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新经济管理英语

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【内容简介】 本书是为管理专业本科及MBA硕士研究生编写的专业英语教程。全书分为9个模块(Section)18个单元(Unit),其内容涵盖管理与决策、经济学、组织行为与人力资源、市场营销、生产与运营管理、战略管理、会计与财务、项目管理、信息与知识管理等方面,选文语言规范准确,体裁多样。每个单元由精读、泛读、专业词汇注释、练习4部分组成。本书采用模块化设计,与学生所学专业内容结合紧密,针对性强,能激发学习积极性。通过本书的学习,学生可以有效地掌握经济、管理方面的专业词汇,提高阅读和写作能力。

本书除了用于管理和经济专业本科及MBA硕士研究生专业英语教材外,也可作为其他相关专业的专业外语教材,以及相关专业人士英语自学材料。

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前　言

21 世纪是信息化的社会，也是知识经济的社会，社会对管理人才的需求已呈多元化趋势，复合型人才越来越受到欢迎。随着全球一体化进程的加快，英语将是管理专业本科生学习国外先进管理理论和经验以及开展对外经济交流与合作的重要工具。因此，管理专业英语的教学内容和教学目的就是要培养学生具有较强的专业文章阅读能力，具有一定的写作和翻译能力，使学生能够以英语为工具进行本专业的学习和研究，即能够顺利阅读本专业的英语材料，获取本专业所需信息，了解和熟悉当代社会经济、管理和科学技术发展动态，并能在实践中运用英语开展一些基本的国际经济技术合作和学术交流活动。《新经济管理英语》正是为了实现这一目的而编写的。

本书根据管理和经济专业核心课程的设置情况，采用系统的模块(Section)式课程设计。课程内容设计成相对独立的多个模块，每个模块对应一门核心课程，每个模块根据内容的多少，分为 2 个讲授单元(Unit)，这样可以使学生较为系统和全面地掌握各主要管理领域的英文专业知识。本书共 9 个模块 18 个单元，其内容涵盖管理与决策、经济学、组织行为与人力资源、市场营销、生产与运营管理、战略管理、会计与财务、项目管理、信息与知识管理等方面。每个单元分为精读、泛读、注释和练习等部分。每单元的练习以写作和翻译为主，写作练习采用研究生入学考试和 PETS5 考试写作考题形式，即 Summary 写作和 Case 写作。这样在提升学生专业英语知识的同时，又可提高学生的写作和应试能力。

本书由西北工业大学管理学院专业英语教学组的教师编写。他们一方面承担着全院本科生、MBA 研究生专业英语的教学任务，同时在管理学院承担着自己所在模块(领域)的研究生、本科生的教学任务，保证了全书章节内容的系统性、全面性、重点性和简洁性。各章编写者为：朱煜明、王娟茹(Section 1　Management and Decision Making)；王颖晖(Section 2　Economics)；肖平(Section 3　Organizational Behavior and Human Resource)；王颖晖(Section 4　Marketing)；王克勤(Section 5　Production and Operations Management)；朱煜明(Section 6　Strategic Management)；梁祎、潘女兆(Section 7　Accounting and Financial Management)；王娟茹(Section 8　Project Management)；张小娣(Section 9　Information Management)。

本书由朱煜明主编，负责全书统稿，王克勤任副主编，协助统稿。

为了便于备课，本书各单元精读部分的中文参考译文及练习参考答案已制作成教学辅助光盘，免费提供给选用本教材的教师。若有需要者可以和西北工业大学出版社联系。

本书在编写过程中引用和参阅了近年来英、美等国经济管理领域专家学者的文献资料，在此表示感谢。要感谢的还有管理学院的所有教师，没有他们的支持，不可能完成教材的编写。同时还要感谢教学活动中的全体学生，与他们的交流、沟通对本书的框架结构、章节内容的确定具有很大影响。特别感谢西北工业大学出版社的杨军同志，在本书编写过程中提供了许多建设性意见。

由于水平所限，书中尚存在缺点和不足，恳请读者特别是使用本书的教师和同学指正。

朱煜明

2010 年 10 月

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Section 1 Management and Decision Making

Unit 1 Management

Part 1 Intensive Reading

Management's New Paradigms

Basic Assumptions About Reality are the Paradigms[1] of a social science, such as management. They are usually held subconsciously by the scholars, the writers, the teachers, the practitioners in the field. Yet those assumptions largely determine what the discipline — scholars, writers, teachers, practitioners — assumes to be reality.

