Pearson BTEC (QCF)

Principles of Leadership and Management

Level 3 – F/506/2596

2015 – Practice Test **Time: 60 minutes**	Paper Reference **ML-3-15 PT**

You must have:
Multiple choice answer sheet
Black pen

Instructions

- Use **black** ink or ball-point pen.
- Answer **all** questions.
- Encircle your answers on the separate answer sheet.

Information

- The total mark for this paper is 50.
- The marks for **each** question are shown in brackets.

Advice

- Read each question carefully before you start to answer it.
- Try to answer every question.
- Check your answers if you have time at the end.

Turn over ▶

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1   Why is it important to align production decisions with business objectives?

    (1)

    Select **one** option.

    A   To set effective performance targets
    B   To define organisational ethics
    C   To support staff empowerment
    D   To establish stakeholder engagement

2   A team is lacking motivation and the manager is planning to use Frederick Taylor's
    Scientific Management theory to help resolve this.
    What should the manager do?

    (2)

    Select **two** options.

    A   Provide personal security
    B   Encourage job rotation
    C   Improve employee facilities
    D   Adopt a democratic leadership style
    E   Implement employee appraisals

3   Which of these is a feature of a performance management system?

    (1)

    Select **one** option.

    A   It confirms responsibilities
    B   It shapes the business strategy
    C   It focuses on outcomes
    D   It sets organisational objectives

4   A manufacturing organisation has an objective to double its sales over the next year.
    What should the manufacturing manager do to meet this objective?

    (1)

    Select **one** option.

    A   Plan new production targets
    B   Develop new skills for the team
    C   Update technology
    D   Inform existing customers

5   Which of these **best** differentiates how a leader rather than a manager influences teams?

    (1)

    Select **one** option.

    A   By reacting to change
    B   By being an example
    C   By exercising formal authority
    D   By focusing on control

6 Which of these are involved in setting key performance indicators?

(2)

Select **two** options.

A Concentrating on all business activities
B Relating only to controllable aspects of business
C Setting a benchmark to review competitor activities
D Placing emphasis on achievement of the organisation's mission
E Focusing primarily on employee outcomes

7 A manager wants to introduce additions to the current range of products.
Why is it important for the manager to evaluate the potential impact of this decision?

(1)

Select **one** option.

A To revise current benchmarks
B To evaluate stakeholder influence
C To measure negative effects on motivation
D To assess the risk of poor customer reactions

8 A small organisation, operating in a market where creativity and innovation is important, has a leader with a democratic leadership style.
What impact will this leadership style have on the employees?

(1)

Select **one** option.

A Staff comply with set procedures
B Staff are closely supervised
C Staff will receive fringe benefits
D Staff morale will be higher

9 A manager has decided to introduce changes to work procedures.
What important principle should the manager consider before doing this?

(1)

Select **one** option.

A That decisions are aligned with business policies
B That decisions reflect competitor activities
C That decisions are supported by staff ethics
D That decisions reflect industry norms

10 An organisation purchases a management information system to support performance management.
How does the organisation benefit from using this?

(1)

Select **one** option.

A Milestones are identified
B Goals are aligned to business vision
C Comparison with external best practice is possible
D Raw data is converted into an accessible format

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11 A manager requires their organisation's performance measurement system to provide regular, accurate and consistent information.
Which of these features is essential in order to fulfil these criteria?

(1)

Select **one** option.

A Ease of use
B Flexibility
C Cost effectiveness
D Reliability

12 How should a business deal with office staff lacking the right skills and competencies?

(1)

Select **one** option.

A Offer training on operating production machines
B Provide training in administrative skills
C Introduce more flexible working patterns
D Conduct employee appraisals

13 A manager has been asked to explain the difference between outputs and outcomes in a manual for new employees.
How should the manager explain the difference?

(1)

Select **one** option.

