

# Fundamentals of Management

**Essential Concepts and Applications**

**NINTH EDITION**

**GLOBAL EDITION**

**STEPHEN P. ROBBINS**

San Diego State University

**DAVID A. DECENZO**

Coastal Carolina University

**MARY COULTER**

Missouri State University

**PEARSON**

Boston Columbus Indianapolis New York San Francisco Upper Saddle River  
Amsterdam Cape Town Dubai London Madrid Milan Munich Paris Montréal Toronto  
Delhi Mexico City São Paulo Sydney Hong Kong Seoul Singapore Taipei Tokyo

# Contents

Highlighted content indicates that it is presented via a visual spread.

Preface	17
Instructor Supplements	19
Student Supplements	20
About the Authors	22

## Part 1 Introduction 24

<b>Chapter 1</b>	<b>Managers and Management</b>	<b>24</b>
<b>Who Are Managers and Where Do They Work?</b>	<b>27</b>	
What Three Characteristics Do All Organizations Share?	28	
How Are Managers Different from Nonmanagerial Employees?	28	
What Titles Do Managers Have?	28	
<b>From the Past to the Present 1588–1705–1911–Today</b>	<b>29</b>	
<b>What Is Management?</b>	<b>30</b>	
<b>3 WAYS TO LOOK AT WHAT MANAGERS DO</b>	<b>31</b>	
4 Functions Approach	31	
Management Roles Approach	32	
Skills and Competencies	33	
Is the Manager's Job Universal?	33	
<b>And the Survey Says...</b>	<b>35</b>	
Why Study Management?	36	
<b>A Question of Ethics</b>	<b>36</b>	
<b>What Factors Are Reshaping and Redefining Management?</b>	<b>37</b>	
Why Are Customers Important to the Manager's Job?	37	
<b>Technology and the Manager's Job   Is It Still Managing When What You're Managing Are Robots?</b>	<b>38</b>	
Why Is Innovation Important to the Manager's Job?	39	
Importance of Social Media to the Manager's Job	39	
Importance of Sustainability to the Manager's Job	40	
Wrapping It Up...	40	

### Review

Chapter Summary	41	•	Discussion Questions	41	•
<i>Management Skill Builder</i>   Political Skill	42	•	Experiential Exercise	44	•
<i>Case Application 1</i> —Happier Employees → Happier Customers = More Profit?	45	•	<i>Case Application 2</i> —Building a Better Boss	45	•
<i>Case Application 3</i> —Saving the World	47	•	Endnotes	48	

---

## History Module: A Brief History of Management's Roots 49

Early Management	49
Classical Approaches	50
Behavioral Approach	51
Quantitative Approach	52
Contemporary Approaches	53
Endnotes	55

---

## Chapter 2 The Management Environment 56

### What Is the External Environment and Why Is It Important? 59

How Has the Economy Changed?	60
<b>From the Past to the Present 1981–1987–1991–Today</b>	<b>61</b>
What Role Do Demographics Play?	61
How Does the External Environment Affect Managers?	62
<b>Technology and the Manager's Job   Can Technology Improve the Way Managers Manage?</b>	<b>63</b>
<b>A Question of Ethics</b>	<b>65</b>

### WHAT IS ORGANIZATIONAL CULTURE? 66

How Can Culture Be Described?	67
Where Does Culture Come From?	67
How Does Organizational Culture Affect Managers?	68
How Does Culture Affect What Employees Do?	68
How Does Culture Affect What Managers Do?	68
<b>And the Survey Says...</b>	<b>69</b>

### Review

Chapter Summary	70	•	Discussion Questions	70	•
<i>Management Skill Builder</i>   Understanding Culture	71	•	Experiential Exercise	72	•
<i>Case Application 1</i> —China Zhongwang	73	•	<i>Case Application 2</i> —Not Sold Out	74	•
<i>Case Application 3</i> —Wild Ride	75	•	Endnotes	75	

