**CHAPTER 1**

**MANAGEMENT TODAY**

# Learning Objectives

Upon completion of the chapter, the student should be able to:

1. Summarize the challenges of developing and maintaining career readiness in the

new economy.

2. Describe what organizations are like as work settings.

3. Discuss what it means to be a manager.

4. Explain the functions, roles, and activities of managers.

5. Summarize how we learn and use essential skills for career success.

##### Chapter 1 Overview

Work in the new economy is increasingly knowledge-based, and people, with their capacity to bring valuable intellectual capital to the workplace, are the ultimate foundation of organizational performance. The chapter begins with a section on understanding the challenges of working today. The world of work is undergoing dynamic and challenging changes that provide great opportunities along with tremendous uncertainty. These changes are due to the impact of important trends regarding worker talent, technological change, globalization, ethical standards, workforce diversity, and careers. After setting up this framework for the changing environment in which organizations operate, the chapter goes on to describe organizations as open systems which interact with their environments in the process of transforming resource inputs into finished goods and services as product outputs. From this point, the bulk of the chapter describes managers and their work; detailing that managers directly support, supervise, facilitate and help activate the work efforts of other people in organizations. Next, the chapter explores the management process consisting of the four functions of planning, organizing, leading, and controlling, followed by the roles and skills managers need for success. The chapter concludes with a discussion of the essential managerial skills and how they are leaned.

##### Lecture Outline

**Teaching Objective:** To increase awareness of how a dynamic and changing environment affects organizations, managers, and the management process in the new workplace.

**Suggested Time:** Two hours of class time are typically required to present the material in this chapter.

##### Supporting Materials

**Figures**

* Figure 1.1: Organizations as Open Systems Interacting with Their Environments
* Figure 1.2: Productivity and the Dimensions of Organizational Performance
* Figure 1.3: Management Levels in Typical Business and Non-Profit Organizations
* Figure 1.4: Accountability in the Traditional Organization
* Figure 1.5: The Organization Viewed as an Upside-Down Pyramid
* Figure 1.6: Four Functions of Management – Planning, Organizing, Leading, and Controlling
* Figure 1.7:Mintzberg’s Common Roles Filled by Management
* Figure 1.8:Katz’s Essential Managerial Skills – Technical, Human, and Conceptual
* Figure 1.9: Using a Personal SWOT Analysis for Strategic Career Planning

**Thematic Boxes**

* Analysis: *Multiple Generations Meet and Greet in the New World of Work*
* Ethics: *Social Media Searches Linked with Discrimination in Hiring*
* Wisdom: *Tonia Jahshan Turns Over a New Leaf*
* Choices: *Want Vacation? No Problem, Take as Much as You Want*
* Self-Awareness and the Johari Window

**Management Learning Review**

* Summary
* Self Test

**Applications**

* Evaluate Career Situations: What Would You Do?
* Reflect on the Self-Assessment: Career Readiness “Big 20”
* Contribute to the Class Exercise: My Best Manager
* Manage a Critical Incident: Team Leader Faces Test
* Collaborate on the Team Activity: The Amazing Great Job Race
* Video Summary and Discussion Questions: Preventing Attacks by Thinking like a Terrorist
* Analyze the Case Study: Vancity: On Top of Its Game

##### LECTURE NOTES

**WORKING TODAY**

**Learning Objective 1: Summarize the challenges of developing and maintaining career readiness in the new economy.**

Today’s working environment has changed dramatically due to the complex world in which we live. No longer can one be complacent, unskilled, or even expect job security. Innovation, cost competitiveness, and technology are the driving forces today.

Career advancement today demands initiative and self-awareness, as well as continuous learning.

**Talent**

According to management scholars Charles O’Reilly and Jeffrey Pfeffer, high-performing companies achieve success by being better than competitors by getting extraordinary results from the people working for them.

People––what they know, what they learn, and what they do with it––are the ultimate foundations of organizational performance.

People represent **intellectual capital,** whichis the collective brainpower or shared knowledge of a workforce that is used to create value.

The **intellectual capital equation** of Intellectual Capital = Competency x Commitment defines today’s workplace. Workers’ talents and capabilities represent competency, while willingness to work hard defines commitment.

A **knowledge worker** is someone whose mind is a critical asset to employers and who adds to the intellectual capital of the organization.

**Technology**

The world is driven by technology, so one must develop a high **Tech IQ,** that is, the ability to use technology and commitment to stay informed on the latest technological developments.

We hold meetings in virtual space, eliminating physical distances. Work is done from home or anywhere we might be. We meet as virtual teams, sharing files and information, all without ever meeting face-to-face.

**Globalization**

The national boundaries of world business have largely disappeared due in part to **globalization,** whichis the worldwide interdependence of resource flows, product markets, and business competition that characterizes the new economy. As such, countries and peoples are now interconnected through news, travel, lifestyles, employment, along with financial and business dealings. One controversial consequence of globalization is job migration, which is the shifting of jobs from one country to another. The flip side of job migration is reshoring, which is the shift of manufacturing and jobs back home from overseas.

