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ABSTRACT

The instructor's guide is intended as an aid in the presentation of a well-organized review course on management in preparation for the Certified Professional Secretary (CPS) Examination. This course can generally be covered in 10 sessions of three hours each and can be used at the secondary or postsecondary level. The 10 lessons cover the following topics: course introduction and definitions; organizations and behavioral science; staffing, compensating, and controlling; experimentation in management, decision making, and selection and training of personnel; other personnel functions; production management; management of marketing and distribution; labor relations, and research and engineering; population, social programs, business-government relations, mergers, and multinational businesses; and management techniques and practices for the CPS. Each lesson's content outline is presented with teaching suggestions and references. A bibliography for general and instructional use is included. (Author/EC)

Part III B in a Series
Preparation for Certified Professional Secretary Examination

Management

A Suggested Adult Business Education
Course

The University of the State of New York
THE STATE EDUCATION DEPARTMENT
Bureau of Continuing Education Curriculum Development
Albany, New York 12234
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Instructor's Guide

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THE UNIVERSITY OF THE STATE OF NEW YORK

Regents of The University (with years when terms expire)

Foreword

The course described in this booklet, *Management*, is intended as a review of the management material in Part III of the Certified Professional Secretary (CPS) examination. This part of the examination, one of a series given by the National Secretaries Association (International), is entitled *Economics and Management*. This course can also be used for those wishing to update their knowledge in the subject matter.

Information about the CPS examination can be obtained from the headquarters office of the Institute for Certifying Secretaries, National Secretaries Association (International), 2240 Pershing Road, Kansas City, Missouri 64108.

Six courses to cover the six parts of the CPS examination were planned by a committee. Later the decision was made to prepare two courses to cover Economics and Management, bringing the number of courses in the series to seven. The committee consisted of the following: Marion N. Batten, CPS, secretary to the manager of Nonexempt Compensation and Benefits, General Electric Company, Schenectady; Hobart H. Conover, chief of the Bureau of Business Education; Carla V.R. Delray, CPS, manager of Office Services and Corporate Planning Administration, Mohasco Industries, Amsterdam; Adrian C. Gonyea, dean, School of Business, Hudson Valley Community College, Troy; E. Noah Gould, associate, Bureau of Continuing Curriculum; Florence E. Graham, chairman, Business Education Department, Draper High School, Rotterdam; Margaret A. McKenna, associate professor of business education, State University of New York at Albany; B. Bertha Wakin, professor of business education, State University of New York at Albany; and Eugene Whitney, associate, Bureau of Business Education. Mr. Gould and Mr. Whitney were cochairmen.

This course, *Management*, was written by Delmar W. Karger, Ford Foundation professor of management, Rensselaer Polytechnic Institute, Troy. Miss Wakin directly supervised the writing of most of the courses and coordinated the content in the series. Mr. Gould, who is in general charge of the series, supervised the final writing and did the final editing of this manuscript.

HERBERT BOTHAMLEY, *Chief*
Bureau of Continuing Education
Curriculum Development

GORDON E. VAN HOOFT, *Director*
Division of Curriculum Development

Message to the Instructor

This instructor's guide is intended as an aid in the presentation of a well-organized course. Since it is a review course, those taking it are expected to have a good background in the subject content. Upon completion of the course the student will, we hope, have improved and refined her knowledge of management and will be better equipped to take Part III of the CPS examination.

While intended primarily as preparation for the CPS examination, the content of this booklet is also suitable for use in the adult education programs of school districts and of Boards of Cooperative Educational Services (BOCES), and in the secondary schools and community colleges of New York State. Instructors should urge the students to bring in current items from newspapers and other sources which might have bearing on course content.

This course can generally be covered in 10 sessions of 3 hours each, but this pattern is by no means universal, nor is it mandatory. For those students who wish to cover some topics in greater depth, the instructor may wish to suggest materials for independent study.

The instructor for this course must have a good background in management. Such a person might be a management faculty member of a college or university, or a well-experienced,well-educated business executive.

An instructor or administrator who needs help in planning or conducting a course using this publication may contact the Bureau of Business Education.

HOBART H. CONOVER, *Chief*
Bureau of Business Education

ROBERT H. BIELEFELD, *Director*
Division of Occupational Education Instruction

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Contents

Lesson 1
Course Introduction and Definitions

Content Outline	Teaching Suggestions and References
I. Introduction to the Course	Introduce yourself and have the students introduce themselves. Suggest that students give name, employment information, reason for taking course. Give each a card and ask them to record their name, address, business and personal phone numbers, and any other desired information. Explain that phone numbers are important in case class must be canceled. You can make a seating chart or else take a picture and label each student on the photo.
A. Course purpose	Explain that Certified Professional Secretaries work for managers and that they often must function in a managerial mode—people work for them. Therefore, to best accomplish their duties they must understand the function and purpose of management and the various facets of the science and art of management. And it is both a science and an art. Explain why.
B. Textbooks and references	Students should have a text discussing all aspects of management in sufficient depth to make it useful as a reference. In addition, texts covering aspects of functional areas will be needed by the student, or this requirement could be met by passouts. You should try to achieve a common reference base for the class by recommending specific books.
	Finally, to help learning and to optimize available class time, tell the class they will receive (at each closing) *passouts* containing all definitions and important statements. This eliminates unnecessary note taking which slows presentation speed.
	Recommended textbooks are *Management* by Drucker (best for teacher's use and by well qualified classes) McFarland, and Koontz & O'Donnell.*
C. Course outline	Discuss in general terms the topical organization of all the lessons. Inform the class verbally or by passout of the reading assignment for each lesson. Lesson 10 is important, but eliminate all or part of it if other specified material remains to be covered.

