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Free Principles of Management CLEP Practice Test

10 questions from InstantCert's 341-card Principles of Management study guide

How to use this PDF

Each of these questions is a sentence with one blank and four choices. Pick the best fit, mark it, and keep going. The answer key with explanations starts after question 10, so do all 10 before you look. No timer. On the real exam you get 54 seconds per question, so if you want a challenge, give yourself 9 minutes for the set.

What your score means

0 to 4 correct

The Management CLEP runs on vocabulary and named theorists, and a score in this range usually means the textbook terms are not there yet. Ten questions is a sample, not a diagnosis. Take Round 2 on the page linked at the end before you decide how much work is ahead of you.

5 to 7 correct

Right in the middle. Close enough to the line to be worth studying for, and not close enough to walk in cold on an exam that about 1 in 3 civilian test takers and about 6 in 10 military test takers do not pass. Take Round 2 and see if the number holds.

8 to 10 correct

You know the motivation, leadership, and decision-making terms in this set. Keep in mind that ten questions with no clock is a sample, that the real exam is about 100 questions at 54 seconds each, and that this set has nothing on business ethics or global management. Take Round 2, then read the explanation on anything you missed.

Questions

QUESTION 1 OF 10 | ORGANIZATION AND HUMAN RESOURCES

The _____ Theory states that a person's motivation is based on three factors--how likely he believes his effort will lead to the desired performance, if he believes his effort will lead to a greater reward, and how much value he places in this reward.

A. Administrative Man
B. Expectancy
C. Behavioral
D. Bureaucracy

QUESTION 2 OF 10 | INTERNATIONAL MANAGEMENT AND CONTEMPORARY ISSUES

The _____ Effect was the term coined for the effect where studying the performance of workers actually improved performance.

A. Butterfly
B. Behavioral
C. Hawthorne
D. Cause and

QUESTION 3 OF 10 | FUNCTIONAL ASPECTS OF MANAGEMENT

According to Fred Fiedler's contingency theory, _____ LPC leaders are best suited for extreme situations--where the leader's control and influence is either high or low.

A. high
B. low
C. medium
D. neutral

QUESTION 4 OF 10 | FUNCTIONAL ASPECTS OF MANAGEMENT

In a break-even chart, the break-even point is that point on the graph where the total revenue equals total costs. Therefore, increasing the overhead for an operation would _____ the break-even point.

A. raise
B. decrease
C. minimize
D. not effect

QUESTION 5 OF 10 | FUNCTIONAL ASPECTS OF MANAGEMENT

Delegation is where a manager allocates _____ downward to a subordinate.

A. blame
B. authority
C. accountability
D. responsibility

QUESTION 6 OF 10 | OPERATIONAL ASPECTS OF MANAGEMENT

_____ method is a variant of the PERT method, but tends to emphasize cost as well as time.

A. Gantt Chart
B. Critical Path
C. Work Breakdown Structure
D. Critical Chain

QUESTION 7 OF 10 | ORGANIZATION AND HUMAN RESOURCES

Physically attractive people are perceived as having more positive characteristics, such as kindness, sociability, honesty, etc. This is an example of the _____ effect.

A. celebrity
B. star
C. halo
D. mystique

QUESTION 8 OF 10 | ORGANIZATION AND HUMAN RESOURCES

The _____ Act is the most important labor law enacted in the United States, designed to eliminate employer's interference with the organization of workers into unions.

A. Wagner
B. Taft-Hartley
C. Norris-LaGuardia
D. Equal Pay

QUESTION 9 OF 10 | ORGANIZATION AND HUMAN RESOURCES

_____ explains two contrasting ways managers can view how employees are motivated, and how this affects their managing style.

A. Administrative Man Theory
B. Theory X and Theory Y
C. Acceptance Theory of Authority
D. Contingency Theory

QUESTION 10 OF 10 | FUNCTIONAL ASPECTS OF MANAGEMENT

According to Herbert Simon's _____ theory, individuals pick the first choice that meets a predetermined acceptance criteria.

A. rule of thumb
B. approximation
C. bounded rationality
D. juxtaposition

Answer Key

1. B Expectancy

This is known as the Expectancy Theory, and defines motivation as equal to the product of Expectancy, Instrumentality, and Valence--Motivation Forces = Expectancy x Instrumentality x Valence. Basically, the worker has to believe he can achieve the goals, expect that achieving the goals will give him a reward, and value that reward.

2. C Hawthorne

The Hawthorne Effect was defined during the Hawthorne Studies, when worker performance improved no matter what factors the researchers changed in the experiment, simply because the workers knew they were being studied.

3. B low

Fiedler stated that low LPC, or task-oriented leaders, are best for these situations. He defined three factors--leader-member, task structure, and position power--which define the extent of the leader's control and influence.

4. A raise

Increasing overhead would raise, or increase, the break-even point. More overhead means more total costs for the company, which means the company would have to bring in more revenue to break even.

5. B authority

Responsibility still falls on the manager, and cannot be delegated.

6. B Critical Path

Critical Path Method (CPM) involves a PERT chart, and many consider the two virtually identical. However, CPM assumes previous experience with the work involved and often includes cost estimates as well as timing.

7. C halo

The halo effect occurs when people become stereotyped based on earlier impressions and these impressions color future events. It can be positive or negative. The Halo Effect is a common source of error for the interviewer. An example is an interviewer making assumptions about honesty based on a candidate's physical appearance.

8. A Wagner

The Wagner Act officially the National Labor Relations Act, establishes the right for employees to form unions, requires employers to bargain with such unions fairly, and prohibits unfair labor practices such as firing employees for joining unions.

9. B Theory X and Theory Y

Theory X and Theory Y are two different views and sets of assumptions managers may have about their employees. Theory X views man as lazy and wanting to do as little as possible, and needing external threats or incentives to work. On the other hand, Theory Y sees motivation as internal, and goes along with Maslow's Need Hierarchy theory for sources of motivation for employees.

10. C bounded rationality

The ability to consider only some of the alternatives, or only some of the information required to evaluate a possible course of action is called bounded rationality. Simon believed that people have limited cognitive abilities and often have to deal with an overwhelming amount of information. Consequently they tend to take cognitive shortcuts when making decisions.

Want 10 more? Take Round 2 online

Round 2 is 10 more questions from the same 341 cards. It covers Mintzberg's forms of organization, Weber on authority, path-goal leadership, Herzberg on motivation, inventory control, and what an employer can ask in a job interview. Take Round 1 on the page below, enter your email on the score screen, and the Round 2 link follows.

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The full Principles of Management study guide

341 Principles of Management flashcards, each one with an explanation of why the answer is right, plus 3 full-length timed practice tests in software built to feel like the real CLEP screen, plus the Specific Exam Feedback forum on DegreeForum.net, where members post what was on their exam. $20/month, cancel anytime. 30-day money-back guarantee. 95% of InstantCert students who reported a Principles of Management score passed (1,398 of 1,477), against a civilian pass rate of 67% and a military pass rate of 41%.

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