

Organizational Behavior, 15e (Robbins/Judge)
Chapter 16 Organizational Culture

1) Manuel is a manager for a manufacturing company in which managers are expected to fully document all decisions, and it is important to provide detailed data to support any recommendations. Also, out-of-the-box thinking is dissuaded. Which characteristic of organizational culture describes this aspect of Manuel's job?

- A) low team orientation
- B) high aggressiveness
- C) low risk taking
- D) low outcome orientation
- E) high people orientation

Answer: C

Explanation: C) Innovation and risk taking describes the degree to which employees are encouraged to be innovative and take risks. Manuel's company wants full research and documentation and seems reluctant to take risks and is a low risk-taking culture.

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AACSB: Analytic Skills

Difficulty: Hard

Quest. Category: Application

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

2) Danny's boss is apathetic to whether Danny works at home, at the office, or from his beach house. All he cares about is that the project is completed on time, on budget, and with exemplary quality. Which characteristic of organizational culture describes this aspect of Danny's job?

- A) low risk taking
- B) high outcome orientation
- C) high attention to detail
- D) low aggressiveness
- E) high stability

Answer: B

Explanation: B) Outcome orientation is the organizational culture characteristic that describes the degree to which management focuses on results or outcomes rather than on the techniques and processes used to achieve them. Danny's boss has a high focus on outcome.

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AACSB: Analytic Skills

Difficulty: Hard

Quest. Category: Application

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

3) Which of the following characteristics of an organization's culture indicates the degree to which management decisions take into consideration the effect of outcomes on employees within the organization?

- A) attention to detail
- B) outcome orientation
- C) team orientation
- D) people orientation
- E) stability

Answer: D

Explanation: D) People orientation indicates the degree to which management decisions take into consideration the effect of outcomes on people within the organization.

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Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

4) "Stability" is one of the seven primary characteristics that captures the essence of an organization's culture. It indicates the degree to which _____.

- A) employees are encouraged to be innovative and take risks
- B) management focuses on results or outcomes rather than on the techniques and processes used to achieve them
- C) management decisions take into consideration the effect of outcomes on people within the organization
- D) work activities are organized around teams rather than individuals
- E) organizational activities emphasize maintaining the status quo in contrast to growth

Answer: E

Explanation: E) Stability indicates the degree to which organizational activities emphasize maintaining the status quo in contrast to growth.

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Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

5) The key characteristic of organizational culture that addresses the degree to which people are competitive rather than easygoing is termed _____.

- A) assertiveness
- B) team orientation
- C) aversiveness
- D) risk taking
- E) aggressiveness

Answer: E

Explanation: E) Aggressiveness describes the degree to which people are aggressive and competitive rather than easygoing.

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Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

6) Which of the following statements best describes the difference between organizational culture and job satisfaction?

- A) Job satisfaction depends upon the level of "power distance" in the country but organizational culture does not.
- B) Organizational culture is static, whereas job satisfaction is dynamic.
- C) Job satisfaction is immeasurable, whereas organizational culture is measurable.
- D) Organizational culture is descriptive, whereas job satisfaction is evaluative.
- E) Job satisfaction depends on the structure of the organization but organizational culture does not.

Answer: D

Explanation: D) The concept of organizational culture is concerned with how employees perceive the characteristics of an organization's culture, not whether they like them, and is therefore a descriptive term. On the other hand, the concept of job satisfaction seeks to measure how employees feel about the organization's expectations, reward practices and therefore is an evaluative term.

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7) Porco Rosso, an aircraft manufacturer with a strong presence in the United States, is looking to expand its market overseas. The firm currently sells its aircraft to several airlines in the United Kingdom, but now wants to establish manufacturing units there as well in order to acquire a bigger share in the European market. Hence, it plans to merge with QueenAir, a British aircraft manufacturer. Which of the following, if true, would weaken the company's decision to merge with QueenAir?

- A) Merging with QueenAir would increase its profits considerably.
- B) There is increasing economic uncertainty in its U.S. market.
- C) The preferences of airline customers in Europe and the U.S. are similar.
- D) There is a striking difference in the organizational cultures of the two firms.
- E) A competitor in the U.S. market recently went out of business.

Answer: D

Explanation: D) As merging with QueenAir would increase the firm's profits, it strengthens the firm's decision. So does the economic uncertainty in the U.S. market and the customers' preferences. The fact that a competitor in the U.S. market recently went out of business, is irrelevant. As the two merging firms have different organizational cultures, it may lead to various problems in the future. Hence, it weakens the firm's decision.

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AACSB: Reflective Thinking

Difficulty: Hard

Quest. Category: Critical Thinking

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

8) Which of the following statements is true regarding an organization's culture?

- A) Organizational culture is evaluative rather than descriptive.
- B) Large organizations rarely have subcultures.
- C) A dominant culture expresses the core values shared by a majority of the organization's members.
- D) A strong culture reduces employee satisfaction and increases employee turnover.
- E) Subcultures and dominant cultures do not share any common values.

Answer: C

Explanation: C) Organizational culture is descriptive. Most large organizations have a dominant culture and numerous subcultures. A dominant culture expresses the core values shared by a majority of the organization's members. A strong culture should reduce employee turnover, because it demonstrates high agreement about what the organization represents.

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Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

9) Cultures that tend to develop in large organizations to reflect common problems or experiences faced by the members in the same department or location are often called _____.

- A) micro-cultures
- B) subcultures
- C) divisional cultures
- D) microcosms
- E) countercultures

Answer: B

Explanation: B) Subcultures tend to develop in large organizations to reflect common problems, situations, or experiences faced by groups of members in the same department or location. The purchasing department can have a subculture that includes the core values of the dominant culture plus additional values unique to members of the purchasing department.

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Difficulty: Easy

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10) Jean works for Fahrenheit Publishing which is a publisher of scientific journals. The company is dominated by low risk taking and high attention to detail. Jean's department is committed to high team orientation and provides many team-building activities in which Jean and other department members work together and socialize. Which of the following statements best describes Jean's department?

- A) Jean's department is an example of a primary microcosm.
- B) Jean's department's culture is stronger than the dominant culture in the organization.
- C) Jean's department has developed a subculture.
- D) Jean's department's culture is undefined.
- E) Jean's department's culture has low stability.

Answer: C

Explanation: C) Jean's department has developed a subculture that reflects the common situations or experiences faced by group members in the same department or location. It includes the core values of the dominant culture plus additional team values unique to members of the department.

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AACSB: Analytic Skills

Difficulty: Hard

Quest. Category: Application

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

11) _____ are indicators of a strong organizational culture.

- A) High levels of dissension
- B) High rates of employee turnover
- C) Completely horizontal organizational charts
- D) Narrowly defined roles
- E) Widely shared values

Answer: E

Explanation: E) In a strong culture, the organization's core values are both intensely held and widely shared. The more members who accept the core values and the greater their commitment, the stronger the culture and the greater its influence on member behavior because the high degree of sharedness and intensity creates an internal climate of high behavioral control.

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Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

12) The primary or dominant values that are accepted throughout the organization are known as _____.

- A) foundational traits
- B) core values
- C) shared values
- D) institutional traits
- E) unique values

Answer: B

Explanation: B) The dominant culture includes the core values; the primary or dominant values that are accepted throughout the organization.

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Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

13) Which of the following is most likely to result from a strong organizational culture?

- A) low employee turnover
- B) low employee satisfaction
- C) low organizational commitment
- D) high absenteeism
- E) low behavioral control resulting from the climate within the organization

Answer: A

Explanation: A) A strong culture should reduce employee turnover, because it demonstrates high agreement about what the organization represents. Such unanimity of purpose builds cohesiveness, loyalty, and organizational commitment. These qualities, in turn, lessen employees' propensity to leave.

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Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

14) A strong culture should reduce employee turnover, because it results in _____.

- A) a highly centralized organization
- B) narrow spans of control
- C) cohesiveness and organizational commitment
- D) a highly formalized organization
- E) an outcome-oriented organization

Answer: C

Explanation: C) A strong culture should reduce employee turnover, because it demonstrates high agreement about what the organization represents. Such unanimity of purpose builds cohesiveness, loyalty, and organizational commitment. These qualities, in turn, lessen employees' propensity to leave.

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Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

15) A strong culture can act as a substitute for which of the following?

- A) institutionalization
- B) formalization
- C) socialization
- D) centralization
- E) social support

Answer: B

Explanation: B) Formalization and culture can be viewed as two different roads to a common destination.

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Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

16) A culture that expresses the core values that are shared by a majority of the organization's members is known as a(n) _____ culture.

