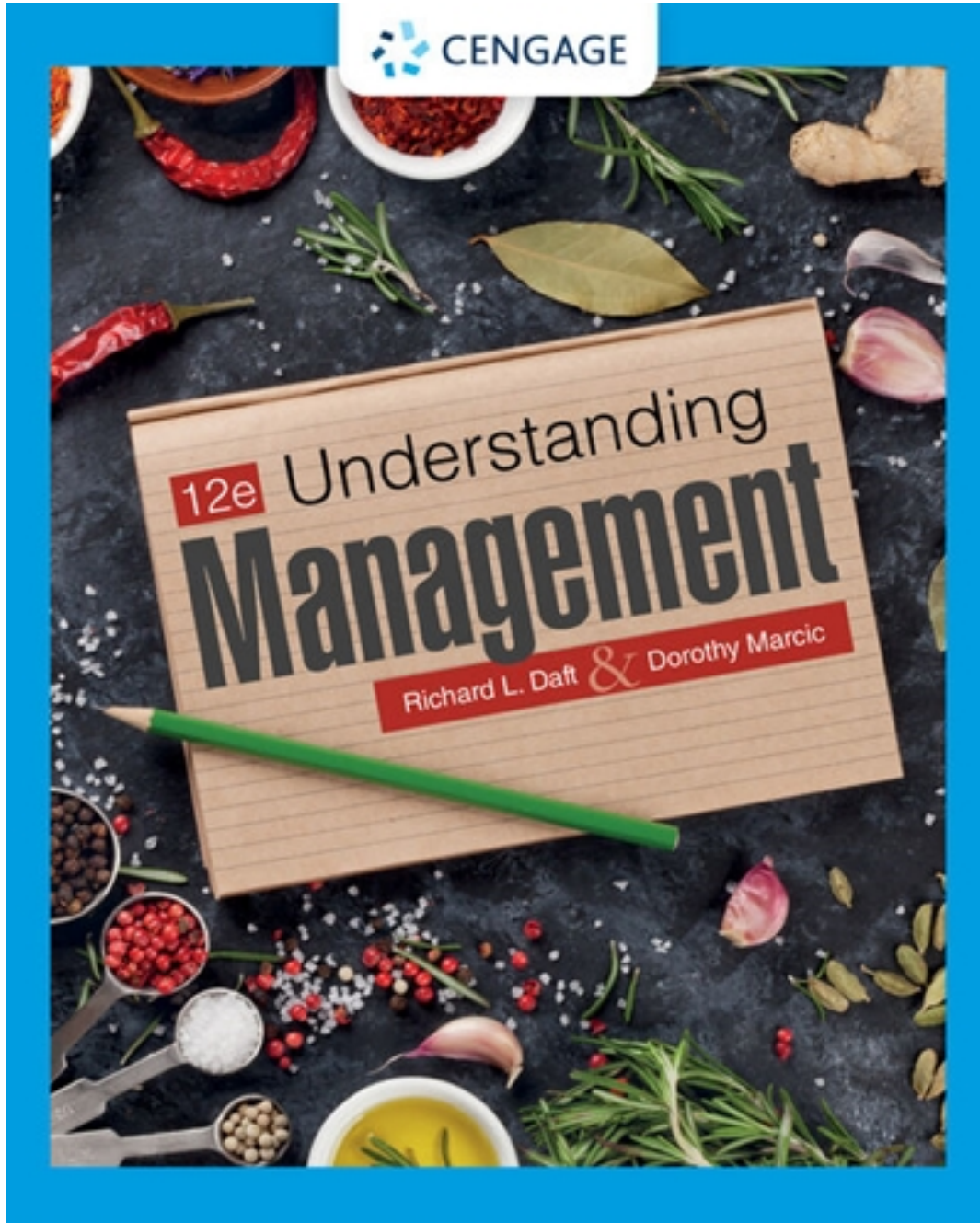


# Solutions for Understanding Management 12th Edition by Daft

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# Solutions

# Instructor Manual

Daft, Understanding Management, 12e, ©2023, 9780357716892; Chapter 1: Leading Edge Management

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## Purpose and Perspective of the Chapter

At most businesses or nonprofits, you are either a manager or you report to a manager. Therefore, it's a good idea to understand what a manager is and what role they play in a business.

As our business environment changes, the skills or competencies a manager needs change. Today's managers are less controlling than in the past. Enabling employees to succeed is becoming more common than telling them what to do.

Regardless of how managers' behavior has changed, the basic functions of business must still be performed for an organization to succeed. Planning, organizing, leading, and controlling are the functions of the management process.

Organizational goals must be met in an efficient and effective manner to succeed. The organizational goals should be met within a reasonable time frame while using the least amount of resources possible.

Managers need a mix of skills—technical, human, and conceptual. The closer a manager is to the people doing the work, the more important technical skills are. As a manager moves up, technical skills become less important. The ability to work with and through other people and to work effectively as a group member, known as human skills, becomes more important. Conceptual skills help a manager see the big picture and make decisions that affect the entire business and how it operates.

Management can fail for many reasons. The most common reason is ineffective communication skills and practices, so if you want to succeed as a top-level manager at some point in the future, you should focus on development in those areas.

Becoming a manager means shifting your concentration from the technical skills that originally got you the job to learning how to help others succeed by building teams and networks and becoming a motivator and organizer.

Most new managers are unprepared for the variety of activities that managers routinely perform. Time management is a valuable skill. It enables a manager to fulfill the informational, interpersonal, and decisional roles.

A lot of management skills that apply to businesses apply to nonprofit organizations as well. However, businesses focus on earning money while nonprofit organizations focus on making a social impact. Obtaining a reliable source of funding can be challenging for nonprofit organizations. Managers must use their resources carefully for the organization to succeed.

Being a good manager is more than using the skills you have. It's also about choosing how you will manage. Knowing the history of how management theories developed can help you choose your management style.

Is management about managing things or managing people? Choosing the priority determines the basic approach to management.

The classical perspective focused on things. People were of secondary importance. The push to produce things faster was encouraged through scientific principles, bureaucracy, and administrative principles. Workers were cogs in a huge machine.

The humanistic perspective finally focused on the people who were doing the work rather than on the product being created. Satisfied employees worked harder and produced more products.

The future of management is affected by technology. It expands a manager's ability to track information and use the information to improve businesses. Employees can be given more authority and more reason to engage with the business, working for its success.

What future role will artificial intelligence play in the realm of management? We can already see it removing mundane, repetitive tasks that bog employees down, giving them more time engage with each other. The end result could well be satisfied employees working at the peak of their abilities to share in their company's success.

## Cengage Supplements

The following product-level supplements provide additional information that may help you in preparing your course. They are available in the Instructor Resource Center.

- **Transition Guide** (provides information about what's new from edition to edition)
- **MindTap Educator's Guide** (describes assets in the MindTap platform with a detailed breakdown of activities by chapter with seat time)
- **Guide to Teaching Online** (provides information about the key assets within the product and how to implement/facilitate use of the assets in synchronous and asynchronous teaching environments)
- **MindTap User Guide** (provides information on how to navigate and use MindTap)
- **Instructor PowerPoint Slides** (These slide decks for in-class use feature a variety of options for class interaction)
- **Student PowerPoint Slides** (This version of the slides has any instructor-facing notes and activities removed. Students using MindTap can find these files in the "Additional Resources" folder within the MindTap Learning Path and the file is also posted to the Instructor Companion Site.)
- **Test Bank**
- **Instructor's Manual** (Which you are reading now!)

## Chapter Objectives

The following objectives are addressed in this chapter:

- 1.1 Explain five management competencies and the trend toward bosslessness in today's world.



