**1**

 **Chapter**

# The Exceptional Manager:

# What You Do, How You Do It

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**Teaching Resource Manual: A Guide to Implementation**

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

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

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

**So What Assets Can I Chose From?**

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

Our teaching resources fall into nine categories: SmartBook, connect application exercises, videos, self-assessments, online readings, discussion starters, mini-cases and full cases, experiential or follow-up activities, and group exercises. After describing the use of SmartBook and connect application exercises, we discuss how you might use these teaching resources before, during, or after class.

**Assigning SmartBook and Connect Application Exercises**

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

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

Some recommendations include:

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

**So When Do I Assign Each Type of Teaching Resource?**

Wouldn’t it be wonderful if you could transition from simply assigning readings, lecturing, and testing to actually adapting your teaching to student needs? By utilizing the teaching resources outlined below during the three touch points, you can significantly impact students’ learning and create a learning environment that is more engaging, involving, and rewarding. In other words, you can now tailor your classrooms to pinpoint and address critical challenges, thereby creating the greatest impact. The following recommendations pertain to these mentioned touch points, with an additional [matrix](#Matrix) that follows.

***Before Class***

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

If your goal is mastery of content, Connect offers a host of additional pre-class assignments to choose from. They include case analyses, click and drags, video cases, Manager’s Hot Seats, self-assessments, and quizzes and tests. Case analyses, click and drags, and video cases are optimal exercises to be utilized prior to class, as they provide students the opportunity to practice and apply key course concepts.

A reading assignment—typically a chapter from the product in use—is a student’s initial exposure to course content. Requiring students to complete a SmartBook module either prior to class or an online lecture allows you to gauge their comprehension of the material. Having a better sense *before* class of which concepts your students are “getting” and which ones they are not, allows you to more effectively and efficiently plan your time with them *during* class. To ascertain student competency, use the reporting function of SmartBook, where you can view general results of their performance. To ascertain student confidence in their competency, pull a metacognitive skills analysis report. Below are screenshots of both a general results report and a metacognitive skills analysis. In the sample report of student comprehension by topic, note the percent of questions answered correctly in the last column of the report.



Sample Report of Student Comprehension by Topic shows you what topics students are struggling with.

In the sample metacognitive skills analysis, the percentages show how much students know, but didn’t realize they knew, as well as how much they *didn’t know*, but thought they did know. This allows instructors to make sure students are cognizant about what they know or don’t know, before expecting them to be competent in the concepts being taught. Such metacognitive analysis would have been unimaginable in the past because it would be difficult to find out which students had read and understood the material, let alone if they were aware or unaware of their inability to comprehend.



Sample Report of Metacognitive Skills Analysis shows you student consciousness or unconsciousness in regards to competency.

Additionally, Connect application exercises, such as case analyses, click and drags, and video cases, offer students a second exposure to important sections of the chapter after their completion of a SmartBook assignment.

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

If your learning objectives include fostering application and integrating the concepts discussed with real world practice, then Management in Action or legal/ethical challenge cases can be assigned so students can think critically and understand how what they are learning is actually practiced by successful professionals. The Management in Action cases have multiple-choice questions that can be assigned in Connect to gauge student comprehension.

***During Class***

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

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

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

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

If your goal is to jointly engage your students while applying content from the text, you can select such activities as the Manager’s Hot Seats Connect follow-up activities, or self-assessment follow-up activities (all follow-up activities are found in the TRM). These assets are especially useful if you are “flipping” your classroom, wherein the class session is used for application and analysis of key concepts rather than lecture. [The Resources across Teaching Touch Points Matrix](#Matrix) provides a quick reference for activities that can be utilized during class.

***After Class***

After the face-to-face class session, or online lecture, you can assign Connect application exercises as homework to further reinforce the material covered in the textbook and lecture. You may also want to assign an iSeeIt! animated video if you notice that students are struggling with a particular topic, even after class. After each unit (planning, organizing, leading, and controlling) students can also be assigned the cumulative case, which includes assignable multiple-choice and essay-based questions. To further gauge student comprehension, you can also assign a quiz or exam. The quiz banks in Connect focus more on defining and explaining material, and the test banks focus more on application and analysis.

**Resources Across Teaching Touch Points Matrix**

|  |  |  |  |
| --- | --- | --- | --- |
| **Type of Asset** | **Before-Class/Lecture** | **During-Class/Lecture** | **After-Class/Lecture** |
| Smart Book |  |  |  |
| Connect Application Exercises |  |  |  |
| Connect Application Exercise TRM Follow-up Activities |  |  |  |
| iSeeIt! Animated Videos |  |  |  |
| Self-Assessments |  |  |  |
| TRM Self-Assessment Follow-up Activities |  |  |  |
| Quizzes/Tests |  |  |  |
| Legal/Ethical Challenges |  |  |  |
| Manager’s Hot Seats |  |  |  |
| Cumulative Case |  |  |  |
| TRM Box Additional Activities (i.e. Example and Practical Action)  |  |  |  |
| Management in Action |  |  |  |
| Group Exercises |  |  |  |
| TRM Discussion Starters |  |  |  |
| TRM Online Readings |  |  |  |

**A Week at a Glance**

When creating a syllabus and schedule for students, you can utilize the above-mentioned matrix as a guide. Let’s use the following example: You teach a **face-to-face** Principles of Management course, and the course meets once-a-week on Wednesday afternoons. If this is the fourth week of the semester and you are covering Chapter 4 on Global Management, the following format can be utilized:

***Before Class (before Wednesday)***

* *Assign Chapter 4 in SmartBook, making it due Tuesday evening so that reporting can be reviewed prior to the lecture on Wednesday. The lecture can be customized based on what concepts in the chapter students are struggling most with, as can be seen in the reporting function of SmartBook by going to “Reporting” then clicking the “LearnSmart” tab.*
* *A click and drag, such as one on “The GLOBE Project,” can be assigned. This can also be due on Wednesday so that students are able to practice prior to class, and you can also review results prior to lecturing.*
* *A case analysis, such as “Costco Plans to Grow Its International Market,” can also be included so that students can learn about applying the concepts from the reading to a real-life scenario; therefore, further engaging them prior to the class session. If desired, you can then introduce a follow-up activity, found in the Teaching Resource Manual, during class on Wednesday.*
* *A self-assessment can be assigned, such as “Assessing Your Consumer Ethnocentrism,” in order to follow-up on content covered in the reading and to provide students with an opportunity to self-reflect, and by seeing how it affects their personal lives, become engaged with the content. This can set up a class activity to follow on Wednesday. Follow-up activities can be found in the Teaching Resource Manual.*

***During Class (on Wednesday)***

* *You can deliver a short, yet effective, lecture and focus on areas that students are really struggling with. This can be done by reviewing the reporting from SmartBook and any assigned Connect application exercises, such as the recommended click and drag and case analysis. If students are struggling with a particular learning objective, you can then tailor the lecture and/or class activities to address those challenging concepts.*
* *If you are flipping the class and utilizing the in-person session for activities, you can utilize the follow-up activities from previously assigned Connect application exercises in the TRM.*
* *You can assign a self-assessment earlier in the week, for example on “Assessing Your Global Manager Potential,” and have students complete a follow-up activity during the class session based on the self-assessment results. Remember, follow-up activities for each Connect application exercise can be found in the TRM.*
* *Manager’s Hot Seats can be utilized to open up class discussion. Many of these Hot Seats cover frequent, yet controversial topics, and they ask students to describe what their decision-making process would be in those situations. Many times students will recommend conflicting approaches to solving the issues in the videos; therefore, there is more class engagement. For the global management chapter, one recommended Manager’s Hot Seat is “Cultural Differences: Let’s Break a Deal.” Follow-up activities for this, and every other Hot Seat, can be found in the TRM.*
* *If time allows, and you would like to dive into real situations, you can discuss an Example Box from the text titled, “E-Commerce: Peer-to-Peer Shopping by Smartphone.” There is an additional in-class activity in the TRM that asks students to read a* Wall Street Journal *article on a mobile shopping network, then watch a four-minute video.*

***After Class (after Wednesday)***

* *You can assign a Connect application exercise, such as “Disney Imagineering,” to reinforce student comprehension of material and to also test application of concepts.*
* *If students have been struggling with a particular topic, an iSeeIt! animated video can be assigned to reinforce the concept in a short, effective manner. For Chapter 4, the iSeeIt! video titled “Global Expansion” can be assigned via Connect.*
* *You can assign an online quiz or test on the material. For example, Chapter 4 includes 20 available quiz questions and 95 test questions.*
* *If you would like students to have one final application-based exercise, you can ask them to review the Management in Action case titled, “Costco Plans to Grow Its International Markets.” Students can respond to the four essay questions that follow, and/or they can complete multiple-choice questions on Connect.*