- A) dominant
- B) primary
- C) fundamental
- D) unique
- E) essential

Answer: A

Explanation: A) A dominant culture is a culture that expresses the core values that are shared by a majority of the organization's members.

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Difficulty: Easy

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Learning Outcome: Describe best practices for creating and sustaining organizational cultures

Rogue Vogue Corp. is an apparel company. To keep up with the latest changes in the fashion industry, the company has to come up with innovative designs and follow strict timelines. The culture of the company values aggressiveness, innovation, and risk taking. The members of the organization accept these cultural values. They know exactly what is expected of them and these expectations go a long way in shaping their behavior. In addition to this, the culture of the marketing department is outcome oriented and the finance department emphasizes attention to detail.

17) The organizational culture of Rogue Vogue Corp. is an example of a(n) _____.

- A) autocratic culture
- B) subculture
- C) highly formalized culture
- D) reflective culture
- E) dominant culture

Answer: E

Explanation: E) A dominant culture expresses the core values shared by a majority of the organization's members.

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AACSB: Analytic Skills

Difficulty: Hard

Quest. Category: Application

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

18) Aggressiveness, innovation, and risk taking are called the _____ of the culture at the Rogue Vogue Corp.

- A) foundational values
- B) institutional traits
- C) core values
- D) significant traits
- E) unique values

Answer: C

Explanation: C) The dominant culture includes the core values, the primary or dominant values that are accepted throughout the organization. In this example, aggressiveness, innovation, and risk taking are the core values of the organizational culture.

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Learning Outcome: Describe best practices for creating and sustaining organizational cultures

19) In addition to the organizational culture, the finance department emphasizes attention to detail. In this example, attention to detail is a part of the _____ of the organization.

- A) core values
- B) significant traits
- C) dominant culture
- D) foundational values
- E) subculture

Answer: E

Explanation: E) Subcultures tend to develop in large organizations to reflect common problems, situations, or experiences faced by groups of members in the same department or location. Subculture includes the core values of the dominant culture plus additional values unique to members of the respective department.

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20) Based on the information in the example, we can say that Rogue Vogue _____.

- A) is a highly decentralized organization
- B) is a virtual organization
- C) has a strong culture
- D) is a boundaryless organization
- E) is a matrix organization

Answer: C

Explanation: C) Based on the information in the example, we can say that Rogue Vogue has a strong culture. In a strong culture, the organization's core values are both intensely held and widely shared. The more members who accept the core values and the greater their commitment, the stronger the culture and the greater its influence on member behavior. If an organization has a strong culture then the members of the organization know exactly what is expected of them, and these expectations go a long way in shaping their behavior.

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Quest. Category: Application

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

21) Which of the following statements is true regarding the functions of culture in an organization?

- A) It hinders the generation of commitment to something larger than individual self-interest among employees.
- B) It conveys a sense of identity for organization members.
- C) It reduces the stability of the organizational system.
- D) It reduces distinctions between one organization and others.
- E) It does not affect employees' attitudes and behavior.

Answer: B

Explanation: B) Culture facilitates the generation of commitment to something larger than individual self-interest. It conveys a sense of identity for organization members. Culture has a boundary-defining role: it creates distinctions between one organization and others. It is a sense-making and control mechanism that guides and shapes employees' attitudes and behavior.

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Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

22) When formal authority and control systems are reduced, the _____ provided by a strong culture ensures that everyone is pointed in the same direction.

- A) rules and regulations
- B) shared meaning
- C) rituals
- D) socialization
- E) rigid hierarchy

Answer: B

Explanation: B) Today's trend toward decentralized organizations makes culture more important than ever. When formal authority and control systems are reduced, culture's shared meaning points everyone in the same direction.

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Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

23) In _____ organizations, the lack of frequent face-to-face contact makes establishing a common set of norms very difficult.

- A) highly formalized
- B) boundaryless
- C) virtual
- D) matrix
- E) highly centralized

Answer: C

Explanation: C) In virtual organizations, the lack of frequent face-to-face contact makes establishing a common set of norms very difficult.

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Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

24) Which of the following statements is true regarding the establishment of the organizational culture and its effects on the organization?

- A) Today's trend toward decentralized organizations makes it is easier to establish a strong culture.
- B) In a virtual organization a strong culture can be established quickly and easily.
- C) Employees organized in teams always show greater allegiance to the values of the organization as a whole than to their team and its values.
- D) Culture acts as a control mechanism and guides the behavior of employees.
- E) Cultures reduce the stability of the social system in an organization.

Answer: D

Explanation: D) Today's trend toward decentralized organization makes establishing a strong culture more difficult. In virtual organizations, the lack of frequent face-to-face contact makes establishing a common set of norms very difficult. When formal authority and control systems are reduced, culture's shared meaning points everyone in the same direction. However, employees organized in teams may show greater allegiance to their team and its values than to the values of the organization as a whole. Culture enhances the stability of the social system and acts as a control mechanism that guides and shapes employees' attitudes and behavior.

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Difficulty: Hard

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

25) _____ refers to the shared perceptions organizational members have about their organization and work environment.

- A) Organizational climate
- B) Institutionalization
- C) Microcosm
- D) Groupthink
- E) Organizational apprehension

Answer: A

Explanation: A) Organizational climate refers to the shared perceptions organizational members have about their organization and work environment. This aspect of culture is like team spirit at the organizational level.

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Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

26) Grace works for a pet store where everyone is committed to the happiness of the animals. Often employees, bosses, and hourly workers alike, come into the store "off the clock" and spend time training the animals. Everyone loves the store, the animals, and their jobs. This attitude of her co-workers inspires Grace to do her best. Based on this information, we can say that Grace is experiencing the effects of _____.

- A) decentralization
- B) organizational climate
- C) high departmentalization
- D) low formalization
- E) high work specialization

Answer: B

Explanation: B) Organizational climate refers to the shared perceptions organizational members have about their organization and work environment. This aspect of culture is like team spirit at the organizational level.

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AACSB: Analytic Skills

Difficulty: Hard

Quest. Category: Application

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

27) A(n) _____ organization is an organization that takes on a life of its own, apart from its founders or members and is valued for itself and not for the goods or services it produces.

- A) virtual
- B) matrix
- C) boundaryless
- D) institutionalized
- E) centralized

Answer: D

Explanation: D) An institutionalized organization is an organization that takes on a life of its own, apart from its founders or members and is valued for itself and not for the goods or services it produces.

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Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

28) Culture is most likely to be a liability when _____.

- A) the employees of the organization are highly skilled
- B) the organization's environment is dynamic
- C) the organization's management is highly efficient
- D) the organization is highly centralized
- E) the organization scores low on the degree of formalization

Answer: B

Explanation: B) Culture is a liability when the shared values are not in agreement with those that further the organization's effectiveness. This is most likely when an organization's environment is dynamic and is undergoing rapid change. In this case, its entrenched culture may no longer be appropriate.

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Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

29) Rainbow Corp. hires a new secretary, Polonova, who differs from the vast majority of the company's employees in terms of her ethnicity. The company has a collectivist culture with a culturally diverse workforce and several policies to support the minorities. Yet after a few weeks, she quits the company. Which of the following, if true, helps explain why she quit?

- A) Rainbow Corp. recently had a huge turnover and plans to expand its market.
- B) All secretaries, regardless of their gender, are paid equal salaries at Rainbow Corp.
- C) Polonova is gregarious and comfortable in changing contexts and ambiguous situations.
- D) Polonova has a strong sense of personal ambition and independence.
- E) Polonova is more likely to conform to others' ideas and opinions rather than come up with her own.

Answer: D

Explanation: D) Hiring new employees who differ from the majority in race, age, gender, disability, or other characteristics creates a paradox: management wants to demonstrate support for the differences these employees bring to the workplace, but newcomers who wish to fit in must accept the organization's core cultural values. In this case, Polonova couldn't accept the organization's collectivist culture due to her individualistic nature and hence quit. All other options are either irrelevant or add to the seeming paradox. If all secretaries were paid equal salaries, then it offers no grounds for Polonova to quit.

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AACSB: Reflective Thinking

Difficulty: Hard

Quest. Category: Critical Thinking

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

30) The ultimate source of an organization's culture is _____.

- A) its top management
- B) its environment
- C) the country in which the organization operates
- D) its founders
- E) the sociocultural backgrounds of its employees

Answer: D

Explanation: D) An organization's customs, traditions, and general way of doing things are largely due to what it has done before and how successful it was in doing it. Because of this, the ultimate source of an organization's culture tends to be its founders.

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Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

31) The _____ process helps candidates learn about the organization, and if employees perceive a conflict between their values and those of the organization, they can remove themselves from the applicant pool.