*Complete citations are given in the bibliography.

Here are the titles of the lessons:

1. Course Introduction and Definitions
2. Organizations and Behavioral Science
3. Staffing, Compensating, and Controlling
4. Experimentation in Management, Decisionmaking, and Selection and Training of Personnel
5. Other Personnel Functions
6. Production Management
7. Management of Marketing and Distribution
8. Labor Relations, and Research and Engineering
9. Population, Social Programs, Business-Government Relations, Mergers, and Multinational Businesses
10. Management Techniques and Practices for the CPS

II. What Is Management?	Provide a *standard* definition of management, and in addition, provide two or three other definitions. A standard definition: "Management: 1. The process of utilizing material and human resources to accomplish designated objectives. It involves the activities of planning, organizing, directing, coordinating, and controlling. 2. That group of people who perform the functions described in 1, above." (Taken from American National Standard Z94.10, Organization Planning and Control, *Industrial Engineering Terminology*, 1972.) In a general way explain the elements and purposes of the definition.
A. Functions of management	Give the functions of management and briefly explain the rationale. Provide an insight as to how the functions and rationale are related and accomplished. For example, explain how managerial control is similar to a thermostat controlling temperature. To control, one must measure performance against a standard (which requires the establishment of performance standards which are somewhat different in each organization), determine the degree and direction of variance from standard, and then take corrective action. Treat each function in a similar manner if at all possible.
B. Science vs. art	Explain that the body of knowledge of all professions is exploding and that about 90 percent of all the workers in every professional field who ever lived are alive today. Knowledge, therefore, doubles about every 5 years and the existing body of knowledge is large. Much will be covered, but certainly not in depth. Art is present because management largely deals with people. While much is known about motivating, leading, etc., there is much that is still unknown. Also, people come in all shapes, sizes, degrees of intellect, personality, drive, ambition, morality, integrity, etc. At best they are "almost fits" in their various positions.

Elaborate on this. *The Peter Principle* (by Peter) may help provide examples. Use your own experience, if it's applicable, to provide examples.

III. The Function of Planning

Provide a common definition. Examples: (1) Planning is the formulation of methods to guide the strategy and tactics of organization. (2) Planning is thought in advance of actions to be taken in the future, based upon conditions in the future, that were generally conceived in the present. *References:* Drucker 1974, pp. 58-129; and Maynard 1967, pp. 3-24 through 3-60.

Without planning, an organization is like a power boat without a rudder. Explain.

A. Why plan?

Research studies show that companies which plan formally (formal planning involves all top executives meeting and together developing a plan which is recorded and distributed) and which are managed to achieve the plan, do from 75 to 100 percent better in sales and profit growth than companies which plan informally. (Almost no firm will admit to no planning whatever.) A minority of companies formally plan (only the best managed firms) and most of these only started in the past decade. Personal planning and planning in nonprofit organizations are equally effective and valuable.

B. Forecasts of future environments

Planning is not a projection or expansion of today's conditions, but must take into account the dynamic changes creating the future. A forecast of the world of tomorrow (usually about 5 years out) is needed. It requires forecasting future business (in general and for each line of business), economic, political, legal, technological, and social environments by each involved country and geographic area. Discuss these parameters.

C. Present state of the organization

In addition to the need to know the future, there is an equally strong need to know the present state of the organization—where it is at present. How could one devise a plan to get from an *unknown* state or position in the present world to some specific place in a forecast future world? The past 10-year financial record (or life span of organization if shorter) is needed in considerable detail. Also the present strengths and weaknesses of the organization and of each function (including the associated organizational units) are needed. The company can build and accomplish only through strength. Serious weaknesses usually require about 2 years to correct.

	D. Definition of business, establishment of long-range goals	Give examples of good and bad definitions. (See suggested text for examples and a discussion of this problem area.) Planning must establish *long-range goals* aimed at taking advantage of *opportunities in the future*. Discuss and give examples of opportunities and goals (business and personal).
	E. Short- and long-range strategic goals	Strategic short- and long-range goals are broad attack schemes which are believed to be the best routes to goal achievement. If strategic goals or objectives are achieved, it usually signifies long-range goal achievement. Give examples of strategic business and personal goals or objectives. The personal goals should be personal to the students.
	F. Tactics to implement strategies	Tactics are the details of how a strategy is to be achieved. The near portion (1 to 2 years) should be in great detail. Give examples of business and personal tactics aimed at achievement of strategies.
	G. Company operation in accordance with plans	Discuss implications and ramifications of this subject, citing the various ways organizations attempt this task.
IV.	Other References	*References*: Drucker 1974, pp. 43-45, 74-99, 121-133, 270-272, 668-671; Maynard 1967, 3-24 to 3-71. Steiner is good as a general reference on this topic.
V.	General Suggestions	This series of lessons must cover a large variety of subjects in considerable depth to be of worth to the CPS candidate. It will be virtually impossible to achieve the goal unless the students are given proper and specific reading assignments, and the instructor clarifies and expands them as needed. What to relegate to reading and what to cover in lectures depends on the experience and education of the students. Finally, it is important to note that the CPS will normally work for managers and that many of them will have a work content that is about 50 percent managerial. Understanding of management practices and principles is therefore very important.

