

## Chapter 2

1. A person is accepted in a leadership position when the followers
  - a. trust that the person will use power and influence responsibly.
  - b. expect that the person will answer to certain parties.
  - c. anticipate that the person will act according to specific demands.
  - d. assume that the person will change positions when expedient.
2. All of the following are revered character traits in a leader *EXCEPT*
  - a. integrity.
  - b. honesty.
  - c. duplicity.
  - d. trustworthiness.
3. What causes people to stop being loyal to their leader?
  - a. The leader uses knowledge for truthful and honorable purposes.
  - b. People's personal needs are no longer being met.
  - c. The leader is disliked but accomplishes required goals.
  - d. People agree with leader's changed objectives.
4. How are codes for ethical and moral behavior developed?
  - a. Determined by state and federal law
  - b. Developed by hit or miss decisions
  - c. Established by company policies and procedures
  - d. Influenced by family, culture, religion, and society
5. Regarding the character of a leader, generally, people
  - a. will follow an unethical person as long as they can make money.
  - b. must have faith that their leader's decisions are always right.
  - c. need to find a correlation between their own belief system and that of their leader.
  - d. must love their leaders.
6. What is a leader's ultimate abuse of power?
  - a. Use of coercion to gain compliance
  - b. Treats individuals fairly and with dignity
  - c. Unwillingness to compromise for personal gain
  - d. Willingness to stand by necessary, but difficult decisions
7. What action is *MOST* likely from a self-assured leader?
  - a. Do what needs to be done to reach the leader's goals
  - b. Acknowledge the self-worth of followers
  - c. Sacrifice the interests of the followers to make the leader look good
  - d. Demand sacrifices from those who are supporters of the leader
8. All of the following characteristics are valuable for a leader *EXCEPT*
  - a. being willing to take care of others.
  - b. being compassionate.
  - c. being open-minded.
  - d. resolutely sticking to any decision already made.

9. Leaders should have a healthy sense of ego because they must be able to
  - a. be egomaniacs.
  - b. use their egos to build themselves up in the eyes of others.
  - c. use their weaknesses to build themselves up in the eyes of others.
  - d. use their confidence and self-respect for the benefit of others.
  
10. How do *MOST* people respond to the character of a leader?
  - a. Will follow an unethical person as long as the leader can make money
  - b. Must have faith that their leader's decisions are always right
  - c. Need to find a correlation between their own belief systems and that of their leader
  - d. Must find something to love about their leader
  
11. What is the benefit, if any, for the leader to encourage team building?
  - a. Very little, as it distracts from working to pursue individual needs
  - b. Very beneficial when it stimulates ideas and an appreciation for the rewards that are possible in collective efforts
  - c. No benefit if working with real estate agents who are generally independent contractors
  - d. Some benefit when people are drawn into activities on behalf of the organization, the goals of the leader, or both
  
12. What value, if any, is there for a leader being decisive?
  - a. Little value because it is not a characteristic that is admired in a leader
  - b. Some value because it means being able to make snap decisions on the fly
  - c. Great value when the leader is willing to make decisions and accept the risk involved
  - d. Required value because the leader must interject a decision into every situation that arises
  
13. Leaders can handle responsibility and accountability by
  - a. readily acknowledging their errors in judgment.
  - b. delegating the responsibility for their mistakes to others.
  - c. sitting back rather than admitting their responsibility.
  - d. fearing a loss of respect if they acknowledge their errors in judgment.
  
14. An affiliated licensee in a brokerage of 60 affiliated licensees is charged with a violation of the state's real estate license law. Who is *MOST* responsible for the actions of the affiliated licensee?
  - a. The team leader
  - b. The broker of the large office
  - c. The client who hired the brokerage
  - d. The unlicensed partners of the broker
  
15. What is *MOST* important when a leader delegates authority to another?
  - a. Retain enough control to ensure a favorable outcome
  - b. Take credit for favorable outcomes, but not for unfavorable ones
  - c. Confer complete authority, that is, the right to direct the job that needs to be done
  - d. Describe in detail how each delegated task should be performed

16. When the leader makes a decision to delegate the completion of a task to another, the leader
  - a. may assign tasks to unskilled people to see if they can rise to the challenge.
  - b. should only include those of his own group without regard for the welfare of others.
  - c. should take credit for the accomplishments of the task.
  - d. must identify the right person for the specific work.
  