- 1.2 Define the four management functions and the type of management activity associated with each.
- 1.3 Explain the difference between efficiency and effectiveness, as well as their importance for organizational performance.
- 1.4 Describe technical, human, and conceptual skills and their relevance for managers.
- 1.5 Define the management types and roles that managers perform in organizations.
- 1.6 Explain the unique characteristics of the manager's role in nonprofit organizations.
- 1.7 Summarize the historical struggle between managing the "things of production" and the "humanity of production."
- 1.8 Describe the current uses of the management science approach and the major components of the humanistic management perspective.
- 1.9 Describe the management changes brought about by a technology-driven workplace and those that facilitate a people-driven workplace.
- 1.10 Explain how artificial intelligence may help bridge the historical struggle between managing the "things of production" and the "humanity of production."

## Complete List of Chapter Activities and Assessments

For additional guidance on online or hybrid facilitation of these activities, refer to the Teaching Online Guide for Principles of Management which can be found on the Instructor Companion Site.

Also, please note that the chapter learning objectives are identified within both versions of the PowerPoint slides so that you and your students are always aligned on the ultimate learning goals throughout the course.

Chapter Objective	Activity/Assessment	Approximate Duration	Default Point Value and Feedback Settings
All objectives	MindTap: Part 01: Why Does Management Matter?	10 minutes	Grade Setting: Counts Toward Grade Number of Points: 1 pt/question Number of Attempts: 3
All objectives	MindTap: Part 01: You Make the Decision: Introduction to Management	Varies	Grade Setting: Counts Toward Grade Number of Points: 20 pt Number of Attempts: 2

All objectives	MindTap: Self-Assessment: Manager Achievement eBook/Text	<5 minutes	Grade Setting: Counts Toward Grade Number of Points: 3 pt Number of Attempts: 2
Objective 1.6	MindTap: Self-Assessment: How Do You Manage Your Time? eBook/Text	<5 minutes	Grade Setting: Counts Toward Grade Number of Points: 3 pt Number of Attempts: 2
Objective 1.10	MindTap: Self-Assessment: What Is Your Manager Frame? eBook/Text	<5 minutes	Grade Setting: Counts Toward Grade Number of Points: 3 pts Number of Attempts: 2
All objectives	MindTap: Read: Chapter 01: Leading Edge Management	60 minutes	n/a
All objectives	MindTap: Learn It: Chapter 01: Leading Edge Management	30–45 minutes	Grade Setting: Counts Toward Grade Number of Points: 1 pt/question Number of Attempts: 3
All objectives	MindTap: Assignment: Chapter 01: Leading Edge Management	25 minutes	Grade Setting: Counts Toward Grade Number of Points: 2 pt/question Number of Attempts: 3
All objectives	MindTap: Case Activity: Chapter 01: Leading Edge Management	20 minutes	Grade Setting: Counts Toward Grade Number of Points: 3 pt/question Number of Attempts: 3
Objective 1.2	MindTap: Concept Clips: Management Functions	(1:57)	n/a
Objective 1.6	MindTap: Concept Clips: Managerial Roles	(2:28)	n/a
Objective 1.4	MindTap: Concept Clips: Skills Used at Different Management Levels	(2:03)	n/a

Objective 1.8	MindTap: Concept Clips: Classical Management Theory	(1:36)	n/a
Objective 1.8	MindTap: Concept Clips: Humanistic Management Theory	(1:24)	n/a
All objectives	MindTap: Video: On the Job: Camp Bow Wow: Innovative Management	(5:57)	n/a
All objectives	MindTap: Video: On the Job: Barcelona Restaurant Group: Evolution of Management Thinking	(6:47)	n/a
All objectives	eBook/Text: Practice Your Skills: Self-Learning	20 minutes	n/a
All objectives	eBook/Text: Practice Your Skills: Group Learning	20 minutes	n/a
All objectives	eBook/Text: Practice Your Skills: Action Learning	20 minutes	n/a
All objectives	eBook/Text: Practice Your Skills: Ethical Dilemma	20 minutes	n/a
All objectives	eBook/Text: Practice Your Skills: Case for Critical Analysis	20 minutes	n/a
Objective 1.4	PowerPoint: Discussion Activity 1	5 minutes	n/a
Objective 1.4	PowerPoint: Discussion Activity 2	5 minutes	n/a
Objective 1.8	PowerPoint: Discussion Activity 3	5 minutes	n/a
Objective 1.10	PowerPoint: Discussion Activity 4	5 minutes	n/a
Objective 1.5	PowerPoint: Knowledge Check 1	<5 minutes	n/a
Objective 1.8	PowerPoint: Knowledge Check 2	<5 minutes	n/a
Objective 1.2	PowerPoint: Polling Activity 1	5 minutes	n/a
Objective 1.4	PowerPoint Polling Activity 2	5 minutes	n/a
Objective 1.8	PowerPoint Polling Activity 3	5 minutes	n/a

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## Key Terms

**Administrative principles approach:** Management system that considers the total organization

**Artificial intelligence (AI):** Techniques used to teach computer systems to learn, reason, perceive, infer, communicate, and make decisions similar to or better than human beings can

**Behavioral sciences approach:** Management approach that uses scientific methods and draws from sociology, psychology, anthropology, economics, and other disciplines to develop theories about human behavior and interaction in an organizational setting

**Big data analytics:** Technologies, skills, and processes for searching and examining massive, complex sets of data that traditional data processing applications cannot handle, with the aim of uncovering hidden patterns and correlations

**Bureaucratic organizations approach:** A systematic approach developed in Europe that looks at the organization as a whole; a subfield within the classical perspective

**Classical perspective (on management):** Primary focus on the things of production

**Conceptual skills:** The cognitive abilities to see the organization as a whole and the relationship among its parts

**Controlling:** An activity concerned with monitoring employees' activities, keeping the organization on track toward meeting its goals and making corrections as necessary

**Digital organization:** Business or organization in which digital technology becomes a primary competitive weapon in both internal and external operations

**Effectiveness:** The degree to which the organization achieves a stated goal

**Efficiency:** The amount of resources—raw materials, money, and people—used to produce a desired volume of output

**Employee engagement:** People are emotionally involved in their jobs and are satisfied with their work conditions, contribute enthusiastically to meeting team and organizational goals, and feel a sense of belonging and commitment to the organization and its mission

**Hawthorne studies:** A series of studies at a Chicago electric company that pointed to the importance of factors other than illumination in affecting productivity

**Human relations movement:** School of thought that recognized and directly responded to social pressures for enlightened treatment of employees; based on the idea that truly effective control comes from within the individual worker rather than from strict, authoritarian control

**Human resources perspective:** Management approach that maintained an interest in worker participation and considerate leadership but shifted the emphasis to considering the daily tasks that people perform; combines prescriptions for design of job tasks with theories of motivation



**Human skills:** A manager's ability to work with and through other people and to work effectively as part of a group

**Humanistic perspective (on management):** Management approach in which the primary focus is on the humanity of production; emphasizes the importance of understanding human behaviors, needs, and attitudes in the workplace, as well as social interactions and group processes

**Information technology (IT):** A subfield of management science often reflected in management information systems designed to provide relevant information to managers in a timely and cost-efficient manner

**Internet of Things (IoT):** Impersonal "things" are connected to the Internet and can themselves generate and receive data by communicating with each other

**Leading:** Using influence to motivate employees to achieve the organization's goals

**Management science or quantitative perspective:** Management approach distinguished for its application of mathematics, statistics, and other quantitative techniques to management decision making and problem solving

**Management:** The attainment of organizational goals in an effective and efficient manner through planning, organizing, leading, and controlling organizational resources

**Nudge management:** A recent application using AI to support managers by applying insights from the behavioral sciences to design elements of the organization in a way that guides people toward behaviors that support organizational goals and values

