Instructor Manual

Daft, Management, 14e, ©2022 ISBN 9780357139752; Chapter 1: Leading Edge Management

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# Purpose and Perspective of the Chapter

At most businesses or nonprofits, you are either a manager or you report to a manager. Therefore, it’s a good idea to understand what a manager is and what role they play in a business.

As our business environment changes, the skills or competencies a manager needs change. Today’s managers are less controlling than in the past. Enabling employees to succeed is becoming more common than telling them what to do.

Regardless of how managers’ behavior has changed, the basic functions of business must still be performed for an organization to succeed. Planning, organizing, leading, and controlling are the functions of the management process.

Organizational goals must be met in an efficient and effective manner to succeed. The organizational goals should be met within a reasonable time frame while using the least amount of resources possible.

Managers need a mix of skills—technical, human, and conceptual. The closer a manager is to the people doing the work, the more important technical skills are. As a manager moves up, technical skills become less important. The ability to work with and through other people and to work effectively as a group member, known as human skills, becomes more important. Conceptual skills help a manager see the big picture and make decisions that affect the entire business and how it operates.

Management can fail for many reasons. The most common reason is ineffective communication skills and practices, so if you want to succeed as a top-level manager at some point in the future, you should focus on development in those areas.

Becoming a manager means shifting your concentration from the technical skills that originally got you the job to learning how to help others succeed by building teams and networks and becoming a motivator and organizer.

A manager’s job differs depending on the position’s level. It can be a first-level, middle, or top-level management position. No matter what level the manager is, every day is characterized by variety, fragmentation, and brevity. Time management is a valuable skill. It enables a manager to fulfill the informational, interpersonal, and decisional roles.

A lot of management skills that apply to businesses apply to nonprofit organizations as well. However, businesses focus on earning money while nonprofit organizations focus on making a social impact. Obtaining a reliable source of funding can be challenging for nonprofit organizations. Managers must use their resources carefully for the organization to succeed.

# Cengage Supplements

The following product-level supplements provide additional information that may help you in preparing your course. They are available in the Instructor Resource Center.

* **Instructor PowerPoint Slides for in-class use** (these feature a variety of options for class interaction)
* **Student PowerPoint Slides**- This version of the slides has any instructor-facing notes and activities removed. Students using MindTap can find these files in the “Additional Resources” folder within the MindTap Learning Path and we’ve also posted the file to the Instructor Companion Site.
* **Test Bank**
* **Instructor’s Manual** (which you are reading now!)

# Chapter Objectives

The following objectives are addressed in this chapter:

1. Explain five management competencies and the trend toward bosslessness in today’s world.
2. Define the four management functions and the type of management activity associated with each.
3. Explain the difference between efficiency and effectiveness, as well as their importance for organizational performance.
4. Describe technical, human, and conceptual skills and their relevance for managers.
5. Identify the personal challenges faced by new managers and ways of overcoming them.
6. Define the management types and roles that managers perform in organizations.
7. Explain the unique characteristics of the manager’s role in nonprofit organizations.

# Complete List of Chapter Activities and Assessments

For additional guidance on online or hybrid facilitation of these activities, refer to the Teaching Online Guide for Principles of Management which can be found on the Instructor Companion Site.

Also, please note that the chapter learning objectives are identified within both versions of the PowerPoint slides so that you and your students are always aligned on the ultimate learning goals throughout the course.

|  |  |  |  |
| --- | --- | --- | --- |
| Chapter Objective | Activity/Assessment | Approximate Duration | Default Point Value and Feedback Settings |
| 1. All objectives
 | MindTap: Part 01: Why Does Management Matter?  | 10 minutes | Grade Setting: Counts Toward GradeNumber of Points: 1 pt/questionNumber of Attempts: 3 |
| 1. All objectives
 | MindTap: Self-Assessment: Manager Achievement | <5 minutes | Grade Setting: Counts Toward GradeNumber of Points: 3 pt/questionNumber of Attempts: 2 |
| 1. Objective 1.6
 | MindTap: Self-Assessment: How Do You Manage Your Time? | <5 minutes | Grade Setting: Counts Toward GradeNumber of Points: 3 pt/questionNumber of Attempts: 2 |
| 1. All objectives
 | MindTap: Read: Chapter 01: The World of Innovative Management | 60 minutes | n/a |
| 1. All objectives
 | MindTap: Learn It: Chapter 01: The World of Innovative Management | 30 to 45 minutes | Grade Setting: Counts Toward GradeNumber of Points: 1 pt/questionNumber of Attempts: 2 |
| 1. All objectives
 | MindTap: Assignment: Chapter 01: The World of Innovative Management | 25 minutes | Grade Setting: Counts Toward GradeNumber of Points: 2 pt/questionNumber of Attempts: 2 |
| 1. All objectives
 | MindTap: Case Activity: Chapter 01: The World of Innovative Management | 20 minutes | Grade Setting: Counts Toward GradeNumber of Points: 3 pt/questionNumber of Attempts: 2 |
| 1. Objective 1.2
 | MindTap: Concept Clips: Management Functions | (1:57) | n/a |
| 1. Objective 1.6
 | MindTap: Concept Clips: Managerial Roles | (2:28) | n/a |
| Objective 1.4 | MindTap: Concept Clips: Skills Used at Different Management Levels | (2:03) | n/a |
| All objectives | MindTap: Video: On the Job: Camp Bow Wow: Innovative Management | (5:57) | n/a |
| All objectives | eBook/Text: Take a Moment: Know Yourself: Manager Achievement | <5 minutes | n/a |
| All objectives | eBook/Text: Apply Your Skills: Engagement Exercise | 20 mins | n/a |
| All objectives | eBook/Text: Apply Your Skills: Small Group Breakout | 20 mins | n/a |
| All objectives | eBook/Text: Apply Your Skills: Ethical Dilemma: Farmington Avionics | 20 mins | n/a |
| All objectives | eBook/Text: Apply Your Skills: Case for Critical Analysis: Coture Hair Salon | 20 mins | n/a |
| Objective 1.4 | PowerPoint: Discussion Activity 1 | 5 minutes | n/a |
| Objective 1.5 | PowerPoint: Discussion Activity 2 | 5 minutes | n/a |
| Objective 1.6 | PowerPoint: Knowledge Check 1 | <5 minutes | n/a |
| Objective 1.7 | PowerPoint: Knowledge Check 2 | <5 minutes | n/a |
| Objective 1.3 | PowerPoint: Polling Activity 1 | 5 minutes | n/a |
| Objective 1.4 | PowerPoint Polling Activity 2 | 5 minutes | n/a |

