

# MANAGEMENT & ORGANIZATIONAL BEHAVIOR

### SECOND EDITION

## **Burt Scanlon**

University of Oklahoma

## Bernard Keys

Memphis State University

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To Henry and Dorothy Paul with Love—BKS
To Louise, Kim, Kristie, and Ted with Love—BK

## ABOUT THE AUTHORS

Burt Scanlan is Professor of Management in the College of Business Administration at the University of Oklahoma. He received his bachelor's degree from Carroll College, his M.B.A. from the University of Wisconsin and his Ph.D. from the University of Nebraska. In addition to teaching at both of the above universities, he has taught at Drake University and the University of Wisconsin's Management Institute where he was involved in planning, developing, and conducting executive and management development programs.

Professor Scanlan has also authored Results Management In Action and Management 18: Results Management in Practice. The latter is published by John Wiley's Professional Development Programs and appeared in a second edition in January 1982. His books have been translated into German, Dutch, Portuguese, and Spanish. He has written over 80 articles for journals and business publications.

Dr. Scanlan has an extensive background in consulting and conducting management development programs in addition to his academic teaching. He has worked for a wide variety of profit and nonprofit organizations specializing in the areas of motivation, leadership, organizational effectiveness, planning, and objective setting and productivity achievement.

Bernard Keys is Associate Dean and Professor of Management at the Fogelman College of Business and Economics, Memphis State University. He received his B.S. from Tennessee Technological University, his M.S. from the University of Tennessee, and his Ph.D. from the University of Oklahoma. In addition to his academic duties, Dr. Keys is a consultant in management development programs for nationally known firms. For three years he conducted supervisory training for the Oklahoma City Municipal Government, and he is presently an adjunct faculty member for the U.S. Office of Personnel Management, Executive Seminar Center, at Oak Ridge, Tennessee.

Dr. Keys has been vice-president of the Oklahoma City Society for Advancement of Management, a director of the Oklahoma City American Society of Training Directors, placement director for the Academy of Management, and president of The Association for Business Simulation and Experiential Learning. He is presently secretary-treasurer for The Foundation for Administrative Research. Dr. Keys is Business Games Editor for the journal of Simulation and Games. He has published numerous journal articles and is the author of six books, including The Executive Simulation, Kendall/Hunt and The Multinational Management Game, Business Publications Inc.

## **PREFACE**

This book is devoted to the study of management thought. It is designed for undergraduate and graduate students taking basic management courses, as well as for individuals who may wish to crystallize previously acquired knowledge or experience. It provides a complete foundation to principles of management, organizational behavior, and operations management in a straightforward manner.

In this edition we have once again tried to provide a text that offers the instructor and student considerable flexibility in approaching the teaching and study of management thought. This is done recognizing the fact that different environments and individual preferences dictate the need for a variable course structure.

The book is built around the fields of management, beginning with a solid management foundation in the classical functions of management (the control function is integrated into operations management). This is followed by an integrated and coordinated view of two fields: the fast-growing and popular field of organizational behavior and the field of operations management as it related to all types of organizations including production, health care, education, government, and the service sector. Part Six includes the development areas of social responsibility and international management plus an integrative chapter—management by objectives.

The flexibility of the text allows concentration on those chapters or parts that fit the structure of a given course outline while omitting others. Building in this potential for flexibility was one of our objectives in compiling the manuscript. Thus, the text allows the instructor and student considerable latitude in their individual approach to study.

While organized around the fields of management, the text is not based on any single viewpoint or theory. It includes a balanced coverage of normative and contingency theory and interpersonal, group, and organizational concepts. The text is based on an extensive review of professional literature from a wide variety of journals. Each chapter includes from 20 to 40 references from classical and recent publications. As in the first edition, the text provides particularly strong coverage of results-oriented management and leadership. This edition includes stronger coverage of the developing areas of human resource development, quality of work life, and organizational development—especially Japanese management.

Behavioral and organizational concepts are integrated into the other chapters where possible. For example, the subject of quality circles is covered in Chapter 17, Operations Management. In that same chapter the job design concept is tied to Wickham Skinner's focused factory idea.

