# Brief Contents

Detailed Contents vii  
Preface xxi

## Part 1  Managing the Dynamics of a Changing World  2

<table>
<thead>
<tr>
<th>Chapter</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chapter 1</td>
<td>What Management Is—and What Managers Do</td>
<td>5</td>
</tr>
<tr>
<td>Chapter 2</td>
<td>The Evolution of Management</td>
<td>39</td>
</tr>
<tr>
<td>Chapter 3</td>
<td>The Managerial Environments</td>
<td>73</td>
</tr>
<tr>
<td>Chapter 4</td>
<td>Managing in the Global Environment</td>
<td>105</td>
</tr>
<tr>
<td>Chapter 5</td>
<td>Ethics and Social Responsibility</td>
<td>139</td>
</tr>
</tbody>
</table>

## Part 2  Managing Strategies and Processes  172

<table>
<thead>
<tr>
<th>Chapter</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chapter 6</td>
<td>Decision Making and Creative Problem Solving</td>
<td>175</td>
</tr>
<tr>
<td>Chapter 7</td>
<td>Strategic and Operational Planning</td>
<td>207</td>
</tr>
<tr>
<td>Chapter 8</td>
<td>Organization Design, Authority, and Power</td>
<td>243</td>
</tr>
<tr>
<td>Chapter 9</td>
<td>Managing Human Resources and Diversity</td>
<td>285</td>
</tr>
</tbody>
</table>

## Part 3  Leading and Developing People in Organizations  324

<table>
<thead>
<tr>
<th>Chapter</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chapter 10</td>
<td>Communicating for Results</td>
<td>327</td>
</tr>
<tr>
<td>Chapter 11</td>
<td>Motivating Employees</td>
<td>357</td>
</tr>
<tr>
<td>Chapter 12</td>
<td>Leadership in Action</td>
<td>389</td>
</tr>
<tr>
<td>Chapter 13</td>
<td>Managing Change, Organization Development, Conflict, and Stress</td>
<td>421</td>
</tr>
<tr>
<td>Chapter 14</td>
<td>Team Development and Empowerment Strategies</td>
<td>453</td>
</tr>
</tbody>
</table>

## Part 4  Control and Information, Small-Business Management, and Your Future in Management  488

<table>
<thead>
<tr>
<th>Chapter</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chapter 15</td>
<td>Understanding the Control Function and Managing Information</td>
<td>491</td>
</tr>
<tr>
<td>Chapter 16</td>
<td>Entrepreneurship and Small-Business Management</td>
<td>527</td>
</tr>
<tr>
<td>Chapter 17</td>
<td>Your Future in Management</td>
<td>559</td>
</tr>
</tbody>
</table>

Notes N-1  
Glossary G-1  
Index I-1
## Preface

### Part I  Managing the Dynamics of a Changing World

#### Chapter 1

| What Management Is—and What Managers Do | 5 |
| Management Is Needed in All Organizations | 8 |
| Managers Are Found in Every Organization | 8 |
| Why Study Management? | 9 |
| Critical Challenges to Management | 9 |
| Globalization of Competition | 9 |
| The Increasing Emphasis on Quality | 10 |
| The Added Challenge of Diversity | 11 |
| Ethics and Social Responsibility in Management | 11 |
| The Challenge of Empowerment | 13 |
| Meeting the Five Challenges | 13 |
| Defining Management | 14 |
| Functions Performed by Managers | 16 |
| Planning | 16 |
| Organizing | 16 |
| Leading | 16 |
| Controlling | 17 |
| Relationships Among Managerial Functions | 17 |
| The Contemporary Emphasis on Leadership | 18 |
| Management as Both Art and Science | 20 |
| Management Is Universal | 20 |
| Why Organizations Need Management | 22 |
| Establishing Objectives | 22 |
| Maintaining a Balance Among Stakeholders | 22 |
| Achieving Effectiveness and Efficiency | 23 |
| Levels of Management | 25 |
| Number of Employees Differs at Different Levels | 26 |
| Activities Differ at Different Levels | 26 |
| Titles Differ at Different Levels | 27 |
| Different Types of Organizational Functions | 27 |
| Primary Organizational Functions | 27 |
| Support Functions | 27 |
| Function and General Managers | 27 |
| Nature of Managerial Duties | 28 |
| Types of Managerial Skills | 31 |
| Conceptual Skills | 31 |
| Technical Skills | 32 |
| Human Relations Skills | 33 |