- A) orientation
- B) training
- C) performance evaluation
- D) selection
- E) institutionalization

Answer: D

Explanation: D) Selection is a two-way street, allowing employer or applicant to avoid a mismatch and sustaining an organization's culture by selecting out those who might attack or undermine its core values.

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Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

32) Stacy's, a chain of discount stores in Washington, employs thousands of people and pays most of them at the minimum wage rate. Following a federally mandated increase of the minimum wage rate, Stacy's operating costs increased considerably. Yet, the chain's profits increased markedly. Which of the following, if true, helps explain this situation?

- A) Stacy's plans to expand its market by opening stores in the states of Oregon, Idaho and Nevada.
- B) Recently, two new competitors entered the market.
- C) Stacy's operating costs, other than wages, increased substantially after the increase in the minimum wage rate went into effect.
- D) Over half of Stacy's operating costs consist of payroll expenditures; yet only a small percentage of those expenditures go to pay management salaries.
- E) Stacy's customer base is made up primarily of people who earn a minimum wage or who depend on the earnings of others who earn a minimum wage.

Answer: E

Explanation: E) As Stacy's customer base is made up primarily of people who earn a minimum wage or who depend on the earnings of others who earn a minimum wage, it clearly shows how the wage increase might have led to an increase in the retailer's sales. If over half of Stacy's operating costs consist of payroll expenditures, yet only a small percentage of those expenditures go to pay management salaries, then this suggests that the wages that rose as a result of the mandated increase constituted a significant proportion of Stacy's expenditures, which if anything adds to the seeming paradox. The fact that Stacy's operating costs, other than wages, increased substantially after the increase in the minimum wage rate went into effect indicates that along with increases in the minimum wage there were increases in the retailer's operating costs. If two new competitors entered the market, Stacy's should've suffered losses; instead it made profits. The other options are mere facts with no relevance.

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AACSB: Reflective Thinking

Difficulty: Hard

Quest. Category: Critical Thinking

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

33) The selection process helps sustain the organization's culture by _____.

- A) establishing and enforcing norms
- B) hiring candidates who fit well within the organization
- C) socializing the new employees
- D) developing performance evaluation criteria
- E) rewarding conformity

Answer: B

Explanation: B) The selection process helps sustain the organization's culture by hiring candidates who fit well within the organization. Selection also provides information to applicants. Those who perceive a conflict between their values and those of the organization can remove themselves from the applicant pool.

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Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

34) Top management has a major impact on the organization's culture by _____.

- A) establishing norms that filter down through the organization
- B) ensuring a proper match of personal and organizational values
- C) socializing new applicants in the pre-hiring phase
- D) providing a framework for metamorphosis of new hires
- E) properly rewarding employees' initiatives

Answer: A

Explanation: A) The actions of top management also have a major impact on the organization's culture. Through words and behavior, senior executives establish norms that filter through the organization about, for instance, whether risk taking is desirable, how much freedom managers should give employees, what is appropriate dress, and what actions pay off in terms of pay raises, promotions, and other rewards.

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Difficulty: Moderate

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Learning Outcome: Describe best practices for creating and sustaining organizational cultures

35) _____ is a process that helps new employees adapt to the prevailing organizational culture.

- A) Satisficing
- B) Reciprocal interdependence
- C) Socialization
- D) Formalization
- E) Social loafing

Answer: C

Explanation: C) No matter how good a job the organization does in recruiting and selection, new employees are not fully indoctrinated in the organization's culture and can disrupt beliefs and customs already in place. The process that helps new employees adapt to the prevailing culture is socialization.

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Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

36) The process of socialization consists of three stages. Which of the following is one of these three stages?

- A) metamorphosis
- B) preencounter
- C) evaluation
- D) post-arrival
- E) post-encounter

Answer: A

Explanation: A) We can think of socialization as a process with three stages: prearrival, encounter, and metamorphosis. This process has an impact on the new employee's work productivity, commitment to the organization's objectives, and eventual decision to stay with the organization.

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Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

37) Identify the correct order of stages in the socialization process.

- A) encounter, metamorphosis, post-encounter
- B) prearrival, arrival, evaluation
- C) prearrival, arrival, post-arrival
- D) prearrival, encounter, metamorphosis
- E) metamorphosis, preencounter, arrival

Answer: D

Explanation: D) We can think of socialization as a process with three stages: prearrival, encounter, and metamorphosis.

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Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

38) The _____ stage of the socialization process explicitly recognizes that each individual the organization comes across during the selection process has a set of values, attitudes, and expectations about both the work to be done and the organization.

A) post-encounter

B) prearrival

C) metamorphosis

D) preencounter

E) post-arrival

Answer: B

Explanation: B) The prearrival stage explicitly recognizes that each individual arrives with a set of values, attitudes, and expectations about both the work to be done and the organization.

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Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

39) During the _____ stage, a new employee compares her expectations with the realities in the organization.

A) prearrival

B) encounter

C) metamorphosis

D) post-arrival

E) post-encounter

Answer: B

Explanation: B) On entry into the organization, the new member enters the encounter stage and confronts the possibility that expectations, about the job, co-workers, the boss, and the organization in general, may differ from reality.

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Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

40) If there is a basic conflict between the individual's expectations and the reality of working in an organization, the employee is most likely to be disillusioned and quit during the _____ stage of socialization.

- A) prearrival
- B) post-arrival
- C) encounter
- D) metamorphosis
- E) post-encounter

Answer: C

Explanation: C) On entry into the organization, the new member enters the encounter stage and confronts the possibility that expectations, about the job, co-workers, the boss, and the organization in general, may differ from reality. If there occurs a mismatch between the expectations of the new member and the reality then the new member may become disillusioned enough with the reality to resign.

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Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

41) Higgins has recently joined a new law firm expecting to participate in exciting environmental law cases and cutting edge research. After one month at the firm, he still hasn't been assigned a case and spends most of his time filing standardized appeals for title disputes with insurance companies. In which stage of the socialization process is Higgins?

- A) prearrival
- B) encounter
- C) metamorphosis
- D) post-encounter
- E) post-arrival

Answer: B

Explanation: B) On entry into the organization, the new member enters the encounter stage and confronts the possibility that expectations, about the job, co-workers, the boss, and the organization in general, may differ from reality. Higgins is in the encounter stage.

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AACSB: Analytic Skills

Difficulty: Hard

Quest. Category: Application

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

42) During the socialization process, to work out any problems discovered during the encounter stage, the new member changes or goes through the _____ stage.

- A) post-arrival
- B) metamorphosis
- C) post-encounter
- D) analysis
- E) evaluation

Answer: B

Explanation: B) During the socialization process, to work out any problems discovered during the encounter stage, the new member changes or goes through the metamorphosis stage.

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LO: 3

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

43) Which of the following statements is true regarding random socialization?

- A) Random socialization tries to strip away certain characteristics of the recruit.
- B) Random socialization is carried out per a fixed time schedule.
- C) In random socialization, new employees are left on their own to figure things out.
- D) Random socialization involves socializing the newcomers in groups.
- E) Specific orientation and classroom training programs are examples of random socialization.

Answer: C

Explanation: C) In random socialization, role models are deliberately withheld. New employees are left on their own to figure things out.

Page Ref: 522

LO: 3

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

44) Which of the following types of socialization involves putting the new employee directly into the job, with little or no special attention?

- A) investiture socialization
- B) serial socialization
- C) collective socialization
- D) fixed socialization
- E) informal socialization

Answer: E

Explanation: E) Informal socialization involves putting the new employee directly into the job, with little or no special attention.

Page Ref: 522

LO: 3

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

45) _____ socialization assumes that the newcomer's qualities and qualifications are the necessary ingredients for job success, so these qualities and qualifications are confirmed and supported.

- A) Variable
- B) Collective
- C) Serial
- D) Investiture
- E) Formal

Answer: D

Explanation: D) Investiture socialization assumes that the newcomer's qualities and qualifications are the necessary ingredients for job success, so these qualities and qualifications are confirmed and supported.

Page Ref: 522

LO: 3

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

46) Which of the following statements is true about formal socialization?

- A) Formal socialization involves socializing the new members individually.
- B) Specific orientation and training programs are examples of formal socialization.
- C) Apprenticeship and mentoring programs are examples of formal socialization.
- D) Formal socialization lacks a fixed time schedule.
- E) In formal socialization, new employees are left on their own to figure things out.

Answer: B

Explanation: B) The more a new employee is segregated from the ongoing work setting and differentiated in some way to make explicit his or her newcomer's role, the more formal socialization is. Specific orientation and training programs are examples of formal socialization.