## Chapter 3 Integrative Managerial Issues 76

### What Is Globalization and How Does It Affect Organizations? 79

What Does It Mean to Be "Global"?	80
How Do Organizations Go Global?	80

**WHAT ARE THE DIFFERENT TYPES OF GLOBAL ORGANIZATIONS? 81**

What Do Managers Need to Know About Managing in a Global Organization? 82

**From the Past to the Present 1970s–1980s–Today 83**

**What Does Society Expect from Organizations and Managers? 85**

How Can Organizations Demonstrate Socially Responsible Actions? 85

Should Organizations Be Socially Involved? 86

What Is Sustainability and Why Is It Important? 87

**And the Survey Says... 88**

**What Factors Determine Ethical and Unethical Behavior? 88**

In What Ways Can Ethics Be Viewed? 89

How Can Managers Encourage Ethical Behavior? 89

**What Is Today's Workforce Like and How Does It Affect the Way Organizations Are Managed? 91**

What Is Workplace Diversity? 91

What Types of Diversity Are Found in Workplaces? 92

**A Question of Ethics 94**

How Are Organizations and Managers Adapting to a Changing Workforce? 94

**Review**

Chapter Summary 96 • Discussion Questions 96 • *Management Skill Builder* | You→Being Ethical 97 • Experiential Exercise 99 • *Case Application 1—Dirty Little Secret* 99 • *Case Application 2—Spy Games* 99 • *Case Application 3—From Top to Bottom* 100 • Endnotes 101

**Part 2 Planning 102****Chapter 4 Foundations of Decision Making 102****How Do Managers Make Decisions? 105**

What Defines a Decision Problem? 105

What Is Relevant in the Decision-Making Process? 106

How Does the Decision Maker Weight the Criteria and Analyze Alternatives? 106

What Determines the Best Choice? 108

What Happens in Decision Implementation? 108

What Is the Last Step in the Decision Process? 108

What Common Errors Are Committed in the Decision-Making Process? 109

**WHAT ARE THE 3 APPROACHES MANAGERS CAN USE TO MAKE DECISIONS? 110**

**Rational Model 110**

**Bounded Rationality 111**

**From the Past to the Present 1945–1978–Today 112**

**Intuition and Managerial Decision Making 112**

**Technology and the Manager's Job | Making Better Decisions with Technology 113**

**What Types of Decisions and Decision-Making Conditions Do Managers Face? 114**

How Do Problems Differ? 114

How Does a Manager Make Programmed Decisions? 115

How Do Nonprogrammed Decisions Differ from Programmed Decisions? 116

**And the Survey Says... 116**

How Are Problems, Types of Decisions, and Organizational Level Integrated? 116

What Decision-Making Conditions Do Managers Face? 117

**How Do Groups Make Decisions? 117**

What Are the Advantages and Disadvantages of Group Decision Making? 117

When Are Groups Most Effective? 118

How Can You Improve Group Decision Making? 119

**A Question of Ethics 119**

**What Contemporary Decision-Making Issues Do Managers Face? 120**

How Does National Culture Affect Managers' Decision Making? 120

Why Are Creativity and Design Thinking Important in Decision Making? 121

**Review**

Chapter Summary 124 • Discussion Questions 124 • *Management Skill Builder* | Being a Creative Decision Maker 125 • Experiential Exercise 127 • *Case Application 1—The Business of Baseball* 127 • *Case Application 2—Tasting Success* 128 • *Case Application 3—Decision Making, Saudi Style* 129 • Endnotes 130