**Summary** | 33 |
**Key Terms** | 34 |
**Discussion Questions** | 34 |
Openning Case
The Hog Comeback 6

MANAGEMENT APPLICATION AND PRACTICE 1.1
Managing the Firm While Meeting the Needs of a Diverse Workforce 12

Practicing Manager
Michael Dell, CEO, Dell Computer Corporation 24
Opening Case
The Decline of the Roman Empire
40

Management Application and Practice 2.1
Robert Owen: Father of Human Resource Management
46

Management Application and Practice 2.2
Peter F. Drucker: Management Popularizer
61
## Chapter 2

The Evolution of Management

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Evolution of Management Knowledge</td>
<td>39</td>
</tr>
<tr>
<td>Early Management Was Slow to Develop</td>
<td>41</td>
</tr>
<tr>
<td>Some Early Developments in Management Still in Use</td>
<td>41</td>
</tr>
<tr>
<td>Forerunners of the Industrial Revolution</td>
<td>43</td>
</tr>
<tr>
<td>The Feudal System</td>
<td>43</td>
</tr>
<tr>
<td>The Guild System</td>
<td>43</td>
</tr>
<tr>
<td>The Cottage System</td>
<td>44</td>
</tr>
<tr>
<td>How the Industrial Revolution Affected Management</td>
<td>44</td>
</tr>
<tr>
<td>A New Production System</td>
<td>45</td>
</tr>
<tr>
<td>A New Economic Doctrine</td>
<td>45</td>
</tr>
<tr>
<td>A New Factory System</td>
<td>46</td>
</tr>
<tr>
<td>Development of Management in the United States</td>
<td>47</td>
</tr>
<tr>
<td>Early Management Practices</td>
<td>48</td>
</tr>
<tr>
<td>Later Management Practices</td>
<td>48</td>
</tr>
<tr>
<td>The Classical Approaches</td>
<td>48</td>
</tr>
<tr>
<td>Frederick W. Taylor's Scientific Management</td>
<td>49</td>
</tr>
<tr>
<td>Henri Fayol's Administrative Management</td>
<td>51</td>
</tr>
<tr>
<td>Other Contributors to the Classical Approaches</td>
<td>52</td>
</tr>
<tr>
<td>The Classical Approaches in Perspective</td>
<td>53</td>
</tr>
<tr>
<td>The Behavioral Approaches</td>
<td>54</td>
</tr>
<tr>
<td>Forerunners of the Behavioral Approaches</td>
<td>55</td>
</tr>
<tr>
<td>Oliver Sheldon's Philosophy of Social Responsibility</td>
<td>55</td>
</tr>
<tr>
<td>The Hawthorne Studies</td>
<td>56</td>
</tr>
<tr>
<td>Mary Parker Follett's Integration Process</td>
<td>58</td>
</tr>
<tr>
<td>Chester Barnard's Acceptance Theory of Authority</td>
<td>58</td>
</tr>
<tr>
<td>The Behavioral Approach in Perspective</td>
<td>58</td>
</tr>
<tr>
<td>Contemporary Approaches</td>
<td>59</td>
</tr>
<tr>
<td>The Management Science Approach</td>
<td>60</td>
</tr>
<tr>
<td>The Systems Approach</td>
<td>61</td>
</tr>
<tr>
<td>Total Quality Management (TQM)</td>
<td>63</td>
</tr>
<tr>
<td>The Contingency Approach</td>
<td>65</td>
</tr>
<tr>
<td>Some Contributions of Contemporary Approaches</td>
<td>66</td>
</tr>
<tr>
<td>The Rapidly Changing Environment of Management</td>
<td>66</td>
</tr>
<tr>
<td>Summary</td>
<td>67</td>
</tr>
<tr>
<td>Key Terms</td>
<td>68</td>
</tr>
<tr>
<td>Discussion Questions</td>
<td>68</td>
</tr>
<tr>
<td>Practicing Management</td>
<td>69</td>
</tr>
<tr>
<td>Case 2.1 IBM–A Changing Organization</td>
<td>69</td>
</tr>
<tr>
<td>Learning Exercise 2.1 Studying an Organization's History</td>
<td>71</td>
</tr>
</tbody>
</table>
Chapter 3

