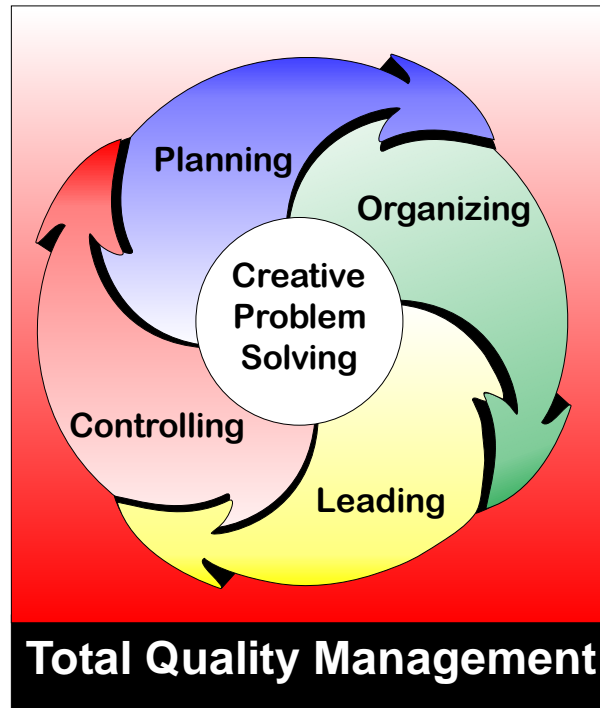


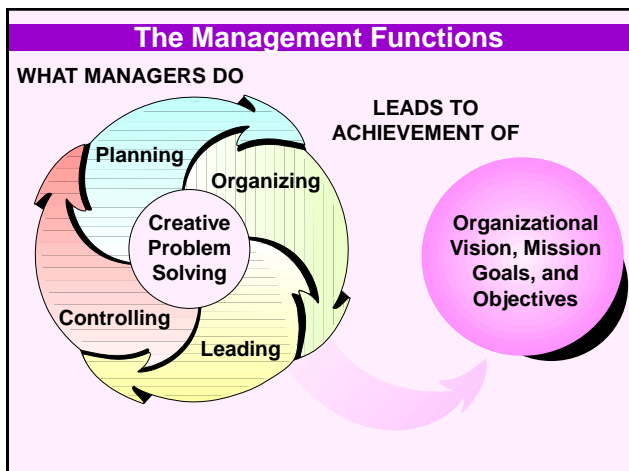
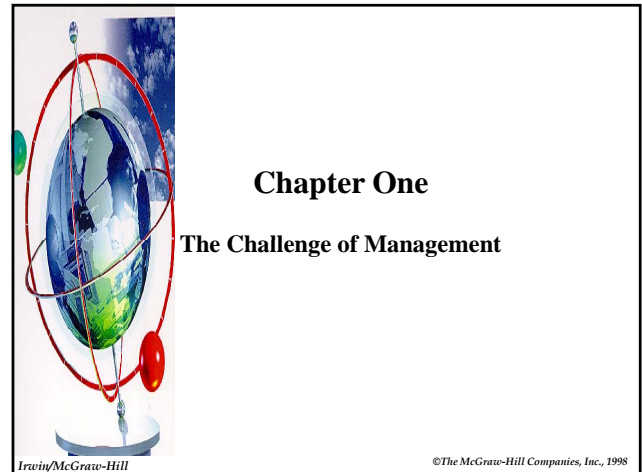
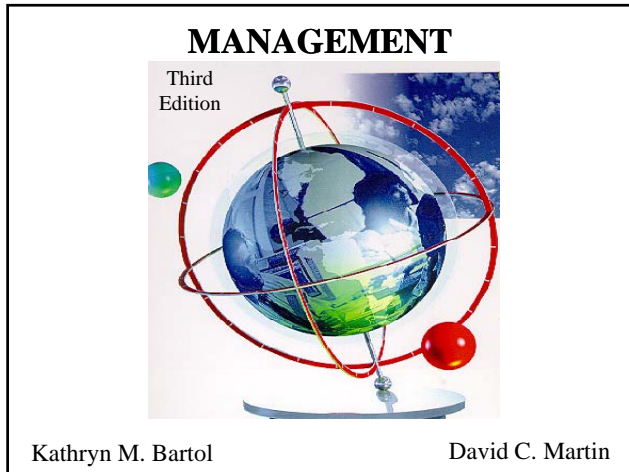


LEADERSHIP DEVELOPMENT



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Mission Functions

Activities directly associated with accomplishing an organization's mission. These include planning, Organizing, Leading, and Controlling

Planning

The process of setting objectives and determining how those objectives are to be achieved in an uncertain future.

Organizing

The process of determining how resources are allocated and prepared to accomplish an organization's mission.

Leading

The process of making decisions about how to influence people's behavior and then carrying out those decisions.

Controlling

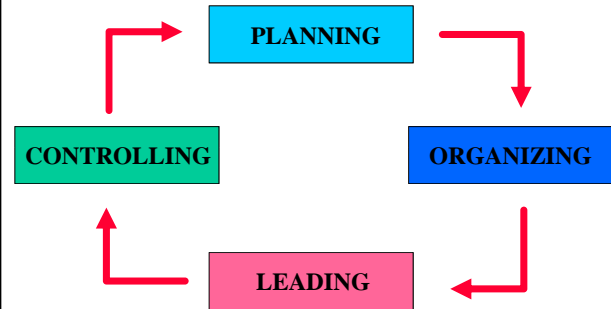
The process of ascertaining whether organizational objectives have been achieved and, if not, determining what actions should be taken to achieve them in the future.

Creative Problem Solving

The process of practicing ongoing environmental analysis, recognizing and identifying a problem, making assumptions about the decision environment, generating creative alternatives to solve the identified problem, deciding among those alternatives, acting to implement the chosen alternative(s), and controlling for results.

TM 1-2

FOUR FUNCTIONS OF THE MANAGERIAL PROCESS

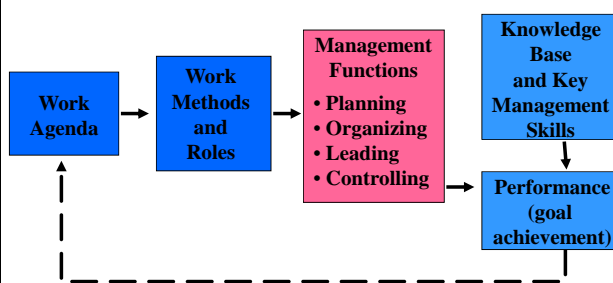


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THE MANAGEMENT PROCESS

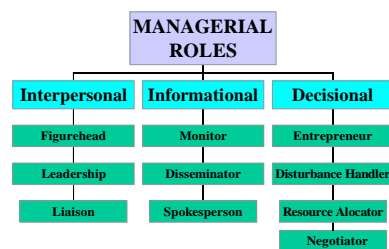


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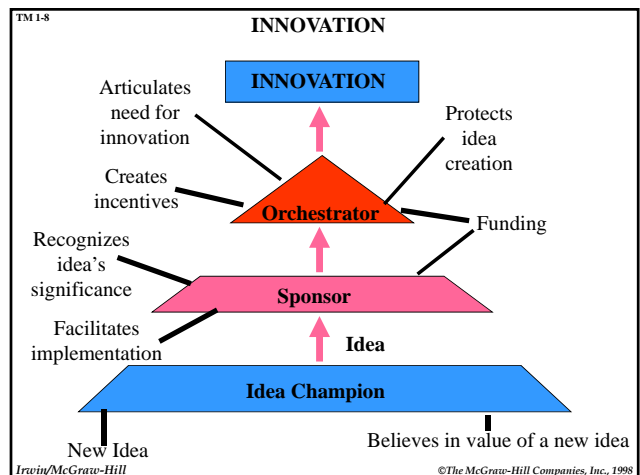
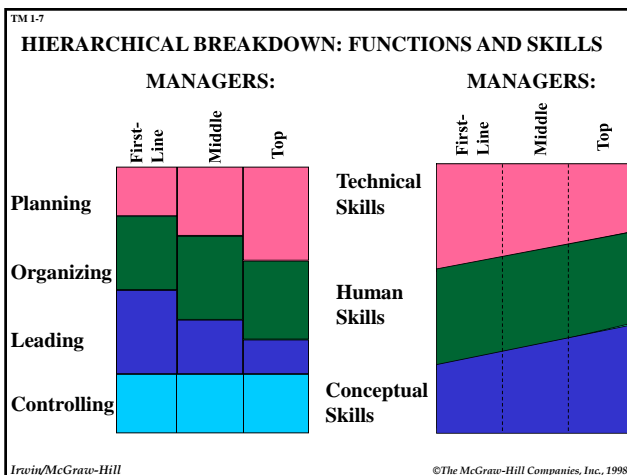
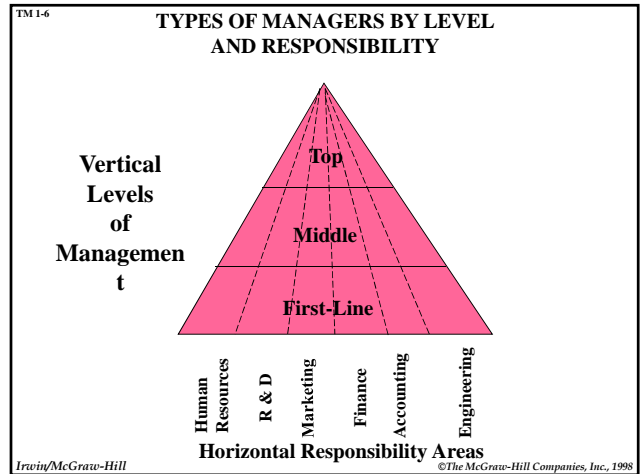
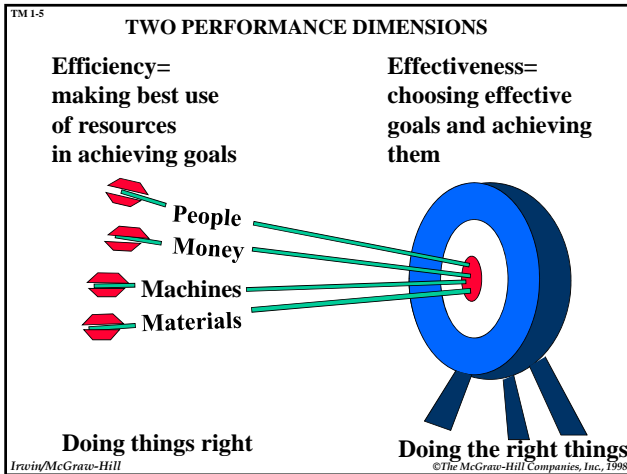
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MANAGERIAL ROLES



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Chapter Two

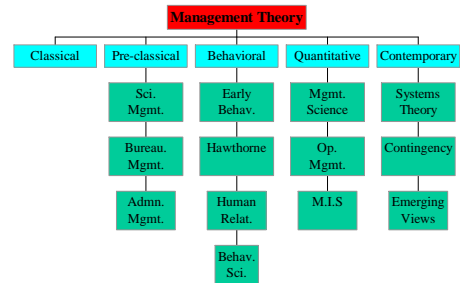
Pioneering Ideas in Management

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TM 2-2

EVOLUTION OF MANAGEMENT THEORY



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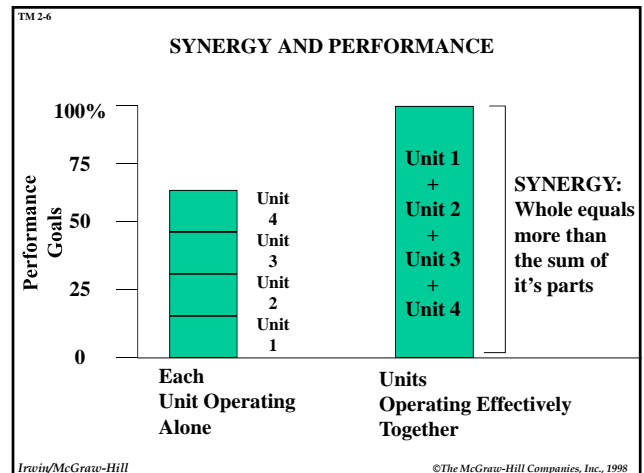
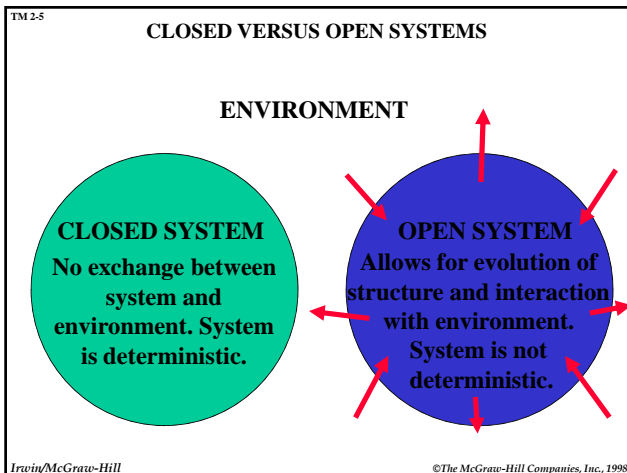
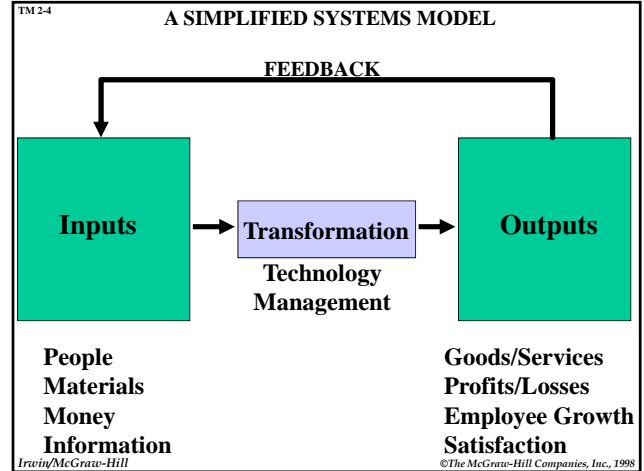
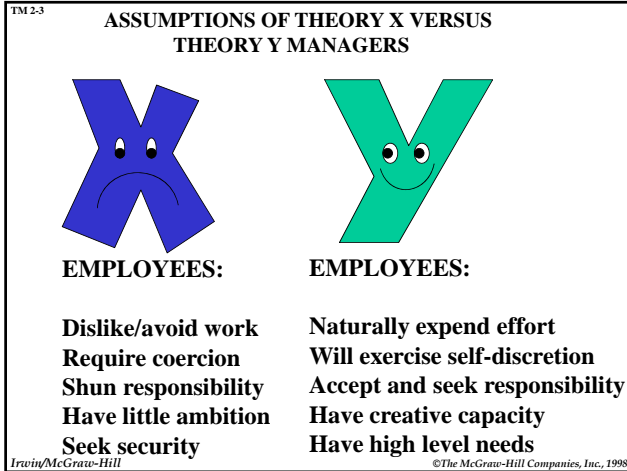
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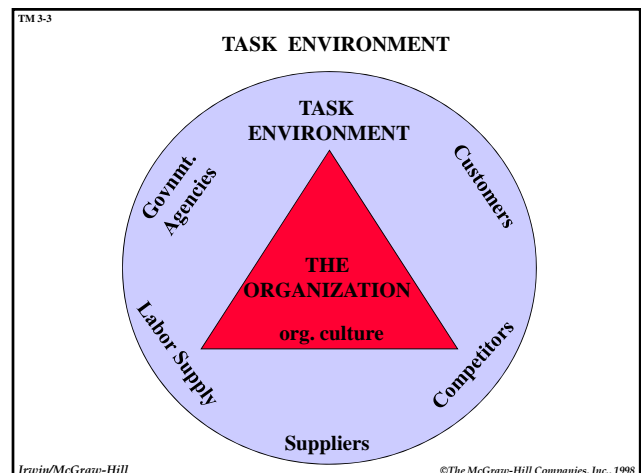
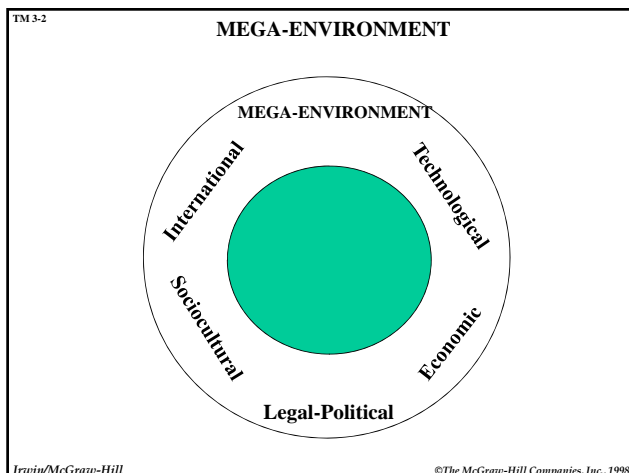
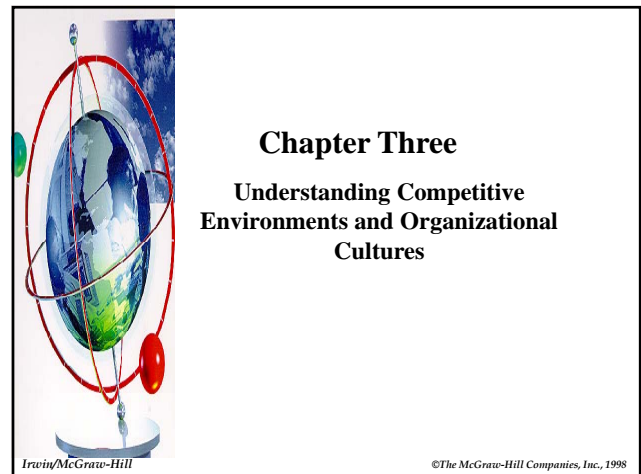
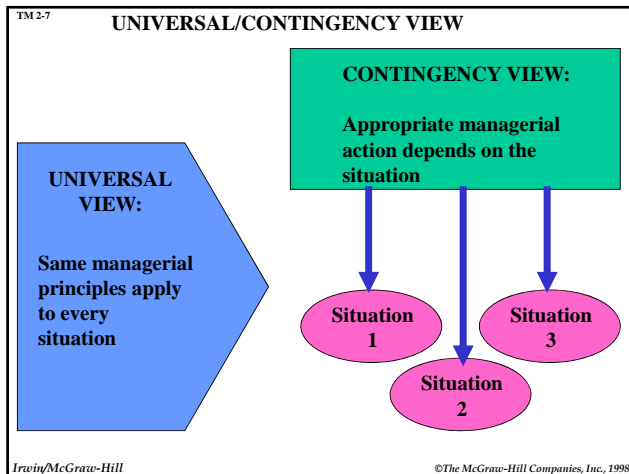
Acceptance Theory

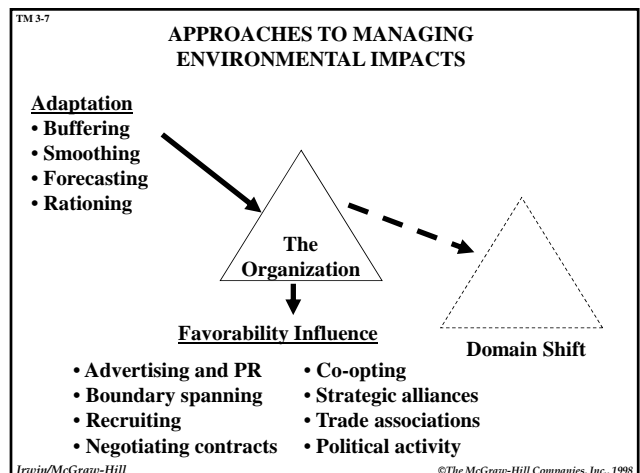
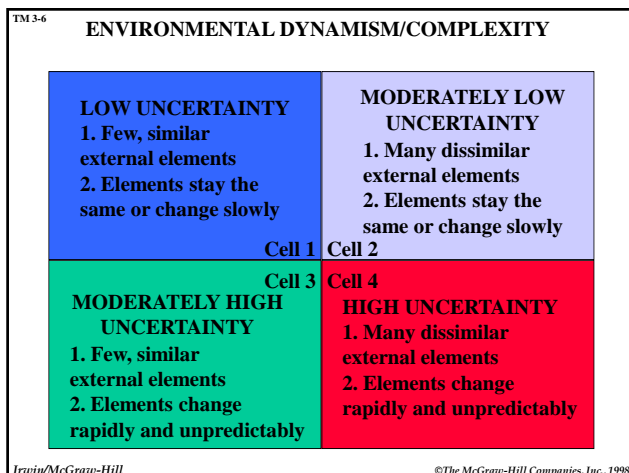
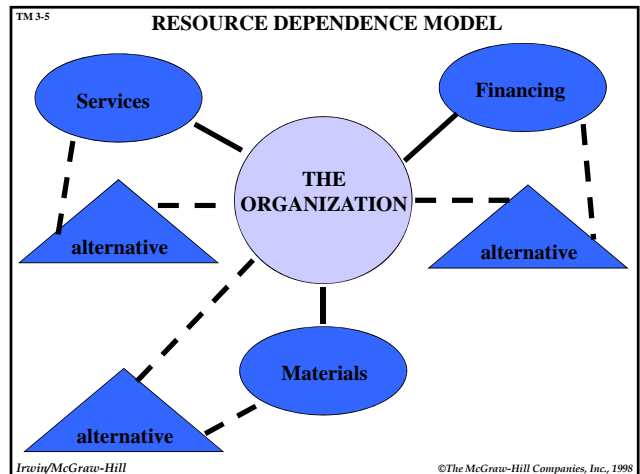
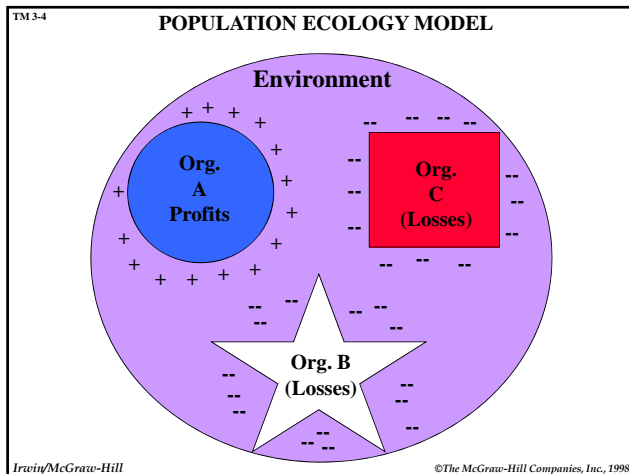
A theory that argues that authority does not depend as much on “persons of authority” who *give* orders as on the willingness to comply of those who *receive* the orders.

