

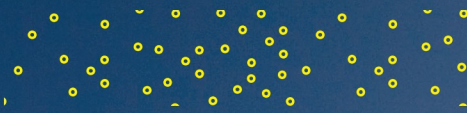


9e management

A Practical Introduction

ANGELO KINICKI
BRIAN K. WILLIAMS

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Education



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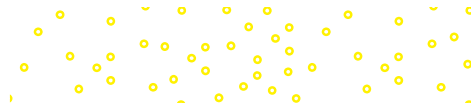
Brian K. Williams

management

NINTH EDITION

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MANAGEMENT: NINTH EDITION

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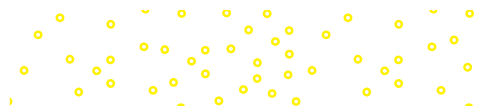
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dedication



To Joyce Kinicki, the love of my life, best friend, and the wind beneath
my wings.

—Angelo

about the author



Courtesy of Angelo Kinicki

Angelo Kinicki is an emeritus professor of management and held the Weatherup/Overby Chair in Leadership from 2005 to 2015 at the W.P. Carey School of Business at Arizona State University. He joined the faculty in 1982, the year he received his doctorate in business administration from Kent State University. He was inducted into the W.P. Carey Faculty Hall of Fame in 2016. Angelo currently is the Dean's Scholar in Residence at Kent State University. He is teaching in the MBA program and serves on the Dean's National Advisory Board.

Angelo is the recipient of six teaching awards from Arizona State University, where he taught in its nationally ranked MBA and PhD programs. He also received several research awards and was selected to serve on the editorial review boards for four scholarly journals. His current research interests focus on the dynamic relationships among leadership; organizational culture; organizational change; and individual, group, and organizational performance. Angelo has published over 95 articles in a variety of academic journals and proceedings and is co-author of eight textbooks (32 including revisions) that are used by hundreds of universities around the world. Several of his books have been translated into multiple languages, and two of his books were awarded revisions of the year by McGraw-Hill. Angelo was identified as being among the top 100 most influential (top .6%) Organizational Behavioral authors in 2018 out of a total of 16,289 academics.

Angelo is a busy international consultant and is a principal at Kinicki and Associates, Inc., a management consulting firm that works with top management teams to create organizational change aimed at increasing organizational effectiveness and profitability. He has worked with many Fortune 500 firms as well as numerous entrepreneurial organizations in diverse industries. His expertise includes facilitating strategic/operational planning sessions, diagnosing the causes of organizational and work-unit problems, conducting organizational culture interventions, implementing performance management systems, designing and implementing performance appraisal systems, developing and administering surveys to assess employee attitudes, and leading management/executive education programs. He developed a 360° leadership feedback instrument called the Performance Management Leadership Survey (PMLS) that is used by companies throughout the world.

Angelo and his wife of 37 years, Joyce, have enjoyed living in the beautiful Arizona desert for 36 years. They are both natives of Cleveland, Ohio. They enjoy traveling, hiking, and spending time in the White Mountains with Gracie, their adorable golden retriever. Angelo also has a passion for golfing.

new to the ninth edition

We are pleased to share these exciting updates and new additions!

Two major changes were implemented in the ninth edition. The first involved a new strategic career readiness theme throughout the product to address employers' concerns about students graduating without being career ready. The second was to extend our emphasis on the practical application of management. Below is a review of these substantive changes.

Career Readiness Theme Promotes Employable Skills

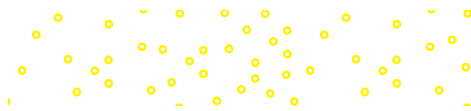
Global surveys of CEOs and recruiters reveal that college graduates do not possess the knowledge, skills, and attributes desired by employers, resulting in a lack of career readiness. We want to promote the development of your students' career readiness competencies so that they are more employable. Therefore, we've introduced a new strategic theme of career readiness to create a link between the principles of management and the objective of providing students with the tools they need to flourish on their chosen employment path. This integration takes five forms:

- The career readiness theme is thoroughly introduced in Chapter 1. We introduce a major section, 1.7, entitled **“Building Your Career Readiness,”** and present a model of career readiness along with a table of competencies desired by employers.
- Over 40 of the product's 66 **Self-Assessments** pertain directly to a career readiness competency. Feedback from these self-assessment can be used to assist students in creating a development plan focused on being career ready.
- Each chapter concludes with a new section entitled **“Career Corner: Managing Your Career Readiness.”** This section serves two purposes. First, it assists students in linking chapter content with the competencies of career readiness, which provides a powerful association between the principles of management and the skills desired by employers. Second, this material provides students with practical tips for developing targeted career readiness competencies. We believe students can become more career ready by following the advice in these Career Corner sections.
- We developed a **targeted set of exercises in Connect**, our online teaching and learning platform, that give students hands-on experience working with the career readiness competencies desired by employers.
- We created a set of experiential exercises for each chapter in our **unique Teaching Resource Manual** that are targeted to develop students' career readiness competencies.

Extending the Practical Application of Management Concepts

Practical application has always been a major feature of this product. We want students to understand how to use what they are learning in both their personal and professional lives. We extend our emphasis on practicality by:

- Every chapter begins with a new feature entitled **“Manage U.”** It replaces the Manager's Toolbox and provides students with actionable tips for applying the material in each chapter.
- Each chapter includes two new boxes that provide testimonials from millennials about their experiences with effective and ineffective management. **“I wish I . . .”** boxes illustrate real-world examples in which students recall an instance when they or their boss could have better applied certain management concepts. **“I'm glad I . . .”** boxes discuss positive applications of management concepts.
- To promote mastery of management concepts, we developed a **continuing case on Uber** for each chapter. Application learning can be assessed in Connect.
- To promote critical thinking and problem solving, a key career readiness competency, we revamped our **Management in Action Cases**. They now focus on higher levels of



learning by asking students to solve real organizational problems using relevant management concepts.

Fully revised Teaching Resource Manual (TRM) provides complete guidance for instructors

The TRM was new to the eighth edition and was developed to provide instructors with a turnkey solution to fostering a discussion-based and experiential learning experience. It amounts to a traditional instructor’s manual on steroids by providing suggestions for creatively teaching topics, suggested videos outside of the McGraw Hill arsenal (e.g., YouTube, *The Wall Street Journal*, etc.), group exercises, lecture enhancers, and supplemental exercises that correspond with cases and Self-Assessments. The TRM has been praised by instructors around the world for its depth, navigation, and experiential-based content. We improved this resource based on feedback from faculty.

Our first change acknowledges that many of us teach online or in larger, in-person classes (sometimes both!). The ninth edition TRM not only includes revised activities for the traditional classroom, but also includes new online and large, in-person class activities for every chapter.

The next set of changes involve providing follow-up activities for the new career readiness-based exercises in Connect because we believe students need these developmental activities to increase their career readiness. We also provide in-depth teaching notes for new Manager’s Hot Seat videos and Application-Based Activities in the form of simulations.

Finally, we provide new web video links for each chapter. These free, short videos allow instructors to illustrate the practical applications of management principles. We also include new current online article links instructors can use to discuss material that supplements the text.

“ *The TRM is top of the line.*”

—Todd Korol,
Monroe Community College

“ *The TRM is by far the most comprehensive and useful on the market. It is very user friendly for both faculty and students.*”

—Gerald Schoenfeld,
Florida Gulf Coast University

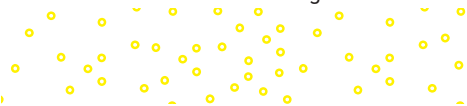
Completely revamped, revised, and updated chapters

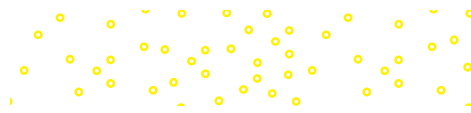
In each chapter, we refreshed examples, research, figures, tables, statistics, and photos, as well as modified the design to accommodate new changes to this ninth edition. We have also largely replaced topics in such popular features as Example boxes, Practical Action boxes, Management in Action cases, and Legal/Ethical Challenges cases.

While the following list does not encompass all the updates and revisions, it does highlight some of the more notable changes.

CHAPTER 1

- New Manage U feature: Using Management Skills for College Success.
- Section 1.1—New Example box on efficiency versus effectiveness discusses how Delta Airlines handled an emergency at Atlanta’s Hartsfield-Jackson Airport. Updated CEO pay and labor statistics. New example of museum curator in discussion of rewards of management.
- Section 1.2—New boxed feature “I wish my manager was more of a leader than a manager.”
- Section 1.3—This section was moved to section 1.7 and section 1.4 was moved here. Introduces new key term “nonmanagerial employees.” Updated salary information for first-line managers. New examples for “for-profit” and “nonprofit” organizations. New data in “Managers for Three Types of Organizations.”
- Section 1.4—Section 1.6 became section 1.4, “Roles Managers Must Play Successfully.” New example of Mary Bara, CEO of GM, to illustrate managerial work activities. New Practical Action box on mindfulness. New example of Google CEO Sundar Pichai in discussion of informational roles.





- Section 1.5—New running example of Mary Bara used to explain the skills needed to manage. New boxed interview feature “I’m glad I have conceptual skills.” New Practical Action box on developing soft skills.
- Section 1.6—Updated Example box about Airbnb. Introduces new key terms “information technology application skills” and “meaningfulness.” New discussion of the Fourth Industrial Revolution. Updated statistics regarding workforce diversity. New discussion of Volkswagen and ethical standards. Updated Practical Action box on cheating. New reference to sexual harassment in discussion of ethical standards. New suggestions for building meaning into your life.
- Section 1.7—Entire new section on building career readiness. Introduces new key terms “attitude,” “career readiness,” “proactive learning orientation,” and “resilience.” Includes Figure 1.3 regarding gaps in college graduates and employers’ assessment of students’ career readiness; Table 1.2 description of KSAOs needed for career readiness; Figure 1.4, Model of Career Readiness; and discussion of developing career readiness. New Self-Assessment 1.2, To What Extent Do You Accept Responsibility for Your Actions?
- Section 1.8—New section titled “Career Corner: Managing Your Career Readiness.” Includes Figure 1.5, Process for Managing Career Readiness, and review of its application.
- New Management in Action case: Did Major League Baseball Value Money over Bob Bowman’s Behavior?
- New continuing case on Uber.

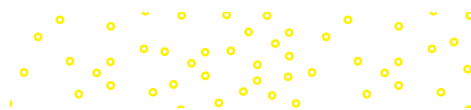
CHAPTER 2

- New Manage U feature: What Type of Work Do I Prefer?
- Section 2.1—New Example box explores the successes and failures of Zappos’ management experiment called “holacracy.”
- Section 2.2—New coverage of Charles Clinton Spaulding’s role in administrative management.
- Section 2.3—New Example boxes including the new boxed feature “I’m glad I work in an organization with a Theory Y culture” and an update to the Example box studying open-plan offices as an application of the behavioral science approach.
- Section 2.4—New Example box discussing operations management at Intel.
- Section 2.5—New Example box applying systems thinking.
- Section 2.6—New Example box applying the contingency viewpoint with manufacturers “pitching” jobs to parents of college students hoping they’ll influence their children to consider open positions after high school graduation. A new Practical Action box exploring Big Data.
- Section 2.7—New boxed feature “I wish my manager believed in a quality-management viewpoint,” as well as expanded content to include a deeper discussion of Six Sigma and ISO 9000, including definitions of both as well as practical examples of companies using each approach.

- Section 2.8—Expanded and updated in-content examples to showcase the three parts of a learning organization as well as expanded content examples on the three roles managers play in building learning organizations. Updated company examples for learning organizations, including a discussion of Google Buzz, American Express, and Apple.
- New Career Corner feature on Managing Your Career Readiness.
- New Management in Action case: The Decline of Sears.
- New continuing case on Uber.