**Ethics**

**Ethics** set moral standards of what is “good” and “right” in the conduct of a person or group.

Every week, we learn about the unethical behaviour of business executives that cause great harm to those who entrust them to do the right thing. Much of this is due to the lack of active oversight of management decisions and company actions by boards of directors. As such, it is imperative that students realize integrity is the key to leadership and the responsibility for setting the ethical tone of the organization comes from the top. An ethics indicator is the strength of corporate governance. Think of it as the active oversight of top management decisions, corporate strategy, and financial reporting by a company’s board of directors.

**Diversity**

**Workforce diversity** describes the composition of the workforce in terms of differences among members. Today’s increasingly diverse and multicultural workforce should be an asset that, if tapped, creates opportunities for performance gains.

Unfortunately, positive diversity messages do not always reflect work realities due to prejudice, discrimination, and the glass ceiling effect.

* **Prejudice** is the display of negative, irrational attitudes toward members of diverse populations.
* **Discrimination** actively denies minority members the full benefits of organizational membership.
* The **glass ceiling effect** is an invisible barrier or “ceiling” that prevents women and minorities from rising above a certain level of organizational responsibility.

**Careers and Connections**

University students who are looking for their first full-time job in a tight economy will find the task challenging. To improve one’s chances, however, internships are often the pathway to success.

British scholar Charles Handy uses the analogy of the shamrock organization to describe the career implications for employees in today’s dynamic environment. Each leaf of the shamrock has a different career implication. Workers must be prepared to prosper in any of the shamrock’s three leaves:

1. The first leaf is a core group of full-time employees who follow standard career paths. This group is shrinking.
2. The second leaf consists of contract or free-lance workers that provide specialized skills and talents on a contract basis, and then change employers when projects are completed. This group is replacing a part of those in the first leaf.
3. The third leaf contains part-time workers who are hired only as needed and for only the number of hours needed. Even though these workers replace some in the first leaf, they are also the first to lose their jobs during economic downturns.

Should current trends continue, as a member of the **free-agent economy**, job changing and flexible contracts will become a staple of everyday life.

*Early Career Survival Skills* of the text describes critical skills for the new workplace:

* Mastery: You need be good at something; you need to be able to contribute something of value to your employer.
* Networking: You need to know people; networking with others within and outside the organization is essential.
* Entrepreneurship: You must act as if you are running your own business, spotting ideas and opportunities and pursuing them.
* Technology: You have to embrace technology; you have to stay up-to-date and fully utilize all that is available.
* Marketing: You need to communicate your successes and progress, both yours personally and those of your work team.
* Renewal: You need to learn and change continuously, always improving yourself for the future.

All this places a premium on your capacity for **self-management**—being able to assess yourself realistically, recognize strengths and weaknesses, make constructive changes, and manage your personal development. **Social networking tools**—such as LinkedIn, Facebook, Google+, and Reddit—that connect users with similar interests have become the great equalizer. They make the process of connecting much easier and more democratic than ever before.

***DISCUSSION TOPIC***

Conduct a brainstorming session with students to identify recent examples of each of the preceding characteristics of 21st century work environments (i.e., talent, technology, globalization, ethics, diversity, and careers). After generating a sufficient number of examples, focus class discussion on the implications of these examples for managerial activities.

**ORGANIZATIONS**

**Learning Objective 2: Describe what organizations are like as work settings.**

**Organizational Purpose**

An **organization** is a collection of people working together to achieve a common purpose.

The broad purpose of any organization is to provide quality products and services to customers in a socially responsible way, while ensuring customer satisfaction.

**Organizations as Systems**

Organizations are **open systems** that interact with their environments in the continual process of transforming resource inputs into product outputs in the form of finished goods and/or services.

***Figure 1.1***in the text illustrates organizations as open systems.

The external environment is a critical element of the open systems view of organizations because it is both a supplier of resources and the source of customers, and has a significant impact on the organization’s operations and outcomes. Feedback from the environment tells an organization how well it is doing in meeting the needs of customers.

**Organizational Performance**

Using resources well and serving customers is a process of value creation through organizational performance. When operations add value to the original cost of resource inputs, then:

1. a business organization can earn a profit—that is, sell a product for more than the cost of making it
2. a non-profit organization can add wealth to society—that is, provide a public service that is worth more than its cost (e.g., fire protection in a community)

A common way to describe how well an organization is performing overall is **productivity**, whichis a summary measure of the quantity and quality of work performance with resource utilization taken into account.

**Performance effectiveness** is an output measure of task or goal accomplishment.

**Performance efficiency** isan input measure of the resource costs associated with goal accomplishment.

***Figure 1.2*** in the text illustrates the relationship between goal attainment and resource utilization

**Changing Nature of Organizations**

Among recent trends in changes in organizations, the following organizational transitions are especially relevant to your study of management:

* Focus on valuing human capital
* Demise of “command-and-control”
* Emphasis on teamwork
* Pre-eminence of technology
* Importance of networking
* New workforce expectations
* Priorities on sustainability

**MANAGERS**

**Learning Objective 3: Discuss what it means to be a manager.**

**What Is a Manager?**

A **manager** is a person in an organization who directly supports, supervises, and helps activate the work efforts and performance accomplishments of others.

The people who are supported and helped by managers are usually called direct reports, team members, work associates or subordinates. These people are the essential human resources whose tasks represent the real work of the organization.