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LO: 3

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

47) _____ socialization tries to strip away certain characteristics of the recruit.

- A) Random
- B) Fixed
- C) Collective
- D) Divestiture
- E) Formal

Answer: D

Explanation: D) Divestiture socialization tries to strip away certain characteristics of the recruit. Fraternity and sorority "pledges" go through divestiture socialization to shape them into the proper role.

Page Ref: 522

LO: 3

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

48) Apprenticeship is an example of _____ socialization.

- A) divestiture
- B) variable
- C) serial
- D) informal
- E) investiture

Answer: C

Explanation: C) Serial socialization is characterized by the use of role models who train and encourage the newcomer. Apprenticeship and mentoring programs are examples.

Page Ref: 522

LO: 3

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

49) By the end of the _____ stage of socialization, the new members internalize and accept the norms of the organization and their work group, are confident in their competence, and feel trusted and valued by their peers.

- A) encounter
- B) post-arrival
- C) establishment
- D) metamorphosis
- E) adaptation

Answer: D

Explanation: D) To work out any problems discovered during the encounter stage, the new member changes or goes through the metamorphosis stage. It is the last stage in the three-stage socialization process. At the end of this stage, the new members internalize and accept the norms of the organization and their work group, are confident in their competence, and feel trusted and valued by their peers.

Page Ref: 522

LO: 3

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

You are new to an organization and do not really know what to expect about the socialization process. You recently received your MBA and have an undergraduate degree in computer science. Your new firm is a software development company with an emphasis in the healthcare industry. Your hiring process included campus interviews, a daylong trip for an interview at the company, an offer phone call and letter, and some promotional material sent via the mail. When you arrive for your first day at work, you spend half a day in an orientation session that is conducted by the human resources department, where you complete paperwork and receive a company handbook. Then you spend the rest of the day with your supervisor, who gives you a tour, introduces you to your co-workers, and explains your first project. After that, you begin working and getting to know the others in the company. You find that in most respects, your experience fits your expectations, but in some ways you are surprised by realities that you hadn't expected. None of these surprises is too difficult to accept, so you eventually begin to feel at home and happy with your new job.

50) The information that you receive during the interviewing and hiring process is a part of the _____ stage of employee socialization.

- A) preencounter
- B) prearrival
- C) encounter
- D) metamorphosis
- E) post-encounter

Answer: B

Explanation: B) The prearrival stage explicitly recognizes that each individual arrives with a set of values, attitudes, and expectations about both the work to be done and the organization. One way to capitalize on the importance of prehire characteristics in socialization is to use the selection process to inform prospective employees about the organization as a whole.

Page Ref: 521

LO: 3

AACSB: Analytic Skills

Difficulty: Moderate

Quest. Category: Application

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

51) Your first day at work is a part of the _____ stage of socialization.

- A) orientation
- B) prearrival
- C) encounter
- D) metamorphosis
- E) post-encounter

Answer: C

Explanation: C) On entry into the organization, the new member enters the encounter stage and confronts the possibility that expectations about the job, co-workers, the boss, and the organization in general, may differ from reality. If expectations were fairly accurate, the encounter stage merely cements earlier perceptions.

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LO: 3

AACSB: Analytic Skills

Difficulty: Moderate

Quest. Category: Application

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

52) When you begin to notice things that are not as you expected, you are in the _____ stage of socialization.

- A) orientation
- B) prearrival
- C) encounter
- D) metamorphosis
- E) post-arrival

Answer: C

Explanation: C) On entry into the organization, the new member enters the encounter stage and confronts the possibility that expectations, about the job, co-workers, the boss, and the organization in general, may differ from reality.

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LO: 3

AACSB: Analytic Skills

Difficulty: Hard

Quest. Category: Application

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

53) Which of the following steps could your supervisor take to best help you develop a commitment to your new company?

- A) encourage you to work independently at first to learn the ropes
- B) explain the rules and policies of the organization to you
- C) discourage you from putting too much emphasis on your perception of the organization
- D) encourage you to look carefully at your own assumptions, which may be biased
- E) encourage you to develop friendship ties within the organization

Answer: E

Explanation: E) It is important to encourage the newcomer to develop friendship ties in the organization because newcomers are more committed when friends and co-workers help them "learn the ropes."

Page Ref: 521-522

LO: 3

AACSB: Analytic Skills

Difficulty: Hard

Quest. Category: Application

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

54) When you start to accept the differences between your expectations and the reality of the organization, you move into the _____ stage of socialization.

- A) prearrival
- B) post-arrival
- C) acceptance
- D) metamorphosis
- E) post-encounter

Answer: D

Explanation: D) To work out any problems discovered during the encounter stage, the new member changes or goes through the metamorphosis stage.

Page Ref: 522

LO: 3

AACSB: Analytic Skills

Difficulty: Easy

Quest. Category: Application

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

55) Your supervisor provides you a mentor to help you with your work and guide you. This shows that your supervisor is using a(n) _____ socialization technique.

A) divestiture

B) random

C) informal

D) serial

E) variable

Answer: D

Explanation: D) Serial socialization is characterized by the use of role models who train and encourage the newcomer. Apprenticeship and mentoring programs are examples.

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LO: 3

AACSB: Analytic Skills

Difficulty: Moderate

Quest. Category: Application

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

56) _____ typically contain narratives about the organization's founders, rule breaking, or reactions to past mistakes.

A) Stories

B) Material symbols

C) Rituals

D) Organizational charts

E) Corporate chants

Answer: A

Explanation: A) Stories circulate through organizations. They typically contain narratives about the organization's founders, rule breaking, rags-to-riches successes, reductions in the workforce, relocation of employees, reactions to past mistakes, and organizational coping.

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LO: 4

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

57) Bruce is new at Wayne Corp., but after a week he already knows that the founder of the corporation started the business in his garage with only \$4,000 and one client. This information was most likely transmitted to Bruce by way of _____.

- A) stories
- B) material symbols
- C) rituals
- D) organizational charts
- E) corporate chants

Answer: A

Explanation: A) Bruce most likely knows this legend through the passing of stories. Stories circulate through organizations. They typically contain a narrative of events about the organization's founders, rule breaking, rags-to-riches successes, reductions in the workforce, relocation of employees, and organizational coping.

Page Ref: 524

LO: 4

AACSB: Analytic Skills

Difficulty: Moderate

Quest. Category: Application

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

58) Company chants are examples of _____.

- A) rituals
- B) material symbols
- C) stories
- D) company policies
- E) business strategies

Answer: A

Explanation: A) Company chants are examples of rituals. Rituals are repetitive sequences of activities that express and reinforce the key values of the organization — what goals are most important, which people are important, and which people are expendable.

Page Ref: 524

LO: 4

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

59) Company chants are used to _____.

- A) inform employees about changes in rules and policies
- B) transmit company culture to employees
- C) inform employees about latest technologies
- D) communicate company strategies to the employees
- E) update employees regarding performance of the company

Answer: B

Explanation: B) Company chants are used for transmitting company culture to employees.

Page Ref: 524

LO: 4

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

60) Which of the following can act as a common denominator to unite members of a given culture or subculture?

- A) mechanistic organizational structure
- B) 360-degree appraisals
- C) jargons and acronyms that are specific to the organization
- D) bureaucratic organizational structure
- E) narrow span of control

Answer: C

Explanation: C) Many organizations and subunits within them use language to help members identify with the culture, attest to their acceptance of it, and help preserve it. New employees may at first be overwhelmed by acronyms and jargon, that, once assimilated, act as a common denominator to unite members of a given culture or subculture.

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LO: 4

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

61) Alcoa headquarters has few individual offices, even for senior executives. The space is essentially made up of cubicles, common areas, and meeting rooms. This informality conveys to employees that Alcoa values _____.

- A) autocracy
- B) competitiveness
- C) rigidity
- D) equality
- E) formalization

Answer: D

Explanation: D) The informality at the Alcoa headquarters conveys to employees that Alcoa values openness, equality, creativity, and flexibility.

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LO: 4

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

Ask Socrates Inc. is a computer software company that employs highly intelligent, but somewhat unusual people. Every Friday, free lollipops, toys, or other treats are given out to encourage employees to remember how creative they were when they were children. All the new members of the organization are told about the founders who were three young people who "got lucky" and sold a video game that they invented. The employees are allowed to dress informally and can set their own working hours.

62) Which of the following is most likely to be used by Ask Socrates Inc. to inform its new employees about its founders?

- A) stories
- B) material symbols
- C) organizational charts
- D) rituals
- E) corporate chants

Answer: A

Explanation: A) Stories circulate through organizations. They typically contain a narrative of events about the organization's founders, rule breaking, rags-to-riches successes, reductions in the workforce, relocation of employees, reactions to past mistakes, and organizational coping. These stories anchor the present in the past and explain and legitimize current practices.