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

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

**LEARNING OBJECTIVES**

**After studying this chapter, students should be able to answer the following questions:**

# What are the rewards of being an exceptional manager?

# What would I actually do—that is, what would be my four principal functions—as a manager?

# Challenges can make one feel alive. What are seven challenges I could look forward to as a manager?

# What are the levels and areas of management I need to know to move up, down, and sideways?

# To be a terrific manager, what skills should I cultivate?

# To be an exceptional manager, what roles must I play successfully?

# Do I have what it takes to be an entrepreneur?

**TEACHING RESOURCES**

|  |  |  |
| --- | --- | --- |
| **Section** | **Title** | **Resource Type** |
| **1.1: Management: What It Is, What Its Benefits Are** |  |  |
|  | [General Motor’s CEO Mary Barra on Lyft and the Bolt EV](https://techcrunch.com/video/general-motors-ceo-mary-barra-on-lyft-and-the-bolt-ev/519393246/)[Supplemental Activity](#3znysh7) | Web Video(4 minutes) |
|  | [How Airlines Are Trying to Make Flying a Little Less Miserable in 2016](http://fortune.com/2016/02/26/airlines-perks-complaints/)[Supplemental Activity](#35nkun2) | Online Article and Web Video (2 minutes) |
|  | [Changing Times at Dyson](#dyson_vc) | Connect Video Case |
| **1.2: What Managers Do: The Four Principal Functions** |  |  |
|  | [The Real Job of a Manager](https://hbr.org/video/2549304161001/the-real-job-of-a-manager)[Supplemental Activity](#2et92p0) | Web Video(1 minute) |
|  | [Target Is Trying to Overcome the Problem of “Showrooming”](#target_ca) | Connect Case Analysis |
| **1.3: Seven Challenges to Being an Exceptional Manager** |  |  |
|  | [This Is How Hormel Foods Is Trying to Keep Up with the Times](http://fortune.com/video/2016/06/08/hormel-foods-fortune-500/?iid=leftrail)[Supplemental Activity](#3dy6vkm) | Web Video(3 minutes) |
|  | [Listing Your Apartment on Airbnb Could Soon Be a Crime](http://fortune.com/video/2016/06/20/airbnb-new-york/?iid=leftrail) in This State[Supplemental Activity](#1ksv4uv) | Web Video(1 minute) |
|  | [Foreign Students Seen Cheating More Than Domestic Ones](http://www.wsj.com/article_email/foreign-students-seen-cheating-more-than-domestic-ones-1465140141-lMyQjAxMTA2NDAxNzYwNjc1Wj)[Supplemental Activity](#Practical_Actions) | Online Article |
|  | How Strong Is My Motivation to Lead? [Self-Assessment Activity](#1y810tw) | Self-Assessment |
|  | [Seven Challenges to Being an Exceptional Manager](#sevenchallenges_cd) | Connect Click and Drag |
| **1.4: Pyramid Power: Levels and Areas of Management** |  |  |
|  | [Leadership and Management: Levels and Types of Management](https://www.youtube.com/watch?v=WlDs_BIo3u4)[Supplemental Activity](#1t3h5sf) | Web Video(4 minutes) |
|  | [How Well Do Managers Manage Their Time?](#GE_1) | Group Exercise |
|  | [The Levels of Management](#levels_cd) | Connect Click and Drag |
| **1.5: The Skills Exceptional Managers Need** |  |  |
|  | [Leadership and Management: Skills Required for Different Levels of Management](https://www.youtube.com/watch?v=6pVMERgxj84)[Supplemental Activity](#4d34og8) | Web Video(4 minutes) |
|  | [The Real-World Skills New College Grads Need Most in 2016](http://fortune.com/2016/01/07/real-world-skills-college-grads/?iid=sr-link1)[Supplemental Activity](#z337ya) | Online Article |
|  | [Managerial Skills](#skills_cd) | Connect Click and Drag |
| **1.6: Roles Managers Must Play Successfully** |  |  |
|  | [An Interview with Blue Apron CEO Matt Salzberg](https://techcrunch.com/2015/07/02/an-interview-with-blue-apron-ceo-matt-salzberg/)[Supplemental Activity](#2s8eyo1) | Web Video(6 minutes) |
|  | [Can Handwriting Make You Smarter?](http://www.wsj.com/articles/can-handwriting-make-you-smarter-1459784659)[Supplemental Activity](#3j2qqm3) | Online Article with Video(5 minutes) |
|  | [Managerial Roles](#roles_cd) | Connect Click and Drag |
| **1.7: The Link between Entrepreneurship & Management** |  |  |
|  | [The Single Biggest Reason Why Startups Succeed](https://www.ted.com/talks/bill_gross_the_single_biggest_reason_why_startups_succeed?language=en)[Supplemental Activity](#17dp8vu) | Web Video(7 minutes) |
|  | [Unleashing Social Intrapreneur](https://www.youtube.com/watch?v=_WnUZZEgywQ)[Supplemental Activity](#44sinio) | Web Video(8 minutes) |
|  | To What Extent Do You Possess an Entrepreneurial Spirit?[Self-Assessment Exercise](#4i7ojhp) | Self-Assessment |
| **Comprehensive Materials** |  |  |
|  | [Yahoo! CEO Marissa Mayer Is Under Pressure to Make Big Changes](#MIA) | Management in Action |
|  | [To Delay or Not to Delay?](#LEC) | Legal/Ethical Challenge |
|  | [Redbox](#1ci93xb) | Publisher Video |

**OVERVIEW OF THE CHAPTER**

**1.1 Management: What It Is, What Its Benefits Are**

An **organization** is a group of people who work together to achieve some specific purpose. **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. To be **efficient** means to use resources—people, money, raw materials, and the like—wisely and cost-effectively. 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. Managers can have a **multiplier effect,** and there are several rewards of studying and practicing management.

**1.2 What Managers Do: The Four Principal Functions**

The four management functions are **planning**, **organizing**, **leading**, and **controlling**. **Planning** (further discussed in Chapter 5)is defined as setting goals and deciding how to achieve them. **Organizing** (further discussed in Chapter 8)is defined as arranging tasks, people, and other resources to accomplish the work. **Leading** (further discussed in Chapter 11)is defined as motivating, directing, and otherwise influencing people to work hard to achieve the organization’s goals. **Controlling** (further discussed in Chapter 16)is defined as monitoring performance, comparing it with goals, and taking corrective action as needed.

**1.3 Seven Challenges to Being an Exceptional Manager**

**Competitive advantage** is the ability of an organization to produce goods or services more effectively than competitors do, thereby outperforming them. An organization must stay ahead in four areas: (1) being responsive to customers, (2) innovation, (3) quality, and (4) efficiency. Finding ways to deliver new or better goods or services is called **innovation**. Another managerial challenge is managing information technology. This includes managing the **Internet**, the global network of independently operating but interconnected computers, linking hundreds of thousands of smaller networks around the world. The Internet provides for **e-commerce**, or electronic commerce—the buying and selling of goods or services over computer networks. Information technology has led to the growth of **e-business**, using the Internet to facilitate every aspect of running a business. Information technology will impact communication, decision making, how jobs are structured, and how knowledge is shared. Other managerial challenges include managing for diversity and dealing with globalization. Managers must manage with ethical standards and manage for sustainability. **Sustainability** is defined as economic development that meets the needs of the present without compromising the ability of future generations to meet their own needs. Managers must also strive for happiness and meaningfulness.

**1.4 Pyramid Power: Levels & Areas of Management**

There are four levels of management. **Top managers** make long-term decisions about the overall direction of the organization and establish the objectives, policies, and strategies for it. **Middle managers** implement the policies and plans of the top managers above them and supervise and coordinate the activities of the first-line managers below them. **First-line managers** make short-term operating decisions, directing the daily tasks of nonmanagerial personnel or teams. One of the members of the team may be charged with being the **team leader**, a manager who is responsible for facilitating team activities toward achieving key results. There are also two areas of management. **A functional manager** is responsible for just one organizational activity. A **general manager** is responsible for several organizational activities. There are three types of organizations: **for-profit**, **nonprofit**, and **mutual-benefit**.

**1.5 The Skills Exceptional Managers Need**

Managers need exceptional skills. **Technical skills** consist of the job-specific knowledge needed to perform well in a specialized field. **Conceptual skills** consist of the ability to think analytically, to visualize an organization as a whole and understand how the parts work together. **Human skills** consist of the ability to work well in cooperation with other people to get things done. **Soft skills**—the ability to motivate, to inspire trust, and to communicate with others—are also necessary for managers of all levels.

**1.6 Roles Managers Must Play Successfully**

There are three types of managerial roles. In their **interpersonal roles**, managers interact with people inside and outside their work units. In their three **informational roles**—as monitor, disseminator, and spokesperson—managers receive and communicate information with other people inside and outside the organization. In their **decisional roles**, managers use information to make decisions to solve problems or take advantage of opportunities. The four decision-making roles are entrepreneur, disturbance handler, resource allocator, and negotiator.

* 1. **The Link between Entrepreneurship & Management**

A **start-up** is defined as a newly created company designed to grow fast. **Entrepreneurship** is the process of taking risks to try to create a new enterprise. There are two kinds of entrepreneurship. An **entrepreneur** is someone who sees a new opportunity for a product or service and launches a business to try to realize it. An **intrapreneur** is someone who works inside an existing organization who sees an opportunity for a product or service and mobilizes the organization’s resources to try to realize it. Managers and entrepreneurs share some characteristics but also differ in key ways.

**CLASSROOM OUTLINE**

**The Manager’s Toolbox: A One-Minute Guide to Success in This Class**

There are four rules that go a long way to ensuring student success in a class. Students should attend every class, they should not cram or postpone studying, they should read and review the course materials more than once, and they should effectively use their textbooks. Students can effectively use their textbook for this class by first getting an overview of the chapter by reading the first page and the Forecast sections. They should read the Major Questions at the beginning of each section before they read it, and read the Big Picture section at the end of each section. They should try to answer all the Major Questions. Finally, they should use the Key Terms, Key Points, and Understanding the Chapter questions at the end of the chapter to see how well they know the course concepts.

**Possible Topics for Discussion:**

* Do you sometimes (often?) postpone keeping up with coursework, and then pull an “all-nighter” of studying to catch up before an exam? What do you think happens to people in business who do this?
* What could your professor do as the “manager” of this class to ensure that you and your fellow classmates avoid cramming for exams?
* Think of previous classes where you followed the recommendations outlined for success in the class. Did following those recommendations impact your grade in the class? How about the amount of material that you retained? Defend your position.
* Have you ever worked for a manager that seemed to be unable to structure work tasks to be able to meet or even surpass deadlines? If so, how did this impact your own performance at work?

