



# TABLE OF CONTENTS

## Preface 1

## 1 Managing and Performing 7

- 1.1 What Do Managers Do? 8
- 1.2 The Roles Managers Play 9
- 1.3 Major Characteristics of the Manager's Job 12

## 2 Managerial Decision-Making 21

- 2.1 Overview of Managerial Decision-Making 23
- 2.2 How the Brain Processes Information to Make Decisions: Reflective and Reactive Systems 26
- 2.3 Programmed and Nonprogrammed Decisions 28
- 2.4 Barriers to Effective Decision-Making 31
- 2.5 Improving the Quality of Decision-Making 35
- 2.6 Group Decision-Making 45

## 3 The History of Management 55

- 3.1 The Early Origins of Management 58
- 3.2 The Italian Renaissance 61
- 3.3 The Industrial Revolution 61
- 3.4 Taylor-Made Management 63
- 3.5 Administrative and Bureaucratic Management 68
- 3.6 Human Relations Movement 71
- 3.7 Contingency and System Management 75

## 4 External and Internal Organizational Environments and Corporate Culture 81

- 4.1 The Organization's External Environment 84
- 4.2 External Environments and Industries 88
- 4.3 Organizational Designs and Structures 91
- 4.4 The Internal Organization and External Environments 103
- 4.5 Corporate Cultures 109
- 4.6 Organizing for Change in the 21st Century 111

## 5 Ethics, Corporate Responsibility, and Sustainability 119

- 5.1 Ethics and Business Ethics Defined 121
- 5.2 Dimensions of Ethics: The Individual Level 122
- 5.3 Ethical Principles and Responsible Decision-Making 125
- 5.4 Leadership: Ethics at the Organizational Level 129



- 5.5 Ethics, Corporate Culture, and Compliance 136
- 5.6 Corporate Social Responsibility (CSR) 139
- 5.7 Ethics around the Globe 143
- 5.8 Emerging Trends in Ethics, CSR, and Compliance 147

## 6 International Management 157

- 6.1 Importance of International Management 159
- 6.2 Hofstede's Cultural Framework 164
- 6.3 The GLOBE Framework 172
- 6.4 Cultural Stereotyping and Social Institutions 177
- 6.5 Cross-Cultural Assignments 183
- 6.6 Strategies for Expanding Globally 186
- 6.7 The Necessity of Global Markets 189

## 7 Entrepreneurship 207

- 7.1 Entrepreneurship 209
- 7.2 Characteristics of Successful Entrepreneurs 215
- 7.3 Small Business 219
- 7.4 Start Your Own Business 222
- 7.5 Managing a Small Business 231
- 7.6 The Large Impact of Small Business 234
- 7.7 The Small Business Administration 235
- 7.8 Trends in Entrepreneurship and Small-Business Ownership 237

## 8 Strategic Analysis: Understanding a Firm's Competitive Environment 247

- 8.1 Gaining Advantages by Understanding the Competitive Environment 249
- 8.2 Using SWOT for Strategic Analysis 250
- 8.3 A Firm's External Macro Environment: PESTEL 252
- 8.4 A Firm's Micro Environment: Porter's Five Forces 257
- 8.5 The Internal Environment 261
- 8.6 Competition, Strategy, and Competitive Advantage 266
- 8.7 Strategic Positioning 269

## 9 The Strategic Management Process: Achieving and Sustaining Competitive Advantage 279

- 9.1 Strategic Management 281
- 9.2 Firm Vision and Mission 281
- 9.3 The Role of Strategic Analysis in Formulating a Strategy 283
- 9.4 Strategic Objectives and Levels of Strategy 284
- 9.5 Planning Firm Actions to Implement Strategies 288
- 9.6 Measuring and Evaluating Strategic Performance 297



## **10 Organizational Structure and Change 305**

- 10.1 Organizational Structures and Design 306**
- 10.2 Organizational Change 313**
- 10.3 Managing Change 318**

## **11 Human Resource Management 339**

- 11.1 An Introduction to Human Resource Management 340**
- 11.2 Human Resource Management and Compliance 343**
- 11.3 Performance Management 345**
- 11.4 Influencing Employee Performance and Motivation 349**
- 11.5 Building an Organization for the Future 354**
- 11.6 Talent Development and Succession Planning 356**

## **12 Diversity in Organizations 369**

- 12.1 An Introduction to Workplace Diversity 370**
- 12.2 Diversity and the Workforce 371**
- 12.3 Diversity and Its Impact on Companies 382**
- 12.4 Challenges of Diversity 386**
- 12.5 Key Diversity Theories 391**
- 12.6 Benefits and Challenges of Workplace Diversity 394**
- 12.7 Recommendations for Managing Diversity 396**

## **13 Leadership 407**

- 13.1 The Nature of Leadership 408**
- 13.2 The Leadership Process 410**
- 13.3 Types of Leaders and Leader Emergence 415**
- 13.4 The Trait Approach to Leadership 421**
- 13.5 Behavioral Approaches to Leadership 424**
- 13.6 Situational (Contingency) Approaches to Leadership 428**
- 13.7 Substitutes for and Neutralizers of Leadership 433**
- 13.8 Transformational, Visionary, and Charismatic Leadership 436**
- 13.9 Leadership Needs in the 21st Century 440**

## **14 Work Motivation for Performance 449**

- 14.1 Motivation: Direction and Intensity 451**
- 14.2 Content Theories of Motivation 454**
- 14.3 Process Theories of Motivation 469**
- 14.4 Recent Research on Motivation Theories 486**

## **15 Managing Teams 497**



- 15.1 Teamwork in the Workplace 498
- 15.2 Team Development Over Time 500
- 15.3 Things to Consider When Managing Teams 504
- 15.4 Opportunities and Challenges to Team Building 508
- 15.5 Team Diversity 510
- 15.6 Multicultural Teams 512

## 16 Managerial Communication 523

- 16.1 The Process of Managerial Communication 524
- 16.2 Types of Communications in Organizations 526
- 16.3 Factors Affecting Communications and the Roles of Managers 530
- 16.4 Managerial Communication and Corporate Reputation 533
- 16.5 The Major Channels of Management Communication Are Talking, Listening, Reading, and Writing 534

## 17 Organizational Planning and Controlling 549

- 17.1 Is Planning Important 550
- 17.2 The Planning Process 553
- 17.3 Types of Plans 559
- 17.4 Goals or Outcome Statements 563
- 17.5 Formal Organizational Planning in Practice 565
- 17.6 Employees' Responses to Planning 569
- 17.7 Management by Objectives: A Planning and Control Technique 583
- 17.8 The Control- and Involvement-Oriented Approaches to Planning and Controlling 586

## 18 Management of Technology and Innovation 597

- 18.1 MTI—Its Importance Now and In the Future 600
- 18.2 Developing Technology and Innovation 606
- 18.3 External Sources of Technology and Innovation 608
- 18.4 Internal Sources of Technology and Innovation 610
- 18.5 Management Entrepreneurship Skills for Technology and Innovation 611
- 18.6 Skills Needed for MTI 612
- 18.7 Managing Now for Future Technology and Innovation 615

## Index 659