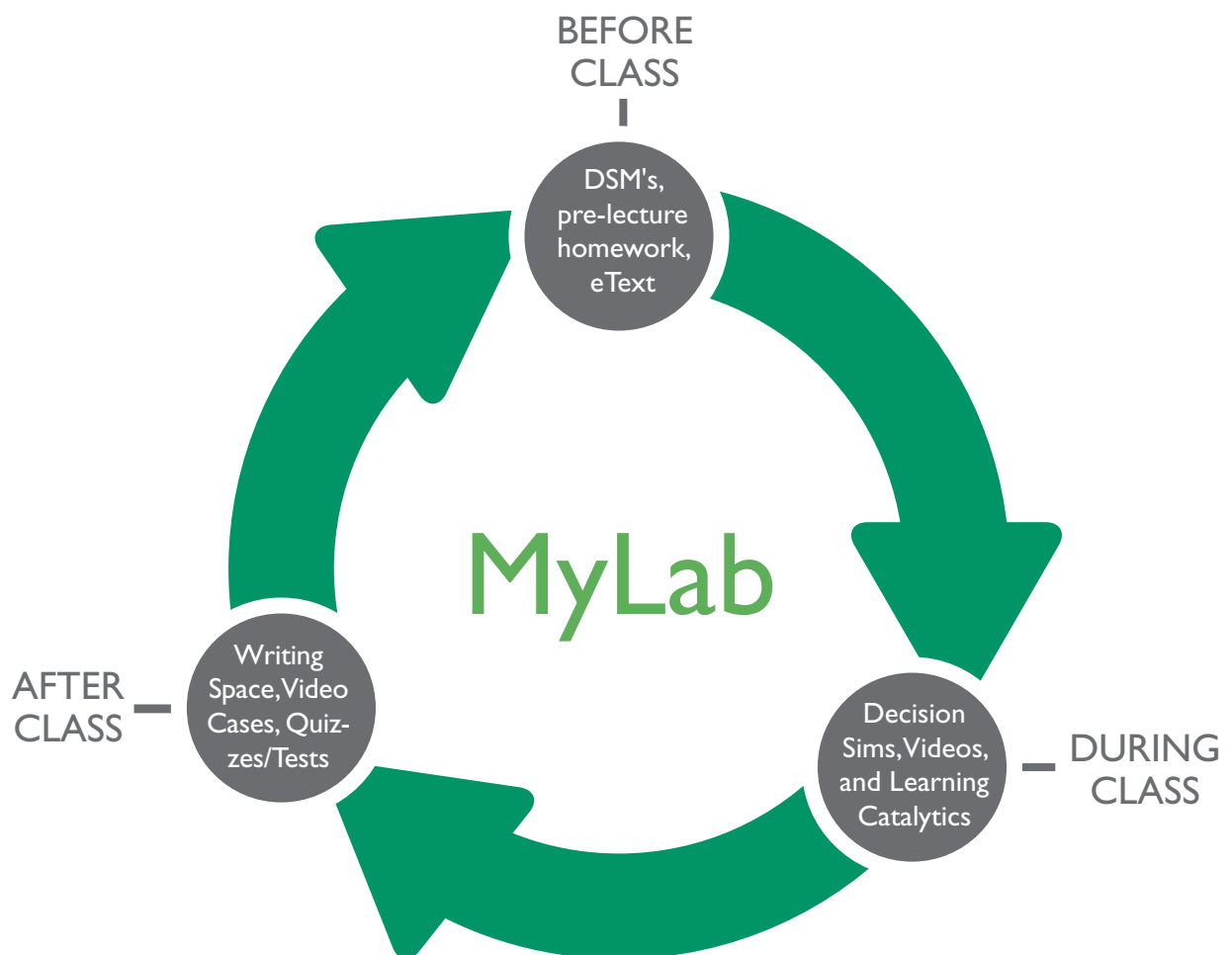# ROBBINS

MANAGEMENT 13E

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MANAGEMENT 13E

Stephen P. Robbins
San Diego State University

Mary Coulter
Missouri State University

To my wife, Laura
Steve

To my husband, Ron
Mary

About the Authors

STEPHEN P. ROBBINS received his Ph.D. from the University of Arizona. He previously worked for the Shell Oil Company and Reynolds Metals Company and has taught at the University of Nebraska at Omaha, Concordia University in Montreal, the University of Baltimore, Southern Illinois University at Edwardsville, and San Diego State University. He is currently professor emeritus in management at San Diego State.

Dr. Robbins's research interests have focused on conflict, power, and politics in organizations, behavioral decision making, and the development of effective interpersonal skills. His articles on these and other topics have appeared in such journals as *Business Horizons*, the *California Management Review*, *Business and Economic Perspectives*, *International Management*, *Management Review*, *Canadian Personnel and Industrial Relations*, and *The Journal of Management Education*.

Dr. Robbins is the world's best-selling textbook author in the areas of management and organizational behavior. His books have sold more than 6 million copies and have been translated into 20 languages. His books are currently used at more than 1,500 U.S. colleges and universities, as well as hundreds of schools throughout Canada, Latin America, Australia, New Zealand, Asia, and Europe.

Dr. Robbins also participates in masters track competition. Since turning 50 in 1993, he's won 23 national championships and 14 world titles. He was inducted into the U.S. Masters Track & Field Hall of Fame in 2005 and is currently the world record holder at 100 m and 200 m for men 65 and over.

MARY COULTER received her Ph.D. from the University of Arkansas. She held different jobs including high school teacher, legal assistant, and city government program planner before completing her graduate work. She has taught at Drury University, the University of Arkansas, Trinity University, and Missouri State University. She is currently professor emeritus of management at Missouri State University. In addition to *Management,* Dr. Coulter has published other books with Pearson including *Fundamentals of Management* (with Stephen P. Robbins), *Strategic Management in Action*, and *Entrepreneurship in Action*.