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# Key Terms

**Conceptual skills:** The cognitive abilities to see the organization as a whole and the relationship among its parts.

**Controlling:** An activity concerned with monitoring employees’ activities, keeping the organization on track toward meeting its goals and making corrections as necessary.

**Effectiveness:** The degree to which the organization achieves a stated goal.

**Efficiency:** The amount of resources—raw materials, money, and people—used to produce a desired volume of output.

**First-level managers or supervisory managers:** People who are at the first or second level of the hierarchy and are directly responsible for overseeing groups of production employees.

**Functional managers:** People responsible for individual departments that perform a specialized functional task. Functional departments include advertising, finance, and human resources.

**General managers:** People responsible for multiple functional departments that make up a self-contained division with profit and loss responsibility, such as a Nordstrom department store or a Honda assembly plant.

**Human skills:** A manager’s ability to work with and through other people and to work effectively as part of a group.

**Leading:** Using influence to motivate employees to achieve the organization’s goals.

**Line managers:** People who oversee functions and tasks that directly advance the core work of an organization, such as manufacturing or sales.

**Management:** The attainment of organizational goals in an effective and efficient manner through planning, organizing, leading, and controlling organizational resources.

**Middle managers:** People who work at the middle level of the organization and are responsible for major departments.

**Organization:** A social entity that is goal-directed and deliberately structured.

**Organizing:** An activity that involves assigning tasks, grouping tasks into departments, and allocating resources.

**Performance:** The organization’s ability to attain its goals by using resources in an efficient and effective manner.

**Planning:** The management function concerned with defining goals for future performance and how to attain them.

**Project managers:** People responsible for temporary work projects that involve people from various functions and levels of the organization.

**Role:** A set of expectations for one’s behavior.

**Staff managers:** People who oversee departments that support the organization with specialized advisory or support functions such as legal, accounting, and HR.

**Technical skills:** The understanding of and proficiency in the performance of specific tasks.

**Time management:** Using techniques that enable you to get more done in less time and with better results, be more relaxed, and have more time to enjoy your work and your life.

**Top managers or C-level managers:** People who are at the apex of the organizational hierarchy and are responsible for major divisions and the entire organization.

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# What’s New in This Chapter

The following elements are improvements in this chapter from the previous edition:

* New Know Yourself 1: Manager Achievement
* New Know Yourself 2: How Do You Manage Your Time?
* New Snapshot Examples:

Bon Jovi and Soul Kitchen Restaurants

Travis Kalanick, Uber

Major League Baseball teams

Morning Star

Sergio Marchionne

Marne Levine, Instagram

Structural changes at GE, IBM, and other organizations

WeWork

Top companies on the Management Top 250 list

Kelly Grier, Ernst & Young

EMI Music Company

Ursula Burns, Xerox

Diesel emissions scandal at Volkswagen

Mark Zuckerberg, Facebook

Brett Yormark, Brooklyn Nets

Oscar Munoz, United Airlines

National Foods, Pakistan

Dennis Muilenburg, Boeing

W. L. Gore & Associates

Second Harvest Food Bank of Middle Tennessee

* New section: The Trend toward Bosslessness
* New Material: Challenges Facing New Managers; Simplified/condensed description of management types
* Greener World: Updated Coca-Cola Ekocenter
* Engagement Exercise: Updated with In-Class/Online Application added
* Ethical Dilemma and Case for Critical Analysis: Updated with new names and dates

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# Chapter Outline

*In the outline below, each element includes references (in parentheses) to related content. “CO CH.##” refers to the chapter objective; “PPT Slide #” refers to the slide number in the PowerPoint deck for this chapter (provided in the PowerPoints section of the Instructor Resource Center); Introduce the chapter and use the Ice Breaker in the PPT if desired, and if one is provided for this chapter. Review learning objectives for Chapter 1. (PPT Slides 3-4).*

**CO 1.1: Explain five management competencies and the trend toward bosslessness in today’s world.**

**1-1 Management Competencies for Today’s World (PPT Slides 5-7)**

1. **Management** is the attainment of organizational goals in an effective and efficient manner through planning, organizing, leading, and controlling organizational resources.
2. There are two important ideas in this definition: (1) the attainment of organizational goals in an efficient and effective manner and (2) the four functions of planning, organizing, leading, and controlling.
	1. [EOC (Optional) Discussion #8: 5 minutes total](#_Discussion_Questions).

