

What Do Managers Do?

Opening Session Agenda

Session IA

1. Introduction to course:

1. Purpose
2. Calendar [handout]
3. Text
4. Ken Petress' notes as added resource [on website]
5. Petress website as added resource [www.umpi.maine.edu/~petress]

2. Introduction to Professor

1. Name and academic position
2. Non academic experiences

3. Introduction of classmates

1. Name
2. Employment
3. Reason for taking this class

Break

Session IB

1. Distribute and discuss Petress' notes (I) "Introduction to Management/Leadership"
2. Distribute and discuss Petress' notes (II) "Management/Leadership Traits," "What are 'problems,'" and eight global questions to think about as we proceed the next five weeks; and some basic vocabulary matters to start with [Petress notes XXVIII] as handout.
3. Closing questions and comments.

Chapter 1 What is a Manager?

p. 2, § 2, lines 5-6: Definition of **strategy**: “The pattern of actions a firm takes over time aimed at changing the competitive equilibrium in the marketplace.” Business strategy is also called **competitive strategy**.

Many managers/leaders come from non-business backgrounds (ie: science, military, and social sciences) and see the meaning of and use of strategy differently.

See Petress notes (III)

p. 2, § 3, lines 1-2: “A **manager** is one who gets tasks done *through* other people.”

Some would argue the term *through* is inaccurate, incomplete, condescending They would argue that “with the cooperation of,” or “with the guidance of” would be more a appropriate phrasing.

pp. 2-3: Functions of a manager:

1. Planning – planning for the future.
2. Organizing --
3. Staffing – selecting subordinates, superiors, & colleagues..
4. Leading – showing the way.
5. Controlling – limiting, focusing, guiding others.

See Petress notes (IV)

To what extent does the experience, training, personality, and skills/limitations of a group’s personnel determine or limit the group’s strategy?

p. 4, ¶ 2, lines 5-6: **Quality** is defined as “anything that can be improved.”

This definition makes *quality* a tangible quantity; is this always the case? Should it be the case?

Some would argued that quality is an intangible (changing) value.

p. 4 § 2, lines 6-8: “Continuous improvement” equates with constant change. It is well known that most people are adverse to large, frequent, and/or sudden change; therefore, constant improvement could be, by its definition, asking for problems.

p. 4, § 2, ¶ 1: **Effectiveness** and **efficiency** are two “measures of management.”

1. Effectiveness refers to the degree of goal accomplishment.
2. Efficiency pertains to what has been achieved (output) in relation to the resources needed (input) = a ratio.
3. Do you agree that effectiveness is more important? Why or why not?

p. 5, § 2: Management levels: Lower level management, middle level management, and top management.

What happens when management at various levels in an organization have and use differing types of management/leadership styles? How can such problems be resolved?

See Petress notes (XXVIII)

pp. 6-7: Managerial Skills:

1. Technical skills
2. Human skills
3. Conceptual skills

Your text claims that technical skills are less important to mid and upper level managers. Do you agree? Why or why not?

If the Japanese model, where all levels of personnel contribute to organizational goals, policy, and decisions is adopted, would not conceptual skills be important across the board?

(See Petress notes (V))

p. 8, § 1: Functional vs. General Managers.

Do you agree observationally, experientially, philosophically with this distinction? Why or why not?

(See Petress notes (VI & VII))

p. 9: Manager **Roles**.

1. What about policy generator, interpreter, modifier, and enforcer as a role?
2. How about “boundary spanners,” those who simultaneously belong to multiple groups/ organizations/organizational components (consultants, regulators, consortium members)?

Chapter 2 Development of Contemporary Management

p. 16-17: Scientific Management (Fredrick Taylor 1911) stressed four activities:

1. research
2. standardization
3. (personnel) selection
4. training

p. 17: **Motion studies** evolved from this theory in the 1940s.

One major criticism of this management approach is that it is seen as diminishing the human side of production – people are treated as chess pieces.

pp. 17-18: Henri Fayol's (1949) principles of management:

1. authority equal to responsibility
2. unity of command
3. the scalar chain = top to bottom approach + lateral communication
4. unity of direction

See Petress notes (XXIII)

p. 19: Behavioral science and management.

