MANAGEMENT / UNIT V

"The business of America is business" –Calvin Coolidge

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"The business of America is business" –Calvin Coolidge
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Understanding Leadership Styles

Time Frame
1 day

Standards
NES: <u>Management</u> - Understand leadership styles
NES: <u>Skills</u> - Determine issues and trends in business

Guiding Question
Is there one leadership style that best ensures success for an entrepreneur?

Objectives
Students will be able to:

- analyze different leadership styles employed by entrepreneurs.

- explain the concepts of leadership and power within a business organization.

- describe the difference between the entrepreneurial and managerial role for a new business owner.

- describe the traits of effective leadership and qualities that define an effective leader.

Teacher Background
Succeeding as an entrepreneur requires many skills, including the ability to be a leader and manager. Yet there are variety of leadership styles, each with its own strengths and limitations.

In the first and second activities of this lesson, students discuss the concept of leadership and look at six leadership styles. In the exercise for Handout #1, the class will make some judgments about the advantages and disadvantages of each leadership style. Handout #2 compares entrepreneurial and management skills, alerting students to the fact that succeeding in business may require some mastery of both sets of skills.

Materials/Resources
Handouts V.1.A, "The Six Styles of Entrepreneurial Leadership" and V.1.B, "Entrepreneurship Skills and Management Skills"

Teaching Strategies/Supporting Activities
- Write the word "Leadership" on the board. Ask the students to take a couple of minutes and write a paragraph explaining what the word leadership means to them in their notebook. Then have students read what they wrote about leadership in their notebooks and explain their answers to the following questions (calling on at least three different students to provide answers to this question):

  — What does leadership have to do with being an entrepreneur?

  — Can an entrepreneur be successful in business without being a good leader?

- Distribute Handout V.1.A, "The Six Styles of Entrepreneurial Leadership." Have students follow the directions on the handout. Then have them explain their answers to the following:

  — Describe the major differences between the six leadership styles discussed in this article.

  — What are the advantages and disadvantages of operating a business using each leadership style?

  — Which of these leadership styles would you feel most comfortable adopting if you were running a business?

  — Which style would you feel least comfortable adopting?

- Distribute Handout V.1.B, "Entrepreneurship Skills and Management Skills." Complete the exercise on the handout. Have students explain their answers to the following questions:

  — What did you learn from this chart about the differences between entrepreneurship and professional manager's skills?

  — Which of the entrepreneurship traits is most important for being successful in business?

  — Which of the professional manager's traits is most important for being successful in business?

  — Which skills are most important for succeeding in business: entrepreneurship or professional manager's skills? Is it possible to succeed in business without having some of both skills?

  — If one is not born with manager's skills, can he or she learn to be a good manager?

Summary/Assessment

Ask students to explain their answer to the following question:

Is there one leadership style that best ensures success for an entrepreneur today?

Follow Up

For homework prior to Lesson 1, ask students to speak with three entrepreneurs in their communities. Students should show the business people Handout V.1.A, "The Six Styles of Entrepreneurial Leadership." Have the students ask the entrepreneurs which leadership style best defines the way they run their businesses and why they find that style of leadership works best for them. Students should make oral presentations to the class explaining what they learned from their interviews.

Handout V.1.A, "The Six Styles of Entrepreneurial Leadership"

Directions: Read the list of six entrepreneurial leadership styles below. Write one advantage and one disadvantage of each leadership style, in the space provided under each.

1. The Classic. This is the traditional entrepreneurial management style. You hire people but you insist on tight, personal monitoring and supervision. And of course, you'll do all of the really critical jobs yourself. Since the classic entrepreneur cannot delegate responsibility to others, he/she must limit the complexity of the business. Under the classic leader, the growth of a company is limited.

Advantage:

Disadvantage:

2. The Coordinator. An alternative to the classic style is the coordinator method, whereby leaders can run a fairly good-sized business with just a handful of employees. This type of business structure is sometimes called a "virtual corporation" and the essence of its style is that most of the sub-tasks are jobbed out. The leader does little more than organize the enterprise and verify that everything gets done. A coordinator can grow a multi-million-dollar business without a single employee. If you're willing to have a few assistants, you can grow even bigger. The growth of such a business is limited unless the entrepreneur is willing to delegate major responsibilities to other employees.

Advantage:

Disadvantage:

3. The Craftsman. Craftsmen are leaders who maximize their control over business by doing everything themselves. Obviously this approach, like the classic approach, limits the size of the business. This style makes sense if the business's biggest concern is the quality of the output. There are advantages to doing everything: everything is done "right" because the expert does it; expenses are minimized; and operating without employees can simplify your life. The only problem with this rosy scenario is that the leader must do the tasks he or she likes, as well as the ones disliked.

Advantage:

Disadvantage:

Handout V.1.A, "The Six Styles of Entrepreneurial Leadership" (continued)

4. The Entrepreneur + Employee Team. This leadership strategy gives the entrepreneur the most control within the big business leadership styles. Authority is delegated to key employees, with the understanding that final authority rests with the entrepreneur. Few start-ups can afford a host of high-level employees, most often leaders find themselves growing from the classic style into this mode of operation. It's company growth that most often forces the change. That transition, however, is not as easy as it might appear. Some control-freaks can't give up enough control to empower others in ways that might lead to greater business success.

Advantage:

Disadvantage:

5. The Small Partnership. Leaders who adopt the small partnership style have considerably less control and autonomy as they must share tactical decisions with one or more partners. In compensation for this loss of control, small partners receive a substantial advantage: the assistance of others who, like you, have a real stake in the company and share your motivation to make it succeed in a way no employee can. But even small partners eventually face the limit of their abilities and must decide to manage a dynamic firm that won't grow any larger—only better—or change.

Advantage:

Disadvantage:

6. The Big Team Venture. This style divides leadership among a group of major players including venture-capitalist and board-of-director types. In addition to capital, you'll need a growth-company management team in order for the Big Team Venture to succeed. Make sure the team you shepherd is good. These companies go the farthest, burn the brightest, and fade the fastest. You can't afford to skimp here. Cut corners with the leaders on the big team and you'll soon find yourself out of a job and looking for work.

Advantage:

Disadvantage:

Adapted from: http://extendmyrunway.com/entrepreneurial-leadership-styles/

Handout V.1.B, "Entrepreneurship Skills and Management Skills"

Directions: Being a successful entrepreneur requires both entrepreneurship and management skills. The chart below goes into some of the differences between entrepreneurship and management skills. Look down the column labeled "Entrepreneur's Traits" and draw a circle around the entrepreneurship trait that is most essential to succeeding in business. Then, Look down the column labeled "Professional Manager's Traits" and draw a circle around the trait listed in that column that is most essential to succeeding in business.

Characteristic	Entrepreneur's Traits	Professional Manager's Traits
Need for personal control vs. delegating authority.	**Desire for Personal Control**: The typical entrepreneur wants to control his/her business and employees.	**Delegation of Authority**: The professional manager recognizes that no one person can no longer "do it all himself".
Management style.	**One-Man Show**: The entrepreneur tends to be very demanding in dealing with others, leaving very little room for error, and none at all for actual failures.	**Management Team**: The professional manager is tolerant of failure, seeing it as a basis for learning, and key to developing an administrative team to run things.
Appreciation of creativity.	**Innovation**: The entrepreneur desires to create "something from nothing."	**Maintaining Order**: The professional manager desires to organize operations and maintain what exists.
Response to possible business opportunities.	**Rapid Reaction**: The entrepreneur tends to react quickly to new business opportunities.	**Strategic Planning**: The professional manager strives for medium and long term strategic planning which leads to controlled growth of the company
Preferred Organization Structure.	**Informality and Flexibility**: The entrepreneur favors a structure that allows the business to adapt to changes required by its rapid growth.	**Formal Organization**: The professional manager prefers a rigid organizational structure, which leaves no room for rapid reactions to business opportunities, but protects the organization from sudden collapse.
Decision-Making.	**Intuitive**: The entrepreneur often makes decisions on the basis of his/her own "gut feelings."	**Deliberative**: The professional manager prefers to collect Information and seeks advice before making a decision
Business Goals.	**Vision**: The entrepreneur often describes his goals in terms of a personal "vision", "dream" or "mission."	**In Commercial Terms**: The professional manager defines his goals often in terms of profits.
Attitude to Profits.	**Secondary to Ego**: Entrepreneurs desire for success and recognition is often deemed more important than power or money.	**Making Money is Primary**: The professional manager often sees everything in purely in financial terms.
Attitude toward Risk.	**Willingness to Take Calculated Risks**: The typical entrepreneur is willing to take risks and, is generally, very good at assessing those risks.	**Avoids Risk Taking**: The professional manager looks to avoid taking unnecessary risks.
Feelings about the Organizational Culture.	**Self-Centered Culture**: The entrepreneur identifies him or herself as the organization and is not interested in promoting an organizational culture.	**Company Based Values Defines Culture**: The professional manager tries to establish a well-defined company culture, based on company values on one hand and commercial aims on the other.

