Solutions for Management 9th Edition by Kinicki

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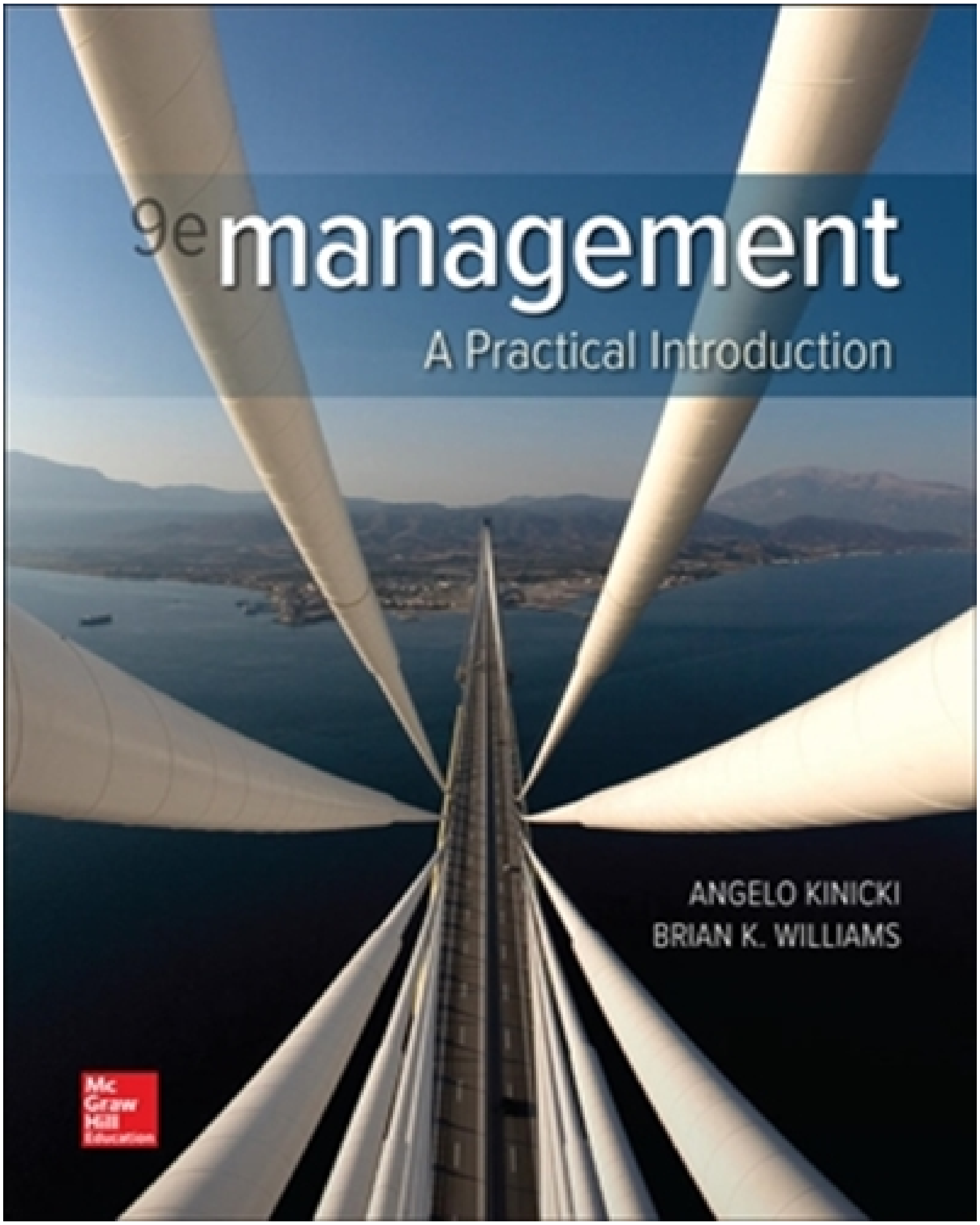


Solutions

Chapter 2

Management Theory

Essential Background for the Successful Manager

CHAPTER CONTENTS

TEACHING RESOURCE MANUAL: A GUIDE TO IMPLEMENTATION

The purpose of the Teaching Resource Manual (TRM) is to support you in the delivery of your chosen curriculum in either a face-to-face or online classroom formats. It also was created to help you address some of the **following challenges in higher education:**

- Addressing the inability to measure student comprehension prior to major assignments such as a midterm or project.
- Overcoming the inability to tailor your lecture to the topics that students find difficult.
- Increasing student engagement by providing opportunities for them to apply the knowledge gained in the classroom to real-world scenarios.
- Providing students with opportunities for self-reflection outside of classroom activities.
- Increasing students' critical-thinking and problem-solving skills.

You will learn that we created many different teaching resources you can use either before, during, or after class. Because of the quantity of options, the goal of this implementation guide is to provide an overview of how you might select the many teaching resources at your disposal.

So What Assets Can I Choose From?

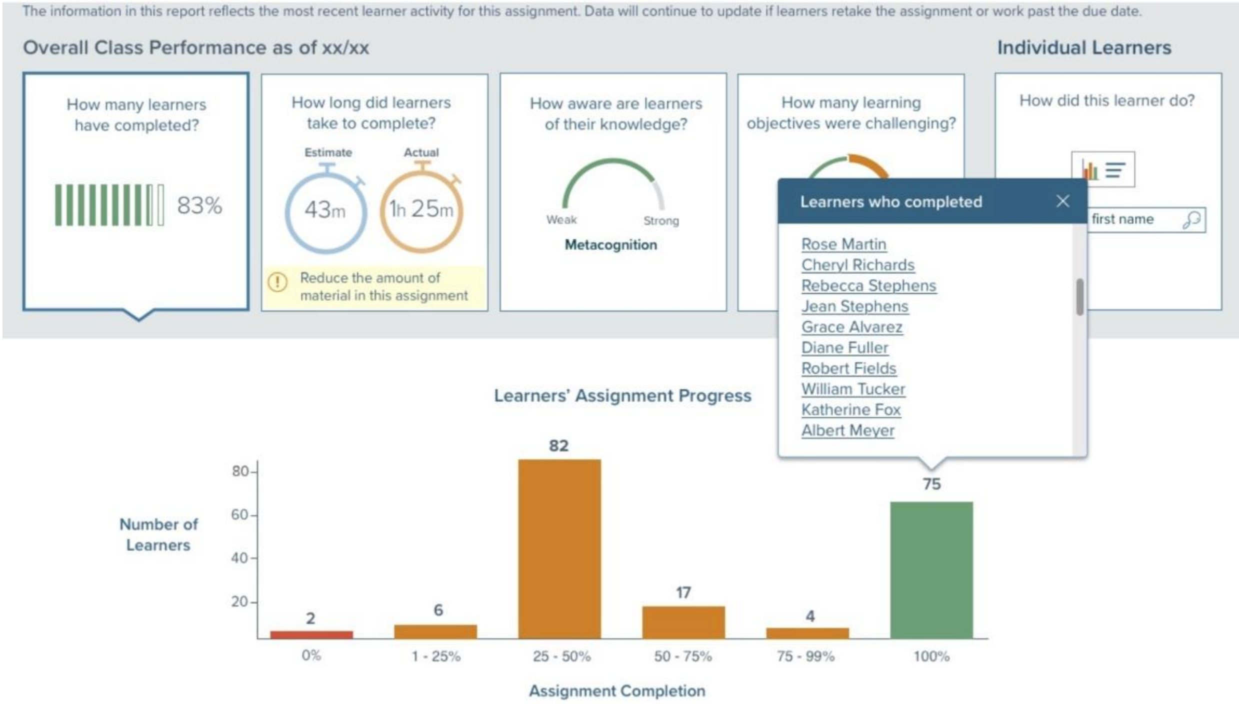
Generally, a typical class session for any course comprises three "touch points:" before, during, and after class. For a face-to-face course, your class session would normally be the day you lecture to students. For an online course, the class session would be when you recorded the lecture or when the live lecture is streamed on the Web.

Our teaching resources fall into 16 categories: SmartBook 2.0, Click and Drag Exercises, iSeeIt Animated Videos, Self-Assessments, Case Analyses, Video Cases, Example and Practical Action boxes, Group Exercises, TRM discussion starters, TRM follow-up exercises, Uber Continuing Case, quizzes and tests, Management in Action Cases, Manager's Hot Seat Videos, and Application-Based Activities (mini-sims). After describing the use of SmartBook 2.0 and Connect® exercises, we discuss how you might use these teaching resources before, during, or after class.

Assigning SmartBook 2.0 and Connect® Exercises

SmartBook 2.0, (In Connect®, click on Performance / Reports / Assignment Results. Here you can choose SmartBook and choose the assignment you wish to view reports for.) The following reports are available through SmartBook 2.0:

> **Instructor Dashboard.** Click on one of the tiles from Assignment Completion, Time on Task, Metacognition, Most Challenging Learning Objectives, and Individual Learners.
>
> **Assignment Completion.** Shows the total percentage of all learners in the class that have completed the assignments at this point in time.



Time on Task. Provides the user with a class-level view of the estimated time in comparison to the actual average time to completion across the entire class.

Metacognition. Shows how aware the learners are of their knowledge, on average across the entire class.

Most Challenging Learning Objectives. Shows the number of challenging Learning Objectives across the class, in comparison to the total number of Learning Objectives in the assignment.

Individual Learner Report. System provides all the assignment data available for that specific student at that point in time, showing a breakdown of all questions answered in each of the following categories:

- Correct with high confidence
- Incorrect with high confidence
- Correct with low confidence
- Incorrect with low confidence
- Correct with medium confidence
- Incorrect with medium confidence

With Connect®, you can build your own course, make changes to the course throughout the semester, and use auto-grading. Connect® integrates with other Learning Management Systems, include Blackboard®, Canvas, and D2L. Students can study anytime with the free

ReadAnywhere app, create personalized study plans, and Connect®'s Calendar and Report tools will help keep them on track.

Connect® gives you a wide array of flexibility in making assignments and creating grading policies. You may choose to:

- assign as many assignments as appropriate.
- determine point values for each question/application exercise individually.
- make available multiple attempts per assignment with options of accepting the highest score or averaging all the scores together.
- deduct points for late submissions of assignments (percentage deduction per hour/day/week/so forth) or create hard deadlines.
- show feedback on exercises/questions immediately or at your preference.
- provide for study-attempts to allow for completion of the assignment after the due date without assigning a point value.

Some recommendations include:

- Before selecting the option for one attempt only, select unlimited or multiple attempts on the first few assignments to allow students a chance to learn and navigate the system.
- Provide a low point value for each question because multiple questions are usually assigned for each chapter. A good rule of thumb would be to make "Quiz Questions" worth 1 point each and "Connect® Exercises" worth 5 to 10 points each because these require more time and thought.
- Select feedback to be displayed after the assignment due date in order to limit students from giving the correct answers to other students while the application exercise is still available.

So When Do I Assign Each Type of Teaching Resource?

Wouldn't it be wonderful if you could transition from simply assigning readings, lecturing, and testing to actually adapting your teaching to student needs? By utilizing the teaching resources outlined below during the three touch points, you can significantly impact students' learning and create a learning environment that is more engaging, involving, and rewarding. In other words, you can now tailor your classrooms to pinpoint and address critical challenges, thereby creating the greatest impact and assisting students develop higher order thinking skills.

The following recommendations pertain to these mentioned touch points, with an additional matrix that follows.

Before Class

The learning goals we have for students determines our assignments before, during and after class. For example, you may want to focus on mastering content, applying content, or using content to solve problems. Alternatively, you may want to achieve all three goals.

Connect® offers a host of additional pre-class assignments to choose from if your goal is mastery of content. They include SmartBook 2.0, Click and Drag Exercises, iSeeIt! Animated Videos, Self-Assessments, Case Analyses, Video Cases, Example and Practical Action Boxes, Management in Action Cases, Legal/Ethical Challenge Cases, Uber Continuing Case, and Manager's Hot Seat Videos. Case Analyses, Click and Drag Exercises, and Video Cases are optimal exercises to be utilized prior to class, as they provide students the opportunity to practice and apply key course concepts.