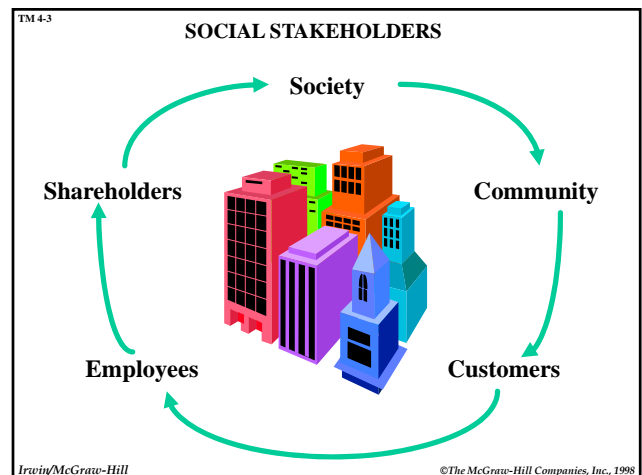
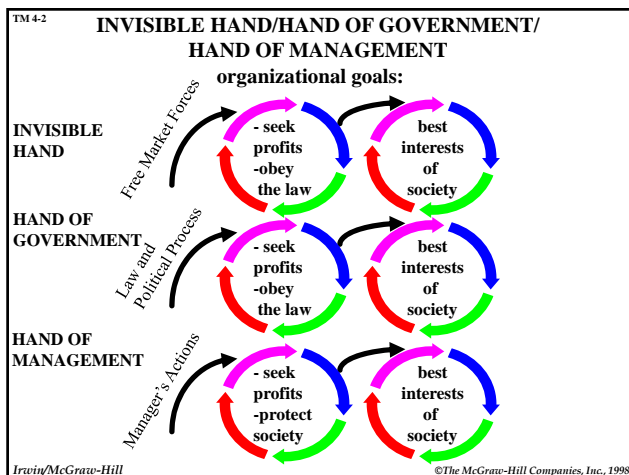
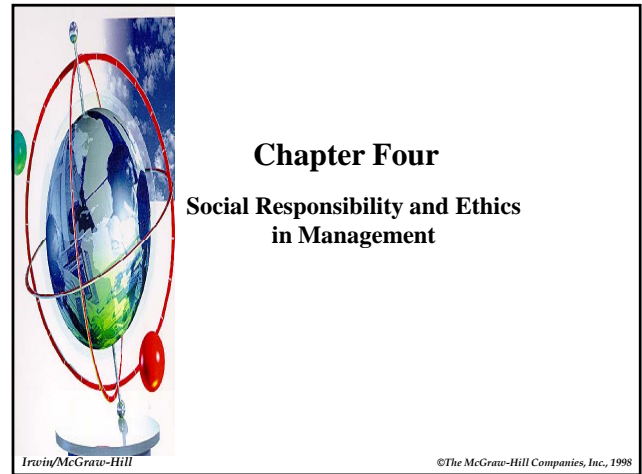
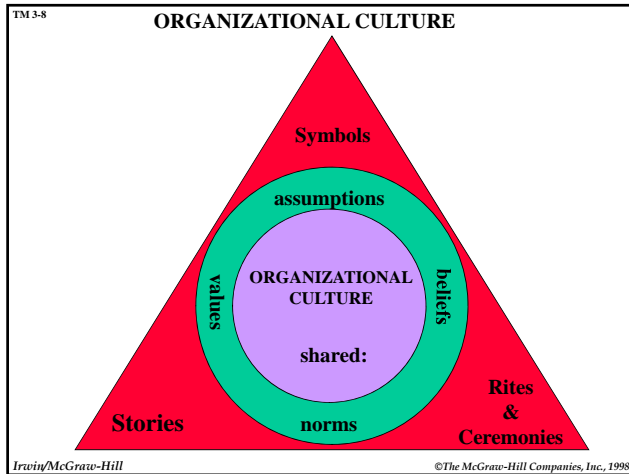
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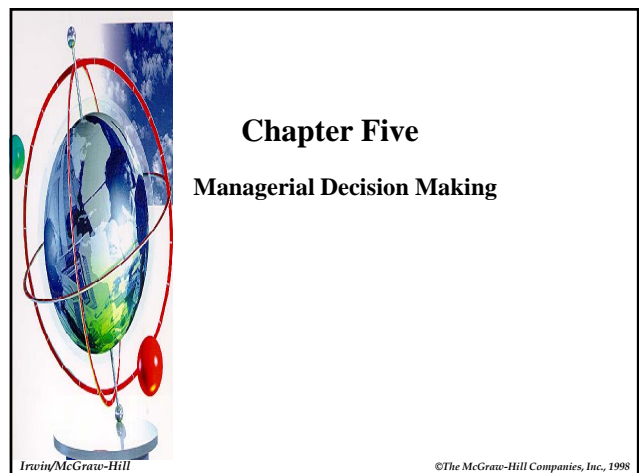
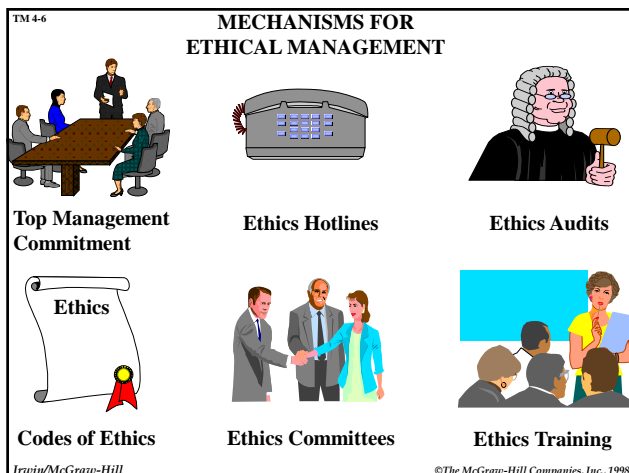
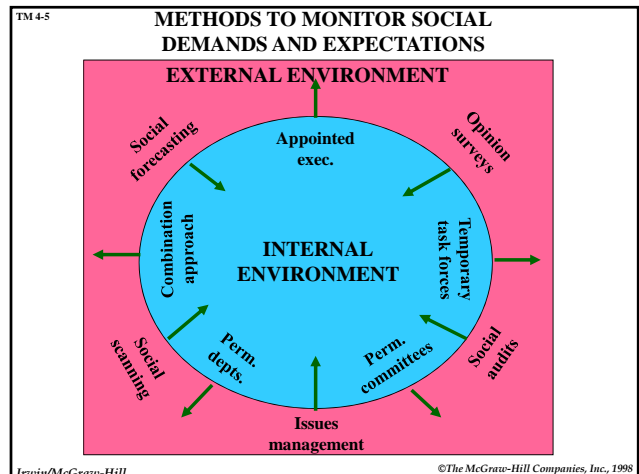
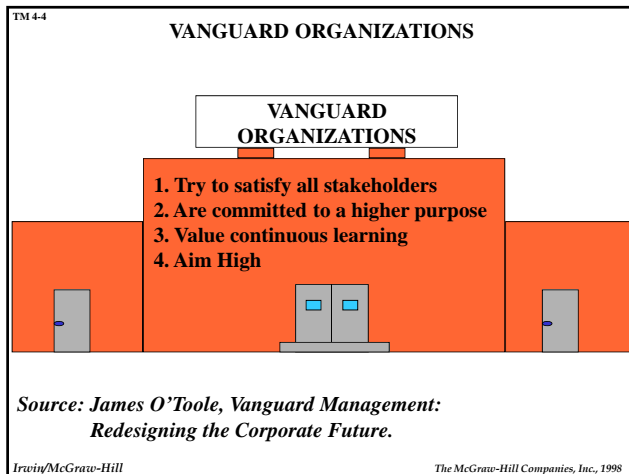
An effect produced by a secondary factor in an experiment, such as the attention given to the subjects, rather than by the factor under study.

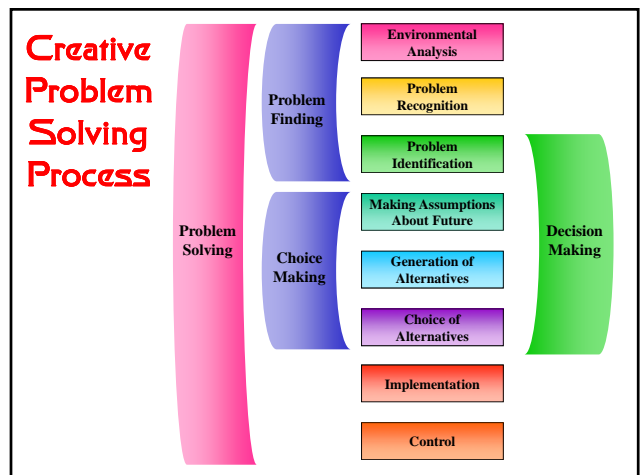
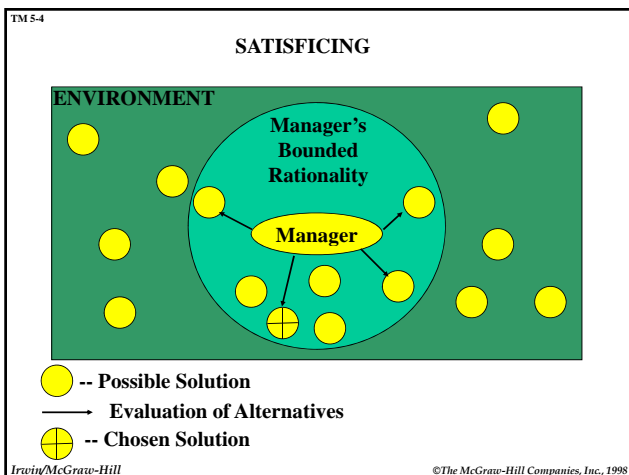
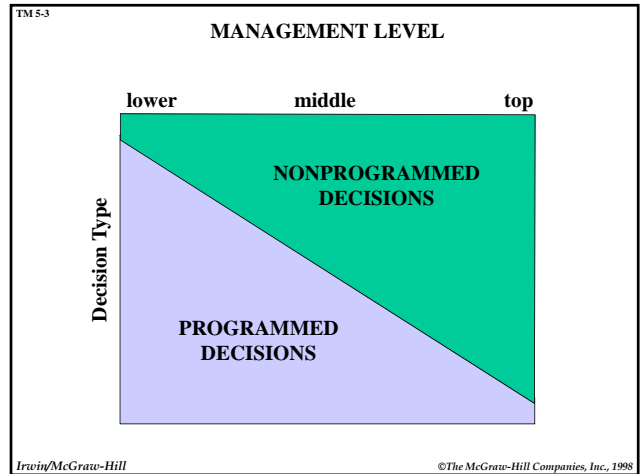
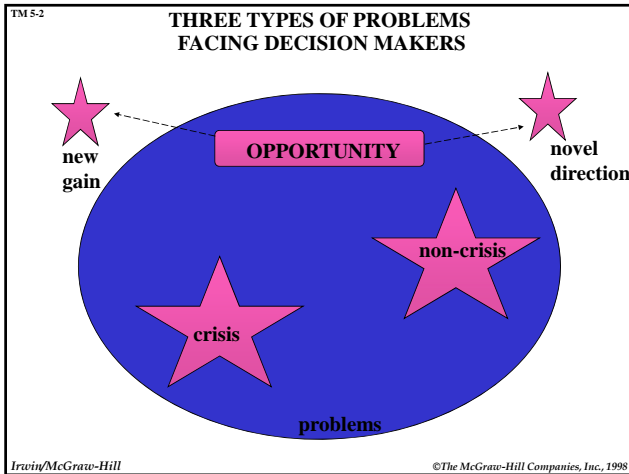


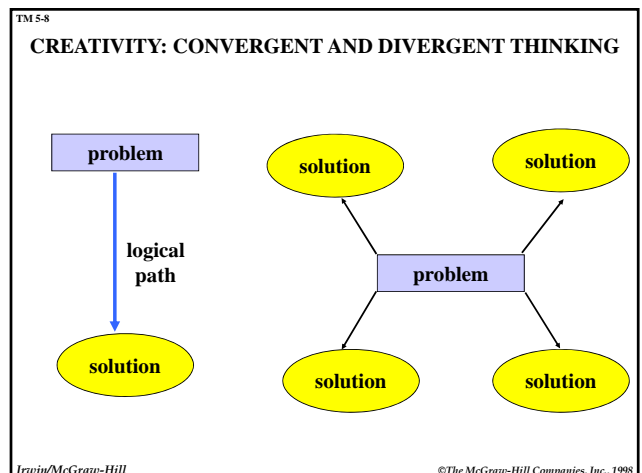
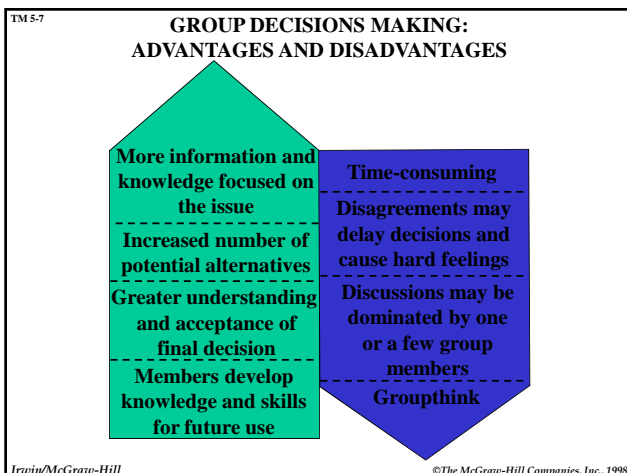
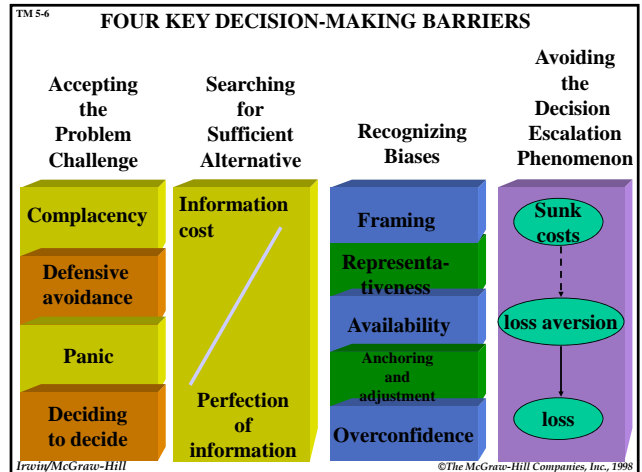
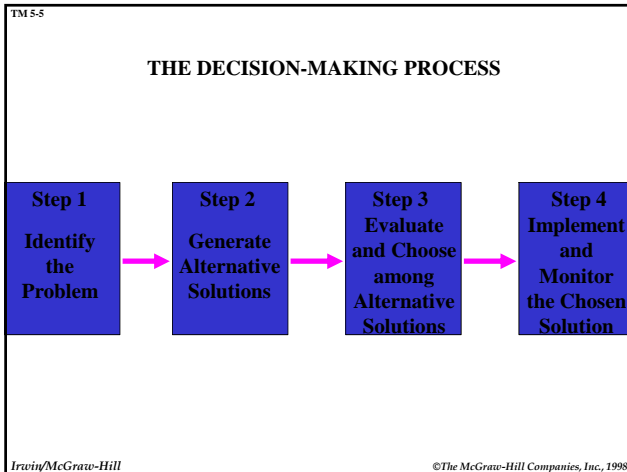


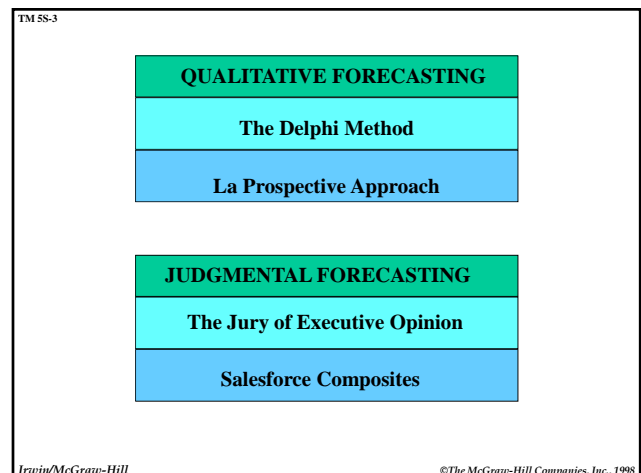
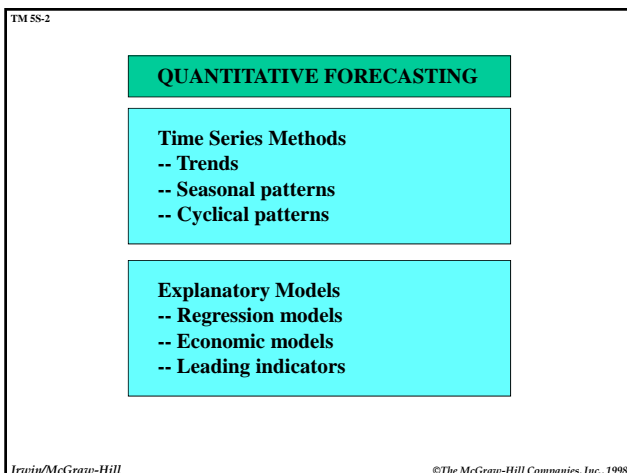
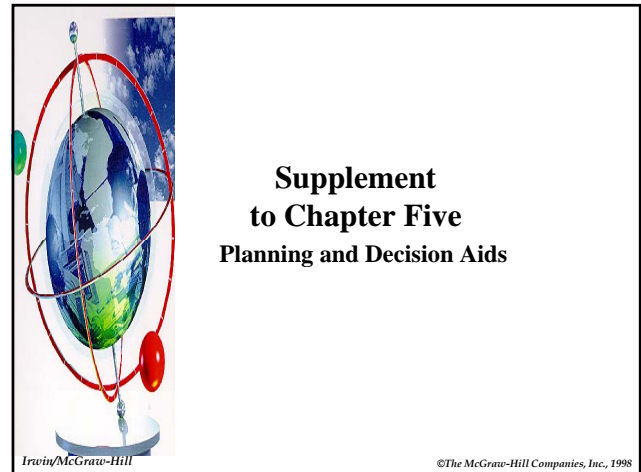
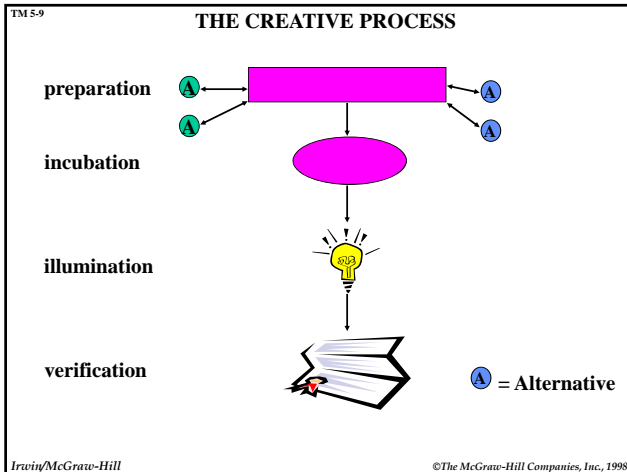