The discipline's basic assumptions about reality determine what it focuses on. They determine what a discipline considers "facts," and indeed what it considers the discipline itself to be all about. The assumptions also largely determine what is being disregarded in a discipline or is being pushed aside as an "annoying exception". They decide both what in a given discipline is being paid attention to and what is neglected or ignored.

For a social discipline[2] such as management the assumptions are actually a good deal more important than are the paradigms. for a natural science. The paradigm—that is, the prevailing general theory—has no impact on the natural universe. Whether the paradigm states that the sun rotates around the earth or that, on the contrary, the earth rotates around the sun has no effect on sun and the earth. A natural science deals with the behavior of objects. But a social discipline such as management deals with the behavior of people and human institutions. Practitioners will therefore tend to act and to behave as the discipline's assumptions tell them to. Even more important, the reality of a natural science, the physical universe and its laws, do not change (or if they do only over eons rather than over centuries, let alone over decades). The social universe has no "natural laws" of this kind. It is thus subject to continuous change. And this means that assumptions that were valid yesterday can become invalid and, indeed, totally misleading in no time at all.

What matters most in a social discipline such as management are therefore the basic assumptions. and a change in the basic assumptions matters even more.

Since the study of management first began—and it truly did not emerge until the 1930s—two sets of assumptions regarding the realities of management have been held by most scholars, most writers and most practitioners:

One set of assumptions underlies the discipline of management:

1) Management is business management.

2) There is—or there must be—one right organization structure.

3) There is—or there must be—one right way to manage people.

Another set of assumptions underlies the practice of management:

1) Technologies, markets and end-uses are given.

2) Management's scope is legally defined.

3) Management is internally focused.

4) The economy as defined by national boundaries is the "ecology" of enterprise and management.

For most of this period—at least until the early 1980s—all but the first of these assumptions were close enough to reality to be operational, whether for research, for writing, for teaching or for practicing management. By now all of them have outlived their usefulness. They are close to being caricatures. They are now so far removed from actual reality that they are becoming obstacles to the theory and even more serious obstacles to the practice of management. Indeed, reality is fast becoming the very opposite of what these assumptions claim it to be. It is high time therefore to think through these assumptions and to try to formulate the new assumptions that now have to inform both the study and the practice of management.

1 Management Is Business Management

For most people, inside and outside management, this assumption is taken as self-evident. Indeed management writers, management practitioners and the laity do not even hear the word "management"; they automatically hear business management.

This assumption regarding the universe of management is of fairly recent origin. Before the 1930s the few writers and thinkers who concerned themselves with management—beginning with Frederick Winslow Taylor around the turn of the century and ending with Chester Barnard just before World War II—all assumed that business management is just a subspecies[3] of general management and basically no more different from the management of any other organization than one breed of dogs is from another breed of dogs.

What led to the identification of Management with Business Management was the Great Depression[4] with its hostility to business and its contempt for business executives. In order not to be tarred with the business brush, management in the public sector was rechristened[5] "Public Administration" and proclaimed a separate discipline—with its own university departments, its own terminology, its own career ladder[6]. At the same time—and for the same reason—what had begun as a study of management in the rapidly growing hospital (e. g., by Raymond Sloan, the younger brother of GM's Alfred Sloan) was split off as a separate discipline and christened "Hospital Administration."

Now, however, we are beginning to unmake this sixty-year-old mistake—as witness the renaming of so many "business schools" into "schools of management," the rapidly growing offerings in "nonprofit management" by these schools, the emergence of "executive management programs" recruiting both business and nonbusiness executives or the emergence of departments of "Pastoral Management" in divinity schools[7].

But the assumption that Management is Business Management still persists. It is therefore important to assert—and to do so loudly—that Management is NOT Business Management—any more than, say, Medicine is Obstetrics.