A reading assignment—typically a chapter from the product in use—is a student's initial exposure to course content. Requiring students to complete a SmartBook 2.0 module either prior to class or an online lecture allows you to gauge their comprehension of the material. Having a better sense *before* class of which concepts your students are "getting" and which ones they are not, allows you to more effectively and efficiently plan your time with them *during* class. To ascertain student competency, use the reporting function of SmartBook 2.0, where you can view general results of their performance.

Additionally, Connect® exercises, such as Case Analyses, Click and Drag Exercises, and video cases, offer students a second exposure to important sections of the chapter after their completion of a SmartBook 2.0 assignment.

Finally, you can use iSeeIt Animated Videos to emphasize content we have found difficult for students to understand. These animated videos were developed to further unpack in brief, yet effective, fashion the course topics that most commonly challenge students. Each animated video is accompanied by auto-graded multiple-choice questions that can be assigned to confirm student comprehension.

If your learning objectives include fostering application and integrating the concepts discussed with real world practice, then Management in Action or legal/ethical challenge cases contained in the textbook can be assigned so students can think critically and practice applying what they learned in the readings to actual cases. The Management in Action cases are now all "problem-focused." In other words, the cases contain problems that students can practice solving. These cases also contain multiple-choice questions that can be assigned in Connect® to gauge student comprehension.

During Class

The TRM offers a host of additional materials and experiential activities you can use to bring chapter content to life.

If your goal is content mastery and you are utilizing SmartBook 2.0, you can plan class activities and lecture based on results from the general results report and the metacognitive skills report. This allows for a more tailored class period that enhances student engagement and more opportunities to resolve gaps in knowledge. We also provide links to online readings that you can use to supplement the content covered in the textbook. They are useful if you desire to provide additional material beyond that covered in the text.

If your goal is to create an engaging learning environment filled with student discussion and interactions, we provide multiple resources. First, each major heading in a chapter contains suggested discussion starter questions. These open-ended questions are likely to foster student discussion and engagement. We also provide additional activities (i.e., experiential exercises) for every Example and Practical Action box.

If your goal is to provide for additional application of material, the TRM breaks down the textbook Management in Action cases and legal/ethical challenges by providing questions and ideal responses. Connect® also has multiple-choice questions that can be assigned for the Management in Action cases. Finally, the TRM has a selection of group exercises that allows instructors to focus on team learning methods.

If your goal is to jointly engage your students while applying content from the text, you can select a Self-Assessment follow-up activity (all follow-up activities are found in the TRM). These assets are especially useful if you are "flipping" your classroom, wherein the class session is used for application and analysis of key concepts rather than lecture. The Suggested Resources across Teaching Touch Points Matrix provides a quick reference for activities that can be utilized during class.

After Class

After the face-to-face class session, or online lecture, you can assign Connect® exercises as homework to further reinforce the material covered in the textbook and lecture. You may also want to assign an iSeeIt! Animated Video if you notice that students are struggling with a particular topic, even after class. Students can also be assigned the continuing case for each chapter, which includes assignable multiple-choice and essay-based questions. To further gauge student comprehension, you can also assign a quiz or exam. The quiz banks in Connect® focus more on defining and explaining material, and the test banks focus more on application and analysis. Moreover, the test banks now include more higher-level Bloom's questions.

Finally, if you are looking to have students think critically to solve real-world problems, then you may want to utilize an Application-Based Activity after class. Application-Based Activities are mini-simulations that allow students to make decisions and see their impact immediately. There are both theory-based questions that have right and wrong answers, and there are also branching questions that allow students to make ideal, sub-ideal, and incorrect decisions based on the theory they've learned. A student's particular path in the activity will depend on the decisions made on the branching questions. Application-Based Activities should be utilized after a student has had at least one pass at the chapter content as they do not introduce new material. Rather, they encourage students to apply, analyze, and evaluate material they already understand.

A Special Focus on Career Readiness

The ninth edition has a new strategic focus on career readiness. The authors goal is to provide you the information and teaching resources needed to develop students' career readiness competencies desired by employers. The authors provide you the following information and resources:

- Chapter 1 introduces the concept of career readiness and identifies the competencies desired by employers.
- *Career Corner* sections in each chapter link chapter content to career readiness competencies.
- Connect® exercises that directly relate to career competencies.
- Self-Assessments directly related to career competencies. These assessments have follow-up activities in the TRM.
- *Career Corner* group exercises in the TRM focusing on building career competencies. Many of these exercises can also be utilized in large in-person and online classes.
- A step-by-step career readiness-based personal development plan in the TRM.

Material in the TRM related to career readiness will have the following icon: **CAREER READINESS**

CAREER READINESS-BASED PERSONAL DEVELOPMENT PLAN

CAREER READINESS

This ninth edition of *Management: A Practical Introduction* includes a new strategic theme around the concept of **career readiness** in order to address the employers' complaints of graduating students not possessing the needed skills to perform effectively. We deeply care about this issue and hope that this new feature will assist instructors develop their students' career readiness.

Asking students to create a career readiness development plan is one straightforward way to guide your students toward higher career readiness. Angelo Kinicki has been doing this for years with his students and wants to provide you the guidance to do the same.

Creating a personal development plan around career readiness starts with utilizing career readiness-based self-assessments. This enables students to obtain a baseline evaluation of their interpersonal strengths and weaknesses along a host of relevant competencies. The text contains links to 40 Self-Assessments that relate to various career readiness competencies. We recommend that students focus on the competencies that were most frequently discussed in the Career Corner sections of the textbook. They include the following: Understanding the Business, Critical Thinking/Problem Solving, Emotional Intelligence, Positive Approach, and Self-Awareness. The second phase entails the creation of a development plan to build on strengths and reduce weaknesses. The third phase then involves marshalling the resources and support needed to accomplish the plan. Students should determine if they need any tangible resources (e.g., money, time, input from others) in order to work the plan. The final phase focuses on working the plan.

We believe that creation of the plan is the desired end result for this course. Working the plan is expected to happen after your class is over.

It is strongly recommended that you grade students' plans. This enables you to assess whether students are on the right track and provides the incentive students need to thoroughly complete their plans. Angelo has found that students do not put much effort into the plan if there are no rewards. He has allocated anywhere from 5 to 10 percent of his overall grade to this assignment. It is recommended that you only grade the logic, thoroughness, and feasibility of the plan rather than the follow-through because execution occurs at a later point in time.

The instructor's and students' instructions for drafting a personal development plan are located in the Chapter 1 TRM.

SUGGESTED RESOURCES ACROSS TEACHING TOUCH POINTS MATRIX

Type of Asset	Before-Class/Lecture	During-Class/Lecture	After-Class/Lecture	
SmartBook 2.0	🎓			
Click and Drag Exercises	🎓		🎓	CAREER READINESS
iSeeIt! Animated Videos	🎓	🎓	🎓	
Self-Assessments	🎓		🎓	
Case Analyses	🎓		🎓	
Video Cases	🎓	🎓	🎓	
Example and Practical Action Boxes[M]	🎓	🎓	🎓	
Group Exercises/Career Group Exercises[M]		🎓		CAREER READINESS
TRM Discussion Starters[M]		🎓		
TRM Follow-up activities for Case Analyses, Video Cases, Self-Assessments, and Example/Practical Action Boxes[M]		🎓		
Quizzes/Tests	🎓		🎓	
Uber Continuing Case	🎓		🎓	
Management in Action Case[M]	🎓	🎓	🎓	
Legal/Ethical Challenge Case[M]	🎓	🎓	🎓	
Manager's Hot Seat Videos	🎓	🎓	🎓	
Application-Based Activities			🎓	

Note: The above-mentioned assets are generally assignable and auto-gradable, except for those listed with an [M] as those require manual grading.

A Week at a Glance

When creating a syllabus and schedule for students, you can utilize the above-mentioned matrix as a guide. Let's use the following example: You teach a **face-to-face** Principles of Management course, and the course meets once a week on Wednesday afternoons. If this is the second week of the semester and you are covering Chapter 2, the following format can be utilized:

Before Class (before Wednesday)

- *Assign Chapter 2 in SmartBook 2.0, making it due Tuesday evening so that reporting can be reviewed prior to the lecture on Wednesday. The lecture can be customized based on what concepts in the chapter students are struggling with the most, as can be seen in the reporting function of SmartBook 2.0 by going to "Reporting" then clicking the "LearnSmart" tab.*
- *A Click and Drag Exercise, such as one on "Management History—Understanding the Business," can be assigned. This can also be due on Tuesday evening so that students are able to practice prior to class, and you can also review results prior to lecturing. What is unique about this Click and Drag Exercises is that it examines career readiness.*
- *A Connect® Case Analysis, such as "Best Buy Uses Management Theories to Improve Corporate Performance," can also be included so that students can learn about applying the concepts from the reading to a real-life scenario; therefore, further engaging them prior to the class session. If desired, you can then introduce a follow-up activity, found in the Teaching Resource Manual, during class on Wednesday.*
- *A Self-Assessment can be assigned, such as "What is Your Orientation Toward Theory X/Theory Y?" in order to follow-up on content covered in the reading. This can set up a class activity to follow on Wednesday. Follow-up activities can be found in the Teaching Resource Manual (TRM).*

CAREER READINESS

During Class (on Wednesday)

- *You can deliver a short, yet effective, lecture and focus on areas that students are really struggling with. This can be done by reviewing the reporting from SmartBook 2.0 and any assigned Connect® exercises, such as the recommended Click and Drag Exercise and Case Analysis. If students are struggling with a particular learning objective, you can then tailor the lecture and/or class activities to address those challenging concepts.*
- *If you are flipping the class and utilizing the in-person session for activities, you can utilize the follow-up activities from previously assigned Connect® exercises in the TRM.*
- *You can assign a Self-Assessment earlier in the week, for example on "Are You Working for a Learning Organization?" and have students complete a follow-up activity during the class session based on the Self-Assessment results. Remember, follow-up activities for each Connect® exercise can be found in the TRM.*

- *If time allows, and you would like to dive into real situations, you can discuss an Example box from the text titled, "Operations Management at Intel." There is an additional in-class activity in the TRM as well.*

After Class (after Wednesday)

- *You can assign a Connect® exercise, such as the continuing case on Uber, to reinforce student comprehension of material and to also test application of concepts.*
- *You can also assign an online quiz or test on the material.*

If you are teaching a **completely online course asynchronously**, then the in-person class above can be substituted for a recorded online lecture that is customized based on SmartBook 2.0 reporting. Students can be instructed to complete pre-class activities prior to watching the lecture, and post-class activities after the online lecture. A gap can be included between pre-class activities and the recording of the lecture so that reporting can be reviewed.

This example is simply a week out of many that will provide for rigorous learning and student impact! You can utilize this format when creating a syllabus and extrapolate the rest of the weeks.