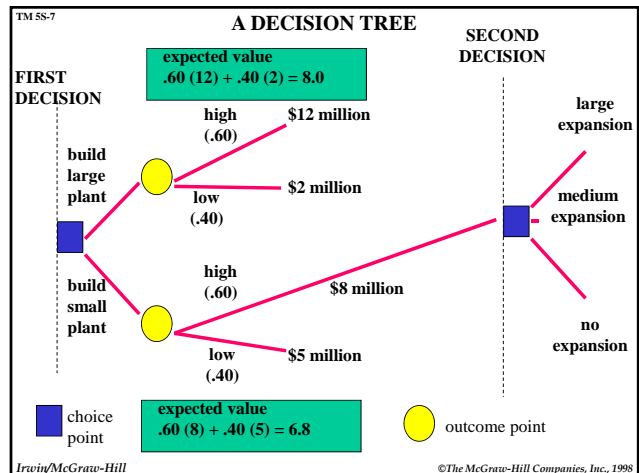
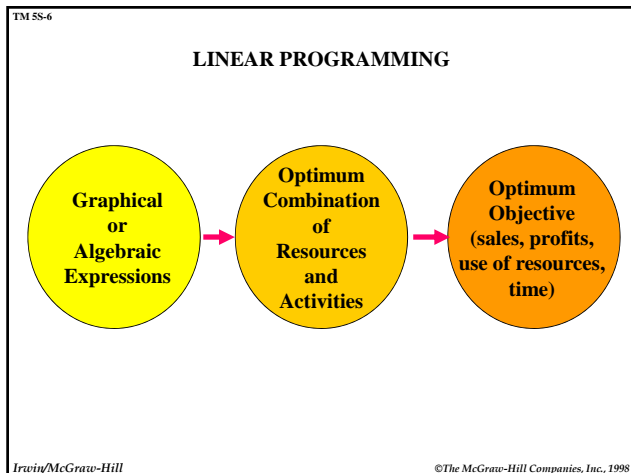
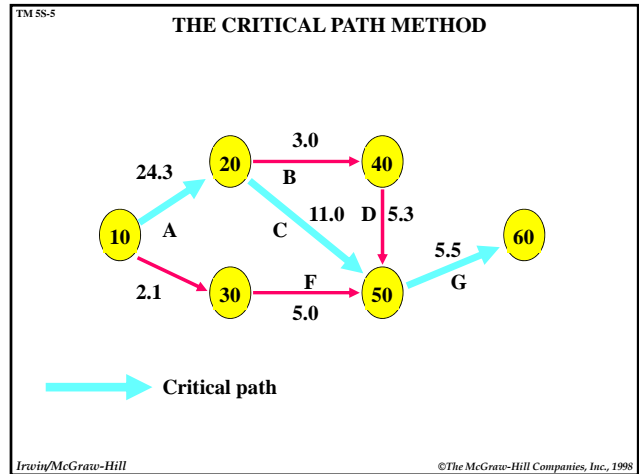
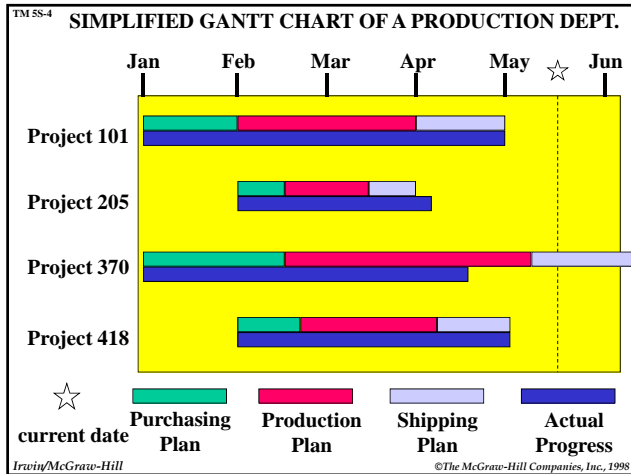


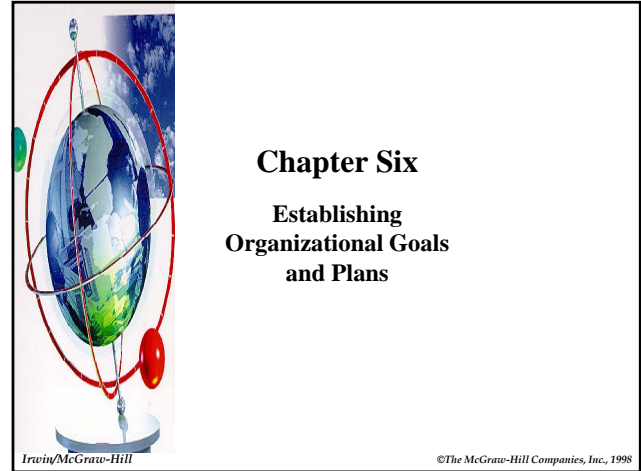
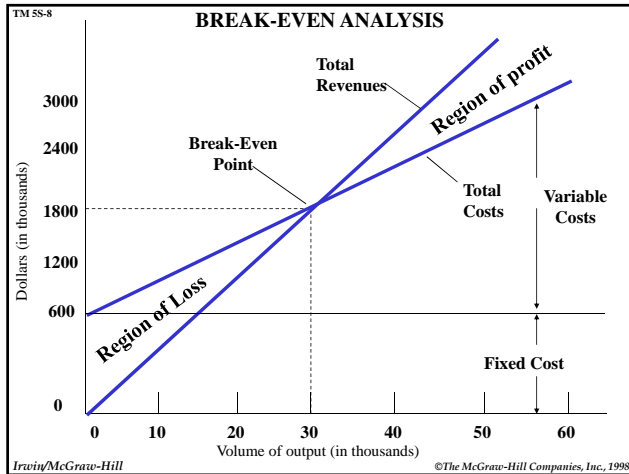












Vision

The nonspecific directional and motivational guidance for the entire organization.

It describes where the company or group is going in the most general terms, but it must also provide emotional direction.

To be effective, visions must be inspiring, they must also be clear and challenging.

Example

“To make a contribution to the world by making tools for the mind that advance mankind.”

Steven Jobs; Apple Computers

Vision Quest

Vision

To provide organizations the tools, training, and resources they need in order to attain management with quality rather than management of quality.

Mission

A broad statement of business scope and operations that distinguishes an organization from other, similar organizations.

The four elements of a mission statement are:

- Purpose
- Strategy
- Behavior standards
- Values

The critical role of the organizational mission as the basis of orchestrating managerial actions is repeatedly demonstrated by failing firms whose short-run actions are ultimately found to be counterproductive to the long-run purpose.



Mission

•To provide our...

- ...customers with services, training programs, resources, materials, and technologies that are high quality, consistent, concise, relevant, and comprehensive.
- ...employees with a quality compensation program that focuses on personal and professional growth.
- ...organization with a return on investment in order to provide future growth opportunities and the ability to enhance services to our customers and employees.

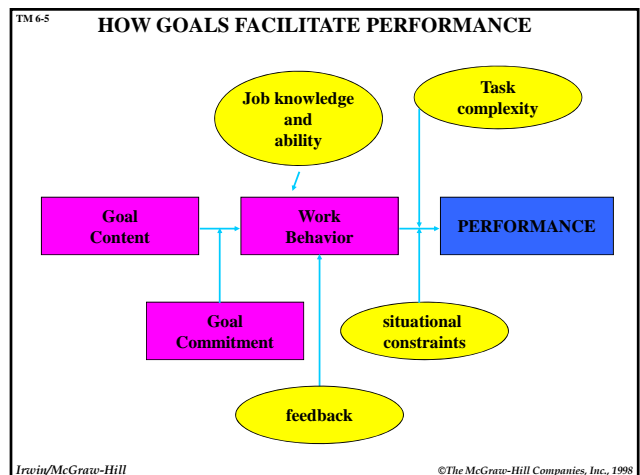
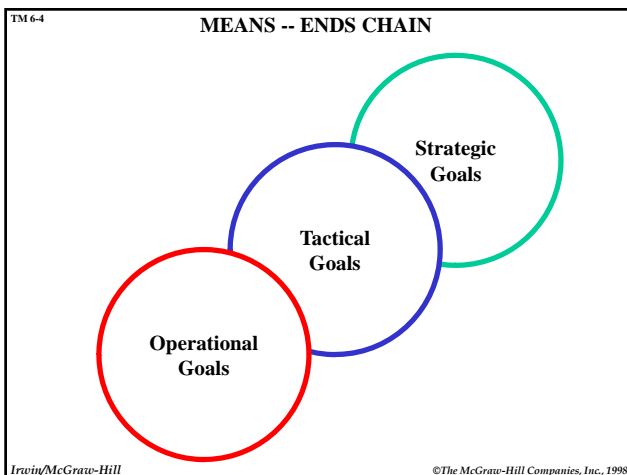
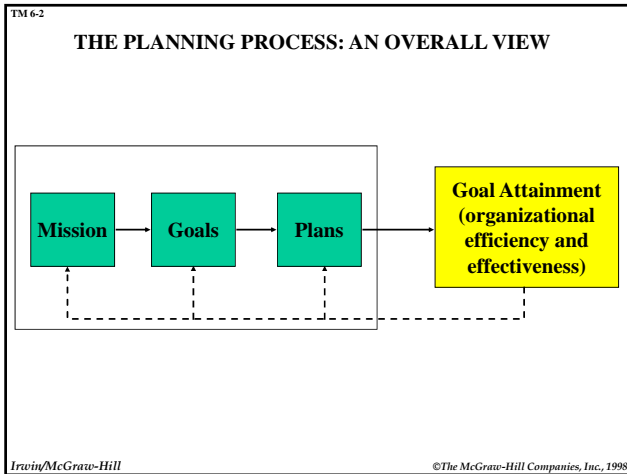
Goals

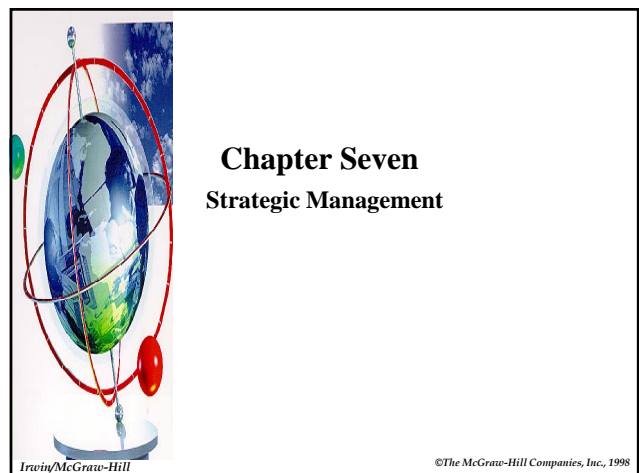
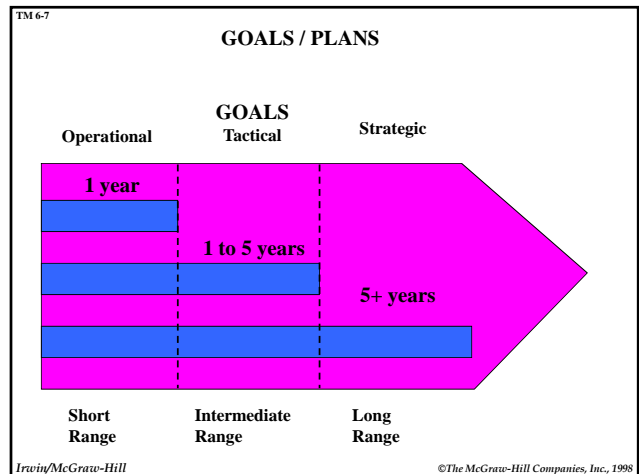
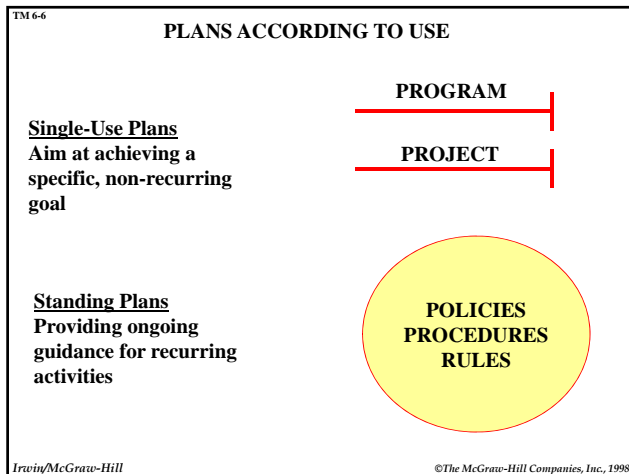
The refinements of the Organization's mission that address key issues within the organization.

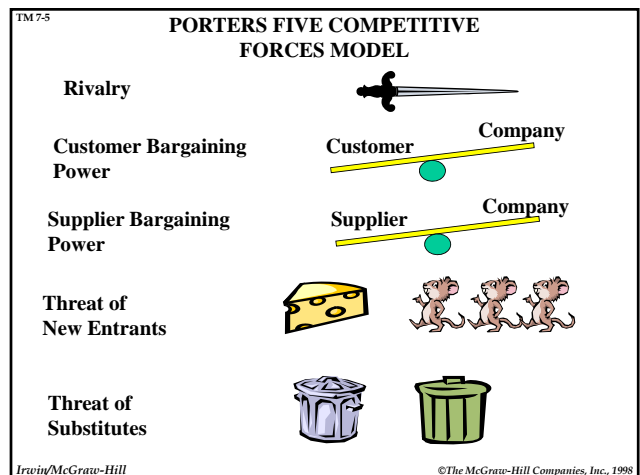
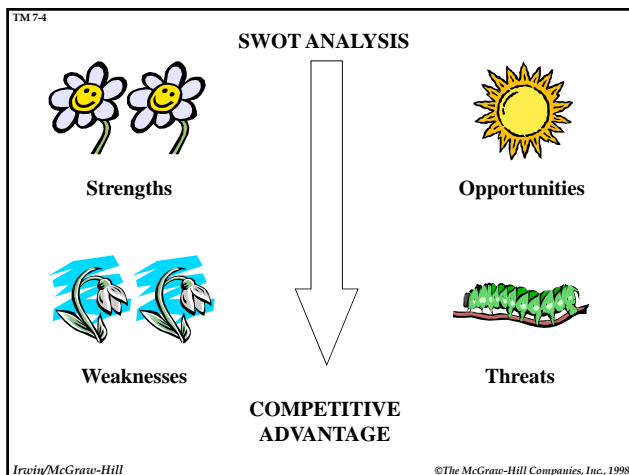
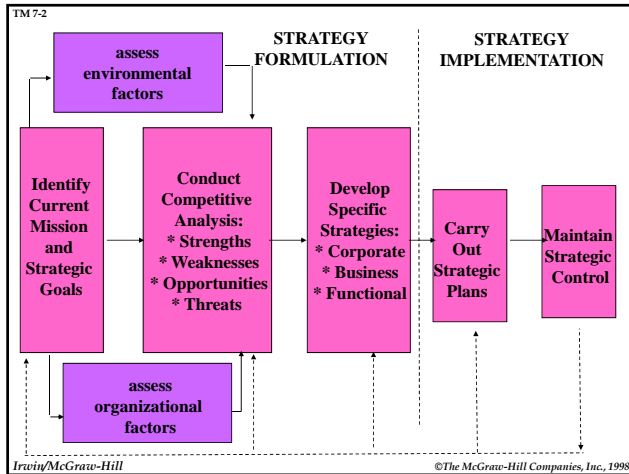
Goals allow an organization to explain its mission in philosophical terms.

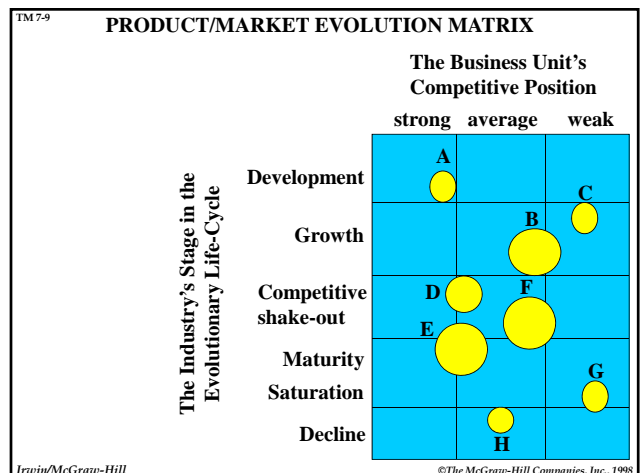
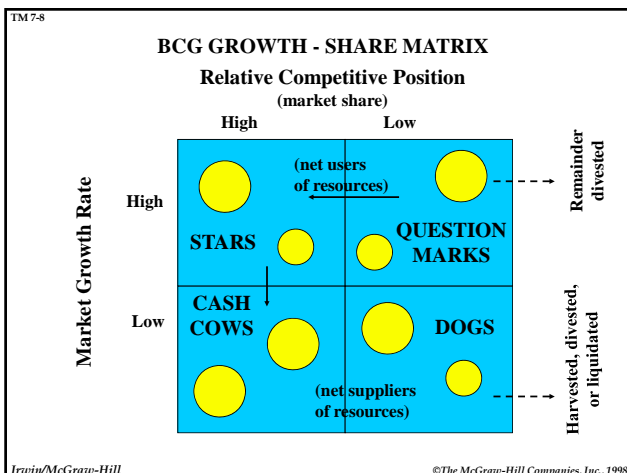
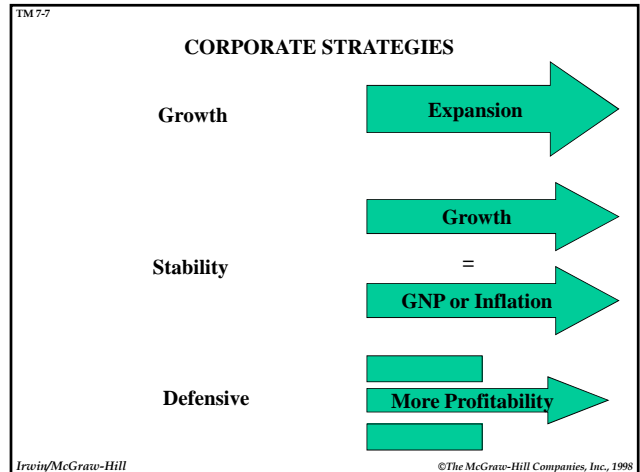
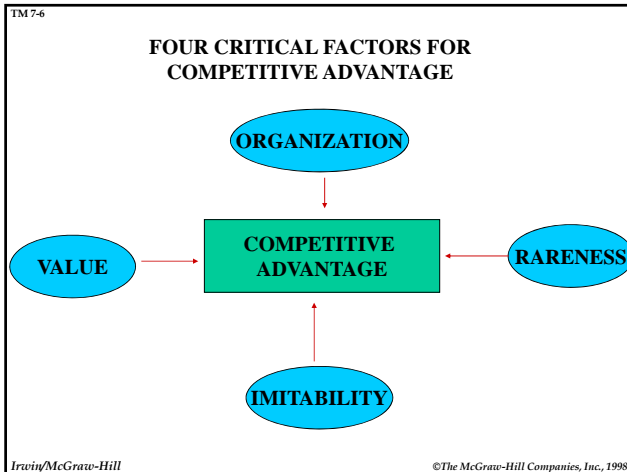
Objectives


Specific statements of anticipated results that further define the organization's goals









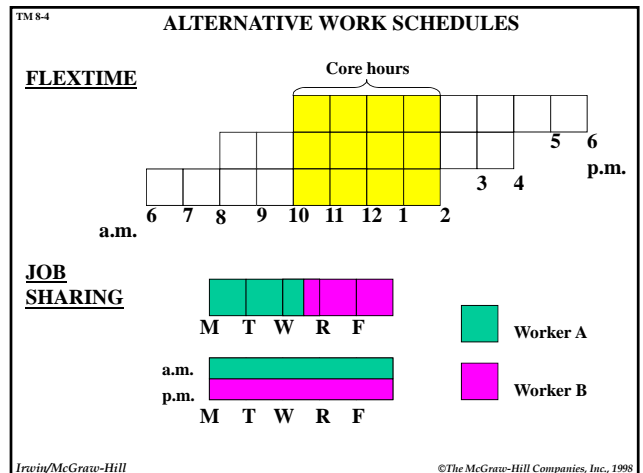
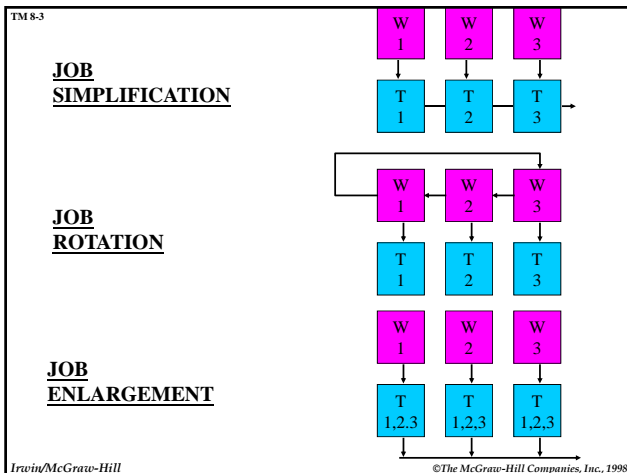
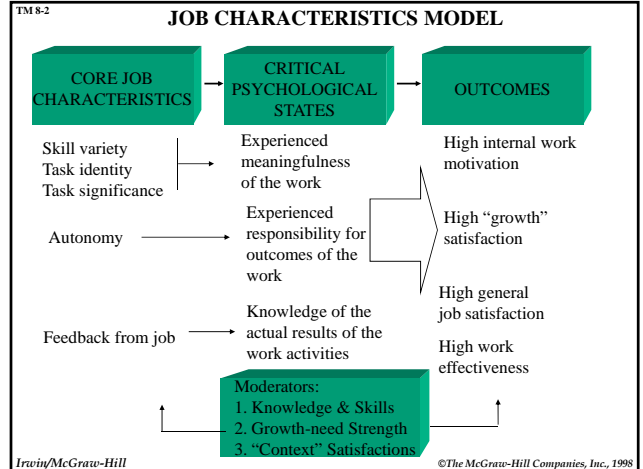