Also known as **human relations approach** taking into account individuals and their skills as well as drawbacks.

Behavioral approach treated workers as a resource.

pp. 19-20: **Systems Approach to Management:**

Systems are comprised of: inputs; processing; outputs; internal and external environments; and plans, rules, expectations.

Inputs = raw materials, personnel, machinery....

Processing = work/management

Outputs = product/service/ideas generated....

Internal environments = rules/norms, workspace....

External environment = regulators, suppliers, customer needs/wants....

This approach, like others, was criticized for lowering worker individuality/importance.

pp. 20-21: **Contingency Theory:**

This approach takes personnel, tasks, and environmental (internal and external) into account to decide on a workable management style.

A major critique of this approaches been that there is lowered predictability, frequent change resulting in instability.

pp. 21-22: **Practitioner-Oriented Approach.**

A, strategic management [ie: General MacArthur (WWII & post war Japan)]

B. management by objective (MBO) [ie: IBM]

C. managing for results [ie: Dr. C. Everett Koop]

D. managing in turbulent times [ie: Iacocca, steel firms in 1980s]

pp. 22-23: **Total Quality Management** (TQM):

This approach stresses continual **improvement** of personnel skills and habits, of production, of quality control, and all else involved.

A major critique of this approach is that constant “improvement” = continual change = high stress, resentment, confusion, and instability = high turnover, possible sabotage, worker resentment and recalcitrance.

See Petress notes (XXIX)

Chapter 3 Managerial Planning

p. 30: The purpose(s) of planning.

1. Planning allows prediction of future effort, outcomes, and needs.
2. Planning offers path for stability.
3. Planning keeps on-focus orientation.

pp. 30-31: **Strategic Planning Process** is a two-step process of setting goals and selecting strategies to achieve these goals.

- a. Strategic planning requires that all members of the group/organization be knowledgeable, cooperative, and participative.
- b. Strategic planning is expensive in two ways:
 1. It takes time.
 2. It takes people away from production.

See Petress notes (XXIV)

pp. 32-33: Setting Goals presents several advantages / obstacles:

- A. Advantages include: everyone knows goals; a proposed time line is established; resources needed are decided; departments can be coordinated
- B. Obstacles include: potential unrealistic goals set in terms of (time, cost, personnel, worker skill, worker enthusiasm, legality, shareholder objections)
- C. How are goals set? Who sets them?

See Petress notes (XX)

p. 33 § 2: 4 steps in developing strategy.

1. Consider current situation (how about history?)
2. Search external environment for opportunities
3. Generate alternatives
4. Choose best alternative

pp. 34-35: **Competitive Advantage** is being able to do something novel, better than others, and/or uniquely filling customer need(s).

ex. Cadillac's OnStar; Phoenix Univ., et al. on-line curricula; 0% financing

pp. 35-36: Forecasting requires historical understanding, statistical predictive techniques, and a sense of vision.

p. 37: Various forecasting techniques.

Which have students used / prefer to use?

pp. 37-38: **Operational Planning** example breakdown on p.38.

What particular skills/knowledge is required to do this planning?

pp. 40-41: **Budgeting.**

1. budgets depend on consistency / erraticism of cash flow.
2. budgeting depends on whether budget authority is internal to org. or external.
3. budgeting is affected by stockholders, regulators
4. good budget strategy allows for contingency funding.

Vexing budget matters:

1. do we go cheap, high end, or mid level?
2. do we gamble on things going w/o disasters?
3. do we centralize budgets or decentralize budgetary decisions?
4. how much flexibility do we build into our budget?

Chapter 4 Structuring the Organization

1. Relevant definitions:

A **group** is a collection of individuals who share one or more common goals; share a common fate; meet face-to-face; work under the rubric of an agreed upon set of rules/norms/guidelines; have some form of group leadership; and claim themselves to be a group.

