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QUESTION & ANSWER



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**Exam** : **LEAD**

**Title** : Leadership and  
Transformation in Supply  
Management

**Version** : DEMO

1. A supply manager is scheduled to make a presentation at an upcoming management conference. The supply manager wants to present supply management as a key team member and an important contributor.

Which of the following is the BEST approach for the supply manager to take in order to get a favorable reception?

- A. Include technical definitions and specific process mapping
- B. Present results and challenge other departments to match them
- C. Demonstrate how accomplishments support organizational goals
- D. Discuss supply management in a light manner without appearing frivolous

**Answer: C**

**Explanation:**

When a supply manager aims to present supply management as a key team member and an important contributor at a management conference, the most effective approach is to demonstrate how the department's accomplishments support the overall organizational goals. This aligns with leadership and transformation management principles that emphasize the importance of illustrating the strategic impact of supply management.

**Strategic Alignment:** Demonstrating accomplishments in the context of organizational goals helps in showcasing how supply management contributes to the broader success of the company. This approach highlights the department's relevance and importance within the organization's strategic framework.

**Building Credibility:** Presenting tangible results tied to organizational goals builds credibility with the audience, as it shows that supply management is not just a support function but a critical component of the company's success.

**Engagement:** By focusing on accomplishments that support organizational goals, the presentation will likely engage the audience more effectively. Other departments and senior management are more inclined to listen and appreciate contributions that directly benefit the organization.

**Reference:** Kotter, J.P. (1996). *Leading Change*. Harvard Business Review Press.

Northouse, P.G. (2019). *Leadership: Theory and Practice*. Sage Publications.

2. Matrix structures and dual reporting systems can BEST be described as related to which of the following aspects of organizational hierarchy design?

- A. Centralization vs. decentralization
- B. Organization boundaries
- C. Coordination mechanisms
- D. Span of influence

**Answer: C**

**Explanation:**

Matrix structures and dual reporting systems are best described as coordination mechanisms within the organizational hierarchy design.

**Matrix Structures:** These are designed to facilitate coordination across different parts of the organization. In a matrix structure, employees have multiple reporting lines, typically both to a functional manager and a project or product manager. This design helps in integrating diverse functions and ensuring collaboration across departments.

**Dual Reporting Systems:** These systems are another form of coordination mechanism where an employee reports to two different managers. This structure helps in balancing different priorities and

objectives, ensuring that employees can meet the needs of various projects or functions simultaneously. Coordination Mechanisms: Both matrix structures and dual reporting systems are essential for managing complex and interdependent activities within an organization. They help in aligning efforts, ensuring communication across different areas, and managing the flow of information.

Reference: Galbraith, J.R. (1973). *Designing Complex Organizations*. Addison-Wesley.

Mintzberg, H. (1983). *Structure in Fives: Designing Effective Organizations*. Prentice-Hall.

3.XYZ, Inc. is a large manufacturing firm. An internal stakeholder asks XYZ's supply manager to assist with the sourcing of a temporary labor provider for short-term staffing needs. The stakeholder identifies a number of temporary labor agencies that XYZ has worked with in the past. One of these agencies employs the supply manager's spouse as its vice president of marketing.

Which of the following is TRUE in this situation?

- A. The supply manager should inform the department supervisor and the stakeholder of the personal relationship and request to be removed from the procurement.
- B. Since XYZ has worked with all of the agencies in the past, the supply manager is under no obligation to report the relationship.
- C. Since the stakeholder identified all of the potential suppliers, the supply manager is under no obligation to report the relationship.
- D. The supply manager should inform the department supervisor and the stakeholder of the personal relationship and state in writing that it will have no impact on the procurement.

**Answer: A**

**Explanation:**

In situations involving potential conflicts of interest, transparency and avoidance are key principles.

**Conflict of Interest:** The supply manager's spouse being employed by one of the agencies presents a clear conflict of interest. The supply manager's impartiality could be compromised, or perceived to be compromised, in making sourcing decisions.

**Transparency:** Informing the department supervisor and the stakeholder about the personal relationship ensures that all parties are aware of the potential conflict. Transparency in this situation helps maintain trust and integrity in the procurement process.

**Avoidance:** Requesting to be removed from the procurement eliminates any bias or perceived bias from the decision-making process. This step aligns with ethical guidelines and best practices in supply management and corporate governance.

Reference: Institute for Supply Management. (2012). *ISM Principles and Standards of Ethical Supply Management Conduct*.

Treviño, L.K., & Nelson, K.A. (2017). *Managing Business Ethics: Straight Talk about How to Do It Right*. Wiley.

4.Jones is a highly motivated leader who exceeds all standards for excellence. However, Jones has also been criticized for micro-managing employees, taking over tasks, giving employees little feedback or direction, and cutting comers during busy periods in order to meet production goals.

Jones is MOST likely which of the following types of leaders?

- A. Affiliation-oriented
- B. Achievement-oriented
- C. Personalized power-oriented

D. Socialized power-oriented

**Answer: B**

**Explanation:**

Jones exhibits characteristics of an achievement-oriented leader, focusing on high standards and task completion but also showing tendencies that can hinder team performance.

**High Standards and Excellence:** Jones's motivation and drive to exceed standards align with achievement-oriented leadership, which emphasizes setting and achieving high-performance goals.

**Micro-Management:** While aiming for excellence, Jones's tendency to micro-manage and take over tasks suggests an overemphasis on control and task completion, often seen in achievement-oriented leaders.

**Lack of Feedback:** This behavior can result from focusing too much on outcomes rather than the process, a common trait among achievement-oriented leaders who might prioritize goals over employee development.

**Cutting Corners:** The willingness to cut corners to meet production goals indicates a focus on results, often at the expense of thoroughness and quality, another characteristic of an overly achievement-focused leadership style.

**Reference:** House, R.J., & Mitchell, T.R. (1974). Path-Goal Theory of Leadership. *Journal of Contemporary Business*.

McClelland, D.C. (1961). *The Achieving Society*. Princeton, NJ: Van Nostrand.

5. In a closed-loop recycling process, waste material is

- A. reduced to a by-product and sold
- B. disposed of in accordance with environmental regulations
- C. disposed of by the generator, who is ultimately responsible
- D. utilized to make new products

**Answer: D**

**Explanation:**

In a closed-loop recycling process, waste material is utilized to make new products. This method of recycling aims to create a sustainable system where materials are continuously repurposed, reducing the need for new raw materials and minimizing waste.

**Closed-Loop Recycling:** This refers to the process where waste materials are collected, recycled, and used again to produce the same or similar products. The loop is "closed" because the materials are continuously cycled through the system.

**Environmental Impact:** Utilizing waste materials to create new products reduces the environmental impact by lowering the demand for virgin materials and decreasing the amount of waste sent to landfills.

**Sustainability:** This process supports sustainability goals by promoting resource efficiency and reducing the carbon footprint associated with the production of new materials.

**Reference:** Stahel, W.R. (2016). *The Circular Economy: A User's Guide*. Routledge.

Ghisellini, P., Cialani, C., & Ulgiati, S. (2016). A review on circular economy: the expected transition to a balanced interplay of environmental and economic systems. *Journal of Cleaner Production*, 114, 11-32.