Adapted from:
http://www.entrepreneurship-isemi.com/index.php?option=com_content&view=article&id=192&catid=72&Itemid=54

Business Growth and Development

Time Frame:
2 days

Standards
NES: <u>Management</u> - Describe the business life cycle
Identify methods of growing a business and characteristics of companies that grow successfully
NES: <u>Skills</u> - Make oral presentations;
Apply effective listening skills

Guiding Question
How can entrepreneurs most effectively promote the growth and development of their businesses?

Objectives
Students will be able to:

- describe the different phases of the business life cycle.

- examine the primary methods for growing one's business.

- compare and contrast horizontal and vertical forms of business growth.

- discuss the challenges entrepreneurs face in expanding in their businesses and strategies for business growth.

Materials
Handouts V.2.A-D

Teacher Background
Growing a business presents the entrepreneur with a unique set of obstacles to overcome. This lesson focuses on the struggles most entrepreneurs face in growing their businesses.

Handout V.2.A asks students to anticipate some of the challenges entrepreneurs face in their efforts to expand and grow. Students are introduced to product life cycle in Handout V.2.B. The class will examine some of the challenges to growing a business in Handout V.2.C. Finally, the class will role-play an interview about business growth strategies in Handout V.2.D.

Teaching Strategies/Supporting Activities
- Distribute Handout V.2.A, "Apple Inc." Have students complete the exercise on the handout, then have them explain their answers to the following questions:

  — What do you learn about Apple Inc., comparing its beginnings to today?

  — Discuss what you think were some the challenges Apple faced between the time of its introduction and today?

  — If you could, what questions would you like to ask Apple's founder about the growth of the company between 1976 and today?

■ Distribute Handout V.2.B, "Product Life Cycle." Have students complete the exercise on the handout, then have them explain their answers to the following questions:

— What did you learn about the product life cycle from the chart and reading on this handout?

— In your own words describe each of the four phases of the product life cycle?

— Discuss the product you chose in the exercise and describe the evidence you presented about the phase of the life cycle in which you think the product is in now.

— Why should an entrepreneur be concerned about understanding the product life cycle?

— Which of the four phases of the life cycle is most critical to the success of a product?

■ Distribute Handout V.2.C, "Challenges Entrepreneurs Face." Ask students to complete the exercise, then have them explain their answers to the following:

— In your words describe these four challenges (call on a different student to summarize each).

— Which of these challenges would you find most difficult to overcome?

■ Distribute Handout V.2.D, "Growth Strategies." Assign 8 students one of the following roles: Interviewers #1, 2, 3, 4, and 5, and Guests #1, 2, and 3. Have students enact the interview scripted on the handout. Then have them complete the exercise on the handout. Subsequently, ask students to explain their answers to the following:

— Describe one growth strategy mentioned in this interview.

— How do these intensive, integrative, and diversification growth strategies compare to one another?

— To what extent would any of these strategies help overcome the challenges identified in Handout V.2.C?

— Which of the three strategies would be most difficult to implement?

Summary/Assessment

Ask students to explain their answer to the following question:

Based on what you learned in today's lesson, what would be the best advice you would give to an entrepreneur looking to grow his/her business?

Follow Up

Provide students with a list of successful entrepreneurs. Have them select one person on the list, and gather research on a critical challenge facing that entrepreneur in growing his/her business. Based on the research gathered, the students should write a one page paper describing that challenge and the actions that were taken to overcome the challenge. Select a day in class for the students to have a roundtable discussion on challenges facing entrepreneurs.

Handout V.2.A "Apple, Inc"

Directions: Read the handout below and suggest three challenges that Apple faced between 1976 and today. Write these challenges in the spaces provided.

Apple Inc. in 1976 . . .

"Steve Jobs was a 21-year-old college dropout living with his parents in Los Altos, Calif., where he and two friends, Steve Wozniak and Ronald Wayne, would hang out in the garage. The three men created Apple Computers on April 1, 1976. The first Apple computer was hand-built by Apple co-founder Steve Wozniak in Steve Jobs' parents' garage. More than 200 units were sold by the Byte Shop, the first computer-retail chain."
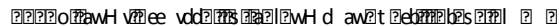
Challenge #1 _____

Challenge #2 _____

Challenge #3 _____

Apple Inc. in 2011 . . .

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<tr><th>Your Product</th><th>Phase of product life cycle it is currently in</th><th>Evidence</th></tr>
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Handout V.2.C, "Challenges Entrepreneurs Face"

Directions: In a recent poll among entrepreneurs looking to grow their businesses, four challenges emerged as the most critical. After reading this page, circle the one challenge that you think you might have as entrepreneur trying to grow your business. If you'd like to add a challenge, write it in after "5. Other." For homework, select one of the challenges, research solutions to the challenge, and write a letter of at least three paragraphs describing how you would overcome that challenge.

1. My greatest challenge is in the area of <u>finance</u>. Specifically, cash flow and sales volume remain my major problems. Other related problems are accounts receivable and a lack of capital to keep business growing.

2. I find my greatest challenge concerns <u>management</u> issues. Control of time and putting the right person in the right job remain significant problems for me. I struggle to find the right incentives/disincentives for motivating employees. Finally, I am still not comfortable preparing strategic/annual business plans.

3. Many of my greatest challenges relate to <u>marketing</u>. For example, I believe I still lack the ability to cost effectively advertise. Secondly, I struggle with the continued need to set my business apart from others, especially competing with the large chain stores. Also, I wish I were better able to identify new business opportunities that could boost my business to the next level.

4. While <u>technology</u> is a great thing I still cannot use the Internet effectively to grow my business. I wish I knew how to create a good web site to promote my products. Finally, I would like to use technology to make my business operations more efficient but don't have a handle on how to do that effectively.

5. Other:

Adapted from http://www.e-myth.com/cs/user/print/post/nationwide-poll-a-look-at-the-state-of-entrepreneurship-in-the-u-s

Handout V.2.D, "Growth Strategies"

Directions: After the script below is performed, think of one question you would have liked to ask the guests about business growth strategies. Write that question at the bottom of the handout.

Interviewer #1	We are pleased to have with us here today three experts who advise entrepreneurs on how to grow their businesses.
Interviewer #2	I'd like to start with a general question for our experts. What are the key growth strategies?
Guest #1	Generally, these strategies fall into three categories: intensive strategies, integrative strategies, and diversification growth strategies.
Interviewer #3	What are intensive growth strategies?
Guest #2	The best examples are market penetration, product development, and market development.
Interviewer #4	Would you explain each please?
Guest #3	Market penetration occurs when a business tries to increases sales volume in its existing market. Market development happens when a business tries to market its products in new locations. Product development occurs when improved products are created for the market.
Interviewer #5	How about integrative growth strategies. What are they?
Guest #1	There are two types of integrative growth strategies, horizontal and vertical?
Interviewer #1	What's the difference between horizontal and vertical growth strategies?
Guest #2	When one buys a competitor's business to grow one's own business that's horizontal integration. An example would be Nike Athletic Shoes buying Addidas Athletic Shoes. Vertical integration occurs when a company buys the distributors, retailers, or dealers of its product or products.
Interviewer #2	Finally, can one of you tell us about diversification strategies?
Guest #3	Diversification strategies, refers to adding either related or unrelated products/services to one's business portfolio.
Interviewer #3	Can any of our guests go into a little more detail about diversification strategies?
Guest #1	Well, one kind of diversification strategy would involve a business buying new products or other companies that mesh nicely with its own business.
Guest #2	A second type of diversification strategy refers to a situation where one business adds a product that is unrelated to its original business, like if McDonalds started selling computers in addition to fast food products.
Interviewers #4	I never realized there were so many different paths an entrepreneur could take in growing a business.
Interviewer #5	Following the wrong path could mean the difference between success and failure. Well we sure learned a lot about growing a business, thanks to our experts. We greatly appreciate their appearance today.

Question:

Management Concepts and Functions

Time Frame:
1 day

Standards
NES: <u>Management</u>: Describe the various levels of management
Identify the skills that are necessary for successful company management
NES: <u>Skills</u> Prepare written reports
Make oral presentations
Follow directions

Guiding Question

What roles do managers play in running an entrepreneurial venture?

Objectives

Students will be able to:

- explain the different management levels commonly found in entrepreneurship ventures.

- describe the key skills that effective managers in entrepreneurship ventures possess.

- discuss the roles common to most managers in entrepreneurship ventures.