The Managerial Environments

Organizations: The Systems View 73
The Environments of an Organization 75
Types of Environments 77 / Complexity and Change in the External Environment 78
General Environment Factors 81
Legal/Political Factors 81 / Economic Factors 81 / Social Factors 81 / Technological Factors 82 / International Factors 83
Task Environment Factors 84
Suppliers 84 / Regulatory Agencies 85 / Competitors 86 / Customers 89 / Special Interest Groups 89
Managing the External Environment 91
Environmental Forecasting 91 / Boundary-Spanning Roles 91
Internal Environment Factors 95
What Is Organizational Culture? 95 / Elements of Organizational Culture 96 / How Leaders Develop and Shape Culture 98
Summary 99
Key Terms 100
Discussion Questions 101
Practicing Management 102
Case 3.1 Anheuser-Busch Versus Miller 102
Learning Exercise 3.1 Analyzing Environmental Factors 103

Chapter 4

Managing in the Global Environment 105

The World as One Market 108
Importance of Global Operations 111
The Growing Global Economy 111 / The U.S. Role in Global Operations 113
Opportunities and Risks in Global Operations 116
Some of the Opportunities 117 / Some of the Risks 118
Stages in Global Operations 120
First Stage 120 / Second Stage 120 / Third Stage 121 / Fourth Stage 121 / Fifth Stage 122
Management Functions Performed by Global Managers 123
Planning 123 / Organizing 124 / Leading 126 / Evaluating and Controlling 128
Opening Case
Exxon Valdez

Management Application and Practice 3.1
The Fed Cracks Down on Auto Safety

Management Application and Practice 3.2
Partnering, or Becoming PALs

Practicing Manager

Management Application and Practice 3.3
Cultural Clash Leads to Trouble Between French and American Magazines

Opening Case
Rudolph Carter: International Manager

Practicing Manager
Petra Dzianski of Siemens Corporation

Management Application and Practice 4.1
"How's That Again?"
Opening Case
Chick-Fil-A: Lending a Helping Hand 140

Practicing Manager
George Fraser Proves That One Person Can Make a Difference 152

MANAGEMENT APPLICATION AND PRACTICE 5.1
McDonald's Extends a Helping Hand Worldwide 157
Staffing Global Operations

Staffing with Employees from the Firm's Home Country 129 /
Staffing with Host Country Nationals 131 / Staffing with Nationals
from Other Countries 131

Factors Leading to Managerial Success in Global Operations 131
Criteria for Selecting Global Managers 132 / Different
Perceptions of Foreign Assignment 132

Summary 134
Key Terms 135
Discussion Questions 135
Practicing Management 136
Case 4.1 To Move or Not to Move? 136
Case 4.2 Move to Tokyo? 136

Chapter 5

Ethics and Social Responsibility 139

The Need for Social Responsibility 141
Two Perspectives on Social Responsibility 142 / Social
Responsibility and Profitability 143

Emerging Views of Social Responsibility 145
Profit Maximization Period 145 / Trusteeship Management
Period 146 / Activism Period 146 / Social Responsiveness
Period 148

Social Responsibility in Action 149
Employee Relations 150 / Public and Community Service 151
Environmental Protection 153 / Consumerism Protection 155
Educational and Medical Assistance 155 / Urban Renewal and
Development 156 / Culture, the Arts, and Recreation 156