Lesson 2.
Organizations and Behavioral Science

Content Outline	Teaching Suggestions and References
I. Purpose of Organization	Define terms as they are used, here and in the rest of this lesson. Explain the necessity for and the purpose of organizing and the organization formed. *References:* Beach pp. 147-183; Drucker 1974, pp. 518-764; Presthus. (Class passouts illustrating key concepts should be used in this lesson, if it is to be properly covered in 3 hours.)
II. Conventional Forms of Organization	Start by presenting a chart of a conventional line and staff manufacturing organization, including the top echelon. Explain the characteristics of such an organization. Show a similar chart for a nonprofit organization and explain it. Use slides or transparencies to save presentation time. Be sure to include in the discussion the varieties and purposes of *staff*, and the advantages, disadvantages, strengths, and weaknesses associated with each staff function.
A. Other organizational forms	In a similar manner present material on the following types of organization: • Functional (a very basic organizational form) • Product • Systems-component • Project (Explain the stages of its life cycle from birth to death.) • Committee (Be sure to discuss the pros and cons of this form of organization.) *Reference:* Maynard 1967, pp. 2-87 through 2-92.
B. New organizational forms	Discuss *task force, simulated decentralization,* and *systems* forms of organization. These organizational forms may help solve large company organizational problems where decentralization does not fit. Discuss the limitations of decentralization and then discuss the possible use of these prototypes for the future.
C. Classical guidelines	Present and explain the following recognized concepts used to establish and test organizations:
1. Design of an organization component	• Every component of the organization must be designed to contribute to the attainment of the company's and component's objectives.
2. Logical subdivisions	• Establish line organization with logical subdivisions so no overlap nor conflict of responsibility occurs. Each position should report to only one other position.

3. Clear lines of authority and responsibility	• There should be a clear line of authority and responsibility from top to bottom of the organization.
4. Minimum number of levels	• Levels of management should be kept at a minimum by giving managers as wide a span of control as they can effectively handle.
5. Organization before hiring	• Organization should precede selection of people, and the determination of their numbers and qualifications.
6. Position design	• Position design should determine selection of personnel. However, the capabilities of acquired and assigned personnel should be recognized and adjustments made where necessary.
7. Delegation of authority	• Responsibility and authority should be delegated as near the point of action as possible.
8. Delegation of authority with responsibility	• Authority must be delegated corresponding to delegated responsibility.
9. Accountability	• Delegating responsibility does not relieve one of his accountability.
10. Simplicity of work relations	• Organization planning should emphasize simplicity of work relationships.
11. Separation of management from functional work	• Positions should be designed to separate the work of managing from functional work.
D. Centralization vs. decentralization	Discuss theory and application, presenting "real life" examples. Remember that decentralization only fits manufacturing organizations with distinct markets for distinct product lines. Usually it does not fit nonmanufacturing or process-oriented firms.
E. Delegation and span of management	Fully explain the problems people have in delegating, including authority vs. responsibility. Be sure to indicate that a manager succeeds or fails on the basis of the performance of his or her people, not by personal skill or competence. Explain the problems and theories associated with many levels (vertical organization) vs. few levels (flat organization). Finally, discuss *span of management,* including its effect upon communication, responsibility, expense, and challenge to individuals.
III. Behavioral Theory	Explain that in an organization every person must be thought of as an individual regardless of sex, age, color, ethnic origin, etc. Also discuss group behavior briefly. See Beach, pp. 48-61.

A. Maslow's hierarchy of needs

Define each term in the hierarchy and discuss its effect upon an individual's actions. The items are:

- Physiological needs
- Safety and security needs
- Need for esteem of others, or social needs
- Need for self-esteem, or ego needs
- Need for self-fulfillment, or growing toward utilization of one's full potential

B. Herzberg's concepts

Define *hygienic* or *maintenance factors* and *motivating factors*. Give examples and discuss their effects.

C. Models of organizational behavior

Describe and discuss the six aspects of *autocratic, custodial, supportive,* and *collegial* organizational behavior. A source of information is the article by Davis.

D. The Blake-Mouton managerial grid

Discuss the five Blake-Mouton styles of management. A reference is the article by Blake and others.

IV. Organization Manuals and Other Tools

Describe *organization manuals* as to content, size, format, and usage. Distinguish these from *systems and procedures manuals*. (*Reference:* Maynard 1967, pp. 2-33 through 2-44.) If time permits discuss *linear responsibility charting*.

Lesson 3
Staffing, Compensating, and Controlling

Content Outline | Teaching Suggestions and References

I. Staffing the Organization: Objectives

Specify and explore the objectives of staffing. Some of them are, for example, obtaining qualified personnel, minimizing the staffing cost on a long-range basis, and establishing and maintaining ethical hiring and discharge standards.

A. Policies

Present and discuss typical policies of a business organization. One good policy to discuss would emphasize retention of personnel rather than hiring. A reference on this is Beach.

B. The personnel function in hiring and rentention

Present and discuss the duties and responsibilities of the personnel function dealing with hiring and retention in the average organization. Here, as elsewhere in the course, be sure to indicate how the personnel function works with other functions. Be sure to cover the differences in procedure and responsibilities related not only to basic jobs (factory, labor, stenographers, etc.) but also to technical and professional positions.

