

## S C1 Management Process

Challenge of working today PROJECT

o Talent: Commitment x competence

Intellic Capital  $\Rightarrow$  Value, performance  
(Collective Brainpower & shared knowle)  
book value (\$40) - mkt value (\$10) e.g.

o Technology (Tech IQ)  
(ability to use tech to stay informed)

o Globalization (world wide interdependence)  
Job migration - firms shift jobs from A to B.

o Careers shamrock org (Permanent FT)  
Self mgmt - Temp PT Freelance Contract  
Free agent econ. (change jobs often, independent contract)

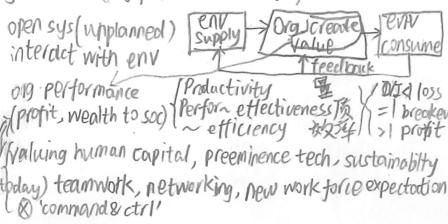
### o Ethics

Code of moral principles  
Integrity & Ethical Leadership  
Social Responsibility  
Sustainability (now & generations long)  
Product safety & Fair Practice  
Human Rights (e.g. employment)

### o Diversity

differences on natural charter  
both challenges and offer opport.  
prejudice: neg, irrational attitude ~  
discrimination: denying ~ full benefit  
glass ceiling eff.: invisible barrier  
limiting advancement to ~

► Organization (a grp of people working for common purpose)



### ► Manager/s

treat people as strategic assets (not cost)  
Directly support, activate, responsible for others work  
(help whose tasks represents real work of org)  
Levels of mgmt (1) individual (2) departmental (3) organizational  
Board of directors/trustees  $\Rightarrow$  org runs right  
Top mngr  $\Rightarrow$  performance of org on whole/mngr  
(CEO, President, Admin, Exec Director)  
Middle mngr  $\Rightarrow$  oversee large dept/divisions  
(Div/Regional/Plant/Branch mngr)  
First Line mngr  $\Rightarrow$  non-mngr workers  
(Dept head, supervisor, team leader) support serve

### ► accountable result:

(help others achieve high) Quality of Work Life  
(QWL) overall quality of human exp in work

► Types of mgmr  
Line mngr  $\Rightarrow$  direct output  
Staff mngr  $\Rightarrow$  tech advice, support to line worker  
Functional  $\Rightarrow$  single area  
General  $\Rightarrow$  complex unit  
Administrative  $\Rightarrow$  top.

## S C2 Historical Management Thought.

① Classical (Assume people are rational)

Scientific mgmt: result-based incentive  $\rightarrow$  Develop science & Design jobs  $\rightarrow$   
Select workers  $\rightarrow$  Train workers  $\rightarrow$  Support Workers & Train supervisors  
(Gilbreth) Motion Study: reduce job to basic physical motions  $\Rightarrow$  performance

Admin Principles: Foresight, Organization, [Command, Coordination], Control

(Henri Fayol) Require: Scalar chain (等级链), clear unbroken line of commun  
Unity of command (order from only 1 boss) & direction (in charge of same obj)

Bureaucratic Organi (Max Weber): Bureaucracy for productivity  
Clear labor div & authority Hie, Formal rules & procedures, Impersonality, Merit based

### ② Behavioral

Org as community (of mngrs & workers): combine talent, cooperate ( $\leftarrow$  mngr help)  
Emp Ownership (e.g. profit share), System thinking (interrelate), Public good (ethic, soc resp)  
Hawthorne Studies: econ & physical @ soc setting & human relation (psychological)  
Emp attitudes & Grp processes: Biased benefit, Restrict output  $\rightarrow$  Key to productivity  
(Maslow) Human need level: Physiological  $\rightarrow$  Safety  $\rightarrow$  Social  $\rightarrow$  Esteem  $\rightarrow$  Self-actualization  
(McGregor) Theory X (neg assumption) / Y (pos assumption) Deficit/Progression principle  
(Argyris) Adult personality: mature, define own goal (by add resp & variety, participative) decision

