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## 4 functions of management

QUESTION CH.1

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- planning
- organizing
- leading
- controlling

ANSWER

define efficient

## QUESTION CH.1

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means to use resources —  
people, money, raw materials, & the like — wisely &  
cost-effectively

## ANSWER

define effective

## QUESTION CH.1

---

means to achieve results, to make the right decisions  
and to successfully carry them out so that they achieve the organization's  
goals

## ANSWER

Top Managers

## QUESTION CH.1

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Make long-term decisions about the overall direction of the organization & establish the objectives, policies, and strategies for it

## ANSWER

## Middle Managers

### QUESTION CH.1

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Implement the policies and plans of the top managers above them  
+ Supervise and coordinate the activities of the first-line managers below them

### ANSWER

First-line Managers

#### QUESTION CH.1

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Make short-term operating decisions, directing the daily tasks of nonmanagerial personnel

#### ANSWER

Team Leader

QUESTION CH.1

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Responsible for facilitating team activities toward achieving  
key results

ANSWER

## *Types of managers*

QUESTION CH.1

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- Interpersonal
- Informational
- Decisional

ANSWER

## Interpersonal Roles

### QUESTION CH.1

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Interact w/ people inside and outside their work units  
(figurehead, leader, liaison)

### ANSWER

Informational Role

QUESTION CH.1

---

Receive & communicate info. (monitor, disseminator, spokesperson)

ANSWER

Decisional role

QUESTION CH.1

---

use info to make decisions to solve problems or take advantage of opportunities (entrepreneur, disturbance handler, resource allocator, negotiator)

ANSWER

## The Manager's Roles

### QUESTION CH.1

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1. relies more on verbal than on written communication
2. works long hours at an intense pace
3. A manager's work is characterized by fragmentation, brevity

### ANSWER

## Types of skills

### QUESTION CH.1

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- technical
- conceptual
- human

### ANSWER

## Technical skills

### QUESTION CH.1

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job-specific knowledge needed to perform well in a specialized field

### ANSWER

## conceptual skills

### QUESTION CH.1

The ability to think analytically, to visualize an organization as a whole and understand how the parts work together

### ANSWER

## Human skills

### QUESTION CH.1

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The ability to work well in cooperation w/ other people to get things done; the ability to motivate, to inspire trust, to communicate w/ others

### ANSWER

## competitive advantage

### QUESTION CH.1

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The ability of an organization to produce goods or services more effectively than competitors do, thereby outperforming them

### ANSWER

Having competitive advantage means

## QUESTION CH.1

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1. Being responsive to customers
2. Innovation: finding ways to deliver better goods or services
3. Quality: making improvements in quality so that consumers choose your product
4. Efficiency: overstaffing & overuse of raw materials can make you less competitive

## ANSWER

historical context

QUESTION CH.2

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includes the classical, behavioral, and quantitative viewpoint

ANSWER

contemporary perspective

QUESTION CH.2

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includes the systems, contingency, & quality management viewpoints

ANSWER

## Various Approaches

### QUESTION CH. 2

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1. Scientific
2. Fundamental Necessities

### ANSWER

## Taylor & The Gilbreths Scientific management

### QUESTION CH.2

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Emphasized the scientific study of work methods to improve the productivity of individual workers

### ANSWER

Charles Clinton Spaulding

Fundamental Necessities

QUESTION CH.2

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first management practitioners to highlight the need to enrich "the lives of his organizational & community family" while simultaneously making a profit

ANSWER

## Henri Fayol

### QUESTION CH.2

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Concerned w/ managing the total organization

1<sup>st</sup> to systematize management behavior, & he was the first to identify the major functions of management : planning, organizing, leading, controlling, & coordinating

### ANSWER

## MAX Weber

### QUESTION CH.2

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Believed that bureaucracy was a rational, efficient, ideal organization based on the principles of logic. Work was translated to English in 1947

1. Well-defined hierarchy of authority
2. Formal rules & procedures
3. A clear division of labor
4. Impersonality
5. Careers based on merit

### ANSWER

## Hawthorne Effect

### QUESTION CH.2

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Employees works harder if they received added attention and thought that managers cared about their welfare & that supervisors paid special attention to them. They succeeded in drawing attention to the importance of "social man" (social beings) & how managers using good human relations could improve worker productivity.