There are, of course, differences in management between different organizations—Mission defines Strategy, after all, and Strategy defines Structure. There surely are differences between managing a chain of retail stores and managing a Catholic diocese (though amazingly fewer than either chain stores or bishops believe); between managing an air base, a hospital and a software company. But the greatest differences are in the terms individual organizations use. Otherwise the differences are mainly in application rather than in principles. There are not even tremendous differences in tasks and challenges. The executives of all these organizations spend, for instance, about the same amount of their time on people problems—and the people problems are almost always the same. Ninety percent or so of what each of these organizations is concerned with is generic. And the differences in respect to the last 10 percent are no greater between businesses and nonbusinesses than they are between businesses in different industries, for example, between a multinational bank and a toy manufacturer. In every organization—business or nonbusiness alike—only the last 10 percent of management has to be fitted to the organization's specific mission, its specific culture, its specific history and its specific vocabulary.

The first conclusion of this analysis of the assumptions that must underlie management to make productive both its study and its practice is therefore: Management is the specific and distinguishing organ of any and all organizations.

2 The One Right Organization

Concern with management and its study began with the sudden emergence of large organizations—business, governmental civil service, the large standing army—which was the novelty of late-19th-century society. And from the very beginning more than a century ago, the study of organization has rested on one assumption:

There is—or there must be—one right organization.

It was World War I that made clear the need for a formal organization structure. But it was also World War I that showed that Fayol's (and Carnegie's) functional structure was not the one right organization. Immediately after World War I first Pierre S. Du Pont (1870—1954) and then Alfred Sloan (1875—1966) developed Decentralization. And now, in the last few years, we have come to tout the "Team" as the one right organization for pretty much everything.

By now, however, it should have become clear that there is no such thing as the one right organization. There are only organizations, each of which has distinct strengths, distinct limitations and specific applications. It has become clear that organization is not an absolute. It is a tool for making people productive in working together. As such, a given organization structure fits certain tasks in certain conditions and at certain times.

One hears a great deal today about "the end of hierarchy[8]." This is blatant nonsense. In any institution there has to be a final authority, that is, a "boss"—someone who can make the final decisions and who can expect them to be obeyed. In a situation of common peril—and every institution is likely to encounter it sooner or later—survival of all depends on clear command. If the ship goes down, the captain does not call a meeting, the captain gives an order. And if the ship is to be saved, everyone must obey the order, must know exactly where to go and what to do, and do it without "participation" or argument. "Hierarchy", and the unquestioning acceptance of it by everyone in the organization, is the only hope in a crisis.

Other situations within the same institution require deliberation. Others still require teamwork—and so on. Organization theory assumes that institutions are homogeneous and that, therefore, the entire enterprise should be organized the same way.

There are indeed some "principles" of organization. One is surely that organization has to be transparent. People have to know and have to understand the organization structure they are supposed to work in. This sounds obvious—but it is far too often violated in most institutions (even in the military). Another principle I have already mentioned: Someone in the organization must have the authority to make the final decision in a given area. And someone must clearly be in command in a crisis. It also is a sound principle that authority be commensurate with responsibility.

It is a sound principle that one person in an organization should have only one "master". There is wisdom to the old proverb of the Roman Law that a slave who has three masters is a free man. It is a very old principle of human relations that no one should be put into a conflict of loyalties—and having more than one "master" creates such a conflict (which, by the way, is the reason that the "Jazz Combo" team, so popular now, is so difficult— every one of its members has two masters, the head of the specialty function, for example, engineering, and the team leader). It is a sound, structural principle to have the fewest layers, that is, to have an organization that is as "flat" as possible—if only because, as Information Theory tells us, "every relay doubles the noise and cuts the message in half."

But these principles do not tell us what to do. They only tell us what not to do. They do not tell us what will work. They tell us what is unlikely to work. These principles are not too different from the ones that inform an architect's work. They do not tell him what kind of building to build. They tell him what the restraints are. And this is pretty much what the various principles of organization structure do.

Even more important: We need to go to work on studying the strengths and the limitations of different organizations. For what tasks are what organizations most suitable? For what tasks are what organizations least suitable? And when, in the performance of a task, should we switch from one kind of organization to another? This analysis is perhaps most needed for the currently "politically correct" organization: the team.

