

# Management philosophy and practice notes

[Business](#), [Management](#)



Effectiveness: A measure of the appropriateness of the goals an organization is pursuing and the degree to which the organization achieves those goals 6.

Planning: Identifying and selecting appropriate goals; one of the four principal tasks of management 7. Strategy: A cluster of decisions about what goals to pursue, what actions to take, and how to use resources to achieve goals 8. Organizing: Structuring working relationships in a way that allows organizational members to work together to achieve organizational goals; one of the four principal tasks of management 9.

Organizational Structure: A formal system of task and reporting relationships that organizes and motivates organizational members so they work together to achieve organizational goals 10. Leading: Articulating a clear vision and energize and enabling organizational members so they understand the part they play in achieving organizational goals; one of the four principal tasks of management 11. Controlling: Evaluating how well an organization is achieving its goals and taking action to maintain or improve performance; one of the four principal tasks of management 12.

Department: A group of people who work together and possess similar skills or use the same knowledge, tools, or techniques to perform their jobs 13.

First-Line Manager: A manager who is responsible for the daily supervision of managerial employees 14. Middle Manager: A manager who supervises first-line managers and is responsible for finding the best way to use resources to achieve organizational goals 15. Top Manager: A manager who establishes organizational goals, decides how departments should interact, and monitors the performance of middle managers 16.

Top Management Team: A group composed of the CEO, the COO, the president, and the heads of the most important departments 17. Conceptual Skills: The ability to analyze and diagnose a situation and to discern the relationship between cause and effect 18. Human Skills: The ability to understand, alter, lead, and control the behavior of other individuals and groups 19. Technical Skills: The job-specific knowledge and techniques required to perform an organizational role 20. Core Competency: The specific of departmental skills, knowledge, and experience that allows one organization to outperform another 21 .

Restructuring: Downsizing an organization by eliminating the jobs of large number of top, middle, and first-line managers and usually abroad, to have it perform an activity the organization previously performed itself 23.

Empowerment: The expansion of employees' knowledge, tasks, and decision-making responsibilities 24. Self-Managed Team: A group of employees who assume responsibility for organizing, controlling, and supervising their own activities and monitoring the quality of the goods and services they provide 25. Global Organizations: Organizations that operate and compete in more than one country 26.

Competitive Advantage: The ability of one organization to outperform other organizations because it produces desired goods or services more efficiently and effectively than they do 27. Innovation: The process of creating new or improved goods and services or developing better ways to produce or provide them 28. Turnaround Management: The creation of a new vision for a struggling company based on a new approach to planning and organizing

to make better use of a company's resources and allow it to survive and prosper Chapter I-Topics for Discussion and Action 1 .

Even though efficiency and effectiveness sound similar they have entirely different meanings. An efficient employee produces quickly and intelligently, while an effective employee has a high level of productivity. The level of results from the actions of the employees and managers of a company is their effectiveness. Managers and employees can help produce high-quality results when they demonstrate effectiveness in their workplace. The time it takes to do something is efficiency in the workplace.

Employees and managers that are efficient complete tasks in the least amount of time possible, with the least amount of resources possible by using time- saving strategies. Wall-Mart is a good example of an organization that is both efficient and effective, while Kodak is not. 2. First-line managers can contribute to organizational efficiency and effectiveness through their day-to day supervision of managerial employees. Middle managers can contribute through developing and utilizing organizational resources efficiently and effectively.

Top managers can completely restructure or downsize operations and outsource activities or empower their employees through self-managed teams to increase efficiency and effectiveness. Chapter I-Case in the News 1&2. All four Coos had to face the challenge of how to reach optimal organizational performance during a nationwide recession. They performed the tasks of planning, organizing, leading, and controlling in order to reach

their goals. As CEO of eBay, Donahue had to restructure by carrying out the first round of layoffs at eBay ever.

He also reorganized the company's website and acquired a consumer credit business. Donahue was forced to make changes that were unpopular in the short term, but were necessary for the long term success of the company.

Kennedy was faced with the challenge of learning new areas of T. Rowe Price. He also had to stop the focus on company growth and cut back expenses to overcome the dangers of mortgage-backed securities in 2007. Kennedy was able to meet the challenge of making time for his personal life throughout this challenging time for the company.