A Outputs are linked to available facilities and outcomes are tangible
B Outputs are linked to objectives and outcomes are observable
C Outputs are measureable and outcomes are linked to the service offered
D Outputs are the changes to be achieved and outcomes are the products

14 To ensure their organisation reaches its targets, a manager has responsibility for controlling the implementation of new work procedures.
What does the manager need to do to ensure this?

(1)

Select **one** option.

A Assess stakeholder engagement
B Identify external threats
C Analyse competitor activity
D Establish performance benchmarks

15 Which of these **best** differentiates how a manager rather than a leader influences teams?

(1)

Select **one** option.

A Directing according to team preferences
B Providing a vision for the future
C Controlling through structure and systems
D Encouraging innovation and problem solving

16 An organisation has experienced an increase in customers returning faulty products.
How should the organisation resolve this issue?

(1)

Select **one** option.

A   Reduce refund limits
B   Increase quality checks
C   Improve the working environment
D   Remove output incentives

17 A manufacturing business has reduced its purchasing budget due to declining sales.
How will this impact the production team?

(1)

Select **one** option.

A   More rigid workplace rules
B   Increased supervision of employees
C   Less access to raw materials
D   Fewer staff absences

18 How would performance dashboards be used to report on business progress?

(2)

Select **two** options.

A   By producing graphical displays
B   By reviewing success factors
C   By utilising the traffic light system
D   By assessing individual accomplishments
E   By appraising software applications

19 An organisation wishes to apply Henri Fayol's Administrative Management theory to
improve business performance.
Which of these are appropriate management actions in this situation?

(2)

Select **two** options.

A   Provide clear responsibilities
B   Introduce a decentralised structure
C   Implement official procedures
D   Promote individual interests
E   Review staff contributions

20 Members of a sales team have been set new individual sales targets.
What should the manager do to ensure that these are achieved?

(2)

Select **two** options.

A   Introduce weekly social events
B   Provide appropriate resources
C   Initiate performance reviews
D   Review company policies
E   Highlight personal strengths

21 Why is it important to define the scope of a project?

(1)

Select **one** option.

  A To allow appropriate objectives to be identified
  B To ensure that project decisions meet objectives
  C To evaluate the outcome of the project
  D To evaluate employee performance

22 What leadership style should be adopted by a manager who has been allocated a team that requires direct supervision?

(1)

Select **one** option.

  A Laissez-faire
  B Paternalistic
  C Autocratic
  D Democratic

23 A manager defines success criteria for a new project.
Why is this important?

(1)

Select **one** option.

  A To identify potential risks
  B To encourage staff delegation
  C To establish responsibility for tasks
  D To measure performance

24 Which of these factors indicate that an information source is credible?

(2)

Select **two** options.

  A Supportive peer review
  B Date of publication
  C Original language
  D Experience of author
  E Intended target audience

25 A manager needs to consult valid information in order to make changes to performance targets.
Why is this important?

(1)

Select **one** option.

  A To evaluate the alterations
  B To ensure effective decisions are made
  C To be able to assign appropriate responsibilities
  D To ensure stakeholders are informed

26 An organisation is introducing key performance indicators to support the achievement of its objectives.
What will the organisation's managers need to do in this situation?

(1)

Select **one** option.

A Compare industry best practice
B Review business culture
C Collate data on financial operations
D Define success criteria

27 A manager aligns decisions with their organisation's values.
Why is this important to the organisation?

(1)

Select **one** option.

A It sets the business standards
B It outlines the business's success criteria
C It supports the business's core principles
D It validates the business performance measures

28 A sales manager for an organisation needs to increase sales.
Which of these methods should they use to measure progress against this objective?

(1)

Select **one** option.

A Forecasting future sales trends
B Checking the costs involved
C Analysing quantitative sales data
D Collecting qualitative data

29 This is a **two** part question. Please answer both parts.

(1)

A manager closely directs their staff and avoids delegating to them.
(i) Which leadership style is appropriate for this?

Select **one** option.

A Paternalistic
B Democratic

(ii) What impact will the manager's approach have on the employees?