**Organization:** A social entity that is goal-directed and deliberately structured

**Organizing:** An activity that involves assigning tasks, grouping tasks into departments, and allocating resources

**Performance:** The organization's ability to attain its goals by using resources in an efficient and effective manner

**Planning:** The management function concerned with defining goals for future performance and how to attain them

**Platform-based organization:** Producers and consumers are connected via digital technology (computers, smartphones); as a business, a platform allows users to create value on the platform for other users to consume

**Quants:** Financial managers and others who base their decisions on complex quantitative analysis, under the assumption that using advanced mathematics and sophisticated computer technology can accurately predict how the market works and help them reap huge profits

**Radical decentralization:** Instead of delegating some authority to employees, the hierarchical reporting relationship between the manager and the subordinate is almost completely eliminated, and employees have full authority to make key decisions about their work

**Role:** A set of expectations for one's behavior

**Scientific management:** Management system that emphasizes scientifically determined jobs and management practices as the way to improve efficiency and labor productivity

**Technical skills:** The understanding of and proficiency in the performance of specific tasks

**Time management:** Using techniques that enable you to get more done in less time and with better results, be more relaxed, and have more time to enjoy your work and your life

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## What's New in This Chapter

The following elements are improvements in this chapter from the previous edition:

- New #Ready for Management?
- New Know Yourself 1: Manager Achievement
- New Know Yourself 2: How Do You Manage Your Time?
- New Snapshot Examples:
  - Bon Jovi and Soul Kitchen Restaurants
  - Travis Kalanick, Uber
  - Major League Baseball teams
  - Marne Levine, Instagram
  - WeWork
  - Top companies on the Management Top 250 list
  - Ursula Burns, Xerox
  - Diesel emissions scandal at Volkswagen
  - Mark Zuckerberg, Facebook
  - Brett Yormark, Brooklyn Nets
  - John Bunch, Zappos
  - Meijer Inc. and Hannaford
  - UPS
  - Walt Disney Company's FastPass
  - Amazon
  - Siemens Gamesa
  - 1Sale.com
  - Plante Moran
  - Humu
  - Sanjiv Razdan, Sweetgreen
- New Boxes:

- Recipe for Success: Morning Star
- Recipe for Success: Urban Roots
- Recipe for Success: Second Harvest Food Bank of Middle Tennessee
- Half-Baked Management: Boeing
- Michelin 5-Star: Caffè Panna
- Made from Scratch: Current Use of Management Tools and Trends
- Made from Scratch: Buurtzorg
- Creating a Greener World: A Local Market in a Box updated
- Creating a Greener World: Don't Toss That iPhone!
- New section: The Trend Toward Bosslessness
- New material: Challenges Facing New Managers; Simplified/condensed description of management types
- New section on new organization form called platform-based organizations
- Updated "Managing the People-Driven Workplace" with a new section on self-management; and updated "Using Engagement to Manage Gen Z and Millennials"
- New section: The Historical Struggle: Is Artificial Intelligence the Answer? including new concepts of AI and nudge management
- Self-Learning Exercise: Updated with In-Class/Online Application added
- Action Learning Exercise: Updated with questions and format changes
- Ethical Dilemma and Case for Critical Analysis: Updated with new names and dates

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## Chapter Outline

*In the outline below, each element includes references (in parentheses) to related content. "CH.##" refers to the chapter objective; "PPT Slide #" refers to the slide number in the PowerPoint deck for this chapter (provided in the PowerPoints section of the Instructor Resource Center); and, as applicable for each discipline, accreditation or certification standards (DISC). Introduce the chapter and review learning objectives for Chapter 1. (PPT Slides 3–4).*

**CO 1.1:** *Explain five management competencies and the trend toward bosslessness in today's world.*

---

### 1-1: Management Competencies for Today's World (PPT Slides 5–9)

- I. **Management** is the attainment of organizational goals in an effective and efficient manner through planning, organizing, leading, and controlling organizational resources.
- II. There are two important ideas in this definition: (1) the attainment of organizational goals in an efficient and effective manner and (2) the four functions of planning, organizing, leading, and controlling.
  - a. [EOC Discussion Question #6: 5 minutes total](#)

*A college professor told her students, “The purpose of a management course is to teach students about management, not to teach them to be managers.” Do you agree or disagree with this statement? Discuss.*

### 1-1a: Leading Edge Management Competencies

- I. In recent years, rapid environmental changes have caused a fundamental transformation in what is required of effective managers.
- II. Instead of being a controller, today's effective manager is an enabler who helps people do and be their best. (Exhibit 1.1, PPT Slide 8)
- III. The shift is not easy for traditional managers.

- a. **EOC Discussion Question #2: 5 minutes total**

*Jeff Immelt, when he was CEO of GE, tweeted for the first time in September 2012, prompting this response: “@JeffImmelt how come my grandfather got on twitter before you?” Do you think managers should use Twitter and other social media? Can you be an effective manager today without using new media? Why?*

- b. **EOC Discussion Question #3: 5 minutes total**

*What did Hallie Meyer do to keep Caffè Panna successful during the pandemic?*

### 1.1b: The Trend Toward Bosslessness

- I. A bossless design turns management authority and responsibility over to employees.
- II. One reason for the trend is that how and where work gets done has shifted in major ways now that new technology enables people to work from locations outside a regular office.
- III. Advantages: increased flexibility, greater employee initiative and commitment, and better and faster decision making
- IV. Disadvantages: money must be invested in ongoing training and development for employees and the culture must engage employees and support the nonhierarchical environment

### **CO 1.2: Define the four management functions and the type of management activity associated with each.**

### **1-2: The Basic Functions of Management** (PPT Slides 10–12)

- I. A manager's job is summed up in four fundamental management functions.
  - a. Set goals
  - b. Organize activities
  - c. Motivate and communicate
  - d. Measure performance
  - e. Develop people



- II. The five tasks fall into four fundamental management functions. (Exhibit 1.2, PPT Slide 11)
  - a. Planning (setting goals and deciding activities)
    - **Planning** is the management function concerned with identifying goals for future organizational performance and deciding on the tasks and use of resources needed to attain them.
  - b. Organizing (organizing activities and people)
    - **Organizing** involves assigning tasks, grouping tasks into departments, delegating authority, and allocating resources across the organization.
  - c. Leading (motivating, communicating with, and developing people)
    - **Leading** means using influence to motivate employees to achieve the organization's goals.
  - d. Controlling (establishing targets and measuring performance)
    - **Controlling** is concerned with monitoring employees' activities, keeping the organization on track toward meeting its goals and making corrections as needed.
- III. A recent trend is for companies to place less emphasis on top-down control and more emphasis on training employees to monitor and correct themselves. Ultimate responsibility for control still rests with managers.

**CO 1.3:** *Explain the difference between efficiency and effectiveness, as well as their importance for organizational performance.*

---

**1-3: Organizational Performance** (PPT Slides 13–14)

- I. An **organization** is a social entity that is goal-directed and deliberately structured. Social entity means two or more people. *Goal directed* means the organization is designed to achieve some outcome or goal such as make a profit. *Deliberately structured* means tasks are divided, and responsibility for their performance is assigned to organization members.
- II. The manager's responsibility is to coordinate resources in an effective and efficient manner to accomplish the organization's goals. Organizational **effectiveness** is the degree to which the organization achieves a stated goal or succeeds in accomplishing what it tries to do. Organizational **efficiency** refers to the amount of resources used to achieve an organizational goal. It is based on how much raw material, money, and people are necessary for producing a given volume of output. Efficiency can be defined as the amount of resources used to produce a product or service.
  - a. **Polling Activity 1: 5 minutes total** (PPT Slide 12)
 

*If organizational performance indicates how well a manager is doing their job, is it more important for a manager to focus on efficiency or effectiveness?*

- III. The ultimate responsibility of managers is to achieve high **performance**, which is the attainment of organizational goals by using resources in an efficient and effective manner.
  - a. **EOC Discussion Question #4: 5 minutes total**  
*Think about the highly publicized safety grounding of Boeing's 737 MAX jetliner. One observer said that the goal of profit had taken precedence over the goal of safety within the company. Do you think managers can succeed at both profit and safety simultaneously? Discuss.*