Teacher Background

This lesson deals with management on a conceptual and theoretical level. It deals with the levels of management, the skills required of managers, and the different roles managers play

Specifically, Handout C presents a chart summarizing the basic jobs of first-line, middle level, and senior level management. In Handout V.3.B, students will look at the range of skills required of a manager. Here they will be asked to determine which skills are most important and whether or not good managers are born or can be taught these skills. The final handout looks at three critical roles assumed by managers in entrepreneurial operations.

Materials

Handouts V.3.A-C

Teaching Strategies/Supporting Activities

- Distribute Handout V.3.A, "Levels of Management." Have students complete the exercise then have them explain their answers to the following:

  — What are the similarities and differences between the three levels of management?

  — In order to be successful in their jobs, which skills are most important for a first line manager; a middle level manager; and top-level manager to have?

  — In general do businesses function better with the three levels or fewer levels of management?

- Distribute Handout V.3.B, "A Manager's Skills." Ask the class to complete the exercise on the handout. Then have students explain their answers to the following questions:

  — What conclusions can you draw about the skills required to be a good manager from this handout?

  — Of all the skills that are described in this handout, which is most essential to entrepreneur's success?

  — Are good managers born or can management skills be taught to most people?

- Distribute Handout V.3.C, "Management Roles." Ask students to complete the exercise on the handout. Then have them explain their answers to the following:

  — What did you learn about the different management roles of an entrepreneur from this reading?

  — What examples did you give of actual situations where managers would have to act in the three roles discussed in the handout?

  — In which of the three roles do you think it would be most difficult to succeed?

Summary/Assessment

Ask students to explain their answer to the following question:

What is the most important thing you learned about management in an entrepreneurial venture from this lesson?

Follow Up

Have students examine both print and electronic media sources to find examples of entrepreneurs taking on the interpersonal, informational, and decisional roles as managers. Have the students prepare a 1-2 page paper in which they 1) summarize what they learned from their research about the importance of these roles and 2) evaluate how effectively the entrepreneurs they read about performed in any one of these roles.

Handout V.3.A, "Levels of Management."

Directions: Depending upon the kind of business, an entrepreneurial venture can have several levels of management. Described below are the three typical levels of management. After reading this handout, in Column 2, place a check mark in front of the most important skill necessary for each of the three levels of management.

First line Managers

1. Job description	2. Which is the most important skill?
First line managers or supervisors serve at the lowest level of management. In a manufacturing plant, the first line manager might be called a foreman. On an athletic team, the coach would be considered a first line manager. First line managers or supervisors direct the actual work of the organization and serve as a point of contact between the employees and the middle and top managers.	_____ Gets along well with others _____ Has many years of on-the-job experience _____ Is good at decision making _____ Thinks three steps ahead of others

Middle Managers

1. Job description	2. Which is the most important skill?
Middle managers include all levels of management between the supervisory level and the top level of the organization. Managers in the middle may have titles such as department head, project leader, plant manager, unit chief, division manager, or similar title. Middle managers implement the goals set by the top managers, evaluate the performance of the organization and recommend changes if necessary. In other words, they perform the control function.	_____ Gets along well with others _____ Has many years of on-the-job experience _____ Is good at decision making _____ Thinks three steps ahead of others

Top Managers

1. Job description	2. Which is the most important skill?
Top managers are responsible for making decisions and for establishing policies and strategies that affect the entire organization. These managers may have titles such as president, managing director, executive vice president, chief operating officer, chief executive officer, or chairman of the board. Top managers spend most of their time planning and organizing.	_____ Gets along well with others _____ Has many years of on-the-job experience _____ Is good at decision making _____ Thinks three steps ahead of others

Adapted from: http://www.entreskills.org/

Handout V.3.B, "A Manager's Skills"

Directions: This handout contains a letter to an entrepreneur and the entrepreneur's reply about the kind of managerial skills necessary to succeed in business. In the box at the bottom of the page, write what you think is the most necessary managerial skill for an entrepreneur, giving one important reason to explain your choice.

The Letter

Dear Ask the Entrepreneur:

At present I am a high school student studying entrepreneurship. One day in the future I would like to manage an entrepreneurial venture. What skills are required to be a successful manager as an entrepreneur?

Yours truly,
A.B.

The Reply

Dear A.B.:

A person must be skilled in a number of functions to perform successfully as a manager in an entrepreneurial venture. In general, three skills are essential. They are related to the technical, human relations, and conceptual aspects of the business.

Technical skills refer to having sufficient knowledge in the technical aspects of your business to be able to guide and assist staff and lead effectively. These skills could be in any number of areas, including computer capability, production methods, research, etc. "Human relations" refers to getting along well with the people associated with your business and inspiring them to get along with each other. Conceptual skills refer to an ability to see the end product or the big picture.

Specifically, a good manager should:

• be knowledgeable about effective time management. A person who manages to plan the schedule and divide time equally between tasks can be an asset for the organization.

• have a visionary sight for the benefits of the company. He/she should plan the future steps for the growth of the company.

• be able to motivate the team for their tasks. He/she should encourage talents. In the case of people with low performances, he/she should tackle the situation with professionalism to reach a positive conclusion.

• be able to perform well even in a crisis situation. He/she should be mentally tough to handle any kind of situations.

• be responsible enough to maintain a good office atmosphere. A manager should be sensitive towards others in the workplace. A happy atmosphere would only lead to more productivity for the company.

In short, people with good management skills are crucial to the success of any business.

Exercise

The most important managerial skill needed by an entrepreneur is _____

because _____

_____

Handout V.3.C, "Management Roles"

Directions: The reading below, written in the words of an entrepreneur, describes the different managerial roles (a role is a set of organized behaviors) that an entrepreneur might play in his or her business. After reading this handout, complete the exercise below:

"As a manager in an entrepreneurial venture, I assume many different roles. Three major roles stand out in my mind. One is the interpersonal role. In this role I am portrayed as a figurehead, liaison, or leader. A second would be the informational role. Here I am looked upon as a monitor, disseminator, or spokesperson. The third would be a decisional role, where I am seen as an entrepreneur, disturbance handler, resource allocator, or negotiator.

The interpersonal role relates to the direct relationships I have with other people including employees, customers, suppliers, vendors, and/or competitors. This role puts me in a unique position to study various attitudes about me, my business, and my competitors. In many ways, having successful interpersonal relations is crucial to being successful in business. Yet it is not the only role, or may not be my most important role as a manager.

The informational role encompasses three tasks. The first is a receiver and collector of information from people both inside and outside my business. Secondly, I am a transmitter of special information to those inside the organization especially my partners, funders, and employees. Finally, I serve as a disseminator of information from my organization to people outside the organization (e.g., vendors, customers, or competitors).

In my decisional role, I am involved in four types of decisions. The first type has to do with initiating change. A second kind of decision deals with threats to the organization. Determining how the organization will allocate its resources would be a third sort of decision. Lastly, I make decisions when I negotiate with customers or vendors on behalf of my business."

Adapted from: Entreskills.org

Exercise: For each of the three managerial roles listed below, give one example of a situation that might actually happen in running a business For example, next to "Interpersonal Role" you might write as an example "resolves disputes between two employees."

Role	Example
Interpersonal Role	
Informational Role	
Decision-Making Role	

Decision Making and Problem Solving

Guiding Question

How do entrepreneurs go about making decisions to solve key business problems?

Objectives

Students will be able to:

- discuss the decision-making model used by managers in entrepreneurships.

- examine the considerations that managers take into account in making decisions.

- identify barriers to making decisions faced by managers.

- apply the decision-making model to a real situation.

Teacher Background

One cannot be a good manager without possessing decision-making skills. While decisions sometimes do not always turn out well, due to a variety of circumstances, following an effective decision-making model gives the entrepreneur the best chance of moving his or her business in the right direction.

In this lesson, Handout V.4.A lays out a traditional decision-making model. Handout V.4.B looks at some observations about decision making offered by an entrepreneur. Handout V.4.C allows students, in a cooperative learning exercise, to examine some of the personal and organizations barriers to effective decision making. In the final instructional activity of this lesson, students are asked to apply the decision-making model to actual decisions that they are currently facing.

Materials

Handouts V.4.A-D

Teaching Strategies/Supporting Activities

- Distribute Handout V.4.A, "Decision-Making Model." Have students complete the exercise, then have them explain their answers to the following:

  — In your own words, summarize the six steps in the decision-making model. *(Call on a different student to summarize each step.)*

  — In making a decision, why is it so important to define the problem correctly?

— Why is it a good idea to encourage people to suggest as many alternative solutions to the problem as possible, even some that at first seem unworkable?

— Discuss why taking step six of the model might be useful even if the decision doesn't work out well.

— Which of the six steps is most essential in making effective decisions in an entrepreneurial venture?

▪ Distribute Handout V.4.B, "Decisions: In the Words of an Entrepreneur." Have students complete the exercise on the handout, then have them explain their answers to the following questions:

— What the writer on the handout mean by saying: "There are even times when things work out well despite a bad decision. And likewise, there are times when bad things happen despite a good decision?"

