



1. Impoverished Management (1,1):

- Low concern for production and low concern for people.
- Leaders tend to avoid responsibility and are not actively engaged in the well-being of the team.
- **Example:** Imagine a schoolteacher who rarely interacts with students, doesn't provide guidance, and isn't interested in the students' well-being. The teacher is disengaged and avoids taking responsibility for both teaching and caring for the students.

2. Country Club Management (1,9):

- Low concern for production but high concern for people.
- Emphasis on creating a friendly and comfortable work environment, but productivity may suffer.
- **Example:** Picture a friendly camp counselor who focuses on making the campers happy and creating a positive atmosphere. However, the counselor is less concerned about sticking to the schedule or ensuring that activities are completed on time, leading to a less productive camp experience.

3. Authority Compliance Management (9,1):

- High concern for production but low concern for people.
- Focus on strict rules, top-down decision-making, and achieving goals at the expense of employee morale.
- **Example:** Think of a strict sports coach who demands high performance and strictly enforces rules during practice. The coach cares more about winning games and achieving results than considering the players' well-being or fostering a positive team environment.

4. Team Management (9,9):

- High concern for both production and people.
- Emphasis on fostering a collaborative work environment while achieving high productivity.
- **Example:** Envision a soccer coach who encourages teamwork, values each player's opinion, and creates a positive and supportive environment. The coach focuses on both building strong relationships among players and achieving success on the field.

5. Middle-of-the-Road Management (5,5):

- Moderate concern for both production and people.
- Strives for a balance between achieving goals and maintaining a positive work environment.
- **Example:** Picture a school principal who sets realistic academic goals for students while also ensuring that teachers have a manageable workload. The principal aims for a balance between academic achievement and creating a positive school environment.

Explanation of Fielder model,

The more favorably you rated the person you least prefer to work with the more relationship-oriented you are!

The less favorably you rated the person you least like working with the more task-oriented you are!

More Relationship-Oriented:

- If you rate the person you least prefer to work with more favorably, it means you focus on maintaining a positive relationship despite differences in work styles.
- **Example:** Your colleague has a different approach to completing tasks, but you appreciate their friendly and collaborative attitude. Despite potential challenges in working together, you prioritize the relationship.

More Task-Oriented:

- On the other hand, if you rate the person you least like working with less favorably, it indicates a higher priority on task accomplishment, even if it strains the relationship.
- **Example:** Your colleague may not align with your preferred work methods, causing frustration. You prioritize efficiency and completing tasks over maintaining a close relationship, addressing issues related to work processes.

High LPC = Relationship-oriented Leader.

Low LPC = Task-oriented Leader.

To understand the favorableness of the situation:

1. Leader-Member Relations:

- ***Definition:*** Refers to the level of confidence, trust, and respect that employees have for their leader.
- ***Rating Options:*** Typically categorized as either "good" or "poor."
- ***Impact on Leadership Style:*** In situations with good leader-member relations, leaders may have more flexibility in their leadership style. In contrast, poor leader-member relations may necessitate a more directive or task-focused approach.

2. Task Structure:

- ***Definition:*** Reflects the degree of formalization and structure in job assignments and tasks within the organization.
- ***Rating Options:*** Can be classified as either "high" or "low."
- ***Impact on Leadership Style:*** In situations with high task structure, where roles and responsibilities are well-defined, leaders may use a more directive style. In contrast, in situations with low task structure, leaders may adopt a more flexible or participative style.

3. Position Power:

- ***Definition:*** Indicates the degree of influence a leader has over critical activities such as hiring, firing, promotions, and salary decisions.
- ***Rating Options:*** Typically assessed as either "strong" or "weak."
- ***Impact on Leadership Style:*** Leaders with strong position power may have more control and authority, allowing for a more directive style. Leaders with weak position power may need to rely on a more participative or relationship-oriented approach.

Application:

- The model suggests that effective leadership is contingent on the alignment between these three factors and the leader's inherent leadership style.

- For example, a leader with a relationship-oriented style may be more effective in situations with good leader-member relations, while a task-oriented leader may excel in situations with high task structure.

By understanding these components and their interplay, leaders can adapt their styles to fit the specific characteristics of the situation, increasing their likelihood of success.

Paul Hersey and Ken Blanchard's Situational Leadership Theory (SLT) focuses on the idea that effective leadership is contingent on the readiness of followers and emphasizes the adaptability of leadership styles based on specific situations. SLT incorporates the same two dimensions identified by Fiedler: task and relationship behaviors.

Task Readiness:

- Refers to the followers' ability or competence to perform a given task.
- High task readiness implies that followers are capable and skilled in the task at hand.
- Low task readiness indicates a lack of skills or competence in performing the task.