**1.1 Management: What It Is, What Its Benefits Are**

What are the rewards of being an exceptional manager?

PowerPoint Slides: 3-8

Section 1.1 defines management and organizations. Good managers have an influence on the organization far beyond the results that can be achieved by one person acting alone.

One way that you could begin your coverage of these topics is to have the students watch the *TechCrunch* video “[General Motor’s CEO Mary Barra on Lyft and the Bolt EV](https://techcrunch.com/video/general-motors-ceo-mary-barra-on-lyft-and-the-bolt-ev/519393246/).” In this 4-minute video, Mary Barra discusses the challenges of creating an autonomous car and why GM invested millions in the ride-sharing company, Lyft. For a supplemental activity, have the students discuss the managerial challenges that Mary Barra is likely to face in creating synergies with GM’s investment in Lyft and the managerial skills that will be needed to bring autonomous cars to the mass market.

**Possible Topics for Discussion:**

* Describe the biggest challenges that you think that managers at your employer (or a previous one) face.
* Describe how management likely differs for start-up companies versus long-established firms.
* Discuss the rewards you should experience as a result of studying management in this course.

**Section 1.1 Key Concepts:**

**Management**

* ***Management*** may be defined as “the art of getting things done through people.”
* Managers 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.
	+ To be ***efficient*** means to use resources—people, money, raw materials, and the like—wisely and cost-effectively.
	+ To be ***effective*** means to achieve results, to make the right decisions and successfully carry them out so that they achieve the organization’s goals.

|  |
| --- |
| **Interactive Classroom Material:****EXAMPLE:** [**Efficiency Versus Effectiveness: How Do Airlines Deal With “Seat Densification” & Other Passenger Complaints?**](#35nkun2)This Example describes customer service, or lack of it, in the airline industry. Many airlines favor efficiency over effectiveness, but this costs airlines’ bottom lines as they cannot retain customers. Apologies do not help either when deemed half-hearted or insincere, as customers want their problems fixed, not just talk. |

|  |
| --- |
| **Interactive Classroom Material:****VIDEO CASE:** Changing Times at Dyson**Summary of Activity:**In this video case, students will watch how Dyson has built a unique product utilizing innovativeness as its key competitive advantage in the consumer marketplace. After watching the video, students will respond to ten multiple choice-questions.**Follow-Up Activity:**Instructor should ask students to think about the difference between a founding CEO such as Mr. Dyson and a nonfounding CEO. What skill sets are required of founding CEOs that may not be required of nonfounding CEOs? Are the Steve Jobs, Bill Gates and Mark Zuckerbergs of the world in a different managerial class?  |

**The Value of Managers**

* Good managers create value through the ***multiplier effect:*** their influence on the organization is multiplied far beyond the results that can be achieved by just one person acting alone.
* Exceptional managers are in high demand, and many do fairly well with respect to financial compensation compared with most workers.

**The Rewards of Studying Management**

* You will understand how to deal with organizations from the outside.
* You will understand how to relate to your supervisors.
* You will understand how to interact with coworkers.
* You will understand how to manage yourself in the workplace.

**The Rewards of Practicing Management**

* You and your employees can experience a sense of accomplishment.
* You can stretch your abilities and magnify your range.
* You can build a catalog of successful products or services.
* You can become a mentor and help others. A ***mentor*** is an experienced person who provides guidance to someone new to the work world.

**1.2 What Managers Do: The Four Principal Functions**

What would I actually do—that is, what would be my four principal functions—as a manager?

PowerPoint Slides: 9-10

Section 1.2 defines the four functions of management: planning, organizing, leading, and controlling. All these functions affect one another, are ongoing, and are performed simultaneously.

One way that you could begin your coverage of these topics is to have the students watch the *Harvard Business Review* video “[The Real Job of a Manager](https://hbr.org/video/2549304161001/the-real-job-of-a-manager).” In this 1-minute video, Jim Keane, president and COO of Steelcase Inc., explains how an effective manager can deliver the most impact. For a supplemental activity, have the students discuss how Jim Keane illustrates effective management.

**Possible Topics for Discussion:**

* Have the students arrange a time to interview their manager or someone who works in a managerial role. Have them ask the manager to describe how he or she spends a typical work week. Based on their interviews, have the students provide examples of how the person performs the four functions of management.
* Your professor could be considered the manager of your class. Discuss the ways that your professor performs the four management functions for your course.
* Thinking of your current or most recent boss, provide specific examples of how he or she has demonstrated the four management functions.

**Section 1.2 Key Concepts:**

**Management Process**

* Managers perform the ***management process***, also known as the ***four******management functions***: *planning, organizing, leading,* and *controlling.*
* All these functions are described in Figure 1.1 and affect each other, are ongoing, and are performed simultaneously.
	+ ***Planning*** is defined as setting goals and deciding how to achieve them.
	+ ***Organizing*** is defined as arranging tasks, people, and other resources to accomplish the work.
	+ ***Leading*** is defined as motivating, directing, and otherwise influencing people to work hard to achieve the organization’s goals.
	+ ***Controlling*** is defined as monitoring performance, comparing it with goals, and taking corrective action as needed.

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| **Interactive Classroom Material:****CASE ANALYSIS:** Target Is Trying to Overcome the Problem of “Showrooming”**Summary of Activity:**In this case analysis, students will read about how Target is attempting to combat the issue of showrooming. After reading the case, students will respond to four multiple-choice questions.**Follow-Up Activity:**Individual: Instructor should ask students if they have ever gone to a local retailer just to check a price or product availability, just to go online and buy it from a non-brick and mortar seller. Have they received extended discounts on items by doing this? Examples would spur class discussion.Group: Instructor can place students into small groups to discuss showrooming. How can organizations overcome this issue? Solutions other than what Target has tried should be thought of. Are there entrepreneurial ventures that can emerge in order to address this issue? Select groups can share with the class as a whole. |

**1.3 Seven Challenges to Being an Exceptional Manager**

Challenges can make one feel alive. What are seven challenges I could look forward to as a manager?

PowerPoint Slides: 11-19

Section 1.3 highlights the seven challenges facing any manager. Managers need to manage for competitive advantage—to stay ahead of rivals. Managers must deal with information technology and address the “new normal” of data. They need to manage for diversity in race, ethnicity, gender, and so on, because the future won’t resemble the past. Managers also need to manage for the effects of globalization, as well as always needing to manage to maintain ethical standards. Moreover, they need to manage for sustainability—to practice sound environmental policies. Finally, managers need to manage for the achievement of their own happiness and life goals.

One way that you could begin your coverage of these topics is to have the students watch the *Fortune* video “[This Is How Hormel Foods Is Trying to Keep Up with the Times](http://fortune.com/video/2016/06/08/hormel-foods-fortune-500/?iid=leftrail).” This 3-minute video profiles the actions taken by Hormel to keep its products relevant for the Millennial generation. For a supplemental activity, have the students discuss specific examples of the managerial challenges facing Hormel Foods.

**Possible Topics for Discussion:**

* Describe the most important challenges facing managers at your current or most recent employer.
* Thinking of the industry in which you want to work after graduation, discuss how social media and big data are likely to impact this industry over the next decade.
* Discuss ways that you plan to achieve happiness and meaningfulness in your chosen career.

**Section 1.3 Key Concepts:**

**Challenge #1: Managing for Competitive Advantage—Staying Ahead of Rivals**

* ***Competitive advantage*** is the ability of an organization to produce goods or services more effectively than its competitors do, thereby outperforming them in four areas:
	+ Being responsive to customers*:* The first law of business is, *take care of the customer.*
	+ Innovation: Finding ways to deliver new or better goods or services is called *innovation.*
	+ Quality: Making improvements in quality has become an important management idea.
	+ Efficiency*:* Companies try to produce goods or services using as few employees (and raw materials) as possible.

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| **Interactive Classroom Material:** **EXAMPLE:** [**The Struggle For Competitive Advantage: Airbnb Shakes Up The Hotel Business**](#1ksv4uv)This Example describes challenges managers in the accommodation industry are facing, including managing for competitive advantage. |

**Challenge #2: Managing for Information Technology—Dealing with the “New Normal”**

* The ***Internet*** is the global network of independently operating but interconnected computers, linking hundreds of thousands of smaller networks around the world.
* ***E-commerce***, or ***electronic commerce***,isthe buying and selling of services over computer networks, and it has reshaped industries.
* Information technology has made possible ***e-business***, using the Internet to facilitate every aspect of running a business.
* Implications of information technology include:
	+ Managers will need to deal with e-communication (e.g., e-mail, texting, social media) all the time.
	+ There will be challenges in decision making as a result of more and more data.
	+ The rise of artificial intelligence will create more automation in the workforce.
	+ Organizational changes will result in shifts in structure, jobs, goals, and management, including telecommuting and the use of videoconferencing.
	+ There will be an increased emphasis on: knowledge management, systems and practices to increase the sharing of knowledge and information throughout an organizational and collaborative computing, using state-of-the-art computer software and hardware to help people work better together.

**Challenge #3: Managing for Diversity—The Future Won’t Resemble the Past**

* Over the coming years, the mix of American racial or ethnic groups will change considerably, becoming more diverse.
* The challenge to a manager is to maximize the contributions of these diverse employees.

**Challenge #4: Managing for Globalization—The Expanding Management Universe**

* Verbal expressions and gestures don’t have the same meaning to everyone throughout the world.
* Not understanding cultural differences can affect how well organizations manage globally.
* Globalization has leveled (i.e., made “flat”) the competitive playing fields between industrial and emerging-market countries.