The Growing Problem of Maintaining Ethics in Management 158
Bribery 159 / Industrial Theft and Espionage 160 / Conflict of
Interest 160 / Advertising and Media Abuses 162 / Collusion
162 / Fraud 162

Developing and Maintaining Ethical Standards 163
Analyzing Ethical Standards 165 / Evaluating Ethical and
Social Performance 166

Summary 168
Key Terms 169
Discussion Questions 169
Practicing Management 170
Case 5.1 Gerber Products—A Business with a Heart 170
Learning Exercise 5.1 A Simple Ethics Test 171
Part 2  Managing Strategies and Processes  172

Chapter 6  Decision Making and Creative Problem Solving  175

What Decision Making Is  179
Managerial Decision Making  179 / Employees As Decision Makers  180 / Programmed and Nonprogrammed Decisions  180

Steps in Managerial Decision Making  181
Step 1: Recognize a Problem or Opportunity  181 / Step 2: Develop Alternative Courses of Action  183 / Step 3: Evaluate Advantages and Disadvantages of Alternatives  185 / Step 4: Select the Preferred Alternative and Implement It  186 / Step 5: Evaluate the Decision Results  187

Approaches to Decision Making and Problem Solving  188
The Myers-Briggs Type Indicator  188 / The Vroom-Yetton Model  192

Creative Problem Solving  195
The Concept of Synergy  195 / Developing Creativity  195 / Brainstorming  197 / The Crawford Slip Technique  198 / Nominal Grouping Technique  198

Summary  200
Key Terms  200
Discussion Questions  201
Practicing Management  202
Case 6.1 Coast Guard Cutter Decision Problem  202
Case 6.2 New Machines Decision Problem  202
Learning Exercise 6.1 Identifying Your Problem-Solving Style  203
Learning Exercise 6.2 The $100,000 Investment Decision  205

Chapter 7  Strategic and Operational Planning  207

Planning: Strategic and Operational  209
Basic Steps in Planning  209 / Where Planning Is Done  210
How the Time Factor Affects Planning  211 / Short-, Intermediate-, and Long-Range Plans  211

The Strategic Planning Process  212
What Strategic Planning Is  212 / Components of Strategic Planning  213 / Organizational Mission, or "What Are We About?"  215 / Overall Organizational Objectives  216 / Identifying Strategic Alternatives  220 / Some Strategic Options  226
Opening Case
Peavey Electronics: World’s Largest Seller of Power Amplifiers

Management Application and Practice 6.1
The Kepner-Tregoe Problem-Solving Method

Practicing Manager
Linda Dean Fucci

Tips 6.1—The Vroom-Yetton Model: Which Decision Style to Use

Management Application and Practice 6.2
Two Quality Cup Winners of 1994

Opening Case
Sears, Roebuck: Back to Basics

Management Application and Practice 7.1
Strategic Planning in Global Telecommunications
Practicing Manager
Ken Hoffman, CEO,
Hart Shaffner & Marx 214

MANAGEMENT
APPLICATION AND
PRACTICE 7.2
The Johnson & Johnson
Credo 217

Tips 7.1—Guidelines for
Effective Objective
Setting 230

MANAGEMENT
APPLICATION AND
PRACTICE 7.3
Procedures in Action:
Using Time Clocks and
Cards 237

Opening Case
GE's Fight with
Bureaucracy 244

MANAGEMENT
APPLICATION AND
PRACTICE 8.1
Toyota Cuts Middle-
Management Fat 254

MANAGEMENT
APPLICATION AND
PRACTICE 8.2
Using Delegation to
Rebuild a Company 261

Practicing Manager
Brandon Tartikoff, NBC
Entertainment
Group 270
Operational Planning

The Role of Objectives in Operational Planning 228 / Management by Objectives 229 / Standing Operational Plans 234 / Single-Use Plans 237

Summary 238
Key Terms 239
Discussion Questions 240
Practicing Management 241
Case 7.1 Kmart Trying to Find Itself 241