LEARNING OBJECTIVES

2.1 Describe the development of current perspectives on management.

2.2 Discuss the insights of the classical view of management.

2.3 Describe the principles of the behavioral view of management.

2.4 Discuss the two quantitative approaches to solving problems.

2.5 Identify takeaways from the systems view of management.

2.6 Explain why there is no one best way to manage in all situations.

2.7 Discuss the contributions of the quality-management view.

2.8 Define how managers foster a learning organization.

2.9 Describe how to develop the career readiness competency of understanding the business.

TEACHING RESOURCES

Section	Title	Resource Type
2.1: Evolving Viewpoints: How We Got to Today's Management Outlook		
	The Future of Leadership and Management in the 21st-Century Organization with Supplemental Activity	ONLINE ARTICLE
	Holacracy Video with Supplemental Activity	ONLINE VIDEO (5 minutes)
2.2: Classical Viewpoint: Scientific and Administrative Management		
	Ford and Taylor Scientific Management with Supplemental Activity	ONLINE VIDEO (7 minutes)
2.3: Behavioral Viewpoint: Behaviorism, Human Relations, and Behavioral Science		
	The Year They Discovered People with Supplemental Activity	ONLINE VIDEO (14 minutes)
	Hawthorn Studies with Supplemental Activity	ONLINE VIDEO (7 minutes)

	What Is Your Orientation toward Theory X/Theory Y? with Self-Assessment Activity	Self-Assessment
	The Origins of Our Open Office Hellscape with Supplemental Activity	ONLINE ARTICLE ONLINE VIDEO (6 minutes)
	4 Tips to Keep You Sane at the Open Space Office	ONLINE VIDEO (2 minutes)
2.4: Quantitative Viewpoint: Management Science and Operations Research		
	FedEx Ground Operations Management Talent Network with Supplemental Activity	Online Website
	Life at FedEx Ground Life at FedEx Ground 2	ONLINE VIDEO (1 minute) ONLINE VIDEO (2 minutes)
	10 Supply Chain Disasters with Supplemental Activity	ONLINE ARTICLE
2.5: Systems Viewpoint		
	Sports Authority Shutting Down With Giant Going-Out-Of-Business Sale with Supplemental Activity	ONLINE VIDEO (1 minute)
	Sports Authority Plans to File for Bankruptcy Protection	ONLINE ARTICLE

	with Supplemental Activity	
	On the Trail: Petrified Forest National Park with Supplemental Activity	ONLINE VIDEO (5 minutes)
	The Systems Viewpoint	Connect® Click and Drag
	Best Buy Uses Management Theories to Improve Corporate Performance	Connect® Case Analysis
2.6: Contingency Viewpoint		
	Getting Serious about Evidence-Based Public Management with Supplemental Activity	ONLINE ARTICLE
	HR Gets Creative to Hire Manufacturing Workers	ONLINE ARTICLE
	Is It Too Late for Big Data Ethics? with Supplemental Activity	ONLINE ARTICLE
	Do You Know How Much Private Information You Give Away Every Day? with Supplemental Activity	ONLINE ARTICLE
2.7: Quality-Management Viewpoint		
	Revolutionizing Quality Management with Supplemental Activity	ONLINE VIDEO (1 minute)
	NICE Introduces the Market's First Enterprise Quality Management Solution That Works With Any Recording Platform and Data Source	ONLINE ARTICLE

	To What Extent Is Your Organization Committed to Total Quality Management? with Self-Assessment Activity	Self-Assessment
	Which Are the Best Companies to Work for in the United States and Why?	Group Exercise CAN BE USED ONLINE
	Danny Meyer	Connect® Video Case
2.8: The Learning Organization in an Era of Accelerated Change		
	Tanya Staples, head of LinkedIn Learning with Supplemental Activity	ONLINE ARTICLE
	LinkedIn Learning	ONLINE VIDEO

	Are You Working for a Learning Organization? with Self-Assessment Activity	Self-Assessment	ONLINE ARTICLE
	The Learning Organization	Connect® Click and Drag	ONLINE VIDEO
2.9 Career Corner: Managing Your Career Readiness			
	How to Answer, "What Do You Know about Our Company?" with Supplemental Activity	ONLINE VIDEO (2 minutes)	
	Management History—Understanding the Business	Connect® Click and Drag	ONLINE VIDEO
	Understanding the Business	Career Corner Group Exercise CAN BE USED ONLINE	CAREER READINESS CAREER READINESS
Comprehensive Materials			
	The Downfall of Sears	Textbook Management in Action Case	
	What Should You Do about an Insubordinate Employee?	Textbook Legal/Ethical Challenge	
	Uber Case: Management Theory	Uber Continuing Case	

Please note *Harvard Business Review* articles are subscription-based or accessible via hbsp.harvard.edu as examination copy. Also note that resources like *The Wall Street Journal* will require a paid subscription.

OVERVIEW OF THE CHAPTER

2.1 Evolving Viewpoints: How We Got to Today's Management Outlook

After studying theory, managers may learn the value of bringing rationality to the decision-making process. This chapter describes two principal theoretical perspectives—the **historical** and the **contemporary**. Studying management theory provides understanding of the present, a guide to action, a source of new ideas, clues to the meaning of your managers' decisions, and clues to the meaning of outside events.

2.2 Classical Viewpoint: Scientific and Administrative Management

The **three historical management viewpoints** we will describe are (1) the classical, described in this section; (2) the behavioral; and (3) the quantitative. The classical viewpoint, which emphasized ways to manage work more efficiently, had two approaches: (a) scientific management and (b) administrative management. **Scientific management**, pioneered by Frederick W. Taylor and Frank and Lillian Gilbreth, emphasized the scientific study of work methods to improve the productivity of individual workers. **Administrative management**, pioneered by Charles Spaulding, Henri Fayol, and Max Weber, was concerned with managing the total organization.

2.3 Behavioral Viewpoint: Behaviorism, Human Relations, and Behavioral Science

The second of the three historical management perspectives was the **behavioral** viewpoint, which emphasized the importance of understanding human behavior and of motivating employees toward achievement. The behavioral viewpoint developed over three phases: (1) *Early* **behaviorism** was pioneered by Hugo Munsterberg, Mary Parker Follett, and Elton Mayo. (2) The **human relations movement** was pioneered by Abraham Maslow (who proposed a hierarchy of needs) and Douglas McGregor (who proposed a Theory X and Theory Y view to explain managers' attitudes toward workers). (3) The **behavioral science approach** relied on scientific research for developing theories about behavior useful to managers.

2.4 Quantitative Viewpoint: Management Science and Operations Research

The third and last category under historical perspectives consists of **quantitative viewpoints**, which emphasize the application to management of quantitative techniques, such as statistics and computer simulations. Two approaches of quantitative management are **management science** and **operations management**.

2.5 Systems Viewpoint

Three contemporary management perspectives are (1) the **systems**, (2) the **contingency**, and (3) the **quality-management** viewpoints. The **systems viewpoint** sees organizations as a system, either open or closed, with inputs, outputs, transformation processes, and feedback. The systems viewpoint has led to the development of complexity theory, the study of how order and pattern arise from very complicated, apparently chaotic systems. The **contingency viewpoint** emphasizes that a manager's approach should vary according to the individual and environmental situation. It is a forerunner to evidence-based management. The **quality-management viewpoint** has two traditional approaches*:* **quality control**, the strategy for minimizing errors by managing each stage of production, and **quality assurance**, which focuses on the performance of workers, urging employees to strive for zero defects. A third quality approach is the movement of **total quality management (TQM)**, a comprehensive approach dedicated to continuous quality improvement, training, and customer satisfaction.

2.6 Contingency Viewpoint

The second viewpoint in the contemporary perspective, the contingency viewpoint, emphasizes that a manager's approach should vary according to the individual and environmental situation.

2.7 Quality-Management Viewpoint

The quality-management viewpoint, the third category under contemporary perspectives, consists of **quality control, quality assurance,** and especially the movement of **total quality management (TQM)**, dedicated to continuous quality improvement, training, and customer satisfaction.

2.8 The Learning Organization in an Era of Accelerated Change

Learning organizations actively create, acquire, and transfer knowledge within themselves and are able to modify their behavior to reflect new knowledge. There are three ways you as a manager can help build a learning organization.

2.9 Career Corner: Managing Your Career Readiness

The career competency of **understanding the business** is defined as the extent to which one understands a company's business and strategies and the needs of its stakeholders. It comes into play whenever a candidate interviews for a job. Candidates should learn seven things about a company before showing up at a job interview: (1) the company's mission and vision statements, (2) the company's core values and culture, (3) the history of the company, (4) key organizational players, (5) the company's products, services, and clients, (6) current events and accomplishments, and (7) comments from current or previous employees.

CLASSROOM OUTLINE

Manage U: What Type of Work Environment Do I Prefer?

A people-focused organization stems from Theory Y, which is a view of the organization that considers employees to be capable, creative, responsible, and motivated to work and learn. In contrast, Theory X suggests that workers are resistant and unwilling and need to be monitored and controlled in order to achieve anything. A part of self-awareness, which is a career competency employers desire in college graduates, is better understanding what type of organizational work environment one prefers.

Possible Topics for Discussion:

- Would you like to work for a company that follows a people-focused, Theory Y view of its employees?

  Most students will probably agree that they want to work for a company that follows a people-focused view of its employees. REI, the maker of outdoor and camping gear, is a good example of a people-focused organization. In describing how to get hired there, the company says, "We're looking for passionate and knowledgeable employees who want to work with purpose and a shared belief that a life outdoors is a life well lived. We hire people who intentionally direct their skills and experience toward a greater good. People who are already living by our values—authenticity, integrity, quality, respect, balance and service."

- What about Theory X?

  Most students probably would not want to work at a Theory X organization because they do not feel like they will be valued. Some students may, however, say that control is important, especially in particular occupations like air traffic controllers. However, it is important to differentiate control mechanisms from Theory X.

- What questions might you ask a recruiter to determine whether a company believes in a Theory Y or Theory X view of its employees?

  Some good questions to ask include questions about autonomy, independence, flexible work arrangements, etc. Other questions can go to toward the organizational structure, work layout, and incentive mechanisms.

2.1 Evolving Viewpoints: How We Got to Today's Management Outlook

POWERPOINT SLIDES:

#3 Six Practical Reasons for Studying This Chapter

#4 The Two Overarching Perspectives: Historical and Contemporary
#5 The Historical Perspective: Three Viewpoints

Section 2.1 describes two principal theoretical perspectives—the historical and the contemporary. There are six reasons for studying theoretical perspectives: 1) understanding of the present, 2) guide to action, 3) source of new ideas, 4) clues to meaning of your managers' decisions, 5) clues to meaning of outside events, and 6) producing positive results.

ONLINE ARTICLE

ONLINE VIDEO

One way that you could begin your coverage of these topics is to have the students read the *Forbes* article "The Future of Leadership and Management in the 21st-Century Organization." In this article, Brent Gleeson, a Navy SEAL, speaker and bestselling author, discusses how the leadership and management needs of today's successful companies have changed. For a supplemental activity, you could have the students watch the 50-second video "How to Be a Leader" that is embedded in the article and discuss how concepts such as delegation, communication, enthusiasm, and accountability have evolved through the years.

Topics and Tips for Discussion:

1. There is an old adage that "Those who fail to learn from history are doomed to repeat it." How can that sentiment be applied to the study of management?

   You can discuss companies that have failed to adapt to changing times in the past (e.g. Kodak) and what that means for today's organizations. Discussion can also center around ethical scandals of the past (e.g. Enron) and the impact it has had on decision making today.

2. What do you see as the idea that will have the most profound impact on management practice over the next 10 to 15 years? Defend your point of view.

   Student responses will vary but allowing them to have an open discussion will be good for student engagement.

Section 2.1 Key Concepts:

The Handbook of Peter Drucker

- Peter Drucker was the creator and inventor of modern management.
- Drucker proposed that management should be treated as a profession, like medicine or law.
- He was the first person to give us a handbook to manage complex organizations.

Six Practical Reasons for Studying This Chapter

- Understanding of the present.
- Guide to action.
- Source of new ideas.
- Clues to meaning of your managers' decisions.

- Clues to meaning of outside events.
- Producing positive results.

Interactive Classroom Material:

EXAMPLE: Zappos Holacracy: A Success or a Failure?

Most companies are organized in traditional hierarchies, from the CEO through layers of management down to non-supervisory workers. Tony Hsieh introduced a revolutionary type of structure called a holacracy at Zappos. Most other companies resist trying out radical new structures, worried they won't work. Although Zappos' holacracy has had problems, it is also viewed favorably by many employees, and Hsieh says his only regret is not introducing it sooner.

Click for follow-up activity.

ONLINE VIDEO

Two Overarching Perspectives about Management

- The ***historical perspective*** includes three viewpoints—classical, behavioral, and quantitative.
- The ***contemporary perspective*** also includes three viewpoints—systems, contingency, and quality-management.

2.2 Classical Viewpoint: Scientific & Administrative Management

POWERPOINT SLIDES:

#6 Classical Viewpoint: Scientific Management
#7 Scientific Management
#8 The Gilbreths and Motion Studies
#9 Administrative Management—Charles Clinton Spaulding
#10 Administrative Management—Henri Fayol
#11 Administrative Management—Max Weber
#12 Why the Classical Viewpoint Is Important
#13 The Problem with the Classical Viewpoint

Section 2.2 describes the classical viewpoint. This viewpoint emphasized ways to manage work more efficiently and had two approaches: (a) scientific management, and (b) administrative management. Scientific management emphasized the scientific study of work methods to improve the productivity of individual workers. Administrative management was concerned with managing the total organization.

