Chapter 01

Managing Change: Stories and Paradoxes

**Multiple Choice Questions**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 1. | Which of the following statements is a characteristic of process narratives?

|  |  |
| --- | --- |
| A.  | They are based on quantitative and statistical research methods. |

|  |  |
| --- | --- |
| B.  | They have a narrow frame of reference. |

|  |  |
| --- | --- |
| C.  | They lack the ability to express complexity within a coherent sequence of events. |

|  |  |
| --- | --- |
| D.  | They expose the nature and significance of the causal factors acting on events. |

 |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 2. | Which of the following major problems did Beth Israel Deaconess Medical Center (BID) face in 2002?

|  |  |
| --- | --- |
| A.  | A lawsuit attempting to dissolve the center |

|  |  |
| --- | --- |
| B.  | Poor relationships between clinical staff and management |

|  |  |
| --- | --- |
| C.  | Employees fearing job cuts as a result of the merger of Beth Israel and Deaconess Hospital |

|  |  |
| --- | --- |
| D.  | A corporate takeover attempt by a competitor |

 |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 3. | Which of the following turnaround strategies was adopted by Paul Levy, the chief executive officer of the Beth Israel Deaconess Medical Center (BID), in 2002?

|  |  |
| --- | --- |
| A.  | He ensured that there were no job cuts. |

|  |  |
| --- | --- |
| B.  | He shared with all staff the full scale of the financial difficulties. |

|  |  |
| --- | --- |
| C.  | He promoted silo working within the organization. |

|  |  |
| --- | --- |
| D.  | He encouraged the different departments to focus exclusively on their own profitability. |

 |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 4. | According to Paul Levy, which of the following will drive doctors, nurses, and administrators to seek constant improvements in the quality and safety of patient care?

|  |  |
| --- | --- |
| A.  | A silo working environment |

|  |  |
| --- | --- |
| B.  | A rigid, hierarchical organizational structure |

|  |  |
| --- | --- |
| C.  | The transparency website |

|  |  |
| --- | --- |
| D.  | The fear of job cuts among employees |

 |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 5. | Identify the major problem faced by Sears Holdings Corporation two years after the merger of Kmart and Sears Roebuck.

|  |  |
| --- | --- |
| A.  | A lawsuit alleging environmental damage was filed by regulators. |

|  |  |
| --- | --- |
| B.  | A lawsuit to dissolve the merger was filed. |

|  |  |
| --- | --- |
| C.  | Profits were down by 45 percent. |

|  |  |
| --- | --- |
| D.  | Problems existed with the quality and safety of customer care. |

 |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 6. | Which of the following is one of the steps taken by Eddie Lampert in response to the problems faced by Sears Holdings Corporation?

|  |  |
| --- | --- |
| A.  | He published performance data on his public blog. |

|  |  |
| --- | --- |
| B.  | He implemented a business model in which all department heads had the same financial goals. |

|  |  |
| --- | --- |
| C.  | He downsized the company. |

|  |  |
| --- | --- |
| D.  | He implemented a decentralized organizational structure. |

 |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 7. | Which of the following was the outcome of the new organizational model implemented by Eddie Lampert, the chairman of Sears Holdings Corporation?

|  |  |
| --- | --- |
| A.  | It improved performance. |

|  |  |
| --- | --- |
| B.  | It encouraged the divisions to turn against each other. |

|  |  |
| --- | --- |
| C.  | It resulted in several hundred job losses across the organization. |

|  |  |
| --- | --- |
| D.  | It encouraged the department heads to focus on the welfare of the company as a whole. |

 |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 8. | In 2011, 50 to 70 percent of all sales in J. C. Penney Company, Inc. were discounted, based on a \_\_\_\_\_.

|  |  |
| --- | --- |
| A.  | "high-low" pricing strategy |

|  |  |
| --- | --- |
| B.  | quantity-based pricing strategy |

|  |  |
| --- | --- |
| C.  | premium pricing strategy |

|  |  |
| --- | --- |
| D.  | value-based pricing strategy |

 |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 9. | Which of the following was a step taken by Ron Johnson when he was appointed as the chief executive officer of J. C. Penney Company, Inc.?

|  |  |
| --- | --- |
| A.  | He reinforced the existing corporate culture. |

|  |  |
| --- | --- |
| B.  | He implemented a centralized organizational structure. |

|  |  |
| --- | --- |
| C.  | He developed a "store within a store" strategy. |

|  |  |
| --- | --- |
| D.  | He increased promotions in the company's stores. |

 |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 10. | According to an analyst referred to in the text, which of the following was missing when Ron Johnson, the chief executive officer of J. C. Penney Company, Inc., talked about the six Ps?