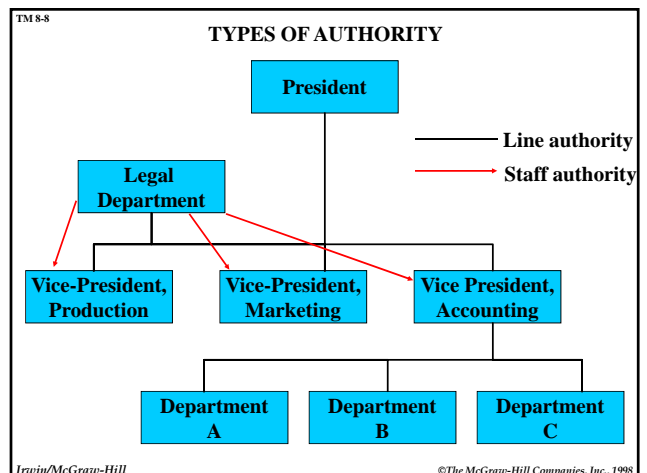
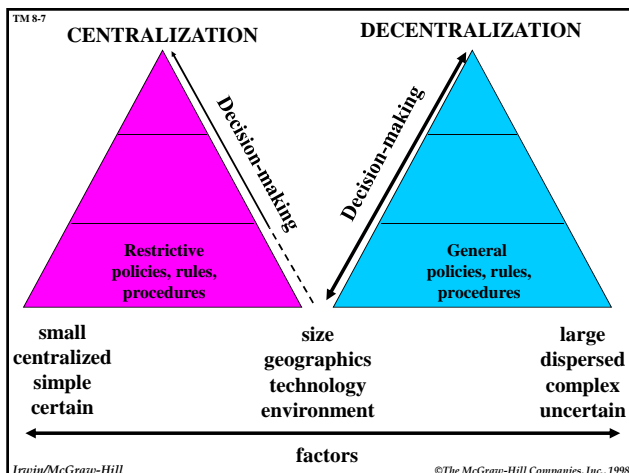
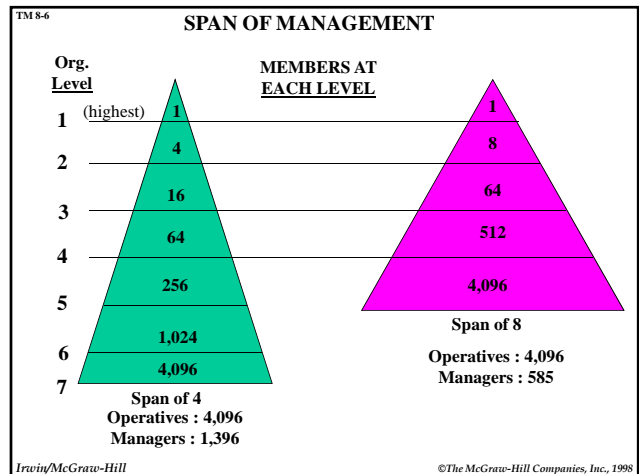
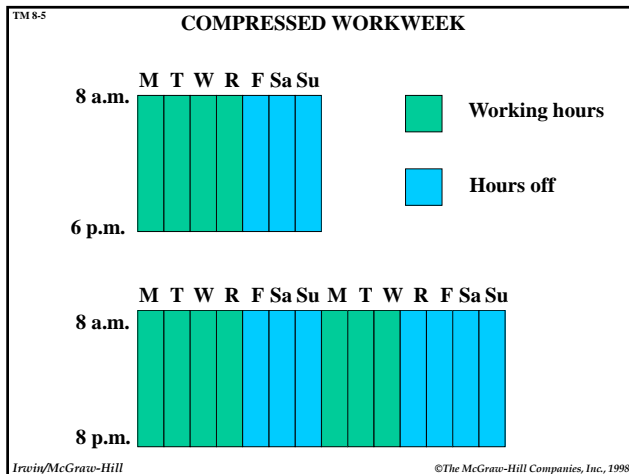
Chapter Eight

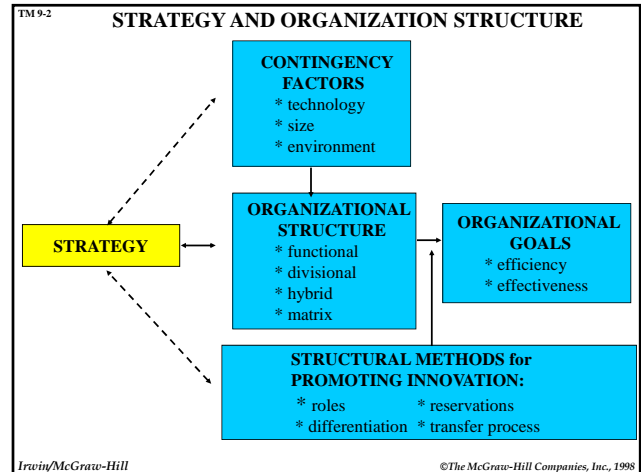
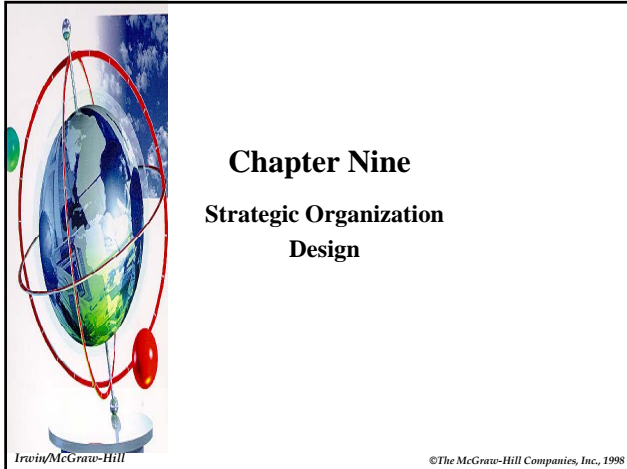
Basic Elements of Organization Structure

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Organizing

The process of determining how resources are allocated and prepared in order to accomplish an organization's mission.

Organizational Structure

The result of the organizing process; consists of relationships among tasks and authority, reporting relationships, grouping of jobs, and systems of coordination.

Formal Structure

An organizational structure sanctioned by the organization and designed to achieve its objectives.

Informal Structure

Any structure within an organization that has not been formally prescribed by it.

Organization

A group of people working together to achieve a common purpose.

Job

A collection of tasks assigned to one individual.

Division of Labor

The subdivision of objectives and plans into small and smaller units until they reach the task level.

Specialization of Labor

The division of a task into smaller and smaller sub-units until it can be repeated easily and successfully by an individual or group.

Differentiation

The process through which each organization, and each department within an organization, adapts its sub-components, including structure, processes, and members' behaviors, to meet the constraints of its specific environment

Power

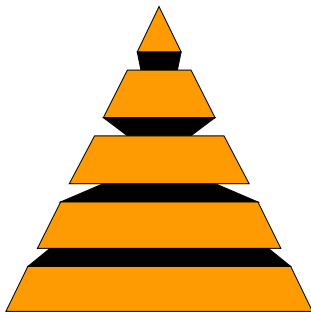
The ability to influence others to carry out orders, or to do something they would not have done otherwise, in order to achieve desired outcomes.

Authority

Legitimate Power

Delegation of Authority

The distribution of authority among subordinates so that they can make decisions and engage in activities designed to achieve the organization's objectives.



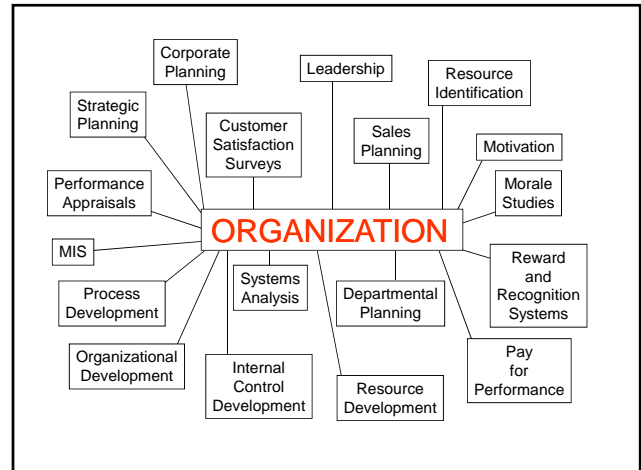
Organizational Design

Organizing

The process of determining how resources are allocated and prepared to accomplish an organization's mission.

Organization

A collection of people working together to achieve a common purpose.

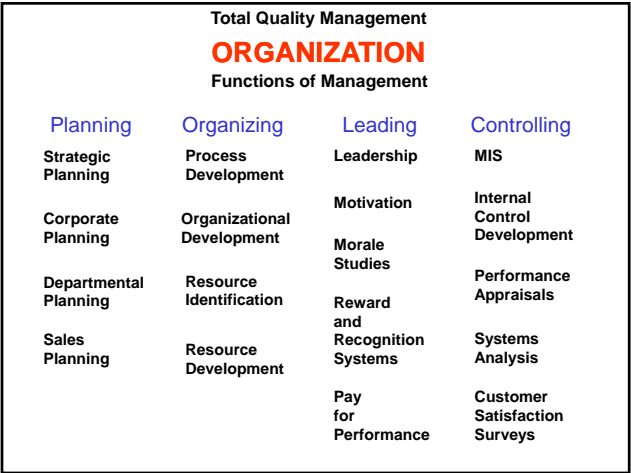
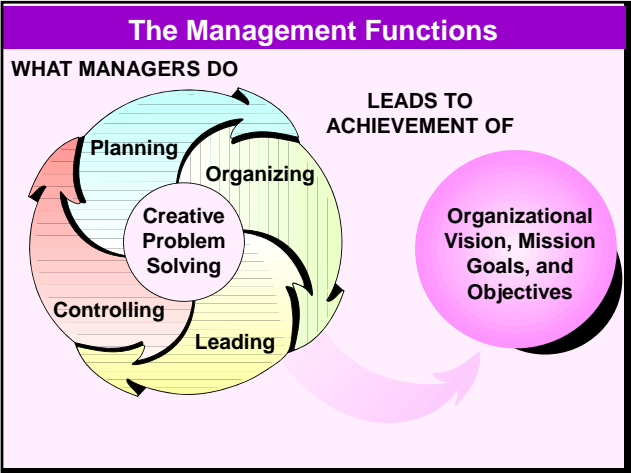
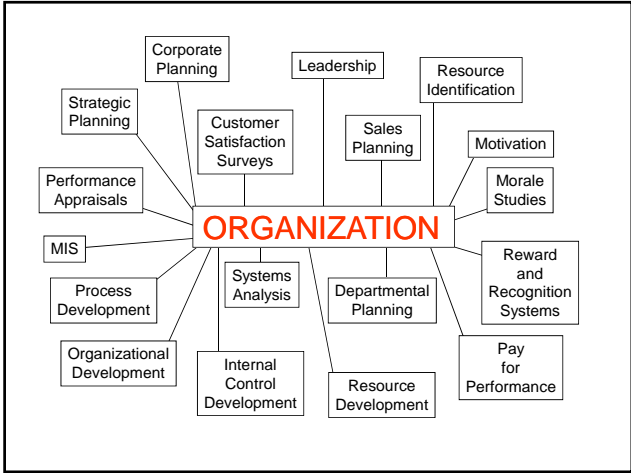


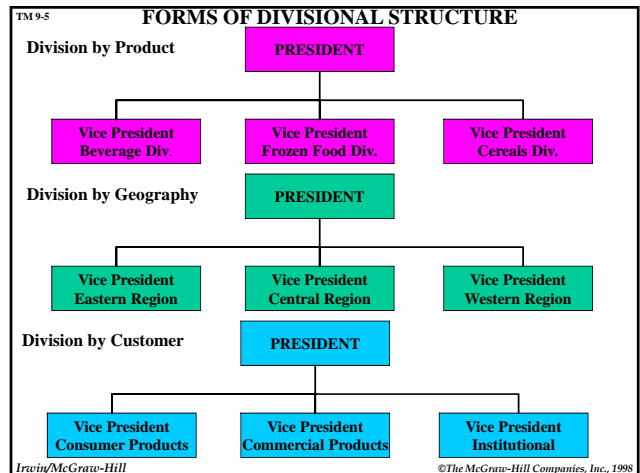
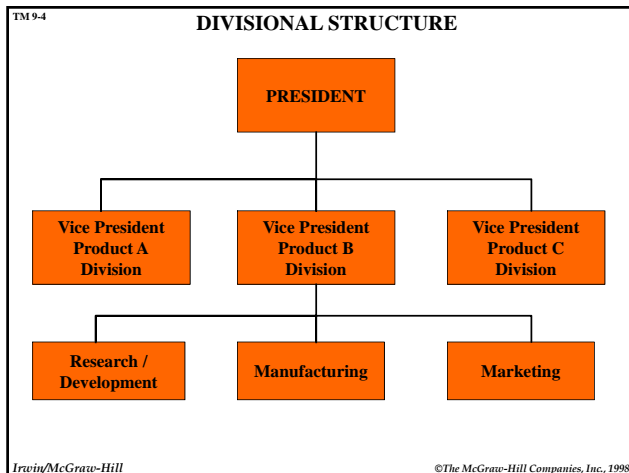
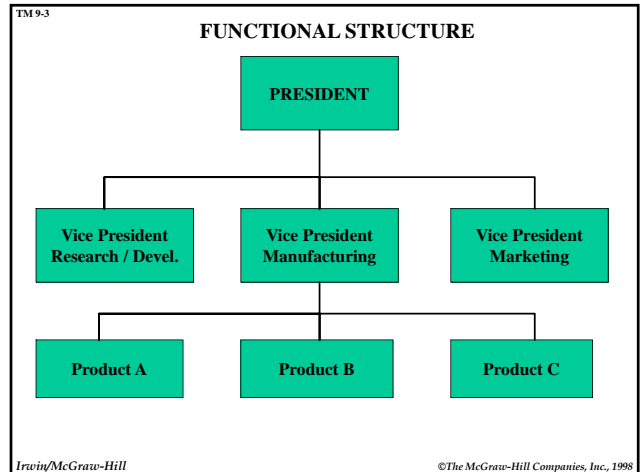
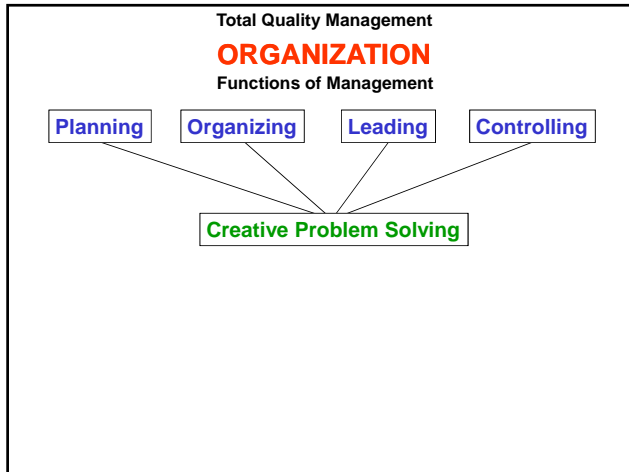
Management

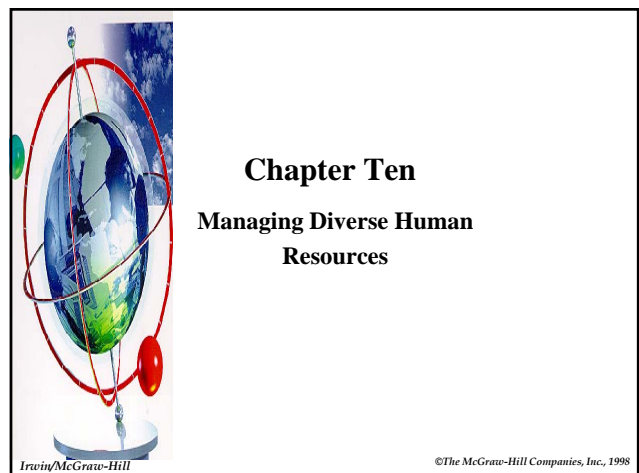
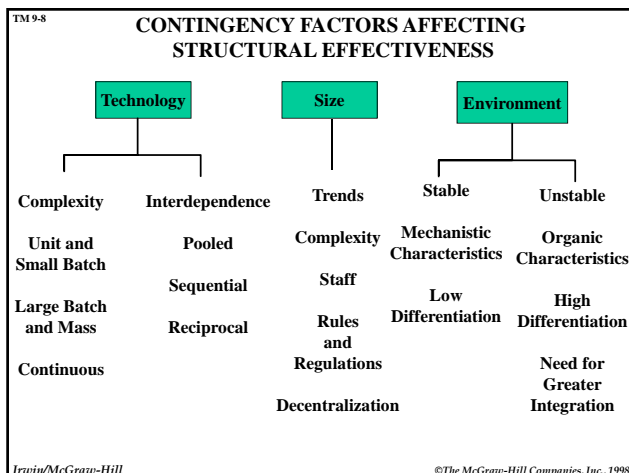
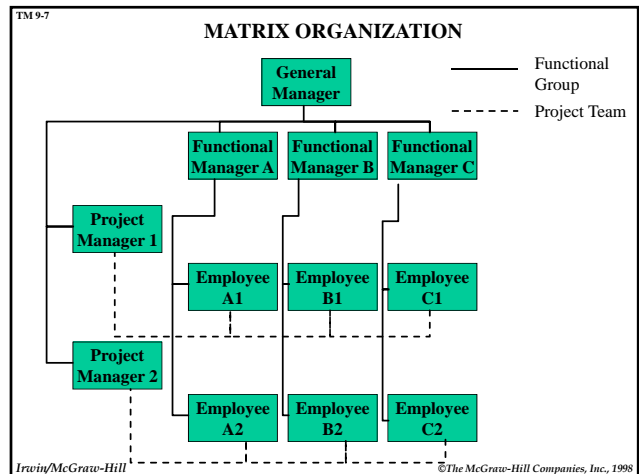
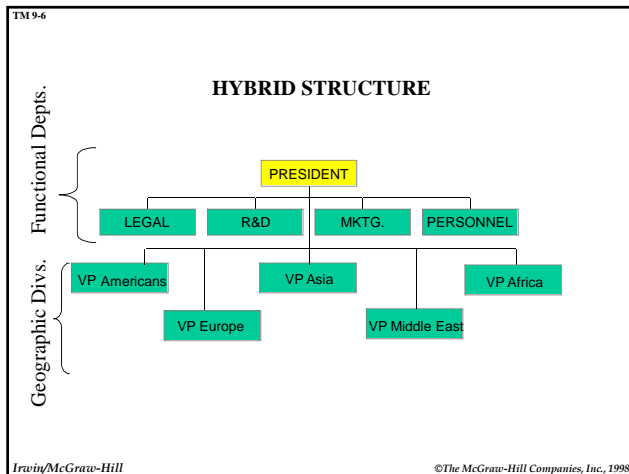
The creative problem solving process of planning, organizing, leading and controlling an organization's resources to achieves its mission and objectives.