*A college professor told her students, “The purpose of a management course is to teach students about management, not to teach them to be managers.” Do you agree or disagree with this statement? Discuss.*

**1-1A Leading Edge Management Competencies**

1. Instead of being a controller, today’s effective manager is an enabler who helps people do and be their best. (Exhibit 1.1, PPT Slide 8)
2. The shift is not easy for traditional managers.
3. [EOC (Optional) Discussion #3: 5 minutes total](#_Discussion_Questions).

*Jeff Immelt, CEO of GE, tweeted for the first time in September 2012, prompting this response: “@JeffImmelt how come my grandfather got on twitter before you?” Do you think managers should use Twitter and other social media? Can you be an effective manage today without using new media? Why?*

1. [EOC (Optional) Discussion #9: 5 minutes total](#_Discussion_Questions).

*Discuss some of the ways that organizations and jobs have changed over the past ten years. What changes do you anticipate over the next ten years? How might these changes affect the manager’s job and the skills that a manager needs to be successful?*

**1.1B The Trend Toward Bosslessness**

1. A bossless design turns management authority and responsibility over to employees.
2. One reason for the trend is that how and where work gets done has shifted in major ways now that new technology enables people to work from locations outside a regular office.
3. Advantages: increased flexibility, greater employee initiative and commitment, and better and faster decision making
4. Disadvantages: money must be invested in ongoing training and development for employees and the culture must engage employees and support the nonhierarchical environment.

**CO 1.2: Define the four management functions and the type of management activity associated with each.**

**1-2 The Basic Functions of Management**

1. A manager’s job is summed up in five tasks. (Exhibit 1.2, PPT Slide 9)
	1. Set objectives
	2. Organize
	3. Motivate and communicate
	4. Measure
	5. Develop people
2. The five tasks fall into four fundamental management functions.
	1. Planning (setting goals and deciding activities)
	2. Organizing (organizing activities and people)
	3. Leading (motivating, communicating with, and developing people)
	4. Controlling (establishing targets and measuring performance)
3. Managers use resources to attain organizational goals through the functions of planning, organizing, leading, and controlling. (Exhibit 1.3, PPT Slide 10)

**1-2A Planning**

1. **Planning** is the management function concerned with identifying goals for future organizational performance and deciding on the tasks and use of resources needed to attain them.
2. Planning defines where the organization wants to be in the future and how to get there.

**1-2B. Organizing**

1. **Organizing** involves assigning tasks, grouping tasks into departments, delegating authority, and allocating resources across the organization.
2. Organizing follows planning and reflects how the organization tries to accomplish the plan.

**1-2C. Leading**

1. **Leading** is the use of influence to motivate people to achieve the organizational goals.
2. Leading means creating a shared culture and values, communicating goals to people throughout the organization, and infusing employees with the desire to perform at a high level.

**1-2D. Controlling**

1. **Controlling** means monitoring employees’ activities, determining whether the organization is moving toward its goals, and making corrections as needed.
2. A recent trend is for companies to place less emphasis on top-down control and more emphasis on training employees to monitor and correct themselves. Ultimate responsibility for control still rests with managers.

**CO 1.3: Explain the difference between efficiency and effectiveness, as well as their importance for organizational performance.**

**1-3 Organizational Performance**

1. An **organization** is a social entity that is goal-directed and deliberately structured. Social entity means two or more people. *Goal directed* means the organization is designed to achieve some outcome or goal such as make a profit. *Deliberately structured* means tasks are divided, and responsibility for their performance is assigned to organization members.
2. The manager’s responsibility is to coordinate resources in an effective and efficient manner to accomplish the organization’s goals. Organizational **effectiveness** is the degree to which the organization achieves a stated goal or succeeds in accomplishing what it tries to do. Organizational **efficiency** refers to the amount of resources used to achieve an organizational goal. It is based on the how much raw material, money, and people are necessary for producing a given volume of output. Efficiency can be defined as the amount of resources used to produce a product or service.
	1. (Optional) Polling Activity 1: 5 minutes total. (PPT Slide 11)

*If organizational performance indicates how well a manager is doing his or her job, is it more important to focus for a manager to focus on efficiency or effectiveness?*

1. The ultimate responsibility of managers is to achieve high **performance**, which is the attainment of organizational goals by using resources in an efficient and effective manner. (PPT Slide 12)
	1. [EOC (Optional) Discussion #5: 5 minutes total](#_Discussion_Questions).