C. Man-Job Description vs. Position Description	Describe each and provide class with examples of each. Indicate how, where, and by whom they are used. Be sure to indicate their value to employees and prospective employees as well as to management. *References:* Beach pp. 184-285, 649-690; Maynard 1967, pp. 11-49 through 11-65, 11-105 through 11-143.
II. Wage and Salary Administration	Explain and discuss the activities included in this function. Some are primary while others are secondary in that other functions must play a part in performing the activity. The principles underlying these activities are: • Ensure reasonable starting rates. • Compensate employees equitably with respect to each other and outsiders. • Promote retention of high quality employees. • Motivate to bring forth best efforts. • Encourage misplaced personnel to seek work for which they are qualified. • Plan to optimize long term salary costs in relation to results achieved.
A. Approaches to setting salaries	Seven of the possible approaches are given below. Discuss each briefly. • No formal compensation plan--*negotiated compensation* • No formal plan--*administered* compensation • Formal salary review based on *replacement cost* • Salary administration plan--*ranking system* • Salary administration plan--*maturity curves* • Salary administration plan--*job evaluation* and *weighted performance appraisal* • Any one of the above combined with an incentive system
B. Establishing salaries by job evaluation	Fully describe the purposes and techniques of job evaluation. Describe and discuss the *classification method*, the *factor comparison method*, and the *point rating method*. Be sure to explain how competitive salaries also influence job evaluation regardless of the method used.

III. The Control Problem--Standards and Standardization

Control was defined under planning but repeat the definition here to set the scene. Explain that standards are as old as man, that even language is a standard. Also state and discuss the following two definitions. "Standardization is the activity concerned with conceiving, formulating, distributing, enforcing, revising, and promoting of standards." "Standards and standardization are the organized solution of common recurring problems." Why continue to solve problems?

A. Cost standards

Cost standards are needed to measure financial performance--probably most important to the chief executive and those reporting to him. Give a few typical examples such as *standard financial ratios*. Next describe the basic concepts of a *standard cost system*.

B. Quality standards

Show an organization chart of a typical *quality control* department and discuss the positions involved. Distinguish between *quality control* and *inspection*. *References:* Moore, pp. 625-626; Carson, sec. 8.

C. Time standards

Describe the use of *time and motion study* to establish performance standards in both the factory and the office. (They are being used more and more on repetitive office jobs.) Next describe *predetermined time standard* systems and their advantages and disadvantages. Finally, describe *measured day work* vs. *incentive systems* and the associated performance increases over a *no standards* situation. *References:* Carson, secs. 12, 13; Karger & Bayha pp. 30-45, 453-482, 587-595; Neibel, chs. 12, 14-17, 19, 20.

D. Standards for managerial and professional employees

Explain how the man who has responsiblility for a *profit center* is in a large measure judged by profits. (Define *profit center*.) Briefly describe the dilemma of long-term vs. short-term profitability. Then move on to managerial and professional performance measurement via objectives related to long- and short-term plans. *Management by objectives* (MBO) fails when the objectives are not a part of formal planning. Explain that they must be cast in measurable terms whenever possible. Give business examples. See the article by McConkey.

IV. Communication	Thoroughly explore the problems of communication in the organization and the possible solutions. Explain how the ordinary difficulty found in a home is compounded by differing racial and cultural backgrounds as well as differing national backgrounds.

Lesson 4
Experimentation in Management, Decisionmaking, and Selection and Training of Personnel

Content Outline	Teaching Suggestions and References
	References for this lesson are Beach, sec. III; Drucker 1974, chs. 19-21, 33; Davis, chs. 5, 10, 23, 26.
I. Experimentation in Management	The behavioral science portion of Lesson 2 described the results of past experimentation and research.
A. Task teams	Define *task team* and present examples of its use in business. Explain how the concept is the result of experimentation.
B. Peter Drucker's views on decentralization	Discuss his views on organization size, decentralization concepts, and alternatives. Organizations are growing larger and size has been a problem for at least the past 30 years. Explain that not all organizations can be decentralized and still operate satisfactorily.
C. Service organization management problems	Present Drucker's views on the management of *service organizations*--essentially the traditional government organization.
D. McGregor's X and Y theories	Define, explain, and discuss each of these theories. *Theory X* is what we usually use. Discuss approaches to implementing *Theory Y*.
II. Decisionmaking	Explore this process with the students, particularly for managers who practically always must make decisions without having all the data. Point out that these decisions are usually made under conditions of either risk or uncertainty. Explain with examples of decisions under conditions of certainty, risk, and uncertainty. *Reference:* Karger & Murdick 1969, pp. 202-209.

A. Decision trees, a form of logic

Describe *decision trees* and give one or more business examples. Use a passout to simplify note taking. *Reference:* Maynard 1967, pp. 1-10 and 17-65, 66.

B. Mathematical and computer models

Describe each of these models and give at least one simple business example of each in general terms.

C. Decisionmaking under uncertainty

Describe this kind of decisionmaking in simple terms. Use examples involving approaches such as *maximin, maximax, weighted payoff,* and *minimax.*

D. Brainstorming

Define and describe *brainstorming.* Explain what is required to do it successfully. Have the class brainstorm a simple problem. Explain the uses and limitations of brainstorming. *References:* Maynard 1967, pp. 6-46 through 6-50; Karger & Murdick 1972, ch. 4.