Irvine had to globalize the company by venturing into the overseas markets and allowing the website to start accepting 23 different types of currency.

She also joined Bill Me Later to allow customers to acquire no interest financing for their purchases. Through Irvine's work ethic she was able to add a high level of discipline to the company as well. When Sunburn became head of Nelson Coors he was faced with the challenge of getting a staff of 15,000 workers on three different continents to mesh with one another.

He empowered his employees at all levels to think outside of their roles and utilized IT to allow them to interact with one another. 3. eBay reported a 15 percent year-over-year increase with third quarter 2012 revenues of \$3.4 billion. Donahue is now one of the most powerful people in the wireless market through eBay. Under Kennedy, T. Rowe Price continues to achieve growth and has hired many new employees over the past year. Their 2012

third quarter profit jumped 33 percent as they continue to perform well and control their expenses.

In November of 2011, Irvine signed as CEO of Blue Nile for no given reason. Blue Nile reported solid results for the third quarter of 2012 with accelerating revenue growth and expanded earning per share. In 2012, Sunburn oversaw a \$3.5 billion acquisition through purchasing a rival company. Nelson Coors is now the seventh largest brewing company worldwide. Chapter 2-

Highlighted Terms 1. Job Specialization: The process by which a division of labor occurs as different workers specialize in different tasks over time 2.

Scientific Management: The systematic study of relationships between people and tasks for the purpose of designing the work process to increase efficiency 3. Administrative Management: The study of how to create an organizational structure and control system that leads to high efficiency and effectiveness 4. Bureaucracy: A formal system of organization and administration designed to ensure efficiency and effectiveness 5. Authority: The power to hold people accountable for their actions and make decisions concerning the use of organizational resources 6.

Rules: Formal written instructions that specify actions to be taken under different circumstances to achieve specific goals 7. Standard Operating Procedures (Sops): Specific sets of written instructions about to perform a certain aspect of a task 8. Norms: Unwritten, informal codes of conduct that prescribe how people should act in particular situations and are considered important by most members of a group or organization 9. Unity of

Command: A reporting relationship in which an employee receives orders from, and reports to, only one superior 10.

Line of Authority: The chain of command extending from the top to the bottom of an organization 11. Centralization: The concentration of authority at the top of the managerial hierarchy 12. Unity of Direction: The singleness of purpose that makes possible the creation of one plan of action to guide managers and workers as they use organizational resources 13. Equity: The justice, impartiality, and fairness to which all organizational members are entitled 14.

Order: The methodical arrangement of positions to provide the organization with the greatest benefit and to provide employees with career opportunities 15. Initiative: The ability to act on one's own without direction from a superior 16. Discipline: Obedience, energy, application, and other outward marks of respect for a superior's evocation to a common cause among members of a group 18. Behavioral Management: The study of how managers should behave to motivate employees and encourage them to perform at high levels and be committed to the achievement of organizational goals 19.

Hawthorne Effect: The finding that a manager's behavior or leadership approach can affect workers' level of performance 20. Human Relations Movement: A management approach that advocates the idea that supervisors should receive behavioral training to manage subordinates in ways that elicit their cooperation and increase their productivity 21. Informal Organization: The system of behavioral rules and norms that emerge in a group 22. Organizational Behavior: The study of the factors that have an

impact on how individuals and groups respond to and act in organizations  
23.

Theory X: A set of negative assumptions about workers that leads to the conclusion that a manager's task is to supervise workers closely and control their behavior 24. Theory Y: A set of positive assumptions about workers that leads to the conclusion that a manager's task is to create a work setting that encourages commitment to organizational goals and provides opportunities for workers to be imaginative and to exercise initiative and self-direction 25.

Management Science Theory: An approach to management that uses rigorous quantitative techniques to help managers make maximum use of organizational resources 26.

Organizational Environment: The set of forces and conditions that operate beyond an organization's boundaries but affect a manager's ability to acquire and utilize resources 27. Open System: A system that takes in resources from its external environment and converts them into goods and services that are then sent back to that environment for purchase by customers 28. Closed System: A system that is self-contained and thus not affected by changes occurring in its external environment 29.

