired end state, and refreezing the new change to make it permanent.

Before implementing a change organizations tend to be in an equilibrium state. To move from equilibrium — to overcome the pressures of both individual resistance and group conformity — unfreezing must happen in one of three ways. The driving forces, which direct behavior away from the status quo, can be increased. The restraining forces, which hinder movement away from equilibrium, can be decreased. A third alternative is to combine the first two approaches. Research on organizational change has shown that, to be effective, change has to happen quickly. Organizations that build up to change do less well than those that get to and through the movement stage quickly. Once change has been implemented, to be successful the new situation must be refrozen so it can be sustained over time. Without this last step, change will likely be short-lived and employees will attempt to revert to the previous equilibrium state.

Page Ref: 584-586

LO: 3

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

108) List the eight steps in Kotter's eight-step plan for implementing change.

Answer: The eight steps in Kotter's eight-step plan for implementing change are:

1. Establish a sense of urgency by creating a compelling reason for why change is needed.
2. Form a coalition with enough power to lead the change.
3. Create a new vision to direct the change and strategies for achieving the vision.
4. Communicate the vision throughout the organization.
5. Empower others to act on the vision by removing barriers to change and encouraging risk taking and creative problem solving.
6. Plan for, create, and reward short-term "wins" that move the organization toward the new vision.
7. Consolidate improvements, reassess changes, and make necessary adjustments in the new programs.
8. Reinforce the changes by demonstrating the relationship between new behaviors and organizational success.

Page Ref: 586

LO: 3

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

109) What is organizational development? What are the various values on which the organizational development techniques are based?

Answer: Organizational development (OD) is a collection of change methods that try to improve organizational effectiveness and employee well-being. OD methods value human and organizational growth, collaborative and participative processes, and a spirit of inquiry.

The underlying values in most OD efforts are:

1. Respect for people. Individuals are perceived as responsible, conscientious, and caring. They should be treated with dignity and respect.
2. Trust and support. An effective and healthy organization is characterized by trust, authenticity, openness, and a supportive climate.
3. Power equalization. Effective organizations deemphasize hierarchical authority and control.
4. Confrontation. Problems should be openly confronted, not swept under the rug.
5. Participation. The more engaged in the decisions they are, the more people affected by a change will be committed to implementing it.

Page Ref: 587-588

LO: 3

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

110) What are the various organizational development techniques?

Answer: The various organizational development techniques are:

- a) Sensitivity Training: It refers to an early method of changing behavior through unstructured group interaction.
- b) Survey feedback: The survey feedback approach provides one tool for assessing attitudes held by organizational members, identifying discrepancies among member perceptions, and solving these differences.
- c) Process consultation: The purpose of process consultation is for an outside consultant to assist a client to perceive, understand, and act upon process events with which he or she must deal. These might include work flow, informal relationships among unit members, and formal communication channels.
- d) Team building: Team building utilizes high-interaction group activities to increase trust and openness among team members.
- e) Intergroup development: Intergroup development seeks to change the attitudes, stereotypes, and perceptions that groups have of each other.
- f) Appreciative inquiry: Appreciative inquiry seeks to identify the unique qualities and special strengths of an organization, which can then be built upon to improve performance. That is, it focuses on an organization's successes rather than its problems.

Page Ref: 588-591

LO: 3

Difficulty: Hard

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

111) Describe the process of appreciative inquiry (AI).

Answer: Appreciative inquiry (AI) accentuates the positive. Rather than looking for problems to fix, it seeks to identify the unique qualities and special strengths of an organization, which members can build on to improve performance. That is, AI focuses on an organization's successes rather than its problems. The AI process consists of four steps, discovery, dreaming, design, and destiny, often played out in a large-group meeting over a 2- or 3-day time period and overseen by a trained change agent. Discovery sets out to identify what people think are the organization's strengths. Employees recount times they felt the organization worked best or when they specifically felt most satisfied with their jobs. In dreaming, employees use information from the discovery phase to speculate on possible futures, such as what the organization will be like in 5 years. In design, participants find a common vision of how the organization will look in the future and agree on its unique qualities. For the fourth step, participants seek to define the organization's destiny or how to fulfill their dream, and they typically write action plans and develop implementation strategies.

Page Ref: 591

LO: 3

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

112) What are the various structural variables that facilitate innovation?

Answer: Structural variables have been the most studied potential source of innovation. A comprehensive review of the structure-innovation relationship leads to the following conclusions. First, organic structures positively influence innovation. Because they're lower in vertical differentiation, formalization, and centralization, organic organizations facilitate the flexibility, adaptation, and cross-fertilization that make the adoption of innovations easier. Second, long tenure in management is associated with innovation. Managerial tenure apparently provides legitimacy and knowledge of how to accomplish tasks and obtain desired outcomes. Third, innovation is nurtured when there are slack resources. Having an abundance of resources allows an organization to afford to purchase innovations, bear the cost of instituting them, and absorb failures. Finally, interunit communication is high in innovative organizations. These organizations are high users of committees, task forces, cross-functional teams, and other mechanisms that facilitate interaction across departmental lines.

