



Chapter 2: The Managerial Functions

After studying this chapter you will be able to:

- 1** Summarize the difficulties supervisors face in fulfilling managerial roles.
- 2** Explain why effective supervisors should have a variety of skills.
- 3** Define *management* and discuss how the primary managerial functions are interrelated.
- 4** Discuss the important characteristics of the supervisor as team leader.
- 5** Explain the difference between management and leadership.
- 6** Discuss the concept of authority as a requirement of any managerial position.
- 7** Describe the types of power potentially available to the supervisor.
- 8** Explain the need for coordination and cooperation and how these depend on the proper performance of the managerial functions.

YOU MAKE THE CALL!

You are Bob Wolf, production supervisor at a family-owned manufacturing company that employs around 200 people. The company had normally promoted from within; you were the first person hired from outside to such a high position. When you took over as the production supervisor, the company had several problems. Most were due to production inefficiencies. Most employees in place when you came on board were personal friends of the man you replaced. Approximately 20 percent of these employees did not welcome you or, worse, tried to make you look bad. Unfortunately, you were forced to replace thirty-four of that group of employees because they were unwilling to make needed changes.

You replaced the original employees with people who were committed to the company's philosophy of "Working together to exceed the quality requirements of our customers is our number one job! Doing the job right the first time is the only way!"

Kelly, one of your team leaders on first shift, was a single parent with one preschool-aged child, Molly. About 6 months ago, Kelly went through a rather nasty divorce. The company has a liberal time-off policy. Under this policy, employees may take days off with pay for any reason, provided notice is given. Kelly had been instrumental in helping you make the transition and even made several suggestions that improved the work flow. She had exhausted her vacation hours for the year and had no personal time left. On a day Kelly was scheduled

to work, her daughter developed a high temperature and seemed very ill. Even though the sitter was willing to take her, she preferred not to. Kelly knew that she needed money to make ends meet and that this was one of the busiest times for the company. Fifteen minutes before her scheduled shift, Kelly called the company.

KELLY: Bob, Molly is not feeling well this morning, and she's been up most of the night with a high temp. I've got to take her to the doctor. I think it might be that new strain of flu, and I'm really worried about her. I'll call you later in the day and let you know how she's feeling, because I'm scheduled to work tomorrow, also.

You know that the next two days will be among the busiest, as several big production runs are scheduled. The company's staffing is lean to begin with, and it will be difficult to get someone in to cover on such short notice.

You're sorry that Molly is not feeling well, Kelly. We will need you here, if you can manage it some way. We'll take good care of her, and get it under control. You know the production run for Sterling Metals is scheduled for today, and they're our most important customer. Please let me know soon what's going on.

KELLY: Thanks for understanding. I really appreciate it.

You contemplate the work ahead. You call several employees, and none is available to fill in for Kelly today. You wonder how you will get through the day. What will you do to alleviate the situation?



1

THE PERSON IN THE MIDDLE

Summarize the difficulties supervisors face in fulfilling managerial roles.

The supervisory position is a difficult and demanding role. Supervisors are “people in the middle”—the principal link between higher-level managers and employees. A supervisor is a first-level manager, that is, a manager in charge of entry-level and other departmental employees. Every organization, whether a retail store, a manufacturing firm, a hospital, or a government agency, has someone who fills this role.

Throughout this textbook we use the terms *worker*, *employee*, and *subordinate* interchangeably to refer to individuals who report to supervisors or managers. An increasing number of companies are using the terms *associate* or *team member* instead of employee. Regardless of the term used, employees may view their supervisors as the management of the organization; the supervisor is the primary contact with management. Employees expect a supervisor to be technically competent and to be a good leader who can show them how to get the job done.

The supervisor must also be a competent subordinate to higher-level managers. In this role, the supervisor must be a good follower. Moreover, the supervisor is expected to maintain satisfactory relationships with supervisors in other departments. Therefore, a supervisor's relationship to other supervisors is that of a colleague who must cooperate and must coordinate his or her department's efforts with those of others in order to reach the overall goals of the organization.

In general, the position of a supervisor has two main requirements. First, the supervisor must have a good working knowledge of the jobs to be performed. Second, and more significant, the supervisor must be able to manage, that is, run, the department. It is supervisors' managerial competence that usually determines the effectiveness of their performance.

2

MANAGERIAL SKILLS MAKE THE DIFFERENCE

Explain why effective supervisors should have a variety of skills.

Most organizations have some supervisors who appear to be under constant pressure and continuously do the same work as their subordinates. They are getting by, although they feel overburdened. These supervisors endure long hours, may be devoted to their jobs, and are willing to do everything themselves. They want to be effective, but they seldom have enough time to supervise. Other supervisors appear to be on top of their jobs, and their departments run smoothly and orderly. These supervisors find time to sit at their desks at least part of the day, and they keep their paperwork up to date. What is the difference?

Of course, some supervisors are more capable than others, just as some mechanics are better than others. If we compare two maintenance supervisors who are equally good mechanics, have similar equipment under their care, and operate under approximately the same conditions, why might one be more effective than the other? The answer is that effective supervisors manage their departments in a manner that gets the job done through their people instead of doing the work themselves. The difference between a good supervisor and a poor one, assuming that their technical skills are similar, is the difference in their managerial skills.

The managerial aspects of the supervisor's position too often have been neglected in the selection and development of supervisors. Typically, people are

selected for supervisory positions based on their technical competence, their seniority or performance, and their willingness to work hard. When appointed supervisors, these employees are expected to assume management responsibilities, even though their previous job did not require these skills. New supervisors must make a conscious effort to develop their managerial skills by learning from their own managers, by completing company training programs, and by taking other avenues available to them.

To this end, we have grouped the managerial skills supervisors need into the following six major classifications:

Technical skills

The ability to do the job.

Human relations skills

The ability to work with and through people.

Administrative skills

The ability to plan, organize, and coordinate activities.

Conceptual skills

The ability to obtain, interpret, and apply information.

Political skills

The ability to understand how things get done outside of formal channels.

Emotional intelligence skills

The ability to intelligently use your emotions.

1. **Technical skills:** The ability to perform the jobs in a supervisor's area of responsibility.
2. **Human relations skills:** The ability to work with and through people; includes the ability to motivate team members and openmindedness.
3. **Administrative skills:** The ability to plan, organize, and coordinate the activities of a work group.
4. **Conceptual skills:** The ability to obtain, interpret, and apply the information needed to make sound decisions.
5. **Political skills:** The savvy to ascertain the hidden rules of the organizational game and to recognize the roles various people play in getting things done outside of formal organizational channels.
6. **Emotional intelligence skills:** The "intelligent use of your emotions to help guide your behavior and thinking in ways that enhance your results. You can maximize your emotional intelligence by developing good communication skills, interpersonal expertise, and mentoring abilities."¹

Chess master Bruce Paolofini stresses that there are two basic forms of intelligence: (1) the ability to read other people and (2) the ability to understand one's self.² The notion of knowing oneself is not new. Unfortunately, it was not too many years ago that corporate America believed you could take "the best mechanical," "the best salespeople," give them the title of "supervisor" or "manager," and success would automatically follow. Everyone has heard the horror stories—the supervisors who did their homework, did everything above-board, and called on the aforementioned skills, but somehow something went wrong. These supervisors made judgment errors—some said they lacked common sense (see the accompanying "Contemporary Issue" box for some thoughts on maturity).

Managerial Skills Can Be Learned and Developed

Many people believe that good managers, like good athletes, are born, not made. Much research has indicated that this belief is generally incorrect, even though it is true that people are born with different potential and that, to some degree, heredity plays a role in intelligence. An athlete who is not endowed with natural physical advantages is not likely to run 100 yards in record time. On the other hand, many individuals who are so-called natural athletes have not come close to that goal, either.

Most superior athletes have developed their natural endowments into mature skills by practice, learning, effort, and experience. The same holds true for a good manager. The skills involved in managing are as learnable as the skills used in playing golf. It takes time, effort, and determination for a supervisor to develop



CONTEMPORARY ISSUE

Do You Have What It Takes?

Southwest Airlines, the only airline that has made money each year for the past 20-some years, was led by Herb Kelleher. The former chairman, president, and CEO of Southwest Airlines did not have an MBA and did not work his way up the corporate ladder, but he did create a corporate culture that inspired his employees to deliver top-notch service on the ground and in the air. Southwest has the best customer-complaint record in the industry and turns planes around in about half the industry average. The “nutty” style of management has earned Southwest the reputation of being a great place to work. If everyone knows Southwest’s strategy, why is it different? In a recent interview, Kelleher stated the secret:

You have to recognize that people are still most important. How you treat them determines how they treat people on the outside. We have people going around the company all the time doing other people’s jobs, but not for cross-utilization. We just want everyone to understand what everybody else’s problems are.¹

In short, Kelleher’s answer seems like common sense, but he says, “there is no magic formula—like building a giant mosaic—it takes thousands of little pieces.” The glue that binds the pieces comes with maturity. The following describe some thoughts on maturity:

- Maturity is many things. It is the ability to base a judgment on the big picture, the long haul. It means being able to resist the urge for immediate gratification and opt for a course of action that will pay off later.
- Maturity is perseverance. It is the ability to sweat out a project in a situation despite heavy opposi-

tion or discouraging setbacks and stick with it until it is finished.

- Maturity is the ability to control anger and settle differences without violence or destruction. The mature person can face uncertainty, frustration, discomfort, and defeat without complaining. Mature people know they cannot have everything their own way every time.
- Maturity is humility. It is being big enough to say, “I was wrong.” When they are right, mature people need not experience the satisfaction of saying, “I told you so.”
- Maturity is the ability to live up to your responsibility, which means being dependable. It means keeping your word. Do you mean what you say—and do you really mean what you mean?
- Maturity is the ability to make a decision and stand by it. Mature people spend their lives exploring endless possibilities and then do nothing—paralysis by analysis. Action requires sticking your neck out.
- Maturity is the ability to harness your abilities and your energies and do more than is expected. The mature person sets stretch targets and strives diligently to attain them.
- Maturity is the art of living in peace with that which we cannot change, the courage to change that which should be changed, no matter what it takes, and the wisdom to know the difference.²

*Notes: During a year in which WorldCom, Tyco, Enron, Arthur Andersen, Kmart, Global Crossing, and others tarnished the public’s image of corporate America, an old reliable—Southwest Airlines—remained near the top in *Fortune’s* list of America’s Most Admired Companies.³*

Sources: (1) Hal Lancaster, “Herb Kelleher Has One Main Strategy: Treat Employees Well,” *The Wall Street Journal* (August 31, 1999), p. B1. Also see Kevin Freiberg and Jackie Freiberg, *Nuts! Southwest Airlines’ Crazy Recipe for Business and Personal Success* (Austin: TX: Bard Press, 1996). (2) Adapted from columnist Ann Landers, “Maturity Is Many Things and It’s Not Repeating,” *Green Bay Press-Gazette* (July 17, 1999), p. D-2. (3) See Matthew Boyle, “The Shiniest Reputations in Tarnished Times,” *Fortune* (March 2002), p. 70+. Also see Katrina Brooker, “The Chairman of the Board Looks Back,” *Fortune* (May 28, 2001), pp. 63+.

managerial skills. Supervisors will make mistakes, but people learn from mistakes as well as from successes. By applying the principles discussed in this textbook, the supervisor can develop the skills that make the supervisory job a challenging and satisfying career.

Even the best continually seek ways to sharpen their skills.