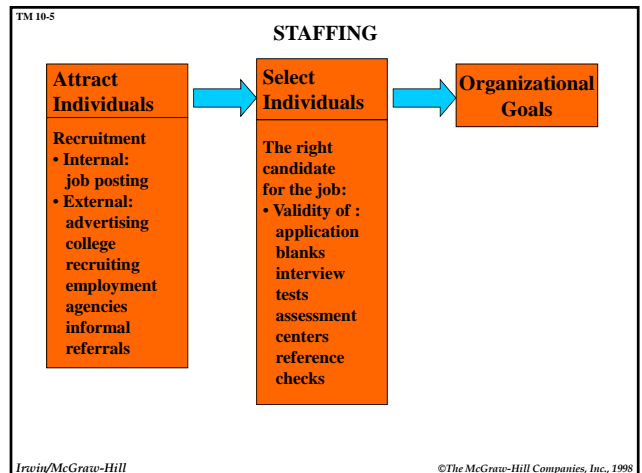
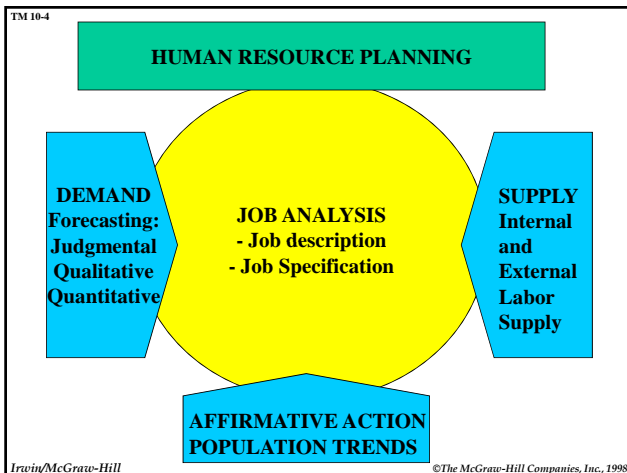
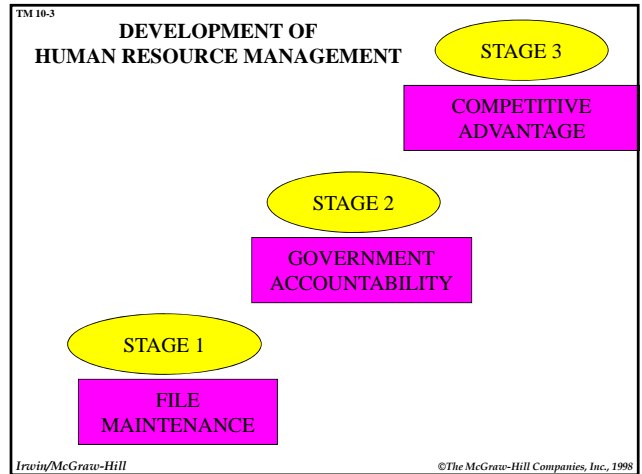
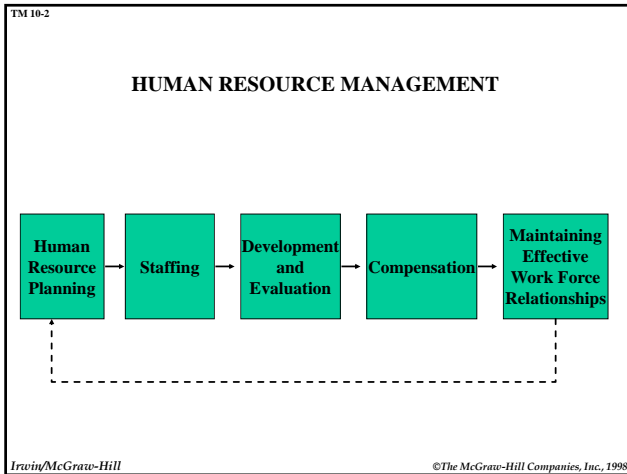
Mission Functions

Activities directly associated with accomplishing an organization's mission. These include planning, Organizing, Leading, and Controlling









TM 10-6

PHASES OF THE TRAINING PROCESS

1. Assessment

- determining training needs
- identifying training objectives
- developing criteria for evaluation

2. Training design, Implementation

- determining training methods
- developing training materials
- conducting the training

3. Evaluation

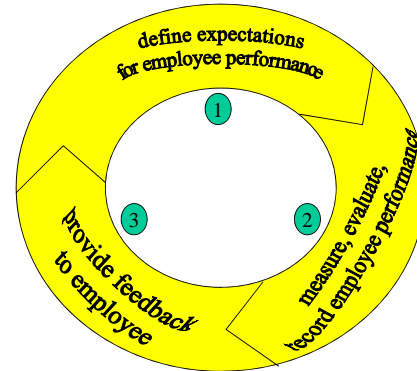
- assessing the results of the training against the established criteria

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TM 10-7

THE PROCESS OF PERFORMANCE APPRAISAL



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TM 10-8

COMPENSATION: EQUITY ISSUES

External Equity

Pay survey:
benchmark or key job

Internal Equity

Job evaluation:
the point factor method

Individual Equity

Direct:

- pay raises (seniority and performance)
- broadbanding
- skill-based pay
- gainsharing

Indirect:

- benefits

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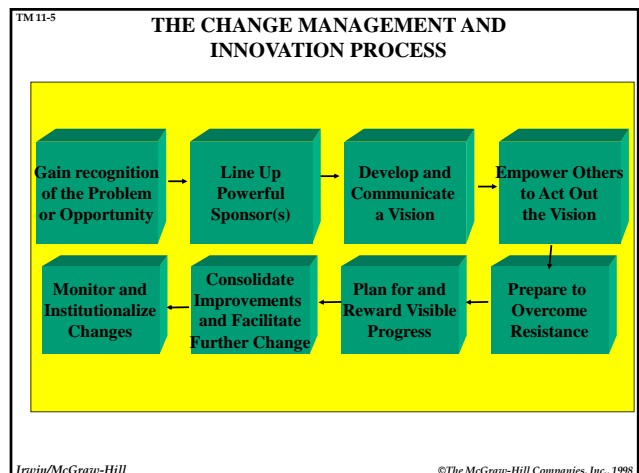
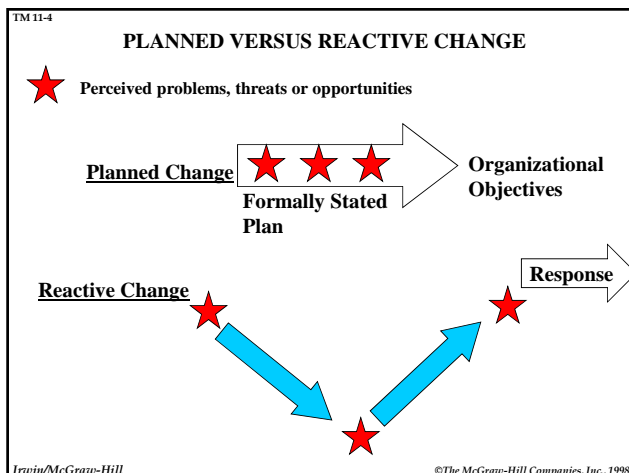
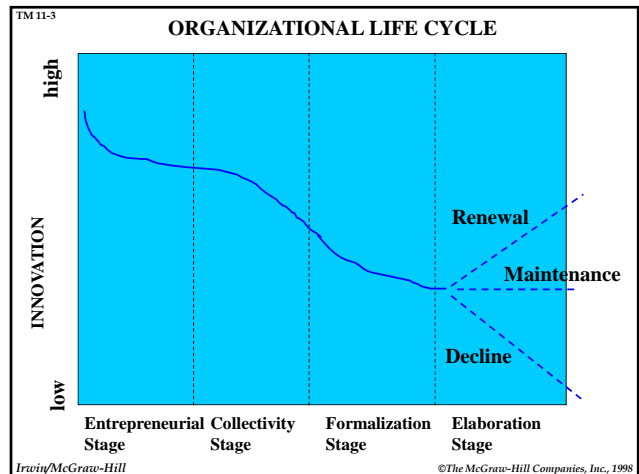
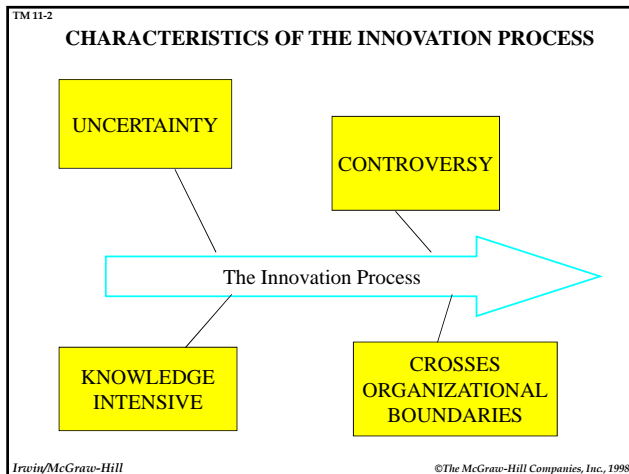


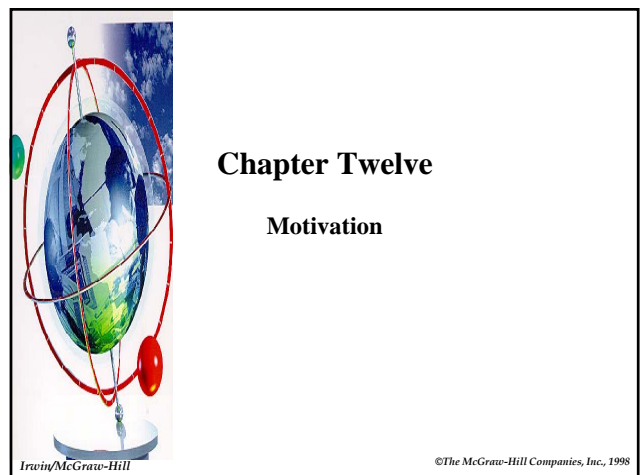
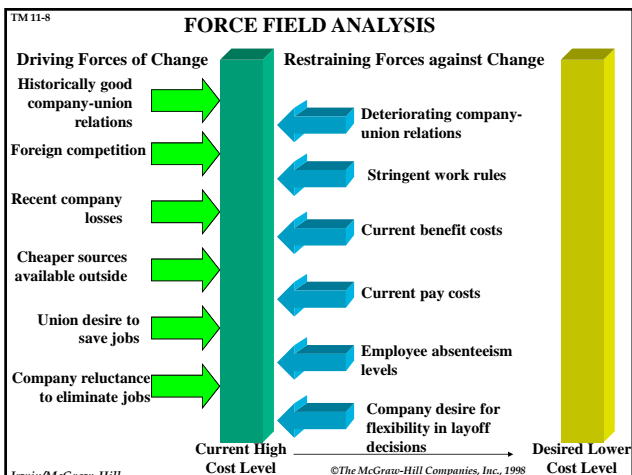
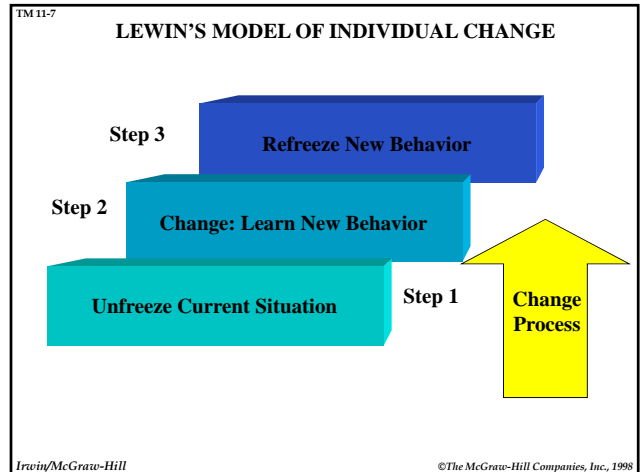
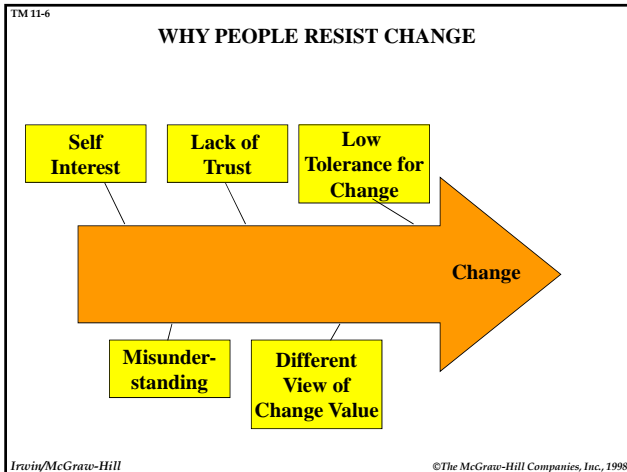
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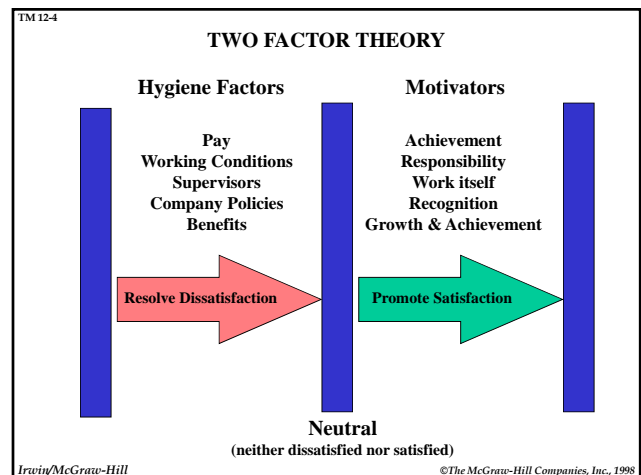
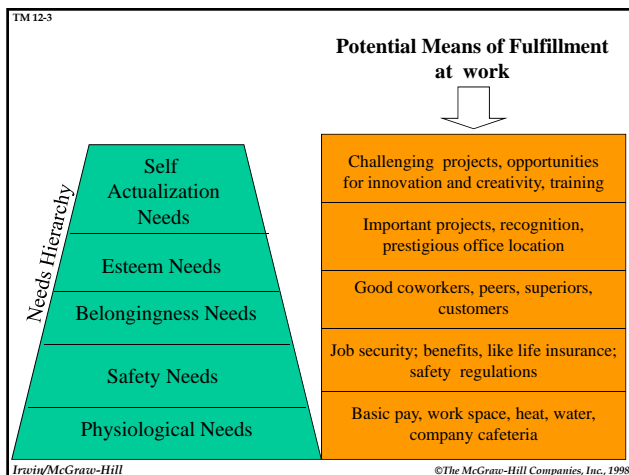
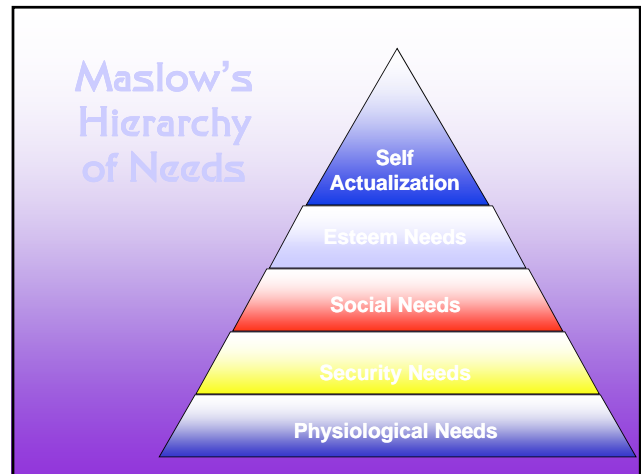
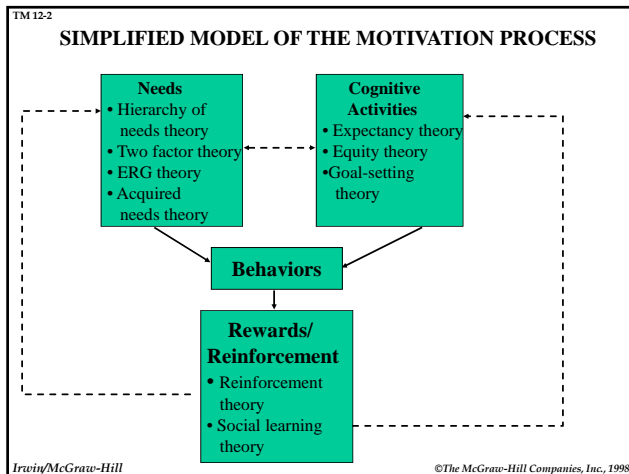
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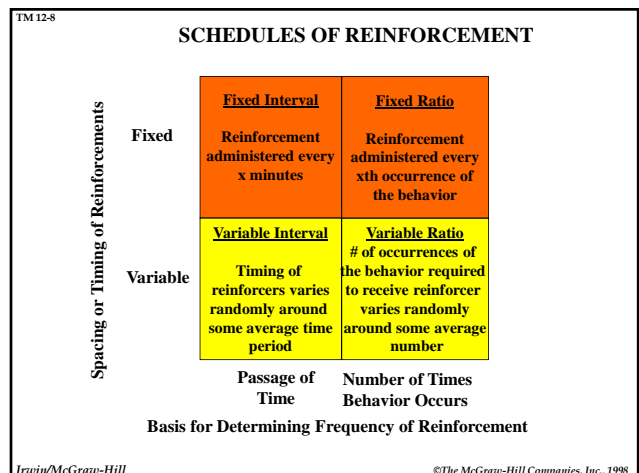
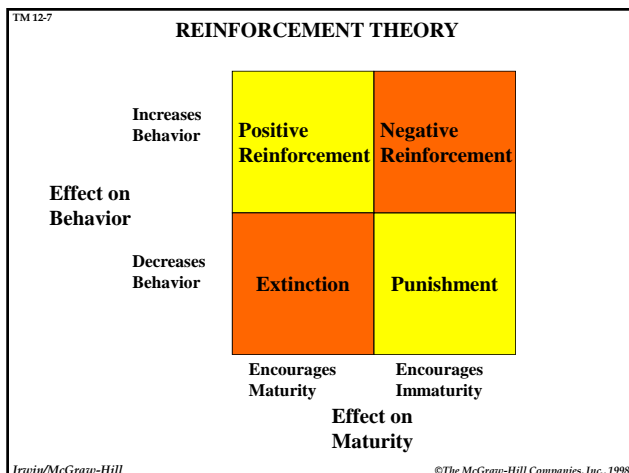
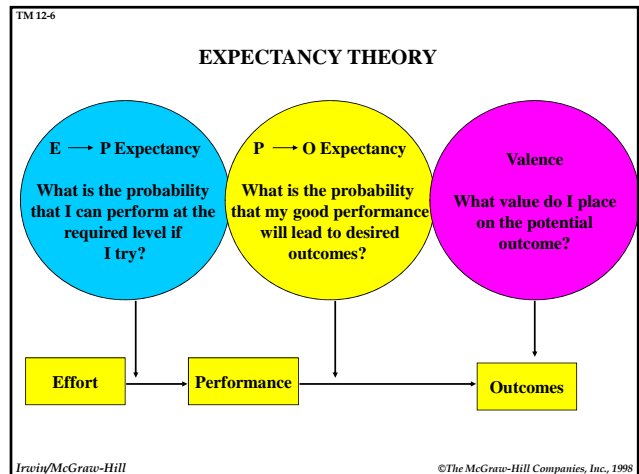
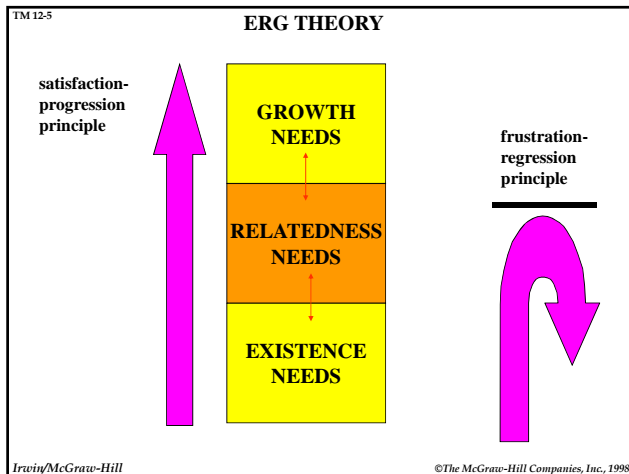
Chapter Eleven

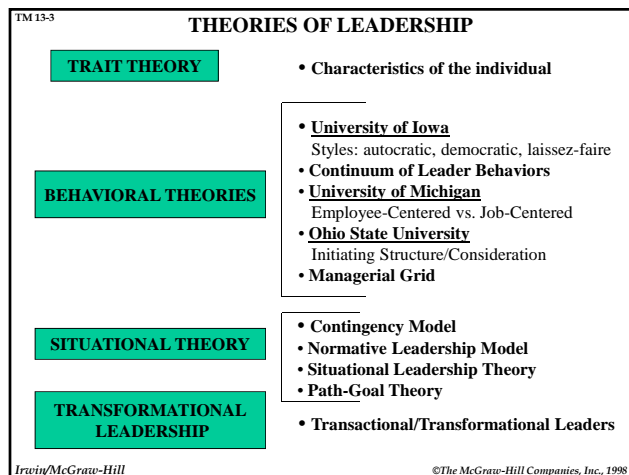
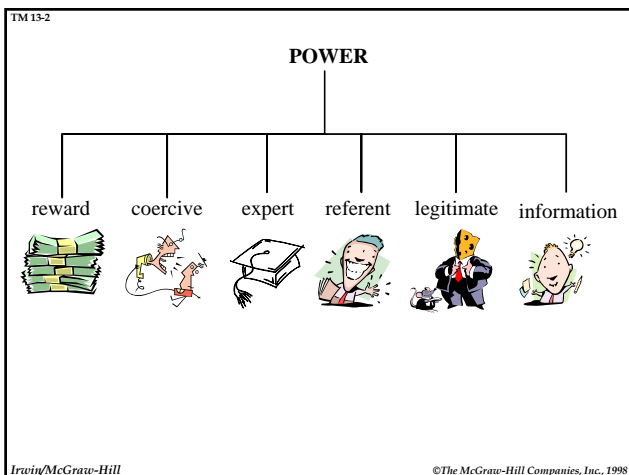
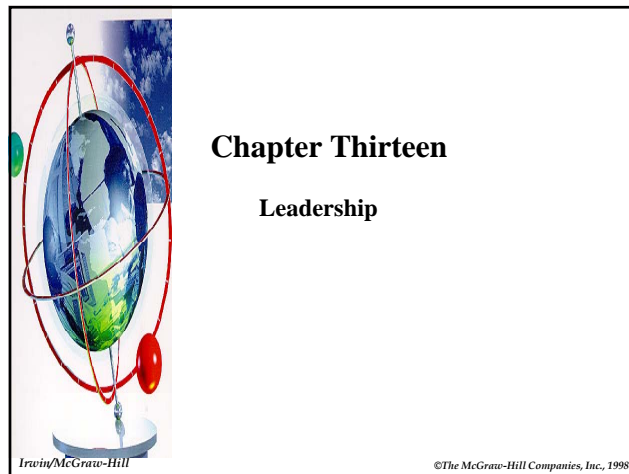
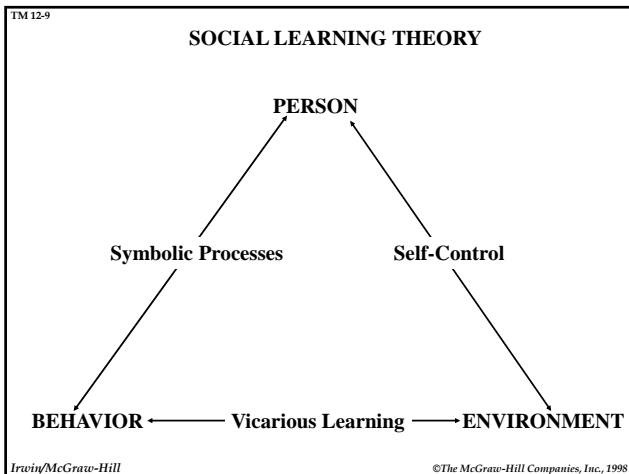
Change Management And Innovation