Ethical Dilemma Checklist: Recognize  
Discrimination Get facts, identify options  
Sexual Harassment Test: Legal? Right? Beneficial?  
Conflict of Interest Decide  $\Rightarrow$  Double check  
Product Safety (If disclosed)  $\Rightarrow$  Action

Kohlberg's stages of indi moral dev.  
Postconventional 6 Internal Principle  
(principle) 5 meet expectation  
Conventional 4 follow rules  
(Social) 3 act as others  
Preconventional 2 personal gain  
(Self) 1 avoid punishment

Situation Org (Ethic Culture) Person Environment Ethics Give moral courage  
(Ethical Intensity) (moral dev) (laws, rules, industry, norms) training Incorporate ethics to daily  
Risk, Consensus  $\Rightarrow$  Ethical Decision Making Avoid rationalization

Areas often covered: Supplier (bribes & kickbacks), Society (political contribution),  
Finance (Honesty of books & records), Customer (relationship), Employee (confidentiality).

## S C8 Planning (conscious, systematic decisioning goals & activities)

(For directions set standards,  $\downarrow$  uncertainty & redundancy)

Goal/Objective = Specific, Measurable, Attainable, Relevant, Time-bound  
Out come based, Communicate to relevant members

Planning = define objective  $\rightarrow$  analyze S&W  $\rightarrow$  Anticipate  $\rightarrow$  List & evaluate actions  $\rightarrow$  action  $\Rightarrow$  Result, Priority, Advantage, Change Oriented Improve focus & flexibility, action orientation, coordination & control, time mgmt

Goal & Plan Strategic Tactical Operational Functional Mgmt Level Top Middle Frontline different operations short-term operational activities eg. Production standing plan Finance single-use ~

Planning tools & tech  
• Policies: general guides  
• Rules: written guides  
• Standard Operating Procedures (SOP)  
• Exact series of actions  
Program/project Budget

Forecasting  
Predict the future  
Qualitative & Quant  
• Contingency Planning Alt. course of action long term  
• Scenario Planning Alt. future scenarios  
• Benchmarking Best practice Ext. & int. comparison

Goal Alignment  
Team leader & members

eg. Mgmt By Obj. (MBO)

Performance obj in specific period (Plans, Measuring standards)  
unlock motivational potential (Result review procedure, Participative planning, feedback)

## S C10 Strategy Management

(to make a difference, change situations for (sustainable) Competitive Advantage &

Strategy: long-term org goals, best guess'  
has intent: unifying and compelling goal

Level Strategic Long-term direction  
Business Unit A Unit B C How a division/unit compete in domain  
Finance HR (Functional) specific area

Analysis  $\rightarrow$  Formulation  $\rightarrow$  Implementation  
Mission & Value assess existing allocate resource  
Stakeholders strategy, org, env org & mgmt support SWOT develop new future competitive Advantage  
result & plan Drucker's question

### ► Analysis

Mission: Dream, Reason for existence  
Identify: customers, Product/Service Location, Philosophy, Stakeholder

Value: Broad beliefs  
Org culture: predominate value sys

Objective: specific results (KPI)

Org Resource & capabilities

SWOT/TOWS Mat  $\Rightarrow$  (Int.) SW (Env) OT +

Porter's model of 5 strategic forces affecting competition

Suppliers & Customers, Bargaining Power, Industry

New Entrants  $\rightarrow$  Competition Substitute Product  $\uparrow$

### ► Corporate-level Strategy Formulation

Portfolio Planning Model:

the best mix of investments  
BCG matrix  $\Rightarrow$  Stars Growth Dogs Cash cows  
Strategies concentration: focus on some diversification: new/different integration: Acquiring supplier & distributor's eg. vertical ~