**Quantitative Module: Quantitative Decision-Making Aids 131**

**Payoff Matrices 131**

**Decision Trees 132**

**Break-Even Analysis 133**

**Ratio Analysis 134**

**Linear Programming 136**

**Queuing Theory 138**

**Economic Order Quantity Model 138**

Endnotes 141

**Chapter 5 Foundations of Planning 142****What Is Planning and Why Do Managers Need to Plan? 145**

Why Should Managers Formally Plan? 145

What Are Some Criticisms of Formal Planning and How Should Managers Respond? 146

Does Formal Planning Improve Organizational Performance? 147

**What Do Managers Need to Know About Strategic Management? 147**

What Is Strategic Management? 148  
 Why Is Strategic Management Important? 148  
 What Are the Steps in the Strategic Management Process? 149  
 What Strategic Weapons Do Managers Have? 150  
**Technology and the Manager's Job | IT and Strategy 151**

**WHAT STRATEGIES DO MANAGERS USE? 152**

Corporate Strategy 152  
 Competitive Strategy 153  
 Functional Strategy 153

**A Question of Ethics 155**

How Do Managers Set Goals and Develop Plans? 155  
 What Types of Goals Do Organizations Have and How Do They Set Those Goals? 155

**From the Past to the Present 1954–1960s and 1970s–Present 157**

What Types of Plans Do Managers Use and How Do They Develop Those Plans? 158

**And the Survey Says... 160**

What Contemporary Planning Issues Do Managers Face? 161

How Can Managers Plan Effectively in Dynamic Environments? 161  
 How Can Managers Use Environmental Scanning? 162

**Review**

Chapter Summary 163 • Discussion Questions 163 • *Management Skill Builder* | Being a Good Goal Setter 164 • Experiential Exercise 166 • *Case Application 1*—Flip Flop 166 • *Case Application 2*—Primark Takes on Burberry and Alexander McQueen 167 • *Case Application 3*—Shifting Direction 168 • Endnotes 169

**Part 3 Organizing 170**

**Chapter 6 Organizational Structure and Design 170**

What Are the Six Key Elements in Organizational Design? 173

- (1) What Is Work Specialization? 174
- (2) What Is Departmentalization? 174
- (3) What Are Authority and Responsibility? 176
- (4) What Is Span of Control? 180
- (5) How Do Centralization and Decentralization Differ? 181

**A Question of Ethics 181**

- (6) What Is Formalization? 181

**WHAT CONTINGENCY VARIABLES AFFECT STRUCTURAL CHOICE? 182**

Mechanistic OR Organic 183  
 Strategy → Structure 183  
 Size → Structure 184  
 Technology → Structure 184  
 Environment → Structure 184

**From the Past to the Present 1965–1967–1984–Present 185**  
**What Are Some Common Organizational Designs? 186**  
 What Traditional Organizational Designs Can Managers Use? 186  
 What Contemporary Organizational Designs Can Managers Use? 187

**And the Survey Says... 189**

What Are Today's Organizational Design Challenges? 190  
 How Do You Keep Employees Connected? 190  
 How Do Global Differences Affect Organizational Structure? 190

**Technology and the Manager's Job | The Changing World of Work 191**

How Do You Build a Learning Organization? 191  
 How Can Managers Design Efficient and Effective Flexible Work Arrangements? 192

**Review**

Chapter Summary 195 • Discussion Questions 195 • *Management Skill Builder* | Increasing Your Power 196 • Experiential Exercise 198 • *Case Application 1*—A New Kind of Structure 198 • *Case Application 2*—Volunteers Work 199 • *Case Application 3*—You Work Where? 200 • Endnotes 201

**Chapter 7 Managing Human Resources 202**

What Is the Human Resource Management Process and What Influences It? 205

What Is the Legal Environment of HRM? 206

**From the Past to the Present 1913–Present 208**

**A Question of Ethics 209**

How Do Managers Identify and Select Competent Employees? 209

- 1 What Is Employment Planning? 209
- 2A How Do Organizations Recruit Employees? 211
- 2B How Does a Manager Handle Layoffs? 212
- 3 How Do Managers Select Job Applicants? 212