|  |  |
| --- | --- |
| A.  | Product |

|  |  |
| --- | --- |
| B.  | Place |

|  |  |
| --- | --- |
| C.  | Personality |

|  |  |
| --- | --- |
| D.  | People |

 |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 11. | Which of the following is the first and most serious mistake committed by Ron Johnson, the chief executive officer of J. C. Penney Company, Inc.?

|  |  |
| --- | --- |
| A.  | Creating a silo work environment in the company |

|  |  |
| --- | --- |
| B.  | Ignoring the company's traditional core customers |

|  |  |
| --- | --- |
| C.  | Downsizing the company |

|  |  |
| --- | --- |
| D.  | Decentralizing the company's organizational structure |

 |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 12. | Which of the following features of the literature on change management makes it difficult to access and to absorb?

|  |  |
| --- | --- |
| A.  | All the literature on change share the same perspective. |

|  |  |
| --- | --- |
| B.  | Recent work has made previous commentary irrelevant. |

|  |  |
| --- | --- |
| C.  | The literature on change lacks variety in terms of methodologies. |

|  |  |
| --- | --- |
| D.  | The concepts that are used range in scale. |

 |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 13. | Which of the following is a characteristic of organizational change?

|  |  |
| --- | --- |
| A.  | It is a completely irrational process. |

|  |  |
| --- | --- |
| B.  | From a management perspective, it is easy to implement. |

|  |  |
| --- | --- |
| C.  | From a management perspective, it is seen as problematic. |

|  |  |
| --- | --- |
| D.  | It is a process that lacks creativity. |

 |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 14. | Which of the following is most likely an advantage of adopting a multiple perspectives approach to the management of organizational change?

|  |  |
| --- | --- |
| A.  | It results in the easy access to the change literature. |

|  |  |
| --- | --- |
| B.  | It encourages the search for creative solutions. |

|  |  |
| --- | --- |
| C.  | It overcomes the issue of fragmented advice. |

|  |  |
| --- | --- |
| D.  | It provides solutions that are agreed upon by all the experts. |

 |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 15. | Which of the following reasons makes it difficult for a practicing manager who is less interested in theoretical perspectives to know what works in the management of organizational change?

|  |  |
| --- | --- |
| A.  | The impact of change is unidimensional. |

|  |  |
| --- | --- |
| B.  | The cause and effect across complex processes that unfold over time is difficult to establish. |

|  |  |
| --- | --- |
| C.  | The stakeholders affected by change share the same view. |

|  |  |
| --- | --- |
| D.  | The recent work has made previous commentary on change management irrelevant. |

 |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 16. | Which of the following statements is true of organizational change?

|  |  |
| --- | --- |
| A.  | Minor changes are less valuable. |

|  |  |
| --- | --- |
| B.  | The importance of minor changes is overstated in organizations. |

|  |  |
| --- | --- |
| C.  | The implementation of minor changes is relatively expensive. |

|  |  |
| --- | --- |
| D.  | Shallower changes can facilitate and complement the deeper initiatives. |

 |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 17. | According to research evidence, which of the following management styles is likely to be more open to change?

|  |  |
| --- | --- |
| A.  | A casual management style |

|  |  |
| --- | --- |
| B.  | A bureaucratic management style |

|  |  |
| --- | --- |
| C.  | A top-down management style |

|  |  |
| --- | --- |
| D.  | A rules-based management style |

 |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 18. | Based on research evidence, top-down management and rules-based management styles suggest that:

|  |  |
| --- | --- |
| A.  | change is dependent on due process and committee cycles. |

|  |  |
| --- | --- |
| B.  | the organization implementing change is responsive. |

|  |  |
| --- | --- |
| C.  | change will be rapid. |

|  |  |
| --- | --- |
| D.  | the organization implementing change is more agile. |

 |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 19. | In the context of different cultures in organizations, skilled change agents are most likely to struggle in \_\_\_\_\_.

|  |  |
| --- | --- |
| A.  | casual style-based organizations |

|  |  |
| --- | --- |
| B.  | responsive organizations |

|  |  |
| --- | --- |
| C.  | agile organizations |

|  |  |
| --- | --- |
| D.  | rules-based organizations |

 |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 20. | Which of the following statements is true of active learning?