• Retrenchment & restructuring

Liquidation (close & sell), Downsizing

Divestiture (partly sell), Turnaround

• Global/Globalization (Standardize) Transnational

T Multidomestic (Customize) (Balance)

• Cooperative Outsourcing, Supplier, Distribution

Believe future tech will require larger resources than affordable

### ► Business-level Strategy Formulation

Porter's Mkt  $\uparrow$  Cost leadership Differentiation competitive scope Focused low-cost Focused differentiation model Low price Src of CA Unique Product

Market position

Market growth

Market share

Market entry

Market exit

Market differentiation

Market innovation

Market penetration

Market diversification

Market globalization

Market customization

Market localisation

Market niche

Market segment

Market alliance

Market acquisition

Market integration

Market diversification

Market penetration

Market diversification

Market globalization

Market customization

Market localisation

Market niche

Market segment

Market alliance

Market integration

Market diversification

Market penetration

Market diversification

Market globalization

Market customization

Market localisation

Market niche

Market segment

Market alliance

Market integration

Market diversification

Market penetration

Market diversification

Market globalization

Market customization

Market localisation

Market niche

Market segment

Market alliance

Market integration

Market diversification

Market penetration

Market diversification

Market globalization

Market customization

Market localisation

Market niche

Market segment

Market alliance

Market integration

Market diversification

Market penetration

Market diversification

Market globalization

Market customization

Market localisation

Market niche

Market segment

Market alliance

Market integration

Market diversification

Market penetration

Market diversification

Market globalization

Market customization

Market localisation

Market niche

Market segment

Market alliance

Market integration

Market diversification

Market penetration

Market diversification

Market globalization

Market customization

Market localisation

Market niche

Market segment

Market alliance

Market integration

Market diversification

Market penetration

Market diversification

Market globalization

Market customization

Market localisation

Market niche

Market segment

Market alliance

Market integration

Market diversification

Market penetration

Market diversification

Market globalization

Market customization

Market localisation

Market niche

Market segment

Market alliance

Market integration

Market diversification

Market penetration

Market diversification

Market globalization

Market customization

Market localisation

Market niche

Market segment

Market alliance

Market integration

Market diversification

Market penetration

Market diversification

Market globalization

Market customization

Market localisation

Market niche

Market segment

Market alliance

Market integration

Market diversification

Market penetration

Market diversification

Market globalization

Market customization

Market localisation

Market niche

Market segment

Market alliance

Market integration

Market diversification

Market penetration

Market diversification

Market globalization

Market customization

Market localisation

Market niche

Market segment

Market alliance

Market integration

Market diversification

Market penetration

Market diversification

Market globalization

Market customization

Market localisation

Market niche

Market segment

Market alliance

Market integration

Market diversification

Market penetration

Market diversification

Market globalization

Market customization

Market localisation

Market niche

Market segment

Market alliance

Market integration

Market diversification

Market penetration

Market diversification

Market globalization

Market customization

Market localisation

Market niche

Market segment

Market alliance

Market integration

Market diversification

Market penetration

Market diversification

Market globalization

## § C9 Control (measure performance & take actions → ensure desired result)

Feedforward control (before begin)  
Ensure clear obj., proper direction, right resource  
Focus on quality of resource  
Concurrent control (during process)  
Monitor operations done according to plan  
reduce waste in wrong results  
Feedback control (after work completion)  
Focus on quality of end results.  
Useful info for future operations..