How Are Employees Provided with Needed Skills and Knowledge? 216

How Are New Hires Introduced to the Organization? 216

**Technology and the Manager's Job | Social and Digital HR 217**

What Is Employee Training? 217

**KEEPING GREAT PEOPLE: 2 WAYS ORGANIZATIONS DO THIS 220**

Performance Management System 220

Should people be compared to one another or against a set of standards? 220 • Traditional manager-employee performance evaluation systems may be outdated 222 • When employee's performance is not up to par 222

Compensating Employees: Pay and Benefits 222

Compensation—Pay for doing a job 222 • Compensation—Employees benefits 224

- What Contemporary HRM Issues Face Managers?** 224  
 How Can Managers Manage Downsizing? 224  
**And the Survey Says...** 225  
 How Can Workforce Diversity Be Managed? 225  
 What Is Sexual Harassment? 226  
 What Is Workplace Spirituality? 227  
 How and Why Are Organizations Controlling HR Costs? 229

**Review**

- Chapter Summary 231 • Discussion Questions 231 •  
*Management Skill Builder* | Being An Effective Interviewer 232 •  
 Experiential Exercise 234 • *Case Application 1*—  
 Stopping Traffic 234 • *Case Application 2*—Résumé  
 Regrets 235 • *Case Application 3*—HRM in the Hong Kong  
 Police Force 236 • Endnotes 237

**Career Module: Building Your Career 238**

- What Was Career Development Like, Historically?** 238  
**What Is Career Development Like, Now?** 238  
**How Can I Have a Successful Career?** 239  
 Assess Your Personal Strengths and Weaknesses 239  
 Identify Market Opportunities 239  
 Take Responsibility for Managing Your Own Career 239  
 Develop Your Interpersonal Skills 239  
 Practice Makes Perfect 239  
 Stay Up to Date 240  
 Network 240  
 Stay Visible 240  
 Seek a Mentor 240  
 Leverage Your Competitive Advantage 240  
 Don't Shun Risks 240  
 It's OK to Change Jobs 241  
 Opportunities, Preparation, and Luck = Success 241

**Chapter 8 Managing Change and Innovation 242**

- What Is Change and How Do Managers Deal with It?** 245  
 Why Do Organizations Need to Change? 246  
 Who Initiates Organizational Change? 247  
 How Does Organizational Change Happen? 247  
**From the Past to the Present 1943–1944–1947–Present 248**  
**How Do Managers Manage Resistance to Change?** 250  
 Why Do People Resist Organizational Change? 251  
**And the Survey Says...** 251  
 What Are Some Techniques for Reducing Resistance to  
 Organizational Change? 251

**WHAT REACTION DO EMPLOYEES HAVE TO ORGANIZATIONAL CHANGE? 252**

- What Is Stress? 252  
 What are the symptoms of stress? 253  
 What Causes Stress? 253  
 Job-related factors 253 • Personal factors 254  
**A Question of Ethics 254**  
 How Can Stress Be Reduced? 255

**How Can Managers Encourage Innovation in an Organization? 256**

- How Are Creativity and Innovation Related? 257  
 What's Involved in Innovation? 257  
 How Can a Manager Foster Innovation? 258  
 How Does Design Thinking Influence Innovation? 260

**Review**

- Chapter Summary 261 • Discussion Questions 261 •  
*Management Skill Builder* | Controlling Workplace Stress 262 •  
 Experiential Exercise 264 • *Case Application 1*—The Next Big  
 Thing 264 • *Case Application 2*—GM's Latest Model 265 •  
*Case Application 3*—Stress Kills 266 • Endnotes 267

**Part 4 Leading 268****Chapter 9 Foundations of Individual Behavior 268****What are the Focus and Goals of Organizational Behavior? 271**

- What Is the Focus of OB? 272  
 What Are the Goals of Organizational Behavior? 272

**What Role Do Attitudes Play in Job Performance? 273**

- What Are the Three Components of an Attitude? 273  
 What Attitudes Might Employees Hold? 273  
 Do Individuals' Attitudes and Behaviors Need to Be  
 Consistent? 274  
 What Is Cognitive Dissonance Theory? 274