III. Personnel Management Techniques

Some aspects of personnel management are covered in Lesson 3. In this lesson we will cover recruiting and selecting, and training and development. The remaining personnel functions will be covered in Lesson 5.

A. Recruiting and selecting employees

Explain how the personnel staff must:

- Locate candidates according to specifications and schedules supplied by others
- Make preliminary screening evaluations and supply data to the hiring managers on those who passed
- Enhance the reputation of the company by actions taken
- Properly process persons to be hired
- Maintain proper files and records

B. Sources of employees

Indicate the varieties of employees required including:

- managerial
- professional
- paraprofessional
- craftsmen
- tradesmen
- laborers

Discuss sources of each type of personnel and how the sources are located and tapped. Be sure to include a discussion of the role of "head hunters," employment agencies, State employment offices, college and high school placement offices, and others.

C. The selection process

Describe the selection process for each category of employee. Discuss the procedures of personal interviews (who conducts them in each category), psychological tests, checks of references, reports by investigative agencies, and the physical examination.

D. Training and development

First explain the underlying principles:

- Self-development is the basis of all personnel development--and one cannot force the process.
- The climate for development must be present.
- Provide opportunity for all.
- The initial effort should be to improve present performance.
- Build increased capability for the long term.
- Development must be planned.
- Self-development can be aided by external assistance.
- Development must be guided by performance appraisal.
- Both on-the-job learning and formal training are needed.

E. Programs for training and development

Both the needs of the company and its resources must be considered. Expand on this. Next describe, define, and explain the uses of the following programs:

- Long-term intensive and integrated professional and paraprofessional programs
- Company technical and trade courses
- Company managerial courses
- Apprentice programs
- Nontechnical courses
- Short company seminars
- Outside seminars
- Tuition refund programs

Reference for Training and Development: Maynard 1967, chs. 7 and 8.

IV. Japanese Methods

A. The Japanese training approach

Explain their Zen-oriented continuous training and contrast it to the Western World's approach which Drucker calls the *Confucian concept*. Point out that there is often more than one way to do a thing.

B. The Japanese employment approach

Explain the system of lifetime employment in Japanese industry and how the *ronin* concept, pressure for conformity, and fear of organization failure make industry work. The worker and the employer are "married" for the official working life of the worker. At age 45 each worker is evaluated and a decision made as to whether he will work for 5 years more or for the rest of his productive life. Explain the theory behind this Japanese system. Also explain the *god-father* system. Not all of this bears directly on Western industry, but it can provide us with new insights into our business processes as well as theirs--and they *both* work.

Lesson 5
Other Personnel Functions

Content Outline	Teaching Suggestions and References
	References for this lesson are Beach, chs. 5, 11, 12, 22, 23; Drucker 1974, chs. 8-14, 22, 34; Maynard 1967, secs. 4 and 11.
I. Merit Rating and Promotion	There are two basic approaches for evaluating the work of professional and paraprofessional employees. These are the *conventional* rating system and the use of MBO, which works only when tied to long-range planning. Discuss each of these approaches in relation to behavior, criteria, dividends, dilemmas, interviews, and actual and theoretical results. Show the class typical appraisal forms illustrating each approach.
II. Employee Benefit Programs	Describe several kinds of programs. The kinds include pensions, retirement planning, health and welfare, and unemployment.
III. Employee Suggestion Systems	Describe typical systems and reward schedules. Indicate where and how evaluations of suggestions are performed, what employees are included in the system, what kind of suggestions are desired, and how suggestions are solicited.
IV. Grievances, Discipline, etc.	Discuss the procedure for handling grievances including arbitration. State the steps in the procedure. Also take up problems of discipline, absenteeism, and tardiness.
V. Professionalization of Office Workers	Give a brief history of the professionalization of office workers. Include changes in duties which have occurred and the effect on operation of an organization. Briefly discuss the status

of unionization of office and professional employees. Include some information on existing organizations of secretaries and administrators.

This lesson could take more than 3 hours in presentation time. But if the class has fallen behind schedule, some of the material can be condensed or eliminated.

Lesson 6
Production Management

Content Outline	Teaching Suggestions and References
I. Introduction	Production management is the very heart of a manufacturing firm and must therefore be of direct importance to many administrative assistants and secretaries. As you teach this lesson and others oriented to manufacturing, point out how these functions appear, although in a slightly altered form, in large retail and wholesale operations and in government operations, especially the military. *References:* Moore, secs. 3, 7, 8, 9. Also see Buffa, Carson, and Maynard 1971.
II. Organization and Activities	Explain the organization of the functions related to production in a manufacturing firm and the activities performed to bring out the firm's products. Use an organization chart including the production departments, industrial engineering, manufacturing engineering, plant engineering, rework and repair, quality control, toolroom, machine repair, traffic, accounting and finance, and any other related functions.
A. Flow of activities and materials	Briefly summarize the activities carried on and trace the flow of materials through the organization. Either give each student a copy of the chart or use a visual aid big enough for all to see clearly. Also mention that accounting is covered in *Financial Analysis and Mathematics of Business,* Part IV of the CPS Series.
B. Variations in organization	Explain how there can be many variations in organization structure depending on the product line, production processes, approach to organization, and size of firm. Keep this discussion of organizational elements at a basic level so it will not seriously overlap other material in this lesson.

