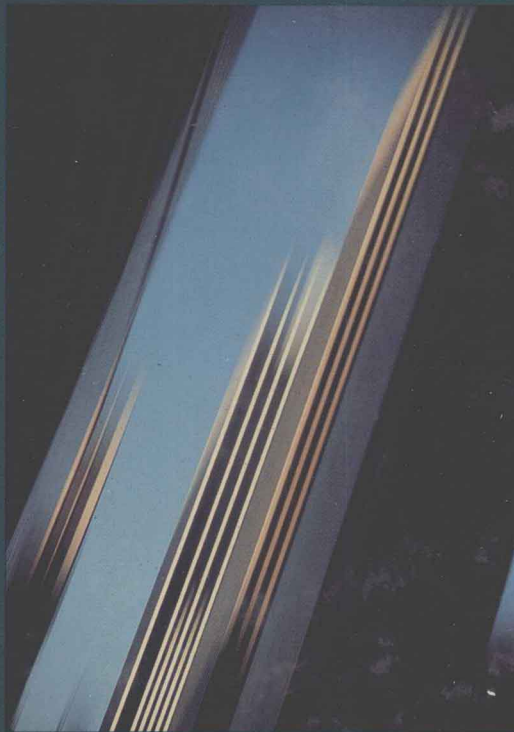


MANAGEMENT



Managing for Results



Martin J. Gannon



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Managing for Results

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Allyn and Bacon, Inc.
Boston London Sydney Toronto



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A Division of Simon & Schuster
160 Gould Street
Needham Heights, Massachusetts 02194-2310

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Library of Congress Cataloging-in-Publication Data

Gannon, Martin J.

Management : managing for results.

Bibliography: p.

Includes indexes.

I. Management.

HD31.G255 1988

ISBN 0-205-11441-5

I. Title.

658.4

87-30812

The credits section for this book begins on page 663, and is considered an extension of the copyright page.

Printed in the United States of America

10 9 8 7 6 5 4 3 2 1 92 91 90 89 88 87

P R E F A C E



Management: Managing for Results is designed for the basic undergraduate course in management. As the title indicates, results constitute the major focus of this book. Individuals become managers and, through performing managerial activities, attempt to achieve results that are deemed important. There are many such results, and they include high levels of managerial and employee performance, satisfaction, and motivation; low levels of absenteeism, turnover, and tardiness; a desirable share of the market in the industry in which an organization operates; various measures of financial and accounting success, such as a high rate of return on total assets; a high level of customer satisfaction; the production of high quality goods; and so forth.

Given the large number of results that an organization can attain, it is imperative that managers identify those that are critical. For example, one reason for the success of the Japanese firms in recent years is that their managers are primarily concerned with capturing market leadership in the industries in which they operate. American managers, on the other hand, have been criticized for taking a narrow perspective that seeks to maximize short-run profits at the expense of other results, including the production of high-quality goods and market leadership.

Hence, the organization seeks to achieve results that, at times, may be contradictory. For instance, while it is desirable to produce high-quality goods at low costs, the production of such goods may increase the costs, sometimes astronomically. Such contradictions—and there are many of them—tend to place the individual manager in an uncomfortable position, since it is his or her job to identify such results and attempt to achieve them. At the same time, a manager's career is heavily dependent upon identifying desired results that superiors in the organization feel are relevant. If a manager identifies the incorrect desired results and/or fails to achieve desired results, his or her career may be adversely influenced.

Throughout this book we emphasize results, not only from the perspective of managing the organization as an organization, but also from the perspective of managing the organization in terms of its relationship with an individual manager's career. In fact, the final chapter in this book focuses entirely on what the student can reasonably expect from a career in management.

Given our emphasis on results, it is reasonable that this book develops an action-oriented perspective. Managers achieve results by taking action, and for this reason *Management: Managing for Results* downplays the discussion of abstract

theory that is difficult if not impossible to apply in real organizations. Rather, this book maintains a balance between real-world case studies, examples, and current managerial practices on the one hand and the presentation of facts and research studies of managerial work on the other.

The student is immediately introduced to the balanced approach in chapter 1, as two major profiles of managerial work are contrasted and compared. The first profile portrays the manager as a proactive and systematic planner who attempts to anticipate problems before they occur and to reduce the probability of their occurrence. The second profile suggests that the manager is a harrassed and reactive decision maker who attempts to solve problems after they occur. An **organizational framework** integrating these two profiles is then described, and the plan of the book is presented in terms of this framework. Each of the four organizational dimensions making up this framework becomes a major part of the book, and an illustration of this framework introduces each part of the book.

While many of the chapters reflect a traditional approach to the study of management, an abundance of current materials on management is treated in a distinctive fashion—for instance, organizational culture, Japanese management, personal computers and their use in decision support systems, and so forth. Additional distinctive examples are included in chapter 11, "Interpersonal Communication," which contains a major section describing how the communication process between individuals is influenced by different types of media—such as the telephone, memoranda, and the televised management conference. Similarly, chapter 17, "Managing Change and Innovation," treats the traditional problem of managing change, but also explores an area of increasing importance to American managers: how to manage the innovation process so that American companies can remain competitive through the production of new goods and services. Thus, this book is up-to-date and mirrors the wide range of issues that managers within all types of organizations must address.