**Levels of Managers**

At the highest levels of business organizations, as shown in ***Figure 1.3***in the text, we find a **board of directors** whose members are elected by the stockholders to represent their ownership interests.

Below the board level, **top managers** are responsible for the performance of an organization as a whole or for one of its larger parts.

1. Common job titles for top managers are chief executive officer (CEO), president, and vice-president.
2. Top managers scan the environment, create and communicate long-term vision, and ensure that strategies and performance objectives are consistent with the organization’s purpose and mission.

Reporting to top managers are **middle managers**, who are in charge of relatively large departments or divisions consisting of several smaller work units.

1. Common job titles for middle managers are clinic directors in hospitals; deans in universities; and division managers, plant managers, and regional sales managers in businesses.
2. Middle managers work with top managers and coordinate with peers to develop and implement action plans to accomplish organizational objectives.

The first job in management is typically a **team leader** or supervisor, whois in charge of a small work group composed of non-managerial workers. Though job titles for these managerial positions vary greatly, some of the more common ones are department head, group leader, and unit manager.

###### ***DISCUSSION TOPIC***

To illustrate the differences among different levels management, ask students to identify people they know who have been or are now managers. Have these students describe the nature of the work done by the managers they know. Then have the students analyze these descriptions and classify them according to top managers, middle managers, and team leaders and supervisors.

**Types of Managers**

In addition to serving at different levels of authority, managers work in different capacities within organizations.

* **Line managers** are responsible for work that makes a direct contribution to the organization’s outputs.
* **Staff managers** use special technical expertise to advise and support the efforts of line workers.
* **Functional managers** have responsibility for a single area of activity, such as finance, marketing, production, human resources, accounting, or sales.
* **General Managers** are responsible for activities covering many functional areas.
* **Administrators** are managers who work in public or non-profit organizations.

***DISCUSSION TOPIC***

Ask the students if they have had any experience as team leaders or supervisors. After having those with such experience describe their jobs, relate the job components to the performance responsibilities of team leaders and supervisors that is presented in the text.

**Managerial Performance**

All managers help others, working individually and in groups, to achieve productivity while using their talents to accomplish organizational goals.

**Accountability** is the requirement of one person to answer to a higher authority for performance results in his or her area of responsibility. See ***Figure 1.4.***

Boards of directors instill **corporate governance**, by holding top management accountable for organizational performance.

All managers should try to be **effective managers**, by helping others achieve high performance outcomes while maintaining a high quality of work life environment.

**Quality of work life** is the overall quality of human experiences in the workplace.

A high quality of work life is one that offers the individual worker such things as:

1. Fair pay.
2. Safe working conditions.
3. Opportunities to learn and use new skills.
4. Room to grow and progress in a career.
5. Protection of individual rights and wellness.

**Changing Nature of Managerial Work**

Many trends in organizations require new thinking from those who serve as managers. We are in a time when the best managers are known more for “helping” and “supporting” than for “directing” and “order giving.” There is less and less tolerance for managers who simply sit back and tell others what to do.

***Figure 1.5***in the text illustrates the concept of the “upside-down pyramid.”

**THE MANAGEMENT PROCESS**

**Learning Objective 4: Explain the functions, roles, and activities of managers.**

The ultimate “bottom line” in every manager’s job is to help an organization achieve high performance by best utilizing its human and material resources.

**Functions of Management**

***Figure 1.6***in the text illustrates the four functions of management

The **management** **process** of planning, organizing, leading, and controlling is the use of resources to accomplish performance goals.

* **Planning** is the process of setting objectives and determining what should be done to accomplish them.
* **Organizing** is the process of assigning tasks, allocating resources, and coordinating work activities.
* **Leading** is the process of arousing enthusiasm and inspiring efforts to achieve goals.
* **Controlling** is the process of measuring performance and taking action to ensure desired results.

***DISCUSSION TOPIC***

Divide students into discussion groups of five to six members. Have each group select a different campus organization to analyze. Each group should explore how the chosen campus organization exhibits planning, organizing, leading, and controlling.

**Managerial Roles and Activities**

Henry Mintzberg’s ten different managerial roles are organized as (See ***Figure 1.7***):

* Interpersonal roles (i.e., figurehead, leader, and liaison) involve interactions with people inside and outside the work unit.
* Informational roles (i.e., monitor, disseminator, and spokesperson) involve giving, receiving, and analyzing information.
* Decisional roles (i.e., entrepreneur, disturbance handler, resource allocator, and negotiator) involve using information to make decisions in order to solve problems or address opportunities.

There is no doubt that managerial work is a busy, demanding, and stressful type of work.

A summary of research on the nature of managerial work finds the following about managerial work:

* Managers work long hours.
* Managers work at an intense pace.
* Managers work at fragmented and varied tasks.
* Managers work with many communication media.
* Managers accomplish their work largely through interpersonal relationships.

***DISCUSSION TOPIC***

Have students draw on their work, educational, athletic team, or other extracurricular experiences to identify examples of how people in managerial and leadership positions enact the various interpersonal, informational, and decisional roles.

**Managerial Agendas and Networking**

According to management scholar John Kotter, there are two basic challenges that effective managers must master:

1. **Agenda setting** involves managers’ development of action priorities for their jobs; these action priorities include goals and plans spanning long and short time frames.
2. **Networking** is the process of building and maintaining positive relationships with people whose help may be needed to implement one’s work agendas, creating **social** **capital** – a capacity to attract support and help from others in order to get things done.