**Challenge #5: Managing for Ethical Standards**

* With the pressure to meet sales, production, and other targets, managers can face ethical dilemmas.
* Ethical behavior is a very important part of doing business.

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| **Interactive Classroom Material:****PRACTICAL ACTION:** [**Preparing Yourself to Behave Right When You’re Tempted to Cheat**](#2jxsxqh)This Practical Action shows that there are all kinds of reasons why people cheat. How we think we may act when put in the position to cheat, and how we actually act, may be very different. There is now research attempting to understand the underlying reasons people act the way they do when it comes to unethical behavior, and how to nudge them toward the right behavior. Moreover, sometimes we see something wrong occur, can’t figure out how to address it, and end up justifying it as okay. |

**Challenge #6: Managing for Sustainability–The Business of Green**

* The crises of destabilizing climate change and rising competition for energy have brought the issue of “being green” to increased prominence.
* ***Sustainability*** is defined as economic development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

**Challenge #7: Managing for Happiness & Meaningfulness**

* Happiness is getting what you want, or having your desires fulfilled.
* Meaningfulness is achieving a valued sense of one’s self and one’s purpose within the larger context of life and community.
* Many people find being a manager doesn’t make them happy, but being a manager can be one of the greatest avenues to a meaningful life.

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| **Interactive Classroom Material:****CLICK & DRAG:** Seven Challenges to Being an Exceptional Manager**Summary of Activity:**Being a great manager takes not only a good educational background and understanding of the organization, but also requires facing several challenges and overcoming them. The textbook outlines seven such challenges to being an exceptional manager. In this click and drag exercise, students will match managers with descriptions of accurate challenges.**Follow-Up Activity:**Instructor should discuss current challenges and obstacles that managers face on a daily basis. How have students dealt with the seven challenges within their own organizations? Students should be called upon to discuss how managers can overcome the seven challenges and work toward becoming exceptional managers and leaders. Instructor can close out by pointing out significant management challenges in today’s globalized industries. |

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| [**SELF-ASSESSMENT 1.1**](#1y810tw)**How Strong Is My Motivation to Lead?**This 10-question self-assessment will help to determine students’ interest in being leaders, especially when working in groups. Additional questions on feelings of duty, values, and taking charge are presented. |

**1.4 Pyramid Power: Levels & Areas of Management**

What are the levels and areas of management I need to know to move up, down, and sideways?

PowerPoint Slides: 20-26

Section 1.4 defines the four levels of managers: top, middle, first line, and team leaders. There are two areas of management as well: general and functional managers. Managers may work for for-profit, nonprofit, or mutual-benefit organizations.

One way that you could begin your coverage of these topics is to have the students watch the HumberEDU video “[Leadership and Management: Levels and Types of Management](https://www.youtube.com/watch?v=WlDs_BIo3u4).” In this 4-minute video, the presenter describes the levels of a traditional management pyramid. For a supplemental activity, you could have the students discuss examples of the most important duties for the top managers, middle managers, and front-line managers for their current or most recent employer.

**Possible Topics for Discussion:**

* Discuss how the seven challenges to being an exceptional manager described in Section 1.3 might be different for managers of for-profit, nonprofit, and mutual-benefit organizations.
* Discuss the advantages and disadvantages of working in a functional manager role compared to a general manager. Which type of role would you prefer? Explain why.
* The number of jobs in each level of the typical management pyramid decreases as you rise in the hierarchy. Does the fact that jobs become scarcer motivate you to perform better or create feelings of disappointment about your chances of moving up in the hierarchy? Defend your point of view.

**Section 1.4 Key Concepts:**

**Levels of Management**

* **Top Managers: Determining Overall Direction**
	+ Figure 1.2 indicates the levels and areas of a traditional management pyramid.
	+ ***Top managers*** make long-term decisions about the overall direction of the organization and establish the objectives, policies, and strategies for it.
	+ Top managers have titles like “chief executive officer (CEO),” “chief operating officer (COO),” and “president.”
	+ These executives must be future oriented, dealing with uncertain, highly competitive conditions.
	+ These managers are at the summit of the management pyramid.
* **Middle Managers: Implementing Policies and Plans**
	+ ***Middle managers*** implement the policies and plans of the top managers above them and supervise and coordinate the activities of the first-line managers below them.
	+ Titles may be “plant manager,” “district manager,” and “regional manager,” among others.
	+ These managers often have **high touch jobs**, jobs which deal with people rather than computer screens or voice-response systems, that can directly affect employees, customers, and suppliers.
* **First-Line Managers: Directing Daily Tasks**
	+ ***First-line managers*** make short-term operating decisions, directing the daily tasks of nonmanagerial personnel.
	+ Examples of job titles for these managers include “departmental head,” “foreman,” “team leader,” or “supervisor.”
	+ *Supervisor* is the name often given to first-line managers as a whole.
* **Team Leaders: Facilitating Team Activities**
	+ Teams are small groups of people with complementary skills who are committed to a common purpose.
	+ A ***team leader*** is a manager who is responsible for facilitating team activities toward achieving key results.
	+ Team leaders are expected to provide guidance, instruction, and direction to the other team members; to coordinate team efforts; to resolve conflicts; to represent the team to the first-level manager; and to make decisions in the absence of consensus.

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| **Interactive Classroom Material:****CLICK & DRAG:** The Levels of Management**Summary of Activity:**Managers are important members of the organization. Within an organization, there are managers at four levels: top, middle, first-line, and team leaders. Each of these levels has different managerial challenges and decisions to make to achieve organizational effectiveness. In this click and drag activity, students will match managers with their correct level of management based on the descriptions provided.**Follow-Up Activity:**Instructor should put students in one of four groups with each group being assigned a level of management. The groups should be given the following questions to respond to:1. What are the primary responsibilities of this level of management? Sample titles of managers at this level should be provided.
2. What are some specific challenges this level of management may face? These challenges should be unique to this level of management.

Instructor can create four columns on the board and have groups write in their level of management responses on the board. Instructor can then discuss with the class as a whole. |

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| **Group Exercise:** [How Well Do Managers Manage Their Time?](#GE_1)There is a group exercise available at the end of this manual that allows students to apply top management level time management.**Exercise Objectives*** To see how time is allocated in a top management position.
* To start to think about how you might spend your time in a top management position.
* To see what you think about this kind of job and what functions are performed.
 |

**Areas of Management: Functional Managers versus General Managers**

* A ***functional manager*** is responsible for just one organizational activity.
* Titles of functional managers may be “Vice President of Production,” “Director of Finance,” or “Administrator for Human Resources.”
* A ***general manager*** is responsible for several organizational activities.
* An Executive Vice President over several departments is a general manager.

**Managers for Three Types of Organizations: For-Profit, Nonprofit, Mutual-Benefit**

* Organizations are classified according to the purposes for which they are formed.
	+ For-profit (or business), organizations are formed to make money, or profits, by offering products or services.
	+ The purpose of nonprofit organizations is to offer services to clients, not to make a profit.
	+ Mutual-benefit organizations are voluntary collections of members whose purpose is to advance members’ interests.
* Managers generally do the same types of things regardless of the type of organization, but the measure of success for the organization can be different (e.g., profit or clients served).

**1.5 The Skills Exceptional Managers Need**

To be a terrific manager, what skills should I cultivate?

PowerPoint Slides: 27-28

Section 1.5 highlights three principal skills good managers need. The first is technical, the ability to perform a specific job. The second is conceptual, the ability to think analytically. The third is human, the ability to interact well with people.

One way that you could begin your coverage of these topics is to have the students watch the HumberEDU video “[Leadership and Management: Skills Required for Different Levels of Management](https://www.youtube.com/watch?v=6pVMERgxj84).” This segment is part 2 of the 4-part video series recommended for use in Section 1.4. In this 4-minute video, the presenter profiles how the skills needed for success in each level of the managerial hierarchy vary. For a supplemental activity, you could have the students discuss how the seven challenges facing managers discussed in Section 1.3 could impact the types of skills needed for each level of management.

**Possible Topics for Discussion:**

* Provide examples of how you have been able to enhance the skills needed to be an exceptional manager through your coursework.
* Assume that you wanted to improve your human skills. Discuss actions that you could take to further develop these skills.
* Thinking of your current or most recent manager, provide examples of how he or she demonstrated the most valued traits in managers.

**Section 1.5 Key Concepts:**

**Principal Managerial Skills**

* ***Technical skills*** consist of the job-specific knowledge needed to perform well in a specialized field.
	+ Having technical skills seems to be most important at the lower levels of management.
* ***Conceptual skills*** consist of the ability to think analytically, to visualize an organization as a whole, and understand how the parts work together.
	+ Conceptual skills are particularly important for top managers.
* ***Human skills*** consist of the ability to work well in cooperation with other people in order to get things done.
	+ Human skills are often thought of as ***soft skills***, the ability to motivate, to inspire trust, to communicate with others.
	+ Human skills are necessary for managers of all levels, and developing them may be an ongoing, lifelong effort.

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| **Interactive Classroom Material:****CLICK & DRAG:** Managerial Skills**Summary of Activity:**Managers need to possess a variety of skills, and how much they use those skills depends on what level of management they belong to. In this click and drag activity, students will match managers to appropriate skills based on the descriptions provided.**Follow-Up Activity:**Instructor should put students in one of three groups with each group being assigned a management skill. The groups should be given the following questions to respond to:1. How can managers develop the assigned skill (technical, conceptual, or human)?
2. What current systems support managers in cultivating this skill?