#### CO 1.4: *Describe technical, human, and conceptual skills and their relevance for managers.*

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##### 1-4: Management Skills (PPT Slides 15–23)

- I. A manager's job requires a range of skills, which can be placed in three categories: technical, human, and conceptual.
- II. The application of these skills changes dramatically when a person is promoted to management. (Exhibit 1.3, PPT Slide 19)
  - a. **Discussion Activity 1: 5 minutes total** (PPT Slides 17–18)  
*If you are a middle-level manager, your proficiency in which of the three management skills is likely to contribute most to your success? How does your answer change, if at all, if you are a top manager? If you are a line manager?*
- I. **Technical skills** include the understanding of and proficiency in the performance of specific tasks.
  - a. Technical skills are most important at lower organizational levels and become less important than human and conceptual skills as managers are promoted.
- I. **Human skills** refer to a manager's ability to work with and through other people and to work effectively as a group member.
  - a. Human skills include many effective behaviors considered essential for managers. (Exhibit 1.4, PPT Slide 20)
- I. **Conceptual skills** are the cognitive abilities to see the organization as a whole system and the relationships among its parts.
  - a. Conceptual skills are especially important for top managers. Many of the responsibilities of top managers, such as decision making, resource allocation, and innovation, require a broad view.

##### 1-4a: When Skills Fail

- I. During turbulent times, managers must use all their skills and competencies to benefit the organization and its stakeholders. (Exhibit 1.5, PPT Slide 22)
- II. The number one reason for manager failure is ineffective communication skills and practices.

a. **Polling Activity 2: 5 minutes total** (PPT Slide 23)

*You are a bright, hard-working, entry-level manager who fully intends to rise through the ranks. Your performance evaluation gives you high marks for your technical skills, but low marks when it comes to people skills. Which of the following scenarios would you choose?*

b. **Discussion Activity 2: 5 minutes total** (PPT Slides 27–28)

*How do you feel about having management responsibilities in today's world, which is characterized by uncertainty, ambiguity, and sudden changes or threats from the environment? Describe some skills and competencies that you think are important to managers working in these conditions.*

### 1-5: Challenges Facing New Managers (PPT Slides 24–28)

- I. Many new managers don't know what managers do and receive little training.
- II. Becoming a manager involves a profound transformation in the way people think of themselves, called *personal identity*, which includes letting go of deeply held attitudes and learning new ways of thinking.
- III. Specific aspects of this transformation include changing one's identity. (Exhibit 1.6, PPT Slide 26)
  - a. Change from a specialist who performs specific tasks to a generalist who coordinates diverse tasks
  - b. Change from things done through one's own efforts to getting things done through other people
  - c. Change from an individual actor to a team and network builder, motivator, and organizer
  - d. Change from working relatively independently to working in a highly interdependent manner

### CO 1.5: *Define the management types and roles that managers perform in organizations.*

---

### 1-6: What Is a Manager's Job Really Like? (PPT Slides 29–36)

#### 1-6a: Manager Activities

- I. Adventures in Multitasking
  - a. Managerial activity is characterized by variety, fragmentation, and brevity.
  - b. Managers shift gears quickly—about every nine minutes.
- II. Life on Speed Dial
  - a. Managers' work is fast-paced and requires great energy.
  - b. Most top executives routinely work at least 12 hours a day and spend 50 percent or more of their time traveling.

- III. Where Does a Manager Find the Time?
  - a. Time management refers to using techniques that enable you to get more done in less time and with better results, be more relaxed, and have more time to enjoy your work and your life.
  - b. It is a challenge for new managers.

### 1-6b Manager Roles

- I. A **role** is a set of expectations for a manager's behavior.
- II. These roles are divided into three conceptual categories: informational (managing by information), interpersonal (managing through people), and decisional (managing through action).
- III. Each role represents activities that managers undertake to ultimately accomplish the functions of planning, organizing, leading, and controlling. (Exhibit 1.7, PPT Slide 33)
  - a. Informational roles describe the activities used to maintain and develop an information network. The roles involve monitor, disseminator, and spokesperson activities.
  - b. Interpersonal roles pertain to relationships with others and are related to human skills. The roles involve leader and liaison activities.
  - c. Decisional roles pertain to those events about which the manager must make a choice and take action. The roles involve entrepreneur, disturbance handler, and resource allocator activities.
  - d. **Knowledge Check 1: <5 minutes total** (PPT Slides 34–35)  
*Which of the following sets of manager roles would be considered decisional roles?*
- IV. The importance of a specific role changes as the manager moves up in a company. (Exhibit 1.8, PPT Slide 36)
  - a. **EOC Discussion Question #1: 5 minutes total**  
*Assume that you are a project manager at a biotechnology company and that you work with managers from research, production, and marketing on a major product modification. You notice that every memo you receive from the marketing manager has been copied to senior management. At every company function, she spends time talking to the big shots. You are also aware that sometimes when you and the other project members are slaving away over the project, she is playing golf with senior managers. What is your evaluation of her behavior? As project manager, what do you do?*
  - b. **EOC Discussion Question #5: 5 minutes total**  
*You are a bright, hard-working, entry-level manager who fully intends to rise through the ranks. Your performance evaluation gives you high marks for your technical skills, but low marks when it comes to people skills. Do you think people*



*skills can be learned, or do you need to rethink your career path? If people skills can be learned, how would you go about it?*

**CO 1.6: Explain the unique characteristics of the manager's role in nonprofit organizations.**

---

**1-7: Managing in Nonprofit Organizations** (PPT Slides 37–38)

- I. The primary difference between managing a business and a nonprofit is that managers in businesses direct their activities toward earning money for the company and its owners, whereas managers in nonprofits direct their efforts toward generating some kind of social impact.
- II. Financial resources for government and charity nonprofit organizations typically come from taxes, appropriations, grants, and donations rather than from the sale of products or services to customers.
- III. In businesses, managers focus on improving the organization's products and services to increase sales revenues. In nonprofits, however, services are typically provided to nonpaying clients, and a major problem for many organizations is securing a steady stream of funds to continue operating.
- IV. Some nonprofits depend on volunteers and donors.
- V. Managers in nonprofit organizations might place more emphasis on the roles of spokesperson (to "sell" the organization to donors and the public), leader (to build a mission-driven community of employees and volunteers), and resource allocator (to distribute government resources or grant funds that are often assigned in a top-down manner).

**CO 1.7: Summarize the historical struggle between managing the "things of production" and the "humanity of production."**

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**1.8: The Historical Struggle: The Things of Production Versus the Humanity of Production** (PPT Slides 39–42)

- I. Management has changed over time. Studying management history is a way to achieve strategic thinking, see the big picture, and improve conceptual skills.
- II. The earliest focus of management was the things of production. The needs of the people were often ignored. (Exhibit 1.9, PPT Slide 41)
- III. Development has been the result of conflict between prioritizing things versus prioritizing people. Today, the conflict continues. (Exhibit 1.10, PPT Slide 42)

**CO 1.8:** *Describe the current uses of the management science approach and the major components of the humanistic management perspective.*

---

**1-9: Classical Perspective** (PPT Slides 43–53)

- I. The **classical perspective**, which focused on the things of production, emerged during the nineteenth and twentieth centuries.
- II. The factory system of the 1800s faced new challenges in tooling plants, organizing managerial structure, training non-English-speaking employees, scheduling complex manufacturing operations, and dealing with increased labor disputes.
- III. The “salaried manager” became a growing career field.
- IV. The classical perspective contains four subfields, each with a slightly different emphasis—scientific management, bureaucratic organizations, administrative principles, and management science.