CHAPTER 3

- New Manage U feature: Increase Ethical Behavior by Fostering an Ethical Climate.
- Section 3.1—Updated content regarding Millennials and their search for meaning.
- Section 3.2—Updated content and company applications for internal stakeholders at SAS and the board of directors at Facebook.
- Section 3.3—New Example box discussing United Airlines and its responsibilities to its stakeholders versus customers. New boxed feature “I wish I kept a closer eye on trends affecting our suppliers.” Updated statistics regarding unions. New Example box discussing Amazon’s new headquarters and whether it will benefit the city chosen. New boxed feature “I’m glad I kept current on my industry’s general environment.” Updated Example discussing the Internet of Things. Introduces new key term “LGBTQ.” New figure showcasing the states in which marijuana is legal. Various content updates, including company examples for the task environment (including an updated list of “America’s Most Hated Companies”) and special interest groups with a discussion of the #MeToo movement and international forces such as Brexit. Updated examples for sociocultural forces to include seismic changes. Updated statistics for demographic forces of change.
- Section 3.4—New Example box featuring Volkswagen and ethics. Introduces new key term “abusive supervision.” Updated statistics on workplace cheating. New Example box discussing “whistleblowing” photographer Simon Edelman’s photos of the Trump administration and the fallout. Updated content examples for recent Sarbox cases and the most common ethics violations at work.
- Section 3.5—New content example of Tom’s Shoes as a company showcasing social responsibility. New example of the benefits to Coca-Cola for going green and new table showing how being ethical and socially responsible pays off.
- Section 3.6—New Example box discussing HD Supply Holdings and Fox News and the good and bad of corporate governance.
- New Career Corner feature on Managing Your Career Readiness.
- New Management in Action case: Who’s to Blame for College Basketball’s Dark Underbelly?



- Updated Legal/Ethical Challenge: Should You Apply to Have Your Student Loans Forgiven?
- New continuing case on Uber.

CHAPTER 4

- New Manage U feature: Working Successfully Abroad: Developing Cultural Awareness.
- Section 4.1—Updated section opener with new statistics regarding United States imports in 2016. Updated Table 4.1 and corresponding content with competitiveness rankings for 2016–2017. New Example box featuring international e-commerce company Alibaba. Updated content on the positive and negative effects of globalization. New content examples featuring recent megamergers including CVS/ Dignity Health, Amazon/Wholefoods.
- Section 4.2—New Example box discussing how to get an edge in the global job market. Introduces new key term “cross-cultural awareness.” The career readiness competency of cross-cultural awareness is defined and leads into the corresponding Practical Action box. Features an updated discussion of U.S. brands that are foreign owned. New boxed feature “I wish I considered the impact of ethnocentrism.”
- Section 4.3—Updated discussion on the foreign manufacturing of Apple products. An updated discussion of why companies expand internationally, including Netflix, Amazon, and Ford Motor Company and expanded discussion of foreign subsidiaries. Updated examples for how companies expand internationally, including Under Armour. Updated examples of global outsourced jobs, including an updated Table 4.2 with top exporting countries through 2016. Updated list of U.S. companies opening franchises overseas, including Chick-fil-A and Cold Stone.
- Section 4.4—Updated Table 4.3 with the U.S.’s top ten trading partners. Updated content regarding tariffs with a discussion of the Trump administration as well as updated content pertaining to import quotas, dumping, and embargoes and sanctions. New table featuring organizations promoting international trade. Updated discussion on NAFTA, the EU, and other trading blocs complete with a new Example box discussing Brexit’s impact on Britain and the EU. Updated Example box to showcase the exchange rates on various common products like rent, Starbucks, and designer jeans. Updated statistics for major economies, including China, India and Brazil.
- Section 4.5—Changed the section title to “The Value of Understanding International Differences” and expanded the opening with a discussion on international differences. An updated discussion on language and personal space with a discussion on learning foreign language online and through apps and a new Example box discussing the differences in personal space in various countries. Updated content on differences in communication. New Practical Action box discussing how to run an international meeting. New Figure

4.2 discussing current followers of world religions. Current examples of expropriation, corruption, and labor abuses. An updated discussion on expatriates and why U.S. managers often fail. New boxed feature “I’m glad I understood the GLOBE Project’s cultural dimensions.”

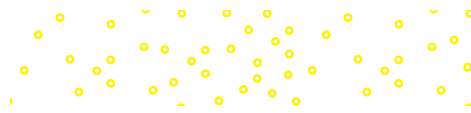
- New Career Corner feature: Managing Your Career Readiness: Working Overseas. New key term “context.”
- New Management in Action case: The Growth and Stall of Didi Chuxing.
- New Legal/Ethical Challenge: Should Qatar Be Hosting the 2022 World Cup?
- New continuing case on Uber.

CHAPTER 5

- New Manage U feature: Making an Effective Plan for Starting Your Career.
- Section 5.1—New Example box on how to write a business plan. The previous discussion of VRIO was moved from this section to Chapter 6. New research on the benefits of planning.
- Section 5.2—Opens with a new Table 5.1 discussing and summarizing mission, vision, and values statements. New example box on Coca-Cola includes the company’s mission, vision, and values statements. A new Example box discusses Coca-Cola’s six long-term strategies. New boxed feature “I wish my manager put more effort into operational planning.”
- Section 5.3—New boxed feature “I’m glad I developed an action plan.” Updated Example box pertaining to long and short-term goals at Southwest Airlines.
- Section 5.4—New Example box on setting clear goals at Snapchat. Included new research on goal setting programs. Revised the three types of goals used in MBO: performance-based, behavioral-based, and learning-based. New Self-Assessment determining whether students have a proactive learning orientation. Added Tornier as an example of an Action Plan. New Practical Action box for small businesses and goal setting.
- Section 5.5—New Example box applying the planning/control cycle through Tesla’s Model 3.
- New Career Corner feature: Managing Your Career Readiness.
- New Management in Action case: Fender Rebrands to Stay in Tune with the Times.
- New Legal/Ethical Challenge: Is Pfizer Putting Profits above Alzheimer’s Patients?
- New continuing case on Uber.

New Learning Module: Entrepreneurship

- New Manage U feature: So You Want to Start a Business?
- Section LM 1.1—Introduces entrepreneurship and its foundation, including a discussion of Elon Musk. Introduces



the concept of intrapreneurship, leading to a new Example box discussing Intel’s Genevieve Bell. Discusses how entrepreneurship is different from self-employment. A new figure LM 1.1 lists the characteristics of entrepreneurs. New Self-Assessment to determine if students have an “entrepreneurial spirit.” A discussion of entrepreneurship across the globe. New Table LM 1.1 with facts about small business.

- Section LM 1.2—Begins by discussing how entrepreneurs come up with ideas to start a business. Discusses how to write a business plan. Reviews the options for creating a legal structure for a business and how to obtain financing. The importance of creating the right organizational culture and design is explored. New Example box featuring the start and growth of a small business.

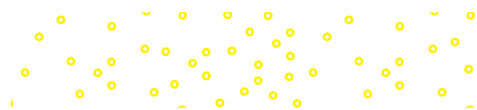
CHAPTER 6

- New Manage U feature: Building Your Personal Brand.
- Section 6.1—New coverage regarding levels of strategy. New Figure 6.1 shows three levels of strategy. Introduces the new key term “functional level strategy.” Updated research on strategic planning at small and large firms. New Example box illustrates strategic planning at Evernote and Groove HQ.
- Section 6.2—The five steps of the strategic management process were changed to reflect current thinking. New boxed feature “I wish my company would have evaluated its current reality before opening the doors for business.” New Self-Assessment on strategic thinking.
- Section 6.3—Begins with new key term “sustainable competitive advantage.” Updated Example box of SWOT analysis for Toyota; VRIO discussion from Chapter 5 now featured in this section with updated content and a new Figure 6.3. New Example box on developing competitive advantage in the Internet economy. Updated Example box with contingency planning in the wake of Hurricane Harvey with a discussion on CVS, Walgreens, and Fed Ex.
- Section 6.4—Renamed “Establishing Corporate Level Strategy.” Section now opens with Three Overall Types of Corporate Strategy and includes a new table showcasing how a company can implement overall corporate level strategies. New discussion of the BCG Matrix and different diversification strategies. Introduces new key term “unrelated diversification.” Discussion on Porter’s five competitive forces and four competitive strategies moved to Section 6.5.
- Section 6.5—Renamed “Establishing Business Level Strategy.” The discussion on Porter’s competitive forces and strategies moved to this section. New examples used to illustrate these concepts.
- Section 6.6—Renamed “Executing and Controlling Strategy.” New boxed feature “I’m glad my company adjusts its strategy as we go.”

- New Career Corner feature: Managing Your Career Readiness.
- New Management in Action case: General Electric’s Evolving Strategy.
- New Legal/Ethical Challenge: Is Your School Selling Your Bank Accounts?
- New continuing case on Uber.

CHAPTER 7

- New Manage U feature: How to Make Good Decisions.
- Section 7.1—Updated Example box on Starbucks. Expanded content on intuition with a new Example box on the power of intuition and a new Practical Action box on how to improve intuition.
- Section 7.2—Section opens with updated examples on business ethics including medication profiteering, the #MeToo movement, CEOs being punished for unethical behavior, and as a contrast to bad behavior, philanthropists Bill and Melinda Gates. New boxed feature “I’m glad I found an employer who cares about ethics more than just making money.”
- Section 7.3—Begins with an updated discussion of ethics at Google. New examples of companies using evidenced-based decision making. Updated Example box on using analytics in sports. Use of Big Data at companies such as Target, JetBlue, HP Labs, and the Obama administration is discussed. New Example box on data and hacking, featuring the Equifax breach.
- Section 7.4—New examples of various decision-making styles of CEOs, including Elon Musk, Jeff Bezos, Ginni Rometty, and Madeline Bell.
- Section 7.5—Renamed “Decision-Making Biases and the Use of Artificial Intelligence.” Section opens with a discussion on heuristics and leads into updated content and discussion illustrating overconfidence bias with BP oil and the government’s spy plane for the escalation of commitment bias. Introduces a new section on AI, reviewing its pros and cons. The use of AI at various companies is highlighted, including Google and Microsoft.
- Section 7.6—New boxed feature “I wish my workplace didn’t have a toxic group decision-making environment.” New discussion on the Delphi technique and devil’s advocacy, along with a figure illustrating their implementation. Section concludes with an introduction to the concept of project post-mortems with practical examples from Disney and Pixar.
- New Career Corner feature: Managing Your Career Readiness.
- New Management in Action case: New York Subway System.
- New Legal/Ethical Challenge: It’s All about a Peacock (featuring a discussion on emotional support animals).
- New continuing case on Uber.



CHAPTER 8

- New Manage U feature: How to Get Noticed in a New Job: Fitting into an Organization’s Culture in the First 60 Days.
- Section 8.1—New boxed feature “I wish my company had integrated its corporate strategy and organizational culture.” New Table 8.1 reviews the drivers of organizational culture. Updated Example box on how strategy affects culture at Cleveland Clinic.
- Section 8.2—New examples illustrate the three levels of organizational culture. New examples used to explain the four types of culture within the competing values framework. New examples used to explain how employees learn culture. Updated research on person-organization fit.
- Section 8.3—New boxed feature “I’m glad management embraced an empowering culture during a merger.” New examples used to illustrate the 12 methods organizations use to change culture.
- Section 8.5—New Practical Action box on how to effectively delegate.
- Section 8.6—Opens with an updated discussion on Google and its culture of innovation. An updated Example box on Whole Foods is used to explain horizontal designs.
- Section 8.7—Section is introduced with a new key term: “contingency approach to organizational design.” New example of Etsy is used to frame discussion of mechanistic and organic organizations.
- New Career Corner feature: Managing Your Career Readiness.
- New Management in Action case: Wells Fargo’s Sales Culture Fails the Company.
- Updated Legal/Ethical Challenge: Should Socializing Outside Work Hours Be Mandatory?
- New continuing case on Uber.