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Simply talking about supervisory management is somewhat like Mark Twain's comment about the weather: "Everybody talks about it, but no one does anything about it." Throughout this textbook are tips, suggestions, and activities that are designed to reinforce concepts. These tools do not guarantee supervisory success, however. For example, if you wanted to learn to play golf, you could take lessons from Butch Harmon, Tiger Woods's teacher.³ But you would also need the proper tools (e.g., the right clubs) and time to practice, time to learn from your mistakes and make corrections. There is one major difference between the beginning golfer and the newly appointed supervisor. Unlike beginning golfers, who can go to the driving range or the practice green to work on their games, newly appointed supervisors are on the job. Supervisors go through the learning curve that offers very little ground for trial and error. The supervisor cannot hit it out of bounds and tee it up again for another chance. To get the job done the right way, the supervisor must avoid some common mistakes. Consider our supervisory tips and remember that the challenge for any professional is to stay on the path of continuous improvement.

3

FUNCTIONS OF MANAGEMENT

Discussion Management and discuss how the primary managerial functions are interrelated.

Management

Getting objectives accomplished with and through people.

The term *management* has been defined in many ways. In general, **management** is the process of getting things accomplished with and through people by guiding and motivating their efforts toward common objectives.

Successful managers will assure you that their employees are their most important asset. Most successful managers recognize that they are only as good as the people they supervise. In most endeavors, one person can accomplish relatively little. Therefore, individuals join forces with others to attain mutual goals. In a business, top-level managers are responsible for achieving the goals of the

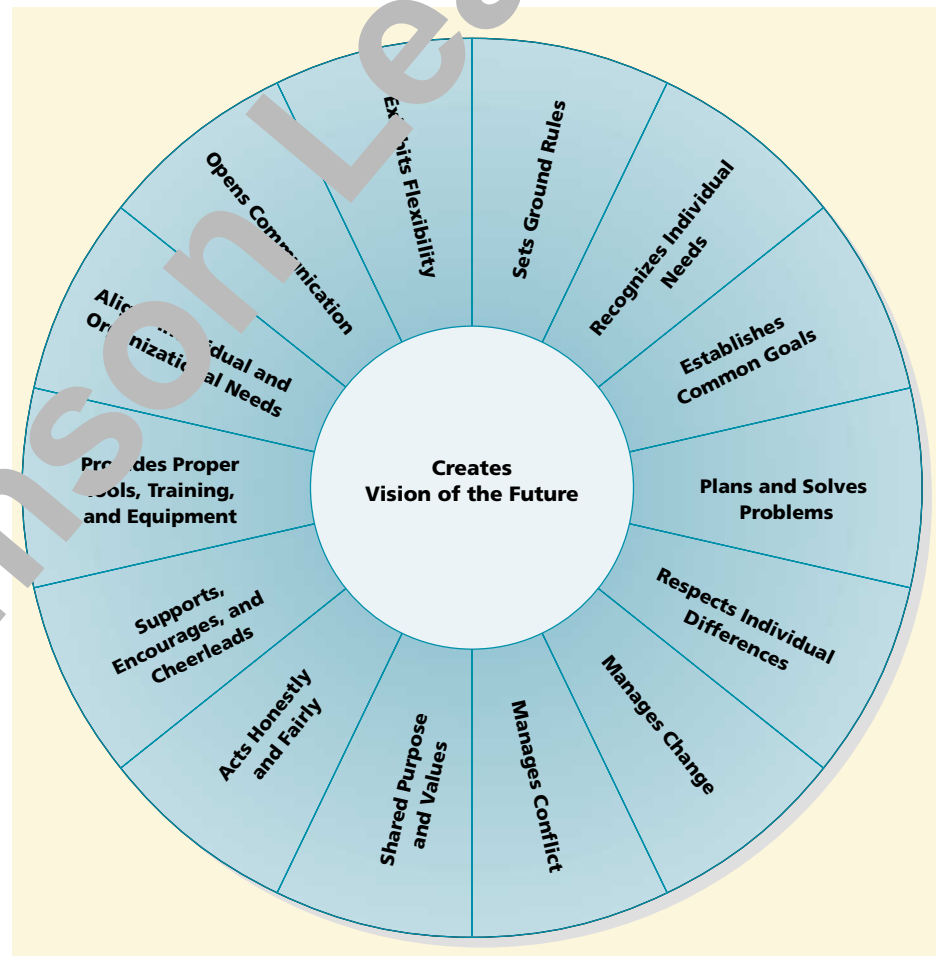
organization, but this requires the efforts of all subordinate managers and employees. Those who hold supervisory positions significantly influence the effectiveness with which people work together and use resources to attain goals. In short, the managerial role of a supervisor is to make sure that assigned tasks are accomplished with and through the help of employees.

Enabler

The person who does the things necessary to enable employees to get the job done.

With this in mind, we believe the term *enabler* more closely defines the new role of the manager.⁴ Clearly, the foundation for success is built when the manager clarifies what is expected in the way of performance and specifies the behaviors that are acceptable in the work group. Then the role of the supervisor is to do all those things that enable employees to be the best they can be (i.e., effectively and efficiently achieve organizational objectives). Figure 2-1 illustrates the notion of the supervisor as an enabler. The better the supervisor manages, the better the departmental results. In addition, the supervisor who manages well becomes capable of handling larger and more complicated assignments, which could lead to more responsible and higher-paying positions in the organization. (See the accompanying “Supervisory Tips” box for suggestions on becoming a successful supervisor.)

FIGURE 2-1
The supervisor's multiple roles as enabler.



SUPERVISORY TIPS**The E-Z Route for Supervisory Success**

- Above all, supervisors should do all of the things necessary to **Enable** employees to be the best they can be at their assigned tasks.
- Supervisors must foster and sustain a commitment to **Excellence**.
- Employees need to know what is **Expected** in the way of performance.
- Supervisors should **Establish** common goals and purpose.
- Employees must be **Educated**, that is, acquire the requisite job skills through coaching and/or training.
- Employees must be **Equipped**, that is, have the necessary tools, supplies, and equipment to do the job.
- Employees need to be **Encouraged** to see things that need to be done and do them.
- Employees should be **Empowered** so that they have the authority and responsibility to achieve objectives.
- Supervisors should nurture a **Enriching** workplace where employees can find meaning and fulfillment of their individual needs.
- Employees should **Experience** a variety of tasks and thus become experienced in many areas that use a variety of skills.
- Supervisors should **Engage** their employees in two-way communication so that understanding takes place.
- Supervisors should keep their **Emotions** under control.
- Supervisors should possess **Empathy**, that is, understand their employees' feelings, needs, and concerns.
- Supervisors should **Enthusiastically Exalt** employees when the job is well done.

The Managerial Functions Are the Same in All Managerial Positions

The managerial functions of a supervisory position are similar, whether they involve supervision of a production line, a sales force, a laboratory, or a small office. The primary managerial functions are the same regardless of the level in the hierarchy of management: first-level supervisor, middle-level manager, or top-level management. Similarly, the type of organization does not matter. Managerial functions are the same whether the supervisor is working in a profit-making firm, a nonprofit organization, or a government office. Supervisors as well as other managers perform the same basic managerial functions in all organizations. In this textbook, we classify these functions under the major categories of planning, organizing, staffing, leading, and controlling. The following description of these functions is general and brief, since most of the book is devoted to discussing the applications of these concepts, particularly at the supervisory level.

Planning

The initial managerial function—determining what should be done in the future—is called **planning**. It consists of setting goals, objectives, policies, procedures, and other plans needed to achieve the purposes of the organization. In

Planning

Determining what should be done.

planning, the manager chooses a course of action from various alternatives. Planning is primarily conceptual. It means thinking before acting, looking ahead and preparing for the future, laying out in advance the road to be followed, and thinking about what and how the job should be done. It includes collecting and sorting information from numerous sources and using that information to make decisions. Not only does planning include deciding what, how, when, and by whom work is to be done, but it must also include the development of “what if” scenarios. *A word of caution:* Regardless of how well a supervisor like Bob Wolf (“You Make the Call!”) plans, crises will happen and supervisors must anticipate them, considering what they will do if this or that happens.

Many supervisors find that they are constantly confronted with crises. The probable reason for this is that these supervisors neglect to plan; they do not look much beyond the day’s events. It is every supervisor’s responsibility to plan; this task cannot be delegated to someone else. Certain specialists, such as budget officers, production schedulers, or engineers, may help the supervisor plan, but it is up to each supervisor, as the manager of the department, to make specific departmental plans that coincide with the general objectives established by higher-level management.

Planning is the managerial function that comes first. As the supervisor proceeds with other managerial functions, planning continues, plans are revised, and alternatives are chosen as needed. This is particularly true as a supervisor evaluates the results of previous plans and adjusts future plans accordingly.

Organizing

Once plans have been made, the organizing function primarily answers the question, “How will the work be divided and accomplished?” This means that the supervisor defines various job duties and groups these duties into distinct areas, sections, units, or teams. The supervisor must specify the duties, assign them, and, at the same time, give subordinates the authority they need to carry out their tasks. Organizing means arranging and distributing work among members of the work group to accomplish the organization’s goals.

Staffing

The managerial tasks of recruiting, selecting, orienting, and training employees may be grouped in the function called **staffing**. This function includes appraising the performances of employees, promoting employees as appropriate, and giving employees opportunities to develop. In addition, staffing includes devising an equitable compensation system and rates of pay. In many companies, some activities involved in staffing are handled by the human resources (HR) (or personnel) department. For example, the HR department and top-level managers establish the compensation system. Supervisors do not perform this task. However, day-to-day responsibility for the essential aspects of staffing remains with the supervisor.

Leading

Leading means guiding the activities of employees toward accomplishing objectives. The leading function of management involves guiding, teaching, and supervising subordinates. This includes developing employees to their potential by directing and coaching those employees effectively. It is insufficient for a supervisor just to plan, organize, and have enough employees available. The supervisor

Organizing

Arranging and distributing work among members of the work group to accomplish the organization’s goals.

Staffing

The tasks of recruiting, selecting, orienting, training, appraising, promoting, and compensating employees.

Leading

The managerial function of guiding employees toward accomplishing organizational objectives.

must attempt to motivate employees as they go about their work. Leading is the day-to-day process around which all supervisory performance revolves. Leading is also known as directing, motivating, or influencing, because it plays a major role in employee morale, job satisfaction, productivity, and communication. It is through this function that the supervisor seeks to create a climate that is conducive to employee satisfaction and at the same time achieves the objectives of the department. Finding ways to satisfy the needs of a diverse employee workforce is a significant challenge. In fact, most of a supervisor's time normally is spent on this function, because it is the function around which departmental performance revolves.

Controlling

Ensuring that actual performance is in line with intended performance and taking corrective action.

Controlling

The managerial function of **controlling** involves ensuring that actual performance is in line with intended performance and taking corrective action as needed. Here, too, the importance of planning as the first function of management is obvious. It would be impossible for a supervisor to determine whether work was proceeding properly if there were no plans against which to check. If plans or standards are superficial or poorly conceived, the controlling function is limited. Therefore, *controlling* means not only making sure that objectives are achieved, but taking corrective action in case of failure to achieve planned objectives. It also means revising plans as circumstances require.