Psychological Readiness:

- Relates to the willingness and motivation of followers to undertake a given task.
- High psychological readiness means followers are motivated and committed to the task.
- Low psychological readiness suggests a lack of enthusiasm or motivation.

Leadership Styles in SLT: (Imagine a team working on a new project:)

1. Telling (S1):

- High task, low relationship.
- **Unable and Unwilling**
- **Telling (S1):** The leader might use a telling style when introducing a new task to a team member who is inexperienced with the project. The leader gives explicit instructions and closely monitors progress.

2. Selling (S2):

- High task, high relationship. **(Unable and willing)**
- Applied when followers' task readiness is moderate. The leader emphasizes two-way communication to build trust and gain commitment.

Example: As the team member gains some experience, the leader may shift to a selling style, engaging in more two-way communication, explaining the importance of the task, and encouraging commitment.

3. Participating (S3):

- Low task, high relationship. **(Able and unwilling)**
- Suitable when followers have high task readiness but low psychological readiness. The leader collaborates with followers to encourage their input and involvement.

Example: If the team member becomes more proficient but lacks enthusiasm, the leader might adopt a participating style, seeking input and involving them in decision-making to increase motivation.

4. Delegating (S4):

- Low task, low relationship. **(Both able and willing)**
- Appropriate when followers have high task and psychological readiness. The leader provides minimal guidance, allowing followers to take ownership of the task.

Example: As the team member becomes both skilled and motivated, the leader could delegate more responsibilities, allowing the team member to take on a more independent role in the project.

Acceptance theory of authority

Authority comes from the willingness of subordinates to accept it.

Example: Team Project in a Marketing Agency

1. Understanding the Order:

- The team leader, in a marketing agency, communicates a new project to create a promotional campaign for a client's product launch. The objectives, target audience, and tasks are clearly explained during a team meeting.

2. Consistency with Organization's Purpose:

- The marketing agency's overarching goal is to provide innovative and effective marketing solutions for clients. The project aligns with this purpose as it involves creating a promotional campaign to boost the client's product sales.

3. No Conflict with Personal Beliefs:

- The team leader ensures that the proposed promotional strategies are ethically sound and align with the team's values. For instance, the team decides against using manipulative advertising tactics that may conflict with their personal beliefs about honesty in marketing.

4. Ability to Perform the Task:

- The team leader assesses each team member's strengths and assigns tasks accordingly. Graphic designers handle visuals, content writers focus on messaging, and data analysts contribute insights. Each team member possesses the skills required for their designated tasks.

In this scenario, the team members are more likely to accept the authority of the team leader because the conditions of the Acceptance Theory are fulfilled. They understand the project, it aligns with the agency's purpose, there are no conflicts with personal beliefs, and they have the ability to perform their tasks effectively. This voluntary acceptance fosters a positive and collaborative team atmosphere, contributing to the success of the project.

Human Resource management:

The Economy: Economic conditions have a profound impact on HRM. For example, during a recession or economic downturn, companies might freeze hiring, reduce work hours, lay off employees, or make other changes to adapt to the reduced economic activity. Conversely, in a booming economy, there may be more focus on recruitment and talent retention.

Employee Labor Unions: In organizations where workers are unionized, many HR decisions are influenced by collective bargaining agreements. These agreements may stipulate certain practices regarding recruitment, promotions, layoffs, training, and disciplinary actions, which HR must follow.

Legal Environment: HRM is significantly influenced by the legal context in which an organization operates. Laws related to employment, such as those ensuring non-discrimination in hiring and employment practices (regarding race, sex, religion, age, color, national origin, or disability), must be carefully adhered to in order to avoid legal penalties and to promote fair workplace practices.

Demographic Trends: This refers to the makeup of the workforce in terms of age groups, such as Traditionalists (born before 1946), Baby Boomers (born between 1946 and 1964), Generation X (born between 1965 and 1977), and Millennials (born between 1978 and 1994). Each group has different experiences, expectations, and work styles, which HR must accommodate and balance.

Technology-based training methods and traditional training methods

Let's create a **scenario** involving a new hire named Alex at a software development company to explain the application of these methods:

****Technology-Based Training Methods:****

Week 1: Alex is provided with a series of CD-ROMs containing interactive training modules covering the company's software development process and the languages and tools used. He goes through these modules at his own pace.

Week 2: Alex attends a series of live video conferences hosted by the company's overseas development team, which offers insights into real-time project management and troubleshooting techniques.

Week 3: Alex is enrolled in an e-learning course to learn about the company's proprietary software. This course includes quizzes and coding exercises, which Alex can complete remotely.

