Management

Richard L. Daft



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To the Cullen Trust for Higher Education

Nothing is so essential to free government as the general diffusion of knowledge and intelligence of every kind. It is the foundation of civil liberty and constitutes our national strength and glory.

The philosophy of Hugh Roy Cullen, which he adopted from the above quotation by his grandfather

Preface

During the past year, several colleagues asked me, "Why are you writing a management book? There are already lots of management books." My answer was that I was trying to do more than write another management text. I wanted to create a better kind of management text that would convey to students both the intellectual enjoyment of management research and the down-to-earth application of management ideas.

Any textbook is limited as a medium for teaching management. A textbook about management is like a recording of a symphony—the listener isn't really there, and many of the cues and much of the music's intensity are lost. Some people would describe current management texts as rather crude recordings of the management symphony because so little of the excitement, frustration, adventure, and humor of management gets through to the reader. The challenge that The Dryden Press presented to me was to develop the equivalent of a higher-quality "recording" for teaching students about management. Dryden agreed to provide whatever resources were needed, literally creating a far-reaching team of management and publishing experts, to fulfill our shared goal of what a management book could be.

I wrote this management text because the challenge was too exciting to pass up. I have always had a commitment to high-quality instruction and envisioned a book that would create in students both respect for the field of management and confidence that it can be understood and mastered. The "audio" portion of this book has been enhanced through the writing style and in-text examples used to make the concepts realistic and relevant to students. The chapters were rewritten as often as needed to make the language smooth and the ideas appealing to readers.

Much more difficult was the addition of a "visual" component in the form of photo essays illustrating management concepts. We believed that photo essays would significantly expand the amount of management insight to be gained from the text. The photos add a new dimension to student learning just as films have to management training programs

and videos to popular music. Well-chosen photographs are unrivaled in their ability to convey vivid descriptions of management scenes, events, and people. The photos are combined with written descriptions that portray how management looks and feels and offer intimate glimpses into management life. They provide a special kind of knowledge through a language all of their own. Some photographs are pleasant, some are disarming, and some are surprising, but all are immensely valuable in helping students penetrate the often abstract and distant world of management.

ORGANIZATION

The chapter sequence in *Management* is organized around the management functions of planning, organizing, leading, and controlling. These four functions effectively encompass both management research and characteristics of the manager's job.

Part One introduces the world of management, including the nature of the manager's job, historical perspectives on management, and the influence of the larger environment on organizations and management.

Part Two presents four chapters on planning. The first two chapters describe goal setting, planning, strategy formulation, and strategy implementation. The next two chapters describe both qualitative and quantitative approaches to making decisions associated with planning.

Part Three focuses on organizing processes. These chapters describe the basic dimensions of structural design, the design alternatives managers can use to achieve strategic objectives, structural designs for promoting innovation and change, and the design and use of the human resource function.

Part Four is devoted to leadership. This section begins with a description of leadership and paves the way for the subsequent topics of employee motivation, communication, and management of small groups. The leading section closes with a chapter unique to management textbooks: It gives a macro view of how leaders influence corporate culture and corporate turnarounds.

Part Five describes the controlling function of management, including basic principles of organization control, the design of control systems, management information systems, and techniques for control of operations management.

Part Six describes two significant management issues—international management and careers. The international chapter provides a comprehensive introduction to the strategies, structure, control systems, and leadership qualities used to manage an organization internationally. The careers chapter describes both individual and organizational strategies for managing careers.

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SPECIAL FEATURES

One major goal of this book was to offer better ways of using the textbook medium to convey management knowledge to the reader. To this end, the book includes several special features:

Photo Essays. The most innovative feature of the book is the use of photographs accompanied by detailed captions that describe management events and how they relate to chapter material. Visual media are a predominant form of communication in our society and have the power to convey reality as no written medium can. The photo essays cover a rich assortment of organizations and management events. Many of the photos are beautiful to look at, and all of them convey the vividness, immediacy, and concreteness of management events.

Chapter Outline and Objectives. Each chapter begins with a clear statement of learning objectives and an outline of its contents. These devices provide an overview of what is to come and can also be used by students to see whether they understand and have retained important points.

Management Problem/Solution. The text portion of each chapter begins with a real-life problem faced by organization managers. The problem pertains to the topic of the chapter and will heighten students' interest in chapter concepts. The problem is resolved at the end of the chapter, where chapter concepts guiding the management's actions are highlighted.