CHAPTER 9

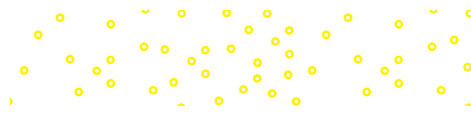
- New Manage U feature: How to Prepare for a Job Interview.
- Section 9.1—New examples from *Fortune*’s 10 best work places for Millennials, including Ultimate Software, SAS, Quicken Loans, Salesforce, and Encompass Home Health and Hospice. Updated research on the effectiveness of HR practices. New information on company rewards. New examples to illustrate human and social capital including New Brunswick Power and Inter-American Development Bank.
- Section 9.2—New statistics on recruiting trends and examples for internal and external recruiting, including Visto and Glassdoor. New boxed feature “I’m glad my company is serious about its recruiting and selection processes.” Updated Example box discussing the changing job market, Millennials, and the gig economy. New research regarding

the lies job applicants tell. New boxed feature “I wish my company used a structured interview process.” A new Practical Action box discussing what employers are looking for in a job interview. Updated information on the legality of employment tests. New Example box listing the pros and cons of personality tests and updated information on personality tests including Myers-Briggs. Section closes with a discussion on AI and how it is changing the recruitment and selection process.

- Section 9.3—Updated statistics on benefits, including a new discussion regarding gender-based preferences.
- Section 9.4—Renamed “Orientation and Learning and Development.” Opens with a new example of onboarding with Facebook’s new employee boot camp. New content on learning and development including Millennials, SAS, and Estee Lauder. Updated research on L&D programs. New Example box on Keller Williams and its learning and development program.
- Section 9.5—New Example box on performance management at Edward Jones. Updated research on performance management and performance appraisal, and new performance management examples pertaining to Deloitte, Accenture, Cigna, Microsoft, and Adobe. Discussion of how forced ranking is losing favor. New discussion of how to give effective performance feedback.
- Section 9.6—Updated Practical Action box on the right way to handle a dismissal.
- Section 9.7—Updated statistics and information regarding workplace discrimination and bullying. New Example box discussing sexual harassment at work.
- Section 9.8—Opens with updated statistics on labor unions. Updated Figure 9.4 showing right-to-work states.
- New Career Corner feature: Managing Your Career Readiness.
- New Management in Action case: Difficulties Attracting and Retaining Human Capital in the Nursing Profession.
- New Legal/Ethical Challenge: Should Noncompete Agreements Be Legal?
- New continuing case on Uber.

CHAPTER 10

- New Manage U feature: How Can I Be More Creative at Work?
- Section 10.1—New Example box discussing the decline of Toys R Us. New examples of companies experiencing change. Updated Example box on BP and the oil spill in the Gulf of Mexico. New examples to explain the forces for change. Updated Example box on ridesharing and self-driving cars.
- Section 10.2—New examples to illustrate three kinds of change. New boxed feature “I’m glad my company unfroze employees before implementing organizational change.” Added a new section on applying the systems model of change featuring Stora Enso.



- Section 10.3—Updated statistics regarding the effectiveness of organizational development.
- Section 10.4—This section was completely rewritten, restructured, and renamed “Organizational Innovation.” Introduces the new key term “innovation.” New Figure 10.5 shows the various approaches to innovation. A new figure illustrates the supporting forces for innovation. A new table lists the most innovative companies. A new Self-Assessment measures organizational climate for innovation. New boxed feature “I wish my company considered the components of an innovation system.” Introduces new key term “crowdsourcing.” New Example box discussing IDEO’s approach to innovation. Recent research is used to support our discussion of innovation.
- Section 10.5—Updated research regarding resistance to change.
- New Career Corner feature: Managing Your Career Readiness. New key terms “self-affirmations” and “self-compassion.”
- New Management in Action case: Chipotle Needs to Change.
- New Legal/Ethical Challenge: Did L’Oreal Go Too Far in Firing Its Patent Lawyer?
- New continuing case on Uber.

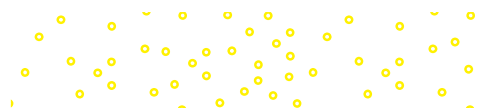
CHAPTER 11

- New Manage U feature: How to Make a Positive First Impression at Work.
- Section 11.1—Opens with updated information and statistics for employment and personality testing and the Big Five personality dimensions. Updated research regarding personality and individual behavior and work attitudes. Introduced the new key term “generalized self-efficacy” with a discussion on the topic and its tie to career readiness with a new Self-Assessment measuring levels of generalized self-efficacy. A new Practical Action box discussing how technology can be used to develop Emotional Intelligence.
- Section 11.2—New Self-Assessment to measure the career readiness competency of having a positive approach to work. New Practical Action box on using cognitive reframing to reduce cognitive dissonance.
- Section 11.3—Updated research regarding stereotypes and implicit bias. Updated discussion on distortions in perception, including gender stereotypes. New Example box discussing the halo effect and how body weight affects careers. New Example box on the Pygmalion effect.
- Section 11.4—Opens with entirely new content on employee engagement with a new table showing the predictors of engagement. Updated research on job satisfaction, organizational commitment, and important workplace behaviors like performance, organizational citizenship, and counterproductive behavior. Updated the Example box on toxic workplaces.

- Section 11.5—Updated examples and statistics regarding trends in workplace diversity, including age, gender pay gap, race, and sexual orientation. New example discussing Google’s internal memo regarding women in tech and how it showcases a barrier to diversity. Updated research pertaining to barriers to diversity. New boxed feature “I’m glad my manager embraced diversity and fostered inclusiveness.” New Example box showcasing Ultimate Software.
- Section 11.6—Updated research on stress and its consequences. Introduces new key term “work–life conflict.” New Table 11.4 discusses the negative consequences of conflict, including work, family, and other life demands. A new boxed feature “I wish my manager alleviated my work-related stress.” Reworked the content regarding workplace stress and its consequences. New coverage of resilience and its role in career readiness. A new Self-Assessment assesses levels of resilience. Updated content on holistic wellness and a new Example box showcasing Google’s corporate wellness program.
- New Career Corner feature: Managing Your Career Readiness.
- New Management in Action case: Does the Financial Services Industry Lack Diversity?
- New Legal/Ethical Challenge: Should Airlines Accommodate Oversized People?
- New continuing case on Uber.

CHAPTER 12

- New Manage U feature: Managing for Motivation: Building your Own Motivation.
- Section 12.1—New company examples and statistics on extrinsic and intrinsic rewards, including Uber, McDonald’s, Outback Steakhouse, and MARS. A new section provides an overview of all motivation theories discussed in the chapter.
- Section 12.2—Added a quick summation of the motivation theories discussed in the section. Updated Example box on hotel company Joie de Vivre. Updated research on need theories. New boxed feature “I’m glad I fostered employees’ sense of competence.” Updated research regarding the application of Herzberg’s two factor theory.
- Section 12.3—Updated research on process theories of motivation. Updated statistics on CEO pay. New examples to illustrate the application of equity theory. New Example box showcasing transparency at Buffer. New examples of Tesla and Kronos to demonstrate the application of expectancy theory. New coverage of stretch goals and two types of goal orientations—learning goal orientation and performance goal orientation.
- Section 12.4—Updated research on job design. New Example box on how job characteristics matter in the modern workforce.



- Section 12.5—Updated research on rewards. New examples to illustrate the four types of reinforcement. New boxed feature “I wish my manager used positive reinforcement rather than punishment.”
- Section 12.6—Updated research on compensation, nonmonetary incentives, and other rewards. Updated statistics on money as a motivator. Updated content on incentive plans. Updated the example box on successful workspaces. New Practical Action box on how managers can encourage gratitude.
- New Career Corner feature: Managing Your Career Readiness.
- New Management in Action case: Motivation Challenges in the Fast-Food World.
- New Legal/Ethical Challenge: Are Workplace Wellness Programs Using Proper Motivational Tools?
- New continuing case on Uber.

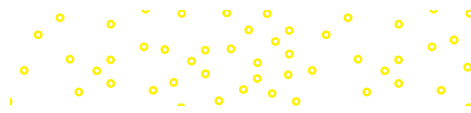
CHAPTER 13

- New Manage U feature: Effectively Managing Team Conflict.
- Section 13.1—Updated research on teams. Updated Example box on informal groups and informal learning. Updated content regarding self-managed and virtual teams. Updated Practical Action box regarding best practices for virtual teams.
- Section 13.2—Updated content on punctuated equilibrium and its tie to Brexit.
- Section 13.3—Updated research regarding building high-performance teams. Updated discussion on collaboration, including new a new study of the relationship between listening to happy music, mood, and collaboration. New boxed feature “I’m glad my manager fosters collaboration.” New Example box focuses on building trust. New Practical Action box on building effective team norms. Added new material regarding effective team processes and their role in building high-performance teams. Introduces the new key terms “team processes,” “team charter,” “team reflexivity,” and “team voice.”
- Section 13.4—Updated research on conflict. New examples of dysfunctional and functional conflict. New boxed feature “I wish I was able to manage interpersonal conflict more effectively.” Updated the discussions on kinds of conflict. Updated discussion on ways intergroup conflicts are expressed, including an example for ambiguous jurisdictions with a racial-profiling incident at Starbucks. New Example box on playing the devil’s advocate as a way to resolve conflict. Section closes with a new figure on five conflict handling styles.
- New Career Corner feature: Managing Your Career Readiness.

- New Management in Action case: IBM Wants Its Employees Back in the Office.
- New Legal/Ethical Challenge: When Employees Smoke Marijuana Socially: A Manager’s Quandary.
- New continuing case on Uber.

CHAPTER 14

- New Manage U feature: Improving Your Leadership Skills.
- Section 14.1—Introduces key term “leadership coaching” and the difference between leading and managing, including a new Table 14.1 showing the characteristics of managers and leaders. Introduces new key term “managerial leadership.” New coverage of managerial leadership and coping with complexity versus coping with change. Updated Table 14.2 on influence tactics with new example of exchange and legitimizing tactics. Developed a new integrated model of leadership (Figure 14.1) to foreshadow the theories covered in the chapter.
- Section 14.2—Opens with an example of Phebe Novakovic, CEO of General Dynamics, as someone who embodies the trait approach to leadership. Table 14.3 updated to show how the Big Five personality traits, which were introduced in Chapter 11, represent positive, task-oriented traits. Expanded the discussion on narcissism and gender and leadership. Updated the Example box discussing great worldwide leaders. Renamed “strategic skills” in Table 14.4 to “conceptual skills.” New for theories drawn from trait theory, including Martha Stewart as a micromanager. New company examples for organizations using trait assessments, including Citigroup, ExxonMobil, Ford Motor, Procter & Gamble, Hewlett-Packard, and JPMorgan. Replaced the discussion on “cross-cultural competency” with a “global mind-set” and illustrated its tie to career readiness. Updated research on leadership traits.
- Section 14.3—New examples of initiating structure leadership, including Meg Whitman and David Miliband. New examples for transactional and empowering leadership, including Nick Saban and Sheryl Sandberg. New Example box showcasing Lauren Bush Lauren’s values-driven leadership. Introduces key term “passive leadership.” Updated research on behavioral approaches.
- Section 14.4—Updated research on contingency leadership.
- Section 14.5—New Example box discussing Pepsi’s Indra Nooyi and her transactional and transformational leadership. New examples of John Hennessy, Dr. Donald Hopkins, Meg Whitman, and John Mackey used to illustrate the four key behaviors of transformational leaders. New boxed feature “I’m glad I understood the value of using individualized consideration.” Section closes with an updated summary on what we know about transformational leadership. Updated research on transformational leadership.



- Section 14.6—Expanded the discussion on the usefulness of the LMX model. New boxed feature “I wish I had known about the impact of a poor LMX: I do now!” Updated research on LMX and humility.
- New Career Corner feature: Managing Your Career Readiness. New key term “Dunning-Kruger effect.”
- New Management in Action case: VA Turnaround: A Waiting Game.
- New Legal/Ethical Challenge: Should Starbucks Have a Corporate Loitering Policy?
- New continuing case on Uber.