The Continuous Flow of Managerial Functions

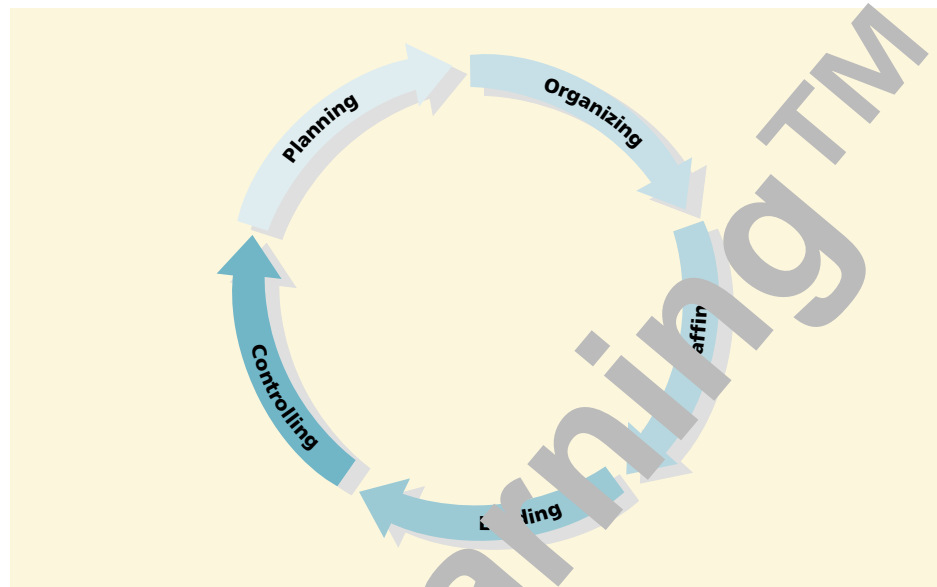
The five managerial functions can be viewed as a circular, continuous movement. If we view the managerial process as a circular flow consisting of the five functions (Figure 2-2), we can see that the functions flow into each other and that each affects the others. At times, there is no clear line to mark where one function ends and the other begins. Also, it is impossible for a supervisor to set aside a

Leading means guiding employees toward accomplishing objectives. It is the day-to-day process around which all supervisory performance revolves.



FIGURE 2-2

The circular concept illustrates the close and continuous relationship between the five management functions.



certain amount of time for one or another function, because the effort spent in each function varies as conditions and circumstances change. Undoubtedly, planning must come first. Without plans, the supervisor cannot organize, staff, lead, or control.

Remember: All managers perform essentially the same managerial functions, regardless of the nature of their organizations or their levels in the hierarchy. The time and effort involved in each of these functions varies depending on which rung of the management ladder the manager occupies, the type of tasks subordinates perform, and the scope and urgency of the situation.

4

THE SUPERVISOR AS TEAM LEADER

Discuss the important characteristics of the supervisor as team leader.

Many firms have implemented a team-based organizational structure focused on customer satisfaction, productivity, profitability, and continuous improvement. It is not our intent to discuss the pros and cons of the team approach at this point. Teams are a means to an end, and that end is superior performance to what team members would achieve working as individuals.⁵ Author, trainer, and consultant Fran Rees identified several reasons for the increasing use of teams:

- Given the complexity of jobs and information, it is nearly impossible for managers to make all the decisions. In many cases, the person closest to the job is the one who should decide.
- The focus on quality and customer satisfaction has increased attention on the importance of each employee's work.
- The shift from a homogeneous workforce to a diverse one requires managers to work effectively with multiple employee perspectives.
- There is a growing realization that an autocratic, coercive management style does not necessarily result in productive, loyal employees. The fact that people support what they help create is behind the team approach.

- People are demanding strong voices in their work lives, as well as meaningful work, respect, and dignity.⁶

One example of how well teams perform is illustrated in the movie *Apollo 13*. The five little words, “Houston, we have a problem,” caused a diverse group of ground-crew specialists at Mission Control—working against the clock, borrowing and fabricating resources, and working against the odds—to figure out a way to bring the astronauts home.

5

MANAGERS AND LEADERS: ARE THEY DIFFERENT?

Explain the difference between management and leadership.

In the years since the classic *Harvard Business Review* article, “Managers and Leaders: Are They Different?” appeared, there has abounded among scholars regarding the differences between managers and leaders.⁷ Not surprisingly, hundreds of articles and books have tried to clear up the confusion. While some have contended that only labels or semantics separate managers and leaders, others have identified more substantive differences. For example, author Stephen Covey wrote, “Leadership is not management. Leadership deals with the top line—What are the things I want to accomplish? Leadership is doing the right things. In the words of both Peter Drucker and Warren Bennis, ‘Management is efficiency in climbing the ladder of success; leadership determines whether the ladder is leaning against the right wall.’” One of the most noted writers on leadership, Bennis has pointed out other differences between managers and leaders (see Figure 2-3).

Harvard Professor John P. Kotter also draws a similar distinction between leadership and management. He contends that management involves keeping the current system operating through planning, budgeting, staffing, controlling, and problem solving, while leadership is the development of vision and strategies, the alignment of relevant people behind those strategies, and the empowerment of people to make the vision happen. We concur with Kotter when he states:

The point here is not that leadership is good and management is bad. They are simply different and serve different purposes. Strong management with no leadership tends to entrench an organization in a deadly bureaucracy. Strong leadership with no management risks chaos; the organization might walk off a cliff.⁹

When people have the title of manager, does it necessarily follow that they will be leaders? Clearly, the answer is no—title alone does not guarantee success. On the other hand, when people have the title of team leader, does it mean they

FIGURE 2-3
What does what?

- The manager does things right; the leader does the right thing.
- The manager relies on control; the leader inspires trust.
- The manager focuses on systems and structures; the leader focuses on people.
- The manager administers; the leader innovates.
- The manager asks how and when; the leader asks what and why.
- The manager accepts the status quo; the leader challenges it.

Source: Adapted from Warren Bennis, *On Becoming a Leader* (Reading, MA: Addison-Wesley Publishing Company, paperback edition 1994), pp. 44–45.

will display the SKAs to excel in that position? Again, the answer is no. What does it take for an individual to be both a good manager and a good leader? Is it possible for individuals to learn to be both good managers and good leaders? With the events of 9/11, much discussion has centered on what is the relationship between heroes, leaders, and managers. Columnist Marilyn vos Savant stated that, “If a mother dives into a river to save a struggling child unknown to her, she is clearly a hero if she is successful. And, if not, she certainly behaved heroically.”¹⁰ Writer Pat Wiesner proclaims that, “The hero brings in the biggest order the company has ever had, the leader gets everyone in the company to try their best to do the same, and the manager makes sure there is no profit loss.” In subsequent chapters, we clearly identify the necessary ingredients—the managerial skills necessary for success—and devote the bulk of Chapter 13 to further discussion of leadership and change.

6

MANAGERIAL AUTHORITY

Discuss the concept of authority as a requirement of any managerial position.

Authority

The legitimate right to direct and lead others.

Does the individual have the authority to perform managerial functions? If the answer is no, the individual cannot perform as well as a manager (see Figure 2-4). **Authority** is the legitimate or rightful power to lead others, the right to order and to act.¹² It is the formal, positional right by which a manager can require subordinates to do or not to do a thing that the manager deems necessary to achieve organizational objectives. Managerial authority is not granted to an individual but rather to the position the individual holds at the time. When individuals leave their jobs or are replaced, they cease to have that authority. When a successor assumes the position, that person then has the authority.

Included in positional managerial authority are the right and duty to delegate authority. The delegation of authority is the process by which the supervisor receives authority from a higher-level manager and, in turn, makes job assignments and entrusts delegated authority to subordinates. Having managerial authority means the supervisor has the power and the right to issue directives in order to accomplish the tasks assigned to the department. This authority includes the power and right to reward and discipline, if necessary. When a subordinate performs well, the supervisor has the power to give that subordinate a raise or another reward, within company guidelines. If a worker refuses to carry out a directive, the supervisor’s authority includes the power and right to take disciplinary action, even to the extent of discharging the subordinate. Of course, this power, like all authority, is limited.

The **acceptance theory of authority** states that a manager does not possess *real* authority until and unless the subordinate accepts it. For example, a supervisor may instruct an employee to carry out a certain work assignment. The employee has several alternatives from which to choose. Although such a response is not likely, the employee can refuse to obey, thereby rejecting the supervisor’s authority. Alternatively, the employee may grudgingly accept the supervisor’s direction and carry out the assignment in a mediocre fashion. Unfortunately, supervisor Bob Wolf (see this chapter’s “You Make the Call!” segment) experienced this type of resistance from some of his employees. Because some employees continually rejected Wolf’s authority, he had no choice but to impose disciplinary action on those employees.

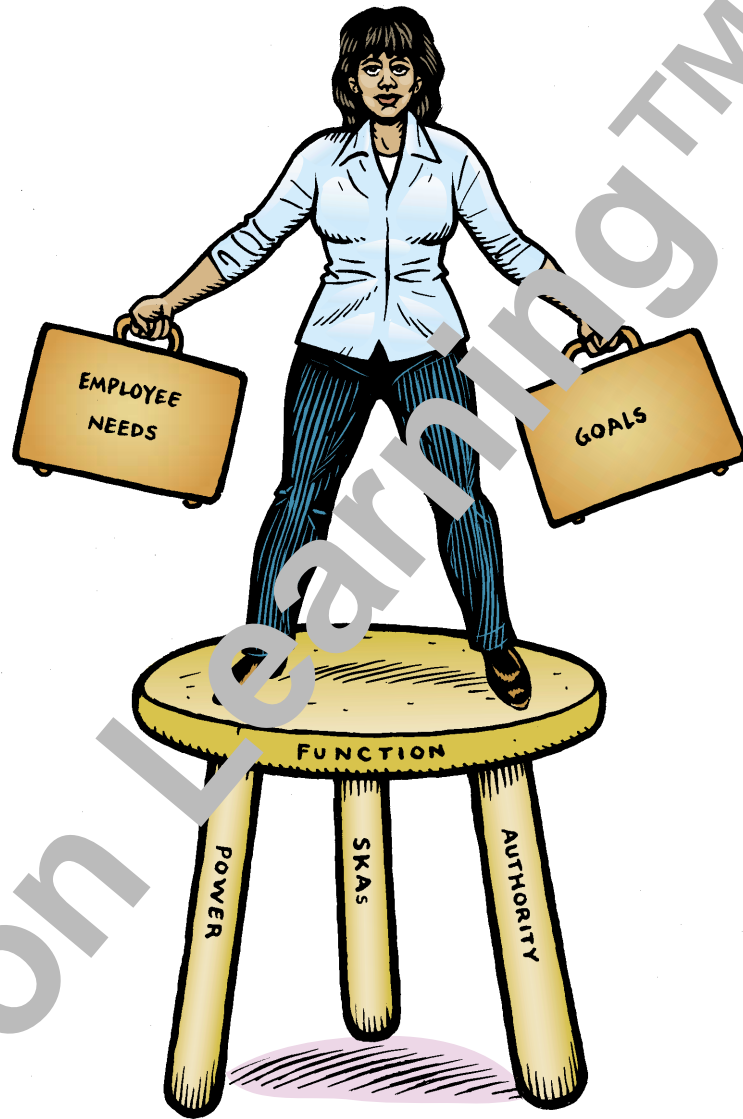
Numerous limitations to authority usually exist—union contract provisions, government or regulatory agency restrictions, company policy, and ethical con-

Acceptance theory of authority

Theory that holds that a manager only possesses authority when the employee accepts it.

FIGURE 2-4

To be effective, a manager must be able to use the managerial functions and possess SKAs, power, and authority.



siderations. Generally, first-line supervisors find that there are limits to their authority to use resources and to make certain managerial decisions.