Entropy: The tendency of a closed system to lose its ability to control itself and thus to dissolve and disintegrate 30. Synergy: Performance gains that result when individuals and departments coordinate their actions 31 .

Contingency Theory: The idea that the organizational structures and control systems managers choose depend on (are contingent on) characteristics of the external environment in which the organization operates 32. Mechanistic



Structure: An organizational structure in which authority is centralized, tasks and rules are clearly specified, and employees are closely supervised 33.

Organic Structure: An organizational structure in which authority is decentralized to middle and first-line managers and tasks and roles are left ambiguous to encourage employees to cooperate and respond quickly to the unexpected Chapter 2-Topics for Discussion and Action 3. Web's five principles of bureaucracy and Payola's fourteen principles of management have many similarities and differences. They both agree on division of labor, but Payola was one of the first to point out the problem with too much speculation.

The both believed in the importance of authority and responsibility; however Payola recognized the informal authority that comes from personal expertise, moral worth, knowledge of technology, and leadership ability. While Web's principle of unity of command specified that an employee should report to only one superior, Payola believed in dual command. In regard to the line of authority, Payola was the first management theorist to stress the importance of limiting the length of the chain of direction, and equity. Payola recommended the use of organizational charts to achieve order.

Payola believed that managers must encourage their employees to exercise initiative while using discipline to build respectful relationships. Payola proposed reward systems and also recognized the importance of long-term employment. 4. Web's second principle regarding authority seems relevant to the creation of an ethical organization. Payola's equity theory appears to

be the most relevant. Chapter 2- Case in the News 1 . Ron Den's uses management science theory the most. 2. This approach probably makes employees and supervisors pressured, paranoid, and prone to stress related illnesses.

The no talking rule and the covered windows robbery make them feel very isolated and less than human. 3. I do not think that Ron Den's approach to management is ethical or acceptable in this day and time. The only difference between this work environment and sweatshops of the past is the worker's aren't being physically beaten. However, the mental anguish caused by the work environment and the low compensation that the employees of EBBS are receiving is equally as wrong in my opinion. Chapter 3-Highlighted Terms 1. Personality Traits: Enduring tendencies to feel, think, and act in certain ways 2.

Extroversion: The tendency to experience positive emotions and moods and to feel good about oneself and the rest of the world 3. Negative Affectivity: The tendency to experience negative emotions and moods, to feel distressed, and to be critical of oneself and others 4. Agreeableness: The tendency to get along well with other people 5. Conscientiousness: The tendency to be careful, scrupulous, and persevering 6. Openness to Experience: The tendency to be original, have broad interests, be open to a wide range of stimuli, be daring, and take risks 7.

Internal Locus of Control: The tendency to locate responsibility for one's fate within oneself 8. External Locus of Control: The tendency to locate responsibility for one's fate in outside forces and to believe one's own

behavior has little impact on outcomes 9. Self-Esteem: The degree to which individuals feel good about themselves and their capabilities 10. Need for Achievement: The extent to which an individual has a strong desire to perform challenging tasks well and to meet personal standards for excellence 11 .

Need for Affiliation: The extent to which an individual is concerned about establishing and maintaining good interpersonal relations, being liked, and having other people get along 12. Need for Power: The extent to which an individual desires to control or influence others 13. Terminal Value: A lifelong goal or objective that an individual seeks to achieve 14. Instrumental Value: A mode of conduct that an individual seeks to follow 15. Norms: Unwritten, informal codes of conduct that prescribe how people should act in particular situations and are considered important by most members of a group or organization 16.

Value System: The terminal and instrumental values that are guiding principles in an individual's life 17. Attitude: A collection of feelings and beliefs 18. Job Satisfaction: The collection of feelings and beliefs that managers have about their current Jobs 19. Organizational Citizenship Behaviors (OCBs): Behaviors that are not required of organizational members but that contribute to and are necessary for organizational efficiency, effectiveness, and competitive advantage 20. Organizational organization as a whole 21 . Mood: A feeling or state of mind 22.