**1-9a: Scientific Management**

- I. **Scientific management** emphasizes scientifically determined jobs and management practices as the way to improve efficiency and labor productivity.
- II. Frederick W. Taylor developed scientific management in the 1800s, a subfield of the classical perspective that emphasizes scientific changes in management to improve labor productivity. Taylor suggested that decisions based on rules of thumb and tradition should be replaced with precise procedures developed after careful study of individual situations.
- III. Henry Gantt, an associate of Taylor’s, developed the Gantt chart—a bar graph that measures planned and completed work along each stage of production by time elapsed.
- IV. Frank B. and Lillian M. Gilbreth pioneered time and motion study, which stressed efficiency and the best way to do work.
- V. To use the scientific management approach, managers should develop standard methods for doing each job, select workers with the appropriate abilities, train workers in the standard methods, support workers and eliminate interruptions, and provide wage incentives. (Exhibit 1.11, PPT Slide 46)
- VI. Scientific management dramatically increased productivity across all industries. However, because scientific management ignores the social context and workers’ needs, it can lead to increased conflict and clashes between managers and employees.

a. **Discussion Activity 3: 5 minutes total** (PPT Slides 47–48)

*Do you believe that scientific management characteristics will ever cease to be a part of organizational life, since they are now about 100 years old?*

b. **EOC Discussion Question #9: 5 minutes total**

*Can you think of potential drawbacks to retailers using labor-waste elimination systems based on scientific management principles, as described in the text? Do*

*you believe that scientific management characteristics will ever cease to be a part of organizational life, since they are now about 100 years old? Discuss.*

### 1-9b: Bureaucratic Organizations

- I. The **bureaucratic organizations approach** is a subfield within the classical perspective that looked at the organization as a whole.
- II. Max Weber introduced management through bureaucracy, an impersonal, rational basis through clearly defined authority and responsibility, formal recordkeeping, and separation of management and ownership.
- III. Weber's bureaucracy incorporated division of labor, hierarchy, rules and procedures, separation of ownership and management, written decisions, and promotion based on technical qualifications. (Exhibit 1.12, PPT Slide 50)
- IV. Managers do not depend on personality for successfully giving orders, but rather on the legal power invested in their managerial positions.
- V. The term bureaucracy has taken a negative meaning in today's organizations and is associated with endless rules and red tape.
- VI. It may be perceived as a threat to personal liberties, but everyone gets equal treatment, and everyone knows the rules.

### 1-9c: Administrative Principles

- I. The **administrative principles approach** focused on the total organization rather than the individual worker. Henri Fayol identified 14 principles, of which the following four are included:
  - a. *Unity of command*: Each employee should have only one boss.
  - b. *Division of work*: Specialized employees produce more with the same effort.
  - c. *Unity of direction*: Similar activities should be grouped under one manager.
  - d. *Scalar chain*: A chain of authority extends from the top of an organization.
- II. Fayol felt that these principles could be applied in any organizational setting. He also identified five basic functions or elements of management: planning, organizing, commanding, coordinating, and controlling.
- III. Charles Spaulding also contributed to the administrative principles approach by outlining eight fundamental necessities. Spaulding applied his management principles as president of an insurance company.
  - a. *Authority and responsibility*: There should be a manager who has the responsibility and authority to decide on every fundamental issue.
  - b. *Division of labor*: Departmental divisions should function separately under the direction of managers.
  - c. *Adequate manpower*: There must be a reliable system for acquiring and training the best employees.
  - d. *Cooperation and teamwork*: Cooperation, unity, and regular communication among managers is essential.

### 1-9d: Management Science

- I. **Management science**, which is also known as the *quantitative perspective*, is distinguished for its application of mathematics, statistics, and other quantitative techniques to management decision making and problem solving. Management science was developed to solve military problems involving the movement of people and material during World War II.
- II. The quantitative approach is widely used today by managers in a variety of industries.
- III. Management science includes the subsets of *operations research*, *operations management*, and **information technology (IT)**, which is the most recent subfield developed to provide relevant information to managers in a time- and cost-efficient manner.
  - a. The term **digital organization** is becoming popular as computers and the Internet take over more tasks in organizations, to the point where digital technology becomes a primary competitive weapon in both internal and external operations. Most of today's organizations have operations and digital specialists.
  - b. **Quants**, financial managers, and others who base their decisions on complex quantitative analysis are dominating organizational decisions in other financial firms.
  - c. **EOC Discussion Question #8: 5 minutes total**  
*Big data analytics programs (which analyze massive data sets to make decisions) use gigantic computing power to quantify trends that would be beyond the grasp of human observers. As the use of this quantitative analysis increases, do you think it may decrease the "humanity of production" in organizations? Why?*

### 1-10: Humanistic Perspective (PPT Slides 54–62)

- I. The **humanistic perspective** on management emphasizes the importance of understanding human behaviors, needs, and attitudes in the workplace, as well as social interactions and group processes.
- II. Subfields within the humanistic perspective include the human relations movement, the human resources perspective, and the behavioral sciences approach.

### 1-10a: Early Advocates

- I. Mary Parker Follett stressed the importance of people rather than engineering techniques and addressed ethics, power, and employee empowerment. Her concepts included facilitating rather than controlling employees, and allowing employees to act depending on the authority of the situation.
- II. Chester I. Barnard contributed the concept of the informal organization, which occurs in all formal organizations and includes cliques and social groupings. Barnard argued that informal relationships are powerful forces that can help the



organization if properly managed. Barnard also contributed the acceptance theory of authority—the notion that employees have free will and can choose whether to follow management orders. Acceptance of authority can be critical to success in important situations.

### 1-10b: Human Relations Movement

- I. The **human relations movement** was based on the idea that truly effective control comes from within the individual worker rather than from strict, authoritarian control. This school of thought recognized and directly responded to social pressures for enlightened treatment of employees.
- II. The **Hawthorne studies** were a series of experiments on worker productivity at the Hawthorne plant of Western Electric Company, Chicago. The tests were originally designed to investigate the effects of illumination on output; however, many of the tests pointed to the importance of factors other than illumination in affecting productivity. The Hawthorne studies were important in shaping ideas concerning how managers should treat workers.
- III. Early interpretations agreed that human relations, not money, caused increased output. Workers performed better when managers treated them positively. New data showed that money mattered, but productivity increased because of increased feelings of importance and group pride employees felt when they were selected for the project.
- IV. One unintended contribution of the experiments was a rethinking of field research practices. Researchers realized that the researcher could influence the outcome of an experiment by being too involved with research subjects—a phenomenon now known as the Hawthorne effect.
  - a. **Knowledge Check 2: <5 minutes total** (PPT Slides 57–58)  
*The Hawthorne effect is most likely to be a factor in which of the following examples?*
  - b. **EOC Discussion Question #10: 5 minutes total**  
*Why can an event such as the Hawthorne studies be a major turning point in the history of management, even if the results of the studies are later shown to be in error? Discuss.*

### 1-10c: Human Resources Perspective

- I. The **human resources perspective** suggests jobs should be designed so that tasks are not demeaning but instead allow workers to use their full potential. This perspective combines prescriptions for design of job tasks with theories of motivation.
- II. Abraham Maslow, a psychologist, suggested a hierarchy of needs because he observed that problems usually stemmed from an inability to satisfy needs. This hierarchy started with physiological needs and progressed to safety, belongingness, esteem, and self-actualization needs.