An **organization** is an ongoing social/production entity that: (1) is accountable to the society in which it operates; (2) incorporates interpersonal, small groups, public, and, in many cases, mediated communication in its repertoire; (3) has specialized and often isolated personnel; operates within a defined decision-making structure; (4) reacts to its environment; (5) has objectives that transcend conflicting organizational and/or societal policies, goals, values, needs, wants, or expectations; and (6) forms a singular cultural identity

See Petress notes (XXV)

2. Many organizational tasks/jobs are “specialized,” that is, not anyone can adequately perform them.

Efficient organizations cross-train employees so that the absence of any one person does not cripple the operation.

What tasks cannot or should not be cross-trained?

3. p. 56 indent ¶: What task-performance, psychological, inter-firm social stressors or problems arise as a result of high specialization?

4. Do extremely specialized/technical tasks place management/supervisors at a disadvantage? Do these tasks place performers at an unfair organizational advantage?

5. **Departmentalization:** See text p. 63 for summary.

- | | | |
|--------------------------|--------------------------|-----------------|
| 1. by function | 2. by customer or market | 3. by geography |
| 4. by product or project | 5. by process | 6. matrix |

6. How is your employment organized? Is this efficient?

7. **Chain of Command** (originally a military metaphor).

1. How rigid/formal is the chain where *you* work?
2. How efficient is this plan?

8. **Span of control** (originally a concept in Han Chinese aristocracy)

1. How is this where *you* work?
2. Is this efficient?

Chapter 5 Organizing Human Resources

p. 76: Your text states that “allocation of personnel” is most important.

Is this best accomplished through the recruiting process, the training process, or the management process?

See Petress notes (XII)

p. 76, § 1, ¶ 1, line 1: UMPI’s Director of Human Resources has no say in the hiring, advancement, or dismissal of faculty. She manages their benefits.

p. 76-77: Staffing: is this more a recruiting, selecting, training, or emerging issue?

- a. staffing decisions depend on personnel morale, worker adaptability, versatility, and cooperation.
- b. on presence can also greatly impact personnel placement.
- c. ophisticated decision regarding high skill jobs lies in whether to recruit workers already skilled and experienced or to select highly motivated persons willing and able to be trained.
- d. former cost more and offer faster utility but may come with bad habits and set ways contrary to one’s wishes/needs.
- e. latter take more time to get utility but cost less initially.

p. 79, § 3: **Compensation compression** presents a major dilemma for managers.

p. 80: **Job descriptions** can offer clear boundaries for expectations or they can be interpreted as initiative limiters or creative stiflers.

1. How clear/useful is/was your job description?
2. Job descriptions can be used as an evaluation tool.

p. 81: **Recruitment.**

1. Media advertising
2. Job fairs / conferences
3. pirating
4. head hunters
5. hire from within

What are advantages / disadvantages of each of the Above variables?

p. 83: **Realistic Job Preview.** Is this practical? Is it common? Do you recommend?

p. 83, § 2, ¶ 2: Job candidate selection is embedded with all sorts of legal entanglements.

Managers must know legal limits and musts for selection process.

p. 83, § 2, ¶ 3: **Interviewing**, too is fraught with legalities. Many questions one might like to ask are illegal. Interviewing skills are necessary for useful selection.

See Petress notes (XXVI)

Mentoring is a valuable asset to new and developing employees and to the organization itself.

1. Mentoring takes time that is well spent.
2. Mentoring aids in both the task and social dimensions.
3. Mentoring is seldom included in job descriptions or MBO documents.

Necessary qualities for an effective mentor:

- | | |
|--------------------------------------|--------------------------------|
| 1. good communication skills | 2. patience with mentee |
| 3. non-competitive relationship | 4. empathy, supportiveness |
| 5. honesty, openness by both parties | 6. informing rather than doing |
| 7. given time to mentor | 8. not deciding for mentee |

Employee dismissals are among the most stressful and legally dangerous aspects of personnel management.

1. Reasons for termination need to be carefully and fully documented.
2. Confidentiality must be vigilantly guarded.
3. More lawsuits stem from this action than any other except harassment.

Chapter 6 Understanding Motivation

p. 96: Expanding the “psychological” and communicative meaning and importance of **motivation**:

1. Motivation is an internal drive – often stimulated or triggered by external actions – that pushed one forward on tasks and social interaction.
2. Motivation is part of what Abraham Maslow called *self-actualization needs*.
3. Motivation, like feelings, is internally generated and controlled, but can be affected, stimulated, and judged externally.

