

MANAGEMENT



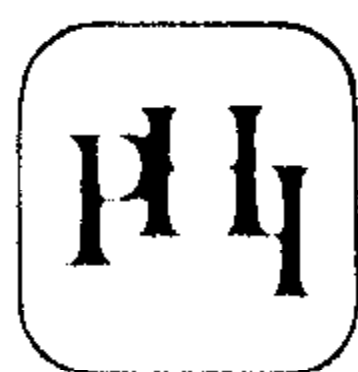
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JAMES A. F. STONER

JAMES A. F. STONER

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Management



Prentice/Hall International, Inc., London

To my parents

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Preface

This book is about the job of the manager. It describes how men and women go about managing the people and activities of their organization so that the goals of the organization, as well as their personal goals, will be achieved.

I have attempted in this book to convey the very positive view I have of the manager's job. I believe the job of a manager is among the most exciting, challenging, and rewarding careers a person can have. Individuals can, of course, make great contributions to society on their own. But it is much more likely that major achievements will occur in *managed* organizations—not only businesses, but also universities, hospitals, research centers, governmental agencies, and other organizations. Such organizations bring together the talent and resources that great achievements require. The individual manager, therefore, has a much greater chance to be involved in a significant and far-reaching activity than the individual working alone.

I also believe that in addition to being fun and rewarding, a managerial career is critically important. The problems our society faces today—and, most likely, the problems it will face in the foreseeable future—require the type of large-scale solutions only governments and other organizations can provide. How well we learn to manage such problems as pollution, the energy crisis, overpopulation, and poverty may help determine whether we survive as nations, cultures, or even as a species. The skill of organizational managers will be a vital factor in our ability to meet our society's tasks and challenges. The information in this text is designed to help you, the reader, develop these vital managerial skills.

In this text I have chosen to address the reader as a potential manager. At times, in fact, I even adopt a tone that suggests the reader already is a manager. This decision was a deliberate one: I want to encourage the reader to start thinking like a manager as soon as possible. Obviously, the earlier one learns to think like a manager, the quicker one can develop managerial effectiveness. But there is another, more basic reason I approach the reader as if he or she already were a manager. All managers, but especially young managers just beginning their careers, are evaluated in large part on how effective they are as *subordinates*. The more successful an individual is as a subordinate, the

more successful his or her career is likely to be. And one of the best ways of learning how to be an excellent subordinate is to learn how to think like a manager. Thus, addressing the reader as a manager (or at least as a prospective manager) is meant to be a helpful way of improving the reader's chances for future managerial *and* career success.

The material in this text has been selected with two objectives in mind: to provide the reader with information that is useful and relevant and to give the reader an understanding of the management field. Thus, most chapters have a practical orientation—how organizational realities affect the ethical behavior of managers (Chapter 3); how managers carry out the strategic planning process in their organizations (Chapter 5); when managers and subordinates should make decisions together (Chapter 7); how many subordinates should report directly to each type of manager (Chapter 10); how managers can be effective participants and leaders of groups and committees (Chapter 12); how organizational conflict can be managed (Chapter 14); what leadership styles are most effective in different types of situations (Chapter 17); what organizational realities and career strategies young managers should be aware of in order to manage their careers effectively (Chapter 20); and how managers can devise control systems that will be accepted by their subordinates (Chapters 21 and 24). Every attempt has been made to eliminate the use of management jargon, which so often hampers the readability of books on management. Instead, clear and familiar language is used so that the material will be easily accessible to the reader. Where a new term is introduced, it is set off in italics and clearly defined. The text has also been made more useful to students by covering different types of organizations—nonprofit, governmental, *and* business—in the belief that students will be assuming a wide variety of management positions.

The field of management has grown so rich that it is impossible to describe the work of all management writers and theorists in an introductory text. Instead, this text describes the major schools of management thought in one introductory chapter (Chapter 2); the remainder of the text includes material from a wide variety of sources that seemed most useful to the reader. The text does not, however, neglect the classical works in the field of management and in addition often includes the first pieces of research in a new area of inquiry.

This book attempts to integrate the major approaches to the basic introductory management course—the classical, behavioral, and quantitative approaches—and the emerging systems and contingency perspectives. The structure of the book is based, in large part, on the classical approach because (1) managers themselves still seem to find it quite useful; (2) students find it to be a good “handle” and lead-in to the management field; and (3) it provides an excellent organizing framework for all the management approaches. I believe that the various schools and perspectives in management have been growing closer for a number of years and that the reader's best interests are served by a text that takes an integrative point of view. Of course, wherever appropriate, I have specifically noted some of the important differences in the underlying values, assumptions, and action implications of the various approaches.