ONLINE VIDEO

One way that you could begin your coverage of these topics is to have the students watch the video "Ford and Taylor Scientific Management." This 7-minute video describes steps taken to make cars quickly and at a low price using the principles of scientific management. For a supplemental activity, have the students debate the extent to which they agree with Taylor's views that "Hardly a workman can be found who doesn't devote his time to studying just how slowly he can work."

Topics and Tips for Discussion:

1. Thinking of your current or most recent position, provide examples of how you could apply the principles of scientific management to perform your work more efficiently.

   Students should not just think of assembly lines and manufacturing when applying scientific management. You can encourage them to think of processes and procedures at offices, restaurants, and retail establishments.

2. What comes to your mind when you hear the word "bureaucracy"? Do you feel the term's negative connotation is warranted? Defend your point of view.

   Most students will feel bureaucracy is a negative term, but there are some important uses for this concept. One example is the military, where it has shown signs of success. You may want to encourage students to look at some of the positive aspects of bureaucracy, such as structure and oversight.

Section 2.2 Key Concepts:

The Classical Viewpoint

- The classical viewpoint emphasized finding ways to manage work more efficiently.
- This view had two branches—scientific and administrative.
- In general, classical management assumes that people are rational.

Scientific Management

- ***Scientific management*** emphasized the scientific study of work methods in order to improve the productivity of individual workers.
- Frederick Taylor believed that managers could eliminate *soldiering*, deliberately working at less than full capacity, by applying four principles of science.
  - Evaluate a task by scientifically studying each part of the task.
  - Carefully select workers with the right abilities for the task.
  - Give workers the training and incentives to do the task with the proper work methods.
  - Use scientific principles to plan the work methods.
- Taylor used *motion studies*, in which he broke down each worker's job into basic physical units, and then trained workers to use the best possible methods.

- He suggested using a *differential rate system* in which more efficient workers earned higher wages.
- Taylor believed that, if used correctly, the principles of scientific management could enhance productivity.
- Frank and Lillian Gilbreth, a husband-and-wife team of industrial engineers, expanded on Taylor's motion studies, using movie cameras to film workers at work.
- Frank Gilbreth coined the term "therblig," physical motions you perform from time to time.
- By identifying the therbligs in a job, Frank and Lillian Gilbreth were able to eliminate motions while reducing fatigue.

Administrative Management

- ***Administrative management*** is concerned with managing the total organization rather than individual workers.
- Henry Fayol was the first to systemize the study of management behavior, and he identified the major functions of management—planning, organizing, leading, and controlling.
- German sociologist Max Weber described a *bureaucracy* as a rational, efficient, ideal organization based on principles of logic.
- A better-performing organization should have five positive bureaucratic features:
  - A well-defined hierarchy of authority.
  - Formal rules and procedures.
  - A clear division of labor.
  - Impersonality.
  - Careers based on merit.

The Problem with the Classical Viewpoint: Too Mechanistic

- The essence of the classical viewpoint was that work activity could be approached rationally.
- The flaw with this viewpoint is that it is mechanistic: it tends to view humans as cogs within a machine.
- Human needs are not given importance.
- However, this approach demonstrated that scientific methods, time and motion studies, and job specialization could be used to boost productivity.

2.3 Behavioral Viewpoint: Behaviorism, Human Relations, & Behavioral Science

POWERPOINT SLIDES:

#15 Behavioral Viewpoint: Behaviorism, Human Relations, and Behavioral Science
#16 Early Behaviorism—Hugo Munsterberg
#17 Early Behaviorism—Mary Parker Follett
#18 Early Behaviorism—Elton Mayo
#19 The Human Relations Movement
#20 Douglas McGregor—Theory X versus Theory Y
#21 The Behavioral Science Approach

Section 2.3 describes the behavioral viewpoint. This viewpoint emphasized the importance of understanding human behavior and of motivating employees toward achievement. This viewpoint developed over three phases: early behaviorism; the human relations movement; and the behavioral science approach.

One way that you could begin your coverage of these topics is to have the students watch the classic video The Year They Discovered People. This 14-minute video from 1974 examines the Hawthorne studies through the eyes of the men and women who worked in the plants at the time. Another video, called Hawthorne Studies covers the Hawthorne studies with the context of what else was going on in America at that time.

ONLINE VIDEOS

For a supplemental activity, you could have students debate whether firms have made any progress since the time of the Hawthorne studies in finding the right balance between the worker and his job. Have students defend their positions.

Topics and Tips for Discussion:

1. Explain how the behavioral viewpoint discussed in Section 2.3 is different from the classical viewpoint you learned about in Section 2.2.

   The behavioral viewpoint emphasized understanding human behavior and motivating employees while the classical viewpoint emphasized efficiency.

2. Describe how you could apply the principles of behavioral science to evaluate the impact of open-plan offices.

   Students should discuss how an open-plan office would allow for more collaboration between employees, a greater sense of unity, etc.

Section 2.3 Key Concepts:

The Behavioral Viewpoint

- The ***behavioral viewpoint*** emphasized the importance of understanding human behavior and of motivating employees toward achievement.
- The behavioral viewpoint developed over three phases: early behaviorism, the human relations movement, and behavioral science.

The Work of Hugo Munsterberg

- Called "the father of industrial psychology," Munsterberg suggested that psychologists could contribute to industry in three ways:
  - Study jobs and determine which people are best suited to specific jobs.
  - Identify the psychological conditions under which employees will do their best work.
  - Devise management strategies that would influence employees to follow management's interests.
- His ideas led to the field of industrial psychology, the study of human behavior in work places.

The Work of Mary Parker Follett

- Mary Parker Follett was a social worker and social philosopher who believed in power sharing among employees and managers.
- Instead of following the usual hierarchical arrangement, Follett thought organizations should become more democratic.
- Her most important ideas were that:
  - Organizations should be operated as "communities."
  - Conflicts should be resolved by having managers and workers talk over differences and find solutions, a process she called *integration.*
  - The work process should be under the control of workers with the relevant knowledge.

The Work of Elton Mayo

- Conducted by Elton Mayo at Western Electric's Hawthorne plant, the Hawthorne studies began with an investigation into whether workplace lighting level affected worker productivity.
- Mayo hypothesized the ***Hawthorne effect***—employees worked harder if they received added attention.
- Although the design of the studies has been criticized, they drew attention to the importance of "social man" and how managers using good human relations could improve worker productivity.

The Human Relations Movement

- The ***human relations movement*** proposed that better human relations could increase worker productivity.
- One human relations theory was proposed by Abraham Maslow in his hierarchy of needs, which included physiological needs, safety, social needs, esteem, and self-actualization.
- Another human relations theory was Theory X versus Theory Y as proposed by Douglas McGregor.
  - *Theory X* represents a pessimistic, negative view of workers—workers are considered to be irresponsible, hate work, and would rather be led than lead.
  - *Theory Y* represents an optimistic, positive view of workers.
  - Theory X/Theory Y is important because it helps managers understand how their beliefs affect their behaviors.

Self-Assessment 2.1

What Is Your Orientation toward Theory X/Theory Y?

This 16-question Self-Assessment gauges students' orientations toward Theory X/Y management behaviors. Questions on responsibility, initiative, ambition, and self-motivation are presented.

Click for self-assessment activity.

The Behavioral Science Approach

- The human relations movement came to be considered too simplistic for practical use.
- ***Behavioral science*** relies on scientific research for developing theories about human behavior that can be used to provide practical tools for managers.

Interactive Classroom Material:

EXAMPLE: Application of Behavioral Science Approach: The Open-Plan Office—Productivity Enhancer or Productivity Killer?

Organizations began experimenting with open-plan office spaces in the 1950s, and up to 80 percent of offices today utilize this idea. The question to be answered is: Do open-space floor plans actually contribute to better communication, higher productivity, and better interpersonal relations? Are the potential benefits outweighed by noise (both audio and visual) and lack of privacy?

Click for follow-up activity.

2.4 Quantitative Viewpoints Management Science & Operations Management

POWERPOINT SLIDES:

#23 Quantitative Viewpoints
#24 Management Science
#25 Operations Management

Section 2.4 describes quantitative viewpoints, which emphasize the application to management of quantitative techniques, such as statistics and computer simulations. Two approaches of quantitative management are management science and operations management.

One way that you could begin your coverage of these topics is to have the students review the FedEx Ground Operations Management Talent Network website: "Operations Management Talent Network." This website includes facts and figures on FedEx Ground. For an in-class exercise, have the students watch the Life at FedEx Ground and Life at FedEx Ground 2 video clips found on the web page. Ask students why motivation, inspiration, and constant engagement is important in operations management.

ONLINE VIDEO

Topics and Tips for Discussion

1. Provide examples of how your employer (or a previous one) has used management science and/or operations management to improve its operations.

   Remind students that management science and operations management is not for just large-scale organizations and that the daily operations of a small business may be impacted by proper utilization of these concepts.

2. Discuss how the quantitative views on management could be applied to address the unique challenges that online retailers experience.

   Online retailers sometimes struggle with the backend supply-chain-management of their operations. The quantitative views can be utilized for proper management. For example, Best Buy and Target now utilize actual storefronts close to residential areas from which they perform online deliveries.

Section 2.4 Key Concepts:

Quantitative Viewpoints

- ***Quantitative viewpoints*** emphasize the application to management of quantitative techniques, such as statistics and computer simulations.
- This field grew out of *operations research* (OR) used during World War II to effectively allocate limited military resources.

- Two branches of quantitative management are management science and operations management.

Management Science: Using Mathematics to Solve Management Problems

- *Management science*, or operations research, focuses on using mathematics to aid in problem solving, decision making, and strategic planning.
- Management science stresses the use of rational, science-based techniques and mathematical models to improve decision making and strategic planning.

Operations Management: Being More Effective

- ***Operations management*** focuses on managing the production and delivery of an organization's products or services more effectively.
- Operations management is concerned with work scheduling, production planning, facilities location and design, and optimum inventory levels.

Interactive Classroom Material:

EXAMPLE: Operations Management at Intel

Intel is an example of a company that emphasizes effective operations management in the search for efficiency and productivity in all areas of the company: quality control, scheduling, inventory management, and supply chain management.

Click for follow-up activity.

2.5 Systems Viewpoint

POWERPOINT SLIDES:

#27 The Contemporary Perspective
#28 Systems Viewpoint
#29 Closed versus Open Systems

Section 2.5 discusses the systems viewpoint, one of the three contemporary perspectives. The systems viewpoint sees organizations as a system, either open or closed, with inputs, transformation processes, outputs, and feedback. The systems viewpoint has led to the development of complexity theory, the study of how order and pattern arise from very complicated, apparently chaotic systems.

One way that you could begin your coverage of these topics is to profile the decision of Sports Authority to first file bankruptcy and then decide to close all its retail locations. You could have the students watch the 1-minute *USA Today* video "Sports Authority Shutting Down With Giant Going-Out-Of-Business Sale" and/or have the students read *The Wall Street Journal* article "Sports Authority Plans to File for Bankruptcy Protection." For an in-class exercise, you could

ONLINE VIDEO

ONLINE ARTICLE

have the students apply systems theory and discuss how Sports Authority failed to be successful, even with sales of fitness apparel increasing due to the "athleisure" trend.

Topics and Tips for Discussion

1. Thinking of your current or most recent employer, describe how the organization used feedback to ensure competitive advantage.

   Feedback can come from different stakeholders, not just customers. For example, many times upper management fails to listen to what lower-level employees are mentioning about what they see on the ground.

2. Use systems theory to identify the most important systems parts for your university or academic institution. Specifically, describe important inputs, transformational processes, outputs, and feedback important to your school's success.

   Student responses will vary, but it may be good to show any organizational diagrams representing all the parts of your institution, if one is available.

3. Is a university an open or closed system?

   Students may choose one or the other, or both. Universities tend to be open systems that incorporate research and experience from the outside, but an argument can be made that academics can at time be narrow in their views and not change as quickly as industry does.

Section 2.5 Key Concepts:

The Systems Viewpoint

- A ***system*** is a set of interrelated parts that operate together to achieve a common purpose.
- The ***systems viewpoint*** regards the organization as a system of interrelated parts.
- The organization is both: a collection of ***subsystems***, parts making up the whole system, and a part of the larger environment.