17. What are the characteristics of an effective leader?
  - a. Encourage others to grow and develop to their highest potential
  - b. Refuse to share credit with other people for accomplishments of the organization
  - c. Be consumed with her position of authority
  - d. Be reactive with an eye on short-term objectives
  
18. One difference between a manager and a leader is that a leader
  - a. proactively designs systems with an eye on long-term success.
  - b. works well within well-defined systems.
  - c. works as a caretaker of traditional formulas to keep the organization on track.
  - d. avoids any deviations from established agreed-upon formulas.
  
19. Which of the following is a characteristic of an effective manager?
  - a. People focused
  - b. Do things to keep business on course
  - c. Develop the talents of others
  - d. Design systems and processes to support the people
  
20. What is a key factor in leadership development?
  - a. Must be born with leadership qualities
  - b. Assume authority when named as the leader
  - c. Learn leadership through observation and introspection
  - d. Avoid distraction through involvement with the wider community

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1. a The essence of leadership is the ability to influence other people and persuade them to follow; we trust that the leader will use power and influence responsibly, will answer to the group as a whole, and will stay the course without wavering or changing positions. 22
2. c Duplicity, that is deception and dishonesty, is not a desired leadership trait. The most revered traits include integrity, honesty, trustworthiness, loyalty, and respect. 22-23
3. b People are faithful when they feel their personal needs are being met. Once that devotion no longer reaps those benefits, or we find our allegiance misplaced, we are no longer loyal. 23
4. d Each person has a personal set of values and codes for ethical and moral behavior, all of which are influenced by family, culture, religion, and society. Leaders are expected to be especially honorable and models for others to emulate. 24
5. c We set high standards for our leaders, expecting that their value systems, ethics, and moral codes are especially honorable and models for the rest of us to emulate. 24
6. a When a person uses power to coerce, we obey out of fear rather than respect; that's the ultimate abuse of power. We look to leaders to stand by necessary, but difficult, decisions. 24
7. b A self-assured leader supports followers and does not sacrifice their interests to make the leader look good. We want leaders who are selfless rather than selfish. 25
8. d Sometimes a leader must change direction after making a decision. Leaders should be willing to take care of others, be compassionate, and be open-minded. 25
9. d A healthy sense of ego is important for leaders because they can use their confidence and self-respect to engender confidence in their followers. 25
10. c People face a dilemma when their values or standards and those of their leaders are misaligned; if the systems and codes of the leader are different from those of their followers, the followers are offended, even outraged, by their leader's behavior. 24
11. b Leaders are effective when they use team building to build coalitions. Coalitions consist of a core that demonstrates to others the merits of following the leader, a participatory process that is more evidence that the people matter. 26
12. c Decisiveness in leaders provides assurance that they have a clear vision of where the group is going. Decisiveness is not as much about decision-making processes as it is about the ability to frame definitive courses of action. Leaders should accept responsibility for their decisions. 27
13. a Accountability is easy when actions produce the desired results or exceed expectations; however, it is necessary for leaders to accept responsibility and to not blame others when decisions and procedures produce undesirable outcomes. 27
14. b In real estate companies, brokers are held responsible for the activities of the licensees who work for them; regulators do not excuse a licensee's ineptitude or a broker's inability to know all of what the licensees are doing as a defense for violations of the law. 27
15. c When delegating tasks for which the leader is ultimately responsible, leaders must let go of the details and trust that the person will decide how to do the task and will get it done. 27
16. d Delegation works best when the right people are identified for the specific work and the delegator lets go of the details. Not conferring the authority to make commitments, using resources or taking other steps that are needed to do the job, is a failure of trust and confidence. 27-28
17. a Effective leaders are proactive, not reactive, and will nurture the growth and development of others by delegating responsibility, sharing credit, and being concerned about the entire organization, not just her own group. 28

18. a Leaders are people who usually think outside the box, with long-range, independent thinking that looks for creative, more inspired talent; they build trust, regardless of formal positions. 25
19. b Managers are work focused, not people focused. They administer and make the organization run by doing things that keep business on course, with an eye on short-term objectives and bottom-line dollars to achieve or preserve stability. 28
20. c It's the person, not the title that makes a leader. People develop as leaders through observation and introspection, learning how to behave and practicing what they learn. Good leaders invest in, not only their company, but in community activities and social service projects. 29