|  |  |
| --- | --- |
| A.  | It occurs only in organizations with rules-based, top-down management. |

|  |  |
| --- | --- |
| B.  | It refers to implementing changes. |

|  |  |
| --- | --- |
| C.  | It automatically follows the process of identifying lessons after a crisis. |

|  |  |
| --- | --- |
| D.  | It occurs only when change is a solo performance. |

 |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 21. | In the context of assessing depth of change, which of the following is an example of change that is categorized as "off the scale"?

|  |  |
| --- | --- |
| A.  | Improving efficiencies |

|  |  |
| --- | --- |
| B.  | Changing the way in which business transactions are conducted |

|  |  |
| --- | --- |
| C.  | Dramatically redrawing organization and sector boundaries |

|  |  |
| --- | --- |
| D.  | Relocating resources |

 |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 22. | In the context of assessing depth of change, which of the following is an example of deeper change?

|  |  |
| --- | --- |
| A.  | Identifying new ways of doing business |

|  |  |
| --- | --- |
| B.  | Resolving an organization's minor problems |

|  |  |
| --- | --- |
| C.  | Cutting costs |

|  |  |
| --- | --- |
| D.  | Improving efficiencies |

 |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 23. | In the context of assessing depth of change, which of the following is an example of "not on the scale" changes?

|  |  |
| --- | --- |
| A.  | The processes for relocating resources |

|  |  |
| --- | --- |
| B.  | Strategic changes |

|  |  |
| --- | --- |
| C.  | Minor problems |

|  |  |
| --- | --- |
| D.  | The processes for cutting costs |

 |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 24. | In the context of assessing depth of change, \_\_\_\_\_ involves improving on current practices in organizations.

|  |  |
| --- | --- |
| A.  | frame-breaking change |

|  |  |
| --- | --- |
| B.  | disrupting innovation |

|  |  |
| --- | --- |
| C.  | sustaining innovation |

|  |  |
| --- | --- |
| D.  | shallow change |

 |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 25. | In the context of assessing depth of change, which of the following changes falls at the top of the scale?

|  |  |
| --- | --- |
| A.  | Paradigm shift |

|  |  |
| --- | --- |
| B.  | Sustaining innovation |

|  |  |
| --- | --- |
| C.  | Disruptive innovation |

|  |  |
| --- | --- |
| D.  | Strategic change |

 |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 26. | In the context of assessing depth of change, \_\_\_\_\_ involves radically new business models and working methods.

|  |  |
| --- | --- |
| A.  | deep change |

|  |  |
| --- | --- |
| B.  | sustaining innovation |

|  |  |
| --- | --- |
| C.  | shallow change |

|  |  |
| --- | --- |
| D.  | disruptive innovation |

 |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 27. | Which of the following statements is true of transformational "off the scale" changes?

|  |  |
| --- | --- |
| A.  | They are usually easier to implement than deep changes. |

|  |  |
| --- | --- |
| B.  | They are more challenging than shallow changes. |

|  |  |
| --- | --- |
| C.  | When assessing the depth of change, they fall in the middle of the scale. |

|  |  |
| --- | --- |
| D.  | When assessing the depth of change, they are at the bottom of the scale. |

 |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 28. | Which of the following changes is most likely to create greater resistance?

|  |  |
| --- | --- |
| A.  | Transformational "not on the scale" changes |

|  |  |
| --- | --- |
| B.  | Deep changes |

|  |  |
| --- | --- |
| C.  | Shallow changes |

|  |  |
| --- | --- |
| D.  | Transformational "off the scale" changes |

 |

**True / False Questions**

|  |  |
| --- | --- |
| 29. | Process theories lack the ability to reveal the mechanisms or logics behind a sequence of events.  True    False |

|  |  |
| --- | --- |
| 30. | Changing organizations is as messy as it is exhilarating, as frustrating as it is satisfying, as muddling-through and creative a process as it is a rational one.  True    False |

|  |  |
| --- | --- |
| 31. | Paul Levy's turnaround strategy in the Beth Israel Deaconess Medical Center (BID) was based on two themes: transparency and commitment to quality.  True    False |

|  |  |
| --- | --- |
| 32. | Paul Levy, the chief executive officer of the Beth Israel Deaconess Medical Center (BID), promoted a silo working environment.  True    False |

|  |  |
| --- | --- |
| 33. | Eddie Lampert, the chairman of Sears Holdings Corporation, restructured the company as a classic retailer.  True    False |

|  |  |
| --- | --- |
| 34. | The reorganization of Sears Holdings Corporation under its chairman, Eddie Lampert, resulted in better collaboration and cooperation among various department heads.  True    False |

|  |  |
| --- | --- |
| 35. | Most estimates put the failure rate of planned changes at around 98 percent.  True    False |

|  |  |
| --- | --- |
| 36. | Accounts of how other organizations have handled change can be a rich source of ideas that can be adapted creatively to address similar problems in other settings.  True    False |

|  |  |
| --- | --- |
| 37. | Change is a political process because there are often "winners and losers."  True    False |

|  |  |
| --- | --- |
| 38. | It is best to use shallow changes to address strategic challenges.  True    False |