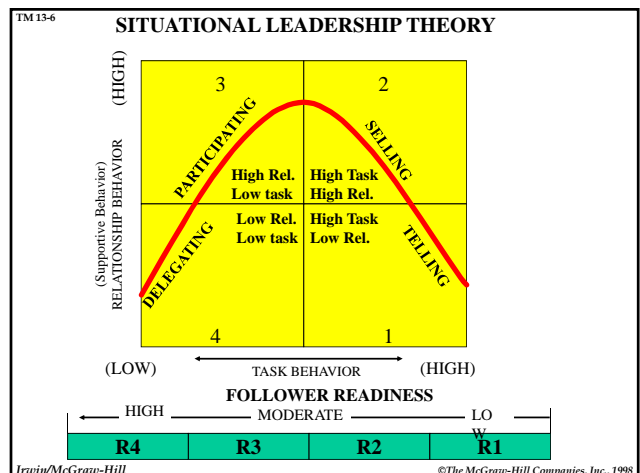
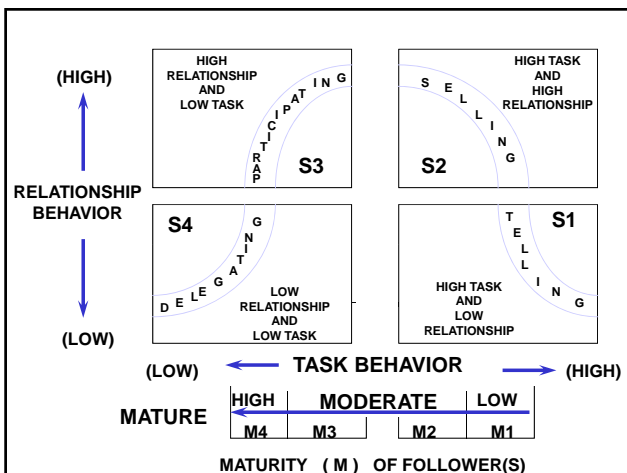
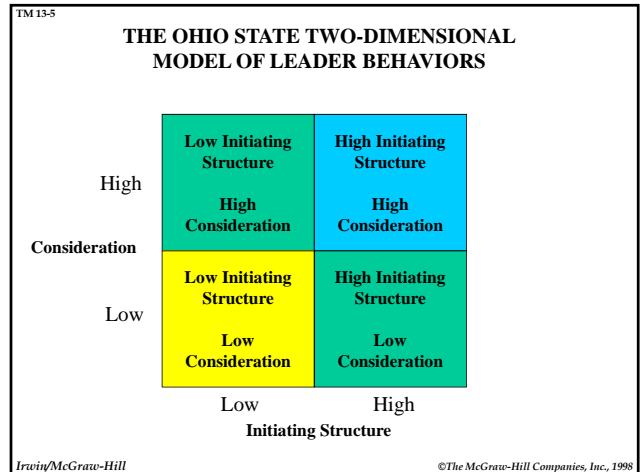
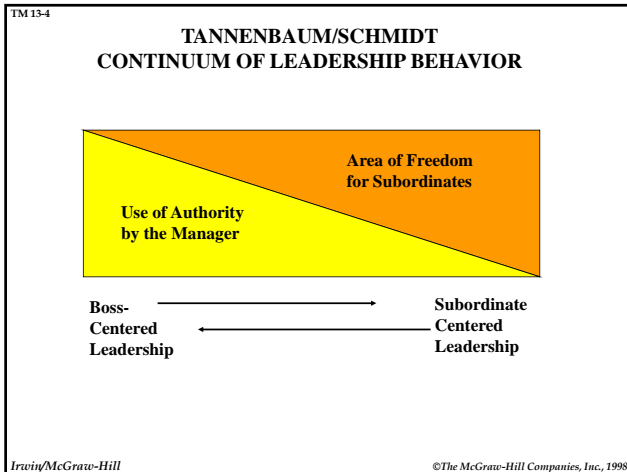












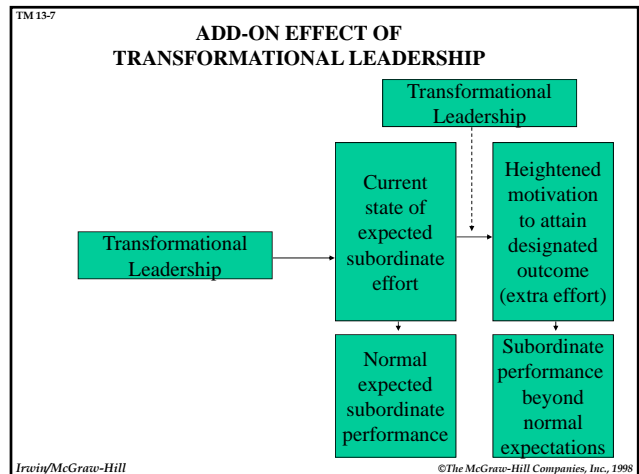
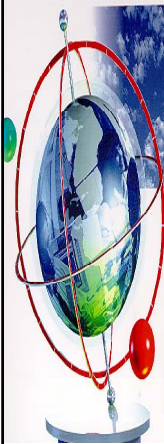
TM 13-7

**NEUTRALIZERS (N) AND SUBSTITUTES (S) FOR
TASK ORIENTED (T-O)
AND RELATIONSHIP-ORIENTED (R-O) LEADER BEHAVIOR**

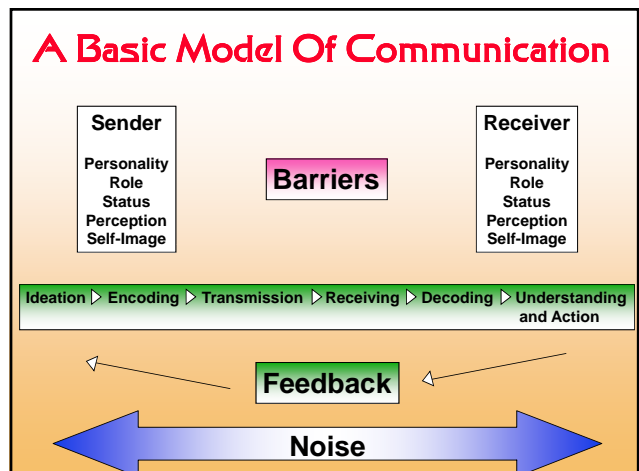
		R-O	T-O
Subordinate	ability and experience		S
	professional orientation	S	S
	need for independence	N	N
	low valence for rewards	N	N
Task	routine		S
	methods specified		S
	clear feedback		S
	intrinsically satisfying	S	
Organization	formal plan and goals		S
	rigid rules and procedures		N
	active staff function advice		N
	cohesive work group	S	S
	low reward power	N	N
	physical distance	N	N

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Chapter Fourteen
**Managerial Communication and
Interpersonal Process**

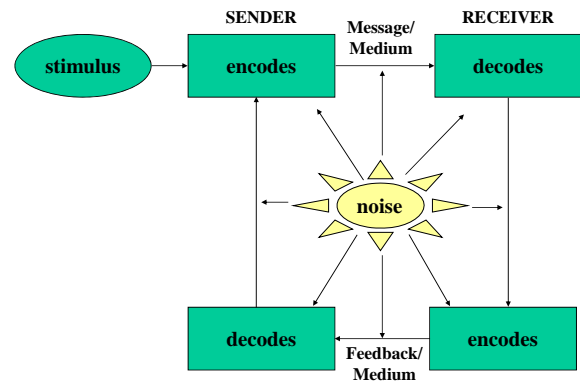


Communication Test



TM 14-2

THE COMMUNICATION PROCESS

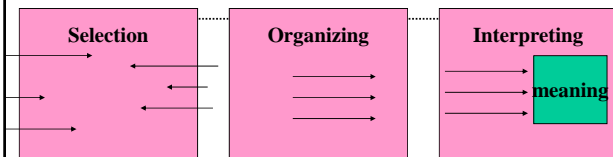


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TM 14-3

THE PERCEPTION PROCESS

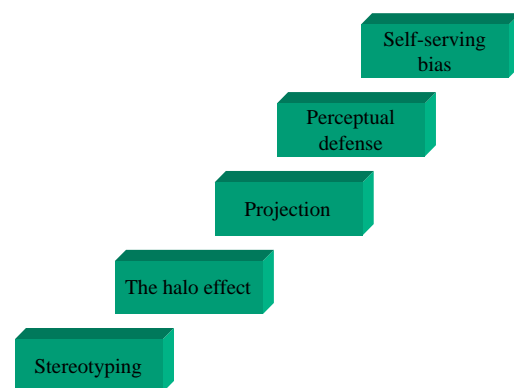


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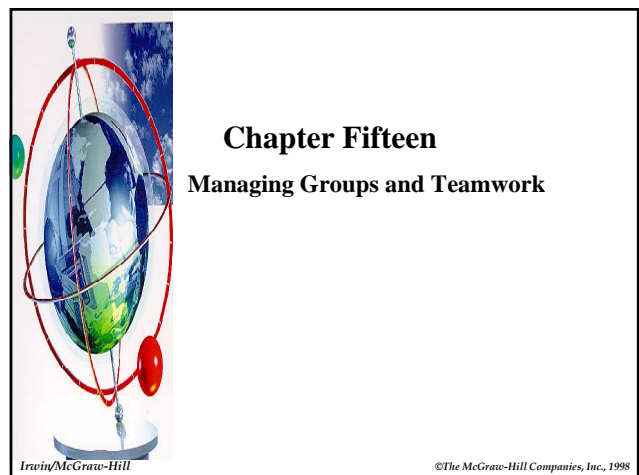
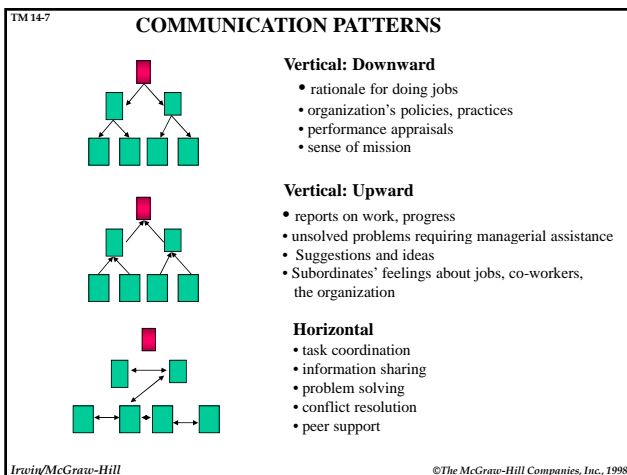
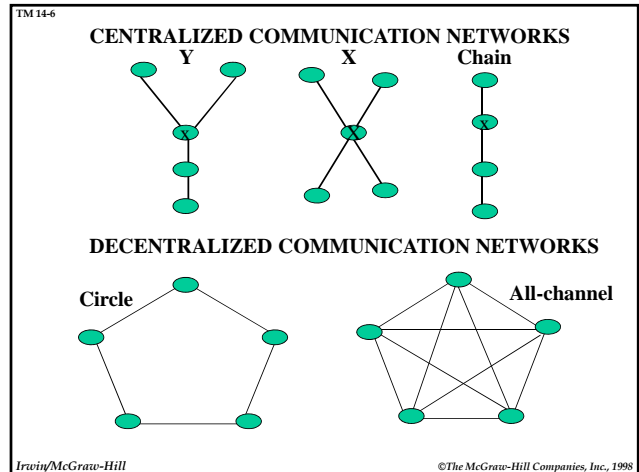
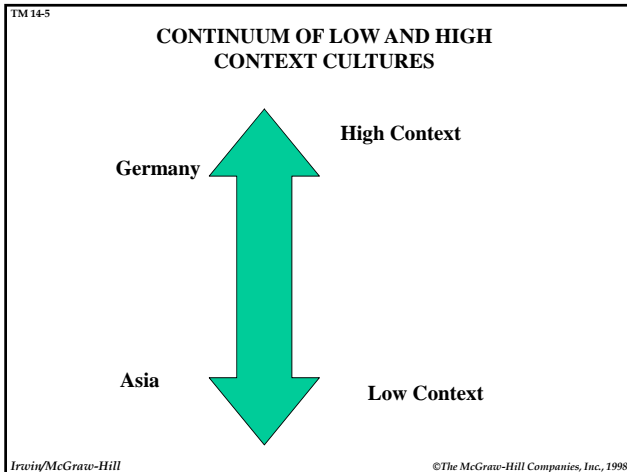
TM 14-4

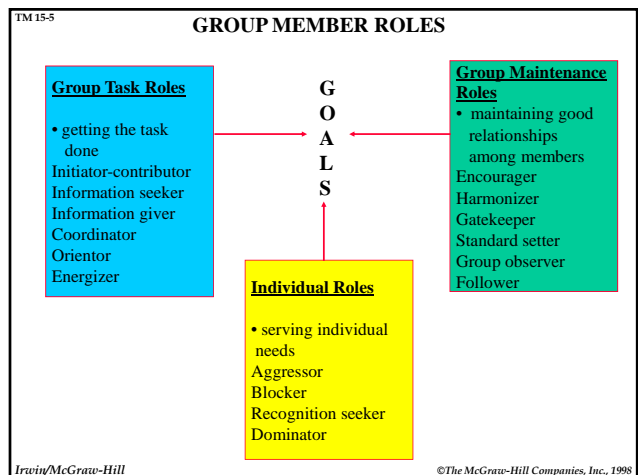
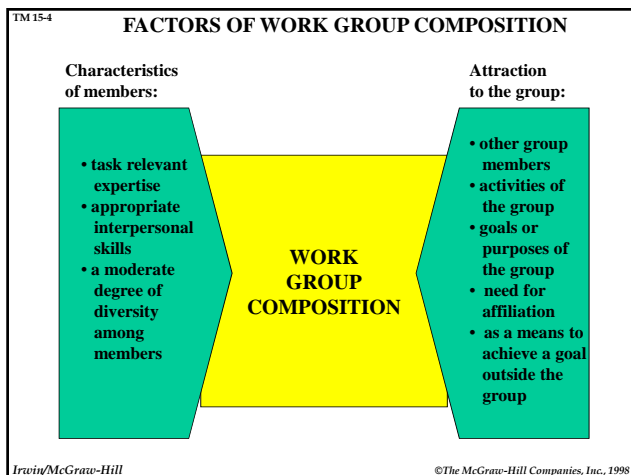
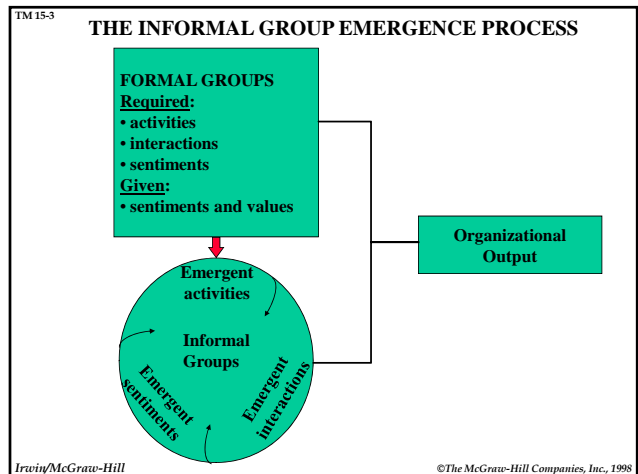
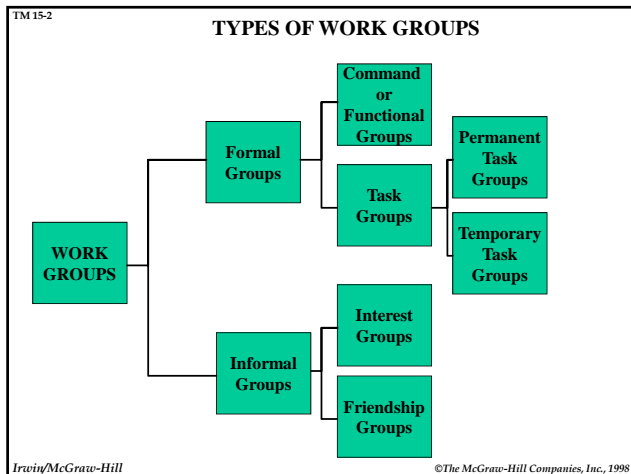
PERCEPTION AND ATTRIBUTIONAL DISTORTIONS



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Why Work Groups

One small event inside a strategy designed to change the way your organization runs its business.

The vision for this strategy is to have your organization as a leader in its chosen markets on a world wide basis.

The goal of the strategy is to create a culture where the focus of every employee is conformance to negotiated customer requirements 100% of the time.

The energy currently driving the strategy is coming out of the need to survive.

A key element of the strategy is full utilization of the human potential that lies virtually dormant in our work force.

A work technology that has been successful in dramatically increasing the utilization of human potential on the job is "self managing work groups".

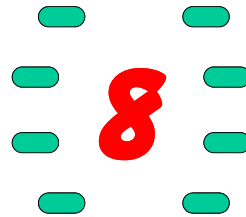
A requirement for installing self managing work groups is a new set of skills and knowledge at all levels of the organization.

SYNERGY

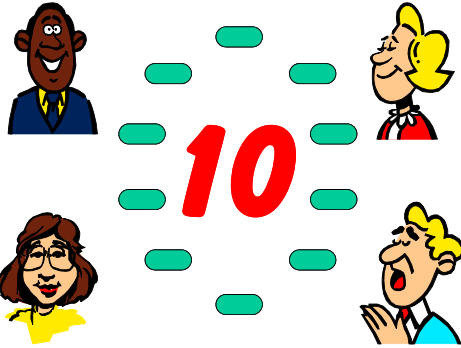
SYNERGY



SYNERGY



SYNERGY



Work Group Defined

A true work group is defined as four to seven people who share responsibility and accountability for consistently providing their external and internal customers with innovative products and services that fully satisfy their requirements.