### ANSWER

## learning organizations

### QUESTION CH.2

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works are encouraged to share info w/ each other - both inside & outside their department. 3 key functions:

1. build a commitment to learning
2. work to generate ideas w/ impact
3. work to generalize ideas w/ impact

### ANSWER

## Theory X

### QUESTION CH.2

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Represents a pessimistic, negative view of workers

### ANSWER

## Theory Y

### QUESTION Ch-2

---

Represents an optimistic, positive view of workers

### ANSWER

## Best practices

### QUESTION CH.2

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1. Company's missions & vision statements
2. The company's core values & culture
3. The history of the company
4. Key organizational players
5. The company's products, service, & clients
6. Current events & accomplishments
7. Comments from current or previous employers

### ANSWER

## Ethics

### QUESTION CH.3

Standards of right & wrong that influence behavior. May vary among countries & cultures.

### ANSWER

## VALUES

### QUESTION CH.3

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Relatively permanent & deeply held underlying beliefs and attitudes that help determine a person's behavior

### ANSWER

## TYPES OF ETHICAL DILEMMAS

QUESTION CH.3

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1. Utilitarian
2. Individual
3. Moral Rights
4. Justice

ANSWER

## Utilitarian APPROACH

### QUESTION CH.3

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Guided by what will result in the greatest good for the greatest # of people. Often associated w/ financial performance

### ANSWER

## Individual Approach

### QUESTION CH.3

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Guided by what will result in the individual's best long term interest, which ultimately is in everyone's self-interest. Assumes that people will act ethically in the short run to avoid harm in the long run. their short-term gain will not be good for everyone's long term gain

### ANSWER

## Moral Rights Approach

### QUESTION CH.3

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Guided by respect for the fundamental rights of human beings: the right to life, liberty, privacy, health, safety, and due process

### ANSWER

## Justice Approach

### QUESTION CH.3

Guided by respect for impartial standards of fairness & equity.  
Policies administered impartially & fairly, regardless of gender, age  
sexual orientation, and the like

### ANSWER

# Community stakeholders

## QUESTION CH.3

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1. Internal
  - a. Owners
  - b. Board of directors
2. External
  - a. task environment
  - b. general environment

## ANSWER

internal

QUESTION CH.3

---

consist of employees, owners, and the board of directors

ANSWER

## Board of Directors

### QUESTION CH.3

---

Members elected by the stockholders to see that the company is being run according to their interests

### ANSWER

OWNERS

QUESTION Ch.3

---

consist of all those who can claim the organization as their legal property.

ANSWER

## External

### QUESTION Ch. 3

---

people or groups in the organization's external environment that are affected by it

### ANSWER

task environment

QUESTION CH.3

consist of 10 groups that present an organization w/ daily tasks to handle

ANSWER

general environment

#### QUESTION CH.3

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Refers to the macroenvironment, such as economic, technological, & socio-cultural

#### ANSWER

## general environment forces

### QUESTION Ch. 3

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1. economic
2. technological
3. sociocultural
4. Demographic forces
5. political - legal forces
6. international forces

### ANSWER

## Economic forces

### QUESTION Ch.3

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consist of the general economic conditions and trends: unemployment, inflation, interest rates, economic growth.

### ANSWER

technological forces

### QUESTION Ch.3

---

New developments in methods for transforming resources into goods & services

### ANSWER

## SOCIOCULTURAL FORCES

### QUESTION CH.3

influences & trends originating in a country's, a society's or a culture's  
human relationships & values that may affect an organization

### ANSWER

## Demographic forces

### QUESTION CH.3

Influences on an organization arising from changes in the characteristics of a population, such as age, gender, or ethnic origin

### ANSWER

political legal forces

### QUESTION CH.3

---

Changes in the way politics shape laws & laws shape the opportunities for and threats to an organization

### ANSWER

international forces

#### QUESTION CH.3

---

Changes in the economic, political, legal, & technological global systems that may affect an organization.