Avoiding Reliance on Managerial Authority

Most successful supervisors know that to motivate workers to perform their duties it is usually best not to rely on formal managerial authority but to employ other approaches. Generally, it is better for a supervisor not to display power and formal authority. In practice, many supervisors prefer to avoid even speaking about their authority. They prefer to speak instead of their responsibilities, tasks, or duties. Some supervisors consider it better to say that they have responsibility for certain activities, instead of saying that they have authority in that area. Using the words *responsibility*, *tasks*, and *duties* in this sense—although these certainly

are not the same as *authority*—helps the supervisor to avoid showing the “club” of authority.

In general, how you treat employees on the job and develop their sense of worth are more important to employees in the long run than salary.¹³ Research shows that approaches that foster mutual trust and respect between supervisor and subordinate generally increase job satisfaction and productivity. We contend that employees are likely to perform better if they understand why a task needs to be done and have a voice in how to do it rather than simply being told to do it. Regardless of how a supervisor applies authority, the point to remember is that the supervisory position must have it. Without managerial authority, a supervisor cannot perform well as a manager.

Delegating Authority

As mentioned previously, the **delegation** of authority is the process by which the supervisor receives authority from a high-level manager and, in turn, makes job assignments and entrusts related authority to subordinates. Just as the possession of authority is a required component of any managerial position, the process of delegating authority to lower levels in the hierarchy is required for an organization to have effective managers, supervisors, and employees. Chapter 13 discusses in detail the concepts of authority, responsibility, and the delegation of authority.

Delegation

The process of entrusting duties and related authority to subordinates.

7

POWER—THE ABILITY TO INFLUENCE OTHERS

Describe the types of power potentially available to the supervisor.

Position power

Power derived from the formal rank a person holds in the chain of command.

Personal power

Power derived from a person's SKAs and how others perceive that person.

Among the most confused terms in management are *authority* and *power*. The effective supervisor understands the difference between the two. Some behavioral scientists contend that a manager's power comes from two sources: position power and personal power.¹⁴ **Position power** comes from a person's organizational position. For example, a division manager has more position power than a first-line supervisor. **Personal power**, on the other hand, emanates from the relationship a supervisor has with other people. A supervisor's personal power depends to a greater extent on the followers' perceptions of that supervisor's knowledge, skill, and expertise.

Other theorists, such as French and Raven, assert that power arises from the following five sources:

1. **Reward power:** Supervisors have reward power if they can grant rewards.
2. **Coercive power:** Supervisors who threaten punishment and discipline use coercive power.
3. **Legitimate power:** Some supervisors gain compliance by relying on their position or rank (e.g., “I’m the boss—do it my way.”)
4. **Expert power:** Knowledge or valuable information gives a person expert power over those who need that information.
5. **Referent or charismatic power:** People are often influenced by others because of some tangible or intangible aspect of another's personality.¹⁵

Effective supervisors understand the effect their power has on others. Research indicates that reward power, coercive power, and legitimate power often force employees to comply with directives but do not get those employees' commit-

ment to organizational objectives. Accordingly, supervisors who use expert power and referent power effectively have the greatest potential for achieving organizational goals.¹⁶

The acceptance theory of authority is also relevant to the application of power. For example, you can be an expert in computer applications, but if others do not need that knowledge, you will have very little influence over them. Therefore, two supervisors can hold the same title, occupy the same level in the hierarchy, and have equal authority, yet have different degrees of power depending on their abilities and how others perceive them.

8

COORDINATION

Explain the need for coordination and cooperation and how these depend on the proper performance of the managerial functions.

Coordination

The synchronization of employees' efforts and the organization's resources toward achieving goals.

Cooperation

The willingness of individuals to work with and help one another.

Management has generally been defined as the process of getting things done through and with the help of people by directing their efforts toward common objectives. In a sense, all levels of management could be broadly visualized as involving the coordination of efforts of all the members and resources of an organization toward overall objectives. Some writers, therefore, have included the concept of coordination as a separate managerial function.

Coordination is the orderly synchronization (or putting together) of efforts of the members and resources of an organization to accomplish the organization's objectives. Coordination is not a separate managerial function; it is an implicit, interrelated aspect of the five major managerial functions previously cited. That is, coordination is fostered whenever a manager performs any of the managerial functions of planning, organizing, staffing, leading, and controlling. In a sense, coordination can best be understood as being a direct result of good management rather than a managerial function in and of itself. The ability to communicate clearly and concisely is essential for coordination.

Achieving coordination typically is more difficult at the executive level than at the supervisory level. The CEO has to synchronize the use of resources and human efforts throughout the organization, throughout numerous departments and levels. A supervisor of one department has the responsibility to achieve coordination primarily within the department. However, this, too, can be difficult to achieve, especially during periods of rapid change.

coordination primarily within the department. However, this, too, can be difficult to achieve, especially during periods of rapid change.

Cooperation as Related to Coordination

Cooperation is individuals' willingness to work with and help each other. It primarily involves the attitudes of a group of people. Coordination is more than the mere desire and willingness of participants. For example, consider a group of workers attempting to move a heavy object. They are sufficient in number, willing and eager to cooperate with each other, and trying their best to move the object. They are also fully aware of their common purpose. However, in all likelihood their efforts will be of little avail until one of them—the supervisor—gives the

proper orders to apply the right amount of effort at the right place at the right time. Then the group members can move the object. It is possible that by sheer



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Cooperation, coordination, and communication lead to success.

coincidence some cooperation could have brought about the desired result in this example, but no supervisor can afford to rely on such a coincidental occurrence. While cooperation is helpful and the lack of it could impede progress, its presence alone will not necessarily get the job done. Efforts must be coordinated toward the common goal.

Attaining Coordination

Coordination is not easily attained, and the task of achieving coordination is becoming more complex. As an organization grows, coordinating the many activities of various departments becomes an increasingly complicated problem for high-level managers. At the supervisory level, as the number and types of positions in a department increase, the need for coordination to obtain desired results similarly increases. On the other hand, organizational downsizing may force supervisors to be even more effective in coordination.

The complexities of human nature present added coordination problems. Many employees understandably are preoccupied with their own work because, in the final analysis, they are evaluated primarily on how they do their jobs. Therefore, employees tend not to become involved in other areas and often are indifferent to the fact that their activities may affect other departments.

Supervisors can achieve coordination by building networks focused on attaining common objectives. According to *Merriam Webster's Collegiate Dictionary* (10th ed.), a *network* is a “fabric or structure of cords or wires that cross at regular intervals and are knitted or secured at the crossings.” This visual image is helpful when conceiving of a network from a supervisor’s perspective. A supervisor should think of a network as any number of individuals or groups linked by a commitment to shared purpose and values. **Networking** is the process by which supervisors become connected with other individuals or groups to achieve particular goals. Simply stated, networking is people connecting with people, linking ideas, resources, and work effort. Bob Wolf, supervisor in the chapter’s opening “You Make the Call!”, should develop networks with others, both inside and outside the organization. Also, he must understand that the network runs on both sides of the street. When Wolf has a need, he contacts another person in his network who might have a resource, and vice versa. Networking allows Wolf to balance autonomy on the one hand and dependence on the other. Networking facilitates the flow of ideas across organizational barriers and thereby eases the coordination effort.

Networking

Individuals or groups linked by a commitment to shared purpose.

Coordination as Part of the Managerial Functions

While performing the managerial functions, the supervisor should recognize that coordination is a desired result of effective management. Proper attention to coordination within each of the five managerial functions contributes to overall coordination.

The planning stage is an important time for fostering coordination, because a supervisor must see to it that various plans in the department are interrelated properly. For example, a supervisor may wish to discuss departmental job assignments with the employees who are to carry them out. In this way, the employees can to express their opinions or objections, which need to be reconciled in advance. Furthermore, employees may be encouraged to make suggestions and

to discuss the merits of proposed plans and alternatives. When employees are involved in initial departmental planning, the supervisor's chances of achieving coordination usually improve.

The concern for coordination must be present when a supervisor organizes. The purpose of establishing who is to do what, when, where, and how is to achieve coordination. For example, whenever a new job is to be done, a supervisor assigns that job to the unit with the employees best suited to the work. Therefore, whenever a supervisor groups activities and assigns subordinates to those groups, coordination should be uppermost in the supervisor's mind. Achieving coordination should also be of concern as a supervisor establishes authority relationships within the department and among employees. Clear statements as to specific duties and reporting relationships in the department foster coordination and prevent duplicate efforts and confusion.

Similarly, coordination should be a high priority when a supervisor performs the staffing function. There must be the right number of workers with the proper skills in all the positions to ensure the group performs effectively. The supervisor must see to it that employees have the abilities and job training they need to contribute to the coordination of the effort.

When leading, the supervisor is significantly involved in coordination. The essence of giving instructions is to coordinate the activities of employees in such a manner that the overall objectives are reached in the most efficient way possible. In addition, a supervisor must assess and reward the performance of employees to maintain a harmonious work group.

The supervisor is also concerned with coordination when performing the controlling function. By checking, monitoring, and observing, the supervisor makes certain that activities conform to established plans. If there are any discrepancies, the supervisor should take immediate action to reprioritize or reassign tasks and, in so doing, maintain coordination at least from then on. The very nature of the controlling process contributes to coordination and keeps the organization moving toward its objectives.

Coordination with Other Departments

Not only must supervisors be concerned with coordination within their own departments, but they also must coordinate the efforts of their departments with those of others. For example, a production-department supervisor must meet with supervisors of scheduling, quality control, maintenance, and shipping to coordinate various activities. Similarly, an accounting supervisor typically meets with supervisors from production, sales, and shipping to coordinate cost accounting, inventory records, and billing. Achieving coordination is an essential component of the supervisory management position.

Cooperation and Coordination—Easier Said Than Done

A group of employees becomes a team when its members share values and a purpose. How well the objectives are achieved depends on the supervisor's coordination and team-building skills. The move toward increased employee participation, broader spans of control, and fewer managerial levels causes a greater need for coordination skills. Meanwhile, many supervisors have higher aspirations; they eventually want to be promoted to positions of increased responsibility. In reality, competition among supervisors may impede cooperation.

WHAT CALL DID YOU MAKE?

As supervisor Bob Wolf, you must do whatever it takes to fulfill customer expectations. Because no other employees can come in on short notice, you must develop a plan to get the work done. Hindsight is wonderful, but you cannot redo that which was not done. The only thing you can do is learn from your mistakes and the mistakes of others. You should have anticipated that there will be days when scheduled workers will not show, or that materials needed to complete production runs will not arrive or will be of the wrong quantity or quality. Like chess master Bruce Pandolfini, you must develop contingency plans and be several moves ahead of any eventuality.

In short, you need coordination and cooperation. In reality, your personal skills will be stretched. Even though you have pruned the employee ranks, some remain unwilling to get the job done. With luck, as the supervisor, you have developed networks to help you with your current need. Your networking and cooperative efforts with the other employees may pay off, and they may help you find coverage. Perhaps the HR department can help you by recommending a temporary help service or other options. If those staff cannot help you, you should get back to the person who said she could come in later in the day.

In all likelihood, you will have to roll up your sleeves and fill in where needed. You have the technical skills, and periodically you will have to use them. You must communicate to the other employees that Kelly's absence will necessitate extra effort on their part. Generally, the employees you ask to provide extra coverage are likely to perform better if they understand why the task needs to be done and if they have a voice in how to do it. Unfortunately, time is not on your side, because the plant begins operating in a few minutes.