Page Ref: 592-593

LO: 4

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Explain how to manage resistance to change

113) Compare and contrast the AI strategy for managing change with the double-loop learning organization focused on creating change. How are they similar and different?

Answer: Appreciative inquiry (AI) accentuates the positive. Rather than looking for problems to fix, it seeks to identify the unique qualities and special strengths of an organization, which members can build on to improve performance. That is, AI focuses on an organization's successes rather than its problems. The AI process consists of four steps, discovery, dreaming, design, and destiny, often played out in a large-group meeting over a 2- or 3-day time period and overseen by a trained change agent. Discovery sets out to identify what people think are the organization's strengths. Employees recount times they felt the organization worked best or when they specifically felt most satisfied with their jobs. In dreaming, employees use information from the discovery phase to speculate on possible futures, such as what the organization will be like in 5 years. In design, participants find a common vision of how the organization will look in the future and agree on its unique qualities. For the fourth step, participants seek to define the organization's destiny or how to fulfill their dream, and they typically write action plans and develop implementation strategies.

In double-loop learning, organizations correct errors by modifying objectives, policies, and standard routines. Double-loop learning challenges deeply rooted assumptions and norms. It provides opportunities for radically different solutions to problems and dramatic jumps in improvement. It's one in which people put aside their old ways of thinking, learn to be open with each other, understand how their organization really works, form a plan or vision everyone can agree on, and work together to achieve that vision.

AI and double-loop learning are similar in that they both have management's support for explicit, positive change. Although AI doesn't necessarily flatten the organization's structure, it reaches out to all levels of the organization for ideas, creating a team-like structure which is characteristic of the double-loop learning organization. However, double-loop learning creates a more innovative culture and rewards failures, where as with AI, although all suggestions are listened to, it is up to management which ideas actually get implemented.

Page Ref: 591, 594

LO: 3, 4

AACSB: Analytic Skills

Difficulty: Moderate

Quest. Category: Synthesis

Learning Outcome: Explain how to manage resistance to change

114) Describe the organizational factors that create stress and discuss how they compare to the factors of resistance to change. How are they similar and different? Are the methods for managing change useful for managing stress caused by organizational factors?

Answer: Pressures to avoid errors or complete tasks in a limited time, work overload, a demanding and insensitive boss, and unpleasant co-workers are examples of organizational factors that cause stress. These factors are based on task, role, and interpersonal demands. Task demands relate to a person's job. They include the design of the job (its degrees of autonomy, task variety, degree of automation), working conditions, and the physical work layout. Role demands relate to pressures placed on a person as a function of the particular role he or she plays in the organization. Role conflicts create expectations that may be hard to reconcile or satisfy. Role overload occurs when the employee is expected to do more than time permits. Interpersonal demands are pressures created by other employees. Lack of social support from colleagues and poor interpersonal relationships can cause stress, especially among employees with a high social need. A rapidly growing body of research has also shown that negative co-worker and supervisor behaviors, including fights, bullying, incivility, racial harassment, and sexual harassment, are especially strongly related to stress at work.

Organizational change is threatening to people and they often resist. Employees latch onto whatever data they can find that suggests they are okay and don't need to change, because change causes stress. Employees who have negative feelings about a change cope by not thinking about it, increasing their use of sick time, and quitting. However, resistance to change, like stress, can be a positive factor. Stress is positive as it can challenge a person and make them rise to an occasion. Resistance to change is positive if it leads to open discussion and debate.

Both change and stress are coped with by education and communication, abundance of resources, and wide social support. Other tactics for handling resistance to change, such as manipulation, would lead to increased stress and do not have a positive affect on stress factors.

Page Ref: 580-581, 598-599

LO: 2, 5

AACSB: Analytic Skills

Difficulty: Moderate

Quest. Category: Synthesis

Learning Outcome: Explain how to manage resistance to change

115) Discuss some of the psychological consequences of stress and describe some of the individual approaches to managing stress.

Answer: Stress can cause dissatisfaction. Job-related stress can cause job-related dissatisfaction. Other psychological states include tension, anxiety, irritability, boredom, and procrastination. Jobs that make multiple and conflicting demands or that lack clarity about the incumbent's duties, authority, and responsibilities increase both stress and dissatisfaction. Similarly, the less control people have over the pace of their work, the greater the stress and dissatisfaction. Although more research is needed to clarify the relationship, jobs that provide a low level of variety, significance, autonomy, feedback, and identity appear to create stress and reduce satisfaction and involvement in the job. Not everyone reacts to autonomy in the same way, however. For those who have an external locus of control, increased job control increases the tendency to experience stress and exhaustion.