*Think about the highly publicized safety grounding of Boeing’s 737 MAX jetliner. One observer said that the goal of profit had taken precedence over the goal of safety within the company. Do you think managers can succeed at both profit and safety simultaneously? Discuss.*

**CO 1.4: Describe technical, human, and conceptual skills and their relevance for managers.**

**1-4 Management Skills (PPT Slide 13)**

1. A manager’s job requires a range of skills, which can be placed in three categories: conceptual, human, and technical.
2. The application of these skills changes dramatically when a person is promoted to management.
	1. (Optional) Discussion Activity 1: 5 minutes total. (PPT Slides 14-15)

*If you are a middle-level manager, your proficiency in which of the three management skills is likely to contribute most to your success? How does your answer change, if at all, if you are a top manager? If you are a line manager?*

**1-4A Technical Skills (Exhibit 1.4, PPT Slide 16)**

1. **Technical skill** is understanding and proficiency in the performance of specific tasks. This includes mastery of the methods, techniques, and equipment involved in specific functions such as engineering, manufacturing, or finance. Technical skill also includes specialized knowledge, analytical ability, and competent use of tools and techniques to solve problems in that specific discipline.
2. Technical skills are most important at lower organizational levels and become less important than human and conceptual skills as managers are promoted.

**1-4B Human Skills (Exhibit 1.5, PPT Slide 17)**

1. **Human skills** encompass the manager’s ability to work with and through other people and to work effectively as a group member. It is demonstrated in the way a manager motivates, facilitates, coordinates, leads, communicates, and resolves conflicts.
2. Human skills include many effective behaviors sed by good managers.

**1-4C Conceptual Skills**

1. **Conceptual skill** is the cognitive ability to see the organization as a whole system and the relationships among its parts. It involves knowing where one’s team fits into the total organization and how the organization fits into its environment. It means the ability to think strategically—to take the broad, long-term view—and to identify, evaluate, and solve complex problems.
2. Conceptual skill is especially important for top managers. Many of the responsibilities of top managers, such as decision making, resource allocation, and innovation, require a broad view.

**1-4D When Skills Fail (Exhibit 1.6, PPT Slides 18-19)**

1. During turbulent times, managers must use all their skills and competencies to benefit the organization and its stakeholders.
2. The number one reason for manager failure is ineffective communication skills and practices.
	1. (Optional) Polling Activity 2: 5 minutes total. (PPT Slide 20)

*You are a bright, hard-working, entry-level manager who fully intends to rise up through the ranks. Your performance evaluation gives you high marks for your technical skills, but low marks when it comes to people skills. Which of the following scenarios would you choose?*

* 1. [EOC (Optional) Discussion #1: 5 minutes total](#_Discussion_Questions).

Discussion Activity 2: 5 minutes total. (PPT Slides 23-24)

*How do you feel about having a manager’s responsibilities in today’s world, which is characterized by social, technological, and other sudden changes in the environment? Describe some skills and competencies that are important to managers working in these conditions.*

**CO 1.5: Identify the personal challenges faced by new managers and ways of overcoming them.**

**1-5 Challenges Facing New Managers (PPT Slide 21)**

1. Many new managers don’t know what managers do and receive little training.
2. Becoming a manager involves a profound transformation in the way people think of themselves, called *personal identity*, which includes letting go of deeply held attitudes and learning new ways of thinking.
3. Specific aspects of this transformation include changing one’s identity. (Exhibit 1.7, PPT Slide 22)
	1. Change from a specialist who performs specific tasks to a generalist who coordinates diverse tasks.
	2. Change from things done through one’s own efforts to getting things done through other people.
	3. Change from an individual actor to a team and network builder, motivator, and organizer; and
	4. Change from working relatively independently to working in a highly interdependent manner.
	5. [EOC (Optional) Discussion #10: 5 minutes total](#_Discussion_Questions).

*How might the teaching of a management course be designed to help people make the transition from individual performer to manager so as to prepare them for the challenges they will face as new managers?*

**CO 1.6: Define the management types and roles that managers perform in organizations.**

**1-6 What Is a Manager’s Job Really Like?**

**1-6A Manager Types**

1. A manager’s job differs across three hierarchical levels. (PPT Slide 25)
	1. **First-level managers** or **supervisory managers** are typically at the first or second levels of management and are directly responsible for the production of goods and services. Their primary focus is on facilitating individual employee performance.
	2. **Middle managers** work at middle levels of the organization and are responsible for major departments. The focus here is less on individual performance and more on facilitating teams of people, including allocating resources, coordinating teams, and putting top management plans into action.
	3. **Top managers** are located at the top of the hierarchy and are often called C-level (chief ) managers. They are responsible for major organizational divisions as well as the entire organization. Their primary focus is monitoring the external environment and determining the best strategy to be competitive.
	4. [EOC (Optional) Discussion #4: 5 minutes total](#_Discussion_Questions).