Emotions: Intense, relatively short-lived feelings 23. Emotional Intelligence: The ability to understand and manage one's own moods and emotions and the

moods and emotions of other people 24. Organizational Culture: The shared set of beliefs, expectations, values, norms, and work routines that influence how individuals, groups, and teams interact with one another and cooperate to achieve organizational goals 25. Attraction-selection-Attrition (AS) Framework: A model that explains how personality may influence organizational culture 26.

Organizational Colonization: The process by which newcomers learn an organization's values and norms and acquire the work behaviors necessary to perform Jobs effectively Chapter 3-Topics for Discussion and Action 1 . Even though managers may have different ways of handling specific situations cause they have different personality traits, they can still be equally effective and successful. Certain traits definitely fit certain Jobs better. It depends on what the specific Job demands of the manager.

Extravert's may be better at handling social interaction, but the Job may not demand much social interaction. While it may be more enjoyable to work for someone that is low on negative affectively, high negative affectively may be better motivation for employees to improve their performance. While most managers need to be agreeable to be affective, there are positions that are better suited to an antagonistic manager. . Managers might be disadvantaged by low levels of emotional intelligence because they will not be equipped to understand and manage their own feelings and be effective decision makers.

They will not be able to perform their interpersonal roles and will be unable to develop strong interpersonal bonds with their employees. Without

emotional intelligence managers cannot understand or relate well to other people. Chapter 3-Case in the News 1. Even though the factory is only running at half capacity, Incur has made their workers top priority. They have still paid out bonuses and profit sharing regardless of rough fourth quarter. Incur has made the front line workers responsible for production and efficiency.

There is also a big focus on communication updating the staff weekly on order volumes. Since workers' pay is down as much as 40 percent, Incur is allowing them to perform tasks that were previously done by outside contractors. 2. Incur has a strong organizational culture. The members share an intense commitment to their beliefs and routines and use them to help achieve their goals. The workers have picked up on the strong commitment coming from management and are carrying it through themselves as a result. The terminal values that are important in Nuncio's culture are probably a comfortable life, a sense of accomplishment, equality, family security, happiness, and social recognition. The instrumental values that seem important are that the organizational members are ambitious, broad-minded, capable, helpful, honest, logical, obedient, and responsible. 4. The managers' probably have a high level of emotional intelligence because they are able to understand how their workers are feeling and react to them in a positive way.

I believe that the open channels of communication are the key here. Most people can endure much more if they feel like they know what's going on. They Just Terms 1. Ethical Dilemma: The quandary people find themselves in

when they have to decide if they should act in a way that might help another person or group even though doing so might go against their own self-interest 2. Ethics: The inner guiding moral principles, values, and beliefs that people use to analyze or interpret a situation and then decide what is the right or appropriate way to behave 3.

Stakeholders: The people and groups that supply a company with its productive resources and so have a claim on and stake in the company 4.

Utilitarian Rule: An ethical decision is a decision that produces the greatest good for the greatest number of people 5. Moral Rights Rule: An ethical

decision is one that best maintains and protects the fundamental and

inalienable rights and privileges of the people affected by it 6. Justice Rule:

An ethical decision distributes benefits and harms among people and groups in a fair, equitable, or impartial way 7.

Practical Rule: An ethical decision is one that a manager has no reluctance about communicating to people outside the company because the typical

person in a society would think it is acceptable 8. Trust: The willingness of one person or group to have faith or confidence in the goodwill of another

person, even though this puts them at risk 9. Reputation: This esteem or

high repute that individuals or organizations gain when they behave ethically

10. Societal Ethics: Standards that govern how members of a society should deal with one another in matters involving issues such as fairness, justice, poverty, and the rights of an individual 11.

Occupational Ethics: Standards that govern how members of a profession, trade, or craft should conduct themselves when performing work-related

activities 12. Individual Ethics: Personal standards and values that determine how people view their responsibilities to others and how they should act in situations when their own self-interests are at stake 13. Organizational Ethics: The guiding practices and beliefs through which a particular company and its managers view their responsibility toward their stakeholders 14.

Social Responsibility: The way a company's managers and employees view their duty or obligation to make decisions that protect, enhance, and promote the welfare and well-being of stakeholders and society as a whole 15. Obstructionist Approach: Companies and their managers choose not to behave in a socially responsible way and instead behave unethically and illegally 16. Defensive Approach: Companies and their managers behave ethically to the degree that they stay within the law and strictly abide by legal requirements 17.