The Four Parts of a System

- ***Inputs*** are the people, money, information, and materials required to produce an organization's goods or services.
- ***Transformation processes*** are the organization's capabilities in management and technology that are applied to converting inputs into outputs.
- ***Outputs*** are the products, services, profits, losses, employee satisfaction or discontent, and the like that are produced by the organization.
- ***Feedback*** is information about the reaction of the environment to the outputs that affect the inputs.

Connect® Exercise

CASE ANALYSIS: Best Buy Uses Management Theories to Improve Corporate Performance

Summary of Activity:

The Internet of things affects all of our lives, particularly when it comes to online shopping. This trend in turn has put great pressure on big box retail stores like Best Buy to compete with the likes of Amazon. This case analysis asks students to read about what Best Buy has done to compete with organizations like Amazon. Students will respond to five multiple-choice questions after reading the case.

Follow-Up Activity:

Students should be put into groups of 3 or 4. Each group should be tasked with creating a strategy for how a well-known organization can better compete online with Amazon. Best Buy has already been used by the case, but students can pick other organizations such as Macy's, Target, Wal-Mart, Costco, etc. Students can review the companies' websites and should strategize what else the company can do to compete with Amazon. Instructor can select a couple groups to present to the class.

Closed Versus Open Systems

- A ***closed system*** has little interaction with its environment; that is, it receives very little feedback from the outside.
- Any organization that ignores feedback from the environment risks failure.
- Nearly all systems are open systems rather than closed systems.
- An ***open system*** continually interacts with its environment.
- Open systems have the potential of producing ***synergy***, which occurs when two or more forces combined create an effect that is greater than the sum of their individual effects.

Complexity Theory: The Ultimate Open System

- The systems viewpoint has led to the development of ***complexity theory***, the study of how order and pattern arise from very complicated, apparently chaotic systems.
- It recognizes that complex systems are networks of interdependent parts that interact with one another according to simple rules.
- The discipline is used in management to understand how organizations adapt to their environments.

Connect® Exercise

CLICK AND DRAG: The Systems Viewpoint

Summary of Activity:

The systems viewpoint sees organizations as a system, either open or closed, with inputs, outputs, transformation processes, and feedback. In this Click and Drag exercise, students will put the steps of the systems viewpoint process in the correct order based on a provided mini-case.

Interactive Classroom Material:

EXAMPLE: Do Nudges Achieve Results? Using the Systems Viewpoint to Find Out

This example looks at the outcome to student loan repayments in a closed vs. an open system. Borrowers missed payments in the closed system where they did not have access to information. A small, inexpensive nudge lead to big changes in behavior. Researchers sent emails to student loan borrowers who had missed their first payments reminding them that they had missed a payment and directed them to information about different repayment plans. The result was a four-fold increase in applications for repayment plans.

Click for follow-up activity.

2.6 Contingency Viewpoint

POWERPOINT SLIDES:

#30 Contingency Viewpoint
#31 Evidence-Based Management

Section 2.6 describes the contingency viewpoint, which emphasizes that a manager's approach should vary according to the individual and environmental situation.

One way that you could begin your coverage of this view of management is to have the students read the *Governing* article Getting Serious About Evidence-Based Public Management. This article describes how some government leaders are using evidence-based policymaking, while the vast majority are not. For a supplemental activity, have students discuss how evidence-based management can be utilized to solve some of today's most challenging political issues. ONLINE ARTICLE

Topics and Tips for Discussion

1. Compare and contrast the contingency viewpoint with the classical viewpoint and the behavioral viewpoint described earlier in the chapter.

   Students should be able to understand that the contingency viewpoint is not separate from the classical and behavioral viewpoints. Instead, it says that a manager's approach should vary according to the situation. So at times, either approach may be utilized.

2. Assume that you want to convince your current or most recent employer to allow its employees to telecommute (i.e., work from home) one day each week. Describe how you could use evidence-based management to support your proposal.

Students should discuss what types of evidence they would use (e.g. credible sources describing how telecommuting can be positive for organizational efficiency).

Section 2.6 Key Concepts:

Contingency Viewpoint

- The classical viewpoints assumed that their approaches were "the one best way" to manage organizations.
- The ***contingency viewpoint*** emphasizes that a manager's approach should vary according to—that is, be contingent on—the individual and environmental situation.
- The contingency viewpoint addresses problems on a case-by-case basis and varies the solution accordingly.

Interactive Classroom Material:

EXAMPLE: The Contingency Viewpoint: Manufacturers Pitch Parents to Recruit Their Kids

This Example discusses how some companies facing labor shortages for key, technical jobs are encouraging parents to ask, "Do all children need to attend a four-year college?" Some organizations are actively courting parents with information sessions about jobs in their companies and offers of part time jobs and tuition help for technical schools.

Click for follow-up activity.

Insights from Gary Hamel

- According to Gary Hamel of the Management Innovation Lab, management ideas are not fixed; they are a process.
- Hamel suggests that management should be innovative, and this process begins by identifying core beliefs people have about the organization.
- Discovering these core beliefs can be achieved by asking the "right" questions:
  - Is this a belief worth challenging?
  - Is this belief universally valid?
  - How does this belief serve the interests of its adherents?
  - Have our choices and assumptions conspired to make this belief self-fulfilling?

Evidence-Based Management

- ***Evidence-based management*** means translating principles based on best evidence into organizational practice, bringing rationality to the decision-making process.
- Managers should rely on the hard facts about what works and what doesn't rather than merely accepting conventional wisdom about management.

Interactive Classroom Material:

PRACTICAL ACTION: Evidence-Based Management: Big Data

Big Data refers to vast, complex data sets that companies are mining to spot trends and help with decision making in many areas. It can be used to tailor advertising, to match consumers with their perfect vacation, and to manage first responders. However, the data being gathered is so all-encompassing that questions of how to use it ethically and how to keep it secure are arising.

Click for follow-up activity.

2.7 Quality-Management Viewpoint

POWERPOINT SLIDES:

#32 Quality-Management Viewpoint
#33 Total Quality Management (TQM)
#34 Six Sigma and ISO 9000

Section 2.7 describes the quality-management viewpoint. This viewpoint consists of quality control, quality assurance, and the movement of total quality management (TQM) dedicated to continuous quality improvement, training, and customer satisfaction.

ONLINE VIDEO

One way that you could begin your coverage of these topics is to show the Nice Quality Central video Revolutionizing Quality Management. The video describes what Nice Quality Central does for clients, which usually consist of call centers. More information on the actual Nice Quality Central product can be found here: NICE Introduces the Market's First Enterprise Quality Management Solution That Works With Any Recording Platform and Data Source.

As a follow-up activity, have the class discuss their experiences with calls from call centers. A majority of the class will most likely feel as if these calls, soliciting feedback or selling a product or service, are a burden. How does the class believe the Nice Quality Central product, and total quality management as a whole, can improve the experience for potential customers who receive calls?

Topics and Tips for Discussion

1. Describe the quality control measures or TQM approaches used by your employer (or a previous one), and discuss how they impact management practices at the firm.

   Student responses will vary based on what approach their organizations used. If there was no specific TQM measure they can think of, have them think of what should happen in order to make the organization more effective.

2. Discuss how your school could apply the principles of TQM. How should an academic institution measure quality?

   Should quality be measured by school rankings? Admissions selectivity? Student GPA? Percent of students employed after graduation?

3. Think of a recent business with which you had a bad customer experience. Discuss how the principles of TQM could be applied to improve experiences for future customers.

   This can be anything: coffee shop, airline, utility, cell phone company, etc.

Section 2.7 Key Concepts:

Quality Control and Quality Assurance

- ***Quality*** refers to the total ability of a product or service to meet customer needs.
- ***Quality control*** is defined as the strategy for minimizing errors by managing each stage of production.
- This uses statistical sampling to locate errors by testing just some of the items in a particular production run.
- ***Quality assurance*** focuses on the performance of workers, urging employees to strive for "zero defects."
- This has been less successful because employees often have no control over the design of the work process.

Total Quality Management

- W. Edwards Deming and Joseph M. Juran were pioneers in introducing quality management to manufacturing.
    - Deming believed that quality stemmed from "constancy of purpose" along with statistical measurement and reduction of variations in the production process.
    - He also proposed the "85-15 rule"—when things go wrong, there is an 85 percent chance that the system is at fault, only a 15 percent chance that the individual worker is at fault.
    - Juran defined quality as "fitness for use" and suggested that companies should concentrate on satisfying the real needs of customers.
- ***Total quality management (TQM)*** is a comprehensive approach—led by top management and supported throughout the organization—dedicated to continuous quality improvement, training, and customer satisfaction.
- TQM has four components:
    - Make continuous improvement a priority.
    - Get every employee involved.
    - Listen to and learn from customers and employees.
    - Use accurate standards to identify and eliminate problems.
- The total quality management viewpoint emphasizes infusing concepts of quality throughout the total organization in a way that will deliver quality products and services to customers.

Six Sigma

- A rigorous statistical-analysis process that measures and reduces defects in and improves manufacturing and service-related processes.
- Relies on two processes:
  - DMAIC: series of steps called Define, Measure, Analyze, Improve, and Control, which is intended to improve existing processes.
  - DFSS (Design for Six Sigma): managers can employ to create new products or processes.
- Discussed further in Chapter 16

Connect® Exercise

VIDEO CASE: Danny Meyer

Summary of Activity:

In this case, first students will watch a video on Danny Meyer, the founder of Shake Shack, and they will learn about Meyer's forward-thinking management style. They will then respond to multiple-choice questions.

Follow-up Activity:

Instructors should have students consider these follow-up questions:

1. What problems do you see with going cashless in a restaurant? Do you think Danny Meyer's response in the video will suffice?

2. Dining outside the United States usually consists of marginal or no tips. Do you think this impacts the level of service received?

If time allows, have a class discussion about these questions.

SELF-ASSESSMENT 2.2

To What Extent Is Your Organization Committed to Total Quality Management?

This 16-question self-assessment will gauge students' current employers' commitment to total quality management. If students are not currently employed, they can utilize past employers or their university experience. Questions on continuous employee improvement, strategic plans, and allocation of resources are presented.

Click for self-assessment activity.

Group Exercise: Which Are the Best Companies to Work for in the United States and Why?

There is a group exercise available at the end of this manual that describes the best companies to work for.

Exercise Objectives:

1. To assess your group's awareness of the best companies to work for in the United States in 2017.

2. To discover the different perceptions of these companies and their management practices.

Click for follow-up activity.

2.8 The Learning Organization in an Era of Accelerated Change

POWERPOINT SLIDES:

#35 The Learning Organization
#36 How to Build a Learning Organization

Section 2.8 describes learning organizations. Learning organizations actively create, acquire, and transfer knowledge within themselves and are able to modify their behavior to reflect new knowledge. Managers in learning organizations build a commitment to learning, work to generate ideas with impact, and work to generalize ideas.

One way that you could begin your coverage of these topics is to have students read the *Forbes* interview with Tanya Staples, head of LinkedIn Learning. The interview details LinkedIn Learning, an American massive open online course website offering video courses taught by industry experts in software, creative, and business skills. It was founded by Lynda Weinman as lynda.com before being acquired by LinkedIn in 2015. As a follow-up activity, have students visit the LinkedIn Learning website and explore for a few minutes. Then instructor should lead a discussion of how this website can contribute to transforming a company into a learning organization.

ONLINE ARTICLE

Topics and Tips for Discussion

1. Critique the extent to which your manager (or a previous one) demonstrates the managerial roles and functions that foster a learning organization.

   Students should discuss if the manager has a commitment to learning at the organization, generating ideas with impact, and working to generalize ideas. If not, what could the manager, or organization as a whole, have done better?

2. Discuss how learning organizations would be better able to deal with the managerial challenges discussed in Chapter 1.

   Here are the challenges from Chapter 1: Managers need to manage for competitive advantage—to stay ahead of rivals. Managers must deal with information technology and address the "new normal" of data. They need to manage for diversity in race, ethnicity, gender, and so on, because the future won't resemble the past. Managers also need to manage for the effects of globalization, as well as always needing to manage to maintain ethical standards. Moreover, they need to manage for sustainability—to practice sound environmental policies. Finally, managers need to manage for the achievement of their own happiness and life goals.