**LEARNING HOW TO MANAGE**

**Learning Objective 5: Summarize how we learn and use essential skills for career success.**

Workers everywhere are expected to become involved, participate fully, demonstrate creativity, and find self-fulfillment in their work. These expectations place a premium on **lifelong learning**, which is the process of continuously learning from our daily experiences and opportunities.

**Learning** is a change in behaviour that results from experience. This is a lifelong continuous process.

**Management Skills**

A **skill** is the ability to translate knowledge into action that results in desired performance.

**Technical Skills**

A **technical skill** is the ability to use expertise to perform a task with proficiency.

**Human and Interpersonal Skills**

A **human skill** is the ability to work well in cooperation with other people.

**Emotional intelligence** is the ability to manage ourselves and our relationships effectively.

**Conceptual and Critical-Thinking Skills**

A **conceptual skill** is the ability to think analytically and solve complex problems.

**Career Readiness Skills:**

Now is the best time to give serious attention to your career readiness and start thinking about the strategic management of your future. The goal is to put skills, competencies, and aspirations together with learning agility so that you can always move forward with confidence, even as things change around you.

***DISCUSSION TOPIC***

Have students discuss the roles that technical skills, human skills, and conceptual skills play in their professors’ performance of their jobs. Then have the students think of their own educational pursuits as a job. What roles do technical skills, human skills, and conceptual skills play in the students’ performance of their jobs?

***Figure 1.8*** in the text describes Katz’s essential managerial skills and illustrates how these changes in relative importance as management responsibility increases. ***Figure 1.9*** involves using a personal SWOT analysis for strategic career planning.

##### Management Learning Review: Get Prepared for Quizzes and Exams

**LEARNING OBJECTIVE 1.1 Summarize the challengesof developing and maintaining career readiness in the new economy.**

* Work in the new economy is increasingly knowledge based, and intellectual capital is the foundation of organizational performance.
* Organizations must value the talents of a workforce whose members are increasingly diverse with respect to gender, age, race and ethnicity, able-bodiedness, and lifestyles.
* The forces of globalization are bringing increased interdependencies among nations and economies, as customer markets and resource flows create intense business competition.
* Ever-present developments in information technology are reshaping organizations, changing the nature of work, and increasing the value of knowledge workers.
* Society has high expectations for organizations and their members to perform with commitment to high ethical standards and in socially responsible ways.
* Careers in the new economy require great personal initiative to build and maintain skill “portfolios” that are always up to date and valuable in a free-agent economy.

For Discussion What career risks and opportunities is globalization creating for today’s post-secondary graduates?

**LEARNING OBJECTIVE 1.2 Describe what organizations are like as work settings.**

* Organizations are collections of people working together to achieve a common purpose.
* As open systems, organizations interact with their environments in the process of transforming resource inputs into product and service outputs.
* Productivity is a measure of the quantity and quality of work performance, with resource costs taken into account.
* High-performing organizations achieve both performance effectiveness in terms of goal accomplishment, and performance efficiency in terms of resource utilization.

For Discussion When is it acceptable to sacrifice performance efficiency for performance effectiveness?

**LEARNING OBJECTIVE 1.3 Describe what it means to be a manager.**

* Managers directly support and facilitate the work efforts of other people in organizations.
* Top managers scan the environment, create strategies, and emphasize long-term goals; middle managers coordinate activities in large departments or divisions; team leaders and supervisors support performance of front-line workers at the team or work-unit level.
* Functional managers work in specific areas such as finance or marketing; general managers are responsible for larger multifunctional units; administrators are managers in public or non-profit organizations.
* The upside-down pyramid view of organizations shows operating workers at the top, serving customer needs while being supported from below by various levels of management.
* The changing nature of managerial work emphasizes being good at coaching and supporting others, rather than simply directing and order-giving.

For Discussion In what ways should the work of a top manager differ from that of a team leader?

**LEARNING OBJECTIVE 1.4 Describe the functions, roles, and activities of managers.**

* The management process consists of the four functions of planning, organizing, leading, and controlling.
* Planning sets the direction; organizing assembles the human and material resources; leading provides the enthusiasm and direction; controlling ensures results.
* Managers implement the four functions in daily work that is often intense and stressful, involving long hours and continuous performance pressures.
* Managerial success requires the ability to perform well in interpersonal, informational, and decision-making roles.
* Managerial success also requires the ability to build interpersonal networks and use them to accomplish well-selected task agendas.

For Discussion How might the upside-down pyramid view of organizations affect a manager’s approach to planning, organizing, leading, and controlling?

**LEARNING OBJECTIVE 1.5 Summarize how we learn and use essential skills for career success.**

* Careers in the new economy demand continual attention to lifelong learning from all aspects of daily experience and job opportunities.
* The three main types of kills considered essential for managers are broadly described as technical—the ability to use expertise; human—the ability to work well with other people, including emotional intelligence; and conceptual—the ability to analyze and solve complex problems with critical thinking
* Human skills are equally important for all management levels, whereas conceptual skills gain importance at higher levels and technical skills gain importance at lower levels.

For Discussion Which management skills and competencies do you consider the most difficult to develop, and why?