Accommodative Approach: Companies and their managers behave legally and ethically and try to balance the interests of different stakeholders as the need arises 18. Proactive Approach: Companies and their managers actively embrace socially responsible behavior, going out of their way to learn about the needs of different stakeholder groups and using organizational resources to promote the interests of all stakeholders 19. Ethics Ombudsperson: A manager responsible for communicating and teaching ethical standards to all employees and monitoring their conformity to those standards Chapter 4- Topics for Discussion and Action 1 .

The relationship between ethics and the law is that laws are usually passed based on personal beliefs about right and wrong. However, neither laws nor

ethics are fixed The main determinants of business ethics are societal ethics, occupational ethics, individual ethics, and organizational ethics. Chapter 4- Case in the News 1. Some of the unethical and illegal behaviors that high-tech sweatshops engage in re they charge high fees for visas and then don't give them a visa or don't have a job for them. When they do place at a job, they take part of their pay or change ongoing fees.

They pay low wages while employing the worker in a high-wage area. The criteria that they should use to decide if they are treating their overseas employees fairly is the Code of Vendor Conduct. 2. I would characterize the stance on social responsibility of companies that function as body shops as an obstructionist approach. 3. It is imperative to develop an ethical approach to managing outsourcing to ensure the well-being and performance of overseas employees and the companies they work for. Without an ethical approach, their well-being is at risk and performance will be stifled.

Chapter 5-Highlighted Terms 1. Glass Ceiling: A metaphor alluding to the invisible barriers that prevent minorities and women from being promoted to top corporate positions 2. Distributive Justice: A moral principle calling for fair distribution of pay, promotions, and other organizational resources based on meaningful contributions that individuals have made and not personal characteristics over which they have no control 3. Procedural Justice: A moral principle calling for the use of fair procedures to determine how to distribute outcomes to organizational members 4.

Perception: The process through which people select, organize, and interpret what they see, hear, touch, smell, and taste to give meaning and order to



the world around them 5. Schema: An abstract knowledge structure that is stored in memory and makes possible the interpretation and organization of information about a person, event, or situation 6. Gender Schemas: Preconceived beliefs or ideas about the nature of men and women and their traits, attitudes, behaviors, and preferences 7. Stereotype: Simplistic and often inaccurate beliefs about the typical characteristics of particular groups of people 8.

Bias: The systematic tendency to use information about others in ways that result in inaccurate perceptions 9. Overt Discrimination: Knowingly and willingly denying diverse individuals access to opportunities and outcomes in an organization 10. Mentoring: A process by which an experienced member of an organization (the mentor) provides advice and guidance to a less experienced member (the protégé) and helps the less experienced member learn how to advance in the organization and in his or her career 11 .

Quid Pro Quo Sexual Harassment: Asking for or forcing an employee to perform sexual favors in exchange for receiving some reward or avoiding negative consequences 12. Hostile Work Environment Sexual Harassment: Telling lewd jokes, displaying pornography, making sexually oriented remarks about someone's personal appearance, and other sex-related actions that make the work environment unpleasant Chapter 5-Topics for Discussion and Action 7. Mentoring is particularly important for minorities because they continue to be less likely to get high-level positions in their organizations.

For those minorities who are able to attain high-level positions, it takes much more time than it does for white men. 8. It is important for a manager to consider the numbers of different groups of employees at various levels in an organizations hierarchy because it is a good underrepresented in certain types of jobs, managers need to find out why and resolve any problems they find. Chapter 5-Case in the News 1 . The succession of Ursula Burns to the top position at Xerox was a historic event because she was the first African-American woman to lead a major U.

S. Corporation and the first female CEO to take the place of another woman. . There are so few women and minority Coos of large corporations because they still have traditional beliefs regarding women and minorities in positions of authority. Also the similar-to-me effect influences the decisions of top management in big corporations stifling change in regard to sex and race. 3. Xerox has used employee similarity networks since the sass's. Representatives of minority groups represent the interests of their groups to senior management.