Page Ref: 524

LO: 4

AACSB: Analytic Skills

Difficulty: Moderate

Quest. Category: Application

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

63) The regular distribution of lollipops, toys, or treats every Friday is an example of a _____ that helps reinforce AskSocrates' culture.

- A) dominant mechanism
- B) ritual
- C) primary process
- D) protective mechanism
- E) fundamental procedure

Answer: B

Explanation: B) Rituals are repetitive sequences of activities that express and reinforce the key values of the organization, what goals are most important, which people are important, and which people are expendable.

Page Ref: 524

LO: 4

AACSB: Analytic Skills

Difficulty: Moderate

Quest. Category: Application

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

64) AskSocrates Inc. employees are allowed to dress informally. This is an example of a _____ through which organizational culture is transmitted.

- A) primary procedure
- B) ritual
- C) material symbol
- D) symbolic act
- E) fundamental mechanism

Answer: C

Explanation: C) Material symbols convey to employees who is important, the degree of egalitarianism top management desires, and the kinds of behavior that are appropriate. A few examples of material symbols include the size of offices, the elegance of furnishings, executive perks, and attire.

Page Ref: 524

LO: 4

AACSB: Analytic Skills

Difficulty: Moderate

Quest. Category: Application

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

65) An organizational culture most likely to shape high ethical standards among its members is one that _____.

- A) is low in risk tolerance
- B) is high in aggressiveness
- C) focuses only on outcomes
- D) takes a short-term perspective
- E) balances the rights of multiple stakeholders

Answer: E

Explanation: E) The organizational culture most likely to shape high ethical standards among its members is one that's high in risk tolerance, low to moderate in aggressiveness, and focused on means as well as outcomes. This type of culture also takes a long-term perspective and balances the rights of multiple stakeholders, including the communities in which the business operates, its employees, and its stockholders.

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LO: 5

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

66) When Mary joins Wayne Enterprises, she is made to sign an agreement including the "non-compete clause" (an agreement where the employee promises not to work for a competing firm for a set period after leaving his or her current employer), as a condition of her employment. Though courts nowadays are increasingly ruling that these agreements are not binding, most competitor firms are unwilling to consider hiring Mary during the period covered by the agreement. Which of the following, if true, explains this situation?

- A) Most people who have signed such agreements are willing to renege on a promise by going to work for a competing firm.
- B) The companies' main source of new employees tends to be people who are already employed by competing firms.
- C) Most companies that require their employees to sign agreements not to compete are aware that these documents are not legally binding.
- D) Most companies will not risk getting involved in lawsuits, even suits that they expect to have a favorable outcome.
- E) Most companies consider their employees' established relationships with clients and other people outside the company to be valuable company assets.

Answer: D

Explanation: D) The fact that most people who have signed such agreements are willing to renege on a promise by going to work for a competing firm is irrelevant as why individuals are not significant but what the employer is. The fact that the companies' main source of new employees tends to be people who are already employed by competing firms weakens the conclusion. The fact that most companies that require their employees to sign agreements not to compete are aware that these documents are not legally binding doesn't address the paradox. As most companies will not risk having to become involved in lawsuits, even suits that they expect to have a favorable outcome, it clearly shows why the employer is unwilling to hire.

Page Ref: 525

LO: 5

AACSB: Reflective Thinking

Difficulty: Hard

Quest. Category: Critical Thinking

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

67) Pam works for a corporation that recently fired three top managers who were caught using the company credit cards to lavishly furnish their offices and even purchase "office" furniture that was found in their personal homes. Which method of maintaining an ethical culture is Pam's company pursuing?

- A) serve as a visible role model
- B) communicate ethical expectations
- C) provide ethical training
- D) visibly punish unethical acts
- E) provide protective mechanisms

Answer: D

Explanation: D) Research suggests managers can have an effect on the ethical behavior of employees by adhering to the following principles: be a visible role model, communicate ethical expectations, provide ethical training, visibly reward ethical acts and punish unethical ones, and provide protective mechanisms. In this example, the company is visibly punishing unethical acts.

Page Ref: 526

LO: 5

AACSB: Analytic Skills

Difficulty: Moderate

Quest. Category: Application

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

68) A positive organizational culture emphasizes _____.

- A) the use of negative reinforcement and punishment
- B) the use of rituals in transmitting organizational culture
- C) individual vitality and growth
- D) the significance of highly centralized management
- E) organizational standardization and institutionalization

Answer: C

Explanation: C) A positive organizational culture emphasizes building on employee strengths, rewards more than it punishes, and emphasizes individual vitality and growth.

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LO: 6

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

69) Larry has an employee who is amazing at clearly seeing rules and enforcing them. He has recently promoted her to the lead position in quality assurance. Which method of creating a positive organizational culture is Larry utilizing?

- A) rewarding more than punishing
- B) building on organization strengths
- C) using standardized practices
- D) building on employee strengths
- E) transmitting organizational culture through rituals

Answer: D

Explanation: D) Larry is building on employee strengths. Because his employee is good at enforcing rules, he is showing her how she can put that strength to use. Although a positive organizational culture does not ignore problems, it does emphasize showing workers how they can capitalize on their strengths.

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LO: 6

AACSB: Analytic Skills

Difficulty: Moderate

Quest. Category: Application

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

70) Patricia is a team leader. When looking at an e-mail from one of her team members, Patricia noticed that the e-mail was sent at nine-thirty in the evening. The next day she personally went to the employee's cubicle and told him how much she appreciated him staying late to get the project to the client on time. Which aspect of creating a positive organizational culture is Patricia utilizing?

- A) rewarding more than punishing
- B) building on organization strengths
- C) emphasizing individual growth
- D) building on employee strengths
- E) providing extrinsic rewards

Answer: A

Explanation: A) Patricia is utilizing rewards, rather than punishment. Most organizations are focused on extrinsic rewards such as pay and promotions, and often forget about the power of smaller rewards such as the praise that Patricia is giving.

Page Ref: 527

LO: 6

AACSB: Analytic Skills

Difficulty: Hard

Quest. Category: Application

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

71) Liz is the lead editor for a small, city newspaper. One of her advertising sales representatives is pulling in a lot of restaurant clients. Liz realizes that the representative is quite knowledgeable about food and speaks quite elegantly when describing different dishes. She has begun discussing with the representative the possibility of collaborating with a writer to include a weekly restaurant review, which includes the representative on the byline. After the first couple of reviews, the representative is able to increase ad sizes and sales. He is very happy with his new job diversification. Which aspect of creating a positive organizational culture is Liz utilizing?

- A) rewarding more than punishing
- B) building on organization strengths
- C) emphasizing individual vitality and growth
- D) creating loose management oversight
- E) using narrow spans of control

Answer: C

Explanation: C) A positive organizational culture emphasizes not only organizational effectiveness but also individuals' growth. No organization will get the best from employees who see themselves as mere cogs in the machine. Liz is helping her employee discover new aspects of his abilities and giving him new career opportunities.

Page Ref: 528

LO: 6

AACSB: Analytic Skills

Difficulty: Moderate

Quest. Category: Application

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

- 72) Organizations that promote a spiritual culture _____.
A) use stories for transmitting the organizational culture to the employees
B) use wide spans of control
C) recognize that people seek to find meaning and purpose in their work
D) de-emphasize community differences within the organization
E) tend to downplay the importance of employee satisfaction

Answer: C

Explanation: C) Workplace spirituality is not about organized religious practices. It's not about God or theology. Workplace spirituality recognizes that people have an inner life that nourishes and is nourished by meaningful work in the context of community. Organizations that promote a spiritual culture recognize that people seek to find meaning and purpose in their work and desire to connect with other human beings as part of a community.

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LO: 7

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

- 73) Which of the following terms refers to the recognition that people have an inner life that nourishes and is nourished by meaningful work that takes place in the context of community?

- A) dominant culture
- B) fundamental mechanism
- C) workplace spirituality
- D) outcome orientation
- E) subculture

Answer: C

Explanation: C) Workplace spirituality refers to the recognition that people have an inner life that nourishes and is nourished by meaningful work that takes place in the context of community.

Page Ref: 529

LO: 7

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

- 74) How can U.S. managers be culturally sensitive?

- A) by indulging in frequent discussions about religion
- B) by discussing politics frequently
- C) by listening more
- D) by speaking quickly
- E) by talking in a high tone of voice

Answer: C

Explanation: C) Some ways in which U.S. managers can be culturally sensitive include talking in a low tone of voice, speaking slowly, listening more, and avoiding discussions of religion and politics.