****Traditional Training Methods:****

Week 4: Alex starts "on the job" training by shadowing a senior developer, Jane, and learns about the company's codebase and ongoing projects.

Week 5: Alex is introduced to "job rotation." He spends a few days in various departments, such as QA, UX/UI, and customer support, to understand the software lifecycle from multiple perspectives.

Week 6: The company assigns a mentor to Alex. This experienced developer, Raj, provides coaching and addresses Alex's questions about the projects he is working on.

Week 7: Alex participates in "experiential exercises" by working on a small project in a team of other new hires to apply his learning in a controlled environment.

Week 8: Alex is given a series of workbooks and manuals for deeper learning about complex algorithms and data structures used in the company's projects.

Week 9: Alex attends "classroom lectures" given by the company's CTO on emerging technologies and how they are relevant to the company's future projects.

Through this combination of technology-based and traditional methods, Alex becomes well-equipped to perform his role effectively within the company.

Performance appraisal methods

Scenario: Customer Service Excellence in a Retail Store

Background:

Imagine a retail store that prioritizes exceptional customer service to enhance customer satisfaction and loyalty. The store manager is conducting performance appraisals for the customer service representatives (CSRs) based on various methods.

1. Written Tests/Essay:

- ***Scenario:*** CSRs are given a written test covering product knowledge, communication skills, and problem-solving abilities.

- ***Explanation:*** The written test assesses the CSRs' understanding of the products they sell, their ability to effectively communicate with customers, and their capacity to handle various customer service scenarios.

2. Critical Incident:

- ***Scenario:*** A CSR successfully handles a customer complaint about a faulty product, ensuring a swift resolution and the customer leaving satisfied.
- ***Explanation:*** This critical incident is recorded as an example of exemplary performance, showcasing the CSR's problem-solving skills and dedication to customer satisfaction during the performance appraisal.

3. Graphic Rating Scale:

- ***Scenario:*** CSRs are rated on a scale of 1 to 5 for communication skills, with descriptors such as "clear and concise communication" and "active listening."
- ***Explanation:*** The graphic rating scale provides a quantitative assessment of each CSR's communication skills, helping the manager identify specific areas of strength or improvement.

4. BARS (Behaviorally Anchored Rating Scale):

- ***Scenario:*** A BARS is used to evaluate CSRs based on behaviors like "proactively offering assistance" and "handling irate customers with patience."
- ***Explanation:*** The BARS method uses specific behavioral anchors to provide a more detailed assessment, offering insights into the CSRs' customer-centric behaviors during interactions.

5. Multi-person Comparison:

- ***Scenario:*** CSRs are ranked against their peers based on customer feedback, sales numbers, and response time to customer inquiries.
- ***Explanation:*** This comparative approach helps identify top-performing CSRs who consistently excel in customer service, enabling the manager to recognize and reward high performers while addressing areas for improvement.

6. 360-Degree Appraisal:

- ***Scenario:*** Feedback is gathered from customers, fellow CSRs, and the store manager to provide a comprehensive view of each CSR's performance.

- ***Explanation:*** The 360-degree appraisal incorporates input from various perspectives, offering a well-rounded evaluation of the CSRs' customer service skills, teamwork, and overall effectiveness.

This scenario illustrates how different performance appraisal methods can be applied to evaluate and enhance customer service excellence in a retail setting. Each method contributes unique insights to the overall assessment process.

HRM ISSUES:

1. Managing Downsizing:

- **Issue:** Organizations often face the need to downsize due to economic challenges, restructuring, or technological advancements. Companies sometimes need to make changes, like cutting jobs or rearranging things.

- **Challenges:** Making sure employees don't feel too sad or stressed, telling them what's going on honestly, and helping those who might lose their jobs find new opportunities.

2. Managing Workforce Diversity:

- **Issue:** Workforces are becoming increasingly diverse in terms of age, gender, ethnicity, and cultural backgrounds.

- **Challenges:** Making sure everyone feels welcome and respected, treating everyone fairly no matter where they're from or how they look, and giving everyone a fair chance to succeed.

3. Sexual Harassment:

- **Issue:** Sometimes, people at work might do things that make others feel uncomfortable or hurt.

- **Challenges:** Creating clear rules that say what's not allowed, making it easy for people to report problems without fear, and teaching everyone about how to act respectfully.

4. Managing Work–Life Balance:

- **Issue:** Juggling work and personal life can be tough. With the rise of remote work and evolving expectations, maintaining a healthy work–life balance is a growing concern.