Instructor can create three columns on the board and have groups write in their management skill responses on the board. Instructor can then discuss with the class as a whole. |

**The Most Valued Traits in Managers**

* The ability to motivate and engage others.
* The ability to communicate.
* Work experience outside the United States.
* High energy levels to meet the demands of global travel and a 24/7 world.

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| **Interactive Classroom Material:** **PRACTICAL ACTION:** [**The Soft Skills Employers Say College Graduates Lack**](#z337ya)This Practical Action describes the skills that employers are looking for in college graduates. Getting a college degree will be more valuable if you have both the technical and the human skills needed for success. As this Practical Action profiles, many college graduates are weak on very valuable workplace skills. |

**1.6 Roles Managers Must Play Successfully**

To be an exceptional manager, what roles must I play successfully?

PowerPoint Slides: 29-31

Section 1.6 discusses the three roles manager play: interpersonal, informational, and decisional. Interpersonal roles include figurehead, leader, and liaison activities. Informational roles are monitor, disseminator, and spokesperson. Decisional roles are entrepreneur, disturbance handler, resource allocator, and negotiator.

One way that you could begin your coverage of these topics is to have the students watch the *TechCrunch* video “[An Interview with Blue Apron CEO Matt Salzberg](https://techcrunch.com/2015/07/02/an-interview-with-blue-apron-ceo-matt-salzberg/).” In this 6-minute video, the CEO of the company that delivers weekly pre-portioned ingredients and recipes directly to customers’ homes profiles the operations of the company and some of the challenges and opportunities the firm faces. For a supplemental activity, you could have the students provide examples of the managerial roles and management skills profiled in the video.

**Possible Topics for Discussion:**

* Describe ways that technology and social media have changed the roles of managers since Mintzberg’s classic study in the 1960s.
* Discuss how increasing diversity and globalization are likely to impact the roles that managers must play.
* Given the textbook’s description of the roles that managers must play successfully, does a managerial career sound interesting to you? Explain your position.

**Section 1.6 Key Concepts:**

**The Manager’s Roles: Mintzberg’s Useful Findings**

* A manager relies more on verbal than on written communication.
	+ At the time of Mintzberg’s study in the 1960s, most managers back then tended to get information through phone conversations and meetings.
	+ E-mail makes it possible to communicate almost as rapidly in writing as with the spoken word.
* A manager works long hours at an intense pace.
	+ Long hours at work, typically 50 hours per week, are typical.
	+ Other studies found even longer work weeks.
	+ However, more companies are allowing managers to reduce their working hours and spend more time with their families.
* A manager’s work is characterized by fragmentation, brevity, and variety.
	+ Only about 1/10th of managerial activity took more than an hour.
	+ The executive’s work time has been characterized as “the interrupt-driven day.”
	+ Mintzberg found that time and task management are major challenges for every manager.

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| **Interactive Classroom Material:** **PRACTICAL ACTION:** [**Executive Functioning: How Good Are You at Focusing Your Thoughts, Controlling Your Impulses, & Avoiding Distractions?**](#3j2qqm3)This Practical Action focuses on managing yourself and your resources in the workplace. Gen Z students are used to multitasking by using their smartphones to do multiple things at one time and still trying to pay attention in class. However, this leads to poor learning and can affect executive functioning in the future. To be successful not only in school but in the workplace—especially as a manager—students need to learn to direct their attention. This is known as focus or mindfulness. |

**Three Types of Managerial Roles: Interpersonal, Informational, & Decisional**

* In their ***interpersonal roles***, managers interact with people inside and outside of their work units.
	+ Interpersonal roles include figurehead, leader, and liaison activities.
* In their ***informational*** roles, managers receive and communicate information with other people inside and outside of the organization.
	+ Informational roles include monitor, disseminator, and spokesperson.
* In their ***decisional roles***, managers use information to make decisions to solve problems or take advantage of opportunities.
	+ The four decision-making roles are entrepreneur, disturbance handler, resource allocator, and negotiator.
* Table 1.1 describes these various managerial roles.

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| **Interactive Classroom Material:****CLICK & DRAG:** Managerial Roles**Summary of Activity:**Managers are required to wear many hats and fulfill many roles. It is important to understand just what roles students may fulfill as a manager, and what the expectations for those roles are in order to successfully perform them. In this click and drag activity, students will match provided managerial roles with their correct grouping.**Follow-Up Activity:**Instructor should begin discussion by asking students the following:1. What are the three types of managerial roles that managers should be able to successfully occupy?
2. What roles must they tackle in order to accomplish organizational goals? Students should use examples from specific industries if it would assist in answering this question.
3. What methods or recommendations would students advise OB managers to take?
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**1.7 The Link between Entrepreneurship & Management**

Do I have what it takes to be an entrepreneur?

PowerPoint Slides: 33-35

Section 1.7 defines entrepreneurship and its subparts: the entrepreneur and the intrapreneur. It describes differences between entrepreneurs and managers.

One way that you could begin your coverage of these topics is to have the students watch Bill Gross’s TED Talk “[The Single Biggest Reason Why Startups Succeed](https://www.ted.com/talks/bill_gross_the_single_biggest_reason_why_startups_succeed?language=en).” In this 7-minute video, Gross, the founder of Idealab, describes the relative importance of five key factors in determining a new firm’s success. For a supplemental activity, you can have the students discuss how the characteristics of managers and entrepreneurs are likely linked to start-up success.

**Possible Topics for Discussion:**

* Discuss the ways entrepreneurs and managers are similar and the ways they are different.
* Who do you think makes the best entrepreneurs, so-called necessity entrepreneurs or opportunity entrepreneurs? Defend your point of view.
* Compare and contrast the advantages and disadvantages of being an entrepreneur versus an intrapreneur.

**Section 1.7 Key Concepts:**

**What Entrepreneurship Is**

* A **start-up** is a newly created company designed to grow fast.
* ***Entrepreneurship*** is the process of taking risks to try to create a new enterprise.
* An ***entrepreneur*** is someone who sees a new opportunity for a product or service and launches a business to try to realize it.
* An ***intrapreneur*** is someone who works inside an existing organization who sees an opportunity for a product or service and mobilizes the organization’s resources to try to realize it.

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| **Interactive Classroom Material:****EXAMPLE:** [**Example of an Intrapreneur: Intel’s Anthropologist Genevieve Bell Explores Possible Innovations for Automakers**](#44sinio)This Example discusses how Intel hired an anthropologist to lead 100 social scientists and designers in order to find how people use technology in their homes and in public. Specifically, they have focused on technology and its use in automobiles. This has led Intel to join Jaguar Land Rover to find ways for consumers to better synchronize their personal devices with their cars. |

**How Do Entrepreneurs and Managers Differ?**

* Being an entrepreneur is what it takes to *start* a business; being a manager is what it takes to *grow* or *maintain* a business.
* Both entrepreneurs and managers have a high need for achievement, but entrepreneurs seem to be motivated to pursue moderately difficult goals in order to realize their ideas and financial rewards, while managers are more motivated by promotions and organizational rewards.
* Both entrepreneurs and managers like to think they have personal control over their lives and have an ***internal locus of control***, the belief that one controls his or her own destiny.
* Both entrepreneurs and managers have high energy levels and action orientations, but entrepreneurs are especially apt to be impatient.
* Both entrepreneurs and managers have a high tolerance for ambiguity, but entrepreneurs must have more tolerance for ambiguity because they are trying to do things they haven’t done before.
* Entrepreneurs have more self-confidence and tolerance for risk than managers, but managers must believe in themselves and be willing to make decisions.

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| [**SELF-ASSESSMENT 1.2**](#4i7ojhp)**To What Extent Do You Possess an Entrepreneurial Spirit?**This 12-question self-assessment was designed to assess students’ entrepreneurial orientation. Questions on problem-solving, intuition, and risk-taking are presented. |

**CHALLENGE: MAJOR QUESTIONS**

**1.1 What are the rewards of being an exceptional manager?**

*An exceptional manager will be able to reach organizational goals efficiently. This means using resources wisely and cost-effectively (i.e., meeting budget). An exceptional manager will also be able to reach organizational goals effectively. This means integrating the work of people through planning, organizing, leading, and controlling. Moreover, good managers are fairly well compensated compared with most workers, and receive increased fringe benefits and status rewards as they go up the management hierarchy.*

**1.2 What would I actually do—that is, what would be my four principal functions—as a manager?**

*Think of the four principal functions of a manager as the abbreviation POLC. It starts with planning, or setting goals and deciding how to achieve them. Then there is organizing, or arranging tasks, people, and other resources to accomplish the work. There is also leading, which is motivating, directing, and otherwise influencing people to work hard to achieve the organization’s goals. Lastly, there is controlling, which is monitoring performance, comparing it with goals, and taking corrective action as needed.*

**1.3 Challenges can make one feel alive. What are seven challenges I could look forward to as a manager?**

*The seven challenges are as follows: 1)* *managing for competitive advantage, which means an organization must stay ahead in four areas—being responsive to customers, innovating new products or services, offering better quality, and being more efficient; 2)* *managing for information technology; 3)* *managing for diversity among different genders, ages, races, and ethnicities; 4)* *managing for globalization, the expanding universe; 5)* *managing for right and wrong, or ethical standards; 6) managing for sustainability; and 7)* *managing for your own happiness and meaningful life goals.*

**1.4 What are the levels and areas of management I need to know to move up, down, and sideways?**

*There are four management levels. Top managers make ong-term decisions about the overall direction of the organization and establish the objectives, policies, and strategies for it. Middle managers implement the policies and plans of their superiors and supervise and coordinate the activities of the managers below them. First-line managers make short-term operating decisions, directing the daily tasks of nonmanagerial personnel.*