**And the Survey Says... 275**

- How Can an Understanding of Attitudes Help Managers Be  
 More Effective? 275

**What Do Managers Need to Know About Personality? 276**

- How Can We Best Describe Personality? 276  
 Can Personality Traits Predict Practical Work-Related  
 Behaviors? 278

**A Question of Ethics 279**

- How Do We Match Personalities and Jobs? 280  
 Do Personality Attributes Differ Across Cultures? 281  
 How Can an Understanding of Personality Help Managers  
 Be More Effective? 281

**What Is Perception and What Influences It? 282**

- What Influences Perception? 282  
 How Do Managers Judge Employees? 283  
 How Can an Understanding of Perception Help Managers  
 Be More Effective? 285

**From the Past to the Present 1927–1971–Present 263****HOW DO LEARNING THEORIES EXPLAIN BEHAVIOR? 285**

- Operant Conditioning 286  
 Social Learning Theory 287  
 Shaping Behavior 287  
**How Can an Understanding of Learning Help Managers Be More  
 Effective? 288**

## What Contemporary OB Issues Face Managers? 289

How Do Generational Differences Affect the Workplace? 289

How Do Managers Deal with Negative Behavior in the Workplace? 290

### Review

Chapter Summary 291 • Discussion Questions 292 • *Management Skill Builder* | Understanding Employee Emotions 292 • *Management Skill Builder* | Understanding Employee Personality 293 • Experiential Exercise 296 • *Case Application 1*—Great Place to Work 297 • *Case Application 2*—Odd Couples 297 • *Case Application 3*—Employees First 298 • Endnotes 299

## Chapter 10 Understanding Groups and Managing Work Teams 300

### What Is a Group and What Stages of Development Do Groups Go Through? 303

What Is a Group? 303

What Are the Stages of Group Development? 304

**And the Survey Says...** 304

**A Question of Ethics** 305

## 5 MAJOR CONCEPTS OF GROUP BEHAVIOR 306

Roles 306

Norms 306

Conformity 307

Status Systems 307

Group Size 308

Group Cohesiveness 308

**From the Past to the Present 1951–Today** 310

### How are Groups Turned into Effective Teams? 310

Are Work Groups and Work Teams the Same? 311

What Are the Different Types of Work Teams? 311

**Technology and the Manager's Job | IT and Teams** 313

What Makes a Team Effective? 313

How Can a Manager Shape Team Behavior? 316

### What Current Issues Do Managers Face in Managing Teams? 317

What's Involved with Managing Global Teams? 317

When Are Teams Not the Answer? 319

### Review

Chapter Summary 320 • Discussion Questions 320 • *Management Skill Builder* | Understanding How Teams Work 321 • *Management Skill Builder* | Understanding Conflict Resolution 323 • Experiential Exercise 325 • *Case Application 1*—Teaming Up for Take Off 325 • *Case Application 2*—Toyota's Teams 326 • *Case Application 3*—Intel Inside... and Far Away 326 • Endnotes 327

## Chapter 11 Motivating and Rewarding Employees 328

### What Is Motivation? 331

**And the Survey Says...** 331

## 4 EARLY THEORIES OF MOTIVATION 332

Maslow's Hierarchy of Needs Theory 310

McGregor's Theory X and Theory Y 311

Herzberg's Two-Factor Theory 311

McClelland's Three-Needs Theory 313

### How Do the Contemporary Theories Explain Motivation? 336

What Is Goal-Setting Theory? 336

**From the Past to the Present → 1959–1977–Today** 337

How Does Job Design Influence Motivation? 338

What Is Equity Theory? 339

**A Question of Ethics** 340

How Does Expectancy Theory Explain Motivation? 341

How Can We Integrate Contemporary Motivation Theories? 342

### What Current Motivation Issues do Managers Face? 343

How Can Managers Motivate Employees When the Economy Stinks? 344

How Does Country Culture Affect Motivation Efforts? 344

How Can Managers Motivate Unique Groups of Workers? 345

How Can Managers Design Appropriate Rewards Programs? 346

### Review

Chapter Summary 349 • Discussion Questions 349 • *Management Skill Builder* | Being a Good Motivator 350 • Experiential Exercise 353 • *Case Application 1*—Passionate Pursuits 353 • *Case Application 2*—Best Practices at Best Buy 354 • *Case Application 3*—Searching For? 355 • Endnotes 355