Page Ref: 532

LO: 8

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

75) All societies are divided into several economic roles. The values of a society are embodied in the people who fill various economic roles. Therefore, the introduction of labor saving technology like automation makes certain economic roles obsolete. This tends to undermine the values in that society. Which of the following can be concluded on the basis of the information above?

- A) If societies are shielded from technological advancement, they will possess unchanging values.
- B) Technology cannot eliminate economic roles in a society whose values are insusceptible to change.
- C) Technology doesn't undermine the values in a social system.
- D) A technologically advanced society will eliminate all values on the prestige associated with an economic role.
- E) A technological innovation that is implemented in a society foreign to the one in which it was developed will tend to undermine the society in which it is developed.

Answer: B

Explanation: B) The argument states that labor-saving technology will undermine the value. Hence, a social system whose values are not susceptible to change would not be one in which technology can eliminate economic roles. The argument doesn't mention anything about general technological advancement. It is a far reach to conclude that a technologically advanced society places little value on the prestige associated with an economic role. The fact that a technological innovation that is implemented in a society foreign to the one in which it was developed will tend to undermine the society in which it is developed, is irrelevant.

Page Ref: 532

LO: 8

AACSB: Reflective Thinking

Difficulty: Hard

Quest. Category: Critical Thinking

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

76) Which of the following statements is true regarding effects of national culture on organizational culture and ethical behavior within organization?

- A) As compared to managers in the United States, managers in developing economies are less likely to see ethical decisions as embedded in a social environment.
- B) Organizations can safely ignore local culture while establishing its operation in another country.
- C) Generally, U.S. managers see bribery, nepotism, and favoring personal contacts as highly unethical.
- D) Organizational cultures rarely reflect national culture.
- E) Most U.S. managers do not view profit maximization as a moral obligation.

Answer: C

Explanation: C) Organizational cultures often reflect national culture and organizations cannot ignore local culture while establishing its operation in another country. As compared to managers in United States, managers in developing economies are more likely to see ethical decisions as embedded in a social environment. U.S. managers endorse the supremacy of anonymous market forces and implicitly or explicitly view profit maximization as a moral obligation for business organizations. This worldview sees bribery, nepotism, and favoring personal contacts as highly unethical.

Page Ref: 532

LO: 8

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

77) Aggressiveness is one of the seven primary characteristics of organizational culture that capture the essence of an organization's culture. It indicates the degree to which employees are encouraged to be innovative and take risks.

Answer: FALSE

Explanation: Aggressiveness indicates the degree to which people are aggressive and competitive rather than easygoing. Innovation and risk taking indicates the degree to which employees are encouraged to be innovative and take risks.

Page Ref: 513

LO: 1

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

78) Attention to detail is a primary characteristic of an organization's culture that indicates the degree to which management focuses on results or outcomes rather than on the techniques and processes used to achieve them.

Answer: FALSE

Explanation: Attention to detail indicates the degree to which employees are expected to exhibit precision, analysis, and attention to detail. Outcome orientation indicates the degree to which management focuses on results or outcomes rather than on the techniques and processes used to achieve them.

Page Ref: 513

LO: 1

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

79) Individuals with different backgrounds or at different levels in the organization will tend to describe the organization's culture in similar terms.

Answer: TRUE

Explanation: Organizational culture represents a common perception the organization's members hold. We should expect, therefore, that individuals with different backgrounds or at different levels in the organization will tend to describe its culture in similar terms.

Page Ref: 514

LO: 1

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

80) Subcultures act to undermine the dominant culture.

Answer: FALSE

Explanation: Subcultures tend to develop in large organizations to reflect common problems, situations, or experiences faced by groups of members in the same department or location. Subcultures include the core values of the dominant culture plus additional values unique to the respective departments.

Page Ref: 514

LO: 1

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

81) A dominant culture expresses the core values a majority of members share and that give the organization its distinct personality.

Answer: TRUE

Explanation: A dominant culture expresses the core values a majority of members share and that give the organization its distinct personality.

Page Ref: 514

LO: 1

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

82) A strong culture tends to reduce employee turnover.

Answer: TRUE

Explanation: A strong culture should reduce employee turnover, because it demonstrates high agreement about what the organization represents.

Page Ref: 515

LO: 1

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

83) The stronger an organization's culture, the more management should be concerned with developing formal rules and regulations to guide employee behavior.

Answer: FALSE

Explanation: The stronger an organization's culture, the less management need be concerned with developing formal rules and regulations to guide employee behavior.

Page Ref: 516

LO: 1

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

84) In virtual organizations, it is difficult to establish a common set of norms.

Answer: TRUE

Explanation: In virtual organizations, the lack of frequent face-to-face contact makes establishing a common set of norms very difficult.

Page Ref: 516

LO: 2

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

85) Culture facilitates commitment to something larger than individual self-interest.

Answer: TRUE

Explanation: Culture facilitates commitment to something larger than individual self-interest.

Page Ref: 516

LO: 2

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

86) A strong culture tends to be a liability for an organization when its environment is undergoing rapid change.

Answer: TRUE

Explanation: Culture is a liability when the shared values are not in agreement with those that further the organization's effectiveness. This is most likely when an organization's environment is undergoing rapid change and its entrenched culture may no longer be appropriate.

Page Ref: 518

LO: 2

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

87) The encounter stage of the socialization process consists of the period of learning that occurs before a new employee joins an organization.

Answer: FALSE

Explanation: On entry into the organization, the new member enters the encounter stage and confronts the possibility that expectations — about the job, co-workers, the boss, and the organization in general — may differ from reality.

Page Ref: 521

LO: 3

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

88) During the metamorphosis stage of the socialization process, a new employee compares her expectations — about the job, co-workers, the boss, and the organization in general — with the reality in the organization.

Answer: FALSE

Explanation: During the encounter stage of the socialization process, a new employee compares her expectations — about the job, co-workers, the boss, and the organization in general — with the reality in the organization. To work out any problems discovered during the encounter stage, the new member changes or goes through the metamorphosis stage.

Page Ref: 522

LO: 3

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

89) Serial socialization is characterized by the use of role models who train and encourage a newcomer.

Answer: TRUE

Explanation: Serial socialization is characterized by the use of role models who train and encourage a newcomer. Apprenticeship and mentoring programs are examples.

Page Ref: 522

LO: 3

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

90) Apprenticeship and mentoring programs are examples of random socialization.

Answer: FALSE

Explanation: Apprenticeship and mentoring programs are examples of serial socialization. Serial socialization is characterized by the use of role models who train and encourage the newcomer.

Page Ref: 522

LO: 3

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

91) Formal socialization involves putting the new employee directly into the job, with little or no special attention.

Answer: FALSE

Explanation: The more a new employee is segregated from the ongoing work setting and differentiated in some way to make explicit his or her newcomer's role, the more formal socialization is. Specific orientation and training programs are examples. Informal socialization puts the new employee directly into the job, with little or no special attention.

Page Ref: 522

LO: 3

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

92) The more management relies on formal, collective, sequential, fixed, and serial socialization programs and emphasize divestiture, the more likely newcomers' differences will be stripped away and replaced by standardized predictable behaviors.

Answer: TRUE

Explanation: The more management relies on formal, collective, sequential, fixed, and serial socialization programs and emphasize divestiture, the more likely newcomers' differences will be stripped away and replaced by standardized predictable behaviors. These institutional practices are common in police departments, fire departments, and other organizations that value rule following and order.

Page Ref: 522

LO: 3

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

93) Material symbols convey to employees the degree of egalitarianism that is desired by top management.

Answer: TRUE

Explanation: Material symbols are what conveys to employees who is important, the degree of egalitarianism top management desires, and the kinds of behavior that are appropriate.

Page Ref: 524

LO: 4

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

94) An organizational culture that encourages its managers to engage in severe competition and discourages them from taking risks and innovating, is most likely to shape high ethical standards among its members.

Answer: FALSE

Explanation: An organizational culture that encourages its managers in taking risks and innovating and discourages them from engaging in unbridled competition, is most likely to shape high ethical standards among its members.

Page Ref: 525

LO: 5

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

95) A positive organizational culture emphasizes building on employee strengths, rewards more than it punishes, and emphasizes individual vitality and growth.

Answer: TRUE

Explanation: A positive organizational culture emphasizes building on employee strengths, rewards more than it punishes, and emphasizes individual vitality and growth.

Page Ref: 527

LO: 6

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

96) Workplace spirituality recognizes that people have an inner life that nourishes and is nourished by meaningful work in the context of community.