Whenever feasible, a chapter stresses a particular **theme** or **model** that is then used to integrate the materials presented within that chapter. Chapter 16, for instance, introduces a model of the human resource management process, and the various parts of this model become the major topics in the chapter.

Each chapter is self-contained and the instructor can choose to focus on some chapters rather than others. Hence, the book is very flexible. At the same time, it is designed to meet the accreditation requirements of the various academic accrediting agencies, such as the American Assembly of Collegiate Schools of Business (AACSB).

The organizational framework is associated with the process, or functional, school of management, which argues that the individual manager must perform several functions sequentially—planning, organizing, directing, and controlling—to be effective. This organizational framework is also based upon the work of James Thompson (1967) who, following the logic of March and Simon (1958), argues that an organization is similar to a human being. Thus, an organization is a problem-facing and problem-solving entity. As such, we must examine organizations not as abstract entities but, in Thompson's felicitous phrase, as organizations in action.

Plan of the Book

The Organizational Framework

Fusing the functional school of management with Thompson's treatment leads us to our organizational framework—the perspective is that of the entire organization rather than that of the individual manager. This framework argues that managerial activities take place within four organizational dimensions: (1) planning and decision making; (2) organizing; (3) directing, or leading, and other behavioral processes; and (4) controlling. Relationships among these four organizational dimensions are emphasized. This framework also argues that these managerial activities lead to results that *must* be evaluated periodically. If changes are appropriate, they must be made within one or more of our four dimensions. In addition, the interactive relationship between the organization and the external environment in which it operates is highlighted. Thus, this organizational framework incorporates the concept of *systems feedback*, both within the organization and between the organization and its external environment.

Pedagogy

Several distinctive pedagogical devices are included to enhance the student learning process. The organizational framework, just described, is one such device, as is making each chapter self-contained to achieve flexibility. In addition, the following pedagogical devices and features are included to enhance the students' learning.

Photographic Essay The book begins with a full-color photographic essay that is designed to awaken the students' interest in the field of management.

Chapter Outline Each chapter opens with an outline of the major sections of the chapter to help familiarize students with the content of the chapter.

Performance Objectives Each chapter contains performance or learning objectives that students should attain after reading the major sections of the chapter.

Management Exercise and Questionnaire One of the distinctive pedagogical features of this textbook is the management exercise and questionnaire. Each chapter begins with a short management exercise that requires a high degree of student participation. The students are then asked to complete a questionnaire focusing on the topics covered within the chapter.

Students do not need to read the chapter before completing the exercise or questionnaire. However, using the exercise and questionnaire before reading the chapter serves three purposes. First, it captures the students' interest in the material they will be reading. Second, it helps students to understand and apply the concepts that will be treated in each chapter. Third, the questionnaire allows students to assess their current understanding of the topics presented before reading the chapter. The instructor will provide the students with a set of best answers.

However, because of course scheduling and other considerations, some instructors prefer that the students complete the exercise and questionnaire after reading the chapter. This alternative is also very appropriate. It is entirely the instructor's decision, and although I have found that both approaches work, I prefer to use the exercise and questionnaire before the students have read the chapter for the reasons cited above.

In short, the management exercise and questionnaire are highly flexible pedagogical devices. Each instructor is encouraged to adapt them to his or her own course schedules and preferences.

Agenda for Action Immediately following the narrative material in each chapter is a series of statements based on the materials presented in the chapter that the student or aspiring manager should consider as instructive. These agendas help to strengthen our emphasis on managerial careers. In this sense this book is highly normative in that it ventures to tell the student or aspiring manager what he or she might reasonably consider doing in a managerial position, and each agenda is based on effective managerial practice, descriptive material, and research findings.

Chapter Summary This book departs from the traditional chapter summary by reviewing the chapter content in outlined form. Each major part of the chapter is highlighted in this summary and contains a series of statements capturing the major points described within it.

Discussion Questions Each chapter includes a set of discussion questions designed to reinforce the materials presented in the chapter.

Case Studies At the end of each chapter is a real-life case study of an actual company and the problems it has faced. Several well-known companies such as IBM and General Motors are highlighted in these case studies. Following each case study is a series of questions designed to spark debate and thought. Each part of the book also concludes with an extended real-life case study that is designed to help students increase their understanding of the materials presented in that part of the book. For example, part 5 ends with a unique case study of the entire history of the Ford Motor Company, which enables the student to see how a major company evolved and the problems it had to overcome at each stage of development. Each segment of the case contains discussion questions.

To help students analyze the case studies, we have included a special section on p. xxiii of the front matter that describes how students should approach each case study.

Action Exercise At the end of each chapter is an action exercise designed to reinforce the concepts learned in the chapter. Some of these exercises can be completed on an individual basis, and others in groups.