When she's not busy writing, Dr. Coulter enjoys puttering around in her flower gardens, trying new recipes, reading all different types of books, and enjoying many different activities with husband Ron, daughters and sons-in-law Sarah and James, and Katie and Matt, and most especially with her two grandkids, Brooklynn and Blake, who are the delights of her life!

Brief Contents

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Welcome to the thirteenth edition of Management! The workplace and the field of management have changed a lot since the first edition of this book appeared in 1984. This book, of course, has changed along with them. As new theories and research have been published, expanding our knowledge about what makes an effective manager, we changed the book to reflect it. What you have before you, then, is a summary of the latest knowledge on effective management. But students have also changed a lot since 1984. Today's students want more relevance from their management textbook. They want both knowledge and skills. Students want to leave class knowing what management is all about but also with the skills necessary to help them succeed in today's workplaces…whether in an accounting firm, a manufacturing organization, a retail business, a marketing services company, a high-tech firm, or a government agency. Despite the changing face of today's workplace and workforce, certain skills are essential for both being an effective and efficient employee and for moving into a managerial path. These skills are the focus of our new *It's Your Career* chapter openers, which cover skills ranging from managing time and being self aware to being a pro at giving feedback and being change ready.

Key Changes to the 13th Edition
- *Our book is solidly skill- and career-focused.*
- *Our book will prepare your students for the job market.*

Other Important Changes
- A Future Vision feature is found in each chapter, giving a sneak peak at what the work world may look like for your students.
- A Personal Inventory Assessment (PIA) has been included in each chapter.
- The decision making chapter has been moved to the introductory Part 1 because everything a manager does involves decision making.
- Part 2 has been expanded to include chapters dealing with the basics of managing in today's workplace—environment/culture (Chapter 3), global scope (Chapter 4), diversity (Chapter 5), social responsibility/ethics (Chapter 6), and change/innovation (Chapter 7).
- The control chapter (Chapter 18) has been moved to its own part (Part 6).
- MyManagementLab components are clearly linked to chapter material.
- Current and timely topics—including big data, gamification, wearable technology, and social media, among others—have been added.

We've listened to what you and employers are saying. In response, we've focused this revision of *Management* on emphasizing the work skills that both future managers and successful employees need. To get a good job, it's no longer enough to "have a college degree" or "have good grades." Today's grads need to be able to hit the ground running. That means students have to be developing the right skills to prepare themselves for that good job! We help them do this in two ways: First, our new *It's Your Career* chapter openers. These openers are written about critical work skills that employers are looking for and include information about the skill and an author-created MyManagementLab component that tests students' comprehension of this skill. The first step in gaining and being able to exhibit a skill is *knowing* what that skill involves. Here's a list of these skills (in chapter order): managing time, being a better decision maker, reading an organization's culture to find one where you'll be happy, developing your global perspective, finding a great mentor, being ethical when no one else seems to be,

being change ready, setting goals, learning your personal strengths and weaknesses, delegating, staying in the organizational loop, acing your interviews, maximizing outcomes through negotiation, knowing how men and women communicate, being self aware, knowing what motivates you, becoming a leader, and giving feedback like a pro. Second, we have retained our end-of-chapter skill exercises that provide a thorough discussion of additional skills and give students opportunities to "practice" these skills.

In addition to our skills emphasis, we have included in this revision a *Future Vision* feature in each chapter. Although no one has a perfectly accurate window to the future, certain trends in place today offer insights into what tomorrow's work world will be like. We provide a sneak peek into that work world your students are likely to be encountering.

We also made some changes in the Table of Contents. We moved the decision making chapter to the first part—the introduction—since everything a manager does involves making decisions. We expanded the second part to include chapters dealing with the basics of managing in today's workplace (environment/culture, global, diversity, social responsibility/ethics, and change/innovation). We moved the control chapter back to its own part. And we moved the entrepreneurial ventures material to the planning part.

Finally, as usual, we've included information about new topics that students are being exposed to including big data, gamification, leaning in, twenty-percent-time innovation initiatives, stretch goals, social media, and wearable technology, among others.

Although these key changes are important to this revision, we've still retained what has differentiated Robbins/Coulter for years…our "real" managers. Both of us taught for a number of years and we know that getting students interested in a subject such as management can be a challenge. What worked exceptionally well for us was showing students that management isn't just some dry, boring subject that you learn about in a book but something vital that real people do in organizations every day. That's why we've always incorporated "real" managers into our textbook. Students can see how managers actually use the theories and approaches discussed in the chapters. And it's the only principles textbook that presents management from the perspective of the people who actually *do* management. And that's why we've retained our "real manager" emphasis. Using realistic manager scenarios specifically written for each chapter, our real managers describe how they would handle those issues. We think these will help get students excited about studying management and provide many avenues for class discussion.

MyManagementLab Suggested Activities

For the 13th edition we the authors are excited that Pearson's MyManagementLab has been integrated fully into the text. These new features are outlined below. Making assessment activities available online for students to complete before coming to class will allow you, the professor, more discussion time during the class to review areas that students are having difficulty in comprehending.

Watch It

Recommends a video clip that can be assigned to students for outside classroom viewing or that can be watched in the classroom. The video corresponds to the chapter material and is accompanied by multiple-choice questions that reinforce students' comprehension of the chapter content.

Try It

Recommends a mini simulation that can be assigned to students as an outside classroom activity or be done in the classroom. As the students watch the simulation they will be asked to make choices based on the scenario presented in the simulation. At the end of

the simulation the student will receive immediate feedback based on the answers they gave. These simulations reinforce the concepts of the chapter and the students' comprehension of those concepts.