— What does the reading mean by saying "most decisions are made by sacrificing? That is, rather than conduct an exhaustive search for the very best, alternative decisions are made once the first alternative decision, that meets a standard of sufficiency, is found."

— As an entrepreneur how would you implement this following advice: "People work best and are happier when they are empowered to make some decisions and solve some problems?"

— As a future entrepreneur, what was the important thing you learned from reading these statements about decision-making?

▪ Distribute Handout V.4.C, "Barriers to Effective Decisions." Divide the class into groups of four each. As a group, ask students to complete the exercise on the handout. Then have the group explain their answers to the following when called upon:

— What did you learn about the barriers to effective decision-making from this handout?

— Which of these barriers did you find the most difficult to overcome? *(Ask at least four or five different groups to answer this question.)*

— What suggestions did your group make for overcoming the most difficult barrier to decision making?

▪ Distribute Handout V.4.D, "Decision Making: Your Turn." Have students complete this exercise for homework. For the next class lesson, have students explain their answers to the following questions:

— What were some of the problems you identified for this exercise?

— Which three of these problems would you like to discuss in class today? (Select the three that seem the most popular)

— For each the three problems selected, call upon students to:

1. discuss the information they gathered about those problems.

2. list the possible alternative solutions they suggested.

3. identify the solution they selected, explaining their reasons.

4. announce any actions they have taken to implement the solutions

Summary/Assessment

Ask students to explain their answer to the following question:

What did you learn about decision making in this lesson that you would find most useful as an entrepreneur?

Follow Up

Assign students the task of making a presentation about an actual business related problem that has appeared in the news recently. In their presentations, each student, applying the decision-making model learned in class, should:

1. identify the problem the business was facing;

2. describe the research he or she gathered about the problem;

3. explain at least three alternatives for solving the problem;

4. identify his or her decision for solving the problem, explaining the reasons for that decision; and

5. examine the actual decision for the problem, explaining whether or not it was the best way to solve the problem.

Handout V.4.A, "Decision-Making Model"

Directions: This handout contains the six steps in the decision-making model. After reading this handout, circle the step that you believe is most important in making a decision.

Step 1:

Define the Problem

Write down what the problem is and why it is a problem. If possible, try to quantify the problem (e.g., How much money do you stand to lose or how many people will be fired as a result of the problem?)

Step 2:

Gather Information

Now, try to get relevant information about the problem. Sources for gathering such information include: company records, interviews with experts, industry data, and trade magazines.

Step 3:

Identify Some Possible Solutions

At this point, write down as many alternative solutions as possible. Don't reject any yet, even those that at present appear to be unworkable.

Step 4:

Evaluate Alternatives and Select the Best Option

Now you are ready to weigh alternatives and select the best solution. To reach a decision you might find it helpful to quantify the costs and benefits of each choice. If you can't place a dollar value with each solution, try ranking each possibility according to its advantages and disadvantages.

Step 5:

Take Action

Take the action you have decided upon as the solution to the problem.

Step 6:

Evaluate the Action Taken

Finally, you must analyze the action you took to determine how well, if at all, it worked. If it didn't work as planned, try to figure out what went wrong. Was it the solution or something else, like the behaviors of the people who were implementing the solution?

Handout V.4.B, "Decisions: In the Words of an Entrepreneur."

Directions: Read this handout from an entrepreneur about decision-making. In the space at bottom of this handout, summarize in one or two sentences the most important lesson you learned about decision-making from this reading.

D ecision-making is the most important thing I do in my business and personal life. Sometimes, things work out well because of those decisions, sometimes they don't. There are even times when things work out well despite a bad decision. And likewise, there are times when bad things happen despite a good decision. So what can I tell others about decision-making? Here are some key points:

• The best decision-makers collect information from many sources, not just one.

• Some good sources for information are your customers, employees, and competitors.

• Decisions may be considered routine, programmed, or repetitive, when a definite procedure has been worked out for handling them.

• Programmed decisions are dependent on existing policies, rules, and procedures. Some examples of programmed decisions are determining prices for common customers' orders, determining salary payments to employees who have been ill, and reordering office supplies.

• Non-programmed decisions are often unique, novel, unstructured, and consequential. There may be no cut-and-dried method for handling such a problem because it hasn't arisen before, because it is complex, or because it is so important that it deserves special treatment. Non-programmed decisions require that a manager be creative, intuitive, and tolerant of ambiguity.

• Most decisions are made under circumstances of some uncertainty. The decision maker does not know all the risks or consequences associated with each alternative. Therefore, most decisions are made by sacrificing. That is, rather than conduct an exhaustive search for the very best, alternative decisions are made once the first alternative decision, which meets a standard of sufficiency, is found.

• Task-oriented decisions are focused on the job and work that needs to be done. People-oriented decisions are focused more on the people and less on the task that needs to be completed. An effective decision maker tends to stay in the middle, trying to focus on both the task as well as the people.

• In modern organizations, it's not only the boss, nor his or her chief policy makers, who solve problems and make decisions. It's everyone. People work best and are happier when they are empowered to make some decisions and solve some problems.

Adapted from http://www.entreskills.org
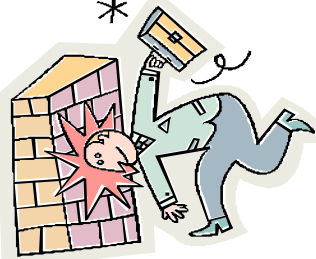
Exercise

The most important lesson I learned about decision making from this reading is:

Handout V.4.C, "Barriers to Effective Decisions"

Directions: The handout below lists six barriers to effective decision making, paired with six pictures representing entrepreneurs confronting those barriers. Picture A, with the lowest wall, indicates the easiest barrier to overcome and Picture F, with the highest wall, represents the most difficult barrier to overcome. Determine, by number, which barrier #1-#6, on the list goes with each picture, from the easiest to the most difficult barrier to overcome, writing the appropriate number of that barrier next to the letter of the picture (that is the easier barrier to overcome should appear in Box A and the most difficult in Box F). For the most difficult barrier only, make a suggestion for overcoming it and write it in the box containing that barrier.

The Six Barriers to Effective Decision-Making

1. Insufficient information
2. Insufficient time to consider the alternatives
3. Denial that there is a problem
4. Taking the first solution available
5. Lack of consideration of long-term consequences
6. Lack of confidence in ability to make a decision

___ A	___ B	___ C
Suggestions for overcoming the barrier:	Suggestion for overcoming the barrier:	Suggestions for overcoming the barrier:
___ D	___ E	___ F
Suggestions for overcoming the barrier:	Suggestions for overcoming the barrier:	Suggestions for overcoming the barrier:

Adapted from http://www.entreskills.org

Handout V.4.D, "Decision Making: Your Turn"

Directions: In this exercise you will work with the decision-making model mentioned in Handout V.4.A of this lesson. (Step 6 of the model is omitted because you will not have the opportunity to evaluate any of the decisions for this exercise.) First, pick a problem you will have to make a decision about, either in the next few months or years. Here are some possibilities:

1. Should you buy a new or used car?
2. Should you go to a less expensive public college or community college rather than a more expensive private university?
3. Should you work for a large company or set up your own business?

Based on the problem you select, complete the decision-making model worksheet below. Then bring it to class and be prepared to explain each section and the decision you ultimately made.

Decision-Making Step
Step 1: Define the problem.
Step 2: Gather information to solve the problem.
Step 3: Identify some possible solutions to the problem.
Step 4: **Write pros and cons for each possible solution.**
Step 5: **State the action you decided to take and the reasons supporting your choice.**

Managerial Operations and Employees

Guiding Question

How do effective entrepreneurs work to hire the best people and deal with other human resource issues?

Objectives

Students will be able to:

- discuss some of the considerations involved in hiring the right people for an entrepreneurial venture.

- examine human resource issues encountered in entrepreneurial ventures, including establishing a pay and benefits package, training, and dealing with poorly performing employees.

Teacher Background

Employees can have a huge impact on the ultimate success or failure of any business. Human Resource Management is the business area that focuses on recruiting, managing, and directing employees. It is the function of this business area to deal with issues such as hiring, compensation, performance management, organization development, safety, wellness, benefits, communication, administration, and training.

In Handout V.5.A, students will look at a cartoon that portrays the problem related to hiring employees. The class will be asked to interpret a chart illustrating the hiring process in Handout V.5.B. Students will consider some suggestions for improving the hiring process in Handout V.5.C. The next activity looks at some of the considerations Human Resources professions think about when making decisions about hiring. Handout V.5.E will address some legal considerations for hiring employees. Handout V.5.F looks at some of the many issues, besides hiring, that Human Resources departments encounter.