**1.5 To be a terrific manager, what skills should I cultivate?**

*The three skills that exceptional managers cultivate are technical, conceptual, and human. Technical skills consist of job-specific knowledge needed to perform well in a specialized field. Conceptual skills consist of the ability to think analytically, to visualize an organization as a whole, and to understand how the parts work together. Human skills consist of the ability to work well in cooperation with other people in order to get things done.*

**1.6 To be an exceptional manager, what roles must I play successfully?**

*The Mintzberg study shows that: first, a manager relies more on verbal than on written communication; second, managers work long hours at an intense pace; and, third, a manager’s work is characterized by fragmentation, brevity, and variety. Mintzberg concluded that managers play three broad roles: (1) interpersonal—figurehead, leader, and liaison; (2) informational—monitor, disseminator, and spokesperson; and (3) decisional—entrepreneur, disturbance handler, resource allocator, and negotiator.*

**1.7 Do I have what it takes to be an entrepreneur?**

*The following characteristics have a positive correlation with entrepreneurship: 1) high need for achievement; 2)* *belief in personal control of destiny; 3) high energy level and action orientation; 4) high tolerance for ambiguity; and 5) self-confidence and tolerance for risk.*

**MANAGEMENT IN ACTION:** **Yahoo! CEO Marissa Mayer Is Under Pressure to Make Big Changes**

1. **What are the key problems facing Yahoo!?**

*Yahoo! is facing problems from different stakeholders. First, investors believe the company’s growth rate is too slow. This was because of some poor decision making, such as not transitioning its offerings to mobile devices. Second, employee dissatisfaction is high, especially with all the layoffs at the company. For example, 33 percent of the work force is estimated to have left in 2015. Finally, many are upset about CEO Mayer’s compensation package, as it is not significantly tied to Yahoo!’s performance.*

1. **Which of the four principal management functions seem to be causing the problems faced by Yahoo!? Explain your rationale.**

*It seems as if leadership is the primary issue here. Leading is defined as motivating, directing, and otherwise influencing people to work hard to achieve the organization’s goals. Mayer is not providing a strategic vision that stakeholders are willing to sign on to, and there is a push to change direction at the organization.*

1. **Which of the seven managerial challenges discussed in this chapter is Yahoo! facing? How is the company handling these challenges?**

*There are a few challenges Yahoo! is facing. First, it is not managing for competition. In other words, it is not staying ahead of rivals like Google in its technological advancements and financial performance. Second, and related to the first, Yahoo! is not managing for information technology. For example, it was slow to transition to the mobile device market, and as a technology-based organization, this is late in dealing with the new normal. Finally, it is not managing for happiness and meaningfulness. Employees are not motivated at Yahoo!, and many are either leaving or being laid off. This does not allow employees to reach the stage of finding meaning in their work and achieving a valued sense of themselves and their purpose within the larger context of life and community.*

1. **What is your evaluation of Mayer’s ability to effectively execute the three key managerial roles—interpersonal, informational, and decisional? Explain.**

*In their interpersonal roles, managers interact with people inside and outside of their work units. Here, Mayer has alienated many employees by having managers call in a handful of employees each week and fire them. Nevertheless, she does have a budget of $108,000,000 a year for free food, and she is utilizing that for interpersonal activities such as throwing parties and providing free lunches.*

*In their three informational roles—as monitor, disseminator, and spokesperson—managers receive and communicate information with other people inside and outside the organization. Here, Mayer does not seem to be communicating well with her team. For a period, employees did not know who would be fired and who would not, and not much information was being disseminated to employees or investors.*

*In their decisional roles, managers use information to make decisions to solve problems or take advantage of opportunities. This is where the biggest issue seems to be as Yahoo!’s decision making has been quite problematic. They have been slow to transition to areas of technology that their competitors are in, and they have decided that layoffs are more beneficial than fixing human capital issues through organizational development and restructuring.*

1. **If you were a consultant to Yahoo!, what advice would you give to senior management about handling the crisis being faced by the company? Discuss.**

*The organization needs new leadership from the top down. The new leader needs to implement organizational change and provide inspirational leadership. Though Mayer has the support of some employees, it seems like many in the organization are against her strategy and are demanding a different direction.*

*Students may have other ideas to share as well.*

**LEGAL/ETHICAL CHALLENGE**

**To Delay or Not to Delay?**

You have been hired by a vice president to create an employee attitude survey and gather results from all employees. Your presentation, complete with strengths and weaknesses, is ready to present. At the last minute, the vice president tells you that her boss’s boss has come to the presentation unannounced, and she believes that he will use the negative information to have her replaced. She asks that you delay your presentation.

**What would you do?**

1. **Deliver the presentation as planned.**

*A key decision here is how to balance loyalty and integrity. You were hired to prepare a warts-and-all report to discover the true state of employee attitudes. Your report presents these facts accurately. As a result of your presentation, the company will better know how to motivate its employees. Presenting it, unvarnished, is the most honest thing you could do. However, you trust and respect the vice president who hired you, and she could be damaged as a result of your report. If you choose this option, you must consider its consequences—to the vice president and to yourself. If you present the true report, your own employment may be jeopardized.*

1. **Give the presentation but skip over the negative results.**

*Delivering a sanitized report may spare your vice president from negative consequences. MAY spare. It is possible that her fate has already been sealed. If your report doesn’t supply the ammunition, the boss’s boss will find something else that does. Also consider the consequences to your reputation of presenting an edited presentation. You were hired to evaluate the overall state of employees’ attitudes. If your report is less than honest, the vice president, and any other managers who know your assignment, will know you fudged the results for political reasons.*

1. **Go back to the meeting room and announce that your spouse has had an accident at home and you must leave immediately. You tell the group that you just received this message and that you will contact the vice president to schedule a new meeting.**

*This option represents a lie. It would show loyalty to the vice president, but it would clearly jeopardize your integrity if the truth came out.*

1. **Invent other options. Discuss.**

*Some students may see significant shades of grey instead of black-and-white “positive” or “negative” choices. If you go ahead with the presentation, giving honest evaluations, can you describe “problem areas” in softer terms? Or can you present employee responses by limiting your interpretation to quantitative results, minimizing subjective judgment? You could stretch out the presentation over two sessions—basic data at one, interpretation in the next? The boss’s boss may not be able to stick around for an extended report. Perhaps let the vice president herself present the strengths and weaknesses, enabling her to appear as the agent of change. People are very creative—you’ll probably get lots of other student suggestions. If there are older nontraditional students in your class (who have experience in real world business), it would be interesting to see how their choices differ from younger students’ choices.*

**TEXTBOOK EXAMPLES**



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| **EXAMPLE: Efficiency Versus Effectiveness: How Do Airlines Deal With “Seat Densification” & Other Passenger Complaints?**This Example describes customer service, or lack of it, in the airline industry. Many airlines favor efficiency over effectiveness, but this costs airlines’ bottom lines as they cannot retain customers. Apologies do not help either when deemed half-hearted or insincere, as customers want their problems fixed, not just talk. **YOUR CALL****What recent unpleasant customer experience would you want to post on this website?***Students should share unpleasant travel experiences with different airlines. Are these experiences related to an airline trying to be efficient over effective? What was the end result of this experience (i.e., will the student use this airline again)? Students can also discuss common responses, or excuses, they have heard from customer service agents at the airlines. Did they feel as if these responses were half-hearted or insincere?***Additional Activities:**One way to build on this Example is to have the students read the *Fortune* online article “[How Airlines Are Trying to Make Flying a Little Less Miserable in 2016](http://fortune.com/2016/02/26/airlines-perks-complaints/).” This February 26, 2016 article by Christopher Elliot and the corresponding 2-minute video profile some of the actions taken by airlines to make their operations more effective. Consider using the following discussion questions:Discuss the role that flight attendants and ticket counter employees play in making airlines more effective.Given the healthy profits that airlines enjoyed in the first half of 2016, do you believe that airline customers will increase their expectations when it comes to airline effectiveness? Defend your point of view.The article notes that some of the efforts to increase airline effectiveness are targeted to higher-fare customers rather than budget travelers. Analyze the advantages and disadvantages of this approach for airlines.  |



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| **EXAMPLE: The Struggle for Competitive Advantage: Airbnb Shakes Up the Hotel Business**This Example describes challenges managers in the accommodation industry are facing, including managing for competitive advantage.**YOUR CALL****Which sector, Airbnb or hotels, do you think will prevail in the lodging industry?** *Students can share their experiences with accommodation-sharing firms, such as Airbnb and Vacation Rentals by Owner, and provide the pros and cons for such a service. Accommodation-sharing firms are to date more flexible and less regulated, allowing them a competitive advantage. However, traditional hotels are using legal action to try to regain a competitive advantage by forcing hosts on accommodation-sharing firms to follow the same laws and policies that traditional hotels must follow. Just as Uber has pulled out of certain markets such as Austin, Texas, some accommodation hosts may be forced to not offer their homes on accommodation-sharing sites. Moreover, many people prefer traditional forms of accommodations, and thus traditional hotels will still exist 10 years from now.***Additional Activities:**One way to build on this Example is to have the students watch the *Fortune* video “[Listing Your Apartment on Airbnb Could Soon Be a Crime](http://fortune.com/video/2016/06/20/airbnb-new-york/?iid=leftrail) in This State.” This 1-minute video summarizes the arguments for and against allowing people to rent out their homes and profiles a recent move in New York to further prevent home sharing. Consider using the following discussion questions:Discuss the advantages and disadvantages of the proposed legislation in New York which will limit home-sharing opportunities there.Besides using legislation to block competition, provide other recommendations for how traditional hotels can create a competitive advantage. Assume that you wanted to list your residence on Airbnb for an upcoming special event in your town such as graduation that will make it hard for travelers to find hotel rooms in the area. Describe the actions you should take to create a competitive advantage over other home-sharing listings to ensure you are able to rent your space.  |