Talk About It
These are discussion-type questions that can be assigned as an activity within the classroom.

Write It
Students can be assigned these broad-based, critical-thinking discussion questions that will challenge them to assimilate information that they've read in the chapter.

Personal Inventory Assessments (PIA)
Students learn better when they can connect what they are learning to their personal experience. PIA (Personal Inventory Assessments) is a collection of online exercises designed to promote self-reflection and engagement in students, enhancing their ability to connect with concepts taught in principles of management, organizational behavior, and human resource management classes. Assessments are assignable by instructors who can then track students' completions. Student results include a written explanation along with a graphic display that shows how their results compare to the class as a whole. Instructors will also have access to this graphic representation of results to promote classroom discussion.

Assisted Graded Writing Questions
These are short essay questions that the students can complete as an assignment and submit to you, the professor, for grading.

Chapter-by-Chapter Changes

Chapter 1
- New It's Your Career opener and MyManagmentLab component: The ABC's of Managing Your Time
- New Future Vision: Is It Still Managing When What You're Managing Are Robots?
- New FYI features
- New *Watch It, Try It, Write It* MyManagementLab links
- New examples
- New Personal Inventory Assessment
- New Case Application on Zappos's holacracy

Chapter 2
- New It's Your Career opener and MyManagementLab component: Be a Better Decision Maker
- New Leader Making a Difference: Elon Musk (Tesla/SpaceX/SolarCity)
- New FYI features
- New *Watch It, Try It, Write It* MyManagementLab links
- New Personal Inventory Assessment
- New Ethics Dilemma
- New Case Application on Coca Cola's use of big data

Chapter 3
- New It's Your Career opener and MyManagementLab component: Reading an Organization's Culture: Find One Where You'll Be Happy
- New FYI features
- New *Watch It, Try It* MyManagementLab links
- New Personal Inventory Assessment
- Updated Case Applications

Chapter 4
- New It's Your Career opener and MyManagementLab component: Developing Your Global Perspective: Jump-start Your Cultural Intelligence
- New Future Vision: The Internet: A Necessary Ingredient of a Global World?
- New Leader Making a Difference: Christine LeGarde (IMF)
- New FYI features
- New *Watch It, Try It, Write It* MyManagementLab links
- New Personal Inventory Assessment
- Updated Case Applications

Chapter 5
- New It's Your Career opener and MyManagementLab component: Find a Great Sponsor/Mentor—Be a Great Protégé
- New Future Vision: Trending Now: Global Diversity & Inclusion
- New FYI features
- New *Watch It, Try It* MyManagementLab links
- New Personal Inventory Assessment
- Updated Case Applications

Chapter 6
- New It's Your Career opener and MyManagementLab component: How To Be Ethical When No One Else Seems to Be
- New Future Vision: Building an Ethical Culture That Lasts
- New FYI features
- New *Watch It, Try It, Write It* MyManagementLab links
- New Personal Inventory Assessment
- New Ethics Dilemma
- Updated Case Applications

Chapter 7
- New It's Your Career opener and MyManagementLab component: Be Change Ready: Overcoming Resistance
- New Leader Making a Difference: (Satya Nadella, Microsoft)
- New Future Vision: Company-Mandated Experiment Time
- New FYI features
- New *Watch It, Try It* MyManagementLab links
- New Personal Inventory Assessment
- New Team Exercise: Creativity Exercises
- New examples
- Updated Case Applications

Chapter 8
- New It's Your Career opener and MyManagementLab component: You Gotta Have Goals
- New Future Vision: Stretch Goals
- New FYI features
- New *Watch It, Try It, Write It* MyManagementLab links
- New Personal Inventory Assessment
- New additional Skill Exercise: Making To-Do Lists
- New Case Application: Live**strong** Foundation

Chapter 9
- New It's Your Career opener and MyManagementLab component: Learning Your Strengths and Weaknesses: Accentuate the Positive
- New Leader Making a Difference: Jenna Lyons, J. Crew
- New Future Vision: Big Data As a Strategic Weapon

- New FYI features
- New *Watch It, Try It, Write It* MyManagementLab links
- New Personal Inventory Assessment
- New Ethics Dilemma: Spying on Shoppers
- Updated Case Applications

Chapter 10
- New It's Your Career opener and MyManagementLab component: You Can't Do It All: The Importance of Delegating
- New Future Vision: Workplace Hierarchy: Why It's Still Important
- New FYI features
- New *Watch It, Try It* MyManagementLab links
- New Personal Inventory Assessment

Chapter 11
- New It's Your Career opener and MyManagementLab component: Staying in the Organizational Loop
- New FYI features
- New *Watch It, Write It* MyManagementLab links
- New examples
- New Personal Inventory Assessment
- New Case Application: Yahoo!