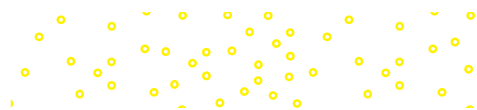
CHAPTER 15

- New Manage U feature: Improving Your Use of Empathy.
- Section 15.1—Kicks off with new research on communication effectiveness. New boxed feature “I’m glad my manager was an effective communicator.” New example of noise. Updated the Example box on “Secrecy and Silence” to include Volkswagen and Theranos. Updated research on media richness and selecting the best medium.
- Section 15.2—Updated discussion and research on the grapevine. Updated Practical Action box on how to streamline meetings.
- Section 15.3—Updated discussion on the physical barriers of communication, including open office plans. Updated discussion and statistics for personal barriers to communication and nonverbal communication. New Example box discussing personal and cross-cultural barriers to communication and how they adversely affect organizations. New Practical Action box on improving communications between men and women.
- Section 15.4—Updated Figure 15.3 showing the use of social media across various age groups. Updated research on social media and managerial and organizational effectiveness. New Practical Action box on building your own social media brand. New examples for crowdsourcing. New Example box on TD Bank and its use of social media. New content pertaining to the downsides of social media, including new key term “FOMO” and a discussion of microaggressions and recent threats to cybersecurity, including attacks at Target, Equifax, and Verizon. New boxed feature “I wish I didn’t have FOMO.” Updated Table 15.8 to show elements of an effective social media policy. New Example box illustrating samples of social media policies at IBM, Best Buy, McDonald’s, Walmart, *Washington Post*, and Intel.
- Section 15.5—New statistics on the cost of poor communication. Expanded the discussion of empathy. Updated and expanded Table 15.11, which discusses rules for business writing. Updated research on nondefensive communication, empathy, and listening.
- New Career Corner feature: Managing Your Career Readiness.

- New Management in Action case: Fyre and Fury.
- Updated Legal/Ethical Challenge: Was ESPN Fair in Firing Curt Schilling for His Social Media Post?
- New continuing case on Uber.

CHAPTER 16

- New Manage U feature: Using a Mentor to Exercise Control in Your Career.
- Section 16.1—New examples on why control is needed and new company examples for control, including Takata, FedEx, UPS, *The New York Times*, and Uber. New boxed feature “I’m glad my company made employees feel valued and engaged by regularly monitoring performance.” Introduces the new key term “control charts” with a discussion on the topic, including an example and new figure. New example of feedforward control at Southwest Airlines.
- Section 16.2—New Example box regarding fair labor practices at Adidas. New examples on levels of control and the supply chain at KFC in the UK.
- Section 16.3—New examples of the balanced scorecard, including an internal business perspective at National Marrow Donor Program and an innovation and learning perspective at Tolko Industries LTD. New example of cascading a strategy map.
- Section 16.4—New examples for internal audits, including Citigroup.
- Section 16.5—Opens with updates to the winner of the Baldrige Award, Bristol Tennessee Essential Services (BTES). New boxed feature “I wish my company were focused on continuously improving work processes.” New examples to illustrate Deming’s PDCA framework. New Example box discussing Hyundai and its challenge to the luxury car market. Kia Motors is introduced as a new example of improvement orientation. Updated Example box on Kaizen principles. New Example box on service excellence with a discussion including Nordstrom’s and Trader Joes. Updated statistics on outsourcing. Updated discussion on ISO 9000 standards.
- Section 16.6—New discussion on managing micromanagers.
- Section 16.7—Updated Table 16.2 with statistics for GDP through 2018. Updated statistics on productivity growth. New content on processes used to increase productivity, including new key terms “benchmarking” and “best practices.” Updated content on managing individual productivity.
- New Career Corner feature: Managing Your Career Readiness.
- New Management in Action case: Is Tesla Out of Control?
- New Legal/Ethical Challenge: Should Companies use GPS to Track Employees?
- New continuing case on Uber.



Walkthrough Preface of 9e

Kinicki/Williams, *Management: A Practical Introduction*, 9e empowers students to develop the management career skills necessary in everyday life through the practical and relevant application of theory. Developed to help students learn management with a purpose, K/W 9e takes a student-centered approach. **The revision introduces a new strategic career readiness theme throughout to address employers' concerns about students graduating without being career ready and extends our emphasis on practicality.** The hallmark strengths that have made it the market best-seller have been maintained and include:

- A student-centered approach to learning.
- Imaginative writing for readability and reinforcement.
- Emphasis on practicality.
- Resources that work.

Our product covers the principles that most management instructors have come to expect in an introductory text—planning, organizing, leading, and controlling—plus current issues that students need to be to be aware of to succeed: customer focus, globalism, diversity, ethics, social media, entrepreneurship, teams, innovation, artificial intelligence, Big Data, and empowerment.

“*It (the book) is well written and provides relevant examples in the text with great online support. The TRM (Teaching Resource Manual) is very useful and important in teaching the course. I have found the product to be one of the best I have ever used.*”

—Jerry D. Stevens,
Texas Tech University

Based on a wealth of instructor feedback and blending Angelo's scholarship, teaching, publishing, and management-consulting with Brian's writing and publishing background, we have worked tirelessly to create a research-based yet highly readable, practical, and motivational product for the introductory principles of management course. Our goal to make a difference in the lives of you and your students.

Focus on Career Readiness

Global research shows that employers are finding it hard to find college graduates who possess the skills needed to be successful. These employers also think that colleges and universities need to do a better job making students career ready. Our goal in 9e is to contribute to overcoming this problem with new content and a variety of developmental techniques.

Building Your Career Readiness

Chapter 1 contains a section devoted to explaining the need, value, and process for becoming career ready. It includes a model of career readiness along with a table of competencies desired by employers.

1.7 Building Your Career Readiness

THE BIG PICTURE

Companies want to hire career-ready college graduates. In this section we describe a model of career readiness and offer tips for building your readiness.

LO 1-7

Define the knowledge, soft skills, attitudes, and other characteristics needed for career readiness and discuss how they can be developed.

About 80,000 undergraduate students from over 350 universities across the United States rated 2017's most attractive employers. The top 10 were: (1) Google, (2) Walt Disney Company, (3) Apple, (4) Nike, (5) Amazon, (6) J.P. Morgan, (7), Goldman Sachs, (8) Ernst & Young, (9) Deloitte, and (10) FBI.¹⁵ Would you like to work at these companies or another like them? If so, you need to be career ready.

Career readiness represents the extent to which you possess the knowledge, skills, and attributes desired by employers. How ready do you believe you are? Recent surveys of college graduates and recruiters reveal a big gap in the degree of readiness each group perceives in students. Figure 1.3 shows the results of a study of 400 employers and 613 college students. The majority of students rated themselves as career-ready on 11 of 17 skills, while the majority of employers did not perceive students to be well-prepared on any of the skills.¹⁶ The three largest gaps were in critical/analytical thinking, written communication, and locating, organizing, and evaluating information, skills that are very important to employers.¹⁷ Other studies have similarly demonstrated that employers see a major skills gap in college students' interpersonal skills.¹⁸ You'll want to close these gaps for three reasons:

1. **To get a job and earn more money.** Today's jobs require greater interpersonal or soft skills, and employers are willing to pay higher salaries to those possessing them.¹⁹
2. **To impress employers with your self-awareness.** Companies prefer to hire people with realistic perceptions of their own strengths and weaknesses. This underscores the need to obtain information about your strengths and weaknesses throughout your career.
3. **To create your own motivation to learn.** Studies of human behavior reveal that people won't spend time on personal development unless they feel the need. Overinflated perceptions of career readiness will not motivate you to develop the attributes that enhance that readiness. You need to motivate yourself to learn and develop.

TABLE 1.2 Description of KSAO Skills Needed for Career Readiness

| KSAO | COMPETENCY | DESCRIPTION |
|-------------|------------------------------------|--|
| Knowledge | Task-Based/Functional | Demonstrated ability to apply academic and practical knowledge in pursuit of organizational and individual goals/assignments. |
| | Information Technology Application | Effective use of IT and learning new applications as needed. |
| | Cross-Cultural Competency | Awareness of cross-cultural differences; respect for diverse cultures, races, ages, genders, and religions; and demonstrated openness, inclusiveness, and ability to interact with diverse people. |
| Soft Skills | Computational Thinking | Ability to use numbers to distill abstract concepts and conduct data-based reasoning. Ability to work with and interpret Big Data. |
| | Understanding the Business | Understanding of the company's business and strategies and the needs of stakeholders, and ability to see how your work fits into the larger organizational puzzle. |
| Soft Skills | New Media Literacy | Ability to develop, evaluate, and use new media forms, and to apply these media for persuasive communication. Ability to stay up-to-date with the latest media trends and leverage them in the interest of the organization. |
| | Critical Thinking/Problem Solving | Sound reasoning to analyze situations, make decisions, and solve problems. Ability to obtain, interpret, and analyze both qualitative and quantitative information while creatively solving problems. |
| | Oral/Written Communication | Ability to effectively express your thoughts, ideas, and messages to diverse people in oral and written form. Public speaking skills and ability to write/edit emails, letters, and technical reports. |
| | Teamwork/Collaboration | Ability to work effectively with and build collaborative relationships with diverse people, work within a team structure, and manage interpersonal conflict. |
| Soft Skills | Leadership | Skill at influencing a group of people to achieve common goals. Ability to motivate, coach, and develop others. |
| | Decision Making | Ability to collect, process, and analyze information in order to identify and choose from alternative solutions that lead to optimal outcomes. |

Self-Assessments

Over 66 Self-Assessments allow students to assess the extent to which they possess aspects of the career readiness competencies desired by employers.

SELF-ASSESSMENT 3.1 CAREER READINESS

Assessing My Perspective on Ethics

This survey is designed to assess your views about ethics. It provides feedback about your status on the Career Readiness "other characteristic" of professionalism/work ethic. Please be prepared to answer these questions if your instructor has assigned Self-Assessment 3.1 in Connect.

1. Are your views more idealistic or more relativistic?
2. What do you think about students cheating on homework assignments in school? What about cheating on exams?
3. Are your answers consistent with your score? Explain.
4. What can you say during an interview to demonstrate an ethical orientation?

Career Corner

Each chapter concludes with a new section entitled "Career Corner: Managing Your Career Readiness." This material provides students with practical tips for developing targeted career readiness competencies.

2.9 Career Corner: Managing Your Career Readiness

Figure 2.5 shows the model of career readiness we discussed in Chapter 1. What does a chapter on management history have to do with your career readiness? How about its application to the **Knowledge** competency of *understanding the business*? This competency was defined in Table 1.2 as the extent to which you understand a company's business and strategies and the needs of its stakeholders. It comes into play whenever you interview for a job.

Recruiters expect you to do some research, just as you would for a class assignment. They want you to act like Sherlock Holmes and do some snooping. That's good for both you and a potential employer in that it helps identify the likely level of fit between the two of you. Good fit, in turn, is associated with more positive work attitudes and task performance, lower intentions to quit, and less job-related stress.⁴⁵ Moreover, doing your homework on a company makes you a more attractive job candidate. It shows interest on your part, and recruiters are impressed by the fact that you took the time to learn about the business.⁴⁶ It also prepares you to ask smart questions, a behavior recruiters want to see. Remember, sometimes it's the small things like this that land a job.

LO 2-9

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

Concept Mastery

New exercises in Connect allow students to demonstrate lower levels of learning regarding career readiness. The Teaching Resource Manual provides opportunities for higher levels of learning for career readiness competencies.



Student-Centered Approach to Learning

Our writing style and product design is based on neuroscience research. Greater learning occurs when information is “chunked” to keep student attention. We break down topics into easily digestible portions with purposeful pedagogy to make theories and concepts easier to learn and apply. This accounts for the use of purposeful color, an extensive photo program, bulleted lists, and headings to appeal to the visual sensibilities, time constraints, and diverse learning styles of today’s students.

Chapter Openers

Each chapter begins with a list of key learning objectives that appeal to students concern about “what’s in it for me?” and to help them read with purpose.