Chapter 01 Managing Change: Stories and Paradoxes Answer Key

**Multiple Choice Questions**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 1. | Which of the following statements is a characteristic of process narratives?

|  |  |
| --- | --- |
| A.  | They are based on quantitative and statistical research methods. |

|  |  |
| --- | --- |
| B.  | They have a narrow frame of reference. |

|  |  |
| --- | --- |
| C.  | They lack the ability to express complexity within a coherent sequence of events. |

|  |  |
| --- | --- |
| **D.**  | They expose the nature and significance of the causal factors acting on events. |

 |

|  |
| --- |
| *Accessibility: Keyboard NavigationDifficulty: 2 MediumLearning Objective: 01-01 Understand how stories of change can contribute to our knowledge of theory and practice.Learning Objective: 01-02 Explain why managing organizational change is both a creative and a rational process.* |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 2. | Which of the following major problems did Beth Israel Deaconess Medical Center (BID) face in 2002?

|  |  |
| --- | --- |
| A.  | A lawsuit attempting to dissolve the center |

|  |  |
| --- | --- |
| **B.**  | Poor relationships between clinical staff and management |

|  |  |
| --- | --- |
| C.  | Employees fearing job cuts as a result of the merger of Beth Israel and Deaconess Hospital |

|  |  |
| --- | --- |
| D.  | A corporate takeover attempt by a competitor |

 |

|  |
| --- |
| *Accessibility: Keyboard NavigationDifficulty: 2 MediumLearning Objective: 01-01 Understand how stories of change can contribute to our knowledge of theory and practice.* |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 3. | Which of the following turnaround strategies was adopted by Paul Levy, the chief executive officer of the Beth Israel Deaconess Medical Center (BID), in 2002?

|  |  |
| --- | --- |
| A.  | He ensured that there were no job cuts. |

|  |  |
| --- | --- |
| **B.**  | He shared with all staff the full scale of the financial difficulties. |

|  |  |
| --- | --- |
| C.  | He promoted silo working within the organization. |

|  |  |
| --- | --- |
| D.  | He encouraged the different departments to focus exclusively on their own profitability. |

 |

|  |
| --- |
| *Accessibility: Keyboard NavigationDifficulty: 2 MediumLearning Objective: 01-01 Understand how stories of change can contribute to our knowledge of theory and practice.* |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 4. | According to Paul Levy, which of the following will drive doctors, nurses, and administrators to seek constant improvements in the quality and safety of patient care?

|  |  |
| --- | --- |
| A.  | A silo working environment |

|  |  |
| --- | --- |
| B.  | A rigid, hierarchical organizational structure |

|  |  |
| --- | --- |
| **C.**  | The transparency website |

|  |  |
| --- | --- |
| D.  | The fear of job cuts among employees |

 |

|  |
| --- |
| *Accessibility: Keyboard NavigationDifficulty: 1 EasyLearning Objective: 01-01 Understand how stories of change can contribute to our knowledge of theory and practice.* |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 5. | Identify the major problem faced by Sears Holdings Corporation two years after the merger of Kmart and Sears Roebuck.

|  |  |
| --- | --- |
| A.  | A lawsuit alleging environmental damage was filed by regulators. |

|  |  |
| --- | --- |
| B.  | A lawsuit to dissolve the merger was filed. |

|  |  |
| --- | --- |
| **C.**  | Profits were down by 45 percent. |

|  |  |
| --- | --- |
| D.  | Problems existed with the quality and safety of customer care. |

 |

|  |
| --- |
| *Accessibility: Keyboard NavigationDifficulty: 1 EasyLearning Objective: 01-01 Understand how stories of change can contribute to our knowledge of theory and practice.* |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 6. | Which of the following is one of the steps taken by Eddie Lampert in response to the problems faced by Sears Holdings Corporation?

