
MANAGEMENT DECISION MAKING

Overview

Making critical decisions that provide the right direction and a winning position in today's business world is essential to good management. Business executives must make high-quality, nearly instantaneous decisions all the time. The ability to make the right decisions concerning vision, growth, resources, strengths, and weaknesses leads to a successful business. It is management's responsibility to manage for today and tomorrow, to manage for optimum efficiency, and to manage to compete in the marketplace.

This event consists of two parts: an objective test and a role play. If competing as a team, the objective test is taken collaboratively by the team. The top fifteen individuals/teams scoring the highest on the objective test will advance to the final round and participate in the role play component. The role play case will be a problem encountered by managers in the following areas: human resource management, financial management, marketing management or information systems management.

This event is for an individual or a team of two or three members.

Competencies and Task Lists

<http://www.fbla-pbl.org/competitive-event/management-decision-making/>

Website Resources

- Decision Making Process in Management - Problem Solving
<http://kalyan-city.blogspot.com/2010/06/decision-making-process-in-management.html>
- Leadership & Management
<http://www.managementconcepts.com/Domain/tabid/326/Default.aspx?id=Leadership%20%26%20Management>
- Management
<http://www.quickmba.com/mgmt/>
- Management Concepts - The Four Functions of Management
<http://www.buzzle.com/articles/management-concepts-the-four-functions-of-management.html>
- Management Glossary
<https://www.thebalance.com/glossary-of-business-management-terms-2275721>

MANAGEMENT DECISION MAKING SAMPLE QUESTIONS

- 1) Which one of the following is **not** one of the functions of management?
A) controlling
B) organizing
C) evaluating
D) planning

Competency: Management Functions and Environment

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- 2) An organization does **not** allow people
- A) to use power and authority more productively.
 - B) to set their own agenda.
 - C) to become specialized in their work tasks.
 - D) to understand and react to external forces more efficiently.

Competency: Management Functions and Environment

- 3) Which type of leader gives direct, clear, and precise orders with detailed instruction about what, when, and how work is to be done?
- A) democratic
 - B) autocratic
 - C) situational
 - D) open

Competency: Management Functions and Environment

- 4) Which one of the following is pictured atop the hierarchical pyramid?
- A) employees
 - B) executive
 - C) upper management
 - D) management

Competency: Business Ownership and Law

- 5) Pollution standards for a business are regulated by the:
- A) EEOC
 - B) USDA
 - C) FDA
 - D) EPA

Competency: Business Ownership and Law

- 6) Which one of the following is the process by the employer and a union to resolve differences?
- A) strike
 - B) walkout
 - C) cooling-off period
 - D) collective bargaining

Competency: Business Ownership and Law

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- 7) Words used in spoken or written messages are:
- A) senders
 - B) gestures
 - C) nonverbal symbols
 - D) verbal symbols

Competency: Information and Communication Systems

- 8) When speaking and corresponding with people from other cultures:
- A) expect others to adapt to your communication style
 - B) be careful about using humor
 - C) assume that the statements you have read about the culture are true
 - D) realize that English is the language of choice around the world

Competency: Information and Communication Systems

- 9) In the employee evaluation, the section that tells what should be done is called the:
- A) scope
 - B) conclusions
 - C) recommendations
 - D) appendices

Competency: Information and Communication Systems

- 10) Which type of visual aid should be used in a document to show detailed information and exact figures?
- A) photograph
 - B) legend
 - C) flowchart
 - D) table

Competency: Information and Communication Systems

- 11) _____ involves grouping individuals into specific groups, like small rural communities or a neighborhood subdivision.
- A) Social networking
 - B) Demographics
 - C) Geographics
 - D) Stereotyping

Competency: Information and Communication Systems

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- 12) A process for identifying and furthering an organization's mission is called:
- A) strategic management
 - B) tactical management
 - C) short-term management
 - D) operational management

Competency: Strategic Management

- 13) What involves the two primary activities of recruitment and selection?
- A) hiring process
 - B) job analysis process
 - C) competency inventory process
 - D) performance appraisal process

Competency: Human Resource Management

- 14) Theory Y addresses which premise of workplace activity?
- A) Theory Z workers work better for theory X than theory Y.
 - B) Employees like to work as they like to play or rest.
 - C) Theory X is correct but needs some modification.
 - D) Theory Y was created for Gen Xers.