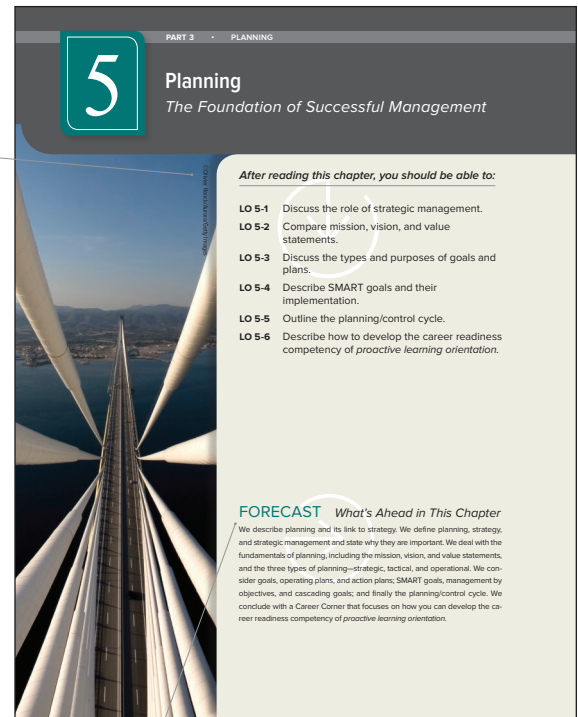
2.1 Evolving Viewpoints: How We Got to Today's Management Outlook

THE BIG PICTURE

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 manager's decisions, and clues to the meaning of outside events.

Chapter Sections

Within each chapter, sections are organized according to the major learning objectives. Generous use of headings and bulleted lists provide students with bite-sized chunks of information to facilitate retention. Each section begins with a recap of the **Learning Objective** and includes **The Big Picture**, which presents an overview of how the section addresses the stated objective.



Forecast

Shown below the learning objectives, the forecast provides a high-level of summary of what is covered in the chapter.

“Many management texts are simply dense and a slog to read. Kinicki is far more approachable in its pedagogy. It is well organized—the topics are arranged very logically in each chapter. The approach speaks directly to the student. This personalized, conversational approach engages my students. It has a new career theme that is critical to help our students demonstrate employable skills. The Teaching Resource Manual is also the best in its class.”

—Todd Korol,
Monroe Community College

“Layout, highlighted captions, use of boxes, bolding, pictures, and color are all great. It’s easier for students to read than other textbooks I have used. The key points summaries at end of chapters are useful and it’s overall very user-friendly and engaging.”

—Linsey Willis,
Florida Atlantic University

Extended Emphasis on Practicality

We want this ninth edition to be a cherished resource that students keep as they move into future courses and their future careers. We give students a great deal of practical advice in addition to covering the fundamental concepts of management.

Manage U

This new feature provides a pedagogical device that gives students practical, actionable tips for applying the material in each chapter. Students will find it interesting and valuable to their future careers.

Practical Action boxes

Practical Action boxes offer students practical and interesting advice on issues they will face in the workplace.

PRACTICAL ACTION Developing Your Soft Skills

Are you persistent, creative, curious? How do you deal with frustration or anxiety? Do you see yourself as part of a larger whole that gives your work purpose? How do you perceive problems—as temporary and solvable, or as a personal burden you are doomed to bear? Are you a good listener? Your answers will give you an idea about how well developed some of your soft skills are.

More than 90 percent of respondents to a recent Global Human Capital Trends survey by the consulting firm Deloitte identified soft skills like communication, emotional understanding, and problem solving as a critical priority.⁵³ Many employers say these skills are hard to find in college graduates, who often value hard skills more highly.⁵⁴ Companies are eagerly looking for soft skills as well, however; Google, for example, now prioritizes persistence and curiosity in its hiring process.⁵⁵ The good news is that soft skills can be taught. Employers are finding it worth investing money to develop these abilities in their employees. A new study shows that training employees in soft skills doesn't just marginally improve individual performance and employee retention; it actually betters these metrics enough to provide a 250% return on the financial investment a company makes in training programs.⁵²

For firms that can spare their employees for three days, the American Management Association (AMA) offers a soft-skills seminar for managers at all levels including front-line supervisors.⁵³ Among the skills they can gain are the ability to give direction without generating conflict, to lead and motivate groups and teams, to influence others including "difficult" people, to offer effective feedback, and to get things done in an atmosphere of trust and respect. The seminar topics are a comprehensive list of essential soft skills employers look for in college graduates and new hires—and say they seldom find: communication proficiency, which includes verbal, nonverbal, and listening skills; self-understanding, lack of defensiveness, and emotional understanding and responsiveness; the ability to productively manage conflict; and an understanding of team development and the role of a team player in getting work done.

For those who want to learn online and at their own pace, many inexpensive online classes are available.⁵⁴ These short interactive programs are geared for everyone from CEOs to entry-level employees. They cover everything from self-confidence to emotional intelligence, coaching teams, building healthy work relationships, handling business etiquette, resolving conflicts, decision making, reading body language, negotiating, dealing with angry customers to becoming a successful leader.

YOUR CALL
Look back at the first paragraph in this Practical Action box. Which of the soft skills listed there would you like to improve by the time you graduate, in order to make yourself a more attractive candidate to prospective employers?

MANAGE U

Making an Effective Plan for Starting Your Career

The thought of starting a career (or switching to a new one) can be either intimidating or exciting. What's the difference? Having goals and a plan.

Setting Goals and Making a Plan
Here are some steps in the career-management process for you to consider as you set about building your career:¹

- 1. Identify your options.** Use the career readiness skill of self-awareness to write down areas and ideas that interest and are important to you and the functional, cross-cultural, computational, interpersonal, and other skills you can offer an employer. Then make a written list of the opportunities available to you through your networking, earlier work and volunteer experience, and other resources (don't forget the alumni and placement offices at your school). Now match up the two lists to discover where you should focus your career-building efforts.
- 2. Explore conditions in your target field.** The career readiness skill of understanding the business will guide you to identify important factors like the demand for new hires in your chosen field or fields, the competencies expected of incoming employees, the likely salary range and opportunities for advancement, and any geographic limitations or requirements in the industry to be aware of. If your field or industry is concentrated in one or two parts of the country, for instance, be ready to move.
- 3. Create your action plan.** Using what you learned from steps 1 and 2, write a list of actions you can take to achieve your goal of breaking into a new career. You are more likely to achieve your goals if they are "SMART"—specific, measurable against clear criteria to show progress, attainable with a chance of 50% or higher, relevant to you, and time bound with target dates for completion. We discuss the process of writing SMART goals in Section 5.4. Try to keep your steps or goals to a manageable number; somewhere between three and five is recommended. Prioritize and schedule them to create your plan, and if it helps you to give each one a name, by all means do so.
- 4. Track your progress.** You'll see as you study this chapter that monitoring or controlling progress toward goals is an inherent part of the planning process. Each time you get a result from one of your efforts, whether it's positive or negative, that result constitutes feedback on how well you've selected your goals and how effective your plan is. If one step doesn't work out as planned, don't give up. Rely on your positive attitude and ability to adapt (more career readiness skills) and realize you have other opportunities to succeed. Try broadening your search, and begin again.

Staying Resilient during the Process
Here are a few ideas about what else you can do to keep your hopes—and your finances—afloat during the career-building process.

- 1. Know that it takes time to find a job, especially one that's a good fit for both you and the company that hires you.** College graduates spend about six months, on average, landing their first job after graduation.² If you are already working, even part-time, stay in the job while you pursue a new one. It's always easier to find a job if you have one. If you are not working, consider taking a part-time or short-term job to generate some income, since you'll want to avoid running up credit card debt.
- 2. Create a budget to be sure your income will cover your day-to-day expenses.** This is a lifelong habit that will serve you well.
- 3. Avoid making any major financial commitments until you've actually landed your target job.** You won't know how much you can afford to pay for a car until you know your salary, for instance, and you may not want to be encumbered by a new lease if your dream job requires you to relocate. As long as you have an appropriate interview outfit, even splurging on a professional wardrobe can wait until you know the dress code at your new employer.

For Discussion What fields or industries are interesting or appealing to you as places to work? What news and information about these areas can you start tracking now, and how will you do that? Is there anyone in your network who can help you increase your understanding of the way this industry works? If not, how could you find someone?

SELF-ASSESSMENT 3.1 CAREER READINESS

Assessing My Perspective on Ethics

This survey is designed to assess your views about ethics. It provides feedback about your status on the Career Readiness "other characteristics" of professionalism/work ethic.

Please be prepared to answer these questions if your instructor has assigned Self-Assessment 3.1 in Connect.

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2. What do you think about students cheating on homework assignments in school? What about cheating on exams?
3. Are your answers consistent with your score? Explain.
4. What can you say during an interview to demonstrate an ethical orientation?

Self-Assessments

Self-Assessment evaluations help students relate what they are learning to their own experiences and promote self-reflection, engagement, and development of their career readiness. Of the 66 total Self-Assessments included, nearly 40 of them pertain to a career readiness competency. For each of these, students are asked to consider how they might display the competency in an employment interview.

Testimonials from Millennials

Each chapter includes two new boxed features that provide testimonials from millennials about their experiences with effective and ineffective management. "I wish I..." boxes illustrate real-world examples in which students recall an instance when they or their boss could have better applied certain management concepts. "I'm glad I..." boxes discuss positive applications of management concepts.

I Wish I...
...considered the impact of ethnocentrism.



Jordin Hansen is a senior director of strategic operations for a global information technology company. She experienced a clashing of cultures develop part of strategy. An d United together business business within a larger company. Part of deciding on company vocabulary. "When nization, having consistent nomenclature things is extremely important, especially customers," said Jordin.

The approach that was used to de nomenclature was a very top-down ap team claimed they were listening to outs moved forward with what they thought w

What was not taken into consideration was that English was not the main language for a majority of the company's global stakeholders. One of the terms chosen to be part of the company nomenclature was "solution." As Jordin explained, this word means very different things to people of different cultures.

I'm glad I...
...work in an organization with a Theory Y culture.



Cameron Monkelien works in the banking industry as a team leader. He believes his company does a great job of making employees at all levels feel included and empowered.

Cameron works for a large company with a popular name and a lot of power, but, as Cameron puts it, "It really has its head on its shoulders. They give a lot of tools and capabilities to everybody—not just supervisors and managers, but all the way down to the bottom level."

Cameron feels interconnected with all aspects of his job because of the documentation and networking his company has worked many years to build. "There isn't a guessing game where you have to figure out who you need to talk to or where you need to go to get information. That's something that a lot of my other jobs didn't have: a database and network of people and documents that point you in the right direction in any given situation," said Cameron.

Another way that the company works to make its employees feel included is to have monthly meetings where employees can interact with people other than their direct supervisors. This helps employees to feel like upper management is listening to their concerns and ideas, and that they can really make a difference within the organization.

Cameron also feels safe to take risks and make mistakes rather than fearing the consequences of doing so. "I have personally taken several risks because I have enough confidence in my performance and belief in my team that I can go out on a limb for them and for myself," said Cameron. But ultimately, Cameron believes his direct supervisor cultivates an environment where employees feel safe to take risks and make mistakes. "My supervisor does a really good job about not coming down on us when something goes wrong. Instead she asks, 'How can we improve this going forward?'"

Cameron takes this lesson from his supervisor and works to make sure his own employees feel safe taking risks. "The first time one of my employees had a setback was almost two years into his role. He felt like it was such a personal defeat on his part. I had to have a discussion with him where I said, 'Having a failure does not mean that you are a failure. It means that there is still room for growth, room for learning, and room for improvement.'"

Cameron's company has taken additional steps to create an environment of empowerment by changing some of the job titles. "Instead of being a manager or a supervisor, you get the title of 'leader' because it instills the idea that instead of being in charge of your employees, you are leading them."

Courtesy of Cameron Monkelien

Management in Action cases

Rather than using stories about companies, the new Management in Action cases now focus on higher levels of learning by asking students to solve real organizational problems using relevant management concepts.

Management in Action

Who's to Blame for College Basketball's "Dark Underbelly"?