These networks gave women and minorities the opportunity to show their leadership skills to upper management. Also Xerox's reference reviews are based on the capabilities and accomplishments of managers. The consequences of Xerox's commitment to diversity are an executive pool made up of one-third women and 22 percent minorities. 4. It makes good business sense to manage diversity because it allows businesses to hire a staff that is best qualified and is the mostly highly skilled for the position.

Also, employees of diverse organizations have higher morale and productivity, increased retention rates and lower recruitment costs. Chapter 6-Highlighted Terms 1. Global Organization: An organization that operates and competes in more than one country 2. Global Environment: The set of global forces and conditions that and utilize resources 3. Task Environment: The set of forces and conditions that originate with suppliers, distributors, customers, and competitors and affect an organization's ability to obtain inputs and dispose of its outputs because they influence managers daily 4.

General Environment: The wide-ranging global, economic, technological, calculators, demographic, political, and legal forces that affect an organization and its task environment 5. Suppliers: Individuals and organizations that provide an organization with the input resources it needs to reduce goods and services 6. Global Outsourcing: The purchase or production of inputs or final products from overseas suppliers to lower costs and improve product quality or design 7. Distributors: Organizations that help other organizations sell their goods or services to customers 8.

Customers: Individuals and groups that buy the goods and services an organization produces 9. Competitors: Organizations that produce goods and services that are similar to a particular organization's goods and services 10. Potential Competitors: Organizations that presently are not in a task environment but could enter if they so choose 11. Barriers to Entry: Factors that make it difficult and costly for an organization to enter a particular task environment or industry 12. Economies of Scale: Cost advantages associated with large operations 13.

BrandLoyalty: Customers' preference for the products of organizations currently existing in the task environment 14. Economic Forces: Interest rates, inflation, unemployment, economic growth, and other factors that affect the general health and well-being of a nation or the regional economy of an organization 15. Technology: The combination of skills and equipment that managers use in Outcomes of changes in the technology managers use to design, produce, or distribute goods and services 17.

Calculators Forces: Pressures emanating from the social structure of a country or society or from the national culture 18. Social Structure: The traditional system of relationships established between people and groups in a society 19. National Culture: The set of values that a society considers important and the norms of behavior that are approved or sanctioned in that society 20. Demographic Forces: Outcomes of changes in, or changing attitudes toward, the heartsickness of a population, such as age, gender, ethnic origin, race, sexual orientation, and social class 21 .

Political and Legal Forces: Outcomes of changes in laws and regulations, such as deregulation of industries, prevarication of organizations, and increased emphasis on environmental protection 22. Globalization: The set of specific and general forces that work together to integrate and connect economic, political, and social systems across countries, cultures, or geographical regions so that nations become increasingly interdependent and similar 23. Tariff: A tax that a government imposes on imported or, occasionally, exported goods 24.

Free-Trade Doctrine: The idea that if each country specializes in the production of the goods and services that it can produce most efficiently, this will make the best use of global resources 25. Values: Ideas about what a good society believes to be good, right, desirable, or beautiful 26. Norms: Unwritten, informal codes of conduct that prescribe how people should act in particular situations and are considered important by most members or a group or organization 27. Mores: Norms that are considered to be central to the functioning of society and to social life 8. Folkways: The routine social conventions of everyday life 29.

Individualism: A worldview that values individual freedom and self-expression and adherence to the principle that people should be judged by their individual achievements rather than by their social background 30.

Collectivism: A worldview that values subordination of the individual to the goals of the group and adherence to the principle that people should be judged by their contribution to the group 31 . Power Distance: The degree to which societies accept the idea that inequalities in the power and well-being of their citizens are due to the differences in individuals' physical and intellectual capabilities and heritage 32.

Achievement Orientation: A worldview that values assertiveness, performance, success, and competition 33. Nurturing Orientation: A worldview that values the quality of life, warm personal friendships, and services and care for the weak 34. Uncertainty Avoidance: The degree to which societies are willing to tolerate uncertainty and risk 35. Long-Term Orientation: A worldview that values thrift and persistence in achieving goals

36. Short-Term Orientation: A worldview that values personal stability or happiness and living for the present Chapter 6-Topics for Discussion and Action 1 .