|  |  |
| --- | --- |
| A.  | He published performance data on his public blog. |

|  |  |
| --- | --- |
| B.  | He implemented a business model in which all department heads had the same financial goals. |

|  |  |
| --- | --- |
| C.  | He downsized the company. |

|  |  |
| --- | --- |
| **D.**  | He implemented a decentralized organizational structure. |

 |

|  |
| --- |
| *Accessibility: Keyboard NavigationDifficulty: 2 MediumLearning Objective: 01-01 Understand how stories of change can contribute to our knowledge of theory and practice.* |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 7. | Which of the following was the outcome of the new organizational model implemented by Eddie Lampert, the chairman of Sears Holdings Corporation?

|  |  |
| --- | --- |
| A.  | It improved performance. |

|  |  |
| --- | --- |
| **B.**  | It encouraged the divisions to turn against each other. |

|  |  |
| --- | --- |
| C.  | It resulted in several hundred job losses across the organization. |

|  |  |
| --- | --- |
| D.  | It encouraged the department heads to focus on the welfare of the company as a whole. |

 |

|  |
| --- |
| *Accessibility: Keyboard NavigationDifficulty: 2 MediumLearning Objective: 01-01 Understand how stories of change can contribute to our knowledge of theory and practice.* |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 8. | In 2011, 50 to 70 percent of all sales in J. C. Penney Company, Inc. were discounted, based on a \_\_\_\_\_.

|  |  |
| --- | --- |
| **A.**  | "high-low" pricing strategy |

|  |  |
| --- | --- |
| B.  | quantity-based pricing strategy |

|  |  |
| --- | --- |
| C.  | premium pricing strategy |

|  |  |
| --- | --- |
| D.  | value-based pricing strategy |

 |

|  |
| --- |
| *Accessibility: Keyboard NavigationDifficulty: 1 EasyLearning Objective: 01-01 Understand how stories of change can contribute to our knowledge of theory and practice.* |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 9. | Which of the following was a step taken by Ron Johnson when he was appointed as the chief executive officer of J. C. Penney Company, Inc.?

|  |  |
| --- | --- |
| A.  | He reinforced the existing corporate culture. |

|  |  |
| --- | --- |
| B.  | He implemented a centralized organizational structure. |

|  |  |
| --- | --- |
| **C.**  | He developed a "store within a store" strategy. |

|  |  |
| --- | --- |
| D.  | He increased promotions in the company's stores. |

 |

|  |
| --- |
| *Accessibility: Keyboard NavigationDifficulty: 2 MediumLearning Objective: 01-01 Understand how stories of change can contribute to our knowledge of theory and practice.* |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 10. | According to an analyst referred to in the text, which of the following was missing when Ron Johnson, the chief executive officer of J. C. Penney Company, Inc., talked about the six Ps?

|  |  |
| --- | --- |
| A.  | Product |

|  |  |
| --- | --- |
| B.  | Place |

|  |  |
| --- | --- |
| C.  | Personality |

|  |  |
| --- | --- |
| **D.**  | People |

 |

|  |
| --- |
| *Accessibility: Keyboard NavigationDifficulty: 1 EasyLearning Objective: 01-01 Understand how stories of change can contribute to our knowledge of theory and practice.* |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 11. | Which of the following is the first and most serious mistake committed by Ron Johnson, the chief executive officer of J. C. Penney Company, Inc.?

|  |  |
| --- | --- |
| A.  | Creating a silo work environment in the company |

|  |  |
| --- | --- |
| **B.**  | Ignoring the company's traditional core customers |

|  |  |
| --- | --- |
| C.  | Downsizing the company |

|  |  |
| --- | --- |
| D.  | Decentralizing the company's organizational structure |

 |

|  |
| --- |
| *Accessibility: Keyboard NavigationDifficulty: 2 MediumLearning Objective: 01-01 Understand how stories of change can contribute to our knowledge of theory and practice.* |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 12. | Which of the following features of the literature on change management makes it difficult to access and to absorb?

|  |  |
| --- | --- |
| A.  | All the literature on change share the same perspective. |

|  |  |
| --- | --- |
| B.  | Recent work has made previous commentary irrelevant. |

|  |  |
| --- | --- |
| C.  | The literature on change lacks variety in terms of methodologies. |

|  |  |
| --- | --- |
| **D.**  | The concepts that are used range in scale. |

 |

|  |
| --- |
| *Accessibility: Keyboard NavigationDifficulty: 2 MediumLearning Objective: 01-03 Identify the main tensions and paradoxes in managing organizational change.Learning Objective: 01-04 Evaluate the strengths and limitations of our current understanding of this field.* |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 13. | Which of the following is a characteristic of organizational change?

