ELECTRONIC MEDIA MANAGEMENT

SECOND EDITION

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PREFACE

In the Preface to the first edition in 1986, Bill McCavitt wrote of the difficulty of developing an up-to-date text in the rapidly changing field of electronic media management. He did not live to see the book's publication or the accelerating rate of change that has characterized the intervening years.

Had he lived, he would have been gratified by the response to his efforts to provide a book for aspiring broadcast and cable managers. He would have welcomed the constructive suggestions to strengthen the text, many of which have helped to shape the second edition.

Chapter 1 traces the evolution of management thought and examines the functions, roles, and skills of the broadcast station general manager. The increased attention to bottom-line performance is reflected in Chapter 2, a new chapter that provides detailed treatment of the intricacies and importance of sound financial management.

Chapters 3 through 6 have been expanded and updated to offer a current perspective on the management of personnel, programming, sales, and promotion. A similar approach has been followed for broadcast regulations, the subject of Chapter 7. The evolving role of cable television and the responsibilities of system management are discussed in Chapter 8.

The final three chapters are new to this edition. Chapter 9 explores the management of public broadcast stations, and Chapter 10 details the guidelines for the successful pursuit of a career in electronic media management or ownership. Chapter 11 provides a look to the future and contemplates the professional world that many of today's students of electronic media may enter.

A Bibliography of books and selected periodicals has been updated, and a Glossary has been added.

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BROADCAST STATION MANAGEMENT

1

This chapter examines broadcast station management by

defining management and tracing the roots of modern management thought and practice

identifying the functions and roles of the broadcast station general manager and the skills necessary to carry them out

discussing the major influences on the general manager's decisions and actions

Few management positions offer challenges equal to those of managing a commercial radio or television station. Like any other business, the station must be operated profitably if it is to survive and to satisfy the financial expectations of its owners. At the same time, it must respond to the interests of the community it is licensed to serve by the Federal Communications Commission. Balancing the private interests of owners and the public interest of listeners or viewers is a continuing challenge.

A broadcast station engages in many functions. It is an advertising medium, an entertainment medium, an information medium, and a service medium. To discharge those functions in a way that meets the interests of advertisers, audiences, and employees is an additional challenge.

Another challenge grows out of the competitive environment in which most broadcast stations operate. In many communities, a dozen or more radio stations compete against each other and against other media for advertisers, audiences, and employees. Television stations face similar competition. Even though they may be competing against only three or four other stations licensed to the community, they have to confront the challenges posed by cable television and other program delivery systems and by the growing popularity among audiences of VCRs.

Radio and television reach almost all U.S. households. Yet, despite its pervasiveness, broadcasting is a comparatively small business. It employs less than 1% of the civilian work force, and its revenues account for less than 1% of the gross national product.

Responsibility for a station's operation is entrusted by the owners to a chief executive, usually called the general manager. This chapter will look at the roles and responsibilities of the general manager, usually called the GM.

First, however, it will be helpful to consider what management is and the evolution of management thought and practice during broadcasting's lifetime.

MANAGEMENT DEFINED

If you were to ask a group of people what *management* means, chances are that each would offer a different definition. That is not surprising, given the diversity and complexity of a manager's responsibilities.

Schoderbek, Cosier, and Aplin define it as "a process of achieving organizational goals through others."[1] Resource acquisition and coordination are emphasized by Pringle, Jennings, and Longenecker: "Management is the process of acquiring and combining human, financial, informational, and physical resources to attain the organization's primary goal of producing a product or service desired by some segment of society."[2] Others view it from the perspective of the functions managers perform. For example, Carlisle speaks of "directing, coordinating, and influencing the operation of an organization so as to obtain desired results and enhance total performance."[3]

Mondy, Holmes, and Flippo expand those functions and underline the importance of people, as well as materials: "management may be defined as the process of planning, organizing, influencing, and controlling to accomplish organizational goals through the coordinated use of human and material resources."[4] That is the definition that will be used in this book.

EVOLUTION OF MANAGEMENT THOUGHT

It is tempting to think of management as a comparatively modern practice necessitated by the emergence of large business organizations. However, as early as 6000 B.C. groups of people were organized to engage in undertakings of giant proportions. The Egyptians built huge pyramids. The Hebrews carried out an exodus from Egyptian bondage. The Romans constructed roads and aqueducts, and the Chinese a 1500-mile wall. It is difficult to believe that any of these tasks could have been accomplished without the application of many of today's management techniques.

To understand current management concepts and practices requires familiarity with the evolution of management thought. It traces its start to the dawn of the twentieth century, when the foundations of what later would be called *broadcasting* were being laid. Just as broadcasting has evolved, so too has systematic analysis of management. The dominant traits of different managerial approaches have been identified and grouped into so-called schools. The first was the classical school of management.