Please refer to the important information about Lesson 10, the culminating activity for Unit V (Management), that appears after the Follow-Up activity in this lesson.

Materials

Handouts V.5.A-E

Teaching Strategies/Supporting Activities

- Distribute Handout V.5.A, "Cartoon." Have students complete the exercise on the handout, then have them explain their answers to the following:

  — What is happening in this cartoon?

  — How can you explain the title of the cartoon, "Human Resources and the Hiring Process?"

  — What is the cartoonist saying about the work done in Human Resources?

  — Why is the hiring of employees often difficult?

- Distribute Handout V.5.B, "Hiring Process Chart." Have students complete the exercise on the handout, then have them explain their answers to the following:

  — What did you learn about the hiring process from this chart?

  — How can you explain why the hiring process involves so many steps?

  — Based on what you see in this chart, is this best way to go about hiring employees?

  — If you were asked to come up with a suggestion to improve the hiring practice illustrated in this chart, what would you suggest?

  — Some job candidates complain that the hiring process takes too long. Is there a way to speed up the process and still find the appropriate person to fill a job opening?

- Distribute Handout V.5.C, "Hiring Suggestions." Have students complete the exercise on the handout, then have them explain their answers to the following:

  — What's your reaction to these five suggestions?

  — In what ways would following these suggestions improve the hiring process illustrated in Handout V.5.B, "Hiring Process Chart?"

  — To what extent would following these suggestions help the employer?

  — Which of these suggestions would bring about the greatest improvement in the hiring process?

  — If you were an employer would you reject or have some serious concerns about any of these suggestions?

- Distribute Handout V.5.D, "The Big Decision." Have students complete the exercise on the handout, then have them explain their answers to the following:

  — If you were hiring someone for your company, what information would be most important to know about the job candidate?

  — Which of the questions on this handout would provide the most important information to you about a potential job candidate?

  — What's the best way to find out about a candidate's suitability for a job: the resume, the interview, recommendation letters, or is there something better?

■ Distribute Handout V.5.E, "The Hiring Process and the Law." Have students complete the exercise on the handout, then have them explain their answers to the following:

— What were some of the some of the most important things you learned from this handout?

— To what extent do you think these regulations are necessary?

— To what extent do you think these laws tie the hands of business people too much?

— If you were able to submit a question for the Q&A on this handout, what question would you ask?

■ Divide the class into six groups. Distribute Handout V.5.F, "Human Resource Issues." Assign a different one of the six issues on the handout to each of the six groups. Ask the groups to meet together, discuss the issues, and suggest at least two solutions to the issue they examined. After the groups met to complete their assignment, call the class back together. Have students explain their answers to the following:

— Have each group present to the class the issue they discussed in their group and the solutions they came up with. (After each group presents its solution, ask students not in the presenting group if they have any other solutions to the problem.)

— Which of these six problems would be the most difficult to solve?

— Which of these problems is it most important for any business leader to solve?

Summary/Assessment

Ask students to explain their answer to the following question:

To what extent would you agree that the hiring of employees is the most important managerial function for an entrepreneur to master?

Follow Up

Have students look at online sites and newspapers to collect articles and features for the purpose of creating a bulletin board on the topic "Human Resource Issues in the Workplace."

IMPORTANT NOTE TO THE TEACHER:

At **this point in the Management Unit of the curriculum familiarize yourself with Lesson 10, the last lesson of the Unit. Before beginning Lesson 6, you should organize the class for the culminating activity in Lesson 10. Students will need about 1-2 weeks to prepare for the activity in Lesson 10. Also, you will need some time to invite to 2-3 actual entrepreneurs to class.**

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The Hiring Process

Human Resources Professional: "Who said this job was easy?"

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Handout V.5.B, "Hiring Process Chart"

Directions: Study the chart below and follow the instructions in the Exercise section at the bottom of this page.

Taken from http://nextyearagain.blogspot.com/2011/01/hiring-process.html
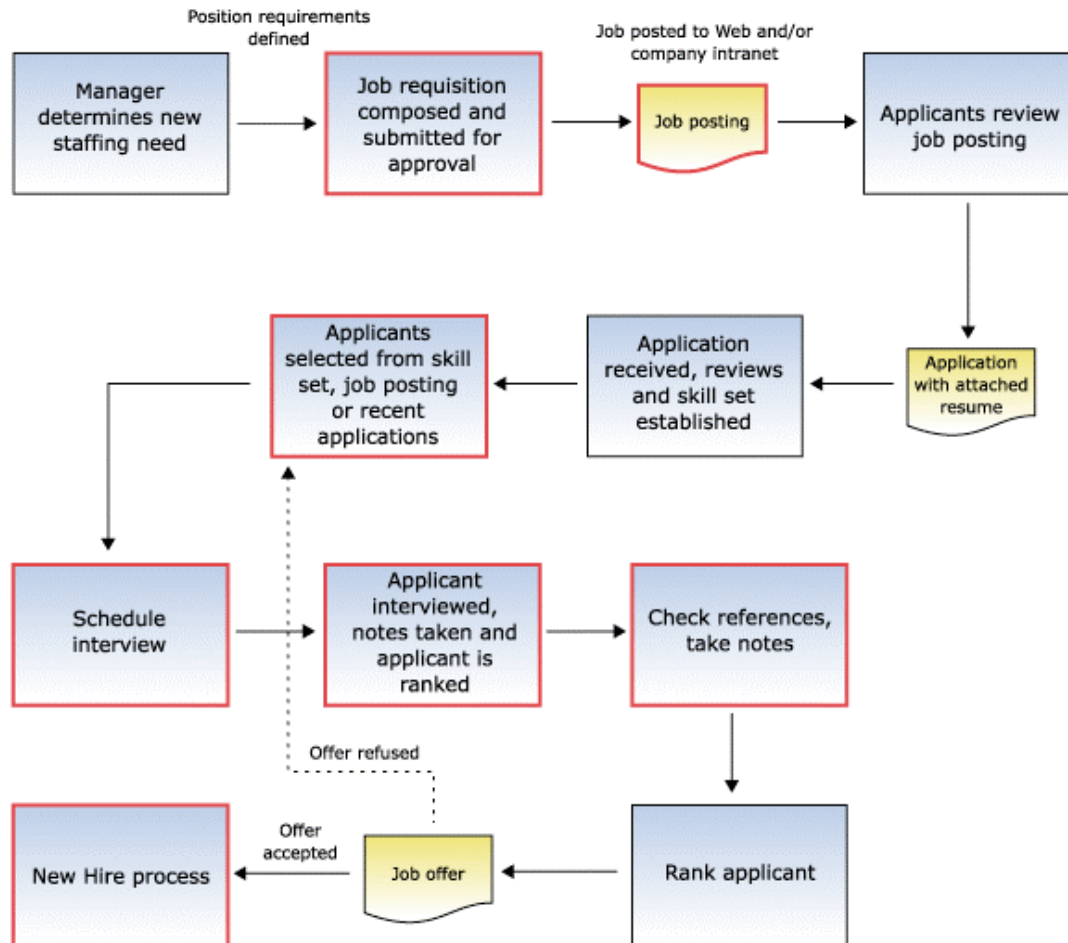
Exercise: Based on the chart above, summarize the hiring process in one paragraph in space below.

_____

_____

_____

_____

(Continue on the other side of this sheet if necessary.)

Handout V.5.C, "Hiring Suggestions"

Directions: Of the five ways listed for improving hiring, circle the suggestion that you think is the best.

5 Ways Employers Could Improve the Hiring Process

Job seekers have story after story about employers who communicate poorly or not at all, who advertise jobs that don't match up with the reality of what they need, and who send such negative messages about the company culture that it appears only the desperate would work there.

In an effort to improve the hiring system, here are five ways to improve that system taking the job candidate's experience into consideration:

1. **Set expectations for the timeline and process.** Whether it's through an auto-reply after an application is received or through direct contact with a hiring rep, employers need to have some way of telling candidates when they can expect to hear back and what the next steps will be.

2. **Don't require an unreasonable investment of time and information up front.** More and more companies are switching to endlessly long online application forms. When candidates know there's a good chance they won't even get so much as an acknowledgment, having to spend an hour wrestling with an onerous application system simply to submit a resume is a bitter pill to swallow.

3. **Don't require candidates to hand over an excessive amount of background information just to get considered.** Increasingly, companies are asking candidates to submit their social security numbers and references with the initial application. There's no reason to require this kind of information from candidates who haven't even gone through an initial screening round yet.

4. **Provide candidates with clear, well-thought-out job descriptions.** Too often, employers post jargon-filled, incomprehensible job descriptions that make no sense to anyone outside their organization (or maybe even inside). Job candidates shouldn't have to struggle to figure out what you're looking for, or if they might be suited to providing it.