- III. Douglas McGregor formulated his Theory X and Theory Y about workers, believing that the classical perspective was based on Theory X, a set of assumptions about workers (Exhibit 1.13, PPT Slide 60):
  - a. They dislike work and avoid it if possible.
  - b. They must be coerced to work.
  - c. They prefer to be directed, want to avoid responsibility, have little ambition, and want security above all.
- IV. McGregor proposed Theory Y as a more realistic view of workers, consisting of several assumptions (Exhibit 1.13, PPT Slide 60):
  - a. They do not inherently dislike work.
  - b. They will achieve objectives to which they are committed.
  - c. They will accept and seek responsibility.
  - d. They have intellect that could be applied to organizational goals.
  - e. The intellectual potential of the average worker is only partially used.
  - f. **Polling Activity 3: 5 minutes total** (PPT Slide 61)  
*You have an employee who is not performing up to the potential you believe the person showed initially after being hired. As a proponent of Theory Y management, which of the following approaches would you take?*

#### 1-10d: Behavioral Sciences Approach

- I. The **behavioral sciences approach** uses scientific methods and draws from sociology, psychology, anthropology, economics, and other disciplines to develop theories about human behavior and interaction in an organizational setting.
- II. One set of management techniques based on the behavioral sciences approach is organization development (OD). The techniques and concepts of organization development have been broadened and expanded to cope with the increasing complexity of organizations.
- III. Other concepts that grew out of the behavioral sciences approach include matrix organizations, self-managed teams, ideas about corporate culture, and management by wandering around.

#### CO 1.9: *Describe the management changes brought about by a technology-driven workplace and those that facilitate a people-driven workplace.*

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#### 1-11: Management Thinking into the Future (PPT Slides 63–66)

- I. Managers look for new techniques and approaches that more adequately respond to customer needs and the demands of the environment.
- II. The Bain study noted five important trends in the most recent report.
  - a. A broad move away from hierarchical structures toward empowered teams
  - b. A desire to make the most of digital technology

- c. A greater focus on building corporate culture
- d. An emphasis on strengthening customer relationships
- e. A renewed emphasis on cost control

### 1-11a: Managing the New Technology-Driven Workplace

- I. Two popular contemporary tools are big data analytics and platform-based organizations.
  - a. **Big data analytics** refers to technologies, skills, and processes for searching and examining massive, complex sets of data that traditional data processing applications cannot handle, with the aim to uncover hidden patterns and correlations.
  - b. The most recent increase in the use of digital information technology is driven by the jump from the Internet that connects people to the **Internet of Things (IoT)**, in which impersonal “things” are connected and can themselves generate and receive data by communicating with each other.
  - c. **Platform-based organizations** connect and enable users to both create and consume something of value. (Exhibit 1.14, PPT Slide 65)
  - d. IT presents both opportunities and threats to organizations.

### 1-11b: Managing the New People-Driven Workplace

- I. Organizations are undergoing tremendous changes. Some are related to new technology, whereas others are brought about because of shifting needs of people. Two responses to these issues are radical decentralization and a renewed emphasis on employee engagement.
  - a. **Radical decentralization** means that decentralization of authority is radical rather than incremental. Employees have full authority to make key decisions about their work.
  - b. **Employee engagement** means that people are emotionally involved in their jobs and are satisfied with their work conditions, contribute enthusiastically to meeting team and organizational goals, and feel a sense of belonging and commitment to the organization and its mission.
  - c. These methods can be effective for Millennial and Gen Z employees.
  - d. **[EOC Discussion Question #7: 5 minutes total](#)**  
*Why do you think there is a trend toward greater democracy and decentralization in organizations today? Would a radical decentralized system be effective with Gen Z employees? Why?*

**CO 1.10:** *Explain how artificial intelligence may help bridge the historical struggle between managing the “things of production” and the “humanity of production.”*

**1.12: The Historical Struggle: Is Artificial Intelligence the Answer?** (PPT Slides 67–70)

- I. **Artificial intelligence (AI)** encompasses techniques used to teach computer systems to learn, reason, perceive, infer, communicate, and make decisions similar to or better than human beings can.
- II. AI is having its greatest effect on the boring, routine, mechanical, and administrative work of organizations—the work that humans find unsatisfying.
- III. **Nudge management** applies insights from behavioral sciences to design elements of the organization in a way that guides people toward behaviors that support organizational goals and values.

a. **Discussion Activity 4: 5 minutes total** (PPT Slides 69–70)

*One of the ways nudge management is used is through sending digital nudges to employees via e-mail or text messages. What do you see as the most important ways for managers to use this technology? Discuss some of the potential positive and negative aspects of nudge management.*

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## Take a Moment: Know Yourself

### Manager Achievement

Before reading the chapter, students should complete the questionnaire. Students should give themselves one point for each “Mostly True” answer. In this case, a low score is better. A high score means a focus on personal achievement separate from others, which is ideal for a specialist or individual contributor. However, a manager is a generalist who gets things done through other people. Spending time building relationships is key. A desire to be an individual winner may cause a manager to compete with their people, rather than to develop their skills. A manager would not succeed as a lone achiever who does not facilitate and coordinate others, which is the primary job of a manager. If students checked 3 or fewer as “Mostly True” answers, their basic orientation is good. If they scored 6 or higher, their focus may be on being an individual winner. Students will want to shift their perspective to become an excellent manager.

Feedback on how to interpret their score is also included in the text below the questionnaire, and corresponding references to the text associated with each question are included to the right of the questionnaire in the #Ready for Management? panel.

After the students score their questionnaires, you may ask them to share their scores in small groups of four to five and discuss their potential strengths and weaknesses as managers.

### How Do You Manage Your Time?



Before reading the chapter, students should complete the questionnaire. For questions 3 and 5–10, students should give themselves one point for each “Mostly True” answer. For questions 1, 2, and 4, one point is tallied for each “Mostly False” answer. A student’s total score pertains to the overall way that they use time. Items 1–5 relate to taking mental control over how they spend their time. Items 6–10 pertain to some mechanics of good time management. Good mental and physical habits make effective time management much easier. Busy managers have to learn to control their time. If students scored 8 or higher, their time management ability is good. If their score is 4 or lower, they may want to reevaluate their time management practices if they aspire to be a manager. Refer students to the “Sunny Side Up” feature for ideas to improve their time management skills.

Feedback on how to interpret their score is also included in the text below the questionnaire. After the students score their questionnaires, you may ask them to share their scores in small groups of four to five and discuss their potential strengths and weaknesses as managers.

### What Is Your Manager Frame?

Before reading the chapter, students should complete the questionnaire. Managers typically view their world through one or more mental frames of reference. (1) The structural frame of reference sees the organization as a machine that can be economically efficient and that provides a manager with formal authority to achieve goals. This manager frame was prominent during the era of scientific management and bureaucratic administration. (2) The human resource frame sees the organization as people, with manager emphasis given to support, empowerment, and belonging. This manager frame gained importance with the rise of the humanistic perspective. (3) The political frame sees the organization as a competition for resources to achieve goals, with manager emphasis on negotiation and hallway coalition building. This frame reflects the need within systems theory to have all the parts working together. (4) The symbolic frame of reference sees the organization as a theater—a place to achieve dreams—with the manager emphasizing symbols, vision, culture, and inspiration. This manager frame is important for today’s adaptive organizations.

Ask students which frame reflects their way of viewing the world. The first two frames of reference—structural and human resource—are more important for new managers. These two frames usually are mastered first. As managers gain experience and move up the organization, they should both acquire political skills and learn to use symbols for communication. It is important for managers not to become stuck for years in one way of viewing the organization because their progress may be limited. Many managers evolve through and master each of the four frames as they become more skilled and experienced.

Students should compute their scores as follows:

$$ST = 1a + 2a + 3a + 4a + 5a + 6a =$$

$$HR = 1b + 2b + 3b + 4b + 5b + 6b =$$

$$PL = 1c + 2c + 3c + 4c + 5c + 6c =$$

$$SY = 1d + 2d + 3d + 4d + 5d + 6d =$$

The higher score represents one's way of viewing the organization and will influence one's management style.

Feedback on how to interpret their score is also included in the text below the questionnaire. After the students score their questionnaires, you may ask them to share their scores in small groups of four to five and discuss their potential strengths and weaknesses as managers.