Contemporary Examples. Every chapter of the text contains a large number of written examples of management incidents. These are placed at strategic points in the chapter and are designed to demonstrate the application of concepts to specific companies. The examples include well-known companies such as IBM, Hewlett-Packard, McDonald's, Procter & Gamble, General Motors, Ford, Coca-Cola, Walt Disney, and Marriott, as well as less well-known companies and not-for-profit organizations such as Huffy Corporation, New York City Transit Authority, Columbia Gas Systems, Crane Plastics, Parsons Pine Products, a municipal department of sanitation, a medical center, and an elementary school. They put students in immediate touch with the real world of organizations so that they can appreciate the value of management concepts.

Managers Shoptalk. These boxed items contain issues of special interest to management students. They may describe a contemporary topic or problem that is relevant to chapter content or may contain a diagnostic questionnaire or a special example of how managers handle a problem. They also provide specific advice for accomplishing desired organizational outcomes. These boxes will heighten student interest in the subject matter and provide an auxiliary view of management issues not typically available in textbooks.

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Focus Boxes. These boxed items pertain to social responsibility, international, and small-business issues. Their purpose is to help students integrate these topics with other concepts in the book. Too often such topics are presented in separate, discrete chapters that have no connection with other materials. Yet concepts in almost every chapter have implications for social responsibility, international management, and small business. The focus boxes will help students understand the relevance of the chapter material for these important management topics.

Glossaries. Learning the management vocabulary is essential to understanding contemporary management. This is facilitated in three ways. First, key concepts are boldfaced and completely defined where they first appear in the text. Second, brief definitions are set out in the margin for easy review and follow-up. Third, a glossary summarizing all key terms and definitions appears at the end of the book for handy reference.

Artwork. Many aspects of management are research based, and some concepts tend to be abstract and theoretical. To enhance students' awareness and understanding of these concepts, many exhibits have been included throughout the book. These exhibits consolidate key points, indicate relationships among variables, and visually illustrate concepts. They also make selective use of color to enhance their imagery and appeal.

Chapter Summary and Discussion Questions. Each chapter closes with a summary of key points to be retained. The discussion questions are a complementary learning tool that will enable students to check their understanding of key issues, to think beyond basic concepts, and to determine areas that require further study. The summary and discussion questions help students discriminate between main and supporting points and provide mechanisms for self-teaching.

Cases for Analysis. Each chapter ends with one or two brief but substantive cases for student analysis and class discussion. Approximately half the cases are about companies whose names students will recognize. The others are based on real management events but disguise the identities of the companies and managers. These cases provide an opportunity for students to apply concepts to real events and to sharpen their diagnostic skills for management problem solving.

SUPPLEMENTARY MATERIALS

Materials that supplement the text have become increasingly important in the teaching of management. Many instructors face large classes with limited resources, and supplementary materials provide a way to expand and improve the student's learning experience. The learning package provided with *Management* was specifically designed to meet the needs of instructors facing a variety of teaching conditions.

Test Bank. The single most important part of the teaching package is the *Test Bank*. The *Test Bank* was given special attention during the preparation of *Management* because instructors desire test questions that accurately and fairly assess student competence in subject material. The *Test Bank* for *Management*, prepared by David W. Chown, Mankato State University; Raymond Cook, University of Texas—Austin; Stan Elsea, Kansas State University; and Trudy G. Verser, Western Michigan University, provides 2,000 excellent multiple-choice, true/false, matching, and essay test items.

The test items have been reviewed and class tested to ensure the highest quality. Each question is keyed to chapter learning objectives, has been rated for level of difficulty, and is designated either as factual or application so that instructors can provide a balanced set of questions for student exams. The Dryden Press will provide an annual update of the *Test Bank*, which will include 1,100 new test questions.

Computerized Test Bank. A *Computerized Test Bank*, designed for either the IBM or Apple microcomputer, is also available free to adopters. The *Computerized Test Bank* allows instructors to select, edit, and add test items and print tests for classroom use.

Instructor's Manual. The *Instructor's Manual* contains an overview of each chapter, a listing of key terms, answers to end-of-chapter discussion questions, and teaching notes for the cases.