Suggested Readings Each chapter ends with a set of suggested readings that the interested student can use to deepen his or her understanding of the materials presented within the chapter.

Appendix This appendix has an in-depth treatment of the quantitative materials described in part 5 of the book. Depending upon the objectives of the course, some instructors may find these materials valuable in the course plan.

Glossary At the end of the book is a glossary of the major terms used in the management field. Throughout the book these terms are boldfaced for easy reference.

References The book also has a section containing all of the references used throughout it. Some of these references overlap with the suggested readings found at the end of each chapter, but most do not.

Name and Subject Indexes For ease of reference, there are separate name and subject indexes at the end of the book.

Learning Aids

This book is accompanied by several aids that will help to enhance the student learning process.

Student Study Guide Written by Professor Daniel James Rowley of the University of Northern Colorado, this student study guide presents learning objectives for each chapter, outlines and summarizes each chapter, and incorporates a series of questions for each chapter that the student can use to monitor his or her learning process. Multiple-choice, true-false, short essay, and matching questions are included for each chapter.

Instructor's Manual This manual is arranged sequentially by parts and chapters within the text and contains additional lecture material; suggested outlines for lectures; some additional suggestions for the management exercises and action exercises; answers to the management questionnaire; answers to discussion questions; responses to the questions following the case studies; suggested projects, book reports, films, and videotapes; and suggested teaching approaches and methods for presenting the course materials.

Transparencies A package of colored acetate transparencies will be available to adopters of the text.

Test Bank The test bank contains over 2,300 items and includes multiple-choice, true-false, fill-in or completion, matching, and short essay questions.

Acknowledgments

Many individuals provided invaluable help to ensure that this book would become a reality. Daniel James Rowley of the University of Northern Colorado authored the Student Study Guide. My colleague and friend, Peter Arlow of Youngstown State University, served as the co-author of chapter 18, "Social Responsibility in Management." Another friend and colleague, Michael McGinnis of Shippensburg State University, supplied the materials on the Gerber Products Company that served as the basis of the extended example of strategic planning found in chapter 5. He also was co-author of chapter 15, "Production and Operations Management."

At the University of Maryland at College Park, Ken G. Smith proved to be an invaluable reviewer, giving me rapid feedback on many draft chapters. And, as usual, Dean Rudolph P. Lamone effectively managed a supportive environment in which the book could be written.

I also want to thank my wife, Doris, who provided a supportive home environment that greatly eased the difficulty of writing. She and our two children, Marlies and Reid, were very understanding when deadline dates inconvenienced the family's schedule.

Reviewers I want to thank the many reviewers who provided feedback on all or parts of the draft manuscript. Their comments were incisive, and I attempted to incorporate almost all of their suggestions. These reviewers were:

Warren Blank <i>University of Tulsa</i>	Roger C. Schoenfeldt <i>Murray State University</i>
Nick Lockard <i>Texas Lutheran College</i>	Michael C. Shaner <i>St. Louis University</i>
Robert J. Paul <i>Kansas State University</i>	William R. Soukup <i>University of San Diego</i>
Daniel James Rowley <i>University of Northern Colorado</i>	Trudy G. Verser <i>Western Michigan University</i>
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- Howard Schultz
Xavier University
- Louis Schuster
Fisk University
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HOW TO ANALYZE CASE STUDIES



At the end of each chapter and part of this textbook is a case study, which you may be asked to evaluate, either individually or as a group. Following the steps presented here should simplify your task.

1. Skim the case, then read it carefully, taking notes, so that you understand it completely. Focus especially on the questions at the end of each case.
2. Identify and list problems. List facts by problem areas from the notes you have taken and from a third reading of the case, if desired. Then use these facts to diagnose the causes of each problem.
3. Identify the major problem.
4. Develop alternative solutions to this major problem. First, list all identifiable solutions, then reduce the list to feasible solutions. Repeat this process for minor problem areas.
5. Evaluate alternatives and select the most feasible solution to the major problem. First, list pros and cons associated with it. Weigh the pros and cons and then select the best alternative. Repeat this process for the solution of minor problems.
6. Defend each of your choices by questioning the workability of the solution selected, listing all possible problems that may arise.

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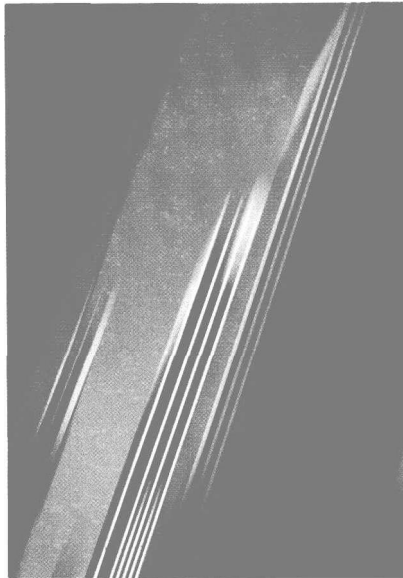
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