Your coordination skills will be taxed. You might have to spread your existing staff to cover the work. Conflicts may arise, and your ability to perform the leading function could make the task less difficult. Can you prevent this problem from recurring? The answer is no, but you can learn from this experience and develop contingency plans for when it happens again.

Award Question: Respond to events like these with a level head; use your emotional intelligence to remain in control of the situation. Remember that employees who show up for work are burdened when someone like Kelly does not show up. Those employees may be asked to pick up the slack, and some may resent it. As the supervisor, you must find ways to reward employees who give extra effort during a crisis.



SUMMARY

Supervisors are the “people in the middle.” Employees see their supervisors as being management, but supervisors are subordinates to their own managers at higher levels. To supervisors of other departments, supervisors are colleagues who must cooperate with each other. Supervisors must have both good working knowledge of the jobs being performed in their departments and the ability to manage.

Effective supervisors must have technical, human relations, administrative, conceptual, and political skills. It is most critical that supervisors be able to intelligently use their emotions. Supervisors must understand the technical aspects of the work being performed. When attempting to manage job performance, understanding employee needs is essential. “People skills” help supervisors accomplish objectives with and through people. It is equally important for supervisors to

understand the dynamics of the organization and to recognize organizational politics.

These skills are important to all levels of management. Most supervisors come to the job equipped with some of these skills. Supervisors have daily opportunities to apply managerial skills and must continually strive to develop those skills. Blending these skills with a dose of common sense and applying them with maturity help accomplish organizational objectives and allow supervisors to stay on top of the job. Supervisors who effectively apply these skills can contribute suggestions to higher-level managers and can work in harmony with their colleagues. In short, skilled supervisors are candidates for advancement and additional job responsibilities.

3

While there are numerous definitions of *management*, we define it as the process of getting things accomplished through people by guiding and motivating those people's efforts toward common objectives. Supervisors should look at themselves as enablers, that is, as clarifying expectations for employees and giving employees the right tools, training, and opportunities to succeed. In short, supervisors should do all those things that enable their employees to be the best they can be—while achieving organizational objectives.

The five major managerial functions are planning, organizing, staffing, leading, and controlling. These functions are viewed as a continuous flow—the functions flow into each other and each affects the others.

Planning is the first function of management. The performance of all other managerial functions depends on it. The five managerial functions are universal, regardless of the job environment, the activity involved, or a person's position in the management hierarchy. Typically, supervisors spend most of their time leading and controlling. A supervisor's planning covers a shorter time and narrower focus than that of a top-level executive.

4

Some companies have redefined the role of the supervisor as team leader. While team leaders must possess certain skills as identified earlier in the chapter, it is important to remember that teams are usually formed for such purposes as improving customer service, productivity, or quality. As such, developing a work environment in which team members share a purpose and goals is essential. The supervisor as team leader is a coach who can apply the characteristics presented in Figure 2-3. While these characteristics impact the team differently, information sharing and information gathering allow team members to function most effectively. The team leader must want to be part of change.

5

Leadership and management go hand in hand. As one of the management functions identified in this text, leadership is concerned with establishing a vision, aligning people behind that vision, and empowering those people to accomplish the intended results (doing the right thing) while management is getting things done. The distinction is more than a semantical one.

6

A supervisor must have authority to perform well as a manager. Authority is the legitimate or rightful power to lead others. Authority is delegated from top-level managers through middle-level managers to supervisors, who in turn delegate to their employees. All supervisors must be delegated appropriate authority to manage their departments.

The acceptance theory of authority suggests that supervisors have authority only if and when their subordinates accept it. In reality, an employee's choice between accepting or not accepting a supervisor's authority may be the choice

between staying in the job or quitting. Most supervisors prefer not to primarily rely on formal managerial authority but to use other approaches for enhancing employee performance.

7

Supervisors have power because of the position they occupy. Position power increases as a person advances up the organizational hierarchy. Supervisors derive personal power from their relationships with others. Subordinates' perceptions of the supervisor's SKAs play an integral role in the supervisor's ability to influence those subordinates.

Theorists French and Raven identify five sources of power: reward, coercive, legitimate, expert, and referent or charismatic. Research indicates that supervisors who use expert power and referent power effectively have the greatest potential for achieving organizational goals. The power a supervisor has is based, for the most part, on the willingness of the employee to accept it.

8

Coordination is the orderly synchronization of efforts of the members and resources of an organization toward the attainment of related objectives. Cooperation—as distinguished from coordination—is the willingness of individuals to work with and help each other. While cooperation is helpful, it cannot itself get the job done. Efforts must also be coordinated. Both coordination and cooperation are attainable through good management practices.

KEY TERMS

Technical skills (page 37)	Leading (page 42)
Human relations skills (page 37)	Controlling (page 43)
Administrative skills (page 37)	Authority (page 46)
Conceptual skills (page 37)	Acceptance theory of authority (page 46)
Political skills (page 37)	Delegation (page 48)
Emotional intelligence skills (page 37)	Position power (page 48)
Management (page 42)	Personal power (page 48)
Enabler (page 48)	Coordination (page 49)
Planning (page 42)	Cooperation (page 49)
Organizing (page 42)	Networking (page 50)
Staffing (page 42)	

QUESTIONS FOR DISCUSSION

Note to students: See the Leonard/Hilgert Web site (<http://leonard.swlearning.com>) for additional questions.

1. Identify the major managerial skills every supervisor needs. Why are these important? Are emotional skills more or less important than the other skills? Why or why not?
2. It is often said that planning is the most important managerial function. Do you agree? Why or why not?
3. Is there a distinction between management and leadership? Why or why not? Why is the distinction important for one who desires to be a supervisor or team leader?
4. We suggest that supervisors should view themselves as enablers. The logical extension of this notion would be that the supervisor clarify the objectives that must be obtained, provide the training and tools needed to complete the task, and get out of the way. Should “management by getting out of the way” be an appropriate philosophy of management? Why or why not?

SKILLS APPLICATIONS

Note to students: See the Leonard/Hilgert Web site (<http://leonard.sylvanring.com>) for additional skills applications.

Skills Application 2-1: Attributes of a Successful Manager

Think of the most successful manager you have ever known or heard about. Write a paragraph describing what that manager does to be described as successful. Compare your paragraph with that of a classmate. Are there SKAs common to both? What do you think there are common items?

Skills Application 2-2: Characteristics of a Good Leader

- The following sites focus on leadership roles, leadership development, and resources:
 - Professor Henry Mintzberg identified various managerial activities and roles (www.sol.brunel.ac.uk).
 - Hagberg Consulting Group (<http://www.leadership-development.com/p-best.html>)
 - Institute for Leadership Dynamics (<http://www.leadership-dynamics.com>)
- According to these groups, what competencies and skills characterize good leaders?
- Think of a manager you have known or worked for. Based on the skills you just outlined, was this manager also a leader? Why or why not?
- Based on what you have learned about the characteristics of a good leader, how would you assess yourself? What are your strengths and weaknesses as a leader?

Internet Activity



ENDNOTES

- Following on the works of others, Hendrie Weisinger identified four building blocks that help one to develop skills and talents, which are to: (1) accurately perceive, appraise, and express emotion; (2) access the ability or generate feelings on demand when they can facilitate understanding of yourself or another person; (3) understand emotions and the knowledge that derives from them; (4) regulate emotions to promote emotional and intellectual growth. See Weisinger, *Emotional Intelligence at Work* (San Francisco: Jossey-Bass, 1998). Also see John D. Mayer and Peter Salovey, "Emotional Intelligence and the Construction of Regulation of Feelings," *Applied and Preventive Psychology* (4, 1995), pp. 197–208; Mayer, Salovey, and Caruso, *Emotional IQ Test: The EQ Version* (Needham: MA: Virtual Entertainment, 1997); and Steve Bates, "Your Emotional Skills Can Make or Break You," *Nation's Business* (April 1999), p. 17.
- For additional information on Pandolfini's principles for making the right decision under pressure, see "All the Right Moves," *Fast Company* (May 1999), p. 34.
- Tiger (Tiger) Woods became the first person to hold all four major golf championships at the same time. For information on his career and his tips for improvement, see www.tigerwoods.com.
- We first heard the term *enabler* used in the video, "The Performance Appraisal," produced and distributed by Business Advantage, Inc., of West Des Moines, Iowa.
- Glenn M. Parker, *Cross-Functional Teams: Working with Allies, Enemies, and Other Strangers* (San Francisco: Jossey-Bass, 1998). Support for the team concept comes from testimonials like those cited in Paulette Thomas, "Teams Rule According to U.S. Manufacturers," *The Wall Street Journal* (May 28, 1996), p. 1. You can also contact the Center for the Study of Work Teams (workteam@unt.edu) or view their Web site.
- Fran Rees, *How to Lead Work Teams: Facilitation Skills* (San Diego: Pfeiffer & Company, 1991), pp. 1–2.
- See Abraham Zaleznik, "Managers and Leaders: Are They Different?" *Harvard Business Review* (May–June 1977), pp. 126–35 and "Letting Leaders Replace Corporate Managers," *Washington Post* (September 27, 1992), pp. 1–5. For a definitive description of managerial roles, see Henry Mintzberg, *The Nature of Managerial Work* (New York: Harper & Row, 1973), and Peter F. Drucker, *Management Challenges for the 21st Century* (New York, HarperBusiness, 1999).
- Stephen R. Covey, *The Seven Habits of Highly Effective People* (New York: Simon & Schuster, 1989), p. 101, and *Principle-Centered Leadership: Strategies for Personal & Professional Effectiveness* (Bellevue: S&S Trade, 1992).
- Adapted from John P. Kotter, *John P. Kotter on What Leaders Really Do* (Boston: Harvard Business School Press, 1999).
- Marilyn vos Savant, "Ask Marilyn," *Parade Magazine* (November 4, 2001), p. 9.
- Pat Wiesner, "Leadership Checklist," *ColoradoBiz* (September 2000), p. 9.

12. One of Fayol's fourteen principles of management defined *formal authority* as the "right to give orders." Henri Fayol, *General and Industrial Management*, trans. Constance Storrs (London: Sir Isaac Pitman & Sons, 1919), pp. 19–43.
13. Raymond L. Hilgert, as quoted in Frank Shipper, "Ten Qualities of Great Managers," *The Wall Street Journal–National Business Employment Weekly* (May 19–25, 1996), pp. 15–16. An analysis of *Business Week*'s top twenty-five managers found the key trait to be adaptability. See "The Best Managers: What It Takes," *Business Week* (January 10, 2000), pp. 60+.
14. Much has been written about power. For additional information on position power and personal power, see Amitai Etzioni, *A Comparative Analysis of Complex Organizations* (New York: The Free Press, 1961), pp. 4–6; and John P. Kotter, "Power, Dependence, and Effective Management," *Harvard Business Review* (July–August 1977), pp. 131–36.
15. John R. P. French and Bertram Raven, "The Bases of Social Power," in *Studies in Social Power*, ed. Dorwin Cartwright (Ann Arbor: University of Michigan Press, 1959), pp. 150–67. Also see A. J. Susselnski, D. E. Frost, and M. E. Patch, "Uses of Socially Dependent Bases of Power: French and Raven's Theory Applied to Working Group Leadership," *Journal of Applied Social Psychology* (March 1970), pp. 283–97.
16. See Timothy R. Hinkin and Chester A. Schriesheim, "Relationships between Coordinate Perceptions and Supervisor Influence Tactics and Attributed Bases of Supervisory Power," *Human Relations* (March 1990), pp. 221–37.