Competency: Human Resource Management

- 15) Employees who suffer death, injury, or illness as a result from their work are covered by:
- A) Medicaid
 - B) workers' compensation
 - C) unemployment insurance
 - D) Medicare

Competency: Human Resource Management

- 16) Employers are expected to make accommodations in work place facilities as part of the:
- A) Civil Rights Act
 - B) Immigration and Reform and Control Act
 - C) Americans with Disabilities Act
 - D) Age Discrimination in Employment Act

Competency: Human Resource Management

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- 17) If your employer specifically states in the contract of employment, or the written statement of particulars of employment, that the rules apply, then that is an express term of employment and the rules and content of the handbook form which one of the following?
- A) employee guidelines
 - B) contractual terms
 - C) suggested guidelines
 - D) employee procedures

Competency: Human Resource Management

- 18) Copying and claiming someone else's written work as your work is an example of:
- A) trademark violation
 - B) plagiarism
 - C) patent violation
 - D) copyright violation

Competency: Ethics and Social Responsibility

- 19) Working capital is calculated by:
- A) subtracting cash outflow from cash inflow
 - B) subtracting total liabilities from total assets
 - C) calculating the total value of liquid assets
 - D) subtracting total expenses from total revenue

Competency: Financial Management

- 20) Consistency in policy development and enforcement in practices is called:
- A) policy foresight
 - B) practicality
 - C) fairness
 - D) democratic enforcement

Competency: Financial Management

- 21) Lean manufacturing is defined best by which one of the following?
- A) reduced number of facilities
 - B) small inventory balance
 - C) reduced material costs of parts
 - D) quick delivery

Competency: Financial Management

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- 22) Business interruption insurance:
- A) covers property losses resulting from fire, storms, accidents, theft, and vandalism
 - B) provides compensation for ongoing business expenses that occur if a business has a temporary shutdown due to a fire, flood, or other major problem
 - C) compensates business owners in the event of a bankruptcy or business failure
 - D) insures the lives of key executives because of their importance to the company's success

Competency: Financial Management

- 23) Which one of the following is subject to a double tax?
- A) sale of equipment
 - B) dividends
 - C) stock split
 - D) extraordinary revenue

Competency: Financial Management

- 24) The process of talking to other people about their jobs is called:
- A) mentoring
 - B) pestering
 - C) shadowing
 - D) networking

Competency: Careers

- 25) A marketing mix is the blending of which marketing elements?
- A) market, product, promotion, and price
 - B) price, product, customer, and location
 - C) location, distribution, price, and product
 - D) product, price, distribution, and promotion

Competency: Marketing

- 26) Economics is about:
- A) money
 - B) choices
 - C) inexpensive items
 - D) jobs

Competency: Economic Concepts

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- 27) The owner of Paul's Diner solved the problem of customers experiencing long waits to be seated using which method?
- A) Osborn's creativity model
 - B) the Deming cycle
 - C) the Pareto diagram
 - D) PERT

Competency: Business Operations

- 28) Having too many products in inventory:
- A) usually causes a company to lose sales
 - B) increases employment
 - C) decreases costs
 - D) increases the risk that the products will become outdated before they are sold

Competency: Business Operations

- 29) What functional area maintains the recording and listing of plant equipment?
- A) maintenance
 - B) operations
 - C) capital assets
 - D) accounting

Competency: Business Operations

- 30) What field of study is concerned with planning physical layout, furnishings, and equipment for a business environment and analyzes for maximum efficiency.
- A) Architecture
 - B) Ergonomics
 - C) Utilization
 - D) Operations

Competency: Business Operations

MANAGEMENT DECISION MAKING SAMPLE CASE STUDY

PARTICIPANT INSTRUCTIONS

1. You have 20 minutes to review the case.
2. Presentation time is seven minutes. At six minutes, the timekeeper will stand and hold up a colored card indicating one minute is left and at seven minutes the timekeeper will stand and hold up a colored card indicating time is up.
3. The presentation is interactive with the judges who will ask questions throughout the presentations. The judges will play the roles of the board of directors for the Military Truck Company (a manufacturer of military trucks, aerial lifts, and fire trucks) with six