The National Collegiate Athletic Association (NCAA) is "a member-led organization dedicated to the well-being and lifelong success of college athletes."¹⁸⁸ Founded in 1906, the NCAA "functions as a general legislative and administrative authority for men's and women's intercollegiate athletics" and "formulates and enforces the rules of play for various sports and the eligibility criteria for athletes."¹⁸⁹

One of the "bedrock principles" of the NCAA is maintaining the spirit of amateur competition. Students are not allowed to be professional athletes, education holds top priority, and all athletes receive a fair chance to compete.¹⁹⁰ The NCAA outlines specific rules athletes must follow to maintain amateur status and, thus, eligibility to continue playing collegiate sports. Student athletes are, among other things, prohibited from publicly endorsing companies¹⁹¹ and from receiving a salary for athletic participation or benefits from prospective agents.¹⁹²

Although NCAA guidelines prohibit corporate sponsorships at the individual-athlete level, college teams have benefited from such alliances since 1977, when shoe-company executive Sonny Vaccaro "signed several coaches he knew . . . to contracts with Nike." According to Vaccaro, "the world changed" in 1987, when Nike signed its first all-school deal "to sponsor all of the University of Miami's athletic teams. With these deals, said Vaccaro, "you own everything in that school. That shoe company is now your business partner."¹⁹³

A BLURRY LINE BETWEEN AMATEURISM AND PROFESSIONALISM

Benefits aside, strategic relationships between apparel companies and universities blur the line between

amateurism and professionalism for two reasons. The first is money flowing to universities. Companies such as Nike, Under Armour, and Adidas "pay tens of millions of dollars a year to equip (and, from a marketing standpoint, align themselves) with major university programs."¹⁹⁴ These alliances benefit universities due to increased revenues generated by the sponsorships, and they earn sports apparel companies not only exclusive rights to partner with large academic institutions, but also insider access to the country's top athletic talent.

The second reason is money for college athletes. A particular challenge in NCAA basketball is the reality that some athletes don't intend to graduate from college. Due in large part to the NBA's "one-and-done" rule prohibiting athletes from playing professionally before their 19th birthday, elite players often attend classes for a year until they age into the NBA draft.¹⁹⁵ Apparel sponsors are often overly eager to secure exclusive deals with elite athletes who may earn coveted spots in the NBA because these arrangements generate lots of money for the sponsors.

ASSISTANT COACHES AND FEDERAL INDICTMENTS

Assistant coaches serve as the primary recruiters of top high-school talent and are expected to act as salespersons for their universities and build strong relationships with prize recruits.¹⁹⁶ They are expected to follow NCAA guidelines, and they do not always do so.

In November 2017, four assistant college basketball coaches were among 10 individuals indicted by a federal grand jury. *Fortune* described the lead-up to the indictments as "a detailed and clandestine FBI investigation that exposed alleged under-the-table payments to agents, coaches, and parents to influence talented athletes to choose particular colleges to play

Legal/Ethical Challenge cases

Legal/Ethical Challenge cases ask students to resolve real ethical challenges faced by managers and organizations. They help develop students critical thinking and problem-solving skills around ethical issues.

Legal/Ethical Challenge

Should You Apply to Have Your Student Loans Forgiven?

Student loan debt nearly tripled in the last decade, thanks to increased attendance at for-profit colleges along with rising college tuition and living expenses.²⁰⁰ For hundreds of thousands buried in student loan debt, a little known 1994 program called "Borrower

Defense" or "Defense to Repayment" sponsored by the Education Department offers a lifeline.

The program is available for those students who obtained loans from the government's Direct Loan program. "The law says students are entitled to forgiveness of any existing debt—and, possibly, reimbursement of any repaid loans—if they can show that their school violated state law in getting them to take out the debt.

Uber Continuing cases

These new cases ask students to synthesize and apply what they've learned across the course to Uber. Based on reviewer feedback, we've introduced these at the chapter level.

Uber Continuing Case

Learn how Uber's corporate strategies have changed from those pursued by founder and CEO Travis Kalanick to those identified by current CEO Dara Khosrowshahi. Assess your ability to apply concepts discussed in this chapter to the case by going to Connect.

Imaginative Writing for Readability and Reinforcement

Research shows that products written in an imaginative, story-telling style significantly improve students' ability to retain information. We employ numerous journalistic devices to make the material engaging and relevant to students lives.

Example boxes

We utilize numerous Example boxes to emphasize the practical applications of business. These mini cases use snapshots of real-world companies to explain text concepts.

Your Call questions stimulate class discussions and help students develop their critical thinking skills. Suggestions for how to use the Example boxes are found in the Teaching Resource Manual (TRM).

EXAMPLE

Informal Groups and Informal Learning: Sharing Knowledge in the Lunchroom and on Social Media

As a manager, what would you think if you saw employees making brief conversation near the lunchroom coffee pot? Are they talking about the season finale of their favorite show, or is something more productive taking place? Office kitchens have been hidden out of sight for generations, an unloved necessity kept stark to make sure workers didn't linger, says the *Los Angeles Times*. Companies are now seeing office kitchens in a new light. Kitchens are being turned into showplaces intended to boost morale, encourage collaboration, and create a learning environment.¹¹ Why the change of heart?

Workplace Learning: Mostly Informal

Research has found that 70 percent of workplace learning is informal.¹² Organizations are taking notice of this phenomenon. For example, Siemens managers have placed overhead projectors and empty pads of paper in the lunchroom to facilitate the exchange of information.¹³ The highest-performing Google employees teach and support those employees looking to improve. Google certainly has the resources to afford fancy training programs. The company instead opts for peer-to-peer training in order to foster a culture of learning that values continuous development and the sharing of knowledge and expertise.¹⁴

Online Peer-to-Peer Networks What about when employees are in far-flung places? "Sales reps are out in the field and they're kind of on islands," pointed out an Indianapolis software-firm executive. "It's a challenge to keep everyone connected."¹⁵ So when the 75 reps started overwhelming the sales-support staff with questions about product details and client information, the company created a website on which the reps could post and answer questions in an informal peer-to-peer learning setting.¹⁶ These types of portals can also be used for employees in distant locations to tell each other personal and professional stories to share experiences. Research has shown that when people talk informally, 65 percent of the time they are telling stories. So providing an online venue for storytelling can be quite effective.¹⁷



Talking it out. Ever worked in a job in which you got a lot of informal training through conversations over coffee? Could this be done with social networking?
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YOUR CALL

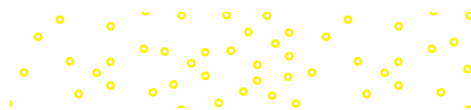
Can games (such as the online multi-player game *Second Life*) or other social media (Facebook, Twitter, Instagram, etc.) be used to foster informal workplace collaboration? How about allowing employees to BYOD—"bring your own device" to work, such as their own smartphone or tablet?¹⁸

“Readability is very good for the undergraduate audience. Updates are frequent and provide current examples.”

—Justin Davis,
University of West Florida

“The order and quality of information within the textbook (is great). Logical for faculty, plenty of examples for students; Kinicki provides better detail and examples, and good supplemental materials.”

—Alex Williams,
Texas A&M Commerce



Resources That Work

No matter how you teach your course: face-to-face, hybrid, or online—you're in the driver's seat. We offer the most robust set of resources to enhance your Principles of Management course. In addition to our unique Teaching Resource Manual, packed with additional activities and supplemental teaching tools; PowerPoint presentations; and Test Bank questions, we have a wealth of assignable resources available in Connect®.

Connect®

The ninth edition continues to build on the power of Connect and furthers our quest to help students move from comprehension to application. McGraw-Hill Connect® is a personalized teaching and learning tool powered by adaptive technologies so your students learn more efficiently, retain more, and achieve better outcomes. We used this platform to create exercises that are auto-graded in order to assist students in developing their career readiness. Here you will find a wide variety of learning resources that develop students' higher-order thinking skills, including:

- **SmartBook®**—As part of Connect, students have access to SmartBook®, fueled by LearnSmart, an adaptive learning and reading tool. SmartBook prompts students with questions based on the material they are studying. By assessing individual answers, SmartBook learns what each student knows and identifies which topics they need to practice. This adaptive technology gives each student a personalized learning experience and path to success. SmartBook provides students with a seamless combination of practice, assessment, and remediation.
- **Click & Drag exercises**—These activities help make the connection between theory and application through matching, ranking, or grouping. Every Career Corner has an exercise to help you assess students understanding about how to improve targeted career readiness competencies.
- **iSeeIt animated videos**—These brief, contemporary videos offer dynamic student-centered introductions, illustrations, and animations to guide students through challenging concepts. Ideal for before class as an introduction, during class to launch or clarify a topic, or after class for formative assessment.
- **Self-Assessments**—Designed to promote student self-awareness and self-reflection, these research-based activities also provide personal and professional development. For this edition, five new assessments were created to measure different career readiness competencies. In addition, new structured feedback explains how students should interpret their scores.
- **Case Analyses and Video Cases**—Our assortment of written and video cases challenge students to analyze concepts as they manifest in scenarios related to a real-life product or company, fostering students' ability to think critically in lecture and beyond. Thought-provoking questions check the students' application of the course material and develop their workplace readiness skills.
- **Manager's Hot Seat videos**—These actor-portrayed videos depict real-life situations where a manager is faced with a dilemma that needs to be analyzed based on management concepts. The videos have been a hit throughout the years because they put students at the center of controversial situations and contribute to their use of critical thinking to solve problems. Eleven new Manager's Hot Seats have been added to Connect for concepts such as motivation, decision making, organizational structure, and more. Each Hot Seat includes follow-up multiple-choice questions that are assignable and auto-gradable.
- **Uber Continuing Case**—Students understand the application of and relationship between different concepts by applying them to the same company throughout the semester. We conducted an extensive revision to the case based on current events and the need to offer a more flexible method for using it. Instructors now have a continuing case on Uber that can be used for every chapter or as a summary case for each part. Each chapter case includes multiple-choice questions that are assignable and auto-gradable, as well essay-based questions.
- **Application-Based Activities**—These activities provide students valuable practice using problem-solving skills to apply their knowledge to realistic scenarios. Students progress from understanding basic concepts to using their knowledge to analyze complex scenarios and solve real-life problems. Along the way, students see the implications of their decisions and are provided with feedback on how management theory should be informing their actions. They also receive detailed feedback at the conclusion of the activity. The simulations are assignable and auto-gradable. Ten new application-based activities have been added to Connect for concepts such as ethics, organizational culture, change management, and more.

“It is the best Management textbook on the market. Most importantly, and the key competitive advantage, is the Connect material. LearnSmart/SmartBook is above and beyond anything else out there.”

—Gerald Schoenfeld,
Florida Gulf Coast University



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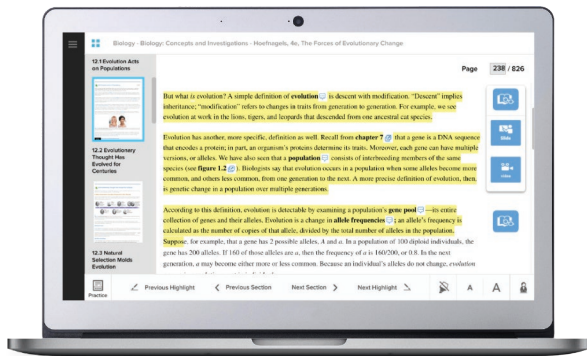
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Connect helps you be more productive with your study time and get better grades using tools like SmartBook, which highlights key concepts and creates a personalized study plan. Connect sets you up for success, so you walk into class with confidence and walk out with better grades.



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“I really liked this app—it made it easy to study when you don't have your textbook in front of you.”