**Key Terms**

**Accountability** The requirement to show performance results to a supervisor.

**Administrator** A manager in a public or non-profit organization.

**Agenda setting** The development of action priorities for accomplishing goals and plans.

**Board of directors** A group of people who are supposed to make sure an organization is well run and managed in a lawful and ethical manner.

**Commitment** The degree to which one works to apply their talents and capabilities to important tasks.

**Competency** One’s personal talents or job-related capabilities.

**Conceptual skill** The ability to think analytically to diagnose and solve complex problems.

**Controlling** The process of measuring performance and taking action to ensure desired results.

**Corporate governance** The active oversight of management decisions and performance by a company’s board of directors.

**Discrimination** The active denial of full benefits of organizational membership to members of certain groups.

**Effective manager** A manager who helps others achieve high performance and satisfaction at work.

**Emotional intelligence** The ability to manage ourselves and our relationships effectively.

**Ethics** The moral standards of what is “good” and “right” in one’s behaviour.

**Fourth Industrial Age** Where the cloud, mobile Internet, automation, robotics and artificial intelligence are the driving forces of change.

**Free-agent economy** An economy in which people change jobs more often, and many work on independent contracts with a shifting mix of employers.

**Functional managers** Managers who are responsible for one area, such as finance, marketing, production, personnel, accounting, or sales.

**General managers** Managers who are responsible for complex, multifunctional units.

**Glass ceiling effect** An invisible barrier limiting career advancement of women and members of visible minorities.

**Globalization** The worldwide interdependence of resource flows, product markets, and business competition.

**Human skill** The ability to work well in cooperation with other people.

**Intellectual capital** The collective brainpower or shared knowledge of a workforce.

**Job migration** What occurs when firms shift jobs from a home country to foreign ones.

**Knowledge worker** Someone whose mind is a critical asset to employers.

**Leading** The process of arousing enthusiasm and inspiring efforts to achieve goals.

**Learning** A change in behaviour that results from experience.

**Lifelong learning** Continuous learning from daily experiences.

**Line managers** Managers who directly contribute to producing the organization’s goods or services.

**Management** **process** Planning, organizing, leading, and controlling the use of resources to accomplish performance goals.

**Manager** A person who supports, activates, and is responsible for the work of others.

**Middle managers** Managers who oversee the work of large departments or divisions.

**Networking** The process of creating positive relationships with people who can help advance agendas.

**Open system** A system that transforms resource inputs from the environment into product outputs.

**Organization** A collection of people working together to achieve a common purpose.

**Organizing** The process of defining and assigning tasks, allocating resources, and providing resource support.

**Performance effectiveness** An output measure of task or goal accomplishment.

**Performance efficiency** An input measure of resource cost associated with goal accomplishment.

**Planning** The process of setting goals and objectives and making plans to accomplish them.

**Prejudice** The display of negative, irrational attitudes toward members of diverse populations.

**Productivity** The quantity and quality of work performance, with resource utilization considered.

**Quality of work life** The overall quality of human experiences in the workplace.

**Reshoring** What occurs when firms move jobs back home from foreign locations.

**Self-management** The ability to understand oneself, exercise initiative, accept responsibility, and learn from experience.

**Shamrock organization** An organization that operates with a core group of full-time long-term workers supported by others who work on contracts and part-time.

**Skill** The ability to translate knowledge into action that results in desired performance.

**Social capital** A capacity to get things done with the support and help of others.

**Social networking** The use of dedicated websites and applications to connect people having similar interests.

**Staff managers** Managers who use special technical expertise to advise and support line workers.

**Team leaders** Leaders who report to middle managers and supervise non-managerial workers.

**Tech IQ** The ability to use technology and to stay updated as technology continues to evolve.

**Technical skill** The ability to use expertise to perform a task with proficiency.

**Top managers** Managers who guide the performance of the organization as a whole or of one of its major parts.

**Upside-down pyramid** A view of organizations that shows customers at the top being served by workers who are supported by managers.

**Workforce diversity** Workers’ differences in terms of gender, race, age, ethnicity, religion, sexual orientation, and able-bodiedness.

**Self Test 1**

**Multiple-Choice Questions**

1. The process of management involves the functions of planning, \_\_\_, leading, and controlling.

(a) accounting

(b) creating

(c) innovating

(d) organizing

Answer: d

2. An effective manager achieves both high-performance results and high levels of \_\_\_ among people doing the required work.

(a) turnover

(b) effectiveness

(c) satisfaction

(d) stress

Answer: c

3. Performance efficiency is a measure of the \_\_\_ associated with task accomplishment.

(a) resource costs

(b) goal specificity

(c) product quality

(d) product quantity

Answer: a

4. The requirement that a manager answer to a higher-level boss for performance results achieved by a work team is called \_\_\_.

(a) dependency

(b) accountability

(c) authority

(d) empowerment

Answer: b

5. Productivity is a measure of the quantity and \_\_\_ of work produced, relative to the cost of inputs.

(a) quality

(b) cost

(c) timeliness

(d) value

Answer: a

6. \_\_\_ managers pay special attention to the external environment, looking for problems and opportunities and finding ways for the organization to best deal with them.