Chapter 8

Organization Design, Authority, and Power 243

Organizing as a Management Function 246

Formal Organization Structure 246
Division of Labor or Specialization 246 / Chain of Command 248 / Unity of Command 248 / Management Levels 249
Bureaucracy 249

Types of Organizations 249 / The Line Organization 249 / The Line-and-Staff Organization 250

Span of Management 252
Use of Different Spans at Different Levels 253 / Spans, Levels, and Employee Satisfaction 253 / Factors Affecting Span 254

Departmentalization 255 / Product Departmentalization 256 / Matrix Departmentalization 258

The Role of Delegation 260
Reasons for Delegation 260 / Why Managers Fail to Delegate 262 / Why Employees May Not Welcome Delegation 263

The Role of Authority 263
Sources of Authority 264 / Types of Authority 266

The Role of Power 268
How Power Is Obtained 269 / How Power Can Be Used 271
Limits on the Use of Authority and Power 272

The Role of Responsibility and Accountability 272
Delegation of Responsibility and Accountability 273 / Equality of Authority and Responsibility 273

The Role of Decentralization and Centralization 274
Decentralization Versus Centralization 274 / Factors Affecting the Degree of Decentralization and Centralization 275 / Need for a Contingency Approach 275

The Role of Downsizing 277
Ways to Downsize 277 / Pros and Cons of Downsizing 278 / Ways to Get Beyond Downsizing 278

Reengineering 278
Chapter 9

Managing Human Resources and Diversity 285

The Dominant Role of Human Resources 287

Growing Diversity of Human Resources 288
  Shift from Goods-Producing to Service-Producing Jobs 289 /
  Need for a More Diverse Workforce 290 / Need for Improved
  Management of Diversity 291

Human Resources and the Legal Environment 292
  Laws Providing Equal Employment Opportunity 293 /
  Enforcement of EEO Laws 295 / Sexual Harassment 296

Planning Human Resource Needs 297
  Determining Job Needs 297 / Developing Sources of Supply
  of Employees 299

Recruiting and Selecting Employees 301
  Recruiting Personnel 301 / Selecting the Right Person for the
  Job 302

Training and Developing Employees 307
  Reasons for Training and Development 307 / Orientation of
  New Employees 307 / Training and Development
  Methods 308

Role of Performance Appraisal 310

Compensating Employees 311
  Role of Compensation 312 / Importance of Income
  Differentials 313 / How Income Is Determined 314 / How
  Employees Are Paid 314 / Growing Importance of Employee
  Benefits 315

Maintaining Employee Health and Safety 317

Handling Industrial Relations 317
  Legal Bases of Industrial Relations 317 / Union Objectives 318
  Changing Union Membership 318 / Growing Labor-
  Management Cooperation 319

Summary 319

Key Terms 320

Discussion Questions 321

Practicing Management 322
  Case 9.1 Underutilizing a National Resource 322
  Learning Exercise 9.1 Whom Do You Promote? 322
Opening Case
Getting Communications On-Line at Whirlpool 328

Tips 10.1—Communicating in Asia 337

Practicing Manager
R. David Thomas, Wendy's International 347

Tips 10.2—Giving Negative Feedback with Sensitivity: The "I" Message 350

Opening Case
The Role of Management Expectations 358

Practicing Manager
Patricia G. Lynch, U.S. Army Corps of Engineers 367

Tips 11.1—How to Increase Your Power 370

Tips 11.2—How to Use the Two-Factor Theory to Motivate Employees 373

Management Application and Practice 11.1
Unethical Applications of Motivation Theory 378
PART 3
Leading and Developing People in Organizations

Chapter 10
Communicating for Results

What Is Communication?
329
Formal Communication Channels in an Organization
329
   Downward Communication 330 / Upward Communication 331 / Lateral or Horizontal Communication 331
Role of Informal Communication
332
How the Communication Process Operates
333
   The Source: Steps 1–3 334 / The Receiver: Steps 4–6 335
Role of Nonverbal Communication
336
Communicating Electronically
339
Barriers to Effective Communication
340
   Organizational Noise 341 / Interpersonal Noise 343
How to Increase Communication Effectiveness
348
   Be Aware of the Need for Effective Communication 348 / Create an Open Communications Environment 349 / Practice Effective Listening 350