|  |  |
| --- | --- |
| A.  | It is a completely irrational process. |

|  |  |
| --- | --- |
| B.  | From a management perspective, it is easy to implement. |

|  |  |
| --- | --- |
| **C.**  | From a management perspective, it is seen as problematic. |

|  |  |
| --- | --- |
| D.  | It is a process that lacks creativity. |

 |

|  |
| --- |
| *Accessibility: Keyboard NavigationDifficulty: 2 MediumLearning Objective: 01-03 Identify the main tensions and paradoxes in managing organizational change.Learning Objective: 01-04 Evaluate the strengths and limitations of our current understanding of this field.* |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 14. | Which of the following is most likely an advantage of adopting a multiple perspectives approach to the management of organizational change?

|  |  |
| --- | --- |
| A.  | It results in the easy access to the change literature. |

|  |  |
| --- | --- |
| **B.**  | It encourages the search for creative solutions. |

|  |  |
| --- | --- |
| C.  | It overcomes the issue of fragmented advice. |

|  |  |
| --- | --- |
| D.  | It provides solutions that are agreed upon by all the experts. |

 |

|  |
| --- |
| *Accessibility: Keyboard NavigationDifficulty: 2 MediumLearning Objective: 01-02 Explain why managing organizational change is both a creative and a rational process.* |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 15. | Which of the following reasons makes it difficult for a practicing manager who is less interested in theoretical perspectives to know what works in the management of organizational change?

|  |  |
| --- | --- |
| A.  | The impact of change is unidimensional. |

|  |  |
| --- | --- |
| **B.**  | The cause and effect across complex processes that unfold over time is difficult to establish. |

|  |  |
| --- | --- |
| C.  | The stakeholders affected by change share the same view. |

|  |  |
| --- | --- |
| D.  | The recent work has made previous commentary on change management irrelevant. |

 |

|  |
| --- |
| *Accessibility: Keyboard NavigationDifficulty: 2 MediumLearning Objective: 01-02 Explain why managing organizational change is both a creative and a rational process.* |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 16. | Which of the following statements is true of organizational change?

|  |  |
| --- | --- |
| A.  | Minor changes are less valuable. |

|  |  |
| --- | --- |
| B.  | The importance of minor changes is overstated in organizations. |

|  |  |
| --- | --- |
| C.  | The implementation of minor changes is relatively expensive. |

|  |  |
| --- | --- |
| **D.**  | Shallower changes can facilitate and complement the deeper initiatives. |

 |

|  |
| --- |
| *Accessibility: Keyboard NavigationDifficulty: 2 MediumLearning Objective: 01-03 Identify the main tensions and paradoxes in managing organizational change.* |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 17. | According to research evidence, which of the following management styles is likely to be more open to change?

|  |  |
| --- | --- |
| **A.**  | A casual management style |

|  |  |
| --- | --- |
| B.  | A bureaucratic management style |

|  |  |
| --- | --- |
| C.  | A top-down management style |

|  |  |
| --- | --- |
| D.  | A rules-based management style |

 |

|  |
| --- |
| *Accessibility: Keyboard NavigationDifficulty: 1 EasyLearning Objective: 01-03 Identify the main tensions and paradoxes in managing organizational change.* |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 18. | Based on research evidence, top-down management and rules-based management styles suggest that:

|  |  |
| --- | --- |
| **A.**  | change is dependent on due process and committee cycles. |

|  |  |
| --- | --- |
| B.  | the organization implementing change is responsive. |

|  |  |
| --- | --- |
| C.  | change will be rapid. |

|  |  |
| --- | --- |
| D.  | the organization implementing change is more agile. |

 |

|  |
| --- |
| *Accessibility: Keyboard NavigationDifficulty: 2 MediumLearning Objective: 01-03 Identify the main tensions and paradoxes in managing organizational change.* |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 19. | In the context of different cultures in organizations, skilled change agents are most likely to struggle in \_\_\_\_\_.

|  |  |
| --- | --- |
| A.  | casual style-based organizations |

|  |  |
| --- | --- |
| B.  | responsive organizations |

|  |  |
| --- | --- |
| C.  | agile organizations |

|  |  |
| --- | --- |
| **D.**  | rules-based organizations |

 |

|  |
| --- |
| *Accessibility: Keyboard NavigationDifficulty: 1 EasyLearning Objective: 01-03 Identify the main tensions and paradoxes in managing organizational change.* |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 20. | Which of the following statements is true of active learning?