III. How the Main System Works	After explaining how the production system works, explain the marketing-sales function briefly. Mention that this function will be covered in detail in a later lesson. Explain how Production Control and Material Control together are often headed by one person, but that the two activities must operate separately. Also mention that many installations use a computer for these functions.
IV. Industrial or Manufacturing Engineering	Generally describe this department's relationship to production. Discuss possible conflicts with Design or Product Engineering. Briefly mention the functions usually included in Industrial Engineering and Manufacturing Engineering. Include the use of routing and processing sheets, the setting of labor standards, and the computation of labor costs. Also include job evaluation and tool design. Only a short explanation of all of these functions is needed.
A. The make-or-buy decision	Explain how Industrial Engineering (I.E.) must decide (often with the help of Purchasing, Design Engineering, and Accounting) whether each item going into a product is to be made or purchased. Show at least two ways in which *make-or-buy* costs are compared. Indicate that some *make* items or subsystems become products of the firm. Also mention that make-or-buy decisions are normally reviewed once a year.
B. Routing and process sheets	Explain that these sheets are instructions to Manufacturing on how parts and products are to be manufactured. These instructions sometimes show whether to purchase and when to use computerized machines or systems. The processing even goes as far as to show how to test and repair complex products like radar units and sonar equipment. Rate of production is specified sometimes.
C. Labor standards	Discuss the relationship of these standards to standard labor costs and to incentive or measured daywork systems. This activity was partially explained in lesson 3.
D. Job evaluation	This activity is sometimes an I.E. function and sometimes it is in Personnel. Explain this. The techniques have already been covered.

E. Tool Design and Procurement — Explain how these activities relate to the processing function. In electronics plants there is often a comparable test design and procurement function. Sometimes part of it is in I.E. and sometimes in Quality Control.

V. Quality Control and Inspection — Explain the difference between Quality Control (Q.C.) and Inspection. Also, explain how Q.C. was developed because we could no longer afford the consequences of failure--especially in projects like space.

VI. Plant Engineering — Describe the activities of Plant Engineering. Include building maintenance; maintenance of machine, electrical, electronic, and hydraulic systems; construction; janitorial services; plant facilities; and rearrangement of equipment.

VII. Traffic — Explain responsibilities relative to routing of outgoing and incoming shipments, company automobile fleet operations, executive cars, and automobile and truck maintenance.

Lesson 7
Management of Marketing and Distribution

Content Outline — Teaching Suggestions and References

One of the best references for this lesson is Maynard 1967. Also see Stanton, parts 1-4 and 6-8.

I. The Total Marketing Concept — Today most manufacturers subscribe to this concept even if not acting totally in accordance with it. Explain that under the concept, corporate objectives are established and the business is managed with the sole purpose of making and selling at a profit:

- *What* the customer wants
- The *way* he wants it
- *When* he wants it
- *Where* he wants it
- At a *price* he is willing to pay

A thorough understanding of the needs and desires of the customers is central to the operation of the business.

While it involves *the whole business* from a policy or conceptual view, the activities and functions of marketing are identifiable. They include distribution which itself takes in only some aspects of marketing.

II. Distribution

Distribution today is what marketing used to be. One definition holds that distribution operates within the marketing system to transfer ownership of goods from producer to consumer and that it consists of the agencies required to bring about such a transfer. This is almost exactly what marketing (as it is now called) is in companies not subscribing to the total marketing concept.

A. Activities

The activities of distribution include the use of distribution facilities such as warehouses, material handling equipment, transportation equipment, stores and their fixtures. These activities also include one or more of the following:

- Selling, including advertising and product service. (This involves risk taking with respect to the ability to sell the goods to the next level of ownership.)
- Movement of goods. (Includes: transportation, storage, material handling, dividing or assembling, packing, and grading.)
- Marketing finance and management. (Includes: credit financing, collections, information gathering for decisionmaking, and decision-making.)

B. Another view

Another view holds that there are three basic ways to distribute the product to the user:

- By direct sales. Examples: home swimming pools and homes.
- Through retail outlets. Examples: the producer's branch or store (tires, clothing, etc.), independent retail stores or retail chains, and other outlets such as direct mail and vending machines.
- Through middlemen. Examples: wholesalers and jobbers who handle such items as appliances, drugs, and toys. Manufacturer's agents--these are principally used to move high-value items, but some of them handle other kinds of items.

III. Marketing Organization

Provide the class with charts of typical marketing organizations including one of a product-oriented organization, a product manager organization and a functional organization.

IV.	Some Terminology	Present and discuss definitions of: • Channel of distribution • Classes of customers (Do not limit this to only salary and wealth.) • Vertical integration of distribution • Horizontal integration of distribution • Channel length
V.	Visual Aid	Prepare a comparatively simple organization chart of a marketing organization or select one from one of the references. From it either make a passout to distribute to the students or a transparency to use with an overhead projector.
VI.	The Marketing Organization	Use the chart mentioned above in combination with organization charts presented previously. Make clear the functioning of the marketing organization in a firm oriented to the total marketing concept.
	A. Advertising	Define and describe the work of each element of the advertising unit.
	B. Market research	Discuss market research. Also describe typical illustrative market researches and the results achieved.
	C. Advertising agency usage	Explain advertising agencies and their operation.
	D. Sales and distribution analysis and control	Describe the general approach to this topic. Give enough detail so the student has a fair idea of each of the following: • Distribution cost analysis • Data needed for control • Motivation and compensation for sales personnel • Territory alinement and quota setting, etc.
	E. Transportation	The traffic function has already been described in Lesson 6. Just describe its relationship with sales at this point.