Answer: TRUE

Explanation: Workplace spirituality recognizes that people have an inner life that nourishes and is nourished by meaningful work in the context of community. Organizations that promote a spiritual culture recognize that people seek to find meaning and purpose in their work and desire to connect with other human beings as part of a community

Page Ref: 529

LO: 7

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

97) Spiritual organizations discourage flexible thinking and creativity among employees.

Answer: FALSE

Explanation: Spiritual organizations value flexible thinking and creativity among employees.

Page Ref: 531

LO: 7

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

98) Organizational cultures often reflect national cultures.

Answer: TRUE

Explanation: Organizational cultures often reflect national cultures.

Page Ref: 532

LO: 8

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

99) What are the seven primary characteristics that capture the essence of an organization's culture?

Answer: The seven primary characteristics that capture the essence of an organization's culture are:

1. Innovation and risk taking: The degree to which employees are encouraged to be innovative and take risks.
2. Attention to detail: The degree to which employees are expected to exhibit precision, analysis, and attention to detail.
3. Outcome orientation: The degree to which management focuses on results or outcomes rather than on the techniques and processes used to achieve them.
4. People orientation: The degree to which management decisions take into consideration the effect of outcomes on people within the organization.
5. Team orientation: The degree to which work activities are organized around teams rather than individuals.
6. Aggressiveness: The degree to which people are aggressive and competitive rather than easygoing.
7. Stability: The degree to which organizational activities emphasize maintaining the status quo in contrast to growth.

Page Ref: 512-513

LO: 1

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

100) Compare and contrast dominant culture and subculture.

Answer: Organizational culture represents a common perception the organization's members hold. A dominant culture expresses the core values shared by a majority of the organization's members.

Subcultures tend to develop in large organizations to reflect common problems, situations, or experiences faced by groups of members in the same department or location. Subcultures include the core values of the dominant culture plus additional values unique to members of the respective department. If organizations were composed only of numerous subcultures, organizational culture as an independent variable would be significantly less powerful. It is the "shared meaning" aspect of culture that makes it such a potent device for guiding and shaping behavior.

Page Ref: 514

LO: 1

AACSB: Analytic Skills

Difficulty: Moderate

Quest. Category: Synthesis

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

101) Describe the characteristics of a strong culture.

Answer: Strong cultures have a greater impact on employee behavior and are more directly related to reduced turnover. In a strong culture, the organization's core values are both intensely held and widely shared. The more members who accept the core values and the greater their commitment to those values is, the stronger the culture is. A strong culture will have a great influence on the behavior of its members because the high degree of sharedness and intensity creates an internal climate of high behavioral control. One specific result of a strong culture should be lower employee turnover. A strong culture demonstrates high agreement among members about what the organization stands for. Such unanimity of purpose builds cohesiveness, loyalty, and organizational commitment. These qualities, in turn, lessen employees' propensity to leave the organization.

Page Ref: 514,515

LO: 1

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

102) "Formalization and culture are two different roads to a common destination." Explain the statement.

Answer: High formalization creates predictability, orderliness, and consistency. A strong culture achieves the same end without the need for written documentation. Therefore, we should view formalization and culture as two different roads to a common destination. The stronger an organization's culture, the less management need be concerned with developing formal rules and regulations to guide employee behavior. Those guides will be internalized in employees when they accept the organization's culture.

Page Ref: 515-516

LO: 1

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

103) Explain the concept of organizational climate.

Answer: Organizational climate refers to the shared perceptions organizational members have about their organization and work environment. This aspect of culture is like team spirit at the organizational level. When everyone has the same general feelings about what's important or how well things are working, the effect of these attitudes will be more than the sum of the individual parts. One meta-analysis found that across dozens of different samples, psychological climate was strongly related to individuals' level of job satisfaction, involvement, commitment, and motivation. A positive overall workplace climate has been linked to higher customer satisfaction and financial performance as well.

Page Ref: 516

LO: 2

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

104) Describe the various situations under which culture acts as a liability.

Answer: The various situations under which culture acts as a liability are:

- a) Institutionalization: When an organization undergoes institutionalization and becomes institutionalized — that is, it is valued for itself and not for the goods or services it produces — it takes on a life of its own, apart from its founders or members. It doesn't go out of business even if its original goals are no longer relevant. Acceptable modes of behavior become largely self-evident to members, and although this isn't entirely negative, it does mean behaviors and habits that should be questioned and analyzed become taken for granted, which can stifle innovation and make maintaining the organization's culture an end in itself.
- b) Barriers to change: Culture is a liability when the shared values are not in agreement with those that further the organization's effectiveness. This is most likely when an organization's environment is undergoing rapid change and its entrenched culture may no longer be appropriate
- c) Barriers to diversity: By limiting the range of acceptable values and styles, strong cultures put considerable pressure on employees to conform.
- d) Barriers to acquisitions and mergers: Historically, when management looked at acquisition or merger decisions, the key factors were financial advantage and product synergy. In recent years, cultural compatibility has become the primary concern.

Page Ref: 517-518

LO: 2

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

105) Discuss the difference between strong and weak organizational cultures and discuss the effect that a strong culture can have on an acquisition or merger.

Answer: Strong cultures have a greater impact on employee behavior and are more directly related to reduced turnover. In a strong culture, the organization's core values are both intensely held and widely shared. The more members who accept the core values and the greater their commitment to those values is, the stronger the culture is. A strong culture will have a great influence on the behavior of its members because the high degree of sharedness and intensity creates an internal climate of high behavioral control. One specific result of a strong culture should be lower employee turnover. A strong culture demonstrates high agreement among members about what the organization stands for. Such unanimity of purpose builds cohesiveness, loyalty, and organizational commitment. These qualities, in turn, lessen employees' propensity to leave the organization.

In recent years, cultural compatibility has become the primary concern. All things being equal, whether the acquisition actually works seems to have more to do with how well the two organizations' cultures match up. The primary cause of failure is conflicting organizational cultures, when people simply don't match up. Therefore, when considering an acquisition or merger, management would need to carefully evaluate the cultures of each organization.

Page Ref: 514-515, 518-519

LO: 1, 2

AACSB: Analytic Skills

Difficulty: Moderate

Quest. Category: Synthesis

106) How does organizational culture develop?

Answer: An organization's current customs, traditions, and general way of doing things are largely due to what it has done before and the degree of success it has had with those endeavors. The founders of an organization traditionally have a major impact on that organization's early culture. They have a vision of what the organization should be. The small size that typically characterizes new organizations further facilitates the founders' imposition of their vision on all organizational members. The process of culture-creation occurs in three ways.

- a) First, founders only hire and keep employees who think and feel the way they do.
- b) Second, they indoctrinate and socialize these employees to their way of thinking and feeling.
- c) And finally, the founders' own behavior acts as a role model that encourages employees to identify with them and thereby internalize their beliefs, values, and assumptions.

When the organization succeeds, the founders' vision becomes seen as a primary determinant of that success. At this point, the founders' entire personalities become embedded in the culture of the organization.

Page Ref: 519

LO: 3

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

107) Explain how an institutionalized culture can be a barrier to diversity. Describe how an organization could utilize the three forces at play in sustaining a culture to help create a diverse workforce.

Answer: By limiting the range of acceptable values and styles, strong cultures put considerable pressure on employees to conform. In some instances, a strong culture that condones prejudice can even undermine formal corporate diversity policies. Strong cultures can also be liabilities when they support institutional bias or become insensitive to people who are different.

Hiring new employees who differ from the majority in race, age, gender, disability, or other characteristics creates a paradox: management wants to demonstrate support for the differences these employees bring to the workplace, but newcomers who wish to fit in must accept the organization's core cultural values. Because diverse behaviors and unique strengths are likely to diminish as people attempt to assimilate, strong cultures can become liabilities when they effectively eliminate these advantages.

The explicit goal of the selection process is to identify and hire individuals with the knowledge, skills, and abilities to perform successfully. Taking diversity into consideration at this phase does not have to be antagonistic to the culture. The final decision, because it's significantly influenced by the decision maker's judgment of how well the candidates will fit into the organization, identifies people whose values are essentially consistent with at least a good portion of the organization's. Looking beyond surface level differences at the selection phase will help create a diverse workforce.

Through words and behavior, senior executives establish norms that filter through the organization about, for instance, whether risk taking is desirable, how much freedom managers should give employees, what is appropriate dress, and what actions pay off in terms of pay raises, promotions, and other rewards. Management actions should be inclusive and non-prejudicial to create a diverse and functional culture.

During the metamorphosis stage of socialization management should use institutional practices to encourage person-organization fit and high levels of commitment.