Select **one** option.

A Staff highly dependent on manager
B Staff decisions are based on compromise

30 In order to identify best practice, the directors of an organisation want to find out which business is most efficient at distributing products.
Which of these should be used to accomplish this?

(1)

Select **one** option.

- **A** A balance scorecard
- **B** A benchmarking report
- **C** A performance dashboard
- **D** A staff performance review

31 How should a manager support an organisation in achieving its performance management objectives?

(1)

Select **one** option.

- **A** By reviewing organisational risk
- **B** By coaching staff members
- **C** By evaluating absenteeism
- **D** By focusing on weaknesses

32 In performance management, how are management accounts utilised?

(1)

Select **one** option.

- **A** To analyse profitability ratios
- **B** To assess competitor activities
- **C** To set organisational vision
- **D** To determine staff responsibilities

33 The use of out-of-date machinery is hampering the achievement of production targets.
What should the manager do to resolve this issue?

(1)

Select **one** option.

- **A** Increase the physical resources budget
- **B** Revise policies and practices
- **C** Appraise staff skill requirements
- **D** Improve incentives and benefits

34 Work needs to be planned for a new important project.
How does a manager contribute to this planning?

(1)

Select **one** option.

- **A** They ensure relevant stakeholders are involved
- **B** They evaluate the success of the project
- **C** They ensure timelines are adhered to
- **D** They monitor staff performance

35 How are management information systems used in performance management?

(1)

Select **one** option.

A   To align objectives to values
B   To assess stakeholder engagement
C   To support managerial decision making
D   To encourage managerial progression

36 A business is overdrawn at the bank and is experiencing severe cashflow problems due to customers not paying their bills on time.
How frequently should the cashflow be monitored?

(1)

Select **one** option.

A   Weekly
B   Monthly
C   Quarterly
D   Annually

37 A manager wishes to provide opportunities for innovation, creativity and personal growth for their team members.
Which stage of Maslow's Hierarchy of Needs theory does this relate to?

(1)

Select **one** option.

A   Safety
B   Self-esteem
C   Physiological
D   Self-actualisation

38 A manager is coordinating a project with teams from across the organisation.
What is an important responsibility for this manager?

(1)

Select **one** option.

A   Reviewing trends
B   Conducting an environmental analysis
C   Establishing lines of communication
D   Setting objectives

39 Which of these is a criticism of Weber's Bureaucratic Theory of Management?

(1)

Select **one** option.

A   Unsuitable for fast changing environments
B   Narrow focus on financial measures
C   Absence of workplace discipline
D   Overemphasis on staff training

40 Which of these is a potential consequence of imposing a limit on the staffing budget?

(1)

Select **one** option.

A   Restricted access to physical resources
B   Deterioration of working environment
C   An inability to recruit additional employees
D   A decrease in employee self esteem

41 A marketing manager wants to review the results of the last advertising campaign in order to finalise the budget for a new campaign.
What is the most important consideration when obtaining this information?

(1)

Select **one** option.

A   That it is fit for purpose
B   That it is subjective
C   That it is available electronically
D   That it is a formal report

42 This is a **two** part question. Please answer both parts.

(1)

(i) Which theorist introduced the Administrative Management theory?

Select **one** option.

A   Max Weber
B   Henri Fayol

(ii) What does this theory list as a principle of management?

Select **one** option.

A   Unity of command
B   Bureaucratic power

43 An organisation is developing a new product.
Why should the organisation set objectives?

(1)

Select **one** option.

A   To allow staff to concentrate on their preferences
B   To improve the effectiveness of any decisions taken
C   To make sure customers are aware of developments
D   To involve all stakeholders in decision making

44 In the Scientific Management theory by Fredrick Taylor, which of these is important when managing people?

(1)

Select **one** option.

A   Focusing on social and personal needs
B   Applying rigid rules and procedures
C   Having delegated authority and responsibility
D   Defining work ethics and values

TOTAL FOR PAPER = 50 MARKS