The Classical School

Classical management thought embraces three separate but related approaches to management: (1) scientific management, (2) administrative management, and (3) bureaucratic management.

Scientific Management At its origin, scientific management focused on increasing employee productivity and rested on four basic principles:

1. systematic analysis of each job to find the most effective and efficient way of performing it (the "one best way")
2. use of scientific methods to select employees best suited to do a particular job
3. appropriate employee education, training, and development
4. responsibility apportioned almost equally between managers and workers, with decision-making duties falling on the managers

The person associated most closely with this school is **Frederick W. Taylor (1856 to 1915)**, a mechanical engineer, who questioned the traditional, rule-of-thumb approach to managing work and who earned the title **"father of scientific management."**

Taylor believed that economic incentives were the best motivator. Workers would cooperate if higher wages accompanied higher productivity, and management would be assured of higher productivity in return for paying higher wages. Not surprisingly, he was criticized for viewing people as machines.

However, his contributions were significant. Drucker attributes to Taylor "the tremendous surge of affluence . . . which has lifted the working masses in the developed countries well above any level recorded before."[5] Job analysis and methods of employee selection and their training and development are examples of ways in which principles of scientific management are practiced today.

Administrative Management If Taylor was the father of scientific thought, the French mining and steel executive **Henri Fayol (1841 to 1925) can lay claim to being the father of management thought.**

While Taylor looked at workers and ways of improving their productivity, Fayol **considered the total organization with a view to making it more effective and efficient.** In so doing, he developed a comprehensive theory of management and demonstrated its universal nature.

His major contributions to administrative theory came in a book, *General and Industrial Management,* in which he became the first person to set forth the functions of management or, as he called them, "**managerial activities**":

1. *Planning:* contemplating the future and drawing up a plan to deal with it, which includes actions to be taken, methods to be used, stages to go through, and the results envisaged
2. *Organizing:* acquiring and structuring the human and material resources necessary for the functioning of the organization
3. *Commanding:* setting each unit of the organization into motion so that it can make its contribution toward the accomplishment of the plan
4. *Coordinating:* unifying and harmonizing all activities to permit the organization to operate and succeed
5. *Controlling:* monitoring the execution of the plan and taking actions to correct errors or weaknesses and to prevent their recurrence[6]

To assist managers in carrying out the functions, Fayol developed a list of 14 principles (Figure 1–1). He did not suggest that the list was exhaustive, merely that the principles were those that he had needed to apply most frequently, and he warned that such guidelines had to be flexible and adaptable to changing circumstances.

Fayol's contributions may appear to be merely common sense in today's business environment. However, the functions of planning, organizing, and controlling that he identified are still considered fundamental to management success. Many of his principles are incorporated in business organization charts and, in the case of equity, are enshrined in law.

Bureaucratic Management At the same time that Taylor and Fayol were developing their thoughts, **Max Weber** (1864 to 1920), a German

Figure 1–1 *Fayol's 14 principles of management. (Source: Henri Fayol.* General and Industrial Management. *Translated by Constance Storrs. London, England: Sir Isaac Pitman and Sons, 1965, pp. 19–42. The explanations have been paraphrased.)*

Principle	*Explanation*
1. Division of work	Specialization of work results in higher and better productivity.
2. Authority and responsibility	The right of the manager to give orders and to demand conformity, accompanied by appropriate responsibility.
3. Discipline	Obedience and respect for agreements between the firm and its employees.
4. Unity of command	An employee should receive orders from only one superior.
5. Unity of direction	Each group of activities having the same objective should have only one plan and one head.
6. Subordination of individual interest to general interest	The interest of one employee or group of employees should not prevail over that of the concern.
7. Remuneration of personnel	Payment should be fair and, as far as possible, satisfactory to both employer and employee.
8. Centralization	Each firm must find the optimum degree of centralization to permit maximum utilization of employee abilities.
9. Scalar chain	The line of authority, from top to bottom, through which all communications pass.
10. Order	Materials and employees in their appropriate places to facilitate the smooth running of the business.
11. Equity	Kindness, fairness, and justice in the treatment of employees.
12. Stability of tenure of personnel	Employees must be given time to get used to new work and to succeed in doing it well.
13. Initiative	The freedom and power to think out and execute a plan.
14. Esprit de corps	Establishing harmony and unity among the personnel.

sociologist, was contemplating the kind of structure that would enable an organization to perform at the highest efficiency. He called the result a ***bureaucracy*** and listed several elements for its success. They included

1. division of labor
2. a clearly defined hierarchy of authority
3. selection of members on the basis of their technical qualifications