Chapter 12
- New It's Your Career opener and MyManagementLab component: Acing Your Interview
- New Leader Making a Difference: Laszlo Bock, Google
- New FYI features
- New *Watch It, Try It, Write It* MyManagementLab links
- Updated statistics
- New Personal Inventory Assessment
- New Case Application: J. C. Penney Company

Chapter 13
- New It's Your Career opener and MyManagementLab component: Maximizing Outcomes Through Negotiation
- New FYI features
- New *Watch It, Try It, Write It* MyManagementLab links
- New Personal Inventory Assessment

Chapter 14
- New It's Your Career opener and MyManagementLab component: He Says—She Says
- New FYI features
- New *Watch It, Try It, Write It* MyManagementLab links
- New Personal Inventory Assessment

Chapter 15
- New It's Your Career opener and MyManagementLab component: Self Awareness: You Need to Know Yourself Before You Can Know Others
- New FYI features
- New *Watch It* MyManagementLab links
- New Personal Inventory Assessment
- New Case Application: HCL Technologies

Chapter 16
- New It's Your Career opener and MyManagementLab component: What Motivates You?
- New FYI features
- New *Watch It, Try It, Write It* MyManagementLab links
- New Personal Inventory Assessment
- New Ethics Dilemma: Too Much Openness in Open Book Management?
- New Team Exercise: Comparing It's Your Career results

Chapter 17
- New It's Your Career opener and MyManagementLab component: I'm A Leader: Now What?
- New Future Vision: Flexible Leadership
- New FYI features
- New *Watch It, Try It* MyManagementLab links
- New Personal Inventory Assessment
- New Case Application: Starbucks Leadership Lab

Chapter 18
- New It's Your Career opener and MyManagementLab component: How To Be a Pro at Giving Feedback
- New Future Vision: Wearable Technology
- New FYI features
- New *Watch It, Try It, Write It* MyManagementLab links
- New examples
- New Personal Inventory Assessment
- New Skill Exercise: Dealing with Difficult People

For Students Taking a Management Course:
What This Course Is About and Why It's Important

This course and this book are about management and managers. Managers are one thing that all organizations—no matter the size, kind, or location—need. And there's no doubt that the world managers face has changed, is changing, and will continue to change. The dynamic nature of today's organizations means both rewards *and* challenges for the individuals who will be managing those organizations. Management is a dynamic subject, and a textbook on it should reflect those changes to help prepare you to manage under the current conditions. We've written this 13th edition of *Management* to provide you with the best possible understanding of what it means to be a manager confronting change and to best prepare you for that reality.

Our Approach

Our approach to management is simple: Management is about people. Managers manage people. Thus, we introduce you to real managers, real people who manage people. We've talked with these real managers and asked them to share their experiences with you. You get to see what being a manager is all about—the problems these real managers have faced and how they have resolved those problems. Not only do you have the benefit of your professor's wisdom and knowledge, you also have access to your very own team of advisors and mentors.

What's Expected of the Student in This Course

It's simple. Come to class. Read the book. Do your assignments. And . . . study for your exams. If you want to get the most out of the money you've spent for this course and this textbook, that's what you need to do. In addition to writing this book, we have taught management classes, and that's what we expected of the students we taught.

User's Guide

Your management course may be described as a "survey" course because a lot of topics are covered very quickly, and none of the topics are covered in great depth. It can be overwhelming at times! Your classroom professor is your primary source of information and will provide you with an outline of what you're expected to do during the course. That's also the person who will be evaluating your work and assigning you a grade, so pay attention to what is expected of you! View us, your textbook authors, as your supplementary professors. As your partners in this endeavor, we've provided you the best information possible both in the textbook and in the materials on MyManagementLab to help you succeed in this course. Now it's up to you to use them!

Getting the Most Out of Your Textbook: Getting a Good Grade in This Course

Professors use a textbook because it provides a compact source of information that you need to know about the course's subject material. Professors like this particular textbook because it presents management from the perspective of the people who actually *do* management—real managers. So take advantage of that and read what these real managers have to say. See how they've handled managerial problems. Learn about their management styles and think about how you might manage.

In addition to what you can learn from these real managers, we provide several ways to help you get a good grade in this course. Use the review and discussion questions at the end of the chapter. They provide a great way to see if you understand the material you've just read.

Read about and practice the numerous management/work skills that we've included (at the beginning and end of each chapter). If you want to make yourself stand out when interviewing or when in line for a promotion, you've got to exhibit desired skills and attitudes. Although we can't help you with your attitudes, we can—and do—help you with working on skills that will be important to your success.

Finally, we include a wide variety of useful learning experiences both in the textbook and on MyManagementLab. From ethical dilemmas and skill-building exercises to case analyses and hands-on management tasks, we've provided a lot of things to make your management course fun and worthwhile. Your professor will tell you what assignments you will be expected to do. But you don't need to limit your learning experiences to those. Try out some of the other activities, even if they aren't assigned. We know you won't be disappointed!

Instructor Resources

At the Instructor Resource Center, www.pearsonhighered.com/irc, instructors can easily register to gain access to a variety of instructor resources available with this text in downloadable format. If assistance is needed, our dedicated technical support team is ready to help with the media supplements that accompany this text. Visit http://247.pearsoned.com for answers to frequently asked questions and toll-free user support phone numbers.

The following supplements are available with this text:

- Instructor's Resource Manual
- Test Bank
- TestGen® Computerized Test Bank
- PowerPoint Presentation

2015 Qualitative Business Video Library

Additional videos illustrating the most important subject topics are available in MyManagementLab, under Instructor Resources: Business Today.

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Our team at Pearson has been amazing to work with, as always! This team of editors, production experts, technology gurus, designers, marketing specialists, sales representatives, and warehouse employees works hard to turn our files into a bound textbook and a digital textbook and sees that it gets to faculty and students. We couldn't do this without all of you! Our sincere thanks to the people who made this book "ready to go," including Kris Ellis-Levy, Sarah Holle, Kelly Warsak, Stephanie Wall, Judy Leale, Nancy Moudry, and Janet Slowik, as well as Allison Campbell and the team at Integra. All of you are consummate professionals who truly are committed to publishing the best textbooks! We're glad to have you on our team!

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<table>
<tr><td>Chapter 1</td><td># Managers in the Workplace</td></tr>
</table>

It's Your Career

Source: valentint/Fotolia

A key to success in management and in your career is having good time management skills.