The pioneers of management a century ago were right. Organizational Structure is needed. The modern enterprise— whether business, civil service, university, hospital, large church or large military—needs organization just as any biological organization beyond the ameba needs structure. But the pioneers were wrong in their assumption that there is—or should be—one right organization. Just as there are a great number of different structures for biological organizations, so there are a number of organizations for the social organism that is the modern institution. Instead of searching for the right organization, management needs to learn to look for, to develop, to test the organization that fits the task.

3 The One Right Way to Manage People

In no other area are the basic traditional assumptions held as firmly—though mostly subconsciously—as in respect to people and their management. And in no other area are they so totally at odds with[9] reality and so totally counterproductive.

"There is one right way to manage people—or at least there should be." This assumption underlies practically every book or paper on the management of people.

On this fundamental assumption that there is—or at least should be—one and only one right way to manage people, rest all the other assumptions about people in organizations and their management.

One of these assumptions is that the people who work for an organization are employees of the organization, working fulltime, and dependent on the organization for their livelihood and their careers. Another such assumption is that the people who work for an organization are subordinates. Indeed, it is assumed that the great majority of these people have either no skill or low skills and do what they are being assigned to do.

Eighty years ago, when these assumptions were first formulated, during and at the end of WWI, they conformed close enough to reality to be considered valid. Today every one of them has become untenable[10]. The majority of people who work for an organization may still be employees of the organization. But a very large and steadily growing minority—though working for the organization—are no longer its employees, let alone its full-time employees. They work for an outsourcing contractor, for example, the outsourcing firm that provides maintenance in a hospital or a manufacturing plant, or the outsourcing firm that runs the data processing system for a government agency or a business. They are "temps" or part-timers. Increasingly they are individual contractors working on a retainer or for a specific contractual period; this is particularly true of the most knowledgeable and therefore the most valuable people working for the organization.

Even if employed full-time by the organization, fewer and fewer people are "subordinates"—even in fairly low-level jobs. Increasingly they are "knowledge workers".

And knowledge workers are not subordinates; they are "associates". For, once beyond the apprentice stage, knowledge workers must know more about their job than their boss does—or else they are no good at all. In fact, that they know more about their job than anybody else in the organization is part of the definition of knowledge workers.

Implicit in this is that different groups in the work population have to be managed differently, and that the same group in the work population has to be managed differently at different times. Increasingly "employees" have to be managed as "partners"—and it is the definition of a partnership that all partners are equal. It is also the definition of a partnership that partners cannot be ordered. They have to be persuaded. Increasingly, therefore, the management of people is a "marketing job". And in marketing one does not begin with the question: "What do we want?" One begins with the question: "What does the other party want? What are its values? What are its goals? What does it consider results?" And this is neither "Theory X" nor "Theory Y," nor any other specific theory of managing people.

Maybe we will have to redefine the task altogether. It may not be "managing the work of people." The starting point both in theory and in practice may have to be "managing for performance". The starting point may be a definition of results—just as the starting points of both the orchestra conductor and the football coach are the score.

The productivity of the knowledge worker is likely to become the center of the management of people, just as the work on the productivity of the manual worker became the center of managing people a hundred years ago, that is, since Frederick W. Taylor. This will require, above all, very different assumptions about people in organizations and their work:

One does not "manage" people.

The task is to lead people.

And the goal is to make productive the specific strengths and knowledge of each individual.

4 Technologies and End-users Are Fixed and Given

Four major assumptions, as said above, have been underlying the practice of management all along—in fact for much longer than there has been a discipline of management.

The assumptions about technology and end-users to a very large extent underlie the rise of modern business and of the modern economy altogether. They go back to the very early days of the Industrial Revolution.

By now these assumptions have become untenable. The best example is of course the pharmaceutical industry, which increasingly has come to depend on technologies that are fundamentally different from the technologies on which the pharmaceutical research lab is based: genetics, for instance, microbiology, molecular biology, medical electronics and so on.

