

Organizational Theory, Design, and Change, 7e (Jones)
Chapter 5 Designing Organizational Structure: Authority and Control

1) When each employee performs only a small part of a total task, identifying the employees

individual contribution to the task becomes easy.

Answer: FALSE

Page Ref: 122

Difficulty: Easy

LO: 5-1

2) As the number of levels in its managerial hierarchy increases, it becomes difficult for the

organization to control its members.

Answer: FALSE

Page Ref: 122

Difficulty: Easy

LO: 5-1

3) An organization in which the hierarchy has many levels relative to the size of the organization

is known as an organic organization.

Answer: FALSE

Page Ref: 122

Difficulty: Easy

LO: 5-1

4) A tall organization has fewer managers to direct and control employees activities than a flat

organization with the same number of employees.

Answer: FALSE

Page Ref: 123

Difficulty: Easy

LO: 5-1

5) As the number of levels in the hierarchy increases, the relative difference in the authority

possessed by managers at each level decreases.

Answer: TRUE

Page Ref: 126

Difficulty: Easy

LO: 5-2

6) Managers of a flat organization possess relatively less authority and responsibility than those

of a tall organization.

Answer: FALSE

Page Ref: 126

Difficulty: Easy

LO: 5-2

7) A flat organization has fewer managers and hierarchical levels than a tall organization.

Answer: TRUE

Page Ref: 126

Difficulty: Easy

LO: 5-2

8) The greater the number of managers the lower the bureaucratic costs.

Answer: FALSE

Page Ref: 126

Difficulty: Moderate

LO: 5-2

9) The greater the number of hierarchical levels in an organization, the lower the bureaucratic costs.

Answer: FALSE

Page Ref: 126

Difficulty: Moderate

LO: 5-2

10) Decentralization does not eliminate the need for many hierarchical levels in a large and complex organization.

Answer: TRUE

Page Ref: 133

Difficulty: Easy

LO: 5-3

11) According to Weber, rational-legal authority emerges due to qualities that a person possess, such as charisma or wealth.

Answer: FALSE

Page Ref: 135

Difficulty: Moderate

LO: 5-3

12) Which of the following statements is most likely to be true regarding a tall organization?

A) A tall organization has few levels in its hierarchy relative to its size.

B) Generally organizations with less than 1000 employees have tall structures.

C) A tall organization has more managers to direct and control employees' activities than does a

flat organization with the same number of employees.

D) The taller an organization, the more decentralized are its operations.

Answer: C

Page Ref: 123

Difficulty: Easy

LO: 5-1

13) As an organization grows, _____.

A) an increase in the number of managers is more than proportional to the increase in size

B) an increase in the number of managers is less than proportional to the increase in size

C) an increase in the number of managers is proportional to the increase in size

D) the number of managers remains constant

Answer: B

Page Ref: 123

Difficulty: Easy

LO: 5-1

14) Which of the following statements is **true** regarding organizational **structure**?

A) As the number of levels in the hierarchy increases, the relative difference in the authority

possessed by managers at each level increases.

B) Most organizations have the same number of managers at all levels in the organization.

C) As the number of hierarchical levels increases, the number of communication problems decreases.

D) Most organizations have a pyramid-like structure and fewer and fewer managers at each level up in the hierarchy.

Answer: D

Page Ref: 123

Difficulty: Moderate

LO: 5-1

15) **Adding more managers** to a company is most likely to **result in** _____.

A) increase in the degree of centralization

B) flattening of the organizational structure

C) higher bureaucratic costs

D) decrease in the number of hierarchical levels

Answer: C

Page Ref: 126

Difficulty: Moderate

LO: 5-2

16) Which of the following is most likely to **increase** the **bureaucratic costs**?

A) changing the organization structure from functional to divisional

B) decreasing the number of managers

C) increasing the number of hierarchical levels

D) decreasing the level of standardization

Answer: C

Page Ref: 126

Difficulty: Moderate

LO: 5-2

17) Which of the following observations made by **Parkinson** led to the development of the

Parkinson's law?

A) A division of labor increases efficiency.

B) As the number of levels in the hierarchy increases, the quality of the communication improves.

C) The use of flat organization structure improves the motivation of the employees.

D) Managers seek to increase the number of their subordinates.

Answer: D

Page Ref: 127

Difficulty: Easy

LO: 5-2

18) Which of the following **functions** will most likely have the **tallest hierarchy**?

A) Manufacturing

B) Sales

- C) R&D
- D) Accounting

Answer: A

Page Ref: 131

Difficulty: Easy

LO: 5-3

19) Usually, Sales has a relatively _____ hierarchy because supervisors use _____.

- A) flat; centralization
- B) flat; standardization
- C) tall; centralization
- D) tall; standardization

Answer: B

Page Ref: 131

Difficulty: Easy

LO: 5-3

20) Which of the following is one of Weber's bureaucratic principles?

- A) An organization should use a decentralized organizational structure and narrow span of control.
- B) In order to decrease environmental complexity, an organization should centralize its operations.
- C) Organizational roles are held on the basis of technical competence.
- D) Employees should be allowed to participate in decision-making.

Answer: C

Page Ref: 134

Difficulty: Moderate

LO: 5-4

21) With reference to Weber's principles of bureaucratic structure, which of the following terms refers to the authority a person possesses because of his or her position in an organization?

- A) rational-legal authority
- B) transactional authority
- C) charismatic authority
- D) transformational authority

Answer: A

Page Ref: 135

Difficulty: Easy

LO: 5-4

22) According to Weber's principles of bureaucratic structure, the authority a person possesses results from _____.

- A) the person's social status
- B) the position of the person in the organization
- C) the educational qualification of the person
- D) the person's charisma

Answer: B

Page Ref: 135

Difficulty: Easy

LO: 5-4

23) What is the major difference between a tall organization and a flat organization?

Answer: A tall organization is an organization in which the hierarchy has many levels relative to the size of the organization. Whereas, a flat organization is an organization that has few levels in its hierarchy relative to its size.

Page Ref: 122-123

Difficulty: Easy

LO: 5-1