(a) Top

(b) Middle

(c) Lower

(d) First-line

Answer: a

7. The accounting manager for a local newspaper would be considered a \_\_\_ manager, whereas the editorial director for sports would be considered a \_\_\_ manager.

(a) general, functional

(b) middle, top

(c) staff, line

(d) senior, junior

Answer: c

8. When a team leader clarifies desired work targets and deadlines for members of a work team, he or she is fulfilling the management function of \_\_\_.

(a) planning

(b) delegating

(c) controlling

(d) supervising

Answer: a

9. The process of building and maintaining good relationships with others who may help implement a manager’s work agendas is called \_\_\_.

(a) governance

(b) networking

(c) authority

(d) entrepreneurship

Answer: b

10. In Katz’s framework, top managers tend to rely more on their \_\_\_ skills than do first-line managers.

(a) human

(b) conceptual

(c) decision-making

(d) technical

Answer: b

11. The research of Mintzberg and others concludes that managers \_\_\_.

(a) work at a leisurely pace

(b) have blocks of private time for planning

(c) are never free from the pressures of performance responsibility

(d) have the advantages of flexible work hours

Answer: c

12. When someone holds a negative attitude toward minorities, this is an example of \_\_\_. When a team leader with a negative attitude toward minorities makes a decision to deny advancement opportunities to an East Asian team member, this is an example of \_\_\_.

(a) discrimination, prejudice

(b) emotional intelligence, social capital

(c) performance efficiency, performance effectiveness

(d) prejudice, discrimination

Answer: d

13. Trends in the new workplace include which of the following?

(a) more emphasis by managers on giving orders

(b) more attention by organizations to valuing people as human assets

(c) less teamwork

(d) less concern for work–life balance among the new generation of workers

Answer: b

14. The manager’s role in the “upside-down pyramid” view of organizations is best described as providing \_\_\_ so that workers can directly serve \_\_\_.

(a) direction, top management

(b) leadership, organizational goals

(c) support, customers

(d) agendas, networking

Answer: c

15. The management function of \_\_\_ is being performed when a retail manager measures daily sales in the women’s apparel department and compares them with daily sales targets.

(a) planning

(b) agenda setting

(c) controlling

(d) delegating

Answer: c

**Short-Response Questions**

16. Discuss the importance of ethics in the relationship between managers and the people they supervise.

Answer: Managers must value people and respect subordinates as mature, responsible, adult human beings. This is part of their ethical and social responsibility as persons to whom others report at work. The work setting should be organized and managed to respect the rights of people and their human dignity. Included among the expectations for ethical behaviour would be actions to protect individual privacy, provide freedom from sexual harassment, and offer safe and healthy job conditions. Failure to do so is socially irresponsible. It may also cause productivity losses due to dissatisfaction and poor work commitments.

17. Explain how “accountability” operates in the relationship between (a) a team leader and her team members, and (b) the same team leader and her boss.

Answer: The manager is held accountable by her boss for performance results of her work unit. The manager must answer to her boss for unit performance. By the same token, the manager’s subordinates must answer to her for their individual performance. They are accountable to her.

18. Explain how the “glass ceiling effect” may disadvantage newly hired Aboriginal university graduates in a large corporation.

Answer: If the glass ceiling effect were to operate in a given situation, it would act as a hidden barrier to advancement beyond a certain level. Managers controlling promotions and advancement opportunities in the firm would not give them to African-American candidates, regardless of their capabilities. Although the newly hired graduates might progress for a while, sooner or later their upward progress in the firm would be halted by this invisible barrier.

19. What is globalization, and what are its implications for working in the new economy?

Answer: Globalization means that the countries and peoples of the world are increasingly interconnected and that business firms increasingly cross national boundaries in acquiring resources, getting work accomplished, and selling their products. This internationalization of work will affect most everyone in the new economy. People will be working with others from different countries, working in other countries, and certainly buying and using products and services produced in whole or in part in other countries. As countries become more interdependent economically, products are sold and resources purchased around the world, and business strategies increasingly target markets in more than one country.

**Essay Question**

20. You have just been hired as the new head of an audit team for a national accounting firm. With four years of experience, you feel technically well prepared for the assignment. However, this is your first formal appointment as a “manager.” Things are complicated at the moment. The team has 12 members of diverse demographic and cultural backgrounds, as well as work experience. There is an intense workload and lots of performance pressure. How will this situation challenge you to develop and use essential managerial skills and related competencies to manage the team successfully to high levels of auditing performance?

Answer: One approach to this question is through the framework of essential management skills offered by Katz. At the first level of management, technical skills are important, and I would feel capable in this respect. However, I would expect to learn and refine these skills through my work experiences.

Human skills, the ability to work well with other people, will also be very important. Given the diversity anticipated for this team, I will need good human skills. Included here would be my emotional intelligence, or the ability to understand my emotions and those of others when I am interacting with them. I will also have a leadership responsibility to help others on the team develop and utilize these skills so that the team itself can function effectively.

Finally, I would expect opportunities to develop my conceptual or analytical skills in anticipation of higher-level appointments. In terms of personal development, I should recognize that the conceptual skills will increase in importance relative to the technical skills as I move upward in management responsibility. The fact that the members of the team will be diverse, with some of different demographic and cultural backgrounds from my own, will only increase the importance of my abilities in the human skills area.