Page Ref: 518, 520-522

LO: 2, 3

AACSB: Analytic Skills

Difficulty: Moderate

Quest. Category: Synthesis

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

108) Explain the primary methods of maintaining an organization's culture.

Answer: Once a culture is in place, there are practices within the organization that act to maintain it by giving employees a set of similar experiences. Three forces play a particularly important part in sustaining a culture: selection practices, the actions of top management, and socialization methods.

a) Selection: Selection can ensure the hiring of people who have values essentially consistent with those of the organization, or at least a good portion of those values. In addition, the selection process provides information to applicants about the organization. Candidates learn about the organization and, if they perceive a conflict between their values and those of the organization, they can self-select themselves out of the applicant pool.

b) Top management: In addition to selection, the actions of top management also have a major impact on the organization's culture. Through what they say and how they behave, senior executives establish norms that filter down through the organization as to whether risk taking is desirable; how much freedom managers should give their employees; what is appropriate dress; what actions will pay off in terms of pay raises, promotions, and other rewards; and the like.

c) Socialization: Finally, no matter how good a job the organization does in recruiting and selection, new employees are not fully indoctrinated in the organization's culture. Because they are unfamiliar with the organization's culture, new employees are potentially likely to disturb the beliefs and customs that are in place. The organization will, therefore, want to help new employees adapt to its culture. This is done through the process of socialization.

Page Ref: 520-521

LO: 3

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

109) Describe the three stages involved in the process of socialization.

Answer: The process that helps new employees adapt to the prevailing culture is socialization. The three stages of socialization are prearrival, encounter, and metamorphosis.

a) The prearrival stage recognizes that each individual arrives with a set of values, attitudes, and expectations. These cover both the work to be done and the organization.

b) Upon entry into the organization, the new member enters the encounter stage. Here, the individual confronts the possible dichotomy between her expectations and reality.

c) Finally, the new member must work out any problems discovered during the encounter stage. This may mean going through changes — hence, this is called the metamorphosis stage.

Page Ref: 521-522

LO: 3

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

110) Explain the difference between investiture socialization and divestiture socialization.

Answer: Investiture socialization assumes that the newcomer's qualities and qualifications are the necessary ingredients for job success, so these qualities and qualifications are confirmed and supported. Divestiture socialization tries to strip away certain characteristics of the recruit. Fraternity and sorority "pledges" go through divestiture socialization to shape them into the proper role.

Page Ref: 522

LO: 2

Difficulty: Easy

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

111) What are the various ways in which the organizational culture can be transmitted to the employees?

Answer: Culture is transmitted to employees in a number of forms, the most potent being stories, rituals, material symbols, and language.

a) Stories: Stories contain a narrative of events about the organization's founders, rule breaking, rags-to-riches successes, reductions in the workforce, relocation of employees, reactions to past mistakes, and organizational coping. These stories anchor the present in the past and provide explanations and legitimacy for current practices.

b) Rituals: Rituals are repetitive sequences of activities that express and reinforce the key values of the organization, what goals are most important, which people are important and which are expendable.

c) Material symbols: The layout of corporate headquarters, the types of automobiles top executives are given, and the presence or absence of corporate aircraft are a few examples of material symbols. These material symbols convey to employees who is important, the degree of egalitarianism desired by top management, and the kinds of behavior that are appropriate.

d) Language: Many organizations and units within organizations use language as a way to identify members of a culture or subculture. By learning this language, members attest to their acceptance of the culture and, in doing so, help to preserve it. Organizations, over time, often develop unique terms to describe equipment, offices, key personnel, suppliers, customers, or products that relate to its business. New employees are frequently overwhelmed with acronyms and jargon, that, once assimilated, acts as a common denominator that unites members of a given culture or subculture.

Page Ref: 524

LO: 4

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

112) What can management do to create a more ethical culture within an organization?

Answer: To create a more ethical culture, management can take a number of steps.

- a) Management can be a visible role model. Employees will look to top management behavior as a benchmark for defining appropriate behavior.
- b) Management can communicate ethical expectations. Ethical ambiguities can be minimized by creating and disseminating an organizational code of ethics. It should state the organization's primary values and the ethical rules that employees are expected to follow.
- c) Management can provide ethical training. Training sessions can be used to reinforce the organization's standards of conduct, to clarify what practices are and are not permissible, and to address possible ethical dilemmas.
- d) Management can visibly reward ethical acts and punish unethical ones. Performance appraisals of managers should include a point-by-point evaluation of how his or her decisions measured against the organization's code of ethics. Appraisals must include the means taken to achieve goals as well as the ends themselves.
- e) Finally, the organization needs to provide formal mechanisms so that employees can discuss ethical dilemmas and report unethical behavior without fear of reprimand. This might include creation of ethical counselors, ombudsmen, or ethical officers.

Page Ref: 526

LO: 5

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

113) Provide examples of how an ethical culture can be transmitted through stories, rituals, and material symbols?

Answer: A company could transmit ethical culture through stories that tell of employees that were punished for unethical acts such as excessive use of company funds or stealing. Ethics could be transferred through rituals that enforce ethical behavior, such as counting or tracking perfect banking accounting and rewarding those employees that never have discrepancies with a ritual of recognition. A manager that maintained a humble work environment would be an example of material symbols that would promote an ethical environment.

Page Ref: 524-527

LO: 4, 5

AACSB: Analytic Skills

Difficulty: Easy

Quest. Category: Synthesis

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

114) Explain the characteristics of a positive organizational culture.

Answer: A positive organizational culture emphasizes building on employee strengths, rewards more than it punishes, and emphasizes individual vitality and growth.

a) Building on employee strengths: Although a positive organizational culture does not ignore problems, it does emphasize showing workers how they can capitalize on their strengths.

b) Rewarding more than punishing: Although most organizations are sufficiently focused on extrinsic rewards such as pay and promotions, they often forget about the power of smaller (and cheaper) rewards such as praise.

c) Emphasizing vitality and growth: No organization will get the best from employees who see themselves as mere cogs in the machine. A positive culture recognizes the difference between a job and a career. It supports not only what the employee contributes to organizational effectiveness but also how the organization can make the employee more effective — personally and professionally.

Page Ref: 527-528

LO: 6

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

115) Compare and contrast an ethical organizational culture and a positive organizational culture. How are they similar and different?

Answer: The organizational culture most likely to shape high ethical standards among its members is one that's high in risk tolerance, low to moderate in aggressiveness, and focused on means as well as outcomes. This type of culture also takes a long-term perspective and balances the rights of multiple stakeholders, including the communities in which the business operates, its employees, and its stockholders. Managers are supported for taking risks and innovating, discouraged from engaging in unbridled competition, and guided to pay attention not just to what goals are achieved but also to how. If the culture is strong and supports high ethical standards, it should have a very powerful and positive influence on employee behavior.

Research suggests managers can have an effect on the ethical behavior of employees by adhering to the following principles: be a visible role model, communicate ethical expectations, provide ethical training, visibly reward ethical acts and punish unethical ones, provide protective mechanisms.

A positive organizational culture emphasizes building on employee strengths, rewards more than it punishes, and emphasizes individual vitality and growth. The steps to create a positive work culture are more focused on the behavior of the employee, whereas the steps to creating an ethical work culture focus more on the behavior and responsibilities of management. They both take a long-term perspective and are concerned with balancing the rights and happiness of the employees and the investors.

Page Ref: 525-529

LO: 5, 6

AACSB: Analytic Skills

Difficulty: Moderate

Quest. Category: Synthesis

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

116) What is workplace spirituality?

Answer: Workplace spirituality recognizes that people have an inner life that nourishes and is nourished by meaningful work in the context of community. Organizations that promote a spiritual culture recognize that people seek to find meaning and purpose in their work and desire to connect with other human beings as part of a community.

Page Ref: 529

LO: 7

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures

117) What are the characteristics of a spiritual organization?

Answer: Several cultural characteristics tend to be evident in spiritual organizations:

a) Benevolence. Spiritual organizations value showing kindness toward others and promoting the happiness of employees and other organizational stakeholders.

b) Strong sense of purpose. Spiritual organizations build their cultures around a meaningful purpose. Although profits may be important, they're not the primary value of the organization.

c) Trust and respect. Spiritual organizations are characterized by mutual trust, honesty, and openness. Employees are treated with esteem and value, consistent with the dignity of each individual.

d) Open-mindedness. Spiritual organizations value flexible thinking and creativity among employees.

Page Ref: 531

LO: 7

Difficulty: Moderate

Quest. Category: Concept

Learning Outcome: Describe best practices for creating and sustaining organizational cultures