See Petress notes (VIII)

p. 97, ¶ 2: **Feedback** comes in various forms:

1. observational report feedback.
2. evaluative feedback.
3. encouragement feedback
4. destructive feedback

How good are students at providing feedback to others?

See Petress notes (XXI)

p. 103: **Needs theory comparisons.**

Another needs theory proposed in business comprises three variables: affection, inclusion, and control. (William Schutz)

Motivation can be enhanced by:

- | | |
|------------------------------|-------------------------|
| a. promised/expected rewards | e. conformity success |
| b. status change/stability | f. enjoyment |
| c. self actualization | g. ambition fulfillment |
| d. resultant esteem | |

See Petress notes (XIII)

Differentiate between **needs** and **wants**, **expectations** and **entitlements**, and **assertiveness**, **unassertiveness**, and **aggression**.

A. **Assertiveness** is "the ability to tell others clearly, directly, and openly what you want, need, expect, and are entitled to, without (1) feeling guilty about your assertiveness, (2) diminishing yourself or what you strive for, or (3) feeling somehow obligated as a consequence of your expression, (4) feeling selfish.

B. **Non-assertive** behavior occurs when others' desires are put ahead of one's own.

Non-assertive behavior typically manifests itself with insecure, unsuccessful people.

C. **Aggressive** behavior occurs when one's own desires are put forth with little or no concern for others.

pp. 106-108: X, Y, and Z Theories. Which theory best mirrors *your* personal philosophy / behavior?

Chapter 7 Understanding Leadership

A quaint but telling saying tells us there are four types of folks: leaders, followers, observers, and others without a clue.

p. 119, lines 15-17: Locke's 6 leadership traits: ambition & energy; desire to lead; honesty and integrity; self confidence; intelligence; and job-related knowledge.

See Ken Petress' lengthier trait list (IV).

Some leadership is event/circumstance centered [Mayor Giuliani after 9-11, 2001; Mayor Nagan after 2005 hurricane devastation in New Orleans; President Truman upon the 1945 death of FDR; Johnson & Johnson's CEO after 1985 Tylenol poisonings; helicopter crew's intervention in 1971 My Lai massacre in Viet Nam; and the leadership shown on top of Mt. Hood during 2004 storm.

p. 121, mid page: Rensis Likert (1961) suggested two leadership types:

1. job-centered leadership.
2. employer-centered leadership.
3. Which have students experienced? Which is preferred?

See Petress notes (XXVII)

p. 121, bottom list: Three leadership factors by Kohn & Katz (1960)

1. closeness of supervision [proximity, intensity]
2. employee orientation [personal involvement]
3. supervisory role differential [non duplication of effort]

p. 123: **Managerial Grid**: Student experiences been in this regard? Where is student preference?

See Petress notes (XIV, XV, & XV, XVII)

p.124: Fiedler's **Contingency Theory**:

1. See Petress' notes on power (XI).
2. See Petress' notes on trust (XIX).
3. Task structure.

A major critique of this approach is the lack of consistency, predictability, and no "learning 'manual' for the job."

p. 127: **Situational Leadership Grid**:

1. which style is most familiar?
2. which style is preferred?

p. 128, mid page: **Organizational culture**.

Aspects of culture that permeates many organizations include: reward and punishment strategies; org. symbols [logos, uniforms]; unique language [acronyms, jargon]; rituals and ceremonies; social order norms; membership rules/rites; member rank; internal traditions; org. goals; org. rules; member privileges; channels to external world.

p. 131: **Delegation**: See Petress' notes on delegation.

Chapter 8 The Managerial Control Process

p. 140, mid §: Control involves four steps:

1. establishing standards.
2. measuring actual results.
3. comparing measured results to standards.
4. taking appropriate action.

Standards involve more than production figures / expectations. Standards also involve behaviors, attitudes, and values.

Some organizations produce services or ideas rather than or in addition to tangible products thus making measurement more complex.

p. 142: Qualitative standards can be and are, in many cases, harder to measure, explain, and justify; however, they can make or break a firm.