|  |  |
| --- | --- |
| A.  | It occurs only in organizations with rules-based, top-down management. |

|  |  |
| --- | --- |
| **B.**  | It refers to implementing changes. |

|  |  |
| --- | --- |
| C.  | It automatically follows the process of identifying lessons after a crisis. |

|  |  |
| --- | --- |
| D.  | It occurs only when change is a solo performance. |

 |

|  |
| --- |
| *Accessibility: Keyboard NavigationDifficulty: 2 MediumLearning Objective: 01-03 Identify the main tensions and paradoxes in managing organizational change.* |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 21. | In the context of assessing depth of change, which of the following is an example of change that is categorized as "off the scale"?

|  |  |
| --- | --- |
| A.  | Improving efficiencies |

|  |  |
| --- | --- |
| B.  | Changing the way in which business transactions are conducted |

|  |  |
| --- | --- |
| **C.**  | Dramatically redrawing organization and sector boundaries |

|  |  |
| --- | --- |
| D.  | Relocating resources |

 |

|  |
| --- |
| *Accessibility: Keyboard NavigationDifficulty: 2 MediumLearning Objective: 01-04 Evaluate the strengths and limitations of our current understanding of this field.* |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 22. | In the context of assessing depth of change, which of the following is an example of deeper change?

|  |  |
| --- | --- |
| **A.**  | Identifying new ways of doing business |

|  |  |
| --- | --- |
| B.  | Resolving an organization's minor problems |

|  |  |
| --- | --- |
| C.  | Cutting costs |

|  |  |
| --- | --- |
| D.  | Improving efficiencies |

 |

|  |
| --- |
| *Accessibility: Keyboard NavigationDifficulty: 2 MediumLearning Objective: 01-04 Evaluate the strengths and limitations of our current understanding of this field.* |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 23. | In the context of assessing depth of change, which of the following is an example of "not on the scale" changes?

|  |  |
| --- | --- |
| A.  | The processes for relocating resources |

|  |  |
| --- | --- |
| B.  | Strategic changes |

|  |  |
| --- | --- |
| **C.**  | Minor problems |

|  |  |
| --- | --- |
| D.  | The processes for cutting costs |

 |

|  |
| --- |
| *Accessibility: Keyboard NavigationDifficulty: 1 EasyLearning Objective: 01-04 Evaluate the strengths and limitations of our current understanding of this field.* |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 24. | In the context of assessing depth of change, \_\_\_\_\_ involves improving on current practices in organizations.

|  |  |
| --- | --- |
| A.  | frame-breaking change |

|  |  |
| --- | --- |
| B.  | disrupting innovation |

|  |  |
| --- | --- |
| **C.**  | sustaining innovation |

|  |  |
| --- | --- |
| D.  | shallow change |

 |

|  |
| --- |
| *Accessibility: Keyboard NavigationDifficulty: 1 EasyLearning Objective: 01-04 Evaluate the strengths and limitations of our current understanding of this field.* |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 25. | In the context of assessing depth of change, which of the following changes falls at the top of the scale?

|  |  |
| --- | --- |
| A.  | Paradigm shift |

|  |  |
| --- | --- |
| B.  | Sustaining innovation |

|  |  |
| --- | --- |
| **C.**  | Disruptive innovation |

|  |  |
| --- | --- |
| D.  | Strategic change |

 |

|  |
| --- |
| *Accessibility: Keyboard NavigationDifficulty: 1 EasyLearning Objective: 01-04 Evaluate the strengths and limitations of our current understanding of this field.* |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 26. | In the context of assessing depth of change, \_\_\_\_\_ involves radically new business models and working methods.

|  |  |
| --- | --- |
| A.  | deep change |

|  |  |
| --- | --- |
| B.  | sustaining innovation |

|  |  |
| --- | --- |
| C.  | shallow change |

|  |  |
| --- | --- |
| **D.**  | disruptive innovation |

 |

|  |
| --- |
| *Accessibility: Keyboard NavigationDifficulty: 1 EasyLearning Objective: 01-04 Evaluate the strengths and limitations of our current understanding of this field.* |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 27. | Which of the following statements is true of transformational "off the scale" changes?

|  |  |
| --- | --- |
| A.  | They are usually easier to implement than deep changes. |

|  |  |
| --- | --- |
| **B.**  | They are more challenging than shallow changes. |

|  |  |
| --- | --- |
| C.  | When assessing the depth of change, they fall in the middle of the scale. |

|  |  |
| --- | --- |
| D.  | When assessing the depth of change, they are at the bottom of the scale. |

 |

|  |
| --- |
| *Accessibility: Keyboard NavigationDifficulty: 2 MediumLearning Objective: 01-04 Evaluate the strengths and limitations of our current understanding of this field.* |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 28. | Which of the following changes is most likely to create greater resistance?