5. **Reject candidates promptly.** I recently surveyed readers at Ask a Manager about their biggest frustrations in the job-search process. A full 49 percent said their No. 1 frustration with job searching is employees who don't bother to respond to them in any way, even after they take the time to interview. There's just no reason that someone who takes the time to reply shouldn't receive the courtesy of an answer, even if it's a form letter saying "No thanks."

Adapted from: http://money.usnews.com/money/blogs/outside-voices-careers/2010/08/09/5-ways-employers-could-improve-the-hiring-process_print.html

Handout V.5.D, "The Big Decision"

Directions: After examining resumes and interviewing possible candidates for a job opening, it's time to make the big decision. Who should be hired? This handout contains some of the questions to ask in assessing which of the candidates is the most desirable. Circle the question that is most critically important to hiring the most suitable job candidate.

Questions to Consider Before Hiring an Employee

- Does the individual's personality fit the job?

- Does the individual have the skill set to do the job?

- Will the individual be productive in the job?

- What is the individual's attitude toward customer service?

- Can the individual communicate effectively?

- Will the individual accept supervision?

- Will the individual add value to the company?

Handout V.5.E, "The Hiring Process and the Law"

Directions: The handout provides a Q&A about the legal considerations related to the hiring process.

What are the most common hiring laws that employers should be aware of?

- The Civil Rights Act of 1964 prohibits employment discrimination based on race, color, religion, sex, or national origin

- The Equal Pay Act of 1963 protects men and women who perform substantially equal work in the same establishment from sex-based wage discrimination

- The Age Discrimination in Employment Act protects individuals who are 40 years of age or older

- The Americans with Disabilities Act (ADA) prohibits you from discriminating against people with disabilities in the hiring process.

Should I have the new employee sign an employment contract?
Not necessarily, but it may make sense for higher-level workers or in cases of employees in complex working arrangements.

Are there any special rules I need to consider when hiring foreign workers?
Yes. It is illegal to discriminate against applicants and employees based on their national origin or citizenship, so never ask a potential employee where he or she comes from.

Are there any special rules I need to consider when hiring someone with a disability?
ADA also requires an employer with 15 or more employees to provide reasonable accommodation for individuals with disabilities, unless it would cause undue hardship.

Are there any special rules I need to consider when hiring teens/students/children?
Yes. The Fair Labor Standards Act (FLSA) sets the minimum age for employment (14 years for non-agricultural jobs) and restricts the hours that children under the age of 16 may work.

Can I run a credit check on a potential new employee?
Under the Fair Credit Reporting Act (FCRA) employers must get an employee's written consent before seeking an employee's credit report.

Can I run background checks on a potential new employee?
Running background checks related to criminal records, lie detector tests, medical records, workers compensation records, school records, and military service records often require the job candidate's permission and are often regulated by state law.

Adapted from: http://smallbusiness.findlaw.com/employment-employer/employment-employer-hiring/employment-employer-hiring-faq.html

Exercise: After reading the Q&A above, suggest a question that you would like to ask about the hiring process and write it in the space provided below.

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Handout V.5.F, "Other Human Resources Issues"

Directions: Provide solutions to these problems as assigned by your teacher.

1. **How to Deal With a Negative Worker**
   Some people ooze negativity. Either they hate their jobs or don't like the company. According to them, their bosses are always jerks and they are always treated unfairly. The company is always going down the tube and customers are worthless. How should you deal with these negative types?

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2. **How to Implement Strategic Planning: Vision Statement, Mission Statement, Values**
   How do I actually make strategic planning happen in my organization? Another, more simpler way to ask this question is how to make change of any kind happen involving my employees. For example, our company, as part of its strategic plan, has decided to incorporate more team work in all projects. Most of the workers thought this was a good idea. Yet, it has been months since the plan was established and I see very little evidence of team work.

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3. **Why Employees Don't Do What You Want Them to Do**
   Managers are always asking why employees don't do what they are supposed to do. For example, a number of employees in our company don't complete the product order form correctly, leaving out important information. While part of the responsibility falls on employees' carelessness, managers need to shoulder part of the blame, too. Employees want to succeed at work. I don't know a single person who gets up in the morning and says, "I think I'll go to work to fail today."

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Handout V.5.F, "Other Human Resources Issues" (continued)

4. What's the best way to recruit top-notch employees?
As a business grows, the need to add new employees significantly increases. I know something about classified ads, employment agencies, and word-of-mouth references. How can I make sure that the people who come to work for us are the right people?

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5. Once hired, what should I know about training new employees?
Depending on the jobs involved, effective staff training can be crucial to the success of one's business. However, I have many questions about this issue. For example, who does the training? How many hours of training are necessary? Is follow-up training always necessary? When should the training be done—during the week or on weekends?

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6. How much of a pay and benefits package should I offer?
My business is just getting off the ground and I have a limited amount of spare cash available. Other companies are offering merit pay increases, overtime pay, retirement programs that include 401(k) plans and defined benefit pensions, health plans, and at least a couple of weeks of vacation. How much of that is important? I know I can't afford to provide all of those benefits to employees.

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Adapted from http://humanresources.about.com/od/resourcesreferenceshumor/tp/tough_questions.htm

UNIT V/LESSON 6

Functions of Management

Guiding Question
Which functions of management are most important for an entrepreneur to master?

Instructional Objectives
Students will be able to:

- examine the five traditional functions of management: planning, organizing, staffing, leading, and controlling the resources of the organization.

- discuss the importance of the following these less traditional functions of management: energizing, empowering, supporting, facilitating, innovating, and learning.

Teacher Background
The traditional functions of management (planning, organizing, staffing, leading, and controlling) are important for business survival and success whether the business is small or large. These functions are interrelated and interdependent. In this lesson, students will get to consider the traditional functions and some less traditional functions of management like energizing, empowering, supporting, facilitating, innovating, and learning.

Handout V.6.A explains, in general terms, the traditional functions of management. This handout includes an exercise that has students select the function that is most important and the one that is most difficult to master. Using Handouts V.6.B-F in a cooperative learning activity, divide the class into groups. Ask each group to become experts in one of the traditional five functions and explain that function to the other groups, each of whom is an expert in one of the other functions. In the summary and follow-up section, ask students to examine and analyze the less traditional functions of management.

Materials
Handouts V.6.A-F

Teaching Strategies/Supporting Activities
- Distribute Handout V.6.A, "Management Functions." Have students complete the exercise, then have them explain their answers to the following questions:

— What did you learn about the five management functions from this handout?

— To what extent do these functions require similar skills? Or are the skills required different?

— To what extent would you say that these five management functions are related to each other?

— Which of these is the most important function of management? Explain.

— Which of these is the most difficult function of management to master? Explain.

■ Divide the class into five groups, made up of between 4-6 students each. Distribute one of Handouts V.6B-F to each group, making sure that each group has a different handout. Ask each group to work together to summarize the information on its handout in one or two sentences, written in language they can understand and communicate. Then ask groups with Handouts B through D to meet together and groups with Handouts E and F meet together. In these meetings, each group should speak for no more than a couple of minutes, during which time they should summarize the individual management function they learned about on the handout they received. Once that summarization is complete, the other groups may ask questions of the group presenting. After each group presents and answers questions, groups that haven't met should gather together and listen to the presentations that they have not heard yet and pose questions to the presenters. After hearing all the groups present, students should complete the exercise on their handout sheets. Then call the class back together and ask them to explain their answers to the following:

— What did you learn about the different management functions from this exercise?

— To what extent can one say that an entrepreneur will not be successful unless he or she can carry out each of the functions?

— Some people have said that working with people is the most difficult and most important management function. Do you agree?

Summary/Assessment

Ask students to explain their answer to the following question:

Some people say that there are less traditional management functions that are just as, if not more, important than the five mentioned in this lesson. These less traditional functions are energizing, empowering, supporting, facilitating, innovating, and learning. What do you think each of these functions mean? How are they similar to and/or different from the traditional management functions? In what ways are these less traditional management functions just as important as planning, organizing, staffing, leading, and controlling?

Follow Up

Assign students to gather research on the management functions of energizing, empowering, supporting, facilitating, innovating, and learning. Ask them to write a three page paper explaining and analyzing each of these less traditional management functions. In these papers, have students offer arguments as to whether these management functions are just as important as planning, organizing, staffing, leading, and controlling in running a business.

Handout V.6.A, "Management Functions"

Directions: Entrepreneurs take on specific management functions as soon as they open their businesses and hire their first employee. These management functions, explained in this handout, consist of planning, organizing, staffing, leading and controlling. After reading a summary of each function, place a check mark (✓) in the space in front of the function that you think is the most important of the five and an asterisk (*) in front of the function that you think is the most difficult to master. (You can select one function that is both the most important and most difficult.)