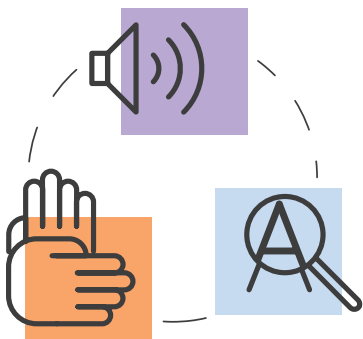
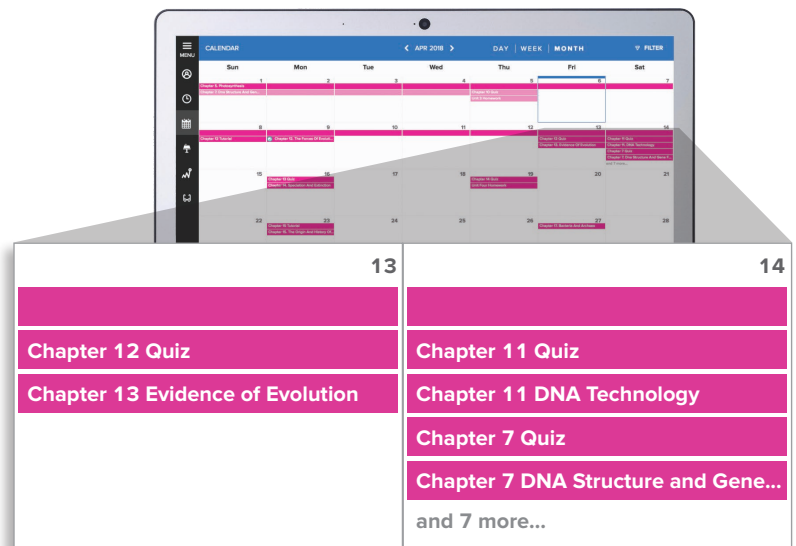
- Jordan Cunningham,
Eastern Washington University

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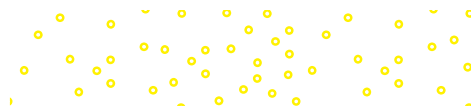
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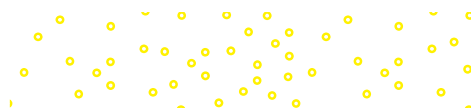
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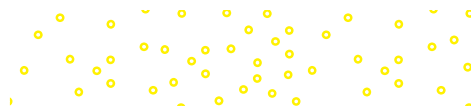
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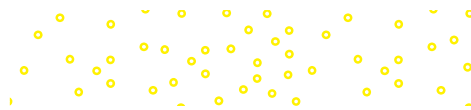
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I hope you enjoy reading and applying the book. Best wishes for success in your career.

Angelo Kinicki

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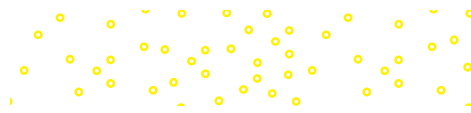
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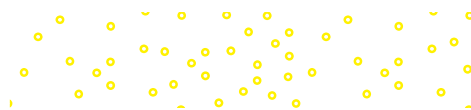
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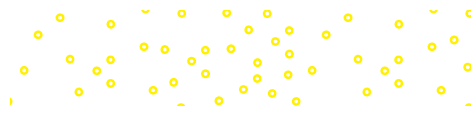
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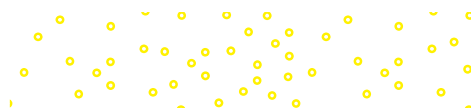
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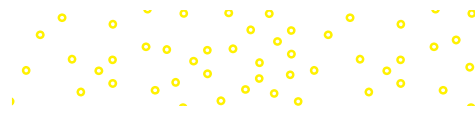
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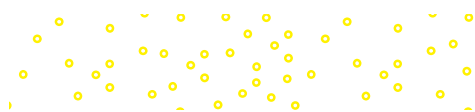
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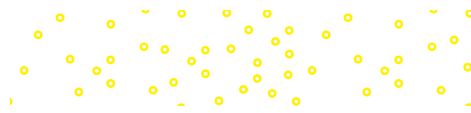
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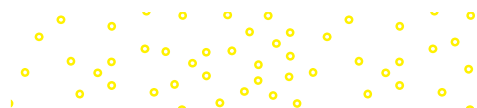
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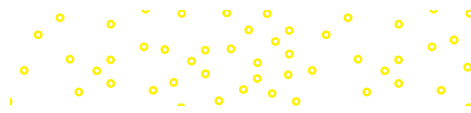
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An aerial, low-angle shot looking down the length of a cable-stayed bridge. The bridge's deck and cables lead the eye towards a distant horizon. On either side, massive white pylons are visible, their curved surfaces catching the light. Below the bridge, a coastal town is nestled on a peninsula, surrounded by blue water and distant mountains under a clear sky.

management

NINTH EDITION

1

The Exceptional Manager

What You Do, How You Do It

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After reading this chapter, you should be able to:

- LO 1-1** Identify the rewards of being an exceptional manager.
- LO 1-2** List the four principal functions of a manager.
- LO 1-3** Describe the levels and areas of management.
- LO 1-4** Identify the roles an effective manager must play.
- LO 1-5** Discuss the skills of an outstanding manager.
- LO 1-6** Identify the seven challenges faced by most managers.
- LO 1-7** Define the knowledge, soft skills, attitudes, and other characteristics needed for career readiness and discuss how they can be developed.
- LO 1-8** Describe the process for managing your career readiness.

FORECAST *What's Ahead in This Chapter*

We describe the rewards, benefits, and privileges managers might expect. We also describe the four principal functions of management—planning, organizing, leading, and controlling. We consider levels and areas of management and describe the three roles managers must play. We describe the three skills required of a manager and the three roles managers play and discuss seven challenges to managers in today's world. We then focus on a model of career readiness and offer tips for building your career readiness. The chapter concludes with a Career Corner that presents a process that can be used to develop your career readiness.



Using Management Skills for College Success

Our goal is to *make this book as practical as possible for you*. One place we do this is in the Manager's Toolbox, like this one, which appears at the beginning of every chapter and offers practical advice for applying the topic of the chapter to your personal life and career. Here, for instance, we show you how to make teamwork one of your job strengths, starting now. This is an important skill that recruiters look for when hiring college graduates.¹

Functions of Management

In the chapter you will read about the four functions of management—planning, organizing, leading, and controlling. They represent essential activities that all managers undertake in the course of doing their jobs. Although they may sound a little abstract right now, you can use them today to work more successfully on team projects assigned by your professors.

Applying the Functions of Management to School Projects

Consider the students in a Princeton University summer business program. Working in teams, they had 10 weeks to prepare a pitch for a start-up idea and ask for funding. One of the teams ran a four-week pilot after-school program for five Trenton, NJ girls and asked for \$324,000 to scale the program up to include 40 girls on a year-round basis. Their pitch was that the program would help more young women graduate from high school and have a positive effect on the entire community. The students planned their pilot program, its budget, and its schedule and curriculum; they organized the four weeks of activities for the girls they recruited; they led the girls through each day's events; and they used before and after surveys to control (that is, measure) the effects of their efforts. In other words, they relied on the four functions of management to ensure that they worked together to achieve their goals.²

Think about how you might make better use of planning and controlling in a team assignment for a course. You might draw up a detailed schedule of tasks and assign them to team members (planning), and then identify checkpoint dates on which you measure progress toward your deadline (controlling). You could set up a way to best use the resources at your disposal, such as time, library materials, personal expertise, and outside experts (organizing), and then use the progress checkpoints to motivate your fellow team members to continue putting forth their best effort (leading). The experience you can gain by using these essential management skills now will serve you well in your studies and throughout your career.

Applying the Functions of Management in your Personal Life

Consider how you might use the functions of management to lose 10 pounds. Your plan would include dates and times to exercise on your Google or Outlook calendar along with ideas for how you will change your eating habits. You then would make sure you have the resources (time, clothing, support network, dietary plan) to assist you along your weight loss journey (organizing). You also may find it valuable to have an exercise buddy during some of your workouts (leading). Alternatively, some people find it motivational to have someone hold them accountable via weekly weigh-ins (controlling).

For Discussion Why would employers seek to hire people with good management skills? How can you strive to improve your managerial skills while working on class projects?

1.1 Management: What It Is, What Its Benefits Are

THE BIG PICTURE

Management is defined as the pursuit of organizational goals efficiently and effectively. Organizations, or people who work together to achieve a specific purpose, value managers because of the multiplier effect: Good managers have an influence on the organization far beyond the results that can be achieved by one person acting alone. Managers are well paid, with the chief executive officers (CEOs) and presidents of even small and midsize businesses earning good salaries and many benefits.

LO 1-1

Identify the rewards of being an exceptional manager.

When chief executive officer Mary Barra took the reins of Detroit-based General Motors (GM) in January 2014, she became the first female CEO of a global automaker anywhere in the world. She also became only the 22nd woman at the helm of a Fortune 500 company, one of those 500 largest U.S. companies that appear on the prestigious annual list compiled by *Fortune* magazine. (Other female CEOs of major companies are IBM's Virginia "Ginni" Rometty, Hewlett-Packard's Meg Whitman, Lynne Doughtie of KPMG, Sofra Katz of Oracle, Marillyn Hewson of Lockheed Martin, and Mondelez International's Irene Rosenfeld.)

What kind of a person is Barra, a 30-year GM veteran? She has been called "nearly impossible to dislike" and is credited with bringing a much-needed "calm stability" to GM. Among her many people skills is the ability to engage and motivate others, including top executives who may have vied for her job but who have been persuaded to stay and work with her.³ Are these qualities—which many people have—enough to propel someone to the top of a great organization?

The Rise of the Die Maker's Daughter

The daughter of a die maker, Barra grew up in suburban Detroit, joined GM at age 18 as an intern on the factory floor, graduated from General Motors Institute (now Kettering University) with a degree in electrical engineering, and then became a plant engineer in GM's Pontiac Division. Spotting her talent, GM gave her a scholarship to Stanford University, where she earned a graduate degree in business. She then began moving up the GM ladder, first as the executive assistant to the CEO and then as the company's head of human resources—formerly often as high as female executives ever got in the auto industry and many others. In 2011, Barra's big break came when she was promoted to lead GM's \$15 billion vehicle-development operations, a high-profile role that became the stepping-stone to the CEO spot. In 2016, she was also made chairwoman of the board.⁴

Key to Career Growth: "Doing Things I've Never Done Before"

Did it help that Barra has such deep experience in the auto industry and at GM in particular? No doubt it did. But there is another key to career growth—the ability to take risks. Jeff Bezos, the founder of Amazon.com, was holding down a lucrative job as a Wall Street hedge fund manager in the 1990s when he read that the Internet had recently grown 2,300% in a single year. Even though it meant leaving a stable job with a big bonus on the way, Bezos made the risky leap to the start-up he called Amazon, working out of a garage. "I knew that I might sincerely regret not having participated in this thing called the Internet that I thought was going to be a revolutionizing event," he says. "When I thought about it that way . . . it was incredibly easy to make the

The driving force. One quality that stands out about General Motors CEO Mary Barra is her obvious enthusiasm for cars. She is said to be given to talking excitedly about whatever car she is currently driving and what it demonstrates about GM's product line. Do you think passion about one's work is a necessary quality for managerial success?

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decision.”⁵ Bezos built his company into the largest e-commerce hub in the world and now operates several other businesses and charities as well. He is one of the two or three richest people in the world.

The Art of Management Defined

Is being an exceptional manager a gift, like a musician having perfect pitch? Not exactly. But in good part it may be an art.⁶ Fortunately, it is one that is teachable.

Management, said one pioneer of management ideas, is “the art of getting things done through people.”⁷

Getting things done. Through people. Thus, managers are task oriented, achievement oriented, and people oriented. And they operate within an **organization**—a group of people who work together to achieve some specific purpose.

More formally, **management** is defined as (1) the pursuit of organizational goals efficiently and effectively by (2) integrating the work of people through (3) planning, organizing, leading, and controlling the organization’s resources.

Note the words *efficiently* and *effectively*, which basically mean “doing things right.”

- **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.

Good managers are concerned with trying to achieve both qualities. Often, however, organizations will erroneously strive for efficiency without being effective. Retired U.S. Army general Stanley McChrystal, former commander of all American and coalition forces in Afghanistan, suggests that effectiveness is a more important outcome in today’s organizations.⁸

EXAMPLE

Efficiency versus Effectiveness: How Did Delta Airlines Deal with the Emergency at Atlanta’s Hartsfield-Jackson Airport?

Atlanta’s Hartsfield-Jackson Airport is the busiest in the world, serving a quarter million passengers daily. So when an electrical fire blacked out the airport one Sunday afternoon before Christmas 2017, the potential for chaos was high. Over a long night without power, tens of thousands of passengers were stranded with no light, heat, or communications, and thousands of flights were canceled or diverted across the United States, disrupting travel for several days.

The blackout halted computer systems, escalators, baggage carousels, inter-terminal transportation, and even the automatic soap dispensers and toilets in the airport’s restrooms. Passengers slept in the darkened airport overnight, unable to check social media, use travel apps, or recharge their phones, while employees gave out blankets, bottled water, and paper towels.