The ABC's of Managing Your Time

Are you BUSY? Do you always seem to have a lot to do and never seem to get it done, or done on time, or are things done at the last minute under a lot of pressure and stress? If you're like most people, the answer to these questions is YES! Well, maybe in a management textbook we need to do something about that by focusing on one aspect of management that can be tremendously useful to you…TIME MANAGEMENT! Time is *a unique resource and one of your most valuable resources. First, if it's wasted, it can* never be replaced. People talk about *saving* time, *but time can never actually be saved. Second, unlike resources such as money or talent, which are distributed unequally in the world, time is an equal-opportunity resource. Each one of us gets exactly the same amount of time: 10,080 minutes a week. But as you have undoubtedly observed, some people are a lot more efficient in using their allotment. Commit to improving your ability to manage those 10,080 minutes so you can be more efficient* and *effective—in your career and in your personal life! Here are some suggestions to help you better use your time:*

1. **Make and keep a list of all your current, upcoming, and routine goals.** *Know what needs to be done daily, weekly, and monthly.*

2. **Rank your goals according to importance.** *Not all goals are of equal importance. Given the limitations on your time, you want to make sure you give highest priority to the most important goals.*

3. **List the activities/tasks necessary to achieve your goals.** *What specific actions do you need to take to achieve your goals?*

4. **Divide these activities/tasks into categories using an A, B, and C classification.** *The As are important and urgent. Bs are either important or urgent, but not both. Cs are routine—not important nor urgent, but still need to be done.*
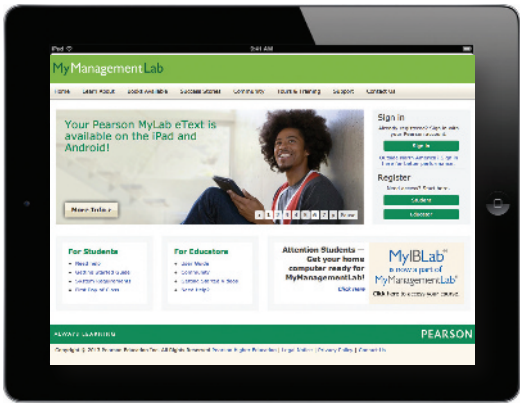
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Learning Objectives

● SKILL OUTCOMES

1 **Explain** *why managers are important to organizations.*

2 **Tell** *who managers are and where they work.*

   ● **Know how to** manage your time.

3 **Describe** *the functions, roles, and skills of managers.*

   ● **Develop your skill** at being politically aware.

4 **Describe** *the factors that are reshaping and redefining the manager's job.*

5 **Explain** *the value of studying management.*

---

5. Schedule your activities/tasks according to the priorities you've set. *Prepare a daily plan. Every morning, or at the end of the previous workday, make a list of the five or so most important things you want to do for the day. Then set priorities for the activities listed on the basis of importance and urgency.*

6. Plan your to-do list each day so that it includes a mixture of A, B, and C activities/ tasks. *And it's best to spread the three types of tasks throughout your day so you're not lumping together all*

your demanding tasks. Also, be realistic about what you can achieve in a given time period.

7. Realize that priorities may change as your day or week proceeds. *New information may change a task's importance or urgency. As you get new information, reassess your list of priorities and respond accordingly.*

8. Remember that your goal is to manage getting your work done as efficiently and effectively as you can. *It's not to become an expert at creating to-do lists. Find what works best for you and use it!*

Like many students, you've probably had a job (or two) at some time or another while working on your degree. And your work experiences, regardless of where you've worked, are likely to have been influenced by the skills and abilities of your manager. What are today's successful managers like and what skills do they need in dealing with the problems and challenges of managing in the twenty-first century? This text is about the important work that managers do. The reality facing today's managers— and that might include you in the near future—is that the world is changing. In work-places of all types—offices, stores, labs, restaurants, factories, and the like—managers deal with changing expectations and new ways of managing employees and organizing work. In this chapter, we introduce you to managers and management by looking

at (1) why managers are important, (2) who managers are and where they work, and (3) what managers do. Finally, we wrap up the chapter by (4) looking at the factors reshaping and redefining the manager's job and (5) discussing why it's important to study management.

WHY **are managers important?**

LO1   What can a great boss do?

- Inspire you professionally and personally
- Energize you and your coworkers to accomplish things together that you couldn't get done by yourself
- Provide coaching and guidance with problems
- Provide you feedback on how you're doing
- Help you to improve your performance
- Keep you informed of organizational changes
- Change your life[1]

If you've worked with a manager like this, consider yourself lucky. Such a manager can make going to work a lot more enjoyable and productive. However, even managers who don't live up to such lofty ideals and expectations are important to organizations. Why? Let's look at three reasons.

The first reason why managers are important is because *organizations need their managerial skills and abilities* more than ever in uncertain, complex, and chaotic times. As organizations deal with today's challenges—changing workforce dynamics, the worldwide economic climate, changing technology, ever-increasing globalization, and so forth—managers play an important role in identifying critical issues and crafting responses. For example, at LVMH, the world's luxury-goods leader, you'd expect to find a team of exceptionally talented and creative innovators like Karl Lagerfeld, Carol Lim, Marc Jacobs, and Phoebe Philo. In the luxury-goods business, creative design and prestigious brands are vital. But it takes more than that to be successful. In this competitive industry, it takes more than creative design…there has to be a focus on commercial potential. That's why, behind the scenes, you'd also find a team of managers who scrutinize ideas and focus on the question: *Is this marketable?* These managers realize what is critical to success. The opposite "types" have worked together and created a successful business.[2]

Another reason why managers are important to organizations is because *they're critical to getting things done*. For instance, AT&T has some 6,750 general managers who manage the work of thousands of frontline employees.[3] These managers deal with all kinds of issues as the company's myriad tasks are carried out. They create and coordinate the workplace environment and work systems so that others can perform those tasks. Or, if work isn't getting done or isn't getting done as it should be, they're the ones who find out why and get things back on track. And these managers are key players in leading the company into the future.