Each chapter begins with a short vignette taken from current publications in the field of business and management. These vignettes are designed to spark the reader's interest and also highlight the operational significance of the material being presented. Each chapter is followed by a written summary, a unique summary chart, review questions, and application exercises and cases. Both the review questions and the application exercises and cases can be used as a source for essay-type examinations or quizzes.

A new feature of this edition is the use of marginal notes in the individual chapters. These call the reader's attention to specific key concepts and material that is being discussed and furnish a good basic guide to the key ideas in the chapter.

Most of the application exercises and cases at the end of each chapter have been updated and all are of a high quality. The questions for study that follow provide an excellent vehicle for a class discussion promoting an application of the material. The ques-

tions may also be used for examination purposes because of the direct and specific link to the chapter content.

Another new feature of this edition involves the inclusion of two integrative but very manageable cases at the conclusion of each part. As above, these cases and the study questions that accompany them are designed to require the application of specific principles and concepts contained in each respective part. The cases are also sufficiently varied to allow the instructor flexibility in terms of choosing which material he or she wishes to highlight.

This edition is accompanied by an expanded teaching/learning aid—Practice in Management. This is a combination study guide, reading selections, and experiential exercises for each of the six parts. Each chapter of the book has a parallel section in Practice in Management. It includes a brief summary of the chapter and true-false, multiple choice, and matching self-evaluation questions. Each chapter also includes a reading selected especially to stimulate the reader's interest and to expand the reader's understanding of the various subject areas. Each part of the text includes one or more managerial exercises, most of which can be completed as an independent or group activity. A few are included for possible group activities only.

A comprehensive instructor's manual is also availa-

ble. For each chapter we have provided a suggested possible introduction to the chapter, a complete lecture outline, answers to end-of-chapter discussion questions, notes on the application exercises and cases, suggested readings to supplement the chapter material, and films and film summaries that complement the chapter. Also included are several transparency masters for use with each chapter. A separate test bank of over 1000 true-false and multiple-choice questions organized by chapter and subject matter is included. These materials can be obtained by contacting Wiley's representative or writing to them directly.

We hope you will find this edition with its updating and improvements to be of great value in providing meaningful insight into the field of management thought. Once again we have tried to provide a text that offers considerable flexibility for the instructor and reader in approaching the study of management.

We acknowledge the following people for their helpin reviewing the book: Dr. James Gatza, Insurance Institute of America; Professor Michael Alford, The Citadel; Professor John Miller, Bucknell University; and Professor John Dunkelbury, College of Charleston.

> BURT SCANLAN BERNARD KEYS

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#### PART ONE

# INTRODUCTION

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C H A P T E R 2 HISTORICAL DEVELOPMENT OF MANAGEMENT THOUGHT

INTEGRATIVE CASES

THE FUNCTION OF
THE CHIEF EXECUTIVE
THE WILSON BINDERY—
APPLICATION OF SCIENTIFIC
MANAGEMENT TO A
SMALL BUSINESS

Part One sets the stage for our study of management thought. Specifically, we have four objectives; the first is to develop an appreciation for the part of a manager's job that consists of achieving results through others.

The second purpose is to develop an initial overview and understanding of the functions a manager performs. We have chosen as the basis for our approach the four functions that traditionally are included by all authors: planning, organizing, directing, and controlling. A fuller appreciation of the significance and dynamics of the four basic functions will be realized as we progress through the book.

Third, Chapter 1 addresses material relating to the motivation to management and some facts about managerial life. Chapter 1 briefly outlines the plan of this book. We hope that this summary will give you a bird's-eye view of the entire profession of management.

The fourth objective of Part One is to present the historical development of management thought. To better appreciate where we are today it helps to know from where we have come. Put another way, an appreciation for the past helps us to better understand the present. Thus the historical overview of management thought contained in Chapter 2 was included to help you develop perspective in this area.

Good management is the primary determinant of the success of any organization, whether it is a service club, hospital, school, agency of the federal or state government, museum, or business. Although much of our discussion may be couched in business terms, we have attempted to reinforce this universality concept at numerous points throughout the book. You must, however, bear some of the burden for applying the principles of good management to many types of organizations.

#### 2 INTRODUCTION

At several points in the text we will be stressing that there is not just "one best way" that fits all situations and solves all problems. Instead a myriad of factors needs to be given consideration when making decisions regarding organizational design, leadership style, and a host of other key issues.