*Why do some organizations seem to have a new CEO every two or three years, whereas others have top leaders who stay with the company for many years (e.g., Warren Buffett’s 50 years at Berkshire Hathaway)? What factors about the manager or about the company might account for this difference?*

1. Other management types have specific functions. (PPT Slide 26)
	1. **General managers** are responsible for multiple functional departments that constitute a self-contained division with profit and loss responsibility.
	2. **Functional managers** are responsible for an individual department with a specialized functional task and that has employees with similar training and skills.
	3. **Project managers** are responsible for a temporary work project that involves the participation of people from various functions and levels of the organization.
	4. **Line managers** are in charge of the functions that directly advance the core work of an organization, such as manufacturing or sales.
	5. **Staff managers** are in charge of departments that support the organization’s line departments with specialized advisory or support functions.
	6. [EOC (Optional) Discussion #2: 5 minutes total](#_Discussion_Questions).

*Assume that you are a project manager at a biotechnology company and that you work with managers from research, production, and marketing on a major product modification. You notice that every memo you receive from the marketing manager has been copied to senior management. At every company function, she spends time talking to the big shots. You are also aware that sometimes when you and the other project members are working tirelessly over the project, she is playing golf with senior managers. What is your evaluation of her behavior? As project manager, what do you do?*

**1-6B Manager Activities**

1. Adventures in Multitasking (PPT Slide 27)
	1. Managerial activity is characterized by variety, fragmentation, and brevity.
	2. Managers shift gears quickly—about every nine minutes.
2. Life on Speed Dial
	1. Managers’ work is fast-paced and requires great energy.
	2. Most top executives routinely work at least 12 hours a day and spend 50 percent or more of their time traveling.
3. Where Does a Manager Find the Time? (PPT Slide 28)
	1. Time management refers to using techniques that enable you to get more done in less time and with better results, be more relaxed, and have more time to enjoy your work and your life.
	2. It is a challenge for new managers.
	3. [EOC (Optional) Discussion #7: 5 minutes total](#_Discussion_Questions).

*If managerial work is characterized by variety, fragmentation, and brevity, how do managers perform basic management functions such as planning and strategic management, which would seem to require reflection and analysis?*

**1-6C Manager Roles (PPT Slide 29)**

1. A **role** is a set of expectations for a manager’s behavior.
2. These roles are divided into three conceptual categories: informational (managing by information), interpersonal (managing through people), and decisional (managing through action).
3. Each role represents activities that managers undertake to ultimately accomplish the functions of planning, organizing, leading, and controlling.
4. Informational Roles (Exhibit 1.8, PPT Slide 30)
	1. Informational roles describe the activities used to maintain and develop an information network.
	2. The roles involve monitor, disseminator, and spokesperson activities.
5. Interpersonal Roles
	1. Interpersonal roles pertain to relationships with others and are related to human skills.
	2. The roles involve leader and liaison activities.
6. Decisional Roles
	1. Decisional roles pertain to those events about which the manager must make a choice and take action.
	2. The roles involve entrepreneur, disturbance handler, and resource allocator activities.
7. The importance of a specific role changes as the manager moves up in a company. (Exhibit 1.9, PPT Slide 33)
	1. [EOC (Optional) Discussion #6: 5 minutes total](#_Discussion_Questions).

*You are a bright, hard-working, entry-level manager who fully intends to rise through the ranks. Your performance evaluation gives you high marks for your technical skills, but low marks when it comes to people skills. Do you think people skills can be learned, or do you need to rethink your career path? If people skills can be learned, how would you go about it?*

* 1. (Optional) Knowledge Check: <5 minutes total. (PPT Slides 31-32)

*Which of the following set of manager roles would be considered decisional roles?*

**1-7 Managing in Nonprofit Organizations (PPT Slide 34)**

1. The primary difference between managing a business and a nonprofit is that managers in businesses direct their activities toward earning money for the company and its owners, whereas managers in nonprofits direct their efforts toward generating some kind of social impact.
2. Financial resources for government and charity nonprofit organizations typically come from taxes, appropriations, grants, and donations rather than from the sale of products or services to customers.
3. In businesses, managers focus on improving the organization’s products and services to increase sales revenues. In nonprofits, however, services are typically provided to nonpaying clients, and a major problem for many organizations is securing a steady stream of funds to continue operating.
4. Some nonprofits depend on volunteers and donors.
5. Managers in nonprofit organizations might place more emphasis on the roles of spokesperson (to “sell” the organization to donors and the public), leader (to build a mission-driven community of employees and volunteers), and resource allocator (to distribute government resources or grant funds that are often assigned in a top-down manner).
	1. (Optional) Knowledge Check: <5 minutes total. (PPT Slides 35-36)

*Managers at a nonprofit organization would be least likely to be responsible for which of the following management activities?*

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# Discussion Questions

You can assign these questions several ways: in a discussion forum in your LMS; as whole-class or break out discussions in person or synchronously via a virtual meeting tool like Zoom; or as a partner or group activity in class. For more best practices around the facilitation of discussion question in online courses, as well as other online teaching and learning tips, check out the Guide to Teaching Online, which can be found on the Instructor Companion Site.

1. **Question**: How do you feel about having a manager’s responsibilities in today’s world, which is characterized by social, technological, and other sudden changes in the environment? Describe some skills and competencies that are important to managers working in these conditions.

**Suggested Answer:** Students should understand that even with the high levels of uncertainty, ambiguity, and sudden changes or threats present in today’s environment, managers still have at least some useful information about alternative courses of action, the outcomes of those alternatives, and the likelihood of occurrence for each alternative, for each decision they face, and that information will help them make decisions that may well have a reasonably high payoff.