Finally, *managers do matter* to organizations! How do we know that? The Gallup Organization, which has polled millions of employees and tens of thousands of managers, has found that the single most important variable in employee productivity and loyalty isn't pay or benefits or workplace environment—it's the quality of the relationship between employees and their direct supervisors.[4] In addition, global consulting firm Towers Watson found that the way a company manages and engages its people can significantly affect its financial performance.[5] That's scary considering another study by Towers Watson that found only 42 percent of respondents think their leaders inspire and engage them.[6] In yet another study by different researchers, 44 percent of the respondents said their supervisors strongly increased engagement.[7] However, in this same study, 41 percent of respondents also said their supervisors strongly decreased engagement. And, a different study of organizational performance found that managerial ability was important in creating organizational value.[8] So, as

you can see, managers can and do have an impact—positive and negative. What can we conclude from such reports? Managers are important—and they *do* matter!

WHO are managers and where do they work?

Managers may not be who or what you might expect! Managers can range in age from 18 to 80+. They run large corporations, medium-sized businesses, and entrepreneurial start-ups. They're also found in government departments, hospitals, not-for-profit agencies, museums, schools, and even nontraditional organizations such as political campaigns and music tours. Managers can also be found doing managerial work in every country on the globe. In addition, some managers are top-level managers while others are first-line managers. And today, managers are just as likely to be women as they are men; however, the number of women in top-level manager positions remains low—only 45 women were CEOs of Fortune 1000 corporations in 2013.[9] But no matter where managers are found or what gender they are, managers have exciting and challenging jobs!

Ajiti Banga is an associate product manager at Pocket Gems, a firm in San Francisco that makes and publishes mobile games such as Pet Tap Hotel and Paradise Cove. Collaborating with multiple teams of engineers and designers, Banga manages games from initial concept through development to product launch.
Source: REUTERS/Stephen Lam

Who Is a Manager?

It used to be fairly simple to define who managers were: They were the organizational members who told others what to do and how to do it. It was easy to differentiate *managers* from *nonmanagerial employees*. Now, it isn't quite that simple. In many organizations, the changing nature of work has blurred the distinction between managers and nonmanagerial employees. Many traditional nonmanagerial jobs now include managerial activities.[10] For example, at General Cable Corporation's facility in Moose Jaw, Saskatchewan, Canada, managerial responsibilities are shared by managers and team members. Most of the employees at Moose Jaw are cross-trained and multiskilled. Within a single shift, an employee can be a team leader, equipment operator, maintenance technician, quality inspector, or improvement planner.[11] Or consider an organization like Morning Star Company, the world's largest tomato processor, where no employees are called managers—just 400 full-time employees who do what needs to be done and who together "manage" issues such as job responsibilities, compensation decisions, and budget decisions.[12] Sounds crazy, doesn't it? But it works—for this organization. (See Case Application #1 at the end of the chapter to see how another business—Zappos—has gone bossless!)

So, how *do* we define who managers are? A **manager** is someone who coordinates and oversees the work of other people so organizational goals can be accomplished. A manager's job is not about *personal* achievement—it's about helping *others* do their work. That may mean coordinating the work of a departmental group, or it might mean supervising a single person. It could involve coordinating the work activities of a team with people from different departments or even people outside the organization such as temporary employees or individuals who work for the organization's suppliers. Keep in mind that managers may also have work duties not related to coordinating and overseeing others' work. For example, an insurance claims supervisor might process claims in addition to coordinating the work activities of other claims clerks.

How can managers be classified in organizations? In traditionally structured organizations (often pictured as a pyramid because more employees are at lower organizational levels than at upper organizational levels), managers can be classified as first-line, middle, or top. (See Exhibit 1-1.) At the lowest level of management, **first-line (or frontline) managers** manage the work of nonmanagerial employees who typically are involved with producing the organization's products or servicing the organization's customers. These managers often have titles such as *supervisors* or even

manager
Someone who coordinates and oversees the work of other people so organizational goals can be accomplished

first-line (frontline) managers
Managers at the lowest level of management who manage the work of nonmanagerial employees

Exhibit 1-1
Levels of Management
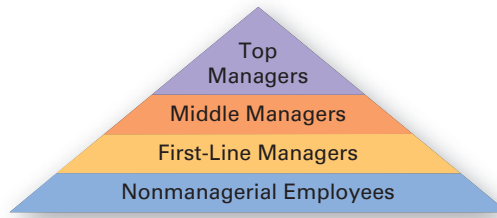
middle managers
Managers between the lowest level and top levels of the organization who manage the work of first-line managers

top managers
Managers at or near the upper levels of the organization structure who are responsible for making organization-wide decisions and establishing the goals and plans that affect the entire organization

organization
A deliberate arrangement of people to accomplish some specific purpose

FYI

- Frontline managers directly supervise some 80 percent of the total workforce.[13]
- 10.8 million middle managers were in the U.S. workforce in 2012.[14]

shift managers, district managers, department managers, or *office managers*. **Middle managers** manage the work of first-line managers and can be found between the lowest and top levels of the organization. They may have titles such as *regional manager, project leader, store manager*, or *division manager*. At the upper levels of the organization are the **top managers**, who are responsible for making organization-wide decisions and establishing the plans and goals that affect the entire organization. These individuals typically have titles such as *executive vice president, president, managing director, chief operating officer,* or *chief executive officer*.