- **Challenges:** Letting people work in ways that fit their lives, making sure everyone knows when to work and when to take a break, and making sure people don't feel too stressed.

5. Controlling HR Costs:

- **Issue:** Companies need to save money while still being a good place to work. Organizations face pressure to optimize HR budgets while still attracting and retaining top talent.

- **Challenges:** Figuring out smart ways to save money, still helping employees learn and grow, and using technology to make things efficient without cutting too much.

L.L. Bean's operational approach, focusing on the order fulfillment process and the distinction between pull and push processes in the context of their supply chain. Let's break down each point:

1. L.L. Bean's Make-to-Stock Environment:

- ***Explanation:** L.L. Bean operates in a **make-to-stock environment**, which means they produce goods in anticipation of customer demand rather than waiting for specific customer orders before starting production.

2. Pull Process in Customer Order Cycle:

- ***Explanation:** L.L. Bean executes all processes in the customer order cycle after the customer order arrives. This approach is characteristic of a pull process, where production and processes are triggered by actual customer demand rather than being preemptively initiated.

3. Raw Material Purchased in Advance:

- *Explanation:* L.L. Bean purchases raw materials six to nine months before customer demand is expected. This strategy aligns with make-to-stock practices, allowing the company to have sufficient materials on hand to meet anticipated demand.

4. Manufacturing Lead Time:

- *Explanation:* Manufacturing itself begins three to six months before the point of sale. This indicates that L.L. Bean engages in a manufacturing process that starts well in advance of the expected sale date, contributing to their ability to stock products for prompt order fulfillment.

5. Push Processes in Replenishment Cycle:

- *Explanation:* All processes in the replenishment cycle are performed in anticipation of demand and are thus push processes. In a push system, goods are produced based on forecasts and pushed into the distribution channel, potentially leading to excess inventory.

In summary, L.L. Bean's operational model involves making products in anticipation of demand (make-to-stock), but the execution of processes in the customer order cycle follows a pull approach, triggered by actual customer orders. The replenishment cycle, on the other hand, is described as a push process, indicating proactive production to meet anticipated demand. This combination of push and pull strategies is common in retail and manufacturing to balance efficiency and responsiveness to customer needs.

Ethan Allen's operational approach, focusing on customization and the build-to-order environment. Let's break down the key points:

1. Build-to-Order Environment:

- *Explanation:* Ethan Allen operates in a **build-to-order environment**. This means that they produce furniture items based on specific customer orders rather than manufacturing goods in anticipation of general demand.

2. Triggered Production by Customer Order:

- *Explanation:* The arrival of a customer order serves as the trigger for production. In a build-to-order model, production is initiated in response to the specific requirements outlined in the customer's order.

3. Manufacturing Cycle as Part of Customer Order Fulfillment:

- *Explanation:* The **manufacturing cycle is integrated into the customer** order fulfillment process. This suggests that Ethan Allen's production activities are closely tied to the customer order cycle, reinforcing the build-to-order nature of their operations.

4. Two Cycles in the Supply Chain:

- *Explanation:* Ethan Allen's supply chain for customized furniture effectively consists of two cycles:

- **Customer Order and Manufacturing Cycle:** This cycle involves the customer placing an order, triggering the manufacturing process to create the customized furniture.

- **Procurement Cycle:** This cycle likely involves the sourcing and procurement of raw materials and components necessary for the manufacturing of customized furniture.

In summary, Ethan Allen's approach is centered around customization and build-to-order manufacturing. The entire supply chain revolves around fulfilling customer orders, with the manufacturing cycle intricately linked to the customer order fulfillment process. Additionally, there is a distinct procurement cycle involved in securing the required inputs for the manufacturing of customized furniture.

DRIVERS OF SUPPLY CHAIN PERFORMANCE

There are six major drivers of supply chain performance

1. Facilities:

- **Explanation:** Facilities are the physical locations where products are stored or made. Decisions about these locations affect how well a supply chain works.

-**Example:** If a clothing company sets up a factory in a country where cotton is grown, it can save on transportation costs and be more responsive to changes in fashion trends.

2. Inventory:

- **Explanation:** Inventory is all the stuff a company has, like raw materials and finished products. How a company manages its inventory can make the supply chain work better or worse.

-**Example:** If a grocery store uses a system where products are restocked just as they're running out, it minimizes waste and ensures products are always available (better efficiency).

3. Transportation:

-**Explanation:** Transportation is moving things around in the supply chain. How a company chooses to move stuff affects how fast it can respond to customer needs and how efficient it is.

- **Example:** Using fast air shipping for perishable goods helps a company respond quickly to market demands but may cost more (higher responsiveness, potentially lower efficiency).