During turbulent times, managers must apply all their skills and competencies in a way that benefits the organization and its stakeholders. The number one reason for manager failure is ineffective communication skills and practices. Especially in times of uncertainty or crisis, if managers do not communicate effectively, including listening to employees and customers and showing genuine care and concern, organizational performance and reputation suffer.

Managers must be able to quickly find the information they need in a wide variety of situations. Doing so requires both conceptual and technical skills but may require a high level of human skills to create the relationships necessary to sustain the manager in times of crisis. The decision-making role becomes even more critical in this environment as managers attempt to sort out the uncertainties and threats they face.

1. **Question**: Assume that you are a project manager at a biotechnology company and that you work with managers from research, production, and marketing on a major product modification. You notice that every memo you receive from the marketing manager has been copied to senior management. At every company function, she spends time talking to the big shots. You are also aware that sometimes when you and the other project members are working tirelessly over the project, she is playing golf with senior managers. What is your evaluation of her behavior? As project manager, what do you do?

**Suggested Answer:** The marketing manager seems to want to move up the management hierarchy as quickly as possible. Two behaviors illustrate this desire. Sending copies of memos to senior management helps her maintain visibility in the company and lets senior management know of her management skills and accomplishments. Socializing with senior management at company functions or on the golf course also helps her maintain high visibility. These behaviors will help her to avoid being overlooked when deliberations for special projects or promotions are being made by senior management. The appropriateness of her behavior is another issue. If she is performing on the joint project as promised, then what she does otherwise is her business. If you, as the research scientist, also are looking for advancement opportunities, you should try to increase visibility as well. Look for ways to do so that are acceptable to senior management in this organization culture.

1. **Question**: Jeff Immelt, CEO of GE, tweeted for the first time in September 2012, prompting this response: “@JeffImmelt how come my grandfather got on twitter before you?” Do you think managers should use Twitter and other social media? Can you be an effective manager today without using new media? Why?

**Suggested Answer:** Immelt seems to be suggesting that most managers have been using social media for a long time. It is an integral part of the job. Because texting and tweeting are such common ways of communicating today, a manager would be hampered if he or she were not familiar with these tools. Communicating effectively is an important part of a manager’s job, and social media is an important part of communicating in this era.

1. **Question**: Why do some organizations seem to have a new CEO every two or three years, whereas others have top leaders who stay with the company for many years (e.g., Warren Buffett’s 50 years at Berkshire Hathaway)? What factors about the manager or about the company might account for this difference?

**Suggested Answer:** Today’s firms are challenged by continuous change and chaos and compete in a dynamic environment that is in continuous motion. The CEOs are confronted with continuous pressure to get results that will satisfy stockholder needs. When they fall short, they are replaced due to turbulence and internal and external environmental forces. CEOs like Warren Buffett at Berkshire Hathaway have the vision and leadership to move the organization ahead and implement strategies to achieve desired goals. This type of CEO has the ability to get results with and through people internally, as well as to satisfy the boards of directors and stockholders of these giant organizations.

CEO factors that may account for differences in tenure center on that individual’s ability to anticipate and develop strategies to address rapidly developing changes in their external environments, as well as the internal forces of the organization. They are able to build cohesive management teams that empower employees to respond quickly to changing conditions and market developments. On an organizational level, the companies that excel in such turbulent times have strong cultures of empowerment, innovation, risk taking, and flexibility.

1. **Question**: Think about the highly publicized safety grounding of Boeing’s 737 MAX jetliner. One observer said that the goal of profit had taken precedence over the goal of safety within the company. Do you think managers can succeed at both profit and safety simultaneously? Discuss.

**Suggested Answer:** Organizational effectiveness is the degree to which the organization achieves a stated goal or succeeds in accomplishing what it tries to do. Organizational efficiency refers to the amount of resources used to achieve an organizational goal. It is based on how much raw materials, money, and people are necessary for producing a given volume of output. The ultimate responsibility of managers is to achieve high performance, which is the organization’s ability to attain its goals by using resources in an efficient and effective manner.

Although efficiency and effectiveness are both important for performance, most people would probably say that effectiveness is the more important concept. The reason is that internal efficiency has no value if it does not enable the organization to achieve its goals and respond to the external environment. On the other hand, an organization that is effective does achieve its goals, by definition. One of these goals should involve continuously increasing efficiency.

Managers can and should improve both efficiency and effectiveness simultaneously. As noted above, one of any organization’s primary goals should be to continuously improve efficiency. To the extent that the organization increases its success in achieving this goal, along with others, its effectiveness also improves.

1. **Question**: You are a bright, hard-working, entry-level manager who fully intends to rise through the ranks. Your performance evaluation gives you high marks for your technical skills, but low marks when it comes to people skills. Do you think people skills can be learned, or do you need to rethink your career path? If people skills can be learned, how would you go about it?

**Suggested Answer:** Although some people seem to be naturally more adept at people skills, just as some are naturally more adept at technical skills or conceptual skills, people skills can be learned, and there is no reason to rethink one’s career path unless there is an unwillingness to improve in this area. People skills can be learned by taking behavioral classes, by modeling one’s interactions after a supervisor or colleague who has excellent people skills, by participating in role playing exercises, and other activities that improve one’s interactional skills.

