

Instructor's Manual

Principles of Management 3.0

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Chapter 2

History, Trends, Globalization, and Ethics

MANAGEMENT HISTORY: QUESTIONS TO CONSIDER

1. What goals seem to dominate early management principles? Why do you think this is the case?
2. Do you see any commonalities between Fayol's principles of management from 1911 and those of Tom Peters in the 1990s? What do you think accounts for this?
3. Are there any jobs today for which time and motion studies would make sense to do? Would any other skills need to be taught as well?
4. How would you put some of the ideas of the 1990s into practice?
5. What aspects of P-O-L-C would be most likely to change based on what you have learned in this section?

I. Discussion Questions

A. CONTEMPORARY PRINCIPLES OF MANAGEMENT

1. What commonalities do you see between organizations and social movements?

Contemporary management theory is showing that the lines between the two are blurring: corporations are becoming more like social movements, and social movements are taking on more permanence. Just as companies are outsourcing specific jobs, so social movements can contract out tasks like lobbying and fundraising.

2. How could you use a social network to help with a specific task such as helping new employees to adjust to the organization?

Answers will vary.

3. Do intraorganizational social networks inspire employees or do they create more problems than they are worth? Please explain your position.

Answers will vary.

4. How can social networks help managers plan, organize, lead, and control?

Companies are applying the online social networking model of open and closed groups to their corporate intranets, creating secure sites for employees in different locations to collaborate on projects based on common interests, management directives, and incentives. For example, IBM's virtual world lets employees use chat, instant messaging, and voice communication programs while also connecting to user-generated content in the public spaces of Second Life, another large social networking site. IBM also opened a virtual sales center in Second Life and, separately from the Second Life partnership, is building an internal virtual world where work groups can have meetings.

5. What are the potential advantages and potential disadvantages of a virtual organization?

Virtual organizations allow individuals who would otherwise not be able to work together due to physical distance, to do so. However, they also pose management challenges. In practical terms, if everyone is empowered to be a decision maker but various people disagree, how can decisions be made? If all workers can work at the times they choose, how can management be sure that workers are doing their work—as opposed to reading Web sites for fun, shopping, or networking with friends—and that they are taking appropriate breaks from work to avoid burnout? There are also challenges related to the virtual environment's dependence on computers and Web security.

6. What aspects of P-O-L-C would be most likely to change based on what you have learned in this section?

Answers will vary.

B. GLOBALIZATION AND PRINCIPLES OF MANAGEMENT

1. You've just been made a manager in Sweden, known for its institutional collectivism. What incentives and reward structures would you use to motivate your employees?

Answers will vary.

2. How might you prepare workers for an overseas assignment, helping them adjust to their new location and culture effectively?

Answers will vary.

3. Your company has 12 branches in the United States and will be opening its first branch in Brazil. Your company prides itself on its self-managed teams. Will you keep this policy in the new country? Why or why not?

Answers will vary.

4. You're a manager in Japan, and you've just discovered that a team leader under your supervision has made a mistake that will result in a quality problem. How will you handle this mistake?

Answers will vary.

5. You work in Hong Kong for a Swiss-owned firm. The Swiss are known for their high uncertainty avoidance. What differences might you expect to see from your Swiss bosses compared with your Hong Kong employees?

Answers will vary.

C. DEVELOPING YOUR VALUES-BASED LEADERSHIP SKILLS

1. What are the consequences of unethical behavior?

Without integrity and ethical behavior, there can be no trust among managers and their subordinates, because leadership is based on trust. Ethics drive effectiveness because employees know they can do the right thing decisively and with confidence. Ethical behavior earns the trust of customers and suppliers as well. It earns the public's good will. Ethical managers and ethical businesses tend to be more trusted and better treated. They suffer less resentment, inefficiency, litigation, and government interference.

2. If you were writing a code of ethics for your company, what would you include?

Answers will vary.

3. In times of economic downturn, is ethical behavior a luxury or a mandate?

Answers will vary.

4. Imagine you just found out that one of your employees has lied on an expense report. He is a great employee and one of your best salespeople. How would you handle this ethical violation?

Answers will vary.

5. Nobel laureate economist Milton Friedman said that, "The social responsibility of business is to increase its profits." Do you agree with this view? Why or why not?

Answers will vary.

D. CASE IN POINT: HANNA ANDERSSON CORPORATION CHANGES FOR GOOD

1. How has Hanna Andersson applied values-based leadership in terms of the company's choices related to P-O-L-C?

Over the years, Hanna Andersson has shown that it deeply values its employees. The company provides supplemental child-care reimbursement to all employees—even part-time sales associates. Additional employee benefits include part-time and flexible work hours, considerable paid time off, and eight hours per year of paid time for employees to volunteer in the community. More important, though, employees feel like they are part of the Hanna Andersson family. In fact, in the beginning many of the employees were friends and family members of the Denharts.

2. How did company leaders like Iosca, Petersen, and Stone help facilitate change within the company? Did they remain consistent with the values of the founders?

The leaders promoted employees from within the company, and sat it on various meetings in order to make employees feel heard and understood by their leaders. In this way, they did remain consistent with the values.

3. What were the reasons for organizational change within Hanna Andersson, both internally and externally?

The opening of several retail stores throughout the country and the establishment of online commerce inspired change for the organization. Internal technical systems, inventory planning, buying, distribution processes, and HR processes (recruitment, compensation, etc.) all need to change as a result.

4. What trends are likely to impact Hanna Andersson as they evolve over time?

Answers will vary.