Efficiency. Three-quarters of the airport’s traffic consists of Delta flights to and from more than 200 cities around the world.⁹ Atlanta is Delta’s hub and the location of its Operations and Customer Center, where 300 employees monitor local and global weather and air traffic. The Center had power during the



Passengers scrambling for help during the power outage at Hartsfield-Jackson Airport in Atlanta. Do you think more effective management might have prevented this accident? ©Jessica McGowan/Getty Images

blackout, and emergency staff arrived to help rebook passengers and cope with 400 additional flight cancellations made on Monday because the needed planes had not been able to land

the day before. Delta's staff also had to get its pilots and crews from Atlanta to the cities where they were needed next, but without unlawfully lengthening their shifts.

Delta distributed donated food at the terminal and reimbursed passengers for Atlanta hotel stays on Sunday night. Those who rebooked flights were given waivers to make the change. On Monday Delta was reporting progress. Gil West, Senior Executive Vice President and COO, said, "At the airport, Delta people . . . have been serving customers—from passing out refreshments to assisting customers with wheelchair support. Thanks to everyone's hard work, we're nearly back to normal at our biggest hub." By Tuesday the airline was reporting a nearly 90 percent on-time arrival rate at Atlanta, all passengers had been rebooked, and a dedicated phone line had opened to help reunite passengers with their luggage, most of which had already been delivered.¹⁰

Effectiveness. Passengers on one Delta flight spent six hours on the runway, consuming the plane's stores of food and drinks until they could disembark. "Under the circumstances it was well-managed," said one passenger, who praised Delta employees for doing their best to keep everyone calm and comfortable.¹¹

Still, many who spent hours at the darkened airport wondering what happened felt Delta could have done more. Said one, "There was no one who could help us. There wasn't a single Delta employee who knew what was going on. They could have at least used a megaphone to say, 'This is what's happening.'"¹² Many others echoed these comments and said that despite a repeated recorded announcement that an emergency had occurred, no further information ever came.

YOUR CALL

The fire that caused the blackout was apparently an accident, partly attributed to aging equipment, a factor over which Delta may have little control though it is the airport's major lessee. Some, including a former U.S. Secretary of Transportation who was stranded, saw "no excuse" for the failure of the airport's backup power system.¹³ Delta believes the outage and ripple effects may have cost it \$25 to \$50 million and said it would seek reimbursement. "I don't know whose responsibility it is between the airport and Georgia Power," said Delta's CEO Ed Bastian, "but we're going to have conversations with both of them."¹⁴ Do you think Delta handled the airport emergency efficiently? Could the airline have been more effective from a passenger's point of view? How?

Why Organizations Value Managers: The Multiplier Effect

Some great achievements of history, such as scientific discoveries or works of art, were accomplished by individuals working quietly by themselves. But so much more has been achieved by people who were able to leverage their talents and abilities by being managers. For instance, of the top 10 great architectural wonders of the world named by the American Institute of Architects, none was built by just one person. All were triumphs of management, although some reflected the vision of an individual. (The wonders are the Great Wall of China, the Great Pyramid, Machu Picchu, the Acropolis, the Coliseum, the Taj Mahal, the Eiffel Tower, the Brooklyn Bridge, the Empire State Building, and Frank Lloyd Wright's Falling Water house in Pennsylvania.)

Good managers create value. The reason is that in being a manager you have a *multiplier effect*: Your influence on the organization is multiplied far beyond the results that can be achieved by just one person acting alone. Thus, while a solo operator such as a salesperson might accomplish many things and incidentally make a very good living, his or her boss could accomplish a great deal more—and could well earn two to seven times the income. And the manager will undoubtedly have a lot more influence.

The Financial Rewards of Being an Exceptional Manager

How well compensated are managers? According to the U.S. Bureau of Labor Statistics, the median weekly wage for full-time U.S. workers is \$859, or \$44,688 a year.¹⁵ Education pays: The median 2017 yearly income for full-time workers with at least a bachelor's degree was \$66,092, compared to \$37,128 for high-school graduates. People employed full-time in management, professional, and related occupations had the highest median incomes, \$73,372 for men and \$55,016 for women.¹⁶

The business press frequently reports on the astronomical earnings of top chief executive officers. The top earner in 2016 was Thomas Rutledge, CEO of Charter Communications, whose total compensation topped \$98 million.¹⁷ Average compensation for CEOs at the 350 largest companies was \$15.6 million in 2016, or 271 times the salary of the average worker, based on a survey by *Fortune*.¹⁸ The more usual median wage for CEOs in 2015 was \$737,613, according to Salary.com, and for general and operations managers \$102,750, according to the Bureau of Labor Statistics.¹⁹

Managers farther down in the organization usually don't make this much, of course; nevertheless, they do fairly well compared with most workers. At the lower rungs, managers may make between \$35,000 and \$60,000 a year; in the middle levels, between \$50,000 and \$135,000. (For examples of managerial salaries, go to www.bls.gov/ooh/management/home.html.)

There are also all kinds of fringe benefits and status rewards that go with being a manager, ranging from health insurance to stock options to large offices. And the higher you ascend in the management hierarchy, the more privileges may come your way: personal parking space, better furniture, and—for those on the top rung of big companies—company car and driver, corporate jet, company-paid resort-area villa, and even executive sabbaticals (months of paid time off to pursue alternative projects).



Best paid. Thomas Rutledge, CEO of Charter Communications, earned \$98 million in 2016 making him the highest-paid manager in the United States that year. That's far greater than the largest salary paid to any NBA player in that period (\$25 million to Kobe Bryant of the Los Angeles Lakers). What do you think your chances are of making even \$100 million in your entire lifetime?

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What Are the Rewards of Studying and Practicing Management?

Are you studying management but have no plans to be a manager? Or are you trying to learn techniques and concepts that will help you be an exceptional management practitioner? Either way, you will use what you learn. Mike Dikison, for instance, is the curator of natural history at the Whanganui Regional Museum in New Zealand. As his recent “A Day in the Life . . .” blog post reveals, Dikison uses the skills of a manager every day, whether he is planning the loan of some rare mounted specimens to another organization, valuing the collection for insurance purposes, answering visitors' questions, arranging publicity on social media for a guest lecturer who will speak about poisons in the environment, organizing a donated collection of bone specimens for display in the museum's galleries, meeting with a community conservation group, or exploring the possibility of collaborative research with the Department of Conservation.²⁰ Time management, people skills, mastery of interpersonal and e-communication, and the capacity to organize and plan are some of the management abilities that serve him well in his busy days.

The Rewards of Studying Management Students sign up for an introductory management course for all kinds of reasons. Many, of course, are planning business careers, but others are taking it to fulfill a requirement or an elective. Some students are in technical or nonprofit fields—computer science, education, health, and the like—and never expect to have to supervise people.

Here are just a few of the payoffs of studying management as a discipline:

- **You will have an insider's understanding of how to deal with organizations from the outside.** Since we all are in constant interaction with all kinds of organizations, it helps to understand how they work and how the people in them make decisions. Such knowledge may give you skills that you can use in dealing with organizations from the outside, as a customer or investor, for example.

- **You will know from experience how to relate to your supervisors.** Since most of us work in organizations and most of us have bosses, studying management will enable you to understand the pressures managers deal with and how they will best respond to you.
- **You will better interact with co-workers.** The kinds of management policies in place can affect how your co-workers behave. Studying management can give you the understanding of teams and teamwork, cultural differences, conflict and stress, and negotiation and communication skills that will help you get along with fellow employees.
- **You will be able to manage yourself and your career.** Management courses in general, and this book in particular, give you the opportunity to realize insights about yourself—your personality, emotions, values, perceptions, needs, and goals. We help you build your skills in areas such as self-management, listening, handling change, managing stress, avoiding groupthink, and coping with organizational politics.

The Rewards of Practicing Management Many young people want not only to make money but also to make a difference. As Swarthmore psychology professor Barry Schwartz, author of *Why We Work*, suggests, “We care about more than money. We want work that is challenging and engaging, that enables us to exercise some discretion and control over what we do, and that provides us with opportunities to learn and grow.”²¹ Becoming a management practitioner offers many rewards apart from money and status, as follows:

- **You and your employees can experience a sense of accomplishment.** Every successful goal accomplished provides you not only with personal satisfaction but also with the satisfaction of all those employees you directed who helped you accomplish it.
- **You can stretch your abilities and magnify your range.** Every promotion up the hierarchy of an organization stretches your abilities, challenges your talents and skills, and magnifies the range of your accomplishments.
- **You can build a catalog of successful products or services.** Every product or service you provide—the personal Eiffel Tower or Empire State Building you build, as it were—becomes a monument to your accomplishments. Indeed, studying management may well help you in running your own business.
- **You can become a mentor and help others.** According to one survey, 84% of workers who had a **mentor**—an experienced person who provided guidance to someone new to the work world—said the mentor helped them advance their careers.²² ●

These three machinists are using several managerial skills to produce better products. One involves mentoring from the man in the middle.

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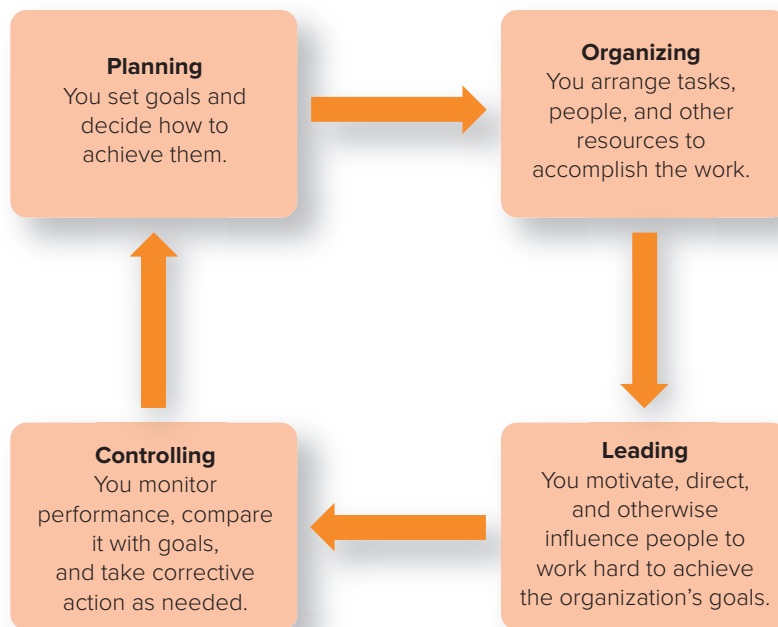


1.2 What Managers Do: The Four Principal Functions

THE BIG PICTURE

Management has four functions: *planning, organizing, leading, and controlling.*

What do you as a manager do to get things done—that is, to achieve the stated goals of the organization you work for? You perform what is known as the management process, also called the **four management functions**: **planning, organizing, leading, and controlling.** (The abbreviation “POLC” may help you to remember them.) As the diagram illustrates, all these functions affect one another, are ongoing, and are performed simultaneously. (See *Figure 1.1*.)



LO 1-2

List the four principal functions of a manager.

FIGURE 1.1

The management process

What you as a manager do to get things done—to achieve the stated goals of your organization.

Although the process of management can be quite varied, these four functions represent its essential principles. Indeed, as a glance at our text’s table of contents shows, they form four of the part divisions of the book. Let’s consider what the four functions are, using the management (or “administration,” as it is called in nonprofit organizations) of your college to illustrate them.

Planning: Discussed in Part 3 of This Book

Planning is defined as setting goals and deciding how to achieve them. Your college was established for the purpose of educating students, and its present managers, or administrators, now must decide the best way to accomplish this. Which of several possible degree programs should be offered? Should the college be a residential or a commuter campus? What sort of students should be recruited and admitted? What kind of faculty should be hired? What kind of buildings and equipment are needed?

Organizing: Discussed in Part 4 of This Book

Organizing is defined as arranging tasks, people, and other resources to accomplish the work. College administrators must determine the tasks to be done, by whom, and what the reporting hierarchy is to be. Should the institution be organized into schools with departments, with department chairpersons reporting to deans who in return report to