## Chapter 12 Leadership and Trust 356

### Who Are Leaders, and What Is Leadership? 359

**From the Past to the Present 1951–1960–Today** 359

## WHAT DO EARLY LEADERSHIP THEORIES TELL US ABOUT LEADERSHIP? 360

**The Leader: What Traits Do Leaders Have?** 360

**The Behaviors: What Behaviors Do Leaders Exhibit?** 362

University of Iowa studies 362

Ohio State studies 362

University of Michigan studies 362

Managerial Grid 362

### What Do The Contingency Theories of Leadership Tell Us? 363

What Was the First Comprehensive Contingency Model? 363

How Do Followers' Willingness and Ability Influence Leaders? 364

**And the Survey Says...** 366

How Participative Should a Leader Be? 366

How Do Leaders Help Followers? 367

**What Is Leadership Like Today? 368**

What Do the Four Contemporary Views of Leadership Tell Us? 368

**A Question of Ethics 371**

What Issues Do Today's Leaders Face? 371

**Technology and the Manager's Job | Virtual Leadership 372****Why Is Trust the Essence of Leadership? 375**

A Final Thought Regarding Leadership 376

**Review**

Chapter Summary 377 • Discussion Questions 378 • *Management Skill Builder* | Being a Good Leader 378 • Experiential Exercise 380 • *Case Application 1*—Growing Leaders 380 • *Case Application 2*—Serving Up Leaders 381 • *Case Application 3*—Leadership Legacy 382 • Endnotes 383

**Chapter 13 Managing Communication and Information 384****How Do Managers Communicate Effectively? 387**

How Does the Communication Process Work? 387

Are Written Communications More Effective Than Verbal Ones? 389

Is the Grapevine an Effective Way to Communicate? 389

How Do Nonverbal Cues Affect Communication? 389

**From the Past to the Present → 1953–2009–Today 390**

What Barriers Keep Communication from Being Effective? 391

How Can Managers Overcome Communication Barriers? 393

**A Question of Ethics 394****TECHNOLOGY AND MANAGERIAL COMMUNICATION 395****Networked Communication 395**

Networked communication applications 396

**Wireless Communication 397**

Wireless communication applications 397

**Technology and the Manager's Job | FYEO: Decoding Communication Jargon 398****What Communication Issues Do Managers Face Today? 398**

How Do We Manage Communication in an Internet World? 398

**And the Survey Says... 399**

How Does Knowledge Management Affect Communication? 399

What's Involved with Managing the Organization's Knowledge Resources? 400

What Role Does Communication Play in Customer Service? 400

How Can We Get Employee Input and Why Should We? 401

Why Should Managers Be Concerned with Communicating Ethically? 402

**Review**

Chapter Summary 403 • Discussion Questions 403 • *Management Skill Builder* | Being a Good Listener 404 • Experiential Exercise 406 • *Case Application 1*—MXit and Facebook in South Africa 406 • *Case Application 2*—Banning E-Mail 407 • *Case Application 3*—Pizza, Politics, and Papa 408 • Endnotes 409