Pedagogical Aids I have tried to present the material in such a way as to be most helpful to students and teachers alike. The chapters in the text are designed to stand on their own, so instructors can deal with the various topics in whatever order they choose. However, in order to show how integrated the management field is, I have included a large number of chapter cross-references. The book as a whole is organized in a way that has proven successful in many introductory management courses.

Objectives. Each chapter begins with a list of learning objectives. These tell the reader specifically what he or she should know after reading the chapter. The reader can use these objectives as a study aid.

Illustrations and Tables. A large number of colorful and informative charts, tables, cartoons, and other illustrations have been included in this text. They have been designed to convey information in an attractive and readily comprehensible form. The boxed inserts in the text provide the reader with interesting supplementary information or summarize important material in the text.

Summary. A summary at the end of each chapter helps the student review the material presented in that chapter. The summary contains key information, concepts, and terms.

Review Questions. An additional study aid is the list of review questions that follows each chapter. These questions help students pull together and integrate the basic contents of the chapter. In addition, the questions give students an opportunity to see how their own values will affect the way they apply management principles.

Case Studies. The case study method has long been recognized as an effective means for helping students acquire and learn to apply management concepts. This text contains a total of twenty-nine cases, most of which have been classroom-tested for effectiveness. The cases describe situations in business as well as nonbusiness organizations. Each of the five units in the text opens with a major case that is designed to cover the key concepts of the entire unit. Each chapter closes with a shorter case study or incident that is designed to highlight key concepts of the chapter. Both types of cases are followed by case questions that are designed to help students focus on the important aspects of the case.

Supplements. A Study Guide and Workbook is available to help the student review, understand, and integrate the material in the text. Each chapter in the workbook includes a review outline, a list of key terms and concepts, and a series of self-test questions. A separate Instructor's Manual, Test Item File, and set of Transparency Masters are also available.

Acknowledgments One of the more pleasant parts of writing a book is the opportunity to thank those who have contributed to it. Unfortunately, the list of expressions of thanks—no matter how extensive—is always incomplete and inadequate. These acknowledgments are no exception.

First thanks must go to my editor, Sheldon Czapnik, whose unflagging patience, constant good humor, and astounding capacity for creative work and long hours made the book possible. Without Sheldon, there would have been no book. I am deeply indebted to Charles Wankel, Peter Pfister, Dr. Samuel Dekay, and Della Dekay for performing much useful research, completing many detailed tasks, and frequently suggesting alternative approaches. On this text I had professional writing assistance, and I would like especially to thank Arthur Mitchell and Jim McDonald for their contributions. Earl Kivett and Paul Atkinson, at that time Prentice-Hall acquisitions editor and area sales representative, respectively, first interested me in this project. Paul was particularly helpful in encouraging me to go ahead. I would also like to give special thanks to the production editor, Eleanor Perz, for her good spirits, professionalism, and dedication to the project.

Many of my colleagues in academia contributed directly and indirectly to this text. My advisor on two theses and early academic mentor, the late Donald G. Marquis, placed his own imprint indelibly and permanently upon me. I have frequently drawn heavily on the research and the recalled classes and conversations of Professors George Farris, Thomas Ference, Edgar Schein, and Kirby Warren, and my own interpretation of how they might have thought through problems. Tom was helpful on numerous occasions, and I am very grateful to him and to our colleague Jerome Schnee for allowing me to use their teaching notes and other materials at critical times. Deans Senkier, Jordan, and McDermott at Fordham provided consistent encouragement for my involvement in this project. They were always understanding during my various stages of work overload. From the time I was considering embarking on the project until its completion, they each had only one question: "What can I do to help?" I couldn't have asked for better management. James Gatza, Curtis R. Clarke, David E. Risch, Mahmoud A. Moursi, David A. Tansik, and F. Glenn Boseman provided needed reviews and guidance at critical stages.

Because this book is about management and about managers, I am indebted to the many outstanding managers and consultants with whom I have worked. These are far too many to list, but a few simply must be credited: Joseph Voci, David Gleicher, Malcolm MacGruer, and the late Victor Milton have all influenced me profoundly. As consultants, Joe and David can conceptualize and guide the practice of management as well as anyone I have ever met. As practicing managers, Joe, Malcolm, and Victor have always been a joy to watch in action.

Finally, in a strictly personal vein, my thanks for multiple types of encouragement go to Bill, Diane, Lynn, and Sandy.

J.A.F.S.

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