CASE 1-1

**The Opportunity
of a Lifetime?**

Randy Harber, a 36-year-old construction crew chief, is employed by one of the largest mechanical contractors in the country. His employer operates in forty-four states and fourteen foreign countries. Randy and his spouse, Eileen, have two children, Kelly, aged 7, and Jason, aged 3. Eileen is a registered nurse and works part time in a family practice office. Randy began his career in the construction field by entering the apprenticeship program immediately upon completing high school. He served as an officer in the local union and became a crew chief 3 years ago. His technical skills rank among the best. During the past 2 years, he has taken evening courses at the local community college to enhance his supervisory skills and to improve his chances of becoming a field superintendent. However, the construction industry has experienced no real growth, and opportunities for advancement are slim. During the past winter, Randy and others suffered reduced work weeks and had their use of the company truck severely restricted.

Randy Harber had been called to meet with Kevin Cook, vice president of field operations, in Cook's office. The following conversation took place:

KEVIN: Randy, you know that our revenues are down about 25 percent from last year.

RANDY: Yes. (Thinking to himself, "Here it comes: I'm going to get laid off.")

KEVIN: We've been trying to expand our base of operations and as such have bid on contracts all over the world. I think we have the opportunity of a lifetime and you figure to be one of our key players. The United Methodist Church is collaborating in a joint venture in Liberia to build a hospital on the outskirts of Monrovia, the capital city. They have a medical missionary program there, and this hospital is a \$23 million project. The general contractor will be out of Milan, Italy, and we got the mechanical portion of the contract.

RANDY: That's great! We can use the work.

KEVIN: This project will give us a strategic advantage in the European-African corridor. Top management has talked it over, and we would like for you to be our field superintendent on this project. Not only is this a great opportunity for us, but it will give you invaluable experience. In addition, your salary will almost double. All the people on this project will be our very best. You'll be leaving in 3 weeks, and we'd expect you to be on-site for 14 months. What do you think?

RANDY: Geez, that sounds fascinating. How soon do you need an answer?

KEVIN: Go home, think it over, talk to Eileen, and let's get back together tomorrow afternoon at about 3.

Questions for Discussion

1. Evaluate the offer made to Randy Harber. Do you agree that this is the opportunity of a lifetime? Why or why not?
2. What factors should Harber consider, and how should Harber evaluate his career options?
3. What should Harber do? Consider alternatives.
4. If you were Randy Harber, what would you do?

CASE 1-2

From Shift Leader to Management: Can I Make the Transition?

Pine Village Community Medical Center (CMC) is one of four hospitals in a metropolitan area exceeding 400,000 (see Figure 1-4 in Chapter 1 for CMC's values and belief statement). Upon graduating from nursing school some 30 years ago, Charlotte Kelly began as a cardiac nurse in Greenville, South Carolina. There she met her husband and began a family. Kelly was a stay-at-home mom while her two children were going through school. Shortly after her youngest child graduated from high school, Kelly's husband was killed in an automobile accident. She moved to Pine Village to be near her sister and because CMC was looking for someone to be the admitting department's evening shift team leader. As a shift team leader, Kelly had limited authority and was not considered to be part of CMC's management team. The hours were not convenient, but it was the best job opportunity available. Pat Graham, the admitting department supervisor, was encouraging and supportive. Kelly worked a 3-day-on (12-hour shift), 4-off, 4-on, 3-off, 3-on schedule.

Even with the difficult work schedule, Kelly found some distance learning courses that enabled her to receive a certificate in medical records technology and to pursue an associate's degree in supervision and organizational leadership. She also found time to attend a series of noncredit supervisory leadership courses at the local college. The classes were taught by experienced instructors with relevant work experience. Her favorite instructor was Bernie Ray, a middle-aged supervisor at a local company who incorporated many stories into his classes. Ray usually started each class with a current problem or an issue that required students to interact and expand on their supervisory perspectives. As Kelly, you liked this "team" or "collaborative approach" to learning, because your fellow classmates brought a variety of experiences to the class, and you learned from each other.

One early Wednesday evening, Graham summoned Charlotte Kelly to her office. To her surprise, Bob Murphy, vice president of administration, was also present. Murphy began the conversation. "Charlotte, we are very pleased with the job you've done as the team leader on the evening shift," he said. "You are an excellent role model and a good listener. You have a reputation as someone who expects the best out of people and does the things necessary to enable them to be the best they can be. Effective Monday morning, we want you to become the ER supervisor. You've earned a promotion to management, and this is a big step, but we know that you will be able to handle this assignment, even though you haven't worked in ER previously. This position reports to me, and I'll be available to help you if any problems arise." Graham added, "Charlotte, you've done such

a good job of cross-training your people and delegating, we'd like you to recommend your replacement.”

When Kelly returned to her department, she was both exhilarated and a bit sobered by this offer. “Wow,” she thought to herself. “This will be hard. Pat Graham has been a great mentor. I learned a lot from her, but I wonder if I've got the right stuff to be in a supervisory management position. Do I really want all the headaches, responsibilities, and pressures that the ER supervisor has to deal with. Come to think of it, they never gave me a chance to turn down the offer.”

The next morning on her way home, Kelly reflected on what lay before her. She had learned that Amy Talmadge had been fired as ER supervisor. The ER department had become the butt of many employee jokes, and turnover was extremely high. Kelly had heard that Amy Talmadge had the reputation of being an autocratic, demanding, and insensitive person. She had expected her employees to do as she demanded, and at times she was known to have criticized and embarrassed people in public. The ER department consisted of a very diverse group of employees, which apparently had led to Talmadge's inability to get them to work together. Kelly thought to herself as she pulled into her garage, “I know some things not to do, but I'm concerned that I can make the transition from team leader to supervisor.”

Questions for Discussion

1. What are the greatest difficulties Charlotte Kelly faces as she begins the new job?
2. List Charlotte Kelly's strengths and weaknesses related to making this transition.
3. If you were Charlotte Kelly, what would you do to prepare for Monday's new assignment?
4. How might Bob Murphy and Pat Graham go about ensuring that Kelly succeeds in her new position?
5. **Internet Activity:** Find three or four programs or strategies that Kelly could implement to reduce the high turnover.

Internet Activity



CASE 3

A Job Made Just for Me

Malcolm Peters could not believe his ears. He was sitting in a classroom at Old Ivy University for his morning class with Professor Cary Raymond. On this day, an invited guest and young alumnus, Donnie Sanchez, was speaking to the class. Sanchez was holding forth about how his experiences as a student had prepared him for the “real world.” Sanchez first recalled that about a year earlier, he had been sitting where the students were sitting and wondering what the future would hold. As Malcolm Peters listened intently, he heard echoes of some of Professor Raymond's recent lectures. Peters thought to himself, “Can it be that my professor actually knows what he is talking about?” Donnie Sanchez continued:

“Where do you want to go tomorrow” was the question Professor Raymond posed to our class each term. Every semester, he preached that we needed career self-reliance, or at least a career self-direction. It was the question facing each of us as we planned our sprint into the full-time job market. Throughout the nineties, the U.S. economy had surged but then peaked with the dawn of the mil-

lennium. Jobs were in plentiful supply for the “techies” and those willing to work for basic entry-level wages. I played on the college baseball team and in summer leagues, so a co-op program or internship was out of the question. I didn’t have pretty good interpersonal skills, persistence, and a high energy level, but no experience. The college placement officer told me that I would probably have trouble finding meaningful work. After posting my resume on the Web and reviewing many Internet databases, I found that restaurants, computer companies, and engineering firms were hiring at a brisk pace. Even though I love to eat, the restaurant field was not appealing, and I lacked technical and computer courses and experience to apply for a computer or engineering firm. As a native of Puerto Rico, I had braved the cold Midwest winters to play college sports and pursue a basic liberal arts degree.

Midway through my sophomore year, I heard some of my teammates extolling the virtues of Professor Cary Raymond. After enrolling in his “Principles of Management” class, I changed my major to general management.

I don’t want to embarrass Professor Raymond in front of his students, but I can honestly say that he was my best teacher. He played the role of brain surgeon; he asked thought-provoking questions and demanded a lot from us. He extracted my best efforts and output, even after a strenuous day of practice. Professor Raymond required us to read *What Color Is Your Parachute? A Practical Manual for Job-Hunters and Career-Changers*. I decided to follow the advice offered by the author, Richard Boles, and contacted Tom Mercer, a supervisor at a local electronics firm, Luxor. Luxor employs about 280 people and manufactures and assembles electronic components for the telecommunications industry. I had the opportunity to shadow Tom Mercer as part of my senior class project in Professor Raymond’s “Management of Technological Change” course. Mercer’s project team was changing some of Luxor’s methods and processes. I learned a lot about the process of change and gained a mentor and friend in the experience. Toward the end of my last senior semester, I really just wanted to touch base with Tom Mercer and ask him one simple question: “Do you know of any jobs in general management?” I got the surprise of my life when he told me to come to Luxor that afternoon and meet with him and Philip Lynn, the plant manager. I was hired on the spot. I guess having a recommendation from Professor Raymond did the trick.

Even though the work is somewhat technical, I was hired. They put me through a series of tests to prove that I was a self-starter and a team player. Mr. Lynn says that he hires for attitude over aptitude. He claims that technical stuff is teachable but that initiative and ethics aren’t. The plant is organized on a self-directed work-team approach. Teams elect their own leaders to oversee quality, training, scheduling, and communication with other teams. The goals are created by Mr. Lynn and his staff after in-depth consultation with all teams. The plant follows simple ground rules, such as commit yourself to respect all team members, communicate openly and honestly, continually look for ways to improve on what we do well, and do the right job the right way the first time. The sales staff, customers, engineers, and assemblers constantly “noodle ideas around,” and there are no status symbols or an attitude of “us” versus “them.” There are no sacred cows in the company. Many procedures are written down, but any employee can propose changes to any procedure, subject to approval by those whose work it affects. When we change processes or methods, an employee logs onto the network to make it a part of the record—the law of the plant. There is

plenty of feedback on performance. Team leaders share the good and the bad. Each day begins with a recap of the previous day's performance. Every employee knows the destination of every product they touch. Each employee puts his or her signature on the part. In conclusion, let me say that I have been in an intensive apprenticeship with experienced employees as my guides. Tom Mercer serves as my mentor, and we meet each day to discuss my progress. I have visited customers to understand how they use our products. The company has a bonus system based on individual performance, team performance, and sales generated. Last year the bonus averaged in excess of 20 percent of regular pay. Even though I have only limited authority, I'm getting an education on a lifetime and getting paid to learn. It doesn't get any better!

Malcolm Peters reflected on Donnie Sanchez's remarks, "Is he making this up, or are there really companies like Luxor, and how in the world could I be as lucky as this guy in finding a great job?"

Questions for Discussion

1. Do you think Donnie Sanchez was "making this up" or exaggerating on his experiences? Why or why not?
2. Evaluate why Sanchez is excited about his job and future.
3. Evaluate the "techniques" Donnie Sanchez used to obtain the job at Luxor. Do you think Malcolm Peters could use the same techniques for finding a great job? Discuss.
4. Would you like to work at Luxor? Why or why not? What would be your concept of a "great job" to launch a great career?"

