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MANAGEMENT

Individual and Organizational Effectiveness

SECOND EDITION

MICHAEL H. MESCON

Dean, College of Business Administration Georgia State University



MICHAEL ALBERT

Associate Professor, School of Business San Francisco State University

FRANKLIN KHEDOURI



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MANAGEMENT SECOND EDITION

Preface

Management: Individual and Organizational Effectiveness is a text for introduction to management courses. The overall purpose of Management is to communicate a fundamental understanding of formal organizations—profit and nonprofit, small and large—and their effective management. By effective management we mean managing in a way that best enables the organization as a whole to develop and attain objectives. Attaining this goal requires managers to make efficient use of all available resources, to make the organization responsive to its environment, and to enable individuals to see a positive relationship between the organization's objectives and their own. The effective manager takes situational differences into account and recognizes that even the most desirable course of action usually has some negative consequences. The effective manager is proactive—anticipating the future and preparing for it—rather than reactive.

The field of management is so broad that quite often introductory texts concentrate on a single conceptual approach, such as management processes. But we believe that basing an introductory book on a single narrow approach does a disservice to students. It seems most consistent with reality and with the complex nature of modern organizations to take an eclectic approach by integrating the most useful, influential, and widely accepted contributions from all the major schools and approaches.

Instead of using a particular school of thought to unify our discussion, we stress the need to consider the situation as a whole when making management decisions. Throughout the book we point out that the manager should always consider the interrelationships between parts of an organization (its internal variables), the organization and its environment (external variables), and that any decision affects all aspects of the organization in some way. This is not a purely top management perspective. Our aim, rather, is to make the reader a more effective manager at any level in the organization by helping him or her understand the factors involved in making genuinely effective decisions.

Because the variables and functions *are* interrelated it clearly is not truly possible to treat any one aspect comprehensively until the reader has at least *some* understanding of *all* critical functions and variables. This book covers essentially the same topics that most well-known texts do, but presents them in a different order. What we have done, basically, is to apply Alfred Chandler's wise saying "Structure follows strategy" to the organization of our material. We have organized topics in order to support our main objective: the need to view the organization as a whole while also taking into account interrelationships and interdependencies when making and implementing decisions. Our structure also actively reinforces the important concept that management theory and practice

are evolutionary and that even sound, currently accepted explanations may later have to be changed.

ORGANIZATION OF THE TEXT

Part One includes an overview of the book, a chapter on management's evolution as a discipline, and two chapters that cover the primary internal and external variables affecting organizational success. Our specific discussion of managerial work begins in Part Two with the linking processes of communicating and decision making. This sequence is designed to encourage the reader to view management from an integrated perspective and recognize the need to consider situational factors and interrelationships.

Part Three covers the essential elements of the primary management functions: planning, organizing, motivating, and controlling. We devote two chapters to the organizing process, the first on individual work, the second on structuring subunits. In accordance with our theme and objectives, as this base of knowledge is built we point out relationships between the functions. Management information systems, for example, are covered under control and used to illustrate the need to integrate planning and control. Part Four is a discrete learning unit on understanding and managing informal and very small formal groups.

Part Five, Integration and Implementation: Making Organizations Productive, is a key feature that makes this book unique and, we believe, is especially effective in communicating a sound understanding of good management. The chapters in Part Five roughly parallel those in Part Three on the management process. As in most books, these follow-up chapters introduce more advanced concepts specifically related to the basic topics. For example, Chapter 20 describes some complex new variations in organizational design. However, because our readers have learned a basic understanding of *all* functions earlier, at this point they are prepared to understand the interrelationships between the functions and the need to consider possible negative tradeoffs. This understanding allows us to be realistic about implementation and productivity without confusing the reader by referring to subjects beyond his or her range of knowledge.

CHANGES IN THE SECOND EDITION

In keeping with changes in the world at large and in response to many helpful suggestions from readers and reviewers, this edition keeps the general approach of the first edition but with several significant modifications. The most notable changes are:

• The number of parts has been reduced from six to five in order to make the organization more strongly reflect the book's theme.

However, in dropping the part title "Decision Making Aids and techniques," our overall coverage of management science and operations research was reduced very little. Decision-making techniques, formerly Chapter 15, has been moved

PREFACE

forward to Part Three and juxtaposed with the introductory chapter on decision making. The two chapters make a discrete learning unit that can be covered then or later in the course as the instructor prefers. The major section on management information systems, formerly treated with operations management, now appears in Chapter 12 on controlling. We believe that this edition's coverage of management science concepts fully meets AACSB requirements, as did the first edition's.

- Operations management is now in Part Five. Operations management is a particularly implementation-oriented field of management, making the topic consistent with the added stress on implementation implicit in the new Part Five title. Second, operations management in effect deals with optimal division of labor and the efficient combination of people and technology. Thus, operations management can be seen as a logical extension to the organizing work and authority concepts presented in Chapter 9. This placement should help students get a better feel for the role of operations management in overall organizational success.
- Coverage of international management concepts has been significantly increased by adding subsections throughout the book on international topics as appropriate, starting with Chapter 4, and increasing the references to and examples of multinational organizations.
- One of the most significant changes is the addition of a new final chapter on productivity. We are using the concept of productivity to summarize the book's main theme and primary message—an effective manager needs an integrated, open systems perspective. Many references to productivity have also been added throughout the text.
- A second chapter on planning has been added. The first planning chapter (no. 8) now focuses on strategic planning and the concept of planning as an essential process. The second chapter (no. 17) focuses on implementation, situational factors, and the relationship between planning and other management processes. MBO is how covered in this chapter.
- Conflict, change, and a new section on managing stress form a separate chapter, which has been moved from the end of the text to Part Four on group dynamics.
- Chapter 1 has been totally recast. Real-life "situations" early in the chapter draw the students into the subject in a lively fashion by addressing them in their own terms.
- Chapter 5, Communicating, has been extensively revised, with new material on organizational communication and on perception and feedback.

LEARNING AIDS AND SPECIAL FEATURES IN THE TEXT

To make *Management* a strong pedagogical tool, there are a number of learning aids, some new to this edition. The aids include chapter and part introductions, a

list of key terms for each chapter, chapter summaries in a convenient numbered form, review and thought questions, reference footnotes, case incidents, and comprehensive cases at the end of each part. (All incidents and cases are based on *true* situations.) A glossary at the end of the book is new. In addition to a completely restyled art program, the text features two exceptional learning aids:

- 1. *Interviews* with successful managers appear at the opening of each part. These interviews, conducted by the authors, were designed to elicit comments about concepts covered in the book. The second edition has four new interviews.
- 2. Features are lively excerpts from popular and business publications that cover real situations that serve to illuminate management concepts discussed in the book. Half of these are new, with fresh emphasis on multinational, service, and productivity examples.

ANCILLARIES

Available to the student are a Study Guide—which includes learning objectives, keyword reviews, and self-test—and Michael Albert's *Effective Management*, a collection of readings, cases, and experiences designed to expose the student to real-world applications.

Free materials for the instructor include:

Instructor's Manual—detailed lecture notes, answers to the discussion questions in the text, additional extended cases.

Test Bank—about 2000 objective questions which will be available in a printed form and also in *Microtest*, Harper's computerized systems for use on microcomputers.

Transparency masters.

Instructor's Manual to accompany Albert's Effective Management.

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