1. An organization's image / reputation is fragile and vital.
2. Customer/client/patient satisfaction, trust, and outlook is often not in the control of the org.

One of the more deleterious control factors in large organizations revolves about the control of information – see Petress' notes regarding this topic.

1. Gatekeeping is relevant here.
2. Differentiating between and working skillfully within both the formal and informal communication networks is essential to success.
3. Uninformed members are often problems waiting to happen.

p. 146: P.E.R.T. has been useful in planning and control if employed by people who understand the process and its limitations.

Synchronization, coordination, cooperation, and timing are vital aspects to complex tasks or operations and become usefully illustrated by prudent P.E.R.T. use.

In order for control to work optimally, those who are controlled must see control as a necessary, useful, and non-personal activity. Those who control must come to see controlling as non-personal and bear in mind tolerance levels of those controlled.

Chapter 9 Understanding Total Quality Management (TQM)

See Petress notes (XVIII)

p. 155, last ¶, line4-5: The text claims that TQM is “one of the most recent developments in management.”

The publication date for this text is 1993, fairly old.

TQM has been used by many firms and is loved by some but has proven impractical by many.

p. 156, § 1: TQM has 4 underlying assumptions

1. Orient all efforts toward meeting or exceeding customer expectations.
2. Remove waste in internal processes.
3. Stress teamwork at all levels inside and outside the organization, including collaborative efforts with customers and suppliers.
4. Utilize data and scientific analysis to guide and evaluate improvement efforts, and to retain the gains from past improvements.

What personnel, training, attitudinal, financial, and time expenditures are required to carry out these four assumptions?

Can or will organizations buy into these costs? Why or why not?

p. 156, bottom list.

What are some experienced/observed/learned advantages for each of these developments?

What are some experienced/observed/learned disadvantages for each of these developments?

Very few people can or will tolerate continuous pressure to perform at peak levels. Even those who can deal this way burn out rapidly. Examples are:

Air traffic control operators last, on average, 5-6 years. It costs \$200-300 thousand and from 2-3 years to train competent ATC staff.

Emergency room trauma surgeons and nurses last typically 3-5 years and their training costs on average \$100-200 thousand and takes 2-3 years to reach peak performance.

Security clearance micro-chip assemblers normally burn out in 4-5 years and cost \$50-60 thousand and two years to train.

Not all tasks are as demanding as these nor do most training costs reach these exemplified dimensions; however, training costs and warding off burnout is expensive.

An implicit assumption of strong TQM advocates is that customers [nearly or mainly] uniformly want continually higher quality product/service/idea.

High quality typically implies high cost and many customers/clients/patients... can not or will not pay high prices when lower priced/quality products are available. Examples:

High priced/quality lawyers are not usually sought for routine, non complex cases.

High priced/quality autos are not most popular cars sold (Bentley, Maseratti, Ferrari...)

High priced/quality clothes are not typically sought after.

Chapter 10 Managing in Tomorrow's Environment

p. 175: Much of what is referred to as "tomorrow" in this 1993 text = today!

p. 176: With NAFTA, CAFTA, WTO, and EU demands, treaties, agreements, and expectations come changes in management style, legalities, tolerances, and financial realities.

1. domestic/overseas compensation/benefit rates have dramatically altered.
2. worker skill/education/habits vary by location.
3. worker/management styles vary w/ geography and culture.
4. Gender, racial, ethnic, tribal, religious, age, family affiliation ... can impact management style and decision-making.

Other taken-for-granted US past assumptions fading out of favor due to practicality, accessibility and cost are:

1. Complaint departments that effectively and promptly react to individual customers
2. Repair of low/medium priced products.
3. Firm to community ties.
4. Lifelong employment.
5. Geographic firm stability.

High quality implies "long lasting;" long-lasting suggests less employment.

Mass employment is urgent in the third world as is cheap production, materials.

Hard to produce, design, ship, monitor, and repair products/services are still subject to high quality demand. Firms so engaged are safe for the moment.

Cultural demands are rising exponentially for workers and managers. Areas such as languages, travel experience, history, sociology, religion, politics, customs, laws, networking are in high demand.

See Petress notes (XXII)

See Petress notes (IX & X)