CASE 1-4

Fear of Being Passed on the Corporate Ladder

Mark Wells was the evening shift (3 P.M. to 11 P.M.) warehouse supervisor for Sam's Supermarkets, a large grocery-store chain. Over the past 12 years, Mark had worked his way up from being a laborer to a supervisor, despite lacking formal education beyond high school. The 35-year-old Wells was married with two school-aged children, and he had been wanting to move to the day shift (7 A.M. to 3 P.M.) so he could spend more time with his family.

Two days ago, Mark's boss, John Swanson, told him that the current day-shift supervisor was retiring at the end of the month and that Mark was first in line for the job. This would be a lateral move; there would be no change in title and no pay increase. Actually, Mark would take a \$20 per week reduction because the evening shift salary included a premium shift differential. Nevertheless, Mark Wells was very interested, because he saw it as his only near-term opportunity to move to the day shift.

Mark's assistant (or leadman) on the evening shift was Sam Melton, an energetic and intelligent young man in his mid-twenties who had been with the company for 3 years. Sam had been attending a local community college, and he recently completed a 2-year management certification program. Mark felt somewhat intimidated by Sam's credentials, his easygoing personality, his exceptional communications skills, and his ability to get work crews to go the extra step. On several occasions, Sam was able to get work crews to complete difficult projects

Mark could not accomplish. Mark knew that if he took the day-shift position, Sam likely would be promoted to evening-shift supervisor. Then Sam would be able to demonstrate to upper management his superior supervisory skills because opportunities for advancement beyond the supervisory position were limited. Mark was concerned that his “rival” employee, Sam, would soon pass him by on the corporate ladder. Thus, Mark would be forever trapped in a first-tier supervisory position with little hope for advancement.

Questions for Discussion

1. What factors account for Mark Wells’s apprehensions in this situation?
2. What should Mark do if the day-shift supervisory position is offered to him? Why?
3. Is it realistic for supervisors like Mark Wells to expect that younger, former subordinates will not pass them on the corporate ladder? Why?
4. What specifically could Mark Wells do to increase the value of his services and potential (e.g., the SKAs he brings to work each day)?

CASE 1-5

The Socializing Supervisor

Terry Miles was promoted to a supervisory position in the Glendale street department’s repair (chip and seal work on asphalt) section. He was chosen for the position by the manager of utility operations, Ronnie Callahan, who felt Miles was the “ideal” candidate for the position. Miles had been hired 5 years earlier as a general-purpose employee. Utility operations cross-trained all new employees so they were capable in a variety of functions. Although two other employees had been in the division for at least 12 years, they had constantly expressed their dislike for supervisory responsibilities. In addition, Miles’s job performance ratings had been very good, his attendance was near perfect, and he seemed to be well liked by his colleagues and others who knew him well.

When Callahan told Miles that he was to become supervisor of the repair section, he expressed apprehension about leaving the security his union position afforded and whether his fellow employees would see him as a “turncoat.” He asked Callahan how he should handle the problem that his fellow employees now would be his “subordinates.” Callahan told him not be concerned about this and that his former associates would soon accept the transition. Callahan also told Miles that the company would send him to a supervisory management training program sponsored by a local college just as soon as time became available.

After several months, however, Jerry Mitchell, general superintendent of the street department who reported to Callahan and who was Miles’s immediate manager, was getting the impression that Miles was not adjusting to his new position. Although Mitchell had not been directly involved in Miles’s selection, he felt Mitchell was an excellent worker who was not progressing in the supervisory position. Mitchell was particularly concerned that he had observed Miles socializing with his employees during lunch periods, coffee breaks, and the like. Callahan had received reports that Miles often socialized with several of his employees after work, including going on double dates and to ballgames and parties arranged by these employees.

Despite Miles’s assurances, Mitchell had received a number of reports directly from City Council members and the mayor’s office that the work of the repair

section was not performed as efficiently as it should be. Another utilities department manager even told Callahan, “Since Miles became supervisor, there is little discipline in the department, and it’s just a big social group that occasionally does a little work.”

After reviewing various productivity reports, Mitchell realized that Miles had not made a good adjustment to supervising employees in his department. Overtime had been substantially higher when compared with the previous 2 years. Rework had increased, and it appeared that the crews were not doing the job right the first time. Last evening, one of the local television stations announced a “bottle of the week” contest. He wondered how much of this was attributable to Miles’s lack of experience as a team leader and worried that his former colleagues might be taking advantage of him. At the same time, Mitchell was concerned that Miles perhaps did not have the desire to disassociate himself from socializing and being a “buddy” to his employees. Mitchell wondered what his next step should be.

Questions for Discussion

1. Evaluate the decision to promote Terry Miles to supervisor. Discuss the problems in promoting anyone to a team leader or supervisor over his or her former fellow employees.
2. Besides sending Miles to a supervisory training program, what other actions could Callahan and Mitchell have taken to prepare Miles for the transition to the supervisor role?
3. Why is it dangerous for a team leader or supervisor to socialize with direct-report employees? Why does this leave a team leader or supervisor open to criticism, as exemplified in this case?
4. At the end of the case, what should Jerry Mitchell do? Consider alternatives that might be open.
5. Surf the Web to find information that supports the hiring decision of Terry Miles by Ronnie Callahan. Is it a good practice for the immediate manager to be directly involved in the hiring process? Why or why not?

Internet Activity



CASE STUDY

Coping with
New Manager

Clay Smith was a supervisory training facilitator at the Barry Automotive Albion plant. The plant made composite plastics components for the automotive industry. Plastic components were more durable and resisted dents and scratches better than ones made with steel. The nonunionized facility employed about 450 personnel. Eight years ago, Smith began as a second-shift entry-level worker in the modeling section. After a series of advancements, she was promoted to production supervisor and then to training facilitator, and she had been performing this function for about 16 months. New employees were assigned to Smith’s section for orientation and training, usually lasting a week or more. Depending on the company’s needs, employees then were reassigned to a specific production department. In recent months, however, the high turnover rate—25 percent of new hires quit within 6 weeks of hire—coupled with requirements to produce a variety of high-quality products for individual customer specifications, had led to a deterioration of morale.

Traditionally, the average car buyer waited 36 to 45 days from the time a custom order was placed at a dealership until the customer could drive the vehicle

off the lot. However, during the past decade, some manufacturers had cut the time to build a car—from the moment the customer places an order at the dealership to the time the vehicle rolls off the assembly line—to 5 days, and no more than 5 days for travel was allotted from the plant to the dealership. Reducing the time to build a car to customer specifications, including color, engine type, and other options, had been an ongoing effort. As a supplier to the automotive industry, additional quality and production pressures were placed on the plant management team.

About 1 year previously, Operations Manager George Patterson was replaced by Don May. Even though the plant often had missed delivery deadlines, and labor costs as a percentage of product costs were escalating, Patterson had been content with the status of the plant. Patterson had the reputation of expecting department managers to correct problems after they occurred, and “crisis management” was the prevalent style. Don May, a former military officer, was expected to turn the place around. Under May’s direction, the culture of the plant seemed to change overnight. May immediately announced to all supervisors that he was not willing to accept the high rate of product rejects. May practiced management by wandering around (MBWA) and met and talked with supervisors, group leaders, and facilitators one-on-one. Further, he met with small groups of employees and listened to their concerns. Initially, May was positively received, but this soon deteriorated.

Shortly after assuming the position of operations manager, Don May informed all managers and supervisors that they were being placed on a salary-and-bonus system. He told them that their hard work was appreciated and would be rewarded. Yet, because of costly rework production delays and overtime for hourly employees, the bonus system did not yield any tangible benefits. Among the supervisory complaints: “You told us the new system would result in greater compensation, and it hasn’t. We’re making less than before. We’d be better off financially if we were hourly production workers!”

Most supervisors now were working 6 days a week, 10 to 12 hours a day. Employees and machinery were being stretched to the limit. Several supervisors had quit during the past month, and some took less-demanding plant jobs. Surviving supervisors often worked “double duty” in overseeing several production departments. On any given day, 10 to 20 percent of employee production positions could be vacant. Cindy Smith and her only remaining employee (five were assigned to fill in for vacant supervisory positions and one was placed in the quality department) were directed by Don May to cut the normal 1-week training time to a half day. The most recent customer quality audit was a disaster. There were rumors that some work would be transferred to other Barry plants or even to competitors.

To Cindy Smith, it was like someone had turned a switch. Any supervisor who spoke out and didn’t agree with Don May “fell from grace.” May put pressure on all who questioned what he was doing, so that most supervisors were afraid to speak up. To Smith, supervisors appeared to be “mindless robots going through the motions.” Smith’s crowning blow came at a choir rehearsal in her church Wednesday night. Amy Richardson, a fellow choir member and a front office secretary to Don May, told Smith, “Mr. May told me that when he was meeting with and interviewing our supervisors, he was actually getting the scoop on everyone. He took names and tucked them away. I even heard him tell Bill Arnold, Barry’s president, that he’d get rid of all malcontents.” Cindy Smith felt betrayed.

Questions for Discussion

1. How would you evaluate Cindy Smith's situation in terms of job satisfaction?
2. Compare and contrast the management styles of George Patterson and Don May.
3. What should Cindy Smith do? Why?
4. Have you ever experienced a situation like the one described in this case? If so, how did you handle those problems?
5. The Web site <http://www.myboss.com> has become another place for disgruntled employees. Every Monday a new batch of stories and one-liners are posted to be read and "rated." The best ones go into the site's "Hall of Fame." Using the Internet, find at least two sources that provide examples of how employees view managers who use their authority in an extreme. Write a one-page paper explaining what you learned from this experience.

Internet Activity



CASE 1-7

Shadowing the Boss for A Day¹

Internet Activity



Each student in the supervisory management class was given the responsibility for shadowing either a CEO, a middle manager, or a first-line supervisor. You were assigned to shadow Terry Blaze, the CEO of the local medical center, for a day. As part of your class report you were required to analyze what Blaze did and how he did it. Prior to your shadowing, you were required to read Chapter 2 of this text and Henry Mintzberg's "The Manager's Job: Folklore and Fact," *Harvard Business Review* (July–August 1975), pp. 54–59, and review <http://www.sol.brunel.ac.uk> for an overview of managerial roles and activities. At the end of the day your diary for Blaze read as follows:

Terry Blaze, the 45-year-old president and CEO of Pine Village Community Medical Center (CMC), rose early on Monday morning. A busy schedule of meetings revealed several major issues that would require full attention and careful decisions lay ahead. While getting dressed, Blaze thought about what to say to the county commissioners at their 6:30 A.M. breakfast meeting. The county coroner had called Blaze the previous Wednesday to ask if CMC would permit the coroner's office to use some of the medical center's facilities. As a 500-bed teaching hospital with more than 2,000 full-time employees and a medical staff of 450 physicians, CMC was the largest of four hospitals located in the metropolitan area, which has a population of more than 400,000 people. Recent budget reductions to the coroner's office by the county commissioners had prompted the inquiry; consequently, the coroner was searching for ways to run his office on a reduced budget by drawing on the goodwill and resources of other community organizations.

Blaze had scheduled the meeting with the commissioners after the coroner's request had been made. Blaze was relatively openminded about the situation. He wanted to maintain the existing good relationship between the commissioners and the hospital, and he wanted to respond to the needs of the community, provided that the hospital's basic objectives of quality patient care and fiscal solvency were not jeopardized, nor its resources inappropriately used. However, getting caught in the middle of the county's political problems could be disastrous.