4. Information:

-**Explanation:** Information is data about everything in the supply chain. Good information helps a company make smart decisions, affecting efficiency and responsiveness. concerning facilities, inventory, transportation, costs, prices, and customers throughout the supply chain

- **Example:** A company uses real-time data on customer demand to adjust production schedules, ensuring products are made just in time to meet customer needs (better responsiveness).

5. Sourcing:

-**Explanation:** Sourcing is about deciding who does what in the supply chain. These decisions affect how quickly a company can respond to changes and how efficiently it operates.

-**Example:** Imagine you have a bakery, and you need flour to make your delicious cakes. Instead of trying to grow and harvest wheat yourself (which would take a lot of time and effort), you decide to buy already processed flour from a reliable supplier. This is like outsourcing – getting someone else to do a specific job for you.

6. Pricing:

- **Explanation:** Pricing is about how much a company charges for its products. It affects how much customers buy and how well the supply chain performs.

- **Example:** A company selling premium smartphones at a higher price might have lower sales but higher profits, impacting both efficiency (higher profits) and responsiveness (lower demand).

Motivating employee

Expectancy Theory, developed by Victor Vroom, is a psychological theory that describes the motivation behind choices individuals make regarding behavioral alternatives. The theory suggests that individuals are motivated to perform actions when they expect that their actions will lead to outcomes they value. The theory is composed of three main components:

1. ****Expectancy (Effort-Performance Linkage)**:** This is the belief that one's effort will result in performance. If a person believes that putting in a certain amount of effort will lead to good performance, then the expectancy is high.
2. ****Instrumentality (Performance-Reward Linkage)**:** This is the belief that if one can perform well, then a valued outcome will be received. It's the degree to which a person believes that performing at a particular level will lead to the attainment of a desired outcome.
3. ****Valence (Attractiveness of Reward)**:** This is the value an individual places on the rewards of an outcome, which is based on their needs, goals, values, and sources of motivation.

Using Vroom's Expectancy Theory, let's break down your situation at AUST CSE Department:

- ****Expectancy**:** You understand that completing this project with additional hard work will likely lead to a higher level of performance. You believe that your effort will positively affect the quality of the project.

- ****Instrumentality****: Your teacher has made it clear that your performance on the project will be directly tied to the award of two class test marks. This creates a clear performance-reward link in your mind; you see a direct connection between doing well on the project and receiving the extra marks.

- ****Valence****: The two class test marks are valuable to you because they can positively impact your overall grade, which is important for your academic success. Thus, the reward (extra marks) has a high valence for you.

****Application of the Theory in Brief****:

Given the project assignment by your teacher, you assess that putting in extra effort can lead to a well-executed project (high expectancy). You are also informed that based on the quality of your project (performance), you will be rewarded with two additional class test marks (high instrumentality). These additional marks are significant to you because they can boost your grade, which you find highly desirable (high valence). Therefore, according to Vroom's Expectancy Theory, your motivation to work extra hard on the project is high because you expect that your increased effort will result in better performance and, consequently, the desired reward of extra marks.

ORG DESIGN

Functional: In a functional project structure, a project is managed within the existing functional hierarchy of an organization. This means that each department (like Marketing, Engineering, Finance, Accounts, and Procurement, as shown in the slide) manages its own portion of the project. The project manager typically has limited authority and acts more as a coordinator. The departments work on the project tasks that are relevant to their specific function.

Dedicated Structure: There's a creation of independent project teams. The CEO oversees separate functional departments (like Marketing, Engineering, Finance, etc.) and also a project team. This project team operates independently of the functional departments and focuses solely on project work. This structure is commonly used in organizations that undertake complex projects, like construction or R&D, where the project's needs are so specific that they require a dedicated team and resources.

Matrix Structure: A matrix structure is a blend of functional and dedicated structures. In a matrix setup, employees have dual reporting relationships—typically to both a functional manager and a project manager. This allows for the efficient use of resources

across multiple projects and helps to maintain technical excellence within each function. Matrix structures can be categorized further into weak, balanced, or strong, depending on the level of authority granted to the project manager.

Weak/Functional Matrix: In this type of matrix, the balance of authority strongly favors the Functional Managers. The Project Manager has a role more like a coordinator or expeditor than a traditional manager.

Balanced Matrix: This is the traditional matrix structure where both the Project Manager and Functional Managers share authority fairly equally. The Project Manager manages project-related activities, and the Functional Manager takes care of administrative duties and functional-related tasks.

Heavy/Project Matrix: Here, the balance of authority is strongly on the side of the Project Manager. This type of matrix is close to a dedicated project team, but within the existing organizational structure.