1. **Question**: If managerial work is characterized by variety, fragmentation, and brevity, how do managers perform basic management functions such as planning and strategic management, which would seem to require reflection and analysis?

**Suggested Answer:** Planning is not necessarily a solitary, reflective activity, although there are certainly times when such focused planning is important. Many managers do their planning intuitively during the course of day to day activities. Managers have an overall mental image of where the department, division, or organization is going, and they use fragmented day to day information to refine the image and to nudge the organization toward it. In this way, planning is accomplished, even though it is not done in solitary reflection. In addition, top managers often delegate some of the necessary planning to assistants or to planning groups.

1. **Question**: A college professor told her students, “The purpose of a management course is to teach students about management, not to teach them to be managers.” Do you agree or disagree with this statement? Discuss.

**Suggested Answer:** Some students may believe that a college course will give them the necessary skills and abilities to be a manager. Others, especially those with management experience, will realize that they can learn about management through a course, but must learn the art of management through experience. Management courses, especially principles courses, provide the foundational knowledge upon which students can begin to develop their understanding of effective management practice. More advanced management courses can provide opportunities for students to begin practicing their skills in a relatively safe environment in much the same way that science courses provide students with the opportunity to practice their science skills through laboratory work. Still, these courses will not make competent managers of students. Skill in managing, or any other skill set, develops over time through practical experience.

1. **Question**: Discuss some of the ways that organizations and jobs have changed over the past ten years. What changes do you anticipate over the next ten years? How might these changes affect the manager’s job and the skills that a manager needs to be successful.

**Suggested Answer:** In the new workplace, work is free-flowing and flexible to encourage speed and adaptation, and empowered employees are expected to seize opportunities and solve problems. The workplace is organized around networks rather than vertical hierarchies, and work is often virtual. These changing characteristics have resulted from forces such as advances in technology and e-business, globalization, increased diversity, and a growing emphasis on change and speed over stability and efficiency. Managers need new skills and competencies in this new environment. Leadership is dispersed and empowering. Customer relationships are critical, and most work is done by teams that work directly with customers. These changes will continue over the next ten years, driven largely by the rapidly increasing rate of technological advancement. In the new workplace, managers must focus on building relationships, which may include customers, partners, and suppliers. In addition, they must strive to build learning capability throughout the organization in order to keep up with technological developments

1. **Question**: How might the teaching of a management course be designed to help people make the transition from individual performer to manager so as to prepare them for the challenges they will face as new managers?

**Suggested Answer:** Management courses can be designed to emphasize the use of technology, the importance of work flexibility, and the tools and processes used in virtual organizations and virtual teams to achieve goals and assess performance. In addition, practical aspects of empowerment such as the training necessary to ensure empowered employees can make effective decisions that are aligned with organizational goals should be incorporated. Student activities should focus on developing collaborative environments and teamwork.

# Apply Your Skills: Engagement Exercise

**Aptitude Questionnaire**

Students should complete the questionnaire using the five‑point Likert scale.

The scale is designed to give a general idea (it is not validated) of the three management skills of conceptual, human, and technical skills. Such a scale can be used as a kind of “mirror” to the student. Undergraduates, particularly, lack knowledge about what the job of a manager is. Helping them to look at these three skill areas can be of some assistance in assessing their own abilities to be good managers.

After the students score their questionnaires, you may ask them to share their scores in small groups of four to five and discuss their potential strengths and weaknesses as managers. Also, you may ask them to share answers to the following questions. These questions may be used with the entire class, without any small group discussions.

1. **Question:** Why do you think the three skills are all needed to be an effective manager? Give examples of times when each one is used.

**Suggested Answer:** Conceptual skills are used to understand large issues and problems, to develop vision and strategies, and to see relationships between one set of problems and others. Examples are developing strategies, analyzing the cause of problems from mounds of data, and applying theories to the situations at hand. Human skills include the ability to work with people and communicate effectively. Examples are listening, conflict resolution, running meetings, team building, mentoring, and negotiation. Technical skills include areas such as developing written plans, reading financial reports, computer and management information skills, and logistics. These skills are used in managing work processes and scheduling work flow and personnel.

1. **Question:** What do you think the ideal ranking would be of the three skills for an effective manager?

**Suggested Answer:** There is no one right answer for this because it depends on the type and level of management. Generally, human skills are considered more vital in lower‑level supervisors, and conceptual skills in executive‑level managers, but even that is only a general guideline. Managers in a software company would need more technical skills than an advertising executive.

# Apply Your Skills: Small Group Breakout

**Your Best and Worst Managers**

This exercise helps students understand how different management styles affect their behavior and motivation, ultimately impacting performance.

# Apply Your Skills: Ethical Dilemma

**Farmington Avionics**

1. **Question:** Ignore the problem. Pate’s contributions to new product development are too valuable to risk losing him, and the problems over the past ten years have always worked themselves out anyway. There’s no sense starting something that could make you look bad.