Not all organizations are structured to get work done using a traditional pyramidal form, however. Some organizations, for example, are more loosely configured, with work done by ever-changing teams of employees who move from one project to another as work demands arise. Although it's not as easy to tell who the managers are in these organizations, we do know that someone must fulfill that role—that is, someone must coordinate and oversee the work of others, even if that "someone" changes as work tasks or projects change or that "someone" doesn't necessarily have the title of manager.

Where Do Managers Work?

It's obvious that managers work in organizations. But what is an **organization**? It's a deliberate arrangement of people to accomplish some specific purpose. Your college or university is an organization; so are fraternities and sororities, government departments, churches, Google, your neighborhood grocery store, the United Way, the St. Louis Cardinals baseball team, and the Mayo Clinic. All are considered organizations and have three common characteristics. (See Exhibit 1-2.)

First, an organization has a distinct purpose typically expressed through goals the organization hopes to accomplish. Second, each organization is composed of people. It takes people to perform the work that's necessary for the organization to achieve its goals. Third, all organizations develop a deliberate structure within which members do their work. That structure may be open and flexible, with no specific job duties or strict adherence to explicit job arrangements. For instance, most big projects at Google (at any one time, hundreds of projects are in process simultaneously) are tackled by small, focused employee teams that set up in an instant and complete work just as quickly.[15] Or the structure may be more traditional—like that of Procter & Gamble or General Electric or any large corporation—with clearly defined rules, regulations, job descriptions, and some members identified as "bosses" who have authority over other members.

Exhibit 1-2
Characteristics of Organizations
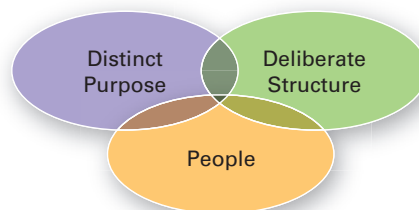
FUTURE VISION | Is It Still Managing When What You're Managing Are Robots?

While this text presents a fairly accurate description of today's workplace, you're going to spend most of your worklife in the future. What will that worklife look like? How will it be different from today? The workplace of tomorrow is likely to include workers that are faster, smarter, more responsible—and who just happen to be robots.[16] Are you at all surprised by this statement? Although robots have been used in factory and industrial settings for a long time, it's becoming more common to find robots in the office, and it's bringing about new ways of looking at how work is done and at what and how managers manage. So what *would* the manager's job be like managing robots? And even more intriguing is how these "workers" might affect how human coworkers interact with them.

As machines have become smarter, researchers have been looking at human-machine interaction and how people interact with the smart devices that are now such an integral part of our professional and personal lives. One conclusion is that people find it easy to bond with a robot, even one that doesn't look or sound anything like a real person. In a workplace setting, if a robot moves around in a "purposeful way," people tend to view it, in some ways, as a coworker. People name their robots and can even describe the robot's moods and tendencies. As telepresence robots become more common, the humanness becomes even more evident. For example, when Erwin Deininger, the electrical engineer at Reimers Electra Steam, a small company in Clear Brook, Virginia, moved to the Dominican Republic when his wife's job transferred her there, he was able to still be "present" at the company via his VGo robot. Now "robot" Deininger moves easily around the office and the shop floor, allowing the "real" Deininger to do his job just as if he were there in person. The company's president, satisfied with how the robot solution has worked out, has been surprised at how he acts around it, feeling at times that he's interacting with Deininger himself.

There's no doubt that robot technology will continue to be incorporated into organizational settings. The manager's job will become even more exciting and challenging as humans and machines work together to accomplish an organization's goals.

If your professor has chosen to assign this, go to **www.mymanagementlab.com** *to discuss the following questions.*

⭐ **TALK ABOUT IT 1:** What's your response to the title of this box: *Is* it still managing when what you're managing are robots? Discuss.

⭐ **TALK ABOUT IT 2:** If you had to "manage" people and robots, how do you think your job as manager might be different than what the chapter describes?

Many of today's organizations are structured more like Google, with flexible work arrangements, employee work teams, open communication systems, and supplier alliances. In these organizations, work is defined in terms of tasks to be done. And workdays have no time boundaries since work can be—and is—done anywhere, anytime. However, no matter what type of approach an organization uses, some deliberate structure is needed so work can get done, with managers overseeing and coordinating that work.

WHAT **do managers do?**

L03 Simply speaking, management is what managers do. But that simple statement doesn't tell us much, does it? Let's look first at what management is before discussing more specifically what managers do.

Management involves coordinating and overseeing the work activities of others so their activities are completed efficiently and effectively. We already know that coordinating and overseeing the work of others is what distinguishes a managerial position from a nonmanagerial one. However, this doesn't mean that managers or their employees can do what they want anytime, anywhere, or in any way. Instead, management involves ensuring that work activities are completed efficiently and effectively by the people responsible for doing them, or at least that's what managers should be doing.

management
Coordinating and overseeing the work activities of others so their activities are completed efficiently and effectively

Exhibit 1-3
Efficiency and Effectiveness
in Management

Efficiency (Means)   Effectiveness (Ends)

Resource Usage	Goal Attainment
Low Waste	High Attainment

Management Strives for:
Low Resource Waste (high efficiency)
High Goal Attainment (high effectiveness)
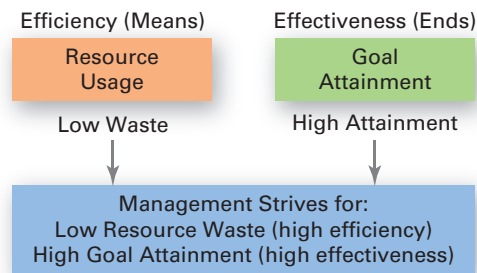
efficiency
Doing things right, or getting the most
output from the least amount of inputs