_____ **Planning** refers to the selection of priorities and results (goals, objectives, etc.) and how those results will be achieved. Planning typically includes identifying goals, objectives, methods, resources needed to carry out methods, responsibilities and dates for completion of tasks.

_____ **Organizing** refers to allocating and configuring resources to accomplish the desired goals and objectives established during the planning processes.

_____ **Staffing** refers to those activities related to recruiting, training, and determining compensation for employees.

_____ **Leading** refers to establishing direction and influencing people to follow in that direction.

_____ **Controlling** the resources and processes of an organization refers to coordinating, monitoring, and adjusting resources and processes to achieve goals and objectives in the most effective and efficient manner possible.

Adapted from: http://managementhelp.org/mgmnt/skills.htm#anchor165831

Handout V.6.B, "Planning"

Directions: You will be divided into groups and given two tasks. The first task will be to study the planning function and explain it to the other groups. The second task is explained below in the exercise.

Steps in Planning Function

"Planning is deciding in advance what to do, how to do, and who is to do it. Planning bridges the gap between where we are to where we want to go. It makes possible things to occur which would not otherwise occur." Planning involves the following six steps:

1. **Establishing Objectives.** Planning starts with the setting of goals and objectives to be achieved. Objectives indicate direction of efforts and focus the attention of managers on the end results to be accomplished. As much as possible, objectives should be stated in quantitative terms. For example, number of people working, wages paid, units produced, etc. Of course some objectives cannot be stated in quantitative terms like the performance of the quality control manager or the effectiveness of the personnel manager.

2. **Creating Planning Assumptions.** Planning assumptions are the expectations of how events in future will unfold. The purpose of this step is find out what obstacles are there in the way of business during the course of operations. Once the anticipated obstacles surface, planners look to take actions that help to avoid or overcome these obstacles.

3. **Choosing Alternative Courses of Action.** Once planning assumptions have been determined and potential obstacles are considered, planners examine a number of alternative courses of actions. Each and every alternative will be evaluated by weighing its pros and cons in the light of resources available and requirements of the organization. This evaluation must be completed before a choice of action is taken.

4. **Formulating Supporting Plans.** Supporting plans are the underlying efforts that help achieve the main plan. These supporting plans consist of policies, procedures, rules, budgets, schedules, etc. Supporting plans indicate time schedule and sequence of accomplishing various tasks.

5. **Securing Co-operation of Others Involved.** After the plans have been determined, it is necessary to gain the support of others who will be involved in implementing the plan of action. Involving subordinates in the decision, may help motivate them to participate more fully in the execution of these plans .In addition, the organization may be able to get valuable suggestions and improvement in formulation as well as implementation of the plans.

6. **Follow-up/Evaluation of Plans.** After the selected plan is implemented, it is important to evaluate its effectiveness. This enables the management to keep the plan on course or modify it, if necessary.

Adapted from: http://www.managementstudyguide.com/planning_function.htm

Exercise

Based on the four presentations made to you by the other groups, summarize in one or two sentences each of the following four functions of management:

Organizing:

Staffing:

Leading:

Controlling:

Handout V.6.C, "Organizing"

Directions: You will be divided into groups and given two tasks. The first task will be to study the organizing function and explain it to the other groups. The second task is explained below in the exercise.

Steps in Organizing Function

Organizing is the function of management that follows planning. It is the function in which the managers attempt to match money with the people available to carry out any actions that have been planned. A manager performs the organizing function taking the following steps

1. **Identifying Activities**. All activities that have to be performed to carry out the plan must be identified first. For example, preparation of accounts, making sales, record keeping, quality control, inventory control, etc.

2. **Organizing the Activities into Units**. In this step, the manager tries to combine and group similar and related activities into units. This organization of dividing the plan into independent units or departments is called *departmentation*.

3. **Classifying the Authority**. Once the units are determined, the leader designates the powers for completing the units to the appropriate managers. This activity of giving a rank order to the managerial positions is called hierarchy. Senior-level management handles the formulation of policies, middle level management oversees departmental supervision and lower level management supervises the foremen. Clarifying authority helps in bringing efficiency to the operation. This helps avoid wasting time, money, and effort. Also, this helps to avoid the duplication or overlapping of efforts and brings smoothness to the business operation.

4. **Co-ordination between Authority and Responsibility.** Relationships are established among various groups to enable smooth interaction toward the achievement of the organizational goal. Individuals are made aware of their authority and they know from whom they take orders and to whom they report and are accountable. A clear organizational structure is drawn and all the employees are made aware of it.

Adapted from: http://www.managementstudyguide.com/organizing_function.htm

Exercise

Based on the four presentations made to you by the other groups, summarize in one or two sentences each of the following four functions of management:

Organizing:

Staffing:

Leading:

Controlling:

Handout V.6.D, "Staffing"

Directions: You will be divided into groups and given two tasks. The first task will be to study the staffing function and explain it to the other groups. The second task is explained below in the exercise.

The Nature of the Staffing Function
Staffing relates to the recruitment, selection, development and compensation of subordinates. In regards to staffing, entrepreneurs should understand the following:

1. **Staffing involves all levels of the business.** Staffing is carried out by all managers and in all types of concerns where business activities are carried out.

2. **Staffing is a continuous activity.** This is because the staffing function continues throughout the life of an organization due to the transfers, promotions, and employee turnovers that take place.

3. **Basis of staffing function is efficient management of personnel.** Human resources can be efficiently managed by a system or proper procedures, that is, recruitment, selection, placement, training and development, providing compensation, etc.

4. **Staffing helps in placing the right people at the right job.** It can be done effectively through proper recruitment procedures and then finally selecting the most suitable candidate as per the job requirements.

5. **Staffing is performed by all managers,** depending upon the nature of business, size of the company, qualifications and skills of managers, etc. In small companies, the top management generally performs this function. In medium- and small-scale enterprises, it is often performed by the personnel department.

Adapted from: http://www.managementstudyguide.com/staffing-function.htm

Exercise
Based on the four presentations made to you by the other groups, summarize in one or two sentences each of the following four functions of management:

Organizing:

Staffing:

Leading:

Controlling:

Handout V.6.E, "Leading"

Directions: You will be divided into groups and given two tasks. The first task will be to study the leading function and explain it to the other groups. The second task is explained below in the exercise.

The Leading Function of Management

Leading is a process in which the managers instruct, guide and oversee the performance of the workers to achieve predetermined goals. Leading is the function of guiding, inspiring, overseeing and instructing people towards accomplishing organizational goals. It has the following characteristics:

1. **Leading is pervasive,** meaning it exists at all levels of an organization. Every manager provides guidance and inspiration to his subordinates.

2. **Leading is a continuous activity** as it goes on throughout the life of organization.

3. **Leading involves a human factor,** specifically how managers relate to their subordinates. Since the human factor is complex and behavior is unpredictable, the leadership function of management is important.

4. **Leading is a creative activity** crucial in converting plans into performance. Without this function, people become inactive and physical resources are meaningless.

5. **Leading is an executive function** carried out by all managers and executives at all levels throughout the working of an enterprise. The essence of it is that a manager delivers instructions to his or her subordinates that he/she receives from his or her superior only.

6. **Leading requires tact and grace** because it involves dealing with human beings, whose behavior is sometimes unpredictable. Managers must often use different tactics with each employee to direct individual behavior towards the goal of the business

Adapted from: http://www.managementstudyguide.com/directing_function.htm

Exercise
Based on the four presentations made to you by the other groups, summarize in one or two sentences each of the following four functions of management:

Organizing:

Staffing:

Leading:

Controlling:

Handout V.6.F, "Controlling"

Directions: You will be divided into groups and given two tasks. The first task will be to study the controlling function and explain it to the other groups. The second task is explained below in the exercise.

The Controlling Function of Management

Controlling consists of verifying whether everything occurs according to the plans adopted, instructions issued and principles established. Controlling is a systematic exercise which involves the process of checking actual performance against the standards or plans with a view toward ensuring adequate progress toward organizational goals. The following are the characteristics of the controlling function of management-

1. **Controlling** occurs at the end of an activity to determine if the completed product conforms to the plans adopted.

2. **Controlling is a pervasive function,** meaning managers at all levels and in all types of businesses perform it.

3. **Controlling is forward looking** in that it looks to improve future performance.

4. **Controlling is a dynamic process-** since it requires making changes to improve the final product or service, where and wherever possible.

5. **Controlling is related to planning-** These two management functions are inseparable. Without planning, controlling is a meaningless exercise and without controlling, planning is useless. *Planning presupposes controlling and controlling follows planning*.

Adapted from: http://www.managementstudyguide.com/controlling_function.htm

Exercise

Based on the four presentations made to you by the other groups, summarize in one or two sentences each of the following four functions of management:

Organizing:

Staffing:

Leading:

Controlling:

UNIT V/LESSON 7

Developing an Organization Structure

Guiding Question

Should an entrepreneur organize his or her business based on entrepreneur's leadership style or the type of business being established?