Section 2.8 Key Concepts:

Learning Organizations

- Organizations, like people, must continually learn new things or face obsolescence.
- A ***learning organization*** is an organization that actively creates, acquires, and transfers knowledge within itself and is able to modify its behavior to reflect new knowledge.
- Managers in learning organizations:
  - Constantly scan their external environments for new knowledge and try to actively infuse their organizations with new ideas and information.
  - Actively work at transferring knowledge throughout the organization, reducing barriers to sharing information and ideas.
  - Encourage employees to use the new knowledge to change their behavior and help achieve organizational goals.

How Managers Build a Learning Organization

- To create a learning organization, managers must perform three key functions or roles: (1) build a commitment to learning, (2) work to generate ideas with impact, and (3) work to generalize ideas with impact.
  - To build a commitment to learning, managers must lead the way by investing in learning, publicly promoting learning, and creating rewards for learning.
  - Ideas with impact add value for customers, employees, and shareholders.
  - To generalize ideas with impact, managers can reduce the barriers to learning by creating a psychologically safe and comforting environment that increases the sharing of successes, failures, and best practices.

Connect® Exercise

CLICK AND DRAG: The Learning Organization

Summary of Activity:

A learning organization is an organization that actively creates, acquires, and transfers knowledge within itself and is able to modify its behavior to reflect new knowledge. In this Click and Drag exercise, students will match managers with the proper aspects of learning organizations based on the provided descriptions.

SELF-ASSESSMENT 2.3

Are You Working for a Learning Organization?

This 12-question Self-Assessment concerns the learning environment of students' places of employment. If a student is not currently employed, past employers or current university experiences can be utilized. Questions on sharing of ideas, frequency of meetings, and storage of information are presented.

Click for follow-up activity.

2.9 Career Corner: Managing Your Career Readiness

POWERPOINT SLIDES:

#37 Model of Career Readiness
#38 Managing Your Career Readiness

Section 2.9 describes the career competency of understanding the business and the seven things one should know before showing up for a job interview: (1) the company's mission and vision statements, (2) the company's core values and culture, (3) the history of the company, (4) key organizational players, (5) the company's products, services, and clients, (6) current events and accomplishments, and (7) comments from current or previous employees.

One way that you could begin your coverage of these topics is to have students watch the *Forbes* video How to Answer "What Do You Know about Our Company?". The website details 10 questions that students should ask during an interview. As a follow-up activity have students research a popular organization (e.g. Google, Microsoft, etc.) and then pair up with another student. Students should then do mock interviews for 2-minutes each, asking each other questions as described by the video.

ONLINE VIDEO

Topics and Tips for Discussion

1. Have you ever been asked what you know about an organization during an interview? If so, how did you respond?

   Students responses will vary. Instructor should see if students responded in the manner described in the Forbes video above. Did they get the job based on their response?

2. How can you learn more about organizations?

   Company websites and Wikipedia will be mentioned the most. Instructor should point out that news articles and third-party websites (e.g. Glassdoor) are also good sources of information.

Understanding the business

- This competency was defined in Table 1.2 (Chapter 1) as the extent to which you understand a company's business and strategies and the needs of its stakeholders. Seven things one should know before showing up for a job interview:
    1. the company's mission and vision statements.
    2. the company's core values and culture.
    3. the history of the company.
    4. key organizational players.
    5. the company's products, services, and clients.
    6. current events and accomplishments.
    7. comments from current or previous employees.

Connect® Exercise

CLICK AND DRAG: Management History—Understanding the Business

Summary of Activity:

This Click and Drag provides an opportunity for students to review what they need to know about an organization before a job interview. Students will match key understanding the business principles with the correct scenario.

Career Corner Group Exercise: Understanding the Business

CAREER READINESS

Learning Objectives:

1. Students will deepen their understanding of the career competency of understanding the business.

2. Students will develop a generalizable process for interview preparation.

Click to view activity.

MANAGEMENT IN ACTION

THE DOWNFALL OF SEARS

Problem Solving Perspective

1. What is the underlying problem in this case from Edward Lampert's perspective?

From Lampert's perspective online shopping was a major disruptor in the entire industry and Sears, like others, was a victim of it. However, Lampert's own management strategy is most likely to blame. According to Forbes, Lampert pursued the wrong strategies, assuming the goal was to improve Sears' profitability and long-term survival.

2. What are the key causes of Sears' decline?

Some major reasons students may bring up include:

- *Sears did not invest in its stores. A writer described Sears Holdings as having "all the charm of a dollar store without the prices, nor even the service, and with even more disengaged employees…"*
- *Lampert segmented the company into 30 autonomous business units such as menswear, shoes, and home furnishings. Each had its own executive staff and board of directors. Rather than fostering collaboration, this structural arrangement led to "cutthroat competition and sabotage."*
- *Another aspect of Lampert's strategy was to spend on technology rather than on stores (which he did not see much value in, rather, he liked the value of the real estate they sat on). According to one writer, "Lampert saw real estate value as the key, and he has managed the two chains as a value play ever since, ignoring the fundamentals of running a retail business."*
- *The combination of convenience, selection, speed, and low prices available through online shopping has been a disruptive force for Sears and other retailers.*

3. Do you think Lampert can turn the company around? Why or why not?

Student answers will vary, but he most likely cannot turn the company around. Sears is closing more and more stores, and not to just stay lean, but because it does not have any operating capital left. Sears is "hemorrhaging money" according to Business Insider. *"Sales are down 45 percent since early 2013, its debt load has spiked to $4 billion, and the company is losing well over $1 billion annually." Lampert would really have to redo Sears' entire business model if he wants to turn things around. For example, he would* *have to do something similar to when Sears went from catalog to storefront, but now possibly something in the online arena.*

Application of Chapter Content

1. What does the Human Relations Movement suggest went wrong at Sears?

The human relations movement proposed that better human relations could increase worker productivity. At Sears, Lampert segmented the company into 30 autonomous business units such as menswear, shoes, and home furnishings. Each had its own executive staff and board of directors. Rather than fostering collaboration, this structural arrangement led to "cutthroat competition and sabotage. Incentives were tied to the success of the individual business divisions, which often came at the expense of other parts of the company." A former executive told The New York Times *that "…managers would tell their sales staff not to help customers in adjacent sections, even if someone asked for help. Mr. Lampert would praise polices like these," said the executive. This obviously hurt human relations at the organization.*

2. Use the four parts of a system to diagnose the company's decline. Provide support for your conclusions.

The four parts of a system include inputs, transformational processes, outputs, and feedback:

Inputs: Sears was hemorrhaging money and could not spend on stores. Lampert was investing what the company had left in technology instead of people and stores. Stores were valued for the real estate they sat on, not interior.

Transformational processes: Lampert was motivating sabotage instead of collaboration based on his incentive structure. Lampert was managing the company from his home instead of being in the office.

Outputs: Employees were dissatisfied and revenue was down significantly.

Feedback: This is to be determined. We do know the company is closing stores in reaction to its outputs. Is Sears going to change their business model?

3. To what extent did Sears use a total quality management perspective in running its business? Explain.

Total quality management (TQM) is a comprehensive approach—led by top management and supported throughout the organization—dedicated to continuous quality improvement, training, and customer satisfaction. Sears did not use a total quality management perspective in running its business. Instead of making continuous improvements in its stores, it invested in the wrong things, like iPads. Employees did not trust management or each other, due to the financial structure put in place to incentivize them. Lampert did not listen and learn from employees; he wasn't even in the office most *the time. Finally, the company did not use accurate standards to identify and eliminate problems. For example, there is no evidence of the organization benchmarking against companies like Amazon. Instead, Sears continued with its storefront strategy.*

4. What key lessons from this chapter could Lampert have used to improve Sears's performance following the merger with Kmart? Explain.

Student responses will vary, but some examples include:

- *The Human Relations movement would have said that Lampert should not encourage competition between employees as this will stifle collaboration and hurt the company in the long run.*
- *Operations Management would have said that Lampert should have focused on effective ways to sell products in stores, and that includes making sure the stores are visually pleasing for customers.*
- *Evidence-based Management would have said that Lampert did not need to invest in technology such as iPads. Instead, he needed to invest in the online marketplace.*

LEGAL/ETHICAL CHALLENGE

WHAT SHOULD YOU DO ABOUT AN INSUBORDINATE EMPLOYEE?

Solving the Challenge

1. Meet with Jim to review his behavior. Tell him that any more acts of insubordination will result in termination. Don't make a big deal about these events, and don't include documentation in his personnel file.

   Meeting with Jim is of course a priority. However, since this is such an important matter related to both expense and personnel decisions, it would be a mistake not to make a big deal about the issues. Obviously, Jim is not taking the matter as seriously as it needs to be taken, and you need to make this clear to him. Including clear notes in his personnel file about this matter is important because you need to document the fact that he is not meeting expectations in case the matter continues and/or he needs to be terminated. Having documentation about these matters is always a good idea.

2. Put Jim on the list of people to be laid off. Although the company will have to pay him a severance check, it reduces the chance of any lawsuit.

   This will all depend on what the metrics are for laying off individuals. Here, it seems to be performance; so, if Jim's behavior is indicative of a lack of performance, then this could be a possibility. However, it seems Jim's behavior would fall under the category of insubordination, which usually means you need to terminate him "for cause" instead of laying him off. If proper documentation has been kept on Jim's insubordination, there should be no fear of a lawsuit. Overall, it is important that you first meet with Jim to see why he has been insubordinate before putting him on any termination lists, whether or not for cause.

3. Call your human resource representative and discuss the legality of firing Jim. Jim was insubordinate in hiring a consultant and irresponsible for not submitting his list of potential employees to be laid off. If human resources agrees, I would fire Jim.

   This is a possibility due to Jim's egregious insubordination. However, this decision needs to be made after meeting with Jim to see why he was insubordinate and irresponsible. Was this an oversight (i.e., negligence) or purposeful? Also, what is Jim's track record in the past? All of this should be taken into consideration before pursuing termination.

4. Reprimand Jim by putting him on a Performance Improvement Plan (PIP). This plan outlines specific changes Jim needs to make going forward, and it gives him a chance to make up for his poor decisions.

   This again involves meeting with Jim to see the reasons behind his actions (or inactions). If he is being disorganized about deliverables, such as the list you needed, and/or not *paying attention when you give him directives about cutting expenses, that may be something you can work with him on through a performance improvement plan. However, if you discover that Jim is purposefully being insubordinate and possibly sabotaging the team, then you may not want to provide him with a chance to make up for his behavior.*

5. Invent other options. Discuss.

   Whatever creative options students come up with, they should include the need to first meet with Jim and discuss the matter before making any serious personnel decisions, such as a performance improvement plan or even termination.

TEXTBOOK EXAMPLES

EXAMPLE: Zappos Holacracy: A Success or a Failure?

Most companies are organized in traditional hierarchies, from the CEO through layers of management down to non-supervisory workers. Tony Hsieh introduced a revolutionary type of structure called a holacracy at Zappos. Most other companies resist trying out radical new structures, worried they won't work. Although Zappos' holacracy has had problems, it is also viewed favorably by many employees, and Hsieh ways his only regret is not introducing it sooner.

YOUR CALL

1. Holacracy appears to be working at Zappos. Flat structures also work for other large organization, such as W. L. Gore. Why do you think, then, that many organizations resist using flat structures? Do you think studying management theory could help you answer this question? Why or why not?

Try leading the discussion into a comparison of structures that reflect:

The Classical Viewpoint: Hierarchies that grow and grow and grow as companies continue to seek efficiencies particularly from economies of scale. Ask students what advantages and disadvantages this type of structure might offer. Holacracy eliminates most of the hierarchical structure, flattening organizations, doing away with traditional departments and job titles.

The Behavioral Viewpoint: The emphasis shifted to motivating workers. Holacracies allow workers to define their own jobs, to direct their own careers, to choose what they want to work on, to act as an entrepreneur. Would this be motivational for workers? For the students?