Work Group Enablers

- MORALE
- WORK GROUP SUPPORT
- COMMITMENT TO COMMON GOALS
- PROCESS OWNERSHIP
- ORGANIZATION
- EMPOWERMENT
- EFFECTIVE COMMUNICATION
- WORK GROUP CONFIDENCE
- ORGANIZATIONAL AWARENESS
- COOPERATION
- NORMS AND ROLES
- TRUST
- PROACTIVE BEHAVIOR

What Today's Employees Want

More responsibility

More authority

More skills and training

More decision making power

More information

More influence

More rewards - both intrinsic (the work itself) and extrinsic (recognition, praise, money based on performance)

Where are Organizations Going

Quality alone will not insure success
 Workers more responsible for quality and cost savings
 Moving beyond quality
 Productive work continues
 Self management
 Multi-functional people
 Gain sharing
 Minimal but clear boundaries
 Application of quality tools
 Use of information technology and knowledge-based tools
 Everyone working "smarter"
 Constant change and innovation
 Proactive not reactive culture
 Everyone acting like an "owner" (motivated, committed, empowered)



- | | |
|--------------------------------|------------------------------|
| • Autocratic Style | Participative Style |
| • Directive Decision-making | Consensus Decision-making |
| • Competitive | Cooperative |
| • Tell me what to do | How can WE work smarter |
| • It's only a job | It's MY job |
| • Skilled in one job | Constantly Learning |
| • Low risk-taking | Innovation |
| • Reacting to Change | Seizing Opportunities |
| • Stability and Predictability | Constant Change |
| • I only work here | I am the company |
| • People as spare parts | People as valuable resources |
| • Mngmnt & Emps as adversaries | Mngmnt & Emps as partners |

The Shape of the Successful Organization

- Flat
- Information Oriented
- Fast
- Continuously Improving
- Customer-Driven
- Quality as a Process
- Constantly Training and Learning
- Work Groups are a Process
- Partnerships and Strategic Alliances
- Rewards Tied to Measurable Performance

Tuckman Group Development Model

Stage 4 - Performing	Stage 1 - Forming
Stage 3 - Norming	Stage 2 - Storming

Tuckman Group Development Model

	Stage 1 - Forming
	<ul style="list-style-type: none"> Characterized by testing and dependence on formal / informal leadership

Tuckman Group Development Model

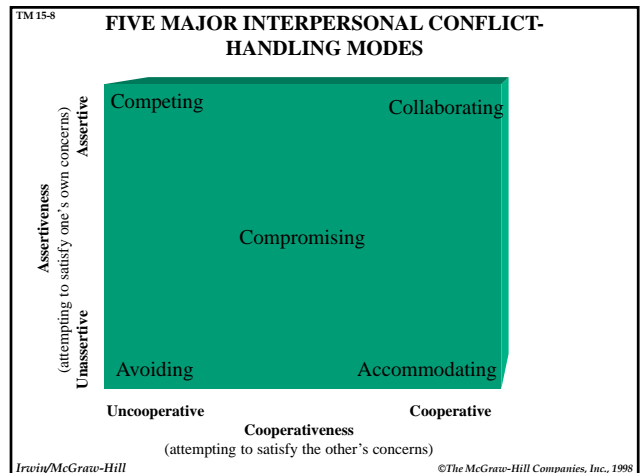
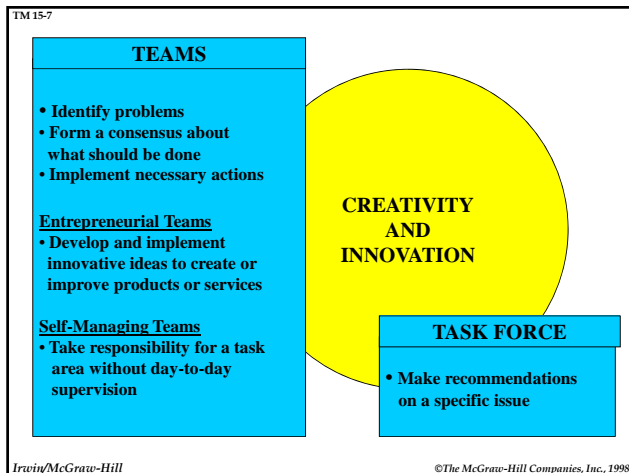
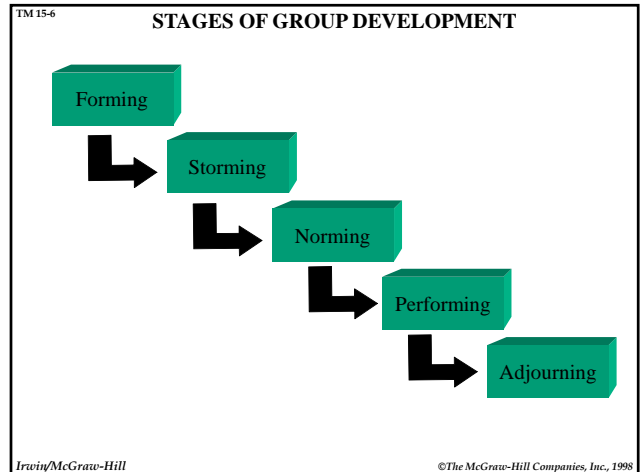
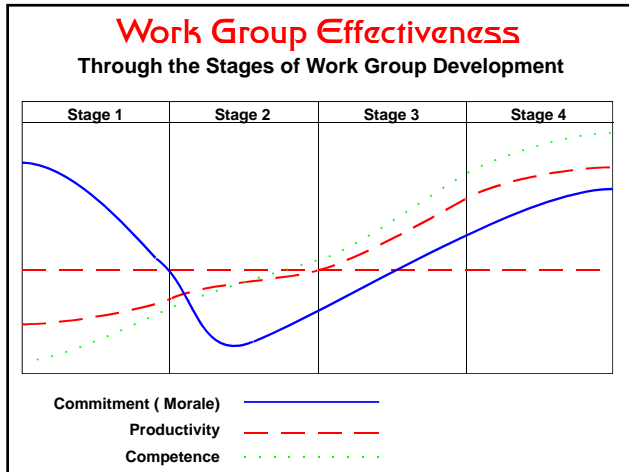
	Stage 1 - Forming
	<ul style="list-style-type: none"> Characterized by testing and dependence on formal / informal leadership
	Stage 2 - Storming
	<ul style="list-style-type: none"> Characterized by intra-group conflict

Tuckman Group Development Model

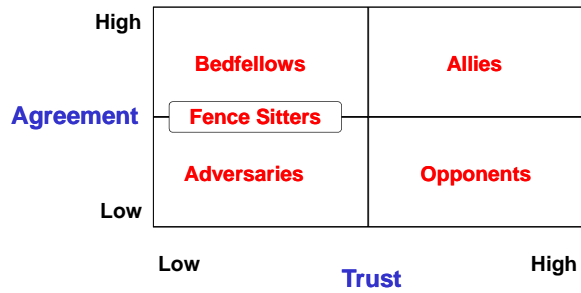
	Stage 1 - Forming
	<ul style="list-style-type: none"> Characterized by testing and dependence on formal / informal leadership
Stage 3 - Norming	Stage 2 - Storming
<ul style="list-style-type: none"> Characterized by the development of group cohesion 	<ul style="list-style-type: none"> Characterized by intra-group conflict

Tuckman Group Development Model

Stage 4 - Performing	Stage 1 - Forming
<ul style="list-style-type: none"> Characterized by the groups ability to solve problems and make decisions 	<ul style="list-style-type: none"> Characterized by Testing and dependence on formal / informal leadership
Stage 3 - Norming	Stage 2 - Storming
<ul style="list-style-type: none"> Characterized by the development of group cohesion 	<ul style="list-style-type: none"> Characterized by intra-group conflict



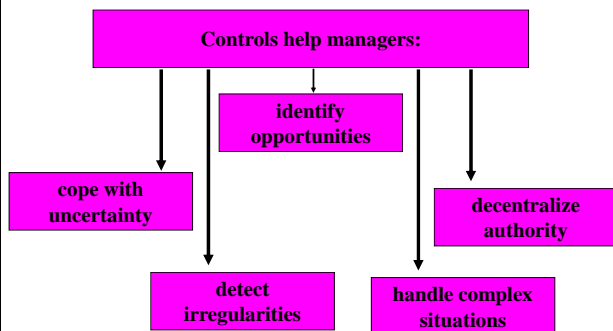
Agreement / Trust Matrix



Chapter Sixteen Controlling the Organization

TM 16-2

FIVE CONTROL CHALLENGES

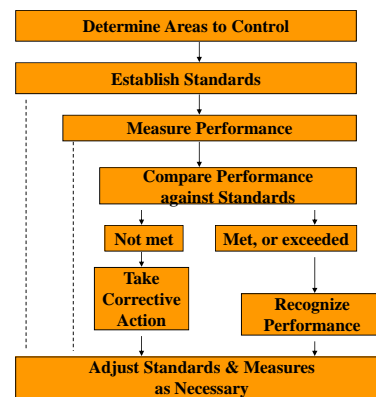


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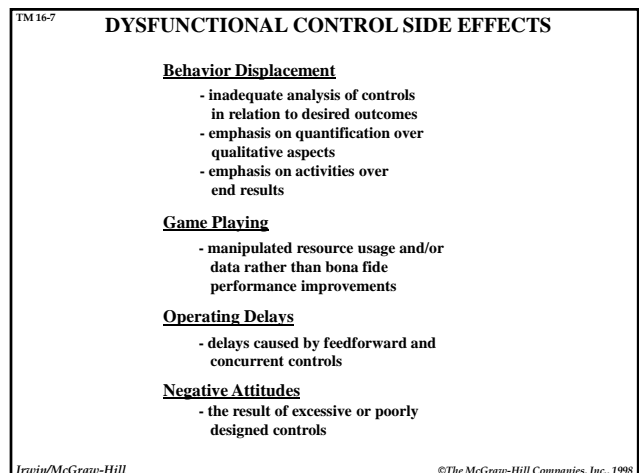
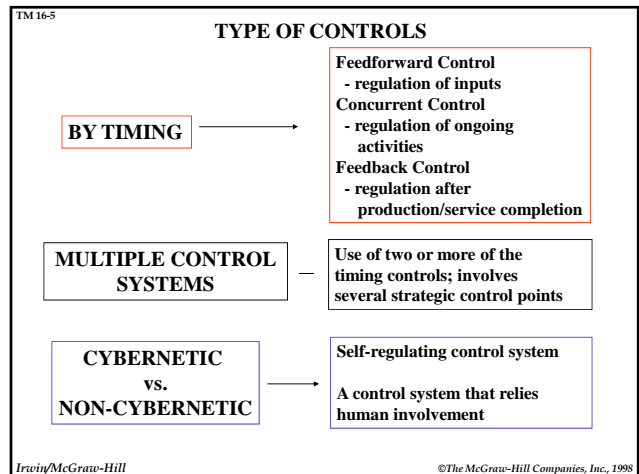
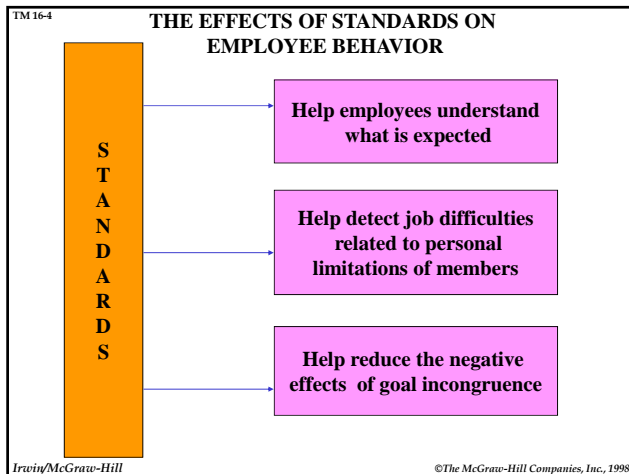
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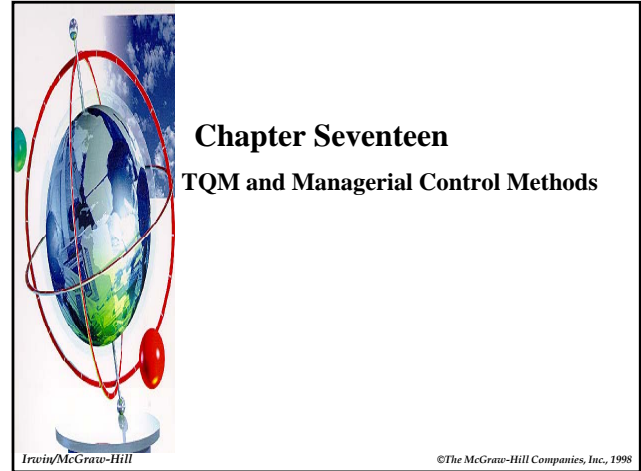
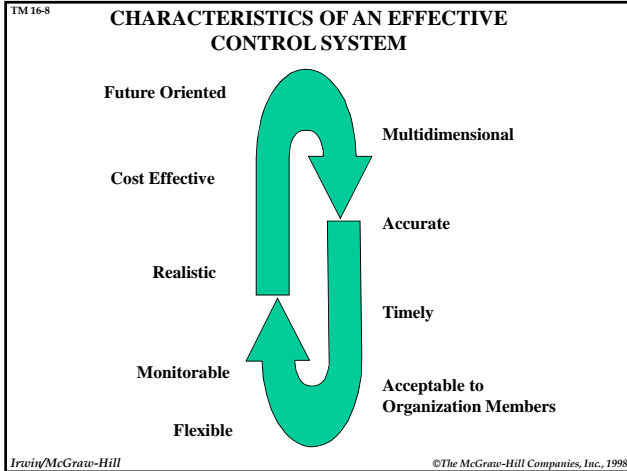
THE CONTROL PROCESS



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Total Quality Management

The creative problem solving process of managing quality throughout the organization in order to improve its products and services and the processes by which those products and services are made or take place.

W. Edwards Deming

The father of
Quality.

J. M. Juran

Juran Trilogy

1. Quality Planning
2. Quality Control
3. Quality Improvement

Quality Planning

The activity of establishing quality goals and developing the products and processes required to meet those goals.

Quality Control

Follows the basic steps of the control model:

Evaluate actual quality performance
Compare actual performance to quality goals
Act on the differences

Sounds Like ISO

The Language of Quality

Think of a product that you associate with quality. What makes you think that it is a quality product. Often, we associate price with quality. For example, we think of products such as Mercedes-Benz cars, Nikon cameras, or anything bought on Rodeo Drive as quality products. But when we talk about quality here, we have a very specific definition.

Quality Defined

Efficiently conforming to customer requirements both internal and external.

Customer

Anyone that receives an output from any of your processes, both within the company and external to the company. Most employees of companies deal more often with internal customers rather than external customers. However, all processes eventually lead to the external customer.

Requirements

The needs, wants and / or expectations of the customer.

Conformance

The ability of the output of any given process to meet all of your customer's requirements.

Efficiently

The ability to meet your customer's requirements with a minimum of effort, time, expense, or waste.

Customer Requirements

Ask for your customers requirements:

How can you provide output from your process unless you know what your customer wants? Do not make assumptions.

Ask for specifics:

A customer wants his car painted things to ask would be:

- ☐ What color?
- ☐ How many coats?
- ☐ When needed?
- ☐ Do they want pin striping?

Test for Understanding

After you have asked for your customer's requirements, tell them back to the customer and ask if that is what they require. If it is not, redefine the requirements until they meet the customer's expectations.

Measuring Quality

Since quality means meeting our customers expectations with no variance to their requirement's, then there is only one way to know if we are in conformance:

We must measure our output against the requirements of our customer.

Customer

Anyone that receives an output from any of your processes, both within the company and external to the company. Most employees of companies deal more often with internal customers rather than external customers. However, all processes eventually lead to the external customer.

Organizational Customer Identification

Organizational Customer Identification

Customer
Call

Receptionist

Customer
Service

Product
Coordinator

Customer

Delivery

Manufacturing

Accounting
Accts. Rec.

Customer

Accounting
Billing

Organizational Customer Identification

Customer
Call
Originator

Receptionist

Customer
Service

Product
Coordinator

Customer

Delivery

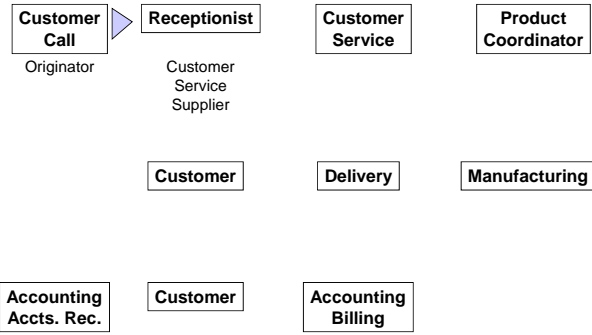
Manufacturing

Accounting
Accts. Rec.

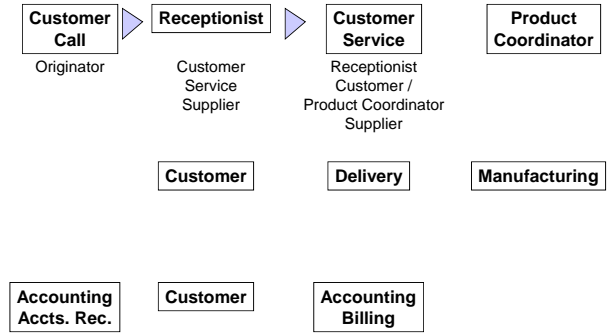
Customer

Accounting
Billing

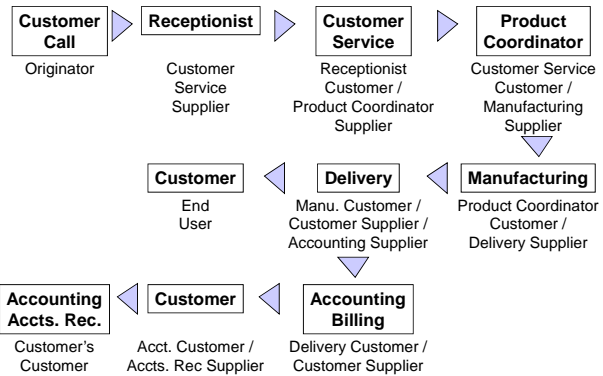
Organizational Customer Identification



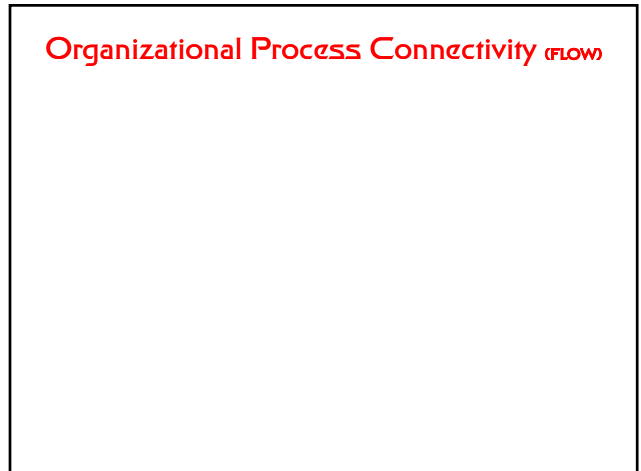
Organizational Customer Identification



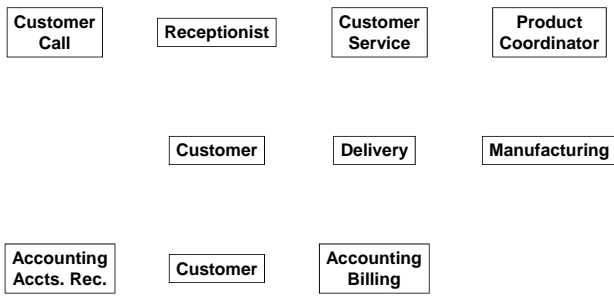
Organizational Customer Identification



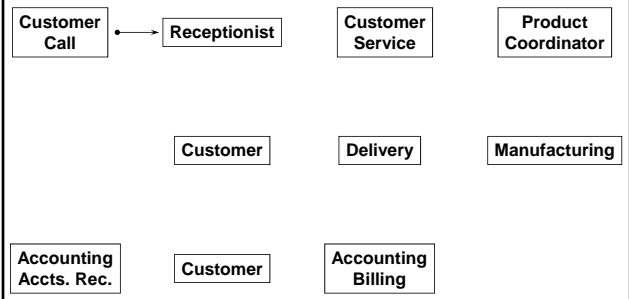
Organizational Process Connectivity (FLOW)



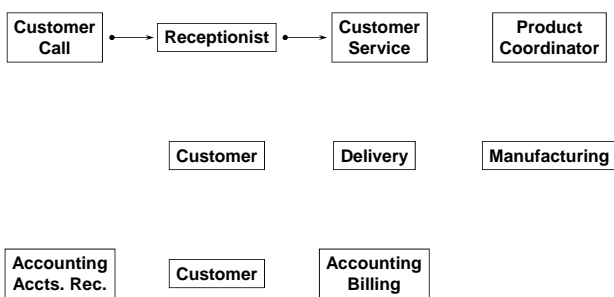
Organizational Process Connectivity (FLOW)



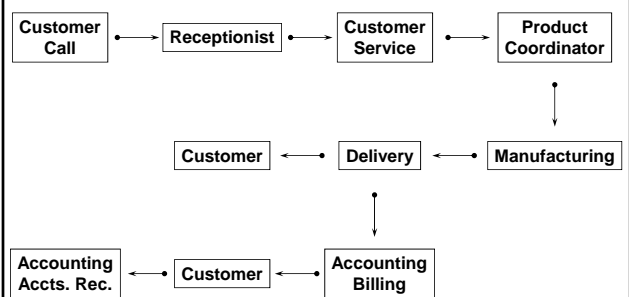
Organizational Process Connectivity (FLOW)



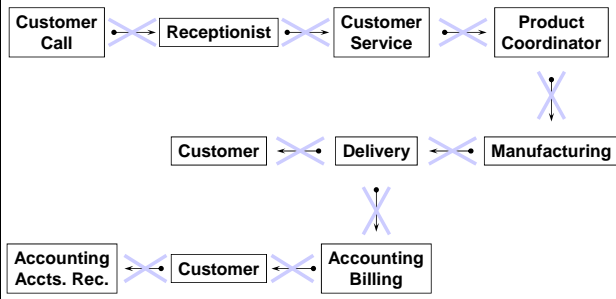
Organizational Process Connectivity (FLOW)



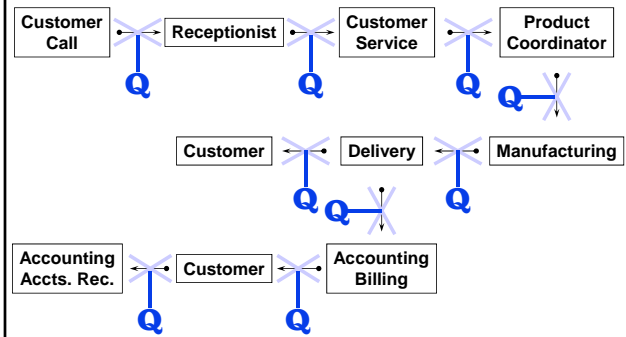
Organizational Process Connectivity (FLOW)



Organizational Process Connectivity (FLOW)



Organizational Process Connectivity (FLOW)



Process Obsessed

Process Defined

The step by step instructions that describe the actions needed to be done in order to meet customer requirements.

A written process is basically the directions to accomplishing a given task. Just as we refer to the instruction manuals to use devices such as VCR's, TV's, Stereo's, and building model airplanes, our work processes tell us how to accomplish our task so that it conforms to customer expectations.

Reasons We Use Written Processes

- To meet customer expectations consistently.
- To have the ability to measure process output.
- To have the ability to measure process input.
- To be able to cross train and retrain new and existing employees.
- Tend to be the focus of quality inspectors.

Written Processes

A written process gives us the clear understanding of the tasks requirements by providing us the following key elements.

- Knowing what the requirements of the customer are.
- Knowing what inputs we need to meet those customer requirements.
- Knowing what actions must be applied to the inputs in order to produce output.
- Being able to verify that correct inputs are being received.
- Being able to verify that correct output is being produced.

Let's look at the key elements one by one and determine how they are produced.

Customer Requirements

There is only one way to know what the customer requires and that is to ask them. Be sure to ask as specific questions as possible in order to be sure that you are meeting all of the customer's requirements. Then, test for understanding in order to insure that you heard the requirements the same way that the customer meant them.

