CHAPTER ONE

Introduction to Management

DETAILED LECTURE OUTLINE

I. Why study management?
   A. Increases future job opportunities by developing important technical, human, and conceptual skills
   B. Help people understand and work with their own boss
   C. Management is important in all organizations, big and small, government, nonprofit, etc.
      Different levels of management include
      1. First-line supervisors = manage the work of organizational members who are involved in the actual production or creation of the organization’s products or services
      2. Middle managers = manage the work of first-line managers and others
      3. Top managers = have organization-wide managerial responsibilities (e.g., chief executive officer, vice-president, board chairs)
   D. Help people understand and work with their own boss

II. What is management? An organizing framework
   A. An organization is a goal-directed, deliberately structured group of people working together to achieve results

   B. Henri Fayol’s four functions of management
      1. Planning
      2. Organizing
      3. Leading
      4. Controlling

   C. Henry Mintzberg’s Managerial “Roles” and “Subroles”
      1. Interpersonal roles (leader, liaison, figurehead)
      2. Decisional roles (resource allocator, negotiator, entrepreneur, crisis handler)
      3. Informational roles (monitor, disseminator, spokesperson)

   D. Comparing Fayol and Mintzberg
      1. Planning
         a) Definition = identifying an organization’s goals and strategies, and the appropriate organizational resources required to achieve them.
         b) Corresponds to Mintzberg’s entrepreneur, negotiator, and spokesperson
      2. Organizing
         a) Definition = ensuring that tasks have been assigned and a structure of organizational relationships created that facilitates meeting organizational goals.
         b) Corresponds to Mintzberg’s resource allocator
      3. Leading
         a) Definition = relating with others so that their work efforts lead to the achievement of organizational goals.
b) Corresponds to Mintzberg’s leader, liaison, and disseminator

4. Controlling
   a) Definition = ensuring that the actions of organizational members are consistent with
      the organization’s values and standards.
   b) Corresponds to Mintzberg’s monitor, crisis handler, and figurehead

E. Defining “effective” management
   1. Effectiveness = choosing the “right” organizational goals to pursue
   2. Efficiency = maximizing outputs while minimizing inputs
      a) Outputs = goods and services delivered by the organization
      b) Inputs = human, material, and information resources used to create goods and services
   3. Two approaches to defining effective management (Max Weber)
      a) Mainstream management
         (1) Emphasis on materialism and individualism
         (2) Primary goals include maximizing productivity, profitability, and
            competitiveness
      b) Multistream management
         (1) Emphasis on multiple forms of well-being and multiple stakeholders
            (a) Stakeholder = any group or person in or outside the organization who
               is directly affected by the organization and has a stake in its performance
               (e.g., owners, members, suppliers, competitors, customers, neighbors)
            (b) Alternative forms of well-being = social justice, ecological sustainability, strong
               community relationships.

III. Comparing Mainstream management and Multistream management
   A. Mainstream and Multistream managers represent two prototypes or “ideal” types on opposite
      extremes of a continuum
      1. Two approaches to planning
         a) Mainstream: measurable goals, bottom-line monetary focus, top-down linear analysis
         b) Multistream: practical wisdom, participation, goals other than monetary
      2. Two approaches to organizing
         a) Mainstream: centralization, standardization, specialization
         b) Multistream: courage, experimentation
            (1) Courage = implementing initiatives that have potential to improve overall
               happiness even if it might threaten one’s own status
      3. Two approaches to leading
         a) Mainstream: instrumental motivation, extrinsic rewards, output-oriented
            (1) Instrumental skills = Getting people to act in ways that fulfill our own needs
         b) Multistream: relational self-control, dignity, facilitate intrinsic motivation
            (1) Relationship skills = Used to create and deepen relationships because
               relationships are viewed as ends rather than as means to achieve one’s personal
               objectives
      4. Two approaches to controlling
         a) Mainstream: vigilance, monitoring, ensuring that members do what they are supposed
            to be doing
            (1) Value chain = sequence of activities needed to convert organizational inputs
               into outputs
            (2) Information systems = help to identify, collect, organize, and disseminate
               information
(3) Bureaucratic control = emphasis on rules, regulations, policies, and standard operating procedures to control organizational members
(4) Market control = using competition among organizational members to control their behavior
(5) Clan control = using values, norms, and expectations to control organizational members

b) Multistream: justice, fairness, sensitization, compassion

IV. Why study both Mainstream and Multistream approaches?
   A. More thorough understanding of management concepts
   B. Student self-exploration of values; emphasizes that no approach is value-free or amoral
   C. Develop critical thinking skills to analyze advantages and disadvantages of each approach
   D. Reduce bias