Furthermore, Blaze was giving thought to a recent memo from the vice president of finance recommending that the hospital reduce its preferred provider

rates in order to enhance occupancy. A decision would need to be made before the impending round of contract negotiations with managed-care organizations. He was concerned about the possibility that revenue from lower rates would not cover costs and that the overall profitability objective would suffer.

At 7:30 A.M., Blaze attended a campaign fund-raiser breakfast for the state senator who represented the district in which Pine Village was located. Blaze spoke to the senator about how the state's recently announced Medicaid payment reductions would affect CMC and asked that the senator use his influence to try to have Medicaid funding levels increased. After circulating among the guests, he went to the hospital. As soon as Blaze arrived at the office at 8:15 A.M., the executive secretary, Ms. Billings, mentioned that Dr. Smith, president of the professional staff organization (PSO), composed of physicians, dentists, podiatrists, and clinical psychologists having privileges at CMC, insisted on speaking privately with Blaze about a problem involving a staff physician before the scheduled 9:00 A.M. meeting of the PSO executive committee. Blaze immediately called Dr. Smith and at the end of the conversation wondered whether it had been a correct decision to tell Dr. Smith to handle the problem as he thought appropriate. Relations between hospital administration and the PSO are always delicate, but this time it seemed best to let Dr. Smith handle the situation and keep Blaze informed.

At 8:30 A.M., the vice president for operations arrived and accompanied Blaze to the hospital's conference room. Several department heads were present, including the new supervisor of ER, Charles Kelly. Because of a recent decision by Blaze and the board to establish a satellite facility in an adjacent county, most departments would be expanded, workloads would be increased, and coordination mechanisms between the main and the satellite facility would need to be developed. Blaze explained the reasons for the decision, described the planning that had occurred before the decision was made, and indicated how CMC would work with the state planning agency in obtaining a certificate of need. He also described how it would affect CMC and its patients, as well as other area hospitals. Blaze asked the department heads to inform their subordinates before the official announcement was made to the press on Wednesday. A question-and-answer session followed.

Blaze arrived at the 9:00 A.M. PSO executive committee meeting 10 minutes late and found that it had been postponed until the next day. Because the next meeting on the day's schedule was not until 10:00 A.M., Blaze returned to the office and asked Ms. Billings to hold all calls. Blaze had given considerable thought over several months to the governing body's directive that strategic options be evaluated for expanding the scope of the hospital's services, particularly in light of the government's attitude favoring competition among health services organizations, and especially the actions of the other area hospitals, along with the increased penetration of HMOs in CMC's service area. Mindful of CMC's resource constraints, rising costs, changing patient mix, and the continued tightening of Medicare and Medicaid reimbursement, Blaze was concerned about accomplishing the hospital's objectives during the next 5 years in this rapidly changing environment. Particularly worrisome was the restlessness of some of the members of the PSO, who wanted new services and an on-site medical office building. He was concerned about losing medical staff.

Blaze recalled the discussion that had occurred at past governing body and executive management staff meetings. After weighing the options, he realized that the hospital would need three feasibility studies to be performed by external con-

sultants. Blaze dictated a memo to the vice president of operations and the assistant vice president for planning, instructing them to begin studies for expanding the hospital's cardiac services and adding thirty-four psychiatric beds and a physicians' office building adjacent to the hospital. Blaze did not approve a study for a regional burn unit, because this service, although desirable, would contribute less to the hospital's objectives than the others, and limited resources meant some projects could not be undertaken.

At 10:00 A.M., Blaze met with the chair of the department of psychiatry. Blaze informed him of the feasibility study, but the meeting also continued negotiations about making the chair of psychiatry a salaried position. This would be the first such position in the hospital and would set a precedent.

At 10:30 A.M., Blaze interviewed a finalist for the position of director of marketing. At 11:00 A.M., Dr. Loren, who had requested clinical privileges, arrived for their meeting. It was a long-standing policy for the president of the PSO and the CEO to interview all individuals seeking privileges.

At 11:30 A.M., Blaze returned telephone calls that required immediate attention. The first was to a governing body member whose husband was being admitted for minor surgery. The second was to a former patient with a complaint about his statement. Ms. Billings told Blaze that the former patient had already spoken to patient accounts but was still dissatisfied. Blaze spoke briefly with him and gave assurances that the matter would be rectified. The last telephone call was to the vice president of human resources, George Johnson. They decided that Johnson would accept the mayor's invitation to serve on the city's health department's personnel evaluation task force. This would require approximately 8 hours per week of Johnson's time for 6 months, but they agreed it would help the hospital and the community.

As was customary on Mondays, Blaze had lunch in the hospital cafeteria and circulated among the employees before and after eating. It was a simple yet effective way to stay in touch with them. Two major meetings were scheduled in the afternoon. From 1:00 to 3:00 P.M., the budget committee reviewed the next year's operating and capital expenditures budgets. The executive management staff and vice president of finance had prepared options for review. Among those Blaze approved for presentation to the governing body were an increase in the number of nursing service employees, a reduction in the equipment budget, and the annual pay increase for nonprofessional personnel that had been discussed previously. Blaze had positive relations with the governing body and told the executive management staff that the recommendations would likely be approved. However, a source of displeasure was last month's adverse overtime budget variance and the cost overrun on supplies. Both were unacceptable, because census and patient days were below expectations. Blaze told the senior managers to monitor their areas closely and report variations weekly.

The second meeting that afternoon was with the governing body task force on diversification. Near the end of the meeting, Blaze told them about ordering the physicians' office building feasibility study and told them they should be thinking about incorporating a for-profit subsidiary of their own to manage the office building. The major consideration was how reimbursement would be affected by allocating overhead to either the not-for-profit hospital or the for-profit subsidiary. The board task force asked Blaze to include these revenue-cost implications in the feasibility study.

On returning to the office at 4:00 P.M., Blaze approved the agenda for Friday's weekly executive management staff meeting, gave Ms. Billings several items

for the agenda of the next governing body meeting, and returned telephone calls. At 5:00 P.M., Blaze left the hospital to attend a 5:30 P.M. area hospital executives' council quarterly meeting. The meeting featured a presentation by the new dean of the medical school, which was located in Pine Village, about how her plans would affect teaching hospitals and their medical education and residency programs. During the half-hour drive to and from the medical school, Blaze dictated several letters and memos and took a call on his cell phone. He went to a restaurant at 7:00 P.M. for dinner and left at 8:00 P.M. to attend a United Way meeting. At 10:00 P.M., Blaze returned home. He went through his e-mail, turned off the lights, and thought about the day facing him tomorrow for an hour before retiring.

Source: This case was adapted from Jonathon S. Rakich's "Case Study: The Hospital CEO's Day," *Society for Case Research Proceedings* (March 2001), pp. 67–69 with permission of Professor Rakich.

Questions for Discussion

As a supervisory/management student, you had the opportunity to shadow Blaze on this day. Review your diary (see page 61) of the activities and events that occurred. As part of your assignment, you are to complete 1–4 below.

- Using P, O, S, L, or C, mark directly on your diary which of CEO Blaze's activities relate to planning (P), organizing (O), staffing (S), leading (L), and controlling (C).
- Internet Activity:** One of the foundational theses on various managerial roles was formulated by Professor Henry Mintzberg of McGill University, "The Manager's Job: Myths and Fact," *Harvard Business Review* (July–August 1975), pp. 54–57. Visit one of the sites on Henry Mintzberg. At the time of the writing of this text, <http://www.henrymintzberg.com> and <http://www.col.bristol.ac.uk> were two of the many sites available. Our students found the latter to provide an excellent overview of Mintzberg's managerial activities and roles. Review the various managerial activities and roles identified by Mintzberg and note on your diary (the case) the instances in which CEO Terry Blaze was engaged in the interpersonal, informational, and decisional roles.
- As stated in Chapter 2 of this text, "the primary managerial functions are the same regardless of the level within the hierarchy of management." That is, the functions performed by CEO Terry Blaze are the same as the functions performed by supervisor Charlotte Kelly (see Case 1-2). Using CEO Blaze's day as an illustration, what are the difficulties supervisors face in fulfilling their managerial roles?
- What could CEO Blaze do to be more effective?

Internet Activity



CASE 1-8

Losing Your Cool!

Debra Allen was the branch manager at Big Bank's Northwood branch. She was in charge of approximately twenty people, including the two assistant managers. All but two of the tellers were women. Several were employees who had difficult lives outside the workplace. Often, their personal lives influenced the work environment in a negative way. Allen regularly met with the employees both individually and in small groups. She constantly reminded them of the need to work

together to serve the customers. The bank's motto was, "Two centuries of giving customers outstanding service."

Janet Taylor was the lead teller at the Big Bank Northwood branch. She had started working at the bank shortly after her high school graduation about 14 months ago. Taylor had been the model employee, coming in early for work, investigating every opportunity to learn, and seemingly enthusiastic with her job at the branch. Her work ethic was a positive influence on the other tellers. Unlike many of the tellers, Taylor still lived at home with her parents and had never experienced the personal problems or financial woes that many of her peers were experiencing.

Yesterday, Bonnie Boyce, a single parent, showed up for work late without calling in. As head teller, Taylor had the responsibility of addressing the issue with Boyce and putting documentation in her file. Subsequent attendance issues within a 2-week period were referred to Ellen or one of the assistant managers. As one of the youngest people in the branch, Taylor found her responsibilities stressful. She was not comfortable dealing with performance or personal problems.

Today was another matter. It was Friday and the busiest day of the month. Many seniors came in to deposit their retirement or Social Security checks, and most businesses paid their employees on Friday. The bank also handled utility payments for their customers. The customers appreciated the convenience and, besides, it saved them postage. Rhodda Ayers was the oldest teller. She was in her sixties and her disposition was annoying at times. She often tried to boss or "mother" most of the other tellers.

Shortly before noon, the lines at the teller lines were long, and Bonnie Boyce strolled in—2 hours after she was scheduled. Because of the workload, Taylor immediately assigned her one of the vacant windows with the comment that she would talk with her at break time.

Taylor was having lunch in the break room when Ayers came in. Everyone could tell that Ayers was upset, and Taylor made an effort to cheer her up.

TAYLOR: Rhodda, what's the matter? Is something wrong?

AYERS: (Tries to ignore Taylor.)

TAYLOR: Well, go ahead and ignore me. I was just trying to help.

AYERS: You'd help if you'd get that problem out of here. I'm tired of always having to work harder because of that woman.

TAYLOR: What do you mean?

AYERS: You know exactly who I mean. Bonnie Boyce. She's lazy, inconsiderate, and a slob.

TAYLOR: What exactly has she done?

AYERS: Yesterday, she was late, and you did nothing. Today, she showed up mid-morning. Our busiest day of the week, and you welcomed her like she was the prodigal son. You never should have been promoted to head teller. (getting louder) Your good looks might have dazzled some of the guys downtown, but I've never been impressed with you. You're nothing but a young pip-squeak.

TAYLOR: Stop that right now. I'm just doing my job. If you'd do yours without being so rigid and motherly, things might be a lot better around here.

AYERS: You are nothing but a naïve little # h%\$*!

TAYLOR (lost it): Why don't you just %#\$ off!" (She stormed out of the break room.)

Questions for Discussion

1. Why did anger appear at the Northwood branch?
2. To what extent did Taylor handle Friday's events well? Poorly?
3. Review Chapter 2's "Contemporary Issue" on emotional intelligence or search the Web for information on emotional intelligence. Taylor had been a model employee for 14 months, and then she lost it. How do you explain her behavior? Why is it important to keep your emotions under control?
4. How would you, as Debra Allen, deal with this situation?

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