(Internal Control (trust people) (self-ctrl))  
Allow motivated self-discipline  
External (clar, market, administrative)  
Personal supervision, Formal admin  
Bureaucratic (administrative) authority, policy, procedure, job descriptions, budget, supervision  
(law (normative)): norm, org culture  
Mkt: product, pricing, promotion

steps  
Establish objective & standards  
↓ Output(result)/Input(left) standard  
Measure actual results/efforts  
↓ Identify & measure differences  
Compare results with obj & standards  
↓ Historical/Relative/Engineering  
Take action (Mgmt by expectation)  
problem greatest need for action opportunity

Project Mgmt (overall planning, supervision, control)  
Gantt A Chart B Chart CPM/PERT Chart  
big enough Econ order Queen for items Just-in-time sche  
Break even analysis (finance) VC FC  
Basic Financial Ratios  
Liquidity: generate cash to pay bill current ratio = asset / dept  
Leverage: earn more than dept  
Asset mgmt: efficient resource use Inventory = cost of goods sold turnover = inventory net profit before tax / total asset  
Profitability: earn revenue > cost  
Return on investment =

## o Balanced scoreboard

- pinpoint resp = narrow view of perf. obj.
- functional chimney = excessive upward referral decision
- breakdown cooperation/agreement
- Dup resource & efforts = div. goals at expense of org. goal.
- Competition & poor coordination

## § C11 Organizing (work allocate, arrange resources & people, coordinate activities)

Org.: (org structure in its official state)  
chart: Supervisory relationship reporting, Commun. channel (major/subunits)  
(formal structure) level of mgmt Div. of work  
Informal (unofficial relationships in org) / Help accomplish work Informal learning  
Structure ↑ Social network analysis / Interpersonal network Overcome limit!  
Org. design (creating structure, contingency perspective)  
Mechanistic goal authority rule/procedure task (bureaucratic) predictable centralized many spans of ctrl formal/infor.  
Adaptive (organic) adaptive decentral few wide shared many informal persons  
6 KEY Dezialization, Auth&resp, (de)centraliz (specification) Formalization

Trad. Org. Structure: Departmentalization  
Functional: similar skills → task Econ. scale Task-Expertise align  
group to formal units High qual. tech. In-depth train&dev.  
Divisional: group by same product/process/customer/area Clear career path. Good for small org.  
Flexible to env. change/coordination Clear respon. focused Ease restruc.  
Matrix: combination (combining) - Decision making  
Horizontal org. structure (newer): Perf. accountability Strategic mgmt  
Team: (cross-func) Perm/temp. Communication & decision making Greater involve.  
Network: link ext. supplier/service Fewer F/T, simplif. int. system Enthusiasm - erase dept barrier Talents  
Strategic alliance & outsourcing Overhead cost, efficiency op. across distance, dangerous if expressive outsourcings (part of core)  
Boundary less: remove boundary of int. subsys & ext. env. no hierarchy Task utilization  
combination of team & network + temp. require member empowerment, accept imperfection  
Virtual: platform based

## § C12 Org. Change & Development

Org. Culture: shared beliefs & values  
Socialization - new member learn eg. Hierarchical, Dependable, Enterprising, Social  
Observable culture (e.g. story, symbol, metaphor, ritual, hero) Org. sub-culture  
Love culture (value) eg. perf., inno, social resp, integrity

Value-based mgmt Develops own shared values Multiculturalism  
Workplace spirituality Inclusiveness Pluralism Respect diversity Informal network inter. Absence of prejudices & discrimination  
Ethnocentrism: believe one's subculture superior to all others

Change (opposite to status quo)  
Top-down: initiate from senior mng  
need support of mid mng & worker  
Bottom-up: from any/all part Crucial for org. innovation  
Incremental: adjust existing  
Transformational: major & comprehensive  
Improvisational (if): combination

Lewin's 3 Phase of Planned Org. change  
1. Unfreezing: create a felt need, minimize resistance  
2. Changing: implement. Identify, select change, act  
3. Refreezing: stabilize, create acceptance, continuity  
Change strategy power likely result  
Force-cohesion Legitimacy Foster, low commitment  
Rotational-persuasion Expertise ↓ temporary  
Shared power Reference slower, high commitment, long-term

## § C14 Leadership (inspire others to accomplish goals)

Challenge nowadays: Short time, high expect, complex env., Scarce resources  
(Power) position al: reward, coercive, legitimate  
personal: export, referent. (long-term)  
Vision: hope. ~ leadership (bring compelling sense of future & need for action)  
Service: servant ~ (utilize talents, other-centered)  
Empowerment: enable & help followers with info, resp. with trust