**Suggested Answer:** Option 1 is the solution management has been taking for ten years, but it is taking Farmington Avionics into dangerous territory. The number and severity of complaints against Pate have been escalating and continuing to ignore the problem could invite a lawsuit.

1. **Question:** Launch a full-scale investigation of employee complaints about Pate and make Pate aware that his documented history over the past ten years has put him on thin ice.

**Suggested Answer:** Harry may find that an immediate full-scale investigation is needed, even though it may temporarily disrupt company operations and hurt Farmington Avionics’s new product development.

1. **Question**: Meet with Pate and the employee to try to resolve the current issue, and then start working with Miranda and other senior managers to develop stronger policies regarding sexual harassment and treatment of employees, including clear-cut procedures for handling complaints.

**Suggested Answer:** Option 3 is probably the most expedient way to deal with the current problem as well as to prevent future problems with Pate or others. Stronger policies and clear‑cut procedures for handling complaints are needed. However, after talking with other employees confidentially, Harry may find that an immediate full-scale investigation is needed.

# Apply Your Skills: Case for Critical Analysis

**Coture Hair Salon**

1. **Question:** What positive and negative managerial characteristics does Keisha Kinney possess? How do her characteristics align with the technical, human, and conceptual skills described in the chapter?

**Suggested Answer:** A manager’s job requires a range of skills that includes conceptual, human, and technical skills. During turbulent times, managers really have to stay on their toes and apply all their skills and competencies in a way that benefits the organization and stakeholders—employees, investors, customers, and the community.

Kinney’s hard work and combination of skills made her the manager of the salon. Kinney’s failure to clarify direction or performance expectation from her employees is one of her negative managerial characteristics. Poor planning practices and reactionary behavior are the other negative traits that Kinney possesses.

1. **Question:** How do these traits help or hinder her potential to get the top position at the Riverwood Mall salon?

**Suggested Answer:** Kinney’s failure to clarify direction or performance expectation from her employees Marianned and Carol Jean lead to scheduling problems for the clients. This would be bad for the business and would hamper her chances to get to the top position at Riverwood Mall salon. Poor planning practices and Kinney’s reactionary behavior would also hinder her climb up the ladder.

1. **Question**: How would you have handled each of the incidents with Marianne? Carol Jean? Victoria?

**Suggested Answer:** Kinney should not have displayed the outburst of anger when Marianne informed her about Carol Jean’s absence, as Marianne was merely doing her job of being a receptionist. With regard to Carol Jean, Kinney should have told them about the company’s performance expectations. She should have clarified the leave scenario to them and not let them get away with unwarranted absences in the first place. Kinney should empower her team and not micromanage as in the case with Victoria. She should help Victoria in her career development rather than wanting to hide Victoria’s competencies.

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# Additional Activities and Assignments

1. **Why Does (This Topic) Matter?** *(part level activity)* These non-graded features are designed to spark interest and engagement in the topics that are covered within a given part.
	* Part 01: Why Does Management Matter?
2. **Collaborative Group Activities via Bongo** *(located within the Bongo app, residing in the MindTap App Dock)* Group Projects, powered by Bongo (formerly YouSeeU), allow students to work together online; they can set milestones, upload documents, and even meet virtually- all to help improve their management skills. Exercises include rubrics to easily facilitate instructor and peer-to-peer grading. These assignments are designed to develop teamwork, communication, and critical thinking skills— all of which are vital in today’s business environment.
3. **Full List of In-Class Activities Included in PowerPoint:**
* *Discussion Activity 1*
* *Discussion Activity 2*
* *Knowledge Check 1*
* *Knowledge Check 2*
* *Polling Activity 1*
* *Polling Activity 2*

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# Additional Resources

## Cengage Video Resources

* **MindTap Videos:** *(These videos can be found within the “Additional Resources” folder within MindTap. Students can also use these study tools on their mobile device via the* [*Cengage Mobile App.)*](https://www.cengage.com/mobile-app/)
	+ Concept Clips: Management Functions
	+ Concept Clips: Managerial Roles
	+ Concept Clips: Skills Used at Different Management Levels
	+ On the Job Video: Camp Bow Wow: Innovative Management

## Student Study Tools

* **MindTap Student Study Tools:** *(Found within the “Study It” folder within MindTap. Students can also use these study tools on their mobile device via the* [*Cengage Mobile App.)*](https://www.cengage.com/mobile-app/)
	+ **Practice Test**: This resource allows students to create practice quizzes covering multiple chapters in a low-stakes environment. Students receive immediate feedback, so they know where they need additional help, and the test bank-like questions prepare students for what to expect on the exam. With about 100 questions per chapter, students can create multiple unique practice quizzes
	+ **Student PowerPoint:** A streamlined version of the PowerPoint in which the instructor-only content has been removed.
	+ **Flashcards:** Digitized flashcardsthat include the chapter’s key terms and definitions.

# Product Support

[Visit our Resources and Support MindTap for Management page to view training resources, instructor guides, LMS integration information and more.](https://www.cengage.com/discipline-management#resources)  You may also contact your Cengage Learning Consultant to assist you in implementing MindTap successfully in your course. If you are unsure of who your Cengage Learning Consultant is, use our [Cengage Rep Finder](https://www.cengage.com/repfinder/) to locate your local representative.

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