Individual strategies that have proven effective include implementing time management techniques, increasing physical exercise, relaxation training, and expanding the social support network. An understanding and utilization of basic time management principles can help individuals better cope with tensions created by job demands. A few of the best-known time-management principles are (1) making daily lists of activities to be accomplished, (2) prioritizing activities by importance and urgency, (3) scheduling activities according to the priorities set, and (4) knowing your daily cycle and handling the most demanding parts of your job when you are most alert and productive. Physicians have recommended noncompetitive physical exercise, such as aerobics, walking, jogging, swimming, and riding a bicycle, as a way to deal with excessive stress levels. Individuals can teach themselves to reduce tension through relaxation techniques such as meditation, hypnosis, and biofeedback. Talking with friends, family, or work colleagues provides an outlet when stress levels become excessive. Expanding your social support network provides someone to hear your problems and offer a more objective perspective on the situation than your own.

Page Ref: 601-607

LO: 6, 7

AACSB: Analytic Skills

Difficulty: Moderate

Quest. Category: Synthesis

Learning Outcome: Discuss the effects of stress in the workplace and methods of stress management

116) Compare and contrast challenge stressors and hindrance stressors.

Answer: Recently, researchers have argued that challenge stressors — or stressors associated with workload, pressure to complete tasks, and time urgency — operate quite differently from hindrance stressors — or stressors that keep you from reaching your goals (for example, red tape, office politics, confusion over job responsibilities). Although research is just starting to accumulate, early evidence suggests challenge stressors produce less strain than hindrance stressors. A meta-analysis of responses from more than 35,000 individuals showed role ambiguity, role conflict, role overload, job insecurity, environmental uncertainty, and situational constraints were all consistently negatively related to job performance. There is also evidence that challenge stress improves job performance in a supportive work environment, whereas hindrance stress reduces job performance in all work environments.

Page Ref: 596, 602

LO: 5, 6

AACSB: Analytic Skills

Difficulty: Moderate

Quest. Category: Synthesis

Learning Outcome: Discuss the effects of stress in the workplace and methods of stress management

117) Discuss the various individual approaches toward managing stress.

Answer: The various individual approaches toward managing stress are:

- a) Time-management techniques: An understanding and utilization of basic time-management principles can help individuals better cope with tensions created by job demands. A few of the best-known time-management principles are (1) making daily lists of activities to be accomplished, (2) prioritizing activities by importance and urgency, (3) scheduling activities according to the priorities set, and (4) knowing your daily cycle and handling the most demanding parts of your job when you are most alert and productive.
- b) Physical exercise: Physicians have recommended noncompetitive physical exercise, such as aerobics, walking, jogging, swimming, and riding a bicycle, as a way to deal with excessive stress levels.
- c) Relaxation techniques: Individuals can teach themselves to reduce tension through relaxation techniques such as meditation, hypnosis, and biofeedback.
- d) Social support network: Expanding your social support network provides someone to hear your problems and offer a more objective perspective on the situation than your own.

Page Ref: 603, 604

LO: 7

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Discuss the effects of stress in the workplace and methods of stress management

118) What are the various organizational approaches toward managing stress?

Answer: Several factors that cause stress—particularly task and role demands—are controlled by management and thus can be modified or changed. The various organizational approaches toward managing stress are:

- a) Selection and placement: Certain jobs are more stressful than others but, as already noted, individuals differ in their response to stressful situations. We know individuals with little experience or an external locus of control tend to be more prone to stress. Selection and placement decisions should take these facts into consideration.
- b) Goal setting: Individuals perform better when they have specific and challenging goals and receive feedback on their progress toward these goals. Goals can reduce stress as well as provide motivation. Employees who are highly committed to their goals and see purpose in their jobs experience less stress because they are more likely to perceive stressors as challenges rather than hindrances.
- c) Redesigning jobs: Redesigning jobs to give employees more responsibility, more meaningful work, more autonomy, and increased feedback can reduce stress because these factors give employees greater control over work activities and lessen dependence on others.
- d) Increasing employee involvement: Role stress is detrimental to a large extent because employees feel uncertain about goals, expectations, how they'll be evaluated, and the like. By giving these employees a voice in the decisions that directly affect their job performance, management can increase employee control and reduce role stress.
- e) Organizational communication: Increasing formal organizational communication with employees reduces uncertainty by lessening role ambiguity and role conflict. Given the importance that perceptions play in moderating the stress-response relationship, management can also use effective communications as a means to shape employee perceptions.

Page Ref: 604-605

LO: 7

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Discuss the effects of stress in the workplace and methods of stress management