It will be a challenge to embrace and value differences to create the best work experience for everyone and to fully value everyone’s potential contributions to the audits we will be doing. Conceptually I will need to understand the differences and try to utilize them to solve problems faced by the team, but in human relationships I will need to excel at keeping the team spirit alive and keeping everyone committed to working well together over the life of our projects.

**Management Skills and Competencies: Make Yourself Valuable!**

**Evaluate Career Situations: What Would You Do?**

Answer: Students’ answers will vary based upon their individual experiences.

**Reflect on the Self-Assessment: Career Readiness**

If students are realistic and honest with themselves and/or obtain feedback from another person’s assessment of their career readiness, this exercise can be used to motivate students to apply the theory and concepts learned from this course directly to their personal growth, which will increase their managerial competence.

**Contribute to the Class Exercise: My Best Manager**

**Preparation**

Working alone, make a list of the behavioural attributes that describe the “best” manager you have ever had. This could be someone you worked for in a full-time or part-time job, summer job, volunteer job, student organization, or elsewhere. If you have trouble identifying an actual manager, make a list of behavioural attributes of the manager you would most like to work for in your next job.

1. Make a list of the behavioural attributes that describe the “worst” manager you have ever had.

2. Write a short synopsis of things that this bad manager actually did or said that would qualify for “Believe it or not, it’s really true!” status.

3. Using your list of attributes for your “best” manager, write a quick summary of the most important differences that quickly sort out your best from your worst.

**Activity**

Form into groups as assigned by your instructor, or work with a nearby classmate. Share your list of attributes and listen to the lists of others. Be sure to ask questions and make comments on items of special interest.

Work together in the group to create a master list that combines the unique attributes of the “best” and/or “worst” managers experienced by members. Have a spokesperson share that list with the rest of the class for further discussion. Share the “Believe it or not!” stories provided by group members.

**Instructor’s Note**

This exercise is designed to help break the ice in class and to get students thinking about what differentiates good managers from poor ones. Hopefully, they will develop a sense of purpose or directions through which their study of management and the total course experience become more personally meaningful.

The exercise can be done informally in smaller classes (up to 45-50) as stated. It can also be done in modified form in larger lecture settings. In the large lecture, we recommend that you not use small group discussions, but rather use random questioning to create a master list on the blackboard. This list becomes a basis for total class discussion and your personal reactions.

In discussing the results, take advantage of the opportunity to convey the logic of your course outline as well as how you plan to use the book and other supporting materials. In smaller classes, have students introduce themselves in their work groups. Be comfortable with the “brainstorming” nature of the exercise. Don’t overdo it by making it too complicated or overly definitive. It is simply a way to start students thinking and talking about being good managers. What follows is one instructor’s report on using the exercise.

**Exercise Report**

Students were assigned into four groups to work on the exercise. Rather than follow exact exercise procedures, they were given the task to list ten characteristics that described the best managers for whom group members have worked. The group part of the exercise worked very well and took approximately 15 minutes to complete. At the conclusion of the group brainstorming stage, spokespersons were asked to report on each group’s list. The meaning of each item was discussed as it was being presented. A total of eight items was obtained from the four groups in approximately 20 minutes.

**Manage a Critical Incident: Team Leader Faces Test**

It’s happened again for the second time in a week. Charles walked into your cubicle and started a rant about his not getting enough support from you as his team leader. Before you could say anything, he accused you of playing favourites in assigning projects and not giving him the respect he deserved for his seniority and expertise. Then he gave you an angry look, turned around, and stomped off. You let it go the last time he exploded like this. And after cooling down, he came by later to apologize and give you a fist-bump of reconciliation. You’ve since learned, however, that the other team members have been on the receiving end of his outbursts and are starting to complain to one another about him. Charles is your top software engineer and has a lot of technical expertise to offer the team and you. He’s a valuable talent, but his behaviour has become intolerable. It’s time for action.

**Questions**

How do you handle Charles and the full team in these circumstances? Does this call for direct confrontation between you and him? If so, how do you handle it? If not, how do you handle it? Is this something that the team as a whole needs to get involved with? If so, how do you proceed as team leader? How can you use each of the management functions to best deal with this situation? How can essential managerial skills help you succeed in this and similar situations?

**Collaborate on the Team Activity: The Amazing Great Job Race**

The fantastic variety of jobs out there for the well prepared candidate is almost unimaginable. But our lives have gotten busy—really complicated! We spend time with work, school work, meetings, friends, family, video games, listening to music, watching television, surfing the Internet, going to concerts, social engagements, and so on! It seems like our calendars are always full with activities, leaving less time available to figure out what we really want from a first “real” job and a career.

You might say or hear: “I haven’t got time for that—I need a job now...!” It’s easy to overestimate how much you can get done at the last minute. There may also be lots of uncertainty as to what kind of job you really want. Thinking about likes and dislikes, talents and areas of deficit, goals, aspirations, wants, needs, understanding yourself and what makes you happy—all take time. It also takes time spent in the right ways.

A job that looks really great to you might require a series of classes that you haven’t taken, an internship that you haven’t done, software that you don’t know, or a foreign language you don’t speak. If you spend time thinking about what you want, searching for what’s out there, and figuring out now what you’ll need in order to be prepared when you graduate, you just might find yourself running and winning the Amazing Great Job Race.