Summary
351
Key Terms
352
Discussion Questions
352
Practicing Management
354
   Case 10.1 The Ineffective Committee
354
   Learning Exercise 10.1 Developing a Communication Strategy 355

Chapter 11
Motivating Employees

Purpose of Motivation
357
   Motivation Is the Essence of Management 360
Motivation, Ability, and Performance
361
   What Motivation Involves 362
Some Popular Theories of Motivation
363
   Content Theories of Motivation 364 / Process Theories of Motivation 374
The Role of Money as a Primary Motivator
379
   Money Is Not a Primary Motivator 380 / Money Is a Primary Motivator 380 / The Current Motivational Challenges 381
Chapter 12

Leadership in Action

Need for Effective Leadership
Leadership and Ethics 392 / Leadership Versus Management 393 / Classifying Leaders 395

Some Popular Leadership Theories
Traitist Theories 396 / Behavioral Theories 397

Is There an Ideal Leadership Style?
Support for an Ideal Leadership Style 407 / Arguments Against an Ideal Leadership Style 407

Contingency-Situational Theories
Tannenbaum and Schmidt's Leadership Continuum 408 / Hersey and Blanchard's Life-Cycle Theory 410

Transformational and Transactional Leadership
Transformational Leadership 412 / Transactional Leadership 413 / Comparison of Transactional and Transformational Leadership 414

Men and Women as Leaders

Summary

Key Terms

Discussion Questions

Practicing Management
Case 12.1 Which Leadership Style?
Learning Exercise 12.1 Using Effective Leaders as Role Models
Learning Exercise 12.2 Selecting a Leadership Strategy

Chapter 13

Managing Change, Organization Development, Conflict, and Stress

Managing Organizational Change
Forces Causing Change 425 / Results of Ignoring Change 427
Ways of Dealing with Change 427 / Planned Change 428
The Process of Managing Change 429
Opening Case
Kenny Clark: An Effective Supervisor

Opening Case
The Ritz-Carlton Hotel Corporation

Tips 12.1—Which Leadership Style to Use
Tips 12.2—Treating People as Individuals

Tips 12.2—Treating People as Individuals

Tips 12.2—Treating People as Individuals

Tips 12.2—Treating People as Individuals

Tips 12.2—Treating People as Individuals

Tips 12.2—Treating People as Individuals
Tips 13.1—How to Implement Effective Quality Circles (QCs) 434

Tips 13.2—Messages Regarding Participation, Individual Development, and Organization Change 435

Tips 13.3—When to Use the Five Conflict-Handling Orientations 438

MANAGEMENT APPLICATION AND PRACTICE 13.2 Strategies That Make You Feel Great 445

Opening Case Gianbro 454

MANAGEMENT APPLICATION AND PRACTICE 14.1 Language and Informal Groups 458

MANAGEMENT APPLICATION AND PRACTICE 14.2 The Bonneville Navigation Lock Partnering Project 461

Tips 14.1—Evaluating Your Behavior as a Group Member 466

MANAGEMENT APPLICATION AND PRACTICE 14.3 The Abilene Paradox: The Management of Agreement 467

MANAGEMENT APPLICATION AND PRACTICE 14.4 Jurian’s Guidelines in Question-and-Answer Format 470

Tips 14.2—Deming’s Fourteen Points 472
Chapter 14

Team Development and Empowerment Strategies 453

Importance of Work Groups 456
What Are Groups? 456 / Types of Groups 456 / Formal Groups 456 / Informal Groups 457

How Groups Develop 458
Stages of Group Development 459 / Partnering: Group Development Accelerated 459

Evaluating Groups 460
Advantages of Groups 460 / Limitations of Groups 462

Determining Group Effectiveness 463
Factors Determining Group Effectiveness 463 / The Abilene Paradox and Groupthink 468 / Key Concepts for Group Effectiveness 469