Leadership Behavior (Blake & Mouton's)  
leadership grid  
Country club (Human relation) Democratic Team (Democratic)  
Impoverished Autonomy (Autocratic)  
Task concerned

### ► Contingency Approach to leadership

(Fiedler's) contingency model (behav unchangeable)  
Leader High-Med-Low Task-motivated  
Mem. relation High Med-Med Med-Low  
Task structure High Med-Low  
Position power Low Med-High  
Support Required  
Relationship-motiv

(House's) path-goal leadership theory (clarify paths to goals & add value on missing or weak)  
Expert directive, supportive, achievement-oriented, participative. ≈ substitutes for leadership

(Vroom/Vila) leader-participation theory  
Leader Src. of info? follower  
No Acceptance critical? Yes  
High Time pressure? Low  
Auth. Consolidative Group

(Hersey-Blanchard) Situational leadership  
Participating (share idea) Selling (explain) willing  
Delegating (Turnover) Telling (instruct) unwilling  
Guidance Required or follower inability (Task)

Styles: Charismatic, transformational, transactional, Ed/interactive  
Gender Similarity Hypo talent surround moral, old-fashioned  
(F. interactive, can be equal) integrity, mission, leadership as resp.,  
for transformation, effective no blame, consistent

## § C16 Motivation (force within one that account for level, direction, persistence)

► Needs (Maslow) / S-hie (Alderfer) ERG (Hedberg)  
Higher Self-actualization Growth Two-factor (McClelland) Acquired need  
Level esteem Relatedness Hygiene (context) nAch (Achievement)  
Lower safety/social... Relatedness Satisfier nPower  
Level psychological Existence (content) nAff (friendly relationship)  
Deficit/Progression (moving up) Frustration-regressing (moving up & down)

### ► Reinforcement (ext. consequence on motivation)

Assume law of effect (pleasant → repeat)  
Operant conditioning  
(Good) ~ contingent present pleasant ~ pos. reinforcement  
(Bad) ~ present unpleasant ~ punishment  
~ remove Pleasant ~ (extinction)

### ► Job design (goal: performance, satisfaction)

Job simplification: standardizing, automation  
Job enrichment: more opp., expand content, addituity  
Job rotation: periodically shift worker  
Job enlargement: combine several tasks  
Core Job Dim: Skill variety, Task identity & signif., Autonomy, Feedback  
combine tasks, form natural units, client relation, Feedback  
Alt. working: Flexible working hours, Ladd vertically  
Schedule: Compressed work week  
Job sharing  
Telecommuting

## § C17 Team & Teamwork

Team leader Synergy (high/low)  
Network facilitator Org.  
Team member Formal  
Coach/Team developer Informal  
Common Problem Personality conflict  
Indi differences in work styles  
Ambiguous agendas  
Ill-defined Problems  
Social loafing (free-rider)  
Virtual teams computer mediated  
require self-motivated

Trends in org. (diversity)  
• Committees Form teams through storming  
member outside job assignments team building (e.g. meeting, game)  
narrow & ongoing Task agenda warming performing adjourning

• Project teams / task forces from various parts temporary basis (disturb afterward)  
Very specific task, time defined

• Cross functional teams different functional units for connecting depts, may face func. chimney  
Self-managing teams Have atach. to make decision multitasking, emphasize participation

Quality Process of + (gain/loss) = Team effectiveness  
Input Loss feedback

Activities / Task: Initiating, Info share, ...  
within team Maintenance: Gatekeeping, Encouraging...

Communication  
De/centralized  
Restricted (polarized subgroups)

Creativity  
Brainstorming  
Nominal group technique

Conflict (Task/Relationship)  
help eliminate 'groupthink' (趋同思想)  
damage morale & productivity