Lesson 8
Labor Relations, and Research and Engineering

Content Outline	Teaching Suggestions and References
I. Labor Relations and Unions	*References* for this topic are: Beach, chs. 4, 5; Drucker 1974, chs. 15, 16; Heyel 1963, pp. 3, 386-408. Also see almost any standard reference on labor and industrial relations.
A. History	Briefly summarize the history of labor unions in the United States from Samuel Gompers (1886) to the 1930's.
B. Legal framework of collective bargaining	Discuss and explain the purpose, effects, and implications of the following acts: Norris-La Guardia, 1932; Wagner, 1935 (including National Labor Relations Board); Taft-Hartley, 1947; and Landrum-Griffin, 1959.
C. Union organization	Discuss briefly, using organization charts, how unions are organized at headquarters and local levels.
D. The Industrial Relations function	On an organization chart of a firm show where this function is usually located. Mention the relationship of this function to the personnel function. Briefly explain the main activities of the industrial relations function. Particularly be sure to include the activity of negotiating the labor contract.
1. White collar unionization	Remind the students that this topic was covered in Lesson 5.
E. Methods of settling disputes	Explain the typical grievance procedure including arbitration for both industrial and governmental organizations. Also mention the use of mediation and fact-finding boards.
II. Research and Engineering	Present a typical top organization chart showing the vice-president of Engineering and Research (E&R) reporting to the president so students can begin to appreciate the importance of this function. Indicate that E&R contains many managerial positions and that many CPS's can expect employment within the function. While a background in science would be helpful, a CPS could function very effectively without it.

A. References

References are Drucker 1974, ch. 61; Carson, sec. 15; Maynard 1967, pp. 5-1 through 5-57; and Karger & Murdick 1969, chs. 1, 2, 7, 8, 12. For your own use we also recommend Karger & Murdick 1972 and Heyel 1968.

B. Technical management responsibilities

The technical function bears responsibility to support new product development and major company objectives such as:

- Ensuring that the organization operates in areas of rapidly advancing technology
- Assuring maximum use of resources from a technical view
- Exploiting available and potential markets in cooperation with marketing

1. Duties

Explain how the responsibilities mentioned above lead to the following actions:

- Recognize new-product problems and opportunities.
- Establish standards and specifications, laboratories, a patent protection system.
- Develop personnel and a climate for creativity.
- Evaluate products of competitors, products which the company might market, products manufactured by the company, products of firms considered for acquisition.

C. Research vs. engineering

Clarify the activities included in: pure research, applied research, development, product design, and application engineering.

Lesson 9
Population, Social Programs, Business-Government Relations, Mergers, and Multinational Businesses

Content Outline	Teaching Suggestions and References
I. Importance of Population Changes	Discuss the effects on and the importance to business and government of:

- Population trends in each country
- Population shifts within a country
- Changes in proportions of various age groups
- Changes in ethnic makeup
- Changes in such things as literacy and income level

The discussions should take into account developing nations which are involved with the world community and with multinational businesses. *References:* Drucker 1974, Chs. 24-28, 59, and any other good textbook on marketing research.

II. Business Involvement in Social Programs

Mention that the social responsibilities of business have been discussed for at least the past century. Trace changes such as:

- Private ethics vs. public ethics—to what extent should a manager be guided by the ethics of the individual as compared to what is good for the organization
- What social responsibility an employer bears to employees because of his wealth and power
- Social responsibility for the *culture* or *welfare* of the community
- Businessmen serving the government on committees, commissions, etc.
- The current orientation of what business might do to solve society's problems

A. The nonbusiness sector

Show how the responsibility question has now spread to universities, hospitals, government agencies, etc. Give examples.

B. Economic facts vs. actions

Discuss whether business should take an action if the *economics* of it is not right. Present the stories of Union Carbide in West Virginia and Deltec in Argentina. *Reference:* Drucker 1974, chs. 24, 25.

C. Social impacts

Discuss through the use of examples the concept "One is responsible for one's impacts." In the discussion identify and describe the effects of changes in technology, regulatory climate, etc.

D. Social problems

Now discuss specific social problems that business becomes involved in, using actual examples from your own experience or from references. Explore the question of which problems a business *should* become involved in and *the limits* that should be placed on the firm's social responsibility.

III. Business and Government

Explain how the relationship between business and government is a social problem. This relationship is a poor one in *many* countries, ours included. Yet, without a continuing *good* relationship, GNP stops growing. Its growth