**Part 5 Controlling 410****Chapter 14 Foundations of Control 410****What Is Control and Why Is It Important? 413**

What Is Control? 413

Why Is Control Important? 413

**A Question of Ethics 413****What Takes Place as Managers Control? 415**

1 What Is Measuring? 415

**From the Past to the Present 1911–1913–1979–Today 417**

2 How Do Managers Compare Actual Performance to Planned Goals? 418

3 What Managerial Action Can Be Taken? 419

**And the Survey Says... 419****What Should Managers Control? 419**

When Does Control Take Place? 420

**KEEPING TRACK: WHAT GETS CONTROLLED? 421**

Keeping Track of Organization's Finances 421

Keeping Track of Organization's Information 422

Keeping Track of Employee Performance 423

Keeping Track Using a Balanced Scorecard Approach 424

**What Contemporary Control Issues Do Managers Confront? 425**

Do Controls Need to Be Adjusted for Cultural Differences? 425

**Technology and the Manager's Job | Monitoring Employees 426**

What Challenges Do Managers Face in Controlling the Workplace? 427

**Review**

Chapter Summary 431 • Discussion Questions 431 • *Management Skill Builder* | Being a Good Disciplinarian 432 • *Management Skill Builder* | Providing Good Feedback 434 • Experiential Exercise 435 • *Case Application 1*—Top Secret 436 • *Case Application 2*—Deepwater in Deep Trouble 437 • *Case Application 3*—Baggage Blunders and Wonders 438 • Endnotes 439

**Chapter 15 Operations Management 440****Why Is Operations Management Important to Organizations? 443**

What Is Operations Management? 443

1 How Do Service and Manufacturing Firms Differ? 444

2 How Do Businesses Improve Productivity? 444

**From the Past to the Present → 1950–1981/1982–Today 446**

3 What Role Does Operations Management Play in a Company's Strategy? 446

## **WHAT IS VALUE CHAIN MANAGEMENT AND WHY IS IT IMPORTANT? 447**

What Is Value Chain Management? 447

Who has power in the value chain? 448

Goals of value chain management 449

How Does Value Chain Management Benefit Businesses? 449

How Is Value Chain Management Done? 450

What Are the Requirements for Successful Value Chain Management? 450

**And the Survey Says... 451**

What Are the Obstacles to Value Chain Management? 453

**A Question of Ethics 454**

**What Contemporary Issues Do Managers Face in Managing Operations? 454**

1 What Role Does Technology Play in Operations Management? 455

**Technology and the Manager's Job | Welcome to the Factory of the Future! 455**

2 How Do Managers Control Quality? 456

How Are Projects Managed? 458

### **Review**

Chapter Summary 464 • Discussion Questions 464 •

*Management Skill Builder* | Being a Good Project

Manager 465 • Experiential Exercise 466 •

*Case Application 1*—Tragedy in Fashion 467 •

*Case Application 2*—Dreamliner Nightmare 468 •

*Case Application 3*—Stirring Things Up 469 •

Endnotes 470

---

## **Entrepreneurship Module: Managing Entrepreneurial Ventures 471**

What Is Entrepreneurship? 471

Who's Starting Entrepreneurial Ventures? 471

What Do Entrepreneurs Do? 472

What Planning Do Entrepreneurs Need to Do? 472

What's in a Full Business Plan? 473

**What Issues Are Involved in Organizing an Entrepreneurial Venture? 474**

What Are the Legal Forms of Organization for Entrepreneurial Ventures? 474

What Type of Organizational Structure Should Entrepreneurial Ventures Use? 474

What Human Resource Management (HRM) Issues Do Entrepreneurs Face? 475

**What Issues Do Entrepreneurs Face in Leading an Entrepreneurial Venture? 475**

What Type of Personality Do Entrepreneurs Have? 476

How Can Entrepreneurs Motivate Employees? 476

How Can Entrepreneurs Be Leaders? 477

**What Controlling Issues Do Entrepreneurs Face? 477**

How Is Growth Managed? 478

How Are Downturns Managed? 478

What's Involved with Exiting the Venture? 478

Why Is It Important to Think About Managing Personal Challenges as an Entrepreneur? 478

Endnotes 479

---

Glossary 480

Index 486