**Instructions**

1. Reflect: What classes have you enjoyed the most? What did you like most about them? How was your thinking challenged in these courses? What work experiences have been most satisfying for you? Why?

2. Share: Listen without criticism to how others in the group answered these reflection questions. Share your answers and listen to the comments of others. Turn group discussion into a brainstorming session about the kinds of jobs each member might like to do and the careers they might pursue.

3. Debate: Push each other to identify baseline requirements for jobs that might be good fits for them. Ask: What classes would you need to take to be in a position to compete for these jobs? What kinds of internships would you need to participate in to gain experience and access? What tests and certifications might be necessary? How much time would these preparations take so that you are ready to compete for your best job with other candidates who might want it also?

**Video Summary and Discussion Questions**

**Think Like a Terrorist**

Organizations like Go Transit in Ontario are learning to "think like a terrorist" to stop small, decentralized attacks they may face. Go Transit is the largest regional transit company in Canada, moving nearly 300,000 people every day. Now, more than ever, it is operating with a new sense of vulnerability knowing that it could be a prime target for terror. The Via Rail terror plot proved that threats are now more difficult to track. For Go Transit, it was a game changer.

Clearly, mass transit is a prime terrorist target. In Go Transit’s training sessions, participants are asked to, in effect, think like a terrorist. Groups are divided into terror cells and are asked to plan a terrorist plot, plant a bomb, and hide explosives in a vehicle. The point is emphasized that it takes time to plan a terrorist plot and it always leaves tracks behind. The groups were able to come up with credible schemes in 30 minutes.

Intelligence has revealed that terrorists have indeed been in Canada to plan terrorist attacks. Major institutions in Canada are now redoubling their efforts to protect themselves. The key is to never assume that you have stopped being a target.

**Questions for Students**

1. Chapter 1 discusses essential managerial skills that today’s managers need to possess. More specifically, it refers to Katz’s essential managerial skills. Explain how the video can be considered to be an example of Katz’s conceptual skills.

2. Chapter 1 lists the four functions of management as planning, organizing, leading and controlling. Which of these four do you see as being exhibited in the video? Explain your answer.

3. Chapter 1 discusses the importance of ethics in today’s workplace. Do you think it is ethical to ask the workshop participants to “think like a terrorist?” Why or why not?

**Case Study: Vancity: Keeping Employees Happy and Healthy**

1. What is Vancity’s competitive advantage over other types of financial institutions?

Answer: Vancity’s competitive advantage is threefold:

1. Innovative Approach – Competitive advantage can be achieved through flexibility, finding ways to adjust and tailor products and services to fit customer needs in ways that are difficult for one’s competitors to match. Vancity is in a healthy financial position, with rising membership, because it takes an innovative approach in serving the financial needs of its members. It was the first Canadian financial institution to offer mortgages to women, first to use traditional media to market directly to the gay and lesbian community, the first North American credit union to receive an R1 rating from the Dominion Bond Rating Service, and the first financial institution to offer its own socially responsible mutual fund.
2. Local Decision-Making – According to CEO Tamara Voorman, the key thing that differentiates Vancity from a large bank is the local decision-making.
3. A Healthy and Committed Workforce – Vancity acknowledges that a healthy and committed workforce is a key reason it is able to sustain productivity and financial success within a competitive industry.

2. Who are Vancity’s stakeholders and what value does the organization create for them?

Answer: Vancity’s key stakeholders are its members, its employees and the communities within which it operates. To satisfy these stakeholders, Vancity uses a triple bottom line business model; it is driven to achieve financial success but also focuses on environmental and social sustainability.

Members: This Vancouver-based co-operative was founded in 1946; it began with only $22 in total assets aiming to lend money to those the banks ignored. Today, it is Canada’s largest credit union, with over 2,400 employees and more than $14.5 billion in assets.

Employees: Over the years and primarily driven by the employees’ desire for personal development, Vancity has initiated a number of programs to help employees adopt a plan for a healthier life. This positive approach recognizes the challenges of balancing work and life commitments and empowers employees to create the right environment to thrive at both.

Communities: Vancity’s vision to achieve positive social change has succeeded through a number of programs, such as one called Shared Success. Through this program, Vancity gives back each year a significant portion of net profits (generally 30 percent) to members and to communities.

Starting in 1995, before doing so was popular, Vancity focused on its own environmental performance. Vancity achieved its target of being the first carbon neutral North American-based financial institution.

3. Which of the four functions of management does Vancity appear to be doing quite well? Draw from the case to support your answer.

Answer: Vancity appears to be handling the leadership function of management quite well. In management, leading is the process of arousing people’s enthusiasm to work hard and inspiring their efforts to fulfill plans and accomplish objectives. By leading, managers build commitments to a common vision, encourage activities that support goals, and influence others to do their best work on the organization’s behalf.

As an example, every year, the co-operative surveys employees, and it did not meet its targets for employee engagement for three years in a row, which it blamed partly on.workforce and budgetary reductions. The employee engagement target is set at 75 percent, but in those years, it did not reach beyond 64 percent. To re-engage employees, Vrooman said Vancity would increase investment in training and development, renewing the organization’s IT infrastructure and providing employees with growth opportunity by focusing on new areas*.*