Technologies, unlike the 19th-century technologies, no longer run in parallel. They constantly crisscross[11]. Constantly, something in a technology of which people in a given industry have barely heard (just as the people in the pharmaceutical industry had never heard of genetics, let alone of medical electronics) revolutionizes an industry and its technology. Constantly, such outside technologies force an industry to learn, to acquire, to adapt, to change its very mindset[12], let alone its technical knowledge. The basic assumptions of genetics are alien to a pharmacologist—and yet genetics is rapidly revolutionizing the pharmaceutical industry. And the mindset of the geneticist is so different that so far, no major pharmaceutical company has been able to integrate genetics successfully into its own research program. It can only get access to genetics by alliances with outsiders, whether through minority participation in a genetics company or through an agreement with a university genetics department. Equally important to the rise of 19th- and early-20th-century industry and companies was a second assumption: End-uses are fixed and given. For a certain end-use, for example, to put beer into containers, there may have been extreme competition between various suppliers of containers. But all of them, until recently, were glass companies, and there was only one way of putting beer into containers, a glass bottle.

Management therefore now has to start out with the assumption that there is no one technology that pertains to any industry and that, on the contrary, all technologies are capable—and indeed likely—to be of major importance to any industry and to have impact on any industry. Management similarly has to start with the assumption that there is no one given end-use for any product or service and that, conversely, no end-use is going to be linked to any one product or service.

Some implications of this are that increasingly the noncustomers of an enterprise—whether a business, a university, a church, a hospital—are as important as the customers, if not more important. Even the biggest enterprise (other than a government monopoly[13]) has many more noncustomers than it has customers. There are very few institutions that supply as large a percentage of a market as 30 percent. There are therefore few institutions where the noncustomers do not amount to at least 70 percent of the potential market. And yet very few institutions know anything about the noncustomers—very few of them even know that they exist, let alone know who they are. And even fewer know why they are not customers. Yet it is with the noncustomers that changes always start.

Another critical implication is that the starting point for management can no longer be its own product or service, and not even its known market and its known end-uses for its products and services. The starting point has to be what customers consider value. The starting point has to be the assumption—an assumption amply proven by all our experience—that the customer never buys what the supplier sells. What is value to the customer is always something quite different from what is value or quality to the supplier. This applies as much to a business as to a university or to a hospital.

Management, in other words, will increasingly have to be based on the assumption that neither technology nor end-use is a foundation for management policy. They are limitations. The foundations have to be customer values and customer decisions on the distribution of their disposable income[14]. It is with those that management policy and management strategy increasingly will have to start.

5 Management's Scope Is Legally Defined

Management, both in theory and in practice, deals with the legal entity, the individual enterprise—whether the business corporation, the hospital, the university and so on. The scope of management is thus legally defined. This has been—and still is—the almost universal assumption.

Almost a hundred years ago it first became clear that the legal definition was not adequate to manage a major enterprise.

This was clearly realized in the 1920s and 1930s by the builder of the next Keiretsu, Sears Roebuck. As Sears became America's largest retailer, especially of appliances and hardware, it too realized the necessity to bring together into one group its main suppliers so as to make possible joint planning, joint product development and product design, and cost control across the entire economic chain. But instead of buying these suppliers, Sears[15] bought small minority stakes in them—more as a token of its commitment than as an investment—and based the relationship otherwise on contract. And the next Keiretsu builder—and probably the most successful one so far (even more successful than the Japanese)—was Marks & Spencer in England, which, beginning in the early 1930s, integrated practically all its suppliers into its own management system, but exclusively through contracts rather than through ownership stakes or ownership control. It is the Marks & Spencer model that the Japanese, quite consciously, copied in the 1960s.

Increasingly, however, the economic chain brings together genuine partners, that is, institutions in which there is equality of power and genuine independence. This is true of the partnership between a pharmaceutical company and the biology faculty of a major research university. This is true of the joint ventures through which American industry got into Japan after WWII. This is true of the partnerships today between chemical and pharmaceutical companies and companies in genetics, molecular biology or medical electronics. These companies in the new technologies may be quite small—and very often are—and badly in need of capital. But they own independent technology. Therefore they are the senior partners when it comes to technology. They, rather than the much bigger pharmaceutical or chemical company, have a choice with whom to ally themselves. The same is largely true in information technology, and also in finance. And then neither the traditional Keiretsu nor command and control work.

What is needed, therefore, is a redefinition of the scope of management. Management