Resource Manual. This manual contains detailed chapter outlines, supplementary lecture materials, a detailed description for each transparency acetate and transparency master, and a guide to using many of the videotapes available to adopters. The manual has been designed to provide instructors with innovative instructional material to stimulate classroom participation and student comprehension. James E. Estes, University of South Carolina, and Dale Konicek, Houston Community College, were primary contributors to the manual.

Study Guide with Audio Cassette. This guide is invaluable for helping students to master management concepts. Prepared by Stephen R. Hiatt, Catawba College, the *Study Guide* provides a summary of each chapter, a review of key terms, and a variety of self-test questions. Each chapter also contains management applications for students' use in solving management problems. At the end of each part there is a comprehensive interactive exercise designed to offer students the opportunity to make decisions and learn how decisions impact an organization. These interactive exercises form the basis of a computerized simulation for individual or group activity. A free audio cassette, which accompanies the *Study Guide*, summarizes the major points in each chapter.

Transparency Masters and Acetates. More than 100 transparency masters from text art and 100 all-new color acetates are available to adopters.

Videotapes. One of the exciting innovations for enhancing student learning is the availability of management-related videotapes from the CBS television program "60 Minutes" and the award-winning PBS "Enterprise" series.

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The following titles from the "Enterprise" series have been specifically keyed to the text's contents: "Buy-Out," "The Colonel Comes to Japan," "Fired," "The Kyocera Experiment," "The Million Dollar Scan," "Not by Jeans Alone," "Room at the Top," and "Tailspin." As noted previously, a guide to using these titles is included in the *Resource Manual*. Tapes will be provided to adopters.

Management Newsletter. A newsletter, which discusses the latest management trends, will be published three times a year and provided free upon adoption.

Micrograde. This new grading system disk allows instructors to store and analyze student grades on their personal computer.

ACKNOWLEDGMENTS

A project of this magnitude requires the commitment and participation of many people, but none made a greater contribution than Nancy Moudry. Nancy believed absolutely that students' learning could be enriched and deepened through the use of photo essays, and she spent endless hours searching for just the right photographs. The photos she found are about real people in real organizations dealing with real management events. They convey powerful images and insights far beyond what the written word can describe. Nancy's unwavering belief in this book was especially important to me. During the frustrating and difficult days every author faces, Nancy was optimistic and encouraging. She never doubted that we could produce an innovative book that would improve the way management knowledge is conveyed to students. Without Nancy, the book would not have achieved the high level of excellence to which she aspired. Nancy, thanks for the support, thanks for the commitment, thanks for keeping the faith. It was grand "To share a vision evermore, to share a vision evermore."

Another gratifying experience was working with the dedicated team of professionals at The Dryden Press who were determined to produce a first-quality management book. Joan Resler hooked me on the original vision for the book, and her successor, Mary Fischer, kept its spirit alive. I also want to thank Penny Gaffney for her excellent coordination of all of the materials and reviews, Jeanne Calabrese for her elegant design, Doris Milligan for her enthusiastic pursuit of permissions, Cate Rzasa for her superb project coordination, Nancy Maybloom for her skilled copyediting, and Michele McDonald for her coordination and copying of innumerable photos. I also want to thank Jane Perkins for her excellent suggestions and her guidance of the production process and Bill Schoof for putting the Dryden team together. It's not possible to say enough about the caring and commitment of each of these people. I thank you all very much.

Another group of people who made a major contribution to this text were the management experts who provided written materials, cases, and references in topic areas in which I lacked expertise. These materials enabled me to write chapters that were up to date with respect to rePreface xiii

search findings and management thinking. These contributors were Nikki Paahana, DeVry Institute of Technology, for groups; Bruce Blaylock, Eastern Kentucky University, for management information systems and management science; Barbara Deaux, Santa Fe State University, for motivation and decision making; Jeff Heyl, University of Colorado at Denver, for operations management; Jim Higgins, Rollins College, for strategy and decision making; Chuck Kuehl and Peggy Lambing, University of Missouri at St. Louis, for small business; Janina Latack, Ohio State University, for careers; Marcia Miceli, Ohio State University, for human resource management; Eugene Szwajkowski, University of Illinois at Chicago, for social responsibility; David Van Fleet, Texas A&M University, for leadership; Jim Weekly, University of Toledo, for international management; and Marlin C. Young, Southwest Texas State University, and Art Bell, University of Southern California, for communications. I also thank David Van Fleet for preparing Chapter 2, "Foundations of Management Understanding."