Efficiency refers to getting the most output from the least amount of inputs or resources. Managers deal with scarce resources—including people, money, and equipment—and want to use those resources efficiently. Efficiency is often referred to as "doing things right," that is, not wasting resources. For instance, at the HON Company plant in Cedartown, Georgia, where employees make and assemble office furniture, efficient manufacturing techniques were implemented by cutting inventory levels, decreasing the amount of time to manufacture products, and lowering product reject rates. These efficient work practices paid off, as the plant reduced costs by more than $7 million in one year.[17]

effectiveness
Doing the right things, or doing those
work activities that will result in achieving
goals

It's not enough, however, just to be efficient. Management is also concerned with employee effectiveness. **Effectiveness** is often described as "doing the right things," that is, doing those work activities that will result in achieving goals. For instance, at the HON factory, goals included meeting customers' rigorous demands, executing world-class manufacturing strategies, and making employees' jobs easier and safer. Through various employee work initiatives, these goals were pursued *and* achieved. Whereas efficiency is concerned with the *means* of getting things done, effectiveness is concerned with the *ends*, or attainment of organizational goals (see Exhibit 1-3). In successful organizations, high efficiency and high effectiveness typically go hand in hand. Poor management (which leads to poor performance) usually involves being inefficient and ineffective or being effective but inefficient.

★ **It's Your Career**

Time Management—If your instructor is using MyManagementLab, log onto **www.mymanagementlab.com** and test your *time management knowledge*. **Be sure to refer back to the chapter opener!**

Now let's take a more detailed look at what managers do. Describing what managers do isn't easy. Just as no two organizations are alike, no two managers' jobs are alike. In spite of this, management researchers have developed three approaches to describe what managers do: functions, roles, and skills.

Management Functions

According to the functions approach, managers perform certain activities or functions as they efficiently and effectively coordinate the work of others. What are these functions? Henri Fayol, a French businessman in the early part of the twentieth century, suggested that all managers perform five functions: planning, organizing, commanding, coordinating, and controlling.[18] (See Management History Module for more information.) Today, we use four functions to describe a manager's work: planning, organizing, leading, and controlling (see Exhibit 1-4). Let's briefly look at each.

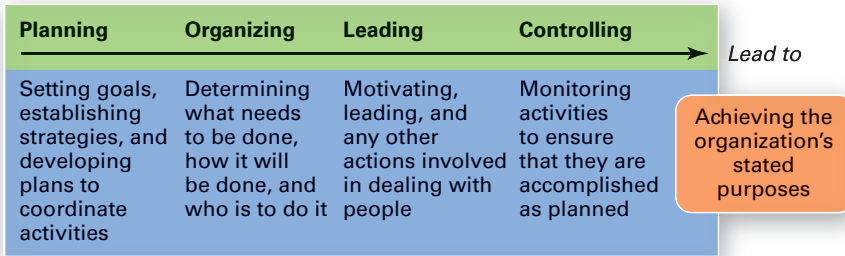| Planning	Organizing	Leading	Controlling	
Setting goals, establishing strategies, and developing plans to coordinate activities	Determining what needs to be done, how it will be done, and who is to do it	Motivating, leading, and any other actions involved in dealing with people	Monitoring activities to ensure that they are accomplished as planned	Achieving the organization's stated purposes

Lead to

Exhibit 1-4
Four Functions of Management

If you have no particular destination in mind, then any road will do. However, if you have someplace in particular you want to go, you've got to plan the best way to get there. Because organizations exist to achieve some particular purpose, someone must define that purpose and the means for its achievement. Managers are that someone. As managers engage in **planning**, they set goals, establish strategies for achieving those goals, and develop plans to integrate and coordinate activities.

Managers are also responsible for arranging and structuring work that employees do to accomplish the organization's goals. We call this function **organizing**. When managers organize, they determine what tasks are to be done, who is to do them, how the tasks are to be grouped, who reports to whom, and where decisions are to be made.

Every organization has people, and a manager's job is to work with and through people to accomplish goals. This is the **leading** function. When managers motivate subordinates, help resolve work group conflicts, influence individuals or teams as they work, select the most effective communication channel, or deal in any way with employee behavior issues, they're leading.

The final management function is **controlling**. After goals and plans are set (planning), tasks and structural arrangements are put in place (organizing), and people are hired, trained, and motivated (leading), there has to be an evaluation of whether things are going as planned. To ensure goals are met and work is done as it should be, managers monitor and evaluate performance. Actual performance is compared with the set goals. If those goals aren't achieved, it's the manager's job to get work back on track. This process of monitoring, comparing, and correcting is the controlling function.

Just how well does the functions approach describe what managers do? Do managers always plan, organize, lead, and then control? Not necessarily. What a manager does may not always happen in this sequence. However, regardless of the order in which these functions are performed, managers do plan, organize, lead, and control as they manage.

Leading is an important function that Bo Ryan performs as head basketball coach for UW-Madison. He manages effectively by directing and coordinating the work activities of his coaching staff and team of athletes and by motivating them to achieve the goals and objectives of the university's basketball program.
Source: David Stluka /AP Images

planning
Management function that involves setting goals, establishing strategies for achieving those goals, and developing plans to integrate and coordinate activities

organizing
Management function that involves arranging and structuring work to accomplish the organization's goals

leading
Management function that involves working with and through people to accomplish organizational goals

If your professor has assigned this, go to **www.mymanagementlab.com** to complete the **Simulation:** *What Is Management?* and see how well you can apply the ideas of planning, organizing, leading, and controlling.

⭐ **Try It 1!**

controlling
Management function that involves monitoring, comparing, and correcting work performance

Although the functions approach is a popular way to describe what managers do, some have argued that it isn't relevant.[19] So let's look at another perspective.