The Contingency Viewpoint: This viewpoint states that, in contradiction to Scientific Management and the Classical Viewpoint, there is no one best way to manage. Organizations should adopt structures that reflect the reality of their current and future environments, not past environments. Ask students how Zappos choice of a holacracy structure reflects today's work environment. They may suggest such environmental realities as the fast pace, constant, change, need to be continually responsive to customers, and the desire of Millennials and the new Gen Z (aka: digital natives, Gen C, the connected generation) to have more control over their work lives.

2. Do you think studying management theory could help you answer this question? Why or why not?

Students should be encouraged to consider the six practical reasons for studying theoretical perspectives outlines:

1. To understand the present—How does a holacracy reflect current pressures?

2. As a guide to action—Could the company you work for implement such a radical structural change?

3. As a source of new ideas—What new ways of motivating workers would exist in a holacracy?

4. To understand management's decisions—What would push a top management team to consider such a step?

5. To understand what is going on in the outside environment—What are the pressures from the external environment that are impacting your company?

6. To product positive results— Should you also consider what the negative results might be?

ADDITIONAL ACTIVITIES

1. Have students go to https://www.holacracy.org/ and watch the 5-minute video on the home page.

ONLINE VIDEO

You can also ask them to click on "What is Holacracy" at the top of the home page and read the material.

Ask them:

What are the pressures that drove these companies to consider holacracy?

How do employees seem to be reacting to this structure?

What do they see as the positive outcomes for themselves?

What are the positive outcomes for the companies that have adopted holacracy?

2. Have students view videos or read articles prepared by and about Zappos (see the list with links below). Follow this with a discussion of what students feel about elements of holacracy: what scares them about working in such an environment? What would motivate them about working in such an environment? What do they see as the most positive and most negative aspects of holacracy.

A Little Bit About Holacracy | Zappos.com (video)—Zappos.com, Mar 2018

Zappos: a Workplace Where Noone and Everyone is the boss (audio)—National Public Radio, July 2015

ONLINE VIDEOS

Here's What Happened to Zappos' HR Boss When the Company got Rid of Managers—*Business Insider*, Feb 2016

Banishing the Bosses Brings Out Zappos' Hidden Entrepreneurs—*Forbes*, Apr 2016

ONLINE ARTICLES

The Zappos Holacracy Experiment—*Harvard Business Review*, Jul 2016

Here's How the 'Self-Management' System that Zappos Is Using Actually Works—*Business Insider*, Jun 2015

Tony Hsieh Got Rid of Bosses at Zappos—and That's Not Even His Biggest Idea—*Washington Post*, Dec 2015

Return.

EXAMPLE: Application of Behavioral Science Approach: The Open-Plan Office—Productivity Enhancer or Productivity Killer?

Organizations began experimenting with open-plan office spaces in the 1950s, and up to 80 percent of offices today utilize this idea. The question to be answered is: Do open-space floor plans actually contribute to better communication, higher productivity, and better interpersonal relations? Are the potential benefits outweighed by noise (both audio and visual) and lack of privacy?

YOUR CALL

1. If so, many U.S. employees now work in open offices, yet behavioral science studies largely show they are not a productive or beneficial arrangement, why do you suppose they continue to be so prevalent? What kind of office arrangements do you think would work best and why?

Have students utilize the ideas of Munsterberg, Follett, Mayo, Maslow, and McGregor to analyze why the open-office plan became so popular.

Munsterberg: They reflect management's attempt to find the best psychological conditions for workers.

Follett: They reflect her emphasis on organizations as "communities," and her suggestion that employees and managers should work together in harmony.

Mayo: again, an attempt to devise that best possible conditions for workers

Maslow: Satisfaction of the need for belongingness.

McGregor: a reflection of Theory Y's emphasis on managing for creativity.

2. What kind of office arrangements do you think would work best and why?

Lead students to discuss the layouts in the offices where they work. Can they imagine working in an open plan office? Would they enjoy it? Why or why not?

ADDITIONAL ACTIVITIES

1. Have students watch this video "The Origins of Our Open Office Hellscape." Then have them answer a series of questions, either individually or in groups:

What was the basic idea behind open offices?

What was right about early open offices?

What went wrong? (you might have them compare Frank Lloyd Wright's concept with todays' office plans.)

ONLINE VIDEOS

2. Have students watch the following video: 4 Tips to Keep You Sane at the Open Space Office. Ask if any of them work or have worked in an open-plan office. If so, ask them if they implemented any of the suggestions in the video.

EXAMPLE: Operations Management at Intel

Intel is an example of a company that emphasizes effective operations management in the search for efficiency and productivity in all areas of the company: quality control, scheduling, inventory management, and supply chain management.

YOUR CALL

In Chapter 1, we described the problem of "efficiency versus effectiveness." Does it seem that Intel has chosen efficiency over effectiveness, or does it demonstrate both?

Efficiency—the means. Efficiency is the means of attaining the organization's goals. To be efficient means to use resources—people, money, raw materials, and the like—wisely and cost-effectively.

Effectiveness—the ends. Effectiveness regards the organization's ends, the goals. To be effective means to achieve results, to make the right decisions, and to successfully carry them out so that they achieve the organization's goals.

Ask them how the information on Intel reflects these definitions.

ADDITIONAL ACTIVITIES

1. Have your students read 10 Supply Chain Disasters.

ONLINE ARTICLE

2. Individually, or in groups, have them answer the following questions, then lead a class discussion comparing their answers.

Which of these 10 do you think was the worst disaster? Why?

What similarities do you see in the cause of the problems?

What is the most important thing you learned reading these?

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EXAMPLE: Do Nudges Achieve Results? Using the Systems Viewpoint to Find Out

This example looks at the outcome to student loan repayments in a closed vs. an open system. Borrowers missed payments in the closed system where they did not have access to information. A small, inexpensive nudge lead to big changes in behavior. Researchers sent e-mails to student loan borrowers who had missed their first payments reminding them that they had missed a payment and directed them to information about different repayment plans. The result was a four-fold increase in applications for repayment plans.

YOUR CALL

Can you think of an idea in which you'd like to try small nudges?

Keeping track of medical appointments may be good to try small nudges on. For example, what if patients were asked to write down their own appointments instead of being given an appointment card? A study showed that this reduced the number of wasted appointments by 18 percent.

Students could physically enter all assignments or test dates rather than just reading a prepared schedule. You could try having them do this at the beginning or end of each week. This could lead to more on-time submissions, better study habits, and fewer emails to instructors.

ADDITIONAL ACTIVITIES

1. One way that you can build on this Example is to have the students watch the *CBS Sunday Morning* segment "On the Trail: Petrified Forest National Park." This 5-minute video profiles how the Petrified Forest National Park in Arizona uses nudges to encourage park visitors not to remove the petrified wood from the park. Consider using the following discussion questions:

ONLINE VIDEO

2. Discuss why emphasizing the threat of a curse for removing petrified wood might have backfired for the park.

3. Provide recommendations on how the park could apply systems theory to reduce the amount of petrified wood being removed from the park.

4. The number of visitors to U.S. national parks has increased dramatically over the last several years. Discuss how the national parks could apply systems theory to ensure they operate as open systems.

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EXAMPLE: The Contingency Viewpoint: Manufacturers Pitch Parents to Recruit Their Kids

This Example discusses how some companies facing labor shortages for key, technical jobs are encouraging parents to ask, "Do all children need to attend a four-year college?" Some organizations are actively courting parents with information sessions about jobs in their companies and offers of part time jobs and tuition help for technical schools.

YOUR CALL

1. Are there any downsides to their appeal to parents? What other contingency approaches can you suggest to help solve their recruiting problem?

Students may respond with ideas such as:

Students who want a four-year degree or who have dreams of a career that requires a four-year degree may be denied this as their parents seek easier financials.

Many of these jobs are in manufacturing and may be in danger of obsolescence due to technological innovations.

2. What other contingency approaches can you suggest to help solve their recruiting problem?

First: review with students why this example reflects contingency theory. Ask them:

What are the contingencies in this situation?

Whose viewpoints do the contingencies reflect—the company? The parents? The students?

Next, have them make suggestions of other ways companies can solve their recruiting problems.

Here is an additional article about creative recruiting in case students are curious or you want some interesting additional facts: HR Gets Creative to Hire Manufacturing Workers.

ADDITIONAL ACTIVITIES

Have students read Why the Traditional 4-Year Degree Isn't Cutting It Anymore. Break the students into groups and have them discuss the following questions. Then lead a class discussion comparing their answers.

ONLINE ARTICLE

What do you see as the pros and cons of a four-year degree?

How much do you know about paying back your student loans?

What career do you want? How will your major prepare you for that career?

Return.

TEXTBOOK PRACTICAL ACTIONS

PRACTICAL ACTION: Evidence-Based Management: Big Data

Big Data refers to vast, complex data sets that companies are mining to spot trends and help with decision making in many areas. It can be used to tailor advertising, to match consumers with their perfect vacation, and to manage first responders. However, the data being gathered is so all-encompassing that questions of how to use it ethically and how to keep it secure are arising.

YOUR CALL

Do you think the application of Big Data could stifle managers' creativity?

First have students recall that creativity is one of the soft skills employers often look for when hiring.

Before discussing this question, have students watch Is Big Data Killing Creativity. This is a 14-minute TedX talk by Michael Smith at Harvard College.

ONLINE VIDEO

Next, ask them what they think of when they think of data mining. Do they see this as a passive activity where numbers are just crunched and managers hope something good pops out? Or can managers approach the activity in a more creative manner? If so, how?

ADDITIONAL ACTIVITIES

How is Big Data being used in knowledge construction? Assign Is It Too Late for Big Data Ethics? This looks at the use of Big Data in academia. This would be a particularly appropriate article and discussion if you have students interested in doing research while in college or interested in a research-based career.

ONLINE ARTICLE

After students have read this article, ask:

Is it too late? Do you agree or disagree with this article?

Can different paradigms about replicability be reconciled?

What does this article suggest about how research is being done vs. how it "should" be done?

For a more business-focused discussion of the ethical use of Big Data, assign 6 Ethical Questions About Big Data.

After students have read this article, ask:

Do you think the six questions presented are enough?

Which is the most important?

What should be done about companies that misuse Big Data?

For an individual level discussion, assign Do You Know How Much Private Information You Give Away Every Day?

ONLINE ARTICLE

This article may shock students and get them wondering about their own personal privacy, about what they want companies to know about them, and how to protect their own data from Big Data.

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SELF-ASSESSMENTS

SELF-ASSESSMENT 2.1

What Is Your Orientation toward Theory X/Theory Y?

This Self-Assessment is designed to reveal students' orientation as a manager—whether it tends toward Theory X or Theory Y.

STUDENT QUESTIONS

1. To what extent do you think your results are an accurate reflection of your beliefs about others? Are you surprised by the results?

Student feelings will differ based on their results on the assessment. Some students may be surprised at how much they may be Theory X or Y oriented. For those who are more Theory Y motivated, they may be surprised at how much they believe employees can contribute to the workplace, whether through creativity and/or an increase in motivation. For those who are more Theory X motivated, they may be surprised at how little they trust employees and believe in close supervision.

2. As a leader of a student or work-related project team, how might your results affect your approach toward leading others? Explain.

Student responses will differ based on their assessment results. Those with a Theory X orientation should take the approach of close supervision of team member responsibilities, the setting of clearly defined responsibilities, and the limitation of flexibility in project duties. Those with Theory Y orientation should take the approach of accountability, yet flexibility for team members to set their own goals and approaches to getting the job done.

3. If an employee doesn't seem to show ambition, can that be changed? Discuss.

Student responses will depend on their orientation toward Theories X or Y. Those with a Theory X orientation may believe that employee ambitions, or lack of them, cannot be changed. These students may accept this lack of ambition and instead opt for close supervision and accountability. Those with a Theory Y orientation may believe that employees can be motivated to be more ambitious in getting the job done. This is because Theory Y oriented individuals believe that employees do want to do well and can be motivated without micromanagement.

SUPPLEMENTARY ACTIVITY

Students should be put into groups based on their Self-Assessment scores. Students who scored highly should be grouped together, and students who did not score well should be grouped together.

Students who scored well should discuss what their organization is doing to proactively create, acquire, and transfer knowledge.