#### ANSWER

## task environment forces

### QUESTION CH.3

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1. Customers
2. Suppliers
3. Competitors
4. Strategic allies
5. Distributor
6. Employee organizations
7. Local communities

### ANSWER

customers

### QUESTION CH.3

---

Those who pay for an organization's goods or services

ANSWER

suppliers

### QUESTION CH.3

---

provides raw materials, services, equipment, labor, or energy to other organizations

ANSWER

distributor

### QUESTION CH.3

---

a person or organization that helps another organization sell its goods and services to a customer

### ANSWER

## Strategic Allies

### QUESTION CH.3

---

The relationship of two organizations who join forces to achieve advantages neither can perform as well alone

### ANSWER

Employee organizations

QUESTION CH.3

---

Labor Unions & political associations

ANSWER

local communities

### QUESTION CH.3

---

may institute clawback

clawbacks: rescinding tax breaks when firms don't deliver promised jobs

### ANSWER

crowdfunding

### QUESTION CH.3

---

raising money for a project by obtaining many small amounts of money from many people

### ANSWER

## Characteristics of a successful manager

### QUESTION CH.4

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1. Be patient, be quiet, listen, don't use slang, don't talk about wealth
2. Be global in your focus, but study up on local customs
3. Learn what is appropriate behavior (gestures, eye contact, etc.)
4. Learn rituals of respect (shaking hands, dressing appropriately, etc.)
5. Become at least minimally skilled in the language

### ANSWER

## Basics of globalization

### QUESTION CH.4

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The trend of the world economy toward becoming a more interdependent system

### ANSWER

## Five ways to expand

### QUESTION CH.4

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1. Global outsourcing
2. Importing  
Exporting  
Counter trading
3. Licensing
4. Joint ventures
5. Wholly-owned subsidiary

### ANSWER

## Global Outsourcing

### QUESTION CH.4

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Also called offshoring: using suppliers outside the U.S. to provide labor, goods, & services

### ANSWER

importing

QUESTION CH.4

---

A company buys goods outside the country and sells them domestically

ANSWER

## Exporting

### QUESTION CH.4

---

A company produces goods domestically & sells them outside the country

### ANSWER

countertrading

QUESTION CH.4

---

bartering for goods

ANSWER

## licensing

### QUESTION CH.1

---

A company allows a foreign company to pay it a fee to make or distribute the firm's products or service

### ANSWER

## franchising

### QUESTION CH.4

A company allows a foreign country to pay it a fee to share of the profit in return for using the company's brand name & a package of materials & services

### ANSWER

Joint ventures

QUESTION CH.4

---

Formed w/ a foreign company to share the risks and rewards of starting a new enterprise together in a foreign country. Strategic alliance

ANSWER

wholly-owned subsidiary

#### QUESTION CH.4

---

Foreign subsidiary that is totally owned & controlled by an org.

- Greenfield subsidiary - from scratch

#### ANSWER

## Barriers of trade

### QUESTION Ch.4

---

1. Tariffs
2. Import quotas
3. Embargoes
4. Sanctions

### ANSWER

## Tariffs

### QUESTION CH.4

---

customs duty. A tax levied mainly on imports

### ANSWER

import quotas

QUESTION CH.4

---

limits on the #'s of a product that can be imported

ANSWER

## Embargoes

QUESTION CH.4

---

Complete bans on trade between one country & another

ANSWER

Sanctions

QUESTION CH.4

---

A trade prohibition on certain types of products or services for a specific reason

ANSWER

## Effects of globalization

### QUESTION CH.4

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1. rise of global village & e-commerce
2. world becoming one market instead of many nominal ones
3. the rise of both mega firms & internet-enabled minifirms worldwide

### ANSWER