Empowerment Strategies 469
Total Quality Management 469 / TQM Successes 471 / TQM Failures and Their Causes 473 / Partnering 474 / What Is Involved in Partnering 475 / Partnering Successes 475 / Partnering Failures and Their Causes 477 / Self-Managing Work Teams 478

Managing Groups 479
Heroic Managers 479 / Developmental Leaders 480

Summary 483
Key Terms 484
Discussion Questions 484
Practicing Management 485
  Learning Exercise 14.1 Team Building 485
  Learning Exercise 14.2 Development of a Generic Project Partnering Approach 485

Part 4
Control and Information, Small-Business Management, and Your Future in Management 488

Chapter 15
Understanding the Control Function and Managing Information 491

What Control Is 493
  Total and Partial Control Systems 493 / How Controlling Relates to Other Management Functions 494 / Types of Control 495

Steps in the Control Process 497

How Management by Exception (MBE) Aids Control 500
  Characteristics of Effective Control Systems 501

Some Effective Control Techniques 501

The Role of Information Management 512
  The Information Explosion 512 / Role of Data, Information, and Systems 513 / Computer Technology's Role in Managing Information 514

Business Information Systems 516

Organizing the Information Activity 520
  Emerging Trends in Managing Information 520
Opening Case
Information Management Fuels Dillard Department Store's Success 492

Management Application and Practice 15.1 Spelling for Success 500
Tips 15.1—Criteria for Effective Control Systems 502

Practicing Manager
Donald Trump 504

Management Application and Practice 15.2 Break-Even Point Reflects Ford of Europe's Rising Success 509

Management Application and Practice 15.3 Implementing EIS at ICI 519
Opening Case
Bill Bowerman and Philip Knight of Nike, Inc. 528

Management Application and Practice 16.1
Red Rose Collections, Inc., Hits Inc's Top 500 List 543
Chapter 16

Entrepreneurship and Small-Business Management

Rewards and Challenges of Being an Entrepreneur 530
  Being an Entrepreneur Can Satisfy the "American Dream" 530
  What Is a Small Business, an Entrepreneurial Venture, and
  Intrapreneurship? 532 / What Is Small? 533 / Some Unique
  Contributions of Small Businesses 533 / Some Problems Facing
  Small Businesses 535

Characteristics of Successful Entrepreneurs 537
  Profile of Small Business Managers 537 / Need for an
  Introspective Personal Analysis 539

Growing Opportunities for Entrepreneurs 539
  What the Opportunities Are 539

How to Become an Entrepreneur 542
  Identifying a Needed Product 543 / Studying the Market for
  the Product 544 / Deciding Whether to Start a New Business,
  Buy an Existing One, or Buy a Franchise 544 / Preparing and
  Presenting a Business Plan 546

Financing the Business 546
  Estimating Financial Needs 547 / Finding Sources of
  Financing 547

Planning for Human Resource Needs 548
  Business-Government Relations 549
  Seeking Government Help for Small Companies 549 /
  Handling Government Regulations and Paperwork 550

The Role of Family-Owned Businesses 550
  Coping with Family-Owned Business Problems 551
  Preparing for Management Succession 551

Tax and Estate Planning 552
  Tax Planning 552 / Estate Planning 552

Summary 553
  Key Terms 554
  Discussion Questions 554
  Practicing Management 555
  Case 16.1 Oprah Winfrey—A Woman for All Seasons 555
  Learning Exercise 16.1 Test Your Potential as an Entrepreneur 557
Opening Case
Fast Career Tracks Are Changing 560

Management
Application and Practice 17.1
Most Admired Women Managers in the United States 564

Management
Application and Practice 17.2
Hispanic Employment at the Top-Scoring Companies 567

Management
Application and Practice 17.3
Profile of Top Corporate CEOs 570

Tips 17.1—Dealing with Career-Related Ethical Issues: Recruiting 575

Management
Application and Practice 17.4
What to Expect if You Work for a Japanese Firm 583