## Discussion Questions

You can assign these questions several ways: in a discussion forum in your LMS; as whole-class or breakout discussions in person or synchronously via a virtual meeting tool like Zoom; or as a partner or group activity in class. For more best practices around the facilitation of discussion question in online courses, as well as other online teaching and learning tips, check out the Guide to Teaching Online, which can be found on the Instructor Companion Site.

1. **Question:** Assume that you are a project manager at a biotechnology company and that you work with managers from research, production, and marketing on a major product modification. You notice that every memo you receive from the marketing manager has been copied to senior management. At every company function, she spends time talking to the big shots. You are also aware that sometimes when you and the other project members are slaving away over the project, she is playing golf with senior managers. What is your evaluation of her behavior? As project manager, what do you do?

**Suggested Answer:** The marketing manager seems to want to move up the management hierarchy as quickly as possible. Two behaviors illustrate this desire. Sending copies of memos to senior management helps her maintain visibility in the company and lets senior management know of her management skills and accomplishments. Socializing with senior management at company functions or on the golf course also helps her maintain high visibility. These behaviors will help her to avoid being overlooked when deliberations for special projects or promotions are being made by senior management. The appropriateness of her behavior is another issue. If she is performing on the joint project as promised, then what she does otherwise is her business. If you, as the research scientist, also are looking for advancement opportunities, you should try to increase visibility as well. Look for ways to do so that are acceptable to senior management in this organization culture.

2. **Question:** Jeff Immelt, when he was CEO of GE, tweeted for the first time in September 2012, prompting this response: "@JeffImmelt how come my grandfather got on twitter

before you?” Do you think managers should use Twitter and other social media? Can you be an effective manager today without using new media? Why?

**Suggested Answer:** Immelt seems to be suggesting that most managers have been using social media for a long time. It is an integral part of the job. Because texting and tweeting are such common ways of communicating today, a manager would be hampered if they were not familiar with these tools. Communicating effectively is an important part of a manager’s job, and social media is an important part of communicating in this era.

3. **Question:** What did Hallie Meyer do to keep Caffè Panna successful during the pandemic?

**Suggested Answer:** When businesses were forced to close due to the COVID-19 lockdown, Hallie Meyer’s six-month-old ice cream business could have easily been shuttered forever. Instead, Hallie quickly pivoted, adapting to the new requirements by changing the way her business operated. She spent two weeks with the shop closed figuring out how to best tackle the challenges now being faced by businesses around the world. Hallie started with a drastically reduced staff and a strict pre-order policy with one retail window for pickups during preset time slots. Then she added a delivery option. Next, she began to offer walk-up ordering as businesses saw foot traffic returning. The pandemic offered an opportunity for Hallie to streamline her operations and production, which resulted in lower staffing costs, higher productivity, and the ability to branch out into other channels such as nationwide shipping and wholesale. Because of Hallie’s ingenuity, ability, and willingness to quickly adapt to the environment, Caffè Panna now makes more money in retail in fewer hours and with less labor.

4. **Question:** Think about the highly publicized safety grounding of Boeing’s 737 MAX jetliner. One observer said that the goal of profit had taken precedence over the goal of safety within the company. Do you think managers can succeed at both profit and safety simultaneously? Discuss.

**Suggested Answer:** Organizational effectiveness is the degree to which the organization achieves a stated goal or succeeds in accomplishing what it tries to do. Organizational efficiency refers to the amount of resources used to achieve an organizational goal. It is based on how much raw materials, money, and people are necessary for producing a given volume of output. The ultimate responsibility of managers is to achieve high performance, which is the organization’s ability to attain its goals by using resources in an efficient and effective manner.

Although efficiency and effectiveness are both important for performance, most people would probably say that effectiveness is the more important concept. The reason is that internal efficiency has no value if it does not enable the organization to achieve its goals and respond to the external environment. On the other hand, an organization that is effective does achieve its goals, by definition. One of these goals should involve

continuously increasing efficiency.

Managers can and should improve both efficiency and effectiveness simultaneously. As noted above, one of any organization's primary goals should be to continuously improve efficiency. To the extent that the organization increases its success in achieving this goal, along with others, its effectiveness also improves.

5. **Question:** You are a bright, hard-working, entry-level manager who fully intends to rise through the ranks. Your performance evaluation gives you high marks for your technical skills, but low marks when it comes to people skills. Do you think people skills can be learned, or do you need to rethink your career path? If people skills can be learned, how would you go about it?

**Suggested Answer:** Although some people seem to be naturally more adept at people skills, just as some are naturally more adept at technical skills or conceptual skills, people skills can be learned, and there is no reason to rethink one's career path unless there is an unwillingness to improve in this area. People skills can be learned by taking behavioral classes, by modeling one's interactions after a supervisor or colleague who has excellent people skills, by participating in role playing exercises, and other activities that improve one's interactional skills.

6. **Question:** A college professor told her students, "The purpose of a management course is to teach students about management, not to teach them to be managers." Do you agree or disagree with this statement? Discuss.

**Suggested Answer:** Some students may believe that a college course will give them the necessary skills and abilities to be a manager. Others, especially those with management experience, will realize that they can learn about management through a course, but must learn the art of management through experience. Management courses, especially principles courses, provide the foundational knowledge upon which students can begin to develop their understanding of effective management practice. More advanced management courses can provide opportunities for students to begin practicing their skills in a relatively safe environment in much the same way that science courses provide students with the opportunity to practice their science skills through laboratory work. Still, these courses will not make competent managers of students. Skill in managing, or any other skill set, develops over time through practical experience.

7. **Question:** Why do you think there is a trend toward greater democracy and decentralization in organizations today? Would a radical decentralized system be effective with Gen Z employees? Why?

**Suggested Answer:** To engage employees, managers must unite people around a compelling purpose that encourages them to give their best. Millennial and Gen Z employees grew up technologically adept and globally conscious. Unlike many workers in the past, they typically are not hesitant to question their superiors and challenge the



status quo. They want to work for a clear, meaningful purpose in a flexible, collaborative work environment that is challenging and supportive, with access to cutting-edge technology, opportunities to learn and further their careers and personal goals, and the power to make substantive decisions in the workplace.

8. **Question:** Big data analytics programs (which analyze massive data sets to make decisions) use gigantic computing power to quantify trends that would be beyond the grasp of human observers. As the use of this quantitative analysis increases, do you think it may decrease the “humanity of production” in organizations? Why?

**Suggested Answer:** This question can provide for a lively debate among students. Big data analytics uncovers hidden patterns and correlations. For example, the professional networking site LinkedIn will plumb the depths of its huge data mines and provide a list of perfect candidates for a company’s job openings. Predictions get better every time an individual responds to or ignores a recommendation. Big data analytics can be thought of as a direct descendant of Frederick Winslow Taylor’s scientific management and the most recent iteration of the quantitative approach to management. Since big data is used in organizations for activities involving individuals, students may argue that it will not decrease the “humanity of production” in organizations.

9. **Question:** Can you think of potential drawbacks to retailers using labor-waste elimination systems based on scientific management principles, as described in the text? Do you believe that scientific management characteristics will ever cease to be a part of organizational life, since they are now about 100 years old? Discuss.

**Suggested Answer:** Labor waste elimination systems ignore social context and workers’ needs and can lead to increased conflict between managers and employees. Workers often feel exploited by such systems, in direct contrast to the harmony and cooperation envisioned by Taylor and his followers.

The ideas of scientific management increased productivity across all industries and are still important today. The idea of engineering work for greater productivity has enjoyed a renaissance in the retail industry. The ideas of creating systems for maximum efficiency and organizing work for maximum productivity are deeply embedded in our organizations. The characteristics of scientific management and bureaucracy will continue to be a part of organizational life, as they have enabled organizations to become extremely efficient.