What is their organization doing especially effectively?

A list of organizational learning initiatives can be drafted.

Students who did not score highly should discuss how to better create, acquire, and transfer knowledge:

What could their current organization be doing wrong?

A list of recommendations can be made.

Each group should share their lists with the class.

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SELF-ASSESSMENT 2.2

To What Extent Is Your Organization Committed to Total Quality Management?

This Self-Assessment is designed to gauge the extent to which organizations students have in mind are committed to total quality management (TQM).

STUDENT QUESTIONS

1. Which of the five dimensions is most and least important to the organization? Are you surprised by this conclusion? Explain.

Students' responses will vary based on the results of their assessments. Often students will be surprised to find that their company values one dimension more than the dimension the student thought would be most valued. This often occurs with processes and policy/strategy versus employees.

2. Based on the three lowest-rated items in the survey, what advice would you give to senior leaders in the company?

Students should advise the organization to properly allocate resources, provide assistance for employees to achieve strategic resources, and reward employees for quality. This advice can be tailored based on the lowest-rated items in the survey.

3. Considering all of the questions in the survey, which three do you think are most important in terms of fostering TQM in a company? Why?

Students' responses will differ, but they should outline the concepts discussed in the response to question 2.

SUPPLEMENTAL ACTIVITY

Students should be grouped based on their Self-Assessment scores. Each group should represent a TQM dimension. Students who scored highly on one dimension should not be in a group representing that particular dimension.

Students should review the following scenario:

BRS Solutions Corp. is a large telecommunications company. The organization's executives promote revenue and profitability over other measurements. Bonuses are provided for employees based only on sales numbers, and resources are allocated based on seniority with the company. Employees are tasked with getting the job done as fast as possible, and if resources can make things go faster, upper management will comply. Facilities are cleaned annually and technology is only relied on when it does not cost the organization much. Lastly, suppliers and clients are looked at as expenses and revenues, respectively.

Then, using their assigned dimension, students should recommend improvements that would assist BRS Solutions Corp.

Each group should share its recommendations with the class.

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SELF-ASSESSMENT 2.3

Are You Working for a Learning Organization?

This Self-Assessment provides a measure of the extent to which an organization of a student's choice is a learning organization.

STUDENT QUESTIONS

1. What are the strengths and weaknesses of this company in terms of being a learning organization?

Students should base their analyses on strengths and weaknesses associated with information acquisition, information distribution, information interpretation, knowledge integration, and organizational memory.

2. If you were CEO of this organization, what changes would you make based on your survey results? Explain.

Student changes would be based on survey results, but should include learning from stakeholders (i.e., customers, suppliers, employees, etc.), exchanging knowledge, dialogue and reasoning, and effective retention of information.

3. What suggestions would you make for how this organization might (1) build a commitment to learning, (2) work to generate ideas with impact, and (3) work to generalize ideas with impact? Discuss.

The manager can reduce the barriers to learning among employees and within the organization. This involves creating a psychologically safe and comforting environment that increases the sharing of successes, failures, and best practices. This can be accomplished through increased feedback between managers and subordinates, increased group meetings within departments and among departments, and a flatter hierarchy.

4. How does the learning score for the organization probably compare with the scores of other organizations you are familiar with?

Student answers will differ based on the learning score achieved. Students may be surprised to find that their organization focuses on certain learning dimensions instead of others.

SUPPLEMENTAL ACTIVITY

Students should be put into groups based on their Self-Assessment scores. Students who scored highly should be grouped together and students who did not score highly should be grouped together.

Students who scored well should discuss what their organization is doing to proactively create, acquire and transfer knowledge. Students who did not score highly should discuss how to better create, acquire and transfer knowledge. What could their current organization be doing wrong?

Each group should share with the class as a whole.

Return.

GROUP EXERCISE

WHICH ARE THE BEST COMPANIES TO WORK FOR IN THE UNITED STATES AND WHY?

Objectives

- To assess your group's awareness of the best companies to work for in the United States in 2017.
- To discover the different perceptions of these companies and their management practices.

Introduction

To pick their 100 Best Companies to Work For, *Fortune* partners with the Great Place to Work Institute to conduct the most extensive employee survey in corporate America. Any company that is at least five years old and has more than 1,000 U.S. employees is eligible for consideration. Companies nominated for Best Companies to Work For lists must go through an application process and are selected and ranked predominantly on the basis of employees' response to the Trust Index© Survey (2/3 of the score) which measures employee perception of the workplace. The Culture Audit©, completed by management and evaluated by an independent Great Place to Work team, accounts for approximately 1/3 of the total score. Companies receiving high scores on these assessments appear on the lists; the highest scores enjoy the highest rankings.

The 100 best companies are chosen on the basis of aggregating information from three criteria. The first is a subjective assessment of each company's policies and organizational culture. The second is an evaluation of the company based on a 57-item survey given to a random sample of at least 400 employees from each company. The survey assesses topics such as job satisfaction, camaraderie, and attitudes toward management. The third criterion is an evaluation of each company's demographic makeup and pay and benefits. Overall, each company is scored in four areas: "credibility (communication to employees), respect (opportunities and benefits), fairness (compensation, diversity), and pride/camaraderie (philanthropy, celebrations)." In this exercise, you will consider the extent to which the top 10 companies to work for in 2017 possess these characteristics.

Instructions

Four key organizational characteristics are used to rank all companies being considered as the best place to work:

- Credibility
- Respect
- Fairness

- Pride/Camaraderie

Below is a list, in random order, of the top 10 companies to work for in 2017. After forming groups, your first task is to have each individual guess these companies' rankings based on the attributes listed above. (Number 1 is the highest ranking and number 10, the lowest.) If you do not know anything about some of these companies, we suggest that you search the Internet prior to conducting your evaluations. Next, share your rankings and come to a consensus ranking.

Here are the companies, in random order:

- Genetech
- Quicken Loans
- Google
- Baird
- Edward Jones
- Acuity
- The Boston Consulting Group
- Wegmans Food Markets
- Ultimate Software
- Salesforce

Questions for Discussion

1. What similarities and differences do you see in management approaches across these companies?
2. What theories discussed in this chapter are being used by these companies?
3. How different was the group ranking from the individual rankings? Why do you think this occurred?
4. Why did the group order its ranking in the way that it did?
5. How close was the group ranking to *Fortune*'s? Your instructor has the results.
6. Which of these companies would each of you like to work for? Explain your rationale.

Source: "100 Best Companies to Work For 2017", *Fortune Magazine*, http://fortune.com/best-companies/2017/

Tip for online and large in-person classes:

ONLINE CLASS

Online classes: Post this activity as an online discussion board. Groups should come to a consensus in a shared group space. They can then respond to the questions as a group and instructor can share highlights of group answers as an email blast to the class. In the email blast, also include the actual Fortune *rankings.*

Large in-person classes: Instructor can post the randomly generated companies above on the screen and split students up into larger groups (i.e. 5-6). The questions for discussion can also be shortened; for example, question 6 can be eliminated.

CAREER CORNER GROUP EXERCISE

CAREER READINESS

UNDERSTANDING THE BUSINESS

Learning Objectives

- Students will deepen their understanding of the career competency of understanding the business.
- Students will develop a generalizable process for interview preparation.

Introduction

The goal of this exercise is to help students differentiate themselves from other interviewees by focusing on the career readiness competency of understanding the business. The steps in the exercise offer students a generalized approach for demonstrating knowledge of the business for any future potential employer by asking them to research what matters to an organization. The exercise also asks students to answer five diagnostic questions that will enable them to apply their understanding about a company's business during an interview. This ability will clearly assist students in demonstrating their understanding about a business during future interviews. Students will need access to the Internet for this exercise.

Instructions

The primary purpose of this exercise is to broaden your students' understanding of how business works by conducting research on a specific company. First, each group will research a given company utilizing the rubric presented in Section 2.9 Career Corner: Managing Your Career Readiness:

- The company's mission and vision statements.
- The company's core values and culture.
- The history of the company?
- Key organizational players.
- The company's products, services, and clients.
- Current events and accomplishments.
- Comments from current or previous employers.

Students may not be able to find the answers to all of these, but should try using the company's website, *Wikipedia*, and other websites to find as much as possible.

I. Start the activity with a class discussion on how to prepare for a job interview. Encourage the students to be specific in describing their process. If there is time, have your students read INC's "27 Most Common Job Interview Questions and Answers."

II. Put students into groups of 4 or 5. Ask each group to select a company to research. We suggest prompting the groups to pick a company they are interested in. Alternatively, you can select 4 or 5 companies that will be participating in your campus' career fair.

III. Have each group research the following seven questions:
   1. What are the company's mission and vision statement?
   2. What are the company's core values and culture?
   3. What are the key historical facts of the company?
   4. Who are the key organizational players?
   5. What are the company's products? Who are their customers?
   6. What are the company's current challenges? What are their current accomplishments?
   7. What do the company's current and former employees have to say about the company?

IV. Ask each group to answer these five interview questions based on their research:
   1. What is the biggest challenge facing the company's industry?
   2. Where do you see this company in five years?
   3. If you were the CEO, what would be your top 3 priorities and why?
   4. What about our company makes you want to work here?
   5. What questions do you have for me?

V. Have each group prepare a 5 to 10-minute presentation that:
   1. Summarizes their answers to the above questions.
   2. Includes two questions for the interviewer.

VI. Select two or three groups to present to the class.

VII. Facilitate a class discussion on interview preparedness using the following questions:
   1. How did researching the seven questions help you tailor your responses to the interview questions?
   2. How did you generate the questions to ask the interviewer?
   3. Besides the company website, which websites were the most helpful in finding the information needed to answer the seven questions?
   4. How can you incorporate this process into your proactive learning behavior?

Tip for online classes:

ONLINE CLASS

Post this activity as an online discussion board. Groups should utilize a shared space to post their research and can discuss their individual responses to the common interview questions. The shared space can also be used to create a PowerPoint presentation that summarizes the group's answers. Instructor can review all the presentations and then choose a couple to share with the entire class. There can then be an overall class discussion (on the class discussion board) and students can respond to the questions in Part VII.

UBER CONTINUING CASE

Chapter 2: Management Theory

This part of the Uber cumulative case focuses on Chapter 2 and provides parallels to management theory. This continuing case's real-world application of management knowledge and skills is designed to help students develop critical-thinking ability and realize the practical power of sound managerial skills for solving problems.

The case includes five multiple-choice questions and two essay-based questions. The essay-based questions can also be used in-class to spur discussion.

1. Compare and contrast the management styles of Kalanick and Khosrowshahi. How are they different? Do they share any similarities? Explain.

   Student answers may vary here, but students need to choose from the viewpoints discussed in the chapter. Many students may point to how Kalanick fostered a more classical environment where efficiency was achieved through pitting workers against each other. Khosrowshahi, on the other hand, may adhere more to a contingency viewpoint based on him listening and observing what was happening at the company before deciding how to move forward. An argument can also be made that Khosrowshahi is more keen on creating a learning organization that values inputs from all angles and supports differences in views among the workforce. There may indeed be some similarities as well. Both managers adhere to the behavioral viewpoint of management, except Kalanick was motivating employees in one way and Khosrowshahi is attempting to motivate in another.

2. Assume you are Uber's new CEO. Utilize the four components of total quality management to ensure riders have safe rides.

   Total quality management (TQM) is based on four components: (1) making continuous improvement a priority; (2) getting every employee involved; (3) listening and learning from customers and employees; and (4) using accurate standards to identify and eliminate problems. First, Uber's senior leadership needs to make sure that rides are safer, meaning less accidents and reports of inappropriate driver or passenger behavior. Second, leadership needs to make sure all stakeholders, no matter what their background and position with the organization, are involved in the discussion—especially drivers, who are independent contractors. Third, the company needs to listen to feedback from these stakeholders and refer to data from all the rides in order to make decisions on what controls to put in place. Finally, there needs to be accurate standards in place to measure whether or not there are less incidents on the road. If there isn't any improvement, Uber needs to find out why there hasn't been improvement and what the organization can do to accomplish this improvements.

MANAGER'S HOT SEAT

No Manager's Hot Seat for this chapter.

APPLICATION-BASED ACTIVITY

There are no application-based activities for this chapter.