|  |  |
| --- | --- |
| A.  | Transformational "not on the scale" changes |

|  |  |
| --- | --- |
| B.  | Deep changes |

|  |  |
| --- | --- |
| C.  | Shallow changes |

|  |  |
| --- | --- |
| **D.**  | Transformational "off the scale" changes |

 |

|  |
| --- |
| *Accessibility: Keyboard NavigationDifficulty: 1 EasyLearning Objective: 01-04 Evaluate the strengths and limitations of our current understanding of this field.* |

**True / False Questions**

|  |  |
| --- | --- |
| 29. | Process theories lack the ability to reveal the mechanisms or logics behind a sequence of events.  **FALSE** |

|  |
| --- |
| *Accessibility: Keyboard NavigationDifficulty: 1 EasyLearning Objective: 01-01 Understand how stories of change can contribute to our knowledge of theory and practice.Learning Objective: 01-02 Explain why managing organizational change is both a creative and a rational process.* |

|  |  |
| --- | --- |
| 30. | Changing organizations is as messy as it is exhilarating, as frustrating as it is satisfying, as muddling-through and creative a process as it is a rational one.  **TRUE** |

|  |
| --- |
| *Accessibility: Keyboard NavigationDifficulty: 1 EasyLearning Objective: 01-01 Understand how stories of change can contribute to our knowledge of theory and practice.Learning Objective: 01-02 Explain why managing organizational change is both a creative and a rational process.* |

|  |  |
| --- | --- |
| 31. | Paul Levy's turnaround strategy in the Beth Israel Deaconess Medical Center (BID) was based on two themes: transparency and commitment to quality.  **TRUE** |

|  |
| --- |
| *Accessibility: Keyboard NavigationDifficulty: 1 EasyLearning Objective: 01-01 Understand how stories of change can contribute to our knowledge of theory and practice.* |

|  |  |
| --- | --- |
| 32. | Paul Levy, the chief executive officer of the Beth Israel Deaconess Medical Center (BID), promoted a silo working environment.  **FALSE** |

|  |
| --- |
| *Accessibility: Keyboard NavigationDifficulty: 1 EasyLearning Objective: 01-01 Understand how stories of change can contribute to our knowledge of theory and practice.* |

|  |  |
| --- | --- |
| 33. | Eddie Lampert, the chairman of Sears Holdings Corporation, restructured the company as a classic retailer.  **FALSE** |

|  |
| --- |
| *Accessibility: Keyboard NavigationDifficulty: 1 EasyLearning Objective: 01-01 Understand how stories of change can contribute to our knowledge of theory and practice.* |

|  |  |
| --- | --- |
| 34. | The reorganization of Sears Holdings Corporation under its chairman, Eddie Lampert, resulted in better collaboration and cooperation among various department heads.  **FALSE** |

|  |
| --- |
| *Accessibility: Keyboard NavigationDifficulty: 1 EasyLearning Objective: 01-01 Understand how stories of change can contribute to our knowledge of theory and practice.* |

|  |  |
| --- | --- |
| 35. | Most estimates put the failure rate of planned changes at around 98 percent.  **FALSE** |

|  |
| --- |
| *Accessibility: Keyboard NavigationDifficulty: 1 EasyLearning Objective: 01-03 Identify the main tensions and paradoxes in managing organizational change.Learning Objective: 01-04 Evaluate the strengths and limitations of our current understanding of this field.* |

|  |  |
| --- | --- |
| 36. | Accounts of how other organizations have handled change can be a rich source of ideas that can be adapted creatively to address similar problems in other settings.  **TRUE** |

|  |
| --- |
| *Accessibility: Keyboard NavigationDifficulty: 1 EasyLearning Objective: 01-02 Explain why managing organizational change is both a creative and a rational process.* |

|  |  |
| --- | --- |
| 37. | Change is a political process because there are often "winners and losers."  **TRUE** |

|  |
| --- |
| *Accessibility: Keyboard NavigationDifficulty: 1 EasyLearning Objective: 01-03 Identify the main tensions and paradoxes in managing organizational change.* |

|  |  |
| --- | --- |
| 38. | It is best to use shallow changes to address strategic challenges.  **FALSE** |

|  |
| --- |
| *Accessibility: Keyboard NavigationDifficulty: 1 EasyLearning Objective: 01-04 Evaluate the strengths and limitations of our current understanding of this field.* |