		rate in developed nations slows down and in developing nations it fails to increase.
	A. Economic concepts affecting the relationship	Explain the concepts of *laissez-faire*, *mercantilism*, and *constitutionalism*, and point out particularly the relationship between business and government under each of these economic policies. In discussing mercantilism, cover it both with and without *dirigiste*. *Reference*: Drucker 1974, pp. 61-69 and ch. 27.
	B. New model of business-government relations needed	Explain and discuss the effects on these relations of a mixed economy, multinational corporations, and emergence of the professional manager.
	C. Effects of legal action	Explain how business in the U.S. is affected by legal actions involving antitrust charges, patents, and interest rates. In the interest rate discussion, bring in the big drop in the availability of equity capital which began in 1972.
IV.	Acquisitions, Mergers, and Divestments	These three kinds of actions are related and all are an integral part of the problems of diversification and growth. *References*: Drucker 1974, chs. 56-58; Maynard 1967, secs. 3 and 9. Also see Karger & Murdick 1972, management handbooks, comprehensive texts on management, and those on new-product management.
	A. Acquisitions and mergers	Explain how acquisition of one business by another can be accomplished either through purchase or merger.
	B. Divestments	Explain through the use of examples why divestment of one business by another often "makes sense." Discuss the following reasons for divestment: • Bad acquisitions • Change in company direction • Changes in the economy • Changes in competitive structures
V.	Multinational corporations	First, preferably through examples, explain how even some small companies today are multinational in that they have foreign sales, foreign subsidiaries, and foreign joint ventures. Then expand the discussion to describe the operations and ramifications of large multinational companies--both those of the U.S. and those based in other courtries.

Lesson 10

Management Techniques and Practices for the CPS

Content Outline	Teaching Suggestions and References
I. "Catch up" Time	If any of the previous topics were missed or insufficiently covered you could now cover the missed material before getting into this lesson. If only limited time for this lesson is available,select the topics most appropriate to *your* class.
II. The Art of Management	Explain that most of what will be covered here is properly classed as *the art* of management. But it is undergirded by psychology, business principles, and business experience. The techniques, if properly used, will help advance the career of a CPS.
III. The Resume	Discuss *resumes* and provide examples of good ones. A good resume is vital to success in securing a professional position, and this certainly includes a position for a CPS. Be sure to cover proper usage of the resume with prospective employers. A resume is needed, of course, in addition to a completed employment application.
IV. The Charter for the Job	Explain the importance of knowing exactly what is expected of you in a job, and how verbal descriptions of the job are not properly understood or even given correctly in many cases. Receiving a copy of the *position description* and the *job description* before job acceptance is very important to future success. Explain that if a CPS puts her understanding of a verbal explanation in a confirming letter, it can be an acceptable substitute for a job description.
V. Importance of Joining the "Right" Firm	Explain how salary and raises for executives and other employees like CPS's in a business firm are all dependent on growth in earnings and sales. New job openings and the resulting promotion opportunities are likewise dependent on these factors. Explain how a job applicant can select firms with growth in sales and earnings by using Value Line or Standard and Poor analyses. Emphasize that short-range (2- to 4-year) variations should be ignored. Look over a 10-year time span. Also, learn to eliminate the upward thrust of inflation. Also explain how even in a stagnant firm, one or more divisions may have excellent growth records. Generally the better the employer, the better are the opportunities for the CPS.

VI.	Routes to Raises and Management Positions	Emphasize that both a raise and a management job are proper routes to a better life for the CPS. Here are some typical routes to identify for the CPS and to explain the use of. Also mention that you are not passing value judgments on them just because you are identifying them. These routes include:
	A. Showing competence	• Showing outstanding technical skill and competence, especially in combination with organizational ability
	B. Showing responsibility	• Aggressive and effective analysis, summarization, and presentation of work segments larger than his or her own
	C. Outstanding work	• Producing required work on time and in an outstanding manner
	D. Showing understanding of work	• Demonstrating an understanding of *all* the factors involved in the work activity
	E. More education	• Earning a college degree or an advanced degree--business administration and management are the most logical fields in a business firm
VII.	How Your Time Is Spent	Explain that most people think they know how they spend their time, but actually they don't. They spend most of it ineffectively. *References:* Drucker 1967, chs. 2-7 and conclusions.
VIII.	How To Be Effective	Using the text mentioned above as a source, discuss: • Identification and importance of one's contribution • Making one's strengths productive • Priorities • Decisionmaking
IX.	Self Renewal	Explain the need for and the importance of self renewal and development. *Reference:* Gardner, chs. 1-8.
X.	Inside Politics: Power and Conflict	Explain and discuss the "facts" of politics in an organization, especially that a knowledge of them is necessary to get things done effectively in almost any organization. A source for discussion material is Jennings, especially on *power and conflict*. The tactics of power politics are likely to be pursued by the boss of the CPS and therefore should be understood by the latter.

A. Tactics for the CPS

At the same time, some of the tactics can be used personally by the CPS. These tactics include:

1. Establish alliances.
   - Establish alliances with key people at all levels of the organization.
2. Avoid only one clique.
   - Do not identify with only one clique since power relationships are fluid and the ruling clique may be overthrown.
3. Take on "gray" responsibility.
   - Take on responsibilities in "gray" areas or those that others wish to discard.
4. Publicize yourself.
   - Always put your best foot forward.
5. Avoid extemporaneous situations.
   - Avoid situations where you must act extemporaneously since you usually do better when prepared.
6. Use communications properly.
   - Use channels of communication properly to retain and increase your power.
7. Keep maneuverability.
   - Keep your maneuverability. Be especially careful to keep an escape hatch open to avoid failure of a program.

Each of these need explaining and elaboration. Examples are of great help to the student's understanding.

XI. Establish Priorities

Courage rather than analysis dictates the truly important rules for identifying priorities: Pick the future as against the past. Focus on an opportunity rather than a problem. Choose your own direction--rather than climbing on the bandwagon. Aim high. Aim for something that will *make a difference* (for you and your organization), rather than for something that is "safe" and easy to do.

A. Other References

References: Drucker 1967, and Karger & Murdick 1969.

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