

# CLEP® Principles of Management: At a Glance

## Description of the Examination

The Principles of Management examination covers material that is usually taught in an introductory course in the essentials of management and organization. The fact that such courses are offered by different types of institutions and in a number of fields other than business has been taken into account in the preparation of this examination. It requires knowledge of human resources and operational and functional aspects of management.

The examination contains approximately 100 questions to be answered in 90 minutes. Some of these are pretest questions that will not be scored.

## Knowledge and Skills Required

Questions on the CLEP® Principles of Management examination require test-takers to demonstrate one or more of the following abilities in the approximate proportions indicated:

- Specific factual knowledge, recall and general understanding of purposes, functions and techniques of management (about 10 percent of the exam)
- Understanding of and ability to associate the meaning of specific terminology with important management ideas, processes, techniques, concepts and elements (about 40 percent of the exam)
- Understanding of theory and significant underlying assumptions, concepts and limitations of management data, including comprehension of the rationale of procedures, methods and analyses (about 40 percent of the exam)
- Application of knowledge, general concepts and principles to specific problems (about 10 percent of the exam)

The subject matter of the CLEP Principles of Management examination is drawn from the following topics. The percentages next to the main topics indicate the approximate percentage of exam questions on that topic.

### 15–25% Organization and Human Resources

Personnel administration  
Human relations and motivation  
Training and development  
Performance appraisal  
Organizational development  
Legal concerns  
Workforce diversity  
Recruiting and selecting  
Compensation and benefits  
Collective bargaining

### 10–20% Operational Aspects of Management

Operations planning and control  
Work scheduling  
Quality management (e.g., TQM)  
Information processing and management  
Strategic planning and analysis  
Productivity

### 45–55% Functional Aspects of Management

Planning  
Organizing  
Leading  
Controlling  
Authority  
Decision making  
Organization charts  
Leadership  
Organizational structure  
Budgeting  
Problem solving  
Group dynamics and team functions  
Conflict resolution  
Communication  
Change  
Organizational theory  
Historical aspects

### 10–20% International Management and Contemporary Issues

Value dimensions  
Regional economic integration  
Trading alliances  
Global environment  
Social responsibilities of business  
Ethics  
Systems  
Environment

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Government regulation

Management theories and theorists

E-business

Creativity and innovation

## Study Resources

Most textbooks used in college-level principles of management courses cover the topics in the outline given earlier, but the approaches to certain topics and the emphases given to them may differ. To prepare for the Principles of Management exam, it is advisable to study one or more college textbooks, which can be found for sale online or in most college bookstores.

A recent survey conducted by CLEP found that the following textbooks are among those used by college faculty who teach the equivalent course. You might find one or more of these for sale online or at your local college bookstore. HINT: Look at the table of contents first to make sure it matches the Knowledge and Skills Required for this exam.

Bateman and Snell, <i>Management</i> (McGraw-Hill)
Griffin, <i>Fundamentals of Management</i> (Cengage)
Hill and McShane, <i>Principles of Management</i> (McGraw-Hill)
Jones and George, <i>Essentials of Contemporary Management</i> (McGraw-Hill)
Montana and Charnov, <i>Management</i> (Barron's)
Robbins and DeCenzo, <i>Fundamentals of Management</i> (Prentice-Hall)
Robbins and Coulter, <i>Management</i> (Prentice-Hall)
Schermerhorn, <i>Management</i> (Wiley)
Williams, <i>MGMT</i> (Cengage)

Visit [www.collegeboard.com/clepprep](http://www.collegeboard.com/clepprep) for additional management resources. You can also find suggestions for exam preparation in Chapter IV of the *CLEP Official Study Guide*. In addition, many college faculty post their course materials on their schools' websites.

## Sample Test Questions

The following sample questions do not appear on an actual CLEP examination. They are intended to give potential test-takers an indication of the format and difficulty level of the examination and to provide content for practice and review. For more sample questions and info about the test, see the *CLEP Official Study Guide*.

1. According to equity theory, after an employee receives a reward for performance, what is the next step the employee takes in the motivation process?
  - (A) Renegotiating new valued rewards for the next performance period
  - (B) Comparing the reward with a self-selected comparison group or person
  - (C) Reducing productivity briefly while enjoying the earned reward
  - (D) Expecting an increase in future rewards
  - (E) Working harder than previously
2. The ratio of output to input gives a measure of
  - (A) proficiency
  - (B) effectiveness
  - (C) productivity
  - (D) operations management
  - (E) quality control
3. The process used for settling labor disputes with the assistance of a disinterested third party, who is empowered to determine the solution, is known as
  - (A) arbitration
  - (B) conciliation
  - (C) mediation
  - (D) collective bargaining
  - (E) third-party bargaining
4. In Michael Porter's five forces model of global environmental scanning, which of the following is one of the five forces?
  - (A) Sociocultural factors
  - (B) Inflation
  - (C) Technology transfer
  - (D) Material artifacts of culture
  - (E) Power of suppliers

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5. The Atlas Company applies the morality used in its home country to its operations in all host country subsidiaries. This is an example of

- (A) moral universalism
- (B) ethical inelasticity
- (C) ethical relativism
- (D) a regiocentric approach
- (E) an ethnocentric approach

6. When in group meetings, Mikhail routinely shows skills in reducing tension among members, supporting others' ideas and showing sensitivity to the decreased performance of fellow members caused by fatigue. He is exhibiting which of the following types of group roles?

- (A) Maintenance
- (B) Task
- (C) Gatekeeper
- (D) Decisional
- (E) Follower

7. Ying belongs to a group of workers who are given administrative oversight of the group's planning, scheduling, monitoring and staffing. Which of the following best describes the type of team to which Ying belongs?

- (A) Semiautonomous
- (B) Cross-functional

- (C) Self-managed
- (D) Virtual
- (E) Traditional

8. Which of the following practices enhances job content by building into the job more motivating factors such as responsibility, achievement, recognition and personal growth, as advocated by Frederick Herzberg?

- (A) Job enlargement
- (B) Job enrichment
- (C) Job rotation
- (D) Job reengineering
- (E) Job intensification

## Credit Recommendations

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The American Council on Education has recommended that colleges grant 3 credits for a score of 50, which is equivalent to a course grade of C, on the CLEP Principles of Management exam. Each college, however, is responsible for setting its own policy. For candidates with satisfactory scores on the Principles of Management examination, colleges may grant credit toward fulfillment of a distribution requirement, or for a particular course that matches the exam in content. Check with your school to find out the score it requires for granting credit, the number of credit hours granted and the course that can be bypassed with a passing score.

*Answers to Sample Questions:* 1-B; 2-C; 3-A; 4-E; 5-E; 6-A; 7-C; 8-B.