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| **EXAMPLE: Example of an Intrapreneur: Intel’s Anthropologist Genevieve Bell Explores Possible Innovations for Automakers**This Example discusses how Intel hired an anthropologist to lead 100 social scientists and designers in order to find how people use technology in their homes and in public. Specifically, they have focused on technology and its use in automobiles. This has led Intel to join Jaguar Land Rover to find ways for consumers to better synchronize their personal devices with their cars. **YOUR CALL****Do you think most companies truly support intrapreneurship? Why would they not?***Students should provide examples of companies that support intrapreneurship, and how they do that. Many companies have specific programs set up for this, but there are a handful of organizations that do not support intrapreneurship. This may be because of the capital investment required and/or the loss of productivity while engaging in such activities.***Additional Activities:**One way to build on this Example is to have the students watch Bhavna Mathur’s TEDx Talk “[Unleashing Social Intrapreneur](https://www.youtube.com/watch?v=_WnUZZEgywQ).” In this 8-minute video, Bhavna profiles key differences between entrepreneurs and intrapreneurs. Consider using the following discussion questions:Discuss how the challenges facing an intrapreneur working for a company like 3M or Google would be different than those facing a start-up entrepreneur.Compare and contrast the skills and competencies needed for a successful intrapreneur versus an entrepreneur.A social intrapreneur has been defined as someone who works to develop and promote practical solutions to social or environmental challenges inside a major organization. How might the characteristics of social intrapreneurs differ from entrepreneurs? |



**TEXTBOOK PRACTICAL ACTIONS**

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| **PRACTICAL ACTION: Preparing Yourself to Behave Right When You’re Tempted to Cheat**This Practical Action shows that there are all kinds of reasons why people cheat. How we think we may act when put in the position to cheat, and how we actually act, may be very different. There is now research attempting to understand the underlying reasons people act the way they do when it comes to unethical behavior, and how to nudge them toward the right behavior. Moreover, sometimes we see something wrong occur, can’t figure out how to address it, and end up justifying it as okay.**YOUR CALL****Can you tell yourself how you should—and must—behave the next time you’re tempted to cheat or see someone cheating?***When it comes to seeing others cheating, it begins with knowing when you probably will not speak up. Once you figure this out, you need to be courageous and take action, as you have already anticipated the situation and have come up with a plan. When it comes to your own temptation to cheat, there is a need to learn “how to be ethical” in the workplace and in life. Students should discuss the ways they can nudge themselves into the right behavior. Fear of punishment, the desire to do good, etc. are good ways to start on this.***Additional Activities:**One way that you could build on this Practical Action is to have the students read *The Wall Street Journal* article “[Foreign Students Seen Cheating More Than Domestic Ones](http://www.wsj.com/article_email/foreign-students-seen-cheating-more-than-domestic-ones-1465140141-lMyQjAxMTA2NDAxNzYwNjc1Wj)” This article discusses the various factors that contribute to cheating on college campuses. Consider using the following discussion questions:* According to the article, 60 percent of all students on U.S. campuses admit they cheated at least once in the last year. From what you have observed, how and why do students cheat?
* Discuss how school administrators and/or professors can work to reduce cheating.
* One possible reason for the cheating in college classes is that it is high reward, low risk behavior, given the lack of action taken against some cheaters. Discuss what schools could do to change this perception.
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| **PRACTICAL ACTION: The Soft Skills Employers Say College Graduates Lack**This Practical Action describes the skills that employers are looking for in college graduates. Getting a college degree will be more valuable if you have both the technical and the human skills needed for success. As this Practical Action profiles, many college graduates are weak on very valuable workplace skills. **YOUR CALL****What are the three top soft skills you’d like to improve so as to make yourself more desirable to prospective employers by the time you graduate?***Students will most likely begin with communication and interpersonal skills as the top soft skills they would like to improve. These skills are important as they allow us to motivate and engage others. Other soft skills include critical thinking and problem solving, as well as ethical judgment, innovation, and creativity.* **Additional Activities:**One way that you could build on this Practical Action is to have the students read the *Fortune* online article “[The Real-World Skills New College Grads Need Most in 2016](http://fortune.com/2016/01/07/real-world-skills-college-grads/?iid=sr-link1).” In this article, Anne Fisher provides career advice to a soon-to-be college graduate about how to highlight soft skills on a resume that is light on relevant work experience, a circumstance many of your students might be facing. Consider using the following discussion questions:Provide specific examples of how you can highlight your soft skills on your resume, even if you do not have substantial work experience.If you ask one of your professors for a letter or recommendation, discuss how you could ensure that the letter highlights your soft skills.Discuss ways that you could highlight your soft skills when interviewing for a position.  |

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| **PRACTICAL ACTION: Executive Functioning: How Good Are You at Focusing Your Thoughts, Controlling Your Impulses, & Avoiding Distractions?**This Practical Action focuses on managing yourself and your resources in the workplace. Gen Z students are used to multitasking by using their smartphones to do multiple things at one time and still trying to pay attention in class. However, this leads to poor learning and can affect executive functioning in the future. To be successful not only in school but in the workplace—especially as a manager—students need to learn to direct their attention. This is known as focus or mindfulness.**YOUR CALL****Is this a problem for you? What can you do to improve your “executive functioning”?***This Practical Action demonstrates why it is important for students to direct their attention on one task at a time. Multitasking may be important, at times, but does not mean that your brain should consistently be processing multiple tasks on a continuous basis. This could lead to poor decision making and lack of attention, not to mention procrastination. Students who find procrastination is a problem should try to limit diversions, especially electronic ones.***Additional Activities:**One way that you could build on this Practical Action is to have the students read *The Wall Street Journal* article “[Can Handwriting Make You Smarter?](http://www.wsj.com/articles/can-handwriting-make-you-smarter-1459784659)” This article and the corresponding 5-minute video on the wsj.com website profile the results of studies that show that writing class notes by hand appears to focus classroom attention and boost learning in a way that typing notes on a keyboard does not. Consider using the following discussion questions:Based on the content in this *Wall Street Journal* article, are you likely to change your approach for taking class notes? How about for retaining information from an important meeting with your employer? Defend your position.Discuss the disadvantages of taking verbatim notes during class lectures and how you can improve your note-taking process.Discuss how you could more effectively manage technology to make you a better manager. |



**SELF-ASSESSMENTS**

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| **SELF-ASSESSMENT 1.1****How Strong Is My Motivation to Lead?**This Self-Assessment is intended to help students reflect on whether they have a strong internal motivation to lead other people. **Student Questions:** 1. Do results match your desire to assume leadership roles at school, work, and home? Explain.

*Student responses here will differ; however, all students should have a better understanding of the components of management.*1. Which of the three dimensions do you think is most likely to affect your future success as a leader?

*Student responses will differ here. Some will respond with information technology if they think that is the direction we are going in today’s world. Others may be more ethics or diversity related. Overall, the strongest response may be managing for a competitive advantage as it can include all the above. There really would not be a least predictor of managerial success, but students can have their own opinions here.*1. You can increase your motivation to lead by increasing the scores on the three lowest-rated items in the survey. Identify these items and develop a plan for how you can change your behavior in leadership situations at school and work. Work the plan and get feedback about your effectiveness.

*Student responses will differ.***Supplementary Activities:**1. Students should be assigned to groups based on their Self-Assessment scores. Students with high motivation to lead should be grouped together and students with a low motivation to lead should also be grouped together.
2. Students who scored highly should discuss what they do at work to exhibit their motivation to lead. Students who scored low should discuss what they can do at work to increase their motivation to lead. Both groups should present to the class as a whole.
3. Instructor can lead discussion and point out how students can increase their motivation to lead.
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| **SELF-ASSESSMENT 1.2****To What Extent Do You Possess an Entrepreneurial Spirit?**This Self-Assessment allows students to compare their motivations, aptitudes, and attitudes with those found in a sample of entrepreneurs from a variety of industries.**Student Questions:** 1. To what extent are your motives, aptitudes, and attitudes similar to entrepreneurs? Explain.

*Students who have high energy, internal locus of control, high tolerance for ambiguity, and self-confidence would fare well. Patience and motivation, with the ability to overcome failure, are important as well. Student responses will differ, but should follow this theme.*1. Based on your results, where do you have the biggest gaps with entrepreneurs in terms of the individual motives, aptitudes, and attitudes?

*The above answer should still hold true, but in the inverse.*1. What do these gaps suggest about your entrepreneurial spirit? Discuss.

*Students should realize how they fare in their ability to have characteristics associated with entrepreneurs.* 1. Do these results encourage or discourage you from thinking about starting your own business? Explain.

*Student responses would differ based on how they interpret their own results and their desires to overcome results that may not fall in line with entrepreneurial efforts.***Supplementary Activities:**1. Students should be assigned to groups based on their Self-Assessment scores. Students with high and low scores should be mixed together.
2. Groups should discuss how a high entrepreneurial orientation will assist organizations in being innovative and creative.
	1. Each group should create a short innovation policy for a mock organization. The policy should include resources and procedures for employees to exercise innovation and creativity while strengthening instinct and intuition.
3. Each group should share their innovation policy with the class as a whole and solicit feedback.
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**GROUP EXERCISE:** **How Well Do Managers Manage Their Time?**

**Objectives**

• To see how time is allocated in a top management position.

• To start to think about how you might spend your time in a top management position.