10. **Question:** Why can an event such as the Hawthorne studies be a major turning point in the history of management, even if the results of the studies are later shown to be in error? Discuss.

**Suggested Answer:** One point that could be made is that social science is not perfect. Another is that the findings from the Hawthorne studies had legitimacy because Harvard professors conducted them. Moreover, if findings meet a need for society—that is, if they seem like a good idea—they can be rapidly adopted and believed. In this

case, the idea that treating people well will make more productive employees was important because employees had been treated as if they were machinery for many years. Interestingly, although the scientific studies did not necessarily prove the accuracy of the idea, it may still be valid. The idea was widely adopted, and many organizations came to believe that productivity was associated with employee treatment. Even the most recent thinking, as reflected in the Japanese management and achieving excellence perspectives, supports good treatment of employees as a way to assure a productive organization. Thus, the idea may have been correct and fit the needs of the time, and those things were more important than the scientific basis for the findings.

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## Practice Your Skills: Self-Learning Aptitude Questionnaire

Students should complete the questionnaire using the five-point Likert scale.

The scale is designed to give a general idea (it is not validated) of the three management skills of conceptual, human, and technical skills. Such a scale can be used as a kind of “mirror” to the student. Undergraduates, particularly, lack knowledge about what the job of a manager is. Helping them to look at these three skill areas can be of some assistance in assessing their own abilities to be good managers.

After the students score their questionnaires, you may ask them to share their scores in small groups of four to five and discuss their potential strengths and weaknesses as managers. Also, you may ask them to share answers to the following questions. These questions may be used with the entire class, without any small group discussions.

1. **Question:** Why do you think the three skills are all needed to be an effective manager? Give examples of times when each one is used.

**Suggested Answer:** Conceptual skills are used to understand large issues and problems, to develop vision and strategies, and to see relationships between one set of problems and others. Examples are developing strategies, analyzing the cause of problems from mounds of data, and applying theories to the situations at hand. Human skills include the ability to work with people and communicate effectively. Examples are listening, conflict resolution, running meetings, team building, mentoring, and negotiation. Technical skills include areas such as developing written plans, reading financial reports, computer and management information skills, and logistics. These skills are used in managing work processes and scheduling workflow and personnel.

2. **Question:** What do you think the ideal ranking would be of the three skills for an effective manager?

**Suggested Answer:** There is no one right answer for this because it depends on the type and level of management. Generally, human skills are considered more vital in lower-level supervisors, and conceptual skills in executive-level managers, but even that is only a general guideline. Managers in a software company would need more technical skills than an advertising executive.

## Practice Your Skills: Group Learning

### Your Best and Worst Managers

This exercise helps students understand how different management styles affect their behavior and motivation, ultimately impacting performance.

## Practice Your Skills: Action Learning

This exercise helps students understand and uncover insights into their leadership abilities, along with lessons learned from past experiences.

## Practice Your Skills: Ethical Dilemma

### The New Test

1. **Option:** Ignore the test. Sheryl has proved herself via work experience and deserves the job. Do the right thing in your mind.

**Suggested Response:** Option 1 is likely to cause hard feelings in the department. In addition, Option 1 places Judy in direct opposition to the Civil Service Board. Maxine is however wise to consider that test scores may not be the best indicator of who can do the job.

2. **Option:** Give the job to the candidate with the highest score. You can't afford to make enemies on the Civil Service Board, and, although it is a bureaucratic procedure, the test is an objective, justifiable way to select a permanent placement.

**Suggested Response:** Options 1 and 2 both are likely to cause hard feelings in the department. Considering that Maxine has the final say with regard to the opening, she should be sure if the test really assesses fairly the right person for the position.

3. **Option:** Press the reluctant board to devise a more comprehensive set of selection criteria—including test results, but also taking into account supervisory experience, recommendations, ability to motivate employees, and knowledge of agency procedures—that can be explained and justified to the board and to employees.

**Suggested Response:** Option 3 is probably the best choice, although Maxine must be careful that she does not develop a set of criteria that is designed simply to justify giving the job to Sheryl, and she may want to involve others in helping devise selection criteria. The job still may go to someone besides Sheryl, but this option takes into consideration her skills, knowledge, and experience. The selection criteria, in addition to

the employment test, should include an application, structured interview, reference check.

## Practice Your Skills: Case for Critical Analysis

### SmartStyle Salons

1. **Question:** What positive and negative managerial characteristics does Keisha Westbrook possess? How do her characteristics align with the technical, human, and conceptual skills described in the chapter?

**Suggested Answer:** A manager's job requires a range of skills that includes conceptual, human, and technical skills. During turbulent times, managers really have to stay on their toes and apply all their skills and competencies in a way that benefits the organization and stakeholders—employees, investors, customers, and the community.

Keisha's hard work and combination of skills made her the manager of the salon. Keisha's failure to clarify direction or performance expectation from her employees is one of her negative managerial characteristics. Poor planning practices and reactionary behavior are the other negative traits that Keisha possesses.

2. **Question:** How do these traits help or hinder her potential to get the top position at the Riverwood Mall salon?

**Suggested Answer:** Keisha's failure to clarify direction or performance expectation from her employees Marianne and Carol Jean led to scheduling problems for the clients. This was bad for the business and hampered her chances to get the top position at the Riverwood Mall salon. Poor planning practices and Keisha's reactionary behavior also hindered her climb up the ladder.

3. **Question:** How would you have handled each of the incidents with Marianne? Carol Jean? Victoria?

**Suggested Answer:** Keisha should not have displayed the outburst of anger when Marianne informed her about Carol Jean's absence, as Marianne was merely doing her job as a receptionist. With regard to Carol Jean, Keisha should have told them about the company's performance expectations. She should have clarified the leave scenario to them and not let them get away with unwarranted absences in the first place. Keisha should empower her team and not micromanage as in the case with Victoria. She should help Victoria in her career development rather than wanting to hide Victoria's competencies.

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## Additional Activities and Assignments

**Full List of In-Class Activities Included in PowerPoint:**



- Icebreaker Activity
- Discussion Activity 1
- Discussion Activity 2
- Discussion Activity 3
- Discussion Activity 4
- Knowledge Check 1
- Knowledge Check 2
- Polling Activity 1
- Polling Activity 2
- Polling Activity 3

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## Additional Resources

### Cengage Video Resources

- **MindTap Videos:** *(These videos can be found within the “Additional Resources” folder within MindTap. Students can also use these study tools on their mobile device via the [Cengage Mobile App](#)).*
  - Concept Clips: Management Functions
  - Concept Clips: Managerial Roles
  - Concept Clips: Skills Used at Different Management Levels
  - Concept Clips: Classical Management Theory
  - Concept Clips: Humanistic Management Theory
  - On the Job Video: Camp Bow Wow: Innovative Management
  - On The Job Video: Barcelona Restaurant Group: Evolution of Management Thinking

### Student Study Tools

- **MindTap Student Study Tools:** *(Found within the “Study It” folder within MindTap. Students can also use these study tools on their mobile device via the [Cengage Mobile App](#)).*
  - **Practice Test:** This resource allows students to create practice quizzes covering multiple chapters in a low-stakes environment. Students receive immediate feedback, so they know where they need additional help, and the test-bank-like questions prepare students for what to expect on the exam. With about 100 questions per chapter, students can create multiple unique practice quizzes
  - **Student PowerPoint:** A streamlined version of the PowerPoint in which the instructor-only content has been removed.
  - **Flashcards:** Digitized flashcards that include the chapter’s key terms and definitions.

## Product Support

[Visit our Resources and Support MindTap for Management page to view training resources, instructor guides, LMS integration information and more.](#) You may also

contact your Cengage Learning Consultant to assist you in implementing MindTap successfully in your course. If you are unsure of who your Cengage Learning Consultant is, use our [Cengage Rep Finder](#) to locate your local representative.

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