

# Leadership and Management Fundamentals

Business Administration · Answer Key · 30 Questions

---

**1. What are the four core activities of management, often referred to by the acronym PLOC?**

- A) Planning, Leading, Organizing, Controlling**
- B) Problem-solving, Listening, Observing, Communicating
- C) Performing, Learning, Optimizing, Collaborating
- D) Producing, Logistics, Operations, Coordinating

**2. What is the definition of 'efficiency' in management?**

- A) Making the right decisions and successfully implementing them.
- B) Using resources wisely and in a cost-efficient manner.**
- C) Attaining organizational goals.
- D) Achieving the highest possible output regardless of resource use.

**3. What does 'effectiveness' mean in a management context?**

- A) Getting the most output for the least inputs.
- B) Using resources wisely and in a cost-efficient manner.
- C) Making the right decisions and successfully implementing them.**
- D) Maximizing profits regardless of goal attainment.

**4. Which type of manager typically requires strong technical skills?**

- A) Top Managers
- B) Middle Managers
- C) Lower-level Managers**
- D) All managers equally

**5. Which leadership trait involves inspiring and influencing others to work hard towards organizational goals?**

- A) Management
- B) Power
- C) Leadership**
- D) Control

**6. According to the text, what is a key characteristic of leadership?**

- A) People follow voluntarily.**
- B) It is always a formal position.
- C) It solely relies on authority.
- D) It is only concerned with tasks.

**7. What is the primary difference between a leader and a manager as presented in the text?**

- A) Managers plan and budget; leaders chart a course.**
- B) Leaders are always more charismatic than managers.
- C) Managers maintain order; leaders create environments for change.
- D) Managers focus on people; leaders focus on tasks.

**8. Which of the following is NOT listed as a primary source of power for effective leaders?**

- A) Legitimate power
- B) Reward power
- C) Coercive power
- D) Financial power**

**9. Referent/Expert power is based on what aspects of an individual?**

- A) Their position in the organization.
- B) Their control over rewards.
- C) Their ability to threaten negative outcomes.
- D) Their personality, charisma, or admiration of certain qualities.**

**10. Which leadership trait involves understanding and using one's strengths and improving weaknesses?**

- A) Presence
- B) Creativity
- C) Self-awareness**
- D) Business knowledge

**11. Which leadership style is characterized by the leader seeing themselves as the sole decision-maker?**

- A) Democratic
- B) Laissez-Faire
- C) Autocratic**
- D) Bureaucratic

**12. A 'hands-off' leadership approach with little direction or assistance given is characteristic of which style?**

- A) Autocratic
- B) Bureaucratic
- C) Democratic
- D) Laissez-Faire**

**13. Which leadership style involves sharing responsibilities and delegating authority?**

- A) Autocratic
- B) Bureaucratic
- C) Democratic**
- D) Directed Behaviour

**14. What is the core assumption of situational approaches to leadership?**

- A) There is one best way to lead in all situations.
- B) Leadership behavior should be universal.
- C) Appropriate leadership behavior varies depending on situational factors.**
- D) Leaders are born, not made, regardless of the situation.

**15. Which of the following is identified as a sign of ineffective leadership?**

- A) Emotional intelligence
- B) Flexibility
- C) Overconfidence and arrogance**
- D) Drive

**16. Why is studying the history and theory of management and leadership important?**

- A) To prove that older methods are always superior.
- B) To learn from others and avoid repeating mistakes.**
- C) To exclusively follow contemporary management ideas.
- D) To show that management is a static field.

**17. What was the primary focus of Scientific Management, pioneered by Frederick Taylor?**

- A) Improving the performance of individual workers through analytical procedures.**
- B) Focusing on the administrative principles of management.
- C) Developing bureaucratic organizational structures.
- D) Understanding the human relations movement.

**18. Which classical management theorist identified five key rules of management: foresight, organization, command, coordination, and control?**

- A) Max Weber
- B) Frederick Taylor
- C) Henry Fayol**
- D) Mary Parker Follett

**19. Max Weber believed that the ideal organizational form was a bureaucracy staffed by what?**

A) Highly creative individuals

**B) Bureaucrats**

C) Informal leaders

D) Owners

**20. What was a significant limitation of classical management theories?**

A) They heavily emphasized individual needs.

B) They were too focused on group dynamics.

**C) They often ignored the role of the individual and group.**

D) They were too adaptable to unstable environments.

**21. The Behavioral Perspective emphasizes what aspects of employees?**

A) Their rational decision-making abilities.

**B) Their attitudes, behaviors, and team processes.**

C) Their adherence to strict rules and procedures.

D) Their financial security above all else.

**22. According to McGregor's Theory X, what is the assumption about people?**

A) They are naturally motivated and seek responsibility.

**B) They are lazy and need to be coerced.**

C) They possess high problem-solving abilities.

D) They prefer to self-govern.

**23. McGregor's Theory Y assumes that people can learn to accept and seek what?**

A) More supervision

B) Avoiding responsibility

**C) Responsibility**

D) Tangible rewards

**24. What is Organizational Behavior (OB) concerned with?**

A) The study and prediction of market trends.

**B) The study of the behavior of people within organizational settings.**

C) The design of physical workspaces.

D) The analysis of financial statements.

**25. Which of the following is NOT listed as an influence on behavior within an organization?**

- A) The individual
- B) The group
- C) The organization
- D) The weather**

**26. What is a key contribution of the Behavioral Perspectives to management?**

- A) They established rigid, universal solutions.
- B) They provided insights into individual and group processes.**
- C) They focused solely on economic incentives.
- D) They prescribed impersonal attitudes towards employees.

**27. What is a limitation of the behavioral perspective mentioned in the text?**

- A) Individual behavior is simple and easy to predict.
- B) Managers are always eager to implement all new concepts.
- C) Research is not always translated into useful forms for practitioners.**
- D) It universally applies to all organizational structures.

**28. The Contingency Perspective suggests that appropriate managerial behavior depends on what?**

- A) A universal set of rules.
- B) The leader's personal preference.
- C) A wide variety of elements in the specific situation.**
- D) The historical context of the organization.

**29. What does the text suggest about the relationship between leadership and management?**

- A) They are entirely distinct and separate functions.
- B) Their tasks often overlap, and distinctions are not always clear.**
- C) Management is a subset of leadership.
- D) Leadership is a subset of management.

**30. What is a critical factor for choosing a leadership style, according to the text?**

- A) The leader's personal preferences only.
- B) The organization's history.
- C) The style needs to suit the leader, the organization, and its people.**
- D) The current economic climate.