Reviewers also played a significant role in developing this text. Several reviewers read and criticized chapters in their areas of expertise. Others read the entire manuscript and made voluminous suggestions for changes, insertions, and clarifications. I want to thank each of these colleagues for their invaluable feedback and suggestions:

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I also want to acknowledge a unique debt and extend special appreciation to Phyllis Washburn. Without Phyllis' astonishing typing and secretarial skills, this book could not have been completed. Phyl and I have been working together for three years, and I have come to fully appreciate her significant role in my projects. Every chapter was typed on time and error free. It's still hard to believe we made it. Thanks, Phyl!

In addition, I want to acknowledge an intellectual debt to colleagues and students at Texas A&M. This book has benefited in many ways from my good fortune in having colleagues such as Mike Abelson, Bob Albanese, Jay Barney, Barry Baysinger, Ricky Griffin, Don Hellriegel, Bob Hoskisson, Bill Pride, David Van Fleet, Dick Woodman, and Stu Youngblood. These people are a major reason why Texas A&M is such a wonderful place to work.

Administrators also played a role in this project. Mike Hitt, department head, and Bill Mobley, dean, both supported this project fully and maintained an almost perfect scholarly atmosphere at Texas A&M. I also thank Don Hellriegel, who, in his role as Interim Dean, pursued the scholarly goals and positive work atmosphere we value so highly.

I also want to acknowledge the special support and encouragement provided by my wife, Kathy. The time devoted to this project came out of evenings and weekends that we might have spent together. Kathy understood my need to write this text, and she nudged me back to my writing when we both wanted to do other things. Kathy's love and encouragement were essential. We made the most of the hours we had together, including our Friday meetings at Interurban for hamburgers and our Sunday afternoon breaks to attend the dollar movies. I also want to thank Danielle and Amy, who are now in college and are beginning to understand and appreciate what Dad does for a living. Thanks also to B. J. for his delightful interruptions during the hectic writing schedule.

Finally, I'd like to pay tribute to Hugh Roy Cullen and the Cullen Trust for Higher Education. Hugh Roy Cullen was a generous supporter of Texas civic, educational, medical, and cultural organizations. He established the Cullen Foundation, within which the Cullen Trust for Higher Education has provided generous endowments to Texas A&M and other Texas universities. I especially thank Sidney Smith and the Trustees of the Cullen Trust for the gift of an endowed chair to Texas A&M, of which I am the recipient. The freedom provided by this endowment has enabled me to undertake new research and writing projects in several areas. The endowment has also provided resources for colleagues and students in the Management Department. The Cullen Trust for Higher Education has been most generous to Texas A&M, and I am proud to dedicate this book to them.

Richard L. Daft College Station, Texas December 1987

About the Author

Richard L. Daft, Ph.D., holds the Hugh Roy Cullen Chair in Business Administration at Texas A&M University, where he specializes in the study of organization theory and management. Dr. Daft is a Fellow of the Academy of Management and has served on the editorial boards of Academy of Management Journal and Administrative Science Quarterly. He also served for three years as associate editor of Administrative Science Quarterly.

Professor Daft has authored or co-authored six books including Organization Theory and Design (West Publishing, 1986) and What to Study: Generating and Developing Research Questions (Sage, 1982). He has also authored dozens of scholarly articles, papers, and chapters. His work has been published in Administrative Science Quarterly, Academy of Management Journal, Academy of Management Review, Strategic Management Journal, Journal of Management, Accounting Organizations and Society, Management Science, MIS Quarterly, California Management Review, and Organizational Behavior Teaching Review. Professor Daft has been awarded several government research grants to pursue studies of organization design, organizational innovation and change, strategy implementation, and organizational information processing.

Dr. Daft also is an active teacher and consultant. He has taught management, organizational change, organizational behavior, organizational theory, and strategic management. He has been actively involved in management development and consulting for many companies and government organizations including the American Banking Association, Bell Canada, NL Baroid, Tenneco, and the United States Air Force.

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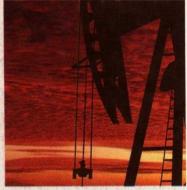
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