Input

Input is the product that you need in order to apply work to it so that you produce output that meets your customer's requirements. In this case, you are the customer of the person or company providing you with the input. It is necessary for you to be as specific as possible to your supplier so that they can meet your requirements in order for you to meet your customer's requirements. Be sure and test for understanding so that your supplier heard hear requirements the way that you meant them.

Output

Your finished product that fully meets your customers expectations.

Measuring Input

One step of your process must be to determine if the input from your supplier meets your requirements. To do so, the input must equal whatever your specifications were when you negotiated your requirements as a customer.

Measuring Output

Another step of your process must be to determine if your output equals your customer's requirements. To do so, the output must equal whatever specifications your customer negotiated from you.

Measuring Quality

Since quality means meeting our customers expectations with no variance to their requirement's, then there is only one way to know if we are in conformance:

We must measure our output against the requirements of our customer.

Cost of Quality

The cost of quality is a specific way of developing awareness of the financial impact of poor quality. The reason we focus on quality is to be aware of the amount of money it represents.

There are three elements to the cost of quality:

- Cost of conformance
- Cost of non-conformance
- Lost opportunity costs

Cost of Conformance

This is the cost associated with ensuring that the output of the process meets the customer's requirements. It includes prevention, inspection, appraising, and measuring.

For example:

- It takes time to organize a meeting. However, a well planned meeting will make the meeting more productive and require less time.
- Using spell check to prevent spelling errors in documents.

Other costs associated here are:

- Training quality techniques
- Taking the time to get agreement on customer requirements
- Inspecting the input and output of the processes

Cost of Non-Conformance

This is basically a way of measuring in dollars, what it costs the organization to either not meet or to exceed meeting a customer's requirements.

Some examples of not meeting requirements are:

- Incorrect customer invoices.
- Incorrect bills of lading.
- Unsigned expense reports.
- Not signing time cards or not punching in/out.
- Meetings that do not follow an agenda.
- Claims

Some examples of exceeding customer requirements are:

- Notes and memos given to people who do not need them.
- Typing and rewriting notes that could be left handwritten.
- Three coats of paint when only two were needed.

It is estimated that the average American company loses 15% of its annual revenue to non-conformance!

Lost Opportunity Costs

This refers to money that is not being made. When a company does not do a good job of meeting their customer's requirements, the customer may leave and do business elsewhere. You can probably think of a company that did not meet your expectations and now you no longer do business with them.

Another way to look at it is this:

In the case of a transportation company, a truck making deliveries that is only half full is experiencing lost opportunity in that it is missing the revenue it could be producing if the truck were completely full.

Processes and the Employee

Buy in
Ownership
Pride
Performance criteria
No disputing performance evaluations
Reduces emotional content of relationships

Quality Improvement

The process that raises quality performance to unprecedented levels.

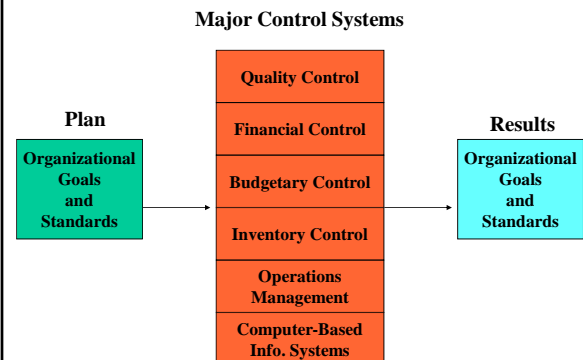
Continuous Improvement

What is continuous improvement?

- When outputs are within optimum range and you want to improve expenses and efficiency at little or no cost you:
 - Eliminate waste
 - Reduce variation
 - Tighten controls
 - Simplify processes
 - Make things easier for the customer
- It does not mean driving results higher at an incremental cost.

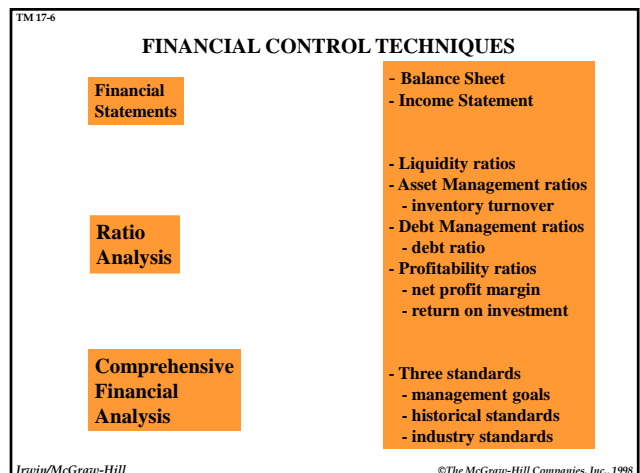
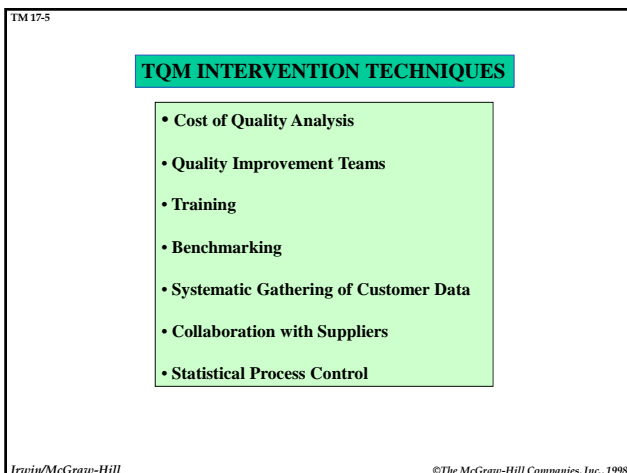
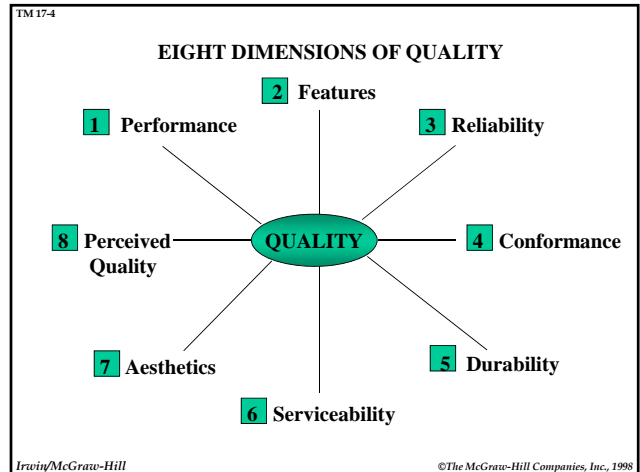
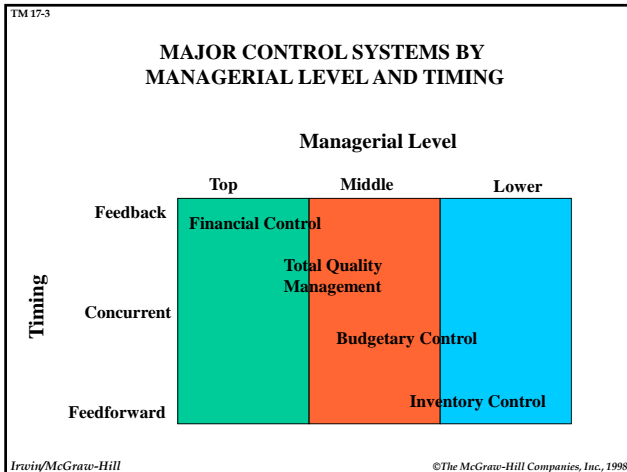
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MAJOR ORGANIZATIONAL CONTROL SYSTEMS



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RESPONSIBILITY CENTERS

Standard Cost Centers

standard cost constraints

Budgetary performance

GOALS

Discretionary Expense Centers

predetermined expense constraints

Budgetary performance

GOALS

Revenue Centers

Budgetary performance

Measure by: specified level of revenue

Profit Centers

Budgetary performance

Measured by: revenues-cost (profits)

Investment Centers

Budgetary performance

Based on: ROI

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COSTS OF INVENTORY

\$ Item cost \$

\$ Ordering Cost \$

\$ Carrying/ Holding Cost \$

\$ Stockout Cost \$

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Chapter Eighteen

Operations and Service Management

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TOTAL-FACTOR PRODUCTIVITY:

$$\text{Productivity} = \frac{\text{Goods and services produced (outputs)}}{\text{Labor + capital + energy + technology + materials (inputs)}}$$

PARTIAL-FACTOR PRODUCTIVITY:

$$\text{Productivity} = \frac{\text{Goods and services produced (outputs)}}{\text{Labor hours* (labor inputs)}}$$

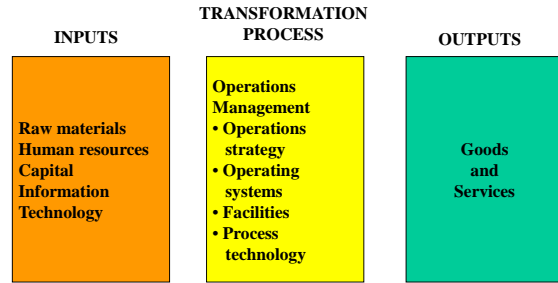
* or other specific input

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OPERATIONS MANAGEMENT PROCESS

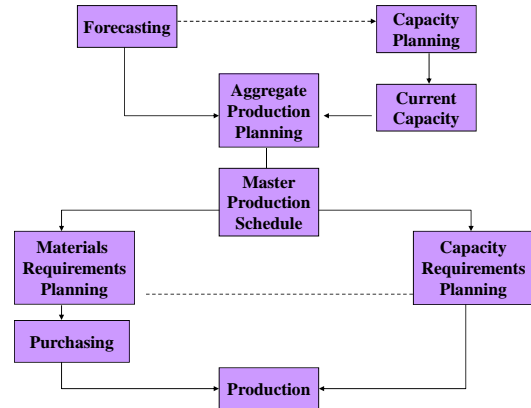


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MAJOR SYSTEMS USED IN OPERATIONS MANAGEMENT



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MATRIX OF SERVICE CHARACTERISTICS

Degrees of Customization	Complexity	
	High	Low
Custom	I Physician Attorney Dentist Optometrist Auto Repair Appliance repair	II Beauty and hair Lawn care House painting Wall papering Moving Company Taxi
	III Radio and T.V. Movie Zoo Museum School Airline	IV Trash Collection Fast Food Car Wash Car Rental Dry Cleaning Bus

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FACILITIES EXPANSIONS/CONTRACTION DECISION STEPS

Managers:

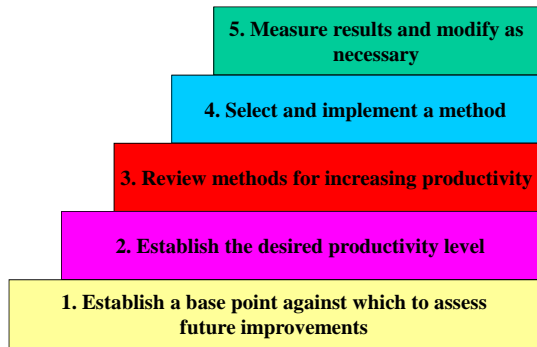
1. Use forecasts to determine probable future demand for products or services.
2. Compare current capacity with projected future demand
3. Generate, then evaluate alternatives when there is either insufficient or excess capacity
4. Consider the risks and decide on a plan

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FIVE STEP PROCESS TO IMPROVE PRODUCTIVITY



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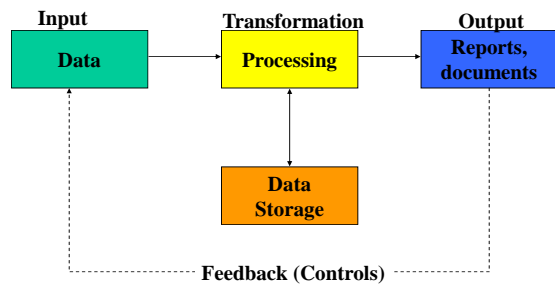


Chapter Nineteen

Managing Information Systems and Technology

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BASIC COMPONENTS OF AN INFORMATION SYSTEM

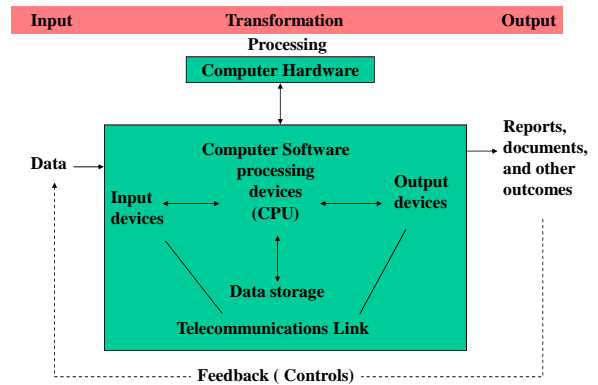


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BASIC COMPONENTS OF A COMPUTER-BASED INFORMATION SYSTEM



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TYPES OF INFORMATION SYSTEMS

Transaction Processing Systems (TPS)

Execute and record day-to-day routine business transactions

Office Automation Systems (OAS)

Facilitate communication and productivity through document and message processing (word processing, e-mail)

Knowledge Work Systems (KWS)

Assist knowledge workers in the creation of new knowledge for the organization

Management Information Systems (MIS)

Produce routine reports and allow on-line access to current and historical information

Decision Support Systems (DSS)

Provide tools that help managers and professionals analyze situations more clearly (expert systems, group support systems)

Executive Support Systems (ESS)

Support a broad scope of decision making

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MATRIX OF STRATEGIC OPTIONS RELATED TO INFORMATION TECHNOLOGY

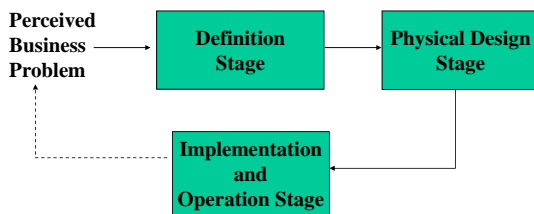
		STRATEGIC LINKAGES		
		Suppliers	Customers	Alliances
COMPETITIVE STRATEGIES	Differentiation			
	Cost			
	Quick Response			

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THE SYSTEMS DEVELOPMENT LIFE CYCLE

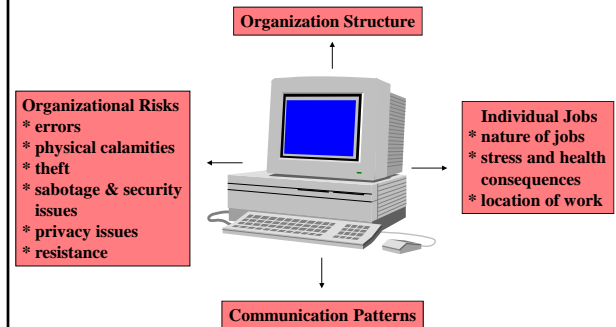


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INFLUENCE OF INFORMATION TECHNOLOGY ON ORGANIZATIONS



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Chapter Twenty

International Management

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PHILOSOPHIES OF INTERNATIONAL MANAGEMENT

ETHNOCENTRIC

Home country oriented: assumption that practices which work in the home country will work elsewhere

POLYCENTRIC

Host country oriented: assumption that subsidiaries should be staffed with locals, or nationals, to improve insight into local culture, mores, work ethics, and markets

REGIOCENTRIC

Region-oriented: assumption that company problems related to that region are generally best solved by individuals from that region

GEOCENTRIC

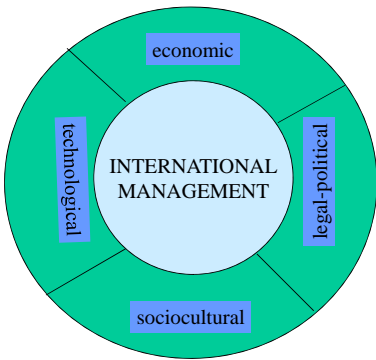
World oriented: assumption that the best individual should be hired, regardless of origin; managers must acquire both local and global knowledge

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ELEMENTS OF THE ENVIRONMENT AFFECTING INTERNATIONAL MANAGEMENT



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HOFSTEDE'S FOUR CULTURAL DIMENSIONS

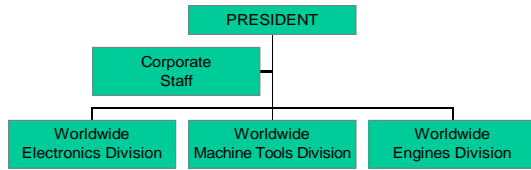
low		Power Distance		high	
Easy interaction of people from different backgrounds				Limited interaction between low-status and high-status individuals	
low		Uncertainty Avoidance		high	
Greater ease in unstructured, unpredictable situations				Avoidance of unstructured, unpredictable situations	
Individualism		--		Collectivism	
Primary concern for self and family				primary concern for interests of the larger group	
Masculinity		--		Femininity	
emphasis on assertiveness, competitiveness, material success				Emphasis on good working conditions, security, feelings, intuition	

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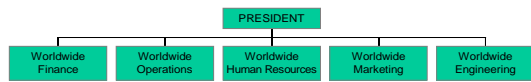
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WORLDWIDE PRODUCT DIVISIONS STRUCTURE



WORLDWIDE FUNCTIONAL DIVISIONS STRUCTURE

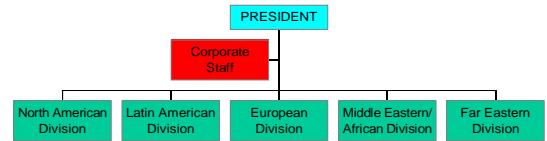


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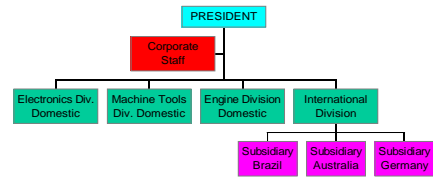
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GEOGRAPHIC REGIONS STRUCTURE



INTERNATIONAL DIVISIONS STRUCTURE



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Chapter Twenty-one

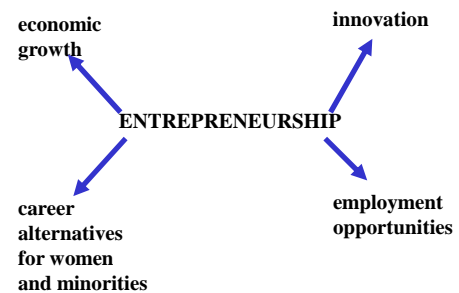
Entrepreneurship and Small Business

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ECONOMIC AND SOCIAL CONTRIBUTIONS OF ENTREPRENEURSHIP

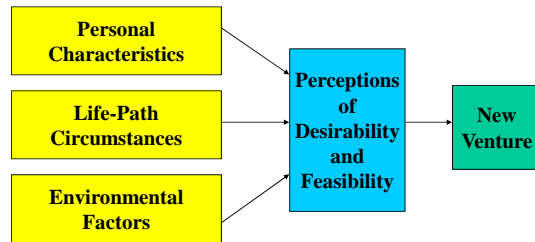


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FACTORS INFLUENCING ENTREPRENEURSHIP



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STARTING A NEW FIRM

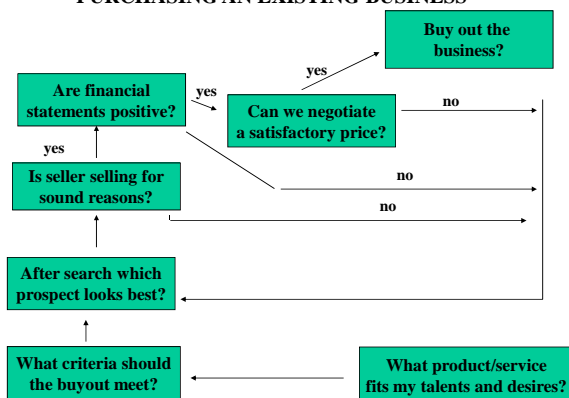
✓	Escape to something new
✓	Put the deal together
✓	Roll over skills and contracts
✓	Leverage expertise
✓	Provide aggressive service
✓	Pursue the unique idea
✓	Organize methodically

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PURCHASING AN EXISTING BUSINESS



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THE FRANCHISE

The Franchiser	The Franchisee
1. Assigns a sales area	1. Pays up Front Costs
2. Provides financial aid and advice	2. Makes a monthly payment to franchiser
3. Provides training and support	3. Runs business by franchiser's rules and procedures
4. Offers a competitive price for any merchandise supplied	4. Buys materials from franchiser (or approved supplier)
5. Gains business expansion without depletion of capital	5. Has the advantage of a low risk start up
	6. Gains instant name recognition and mass advertising

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DEBT AND EQUITY FINANCING

	Terms	Sources	Pros	Cons
Debt Financing	<ul style="list-style-type: none"> • money to be repaid • money is "secured" by property or equipment 	<ul style="list-style-type: none"> • commercial banks • family and friends • leasing • suppliers • investors 	<ul style="list-style-type: none"> • retain maximum ownership • increases rate of return 	<ul style="list-style-type: none"> • requires steady cash flow • susceptible to interest rate fluctuation
Equity Financing	<ul style="list-style-type: none"> • money not expected to be repaid • entitles the source to some form of ownership 	<ul style="list-style-type: none"> • friendly sources • informal venture • public stock offering 	<ul style="list-style-type: none"> • no pressure to repay 	<ul style="list-style-type: none"> • selling part of ownership