• To see what you think about this kind of job and what functions are performed.

**Introduction**

Managers must allocate their time appropriately. If as a manager you continuously misallocate your time in terms of work coordination, your company will not reach its goals, or at the very least, you will not achieve your own goals and may become a liability to the organization. So, you must understand how to allocate your time wisely.

**Instructions**

The following is from Charles Handy’s *Understanding Organizations:*

*A senior manager’s diary:* One senior division manager sat down to review what he regarded as the major responsibilities of his job. He listed six key areas for himself:

1. Relations with head office: communicating with the top managers.
2. Long-term and strategic planning: the plans that position the company over time.
3. Operational responsibilities for particular ongoing activities: the day-to-day activities of the company.
4. Co-coordinating function: working with other parts of the company to complete a task or tasks.
5. Standard setting, performance, morale priorities: setting up quality standards and other types of standards, operationalizing performance appraisals, and developing a climate where employees want to work.
6. External relations: working with customers, watching what competitors are doing, dealing with pressure groups, and working with suppliers.

As a group, estimate in percentages how you think this senior manager allocated his time to these six key areas. (The senior manager’s percentages are included at the end of this exercise.)

 1. \_\_\_ percent 4. \_\_\_ percent

 2. \_\_\_ percent 5. \_\_\_ percent

 3. \_\_\_ percent 6. \_\_\_ percent

What areas would you add to his list? Why?

**Questions for Discussion**

1. How do your percentages compare to the senior division manager’s time allocation?
2. Why do you think that 1, 3, and 4 take so much of his time?
3. In this changing world do you think that more time should be spent on 2, 5, and 6?
4. How do managers “know” how to allocate their time? In his position, would you allocate your time differently? Why or why not?

**Answers**

After outlining the six key areas of responsibility in his job, the division manager then analyzed his diary for the previous 3 months and came up with the following approximate percentages of time spent on each of the key areas:

1. 20 percent 4. 25 percent

2. 10 percent 5. 5 percent

3. 35 percent 6. 5 percent

Adapted and modified by Anne Cowden, PhD, from Charles Handy’s *Understanding Organizations* (New York: Penguin, 1993), p. 338.

**MANAGER’S HOT SEAT**

Students may complete the “*Work-Life Balance*” Manager’s Hot Seat exercises in Connect for this chapter.

**Introduction**

Many organizations recognize the need for work-life balance. This scenario explores this very issue, as well as prompts discussion about corporate culture. In addition, the case shows one approach for delivering negative news to disgruntled employees.

**Learning Objectives**

1. To recognize the need and importance for employees to balance work and family/life.
2. To analyze the influences of corporate culture.
3. To identify effective approaches for delivering negative news.

**Scenario Description**

*Overview*

Samantha Peters, technical director at Quantum Gaming, a video-game company, is conducting a scheduling meeting where she must ask employees to put in a serious amount of extra time to meet a valued customer’s request. In addition to various challenges of her leadership, a discussion of the Quantum Gaming's overall responsibilities to its workers, corporate culture, and work-life balance issues sidetrack the meeting. The employees pressure Samantha to make a decision right then and there; however, she cannot confirm their requests before talking to upper management.

*Profile*

* Samantha Peters—Technical Director, Quantum Gaming—has been a technical director at Quantum Gaming for 12 years, managing a creative force of 40 people.
* Graham Hulbert—Programmer, Quantum Gaming—has been in the company’s design department for 21 years and is a little resentful of Peters for holding the position of technical director, although he hasn’t shown any ambition for the position himself.
* Miranda Cortez—Animator, Quantum Gaming—started working in the team two years ago after returning from unpaid maternity leave. Before that, she had been working for the marketing department’s design team, but found her position too stressful and creatively limited.
* Tom Anderson—Modeler/Designer, Quantum Gaming—has been at the company since he graduated from university last fall. He’s still a little shell-shocked about being in the working world.

**Discussion Questions**

*Leaning Objective #1 To recognize the need and importance for workers to balance work and family/life.*

Why is it important for Quantum Gaming workers to ask for a balance between work demands and their life? Why is it a smart move on the part of Quantum Gaming to help workers strike this balance?

*Student discussion will vary based on students’ own lives and experiences. Those who have been in the workforce for some time may have different responses than students who are just entering or have only been in school. In general, however, workers should have a balance between work and family/life. The worst-case scenario for not finding the balance will be someone like Mat Parson who went off the deep end.*

*In order to reduce turnover and increase employee satisfaction, Quantum Gaming should strive to help employees strike a balance. The cost of constantly hiring new employees and training them far outweighs the small cost of offering current employees flexible work time, telecommuting options, or extended career breaks.*

*Leaning Objective #2 To analyze the influences of corporate culture.*

What is the corporate culture of Quantum Gaming based on the meeting? Is this a place where you would like to work? Why or why not?

*Corporate culture is a set of values, attitudes, and philosophies, and it varies from one organization to the next.*

*For Quantum Gaming, the organization clearly values their bottom line more than the mental well-being of their employees. If it didn’t, Quantum would have resolved personnel issues after losing two employees to a competitor and contributing to one employee’s breakdown. The culture of valuing money also comes through in the way projects have been scheduled. Quantum Gaming has taken on more and more projects before current ones are finished in an effort to bring in more business and increase revenues. Finally, Quantum values the bottom line by pandering wholeheartedly to Arcadian’s last minute request to change their game’s central character.*

*The answer to the second question will vary by students’ personalities. While most probably wouldn’t enjoy the working conditions at Quantum Gaming, some will thrive it in.*

*Leaning Objective #3 To identify effective approaches for delivering negative news.*

*How effective was Samantha’s approach in delivering the negative news?*

One effective approach for delivering negative news is to describe the situation, present a possible alternative or compromise (if available), and then ask for input or action from the audience. Samantha might consider the context of delivering the negative news by asking questions such as whether she has a good relationship with the team or whether the organization treats them well overall.

Samantha’s approach wasn’t initially successful. She immediately jumps in with the bad news—that the team will have to put everything aside and work extra-long hours for the next two weeks. In the follow-up interview, even she recognizes that she might have approached the delivery of the bad news in a different way by first asking hypothetically about the extra work and how the team might cope if they were asked to change the project. Samantha also uses negative words (i.e., “unfortunately”) that signal to the team a negative is coming before she even announces it.

**PUBLISHER VIDEO**

The following video is sponsored by McGraw-Hill Education and can be found on either the Principles of Management/Organizational Behavior DVD (Volume 1), or via instructor resources on Connect:

**Redbox**

**Time:** 10:39

**Key people and companies**

Redbox

**Overview**

There are several decisions that new and existing companies have to make in order to remain competitive in today’s global environment. The current video focuses on Redbox and the various business decisions that it has made and continues to make in order to remain profitable. This video also discusses the various environmental factors that impact these decisions.

When Redbox was just starting out, it had difficulties trying establishing itself as a viable company. Investors weren’t interested in the company because it was operating on such thin margins, and retailers were hesitant to let Redbox put kiosks within their storefronts because it was relatively unknown. Redbox therefore established strategic partnerships with Coinstar who already had several kiosks within retail stores. It also partnered with McDonalds who had a strategic business incentive for setting up movie rental kiosks within their restaurants. Lastly, Redbox made sure to grow slowly, only expanding to the next level after it was able to establish a stable profit.

The second half of this video talks about how environmental factors impact Redbox’s current business operations. The business environment is made up of the economic and legal, technological, competitive, and social environments. The economic and legal environment involves the government’s policies and regulations that can help or hurt a business. The technological environment involves the technological landscape (e.g., the widespread use of smart phones, smart televisions, and Internet) in which a company is operating. The competitive environment involves the quality, cost, and customer service of competing companies and the industry in general. The social environment involves the types of products and services customers typically purchase, including the wants and needs of the demographic groups within that region. Each of these environmental sectors influences Redbox’s current business decisions.

**Preparing students before the video**

Ask students what they know about Redbox and if they have ever used their services. Ask them about what they like about Netflix from a consumer perspective and what Netflix has done to compete with other related services.

**Major issues in the case**

* Management Decisions
* Strategic Partnerships
* Stakeholders
* Business Environment

**Discussion questions and answers**

1. *What are some recent changes in the technological environment, and how will these changes impact Redbox’s future business decisions?*

Students should demonstrate an understanding of the technological environmental domain and how this aspect of the environment impacts business decisions. For instance, they could discuss how it is currently becoming much easier to purchase and rent movies streamed through the Internet. Thus, Redbox should respond to these changes and possibly create streaming movie services to remain competitive in the industry. Or Redbox could somehow provide recently released movies to consumers before they are available through these streaming services.

1. *What are some ways in which Redbox can respond to regional differences in social environments?*

Students’ answers should demonstrate an understanding of the social environmental domain in their answer. The social environment encompasses the products and services customers typically purchase within a region, including the wants and needs of specific demographic groups. Thus, social environments that have more families may be more likely to rent cartoons and G-rated movies. Similarly, the race, gender, age, SES, sexual orientation, and religion of customers within regions would also impact movie selections. Redbox could track these preferences to create algorithms to determine the quantity and types of movies that they should keep in stock at each kiosk. They could also ask customers to provide their demographic information, and Redbox could use this information (in addition to customers’ movie ratings and movie preferences) to suggest movies that the customers may want to watch.

1. *What are some additional strategic partnerships that Redbox could make?*

Students should demonstrate critical thinking skills and an understanding of strategic business partnerships (i.e., those that are mutually beneficial). For instance, Redbox could partner with Amazon to provide prime shipping of movies to and from warehouses so that customers can enjoy physical movie rentals without leaving their homes.