Instructional Objectives

Students will be able to:

- discuss the role that the following factors might play in organizing a business: geography, products, customers, functions.

- identify the following elements of an organizational business structure: division of labor, span of control, authority, characterization of jobs, and decision-making.

- explain the advantages and disadvantages of flat vs. tall business organization and centralized vs. decentralized forms of organization.

- draw conclusions about a business from a sample business organization chart.

Teacher Background

Obviously, the way one organizes his or her business can have a great bearing on the success of that venture. Among the most important considerations is whether the focus of the organization should relate to geography, the product, the customer or something else.

Handout V.7.A touches on the various considerations mentioned above. Some of the elements involved in structuring a business (e.g., division of labor, span of control, authority, characterization of jobs, and decision-making) are addressed in Handout V.7.B. In Handout V.7.C, students will look at a chart that describes conditions under which centralized and decentralized decision making is most appropriate in running a business. Handout V.7.D asks the class to determine whether a flat or tall organization is preferable in an entrepreneurial venture. Finally, in Handout V.7.E, students will draw conclusions about a business, based on a sample business organization chart.

Materials

Handouts V.7.A-E

Teaching Strategies/Supporting Activities

- Distribute Handout V.7.A, "Organizing a Business." Have students complete the exercise then have them explain their answers to the following:

  — In your own words, describe each of the following methods for organizing a business: geography, the product, the customer, the job functions, and matrix method? (*Call on one student to describe the organizer of his/her choice.*)

  — What are the strengths and weaknesses of each method of organizing a business?

  — Tell us about a business that you would be interested in running, explaining which of these organizers would be most appropriate for that business?

- Distribute Handout V.7.B, "Elements of an Organizational Business Structure." Assign each of eight students one of the following roles: Interviewers #1, 2, 3, 4, 5, and Guests #1, 2, and 3. Have students enact the interview scripted on the handout. Then have them complete the exercise on the handout. Subsequently, ask students to explain their answers to the following:

  — What did you learn about the different elements of an organizational business structure from this interview?

  — Which of these elements is most critical for an entrepreneur to get right for his or her business to succeed?

  — How did you answer the question posed in the exercise? Give the reasons to support your answer.

- Distribute Handout V.7.C, "Centralization vs. Decentralization." Have students complete the exercise on the handout, then have them explain their answers to the following:

  — Under which conditions is centralized decision making preferred?

  — Under which conditions is decentralized decision making preferred?

  — Read us your editorials. In general, which side made the most convincing arguments in these editorials?

- Distribute Handout V.7.D, "Tall vs. Flat Organizational Structure." Have students complete the exercise on the handout, then have them explain their answers to the following:

  — What are some differences between a flat and tall organizational structure?

  — Discuss the major benefits to a business owner of setting up a flat organizational structure?

  — Discuss the major benefits to a business owner of setting up a tall organization structure?

  — As a worker which type of structure would you prefer?

  — Is it is better to have a flat or tall structure, or does it depend on the business that's being established?

■ Distribute Handout V.7.E, "Sample Business Organization Chart." Have students complete the exercise on the handout, then have them explain their answers to the following:

— What did you learn about this business from the organization chart?

— Why do businesses construct business organization charts?

— From what you learned about organizing a business to what extent is this business organized in a way that best ensures its success? What other information would you need to know to answer this question better?

— Would you make any changes in the way this business is organized to ensure its success?

Summary/Assessment

Ask students to explain their answer to the following question:

In organizing business, should entrepreneurs structure their businesses based mostly according to their leadership styles or the type of businesses being established?

Follow Up

Invite three entrepreneurs who have organized their businesses differently to speak to the class, sending them the handouts from this lesson. Ask the entrepreneurs to discuss their business organizational structure, explaining the strengths and weaknesses of that form of organization.

Handout V.7.A, "Organizing a Business"

Directions: Some of the most common ways to organize a business appear in the reading below. Using a business that interests you, make a list in your notebook of one advantage and one disadvantage for each of the five means of organizing a business that are discussed here.

After speaking to some experts, I got some great ideas about organizing my first business venture. Here they are in no particular order:

Geography as an organizer: Some people said I should consider organizing according to the physical location of offices or operations. They said that organizations that are spread over a wide area, even in the same city may find advantages in organizing along geographic lines so that all the activities performed in a region are managed together. Also, important characteristics of a region of a city or state may make it advantageous to promote a local focus. For example, selling a product upstate may have different marketing considerations than downstate.

Product as an organizer: Others said it would make sense to organize according to all the activities necessary to produce and market a product or group of similar products. In such an arrangement, the top manager of the product group typically has considerable autonomy over the operation. The advantage here is that the personnel in the group can focus on the particular needs of their product line and become experts in its development, production, and distribution. A disadvantage would be the duplication of resources. Each product group requires most of the functional areas such as finance, marketing, production, and other functions.

Customers as an organizer: A third way to organize depends on the types of customers one serves. For example, a distribution company that sells to consumers, government-clients, large businesses, and small businesses may decide to base its primary divisions on these different markets. Staff can then become proficient in meeting the needs of these different customers.

Job functions as an organizer: This method of organizing is based on the key functions of one's business. For example, key functions of a manufacturing company include production, purchasing, marketing, accounting, and personnel. The functions of a hospital include surgery, psychiatry, nursing, housekeeping, and billing. Grouping jobs that require the same knowledge, skills, and resources allows them to be done efficiently and promotes the development of greater expertise. A disadvantage of functional groupings is that people with the same skills and knowledge may develop a narrow departmental focus and have difficulty appreciating any other view of what is important to the organization.

Matrix structure as an organizer: Finally, it might be necessary to combine two or more different types of organizations mentioned above into a matrix structure. In many companies, the functional structure is combined with product groups on a project basis. For example, a product group wants to develop a new addition to its line for this project. It recruits personnel from functional departments such as research, engineering, production, and marketing who work together until the project is completed. One advantage of a matrix structure is that it facilitates the use of highly specialized staff and equipment. The disadvantages of a matrix organization arise from the dual reporting structure, which results in the workers asking, "Who's in charge?"

Adapted from: http://www.referenceforbusiness.com/management/Ob-Or/Organizational-Structure.html

Handout V.7.B, "Elements of an Organizational Business Structure"

Directions: After the script is performed complete the exercise in the last box below.

Interviewer #1	Today we hope to learn about some of the features that go into to structuring a business..
Interviewer #2	We're fortunate to have 3 experts with us. Let's start with Guest #1.
Guest #1	One of the most important elements is the division of labor, which describes who does the various jobs in a business. Division of labor includes the functions of the business, the grouping of functions that make up the business, and the employees who fill the different jobs.
Interviewer #3	I believe a second element is called the "span of control." What's that?
Guest #2	The span of control defines the number of employees that report to any one manager. A wide span of control means that one manager supervises many employees. A narrow span means that one manager supervises a smaller number of employees.
Interviewer #4	Sounds cool. How would we learn about what employees do in their jobs?
Guest #3	That element is referred to as the "characterization of jobs." By that, we mean the description of the functions involved, products created, geography covered, and type of customer served by each job.
Interviewer #5	What other elements are there?
Guest #1	There are two others. One of those elements we call "authority?"
Interviewer #1	What do you mean by that?
Guest #2	Authority refers to the right that each manager has in his or her position to tell people who report to them what to do and to expect them to do it.
Interviewer #2	What is the last element?
Guest #3	The last element refers to the centralization or decentralization of decision-making.
Interviewer #3	We've heard a lot about decision-making in studying about entrepreneurship.
Guest #3	In talking about the elements of a business structure we are look at two possible ways to make decisions: 1) by one person at the highest level or 2) many different people at the lowest possible levels.
Interviewers #4	Is it better for decisions to be made centrally, by one or two of the highest ranking people or at the lowest possible levels by many people?
Guests #1, 2, and 3	What do you think?
Interviewer #5	I don't know.
Exercise: Write in your answer to the last question asked by Interviewer #4 in the box to the right.	

Handout V.7.C, "Centralization vs. Decentralization"

Directions: After studying the chart below describing conditions under which centralized and decentralization is preferred as a strategy for decision making, complete the exercise at the bottom of the page.

Conditions Under Which Centralized Decision Making is Better	Conditions Under Which Decentralized Decision Making is Better
• Environment is stable • Lower-level managers are not as capable or experienced at making decisions as upper-level managers. • Lower-level managers do not want to have say in decisions • Decisions are significant. • Organization is facing a crisis or the risk of company failure. • Company is large. • Effective implementation of company strategies depends on managers retaining say over what happens.	• Environment is complex, uncertain. • Lower-level managers are capable and experienced at making decisions. • Lower-level managers want a voice in decisions. • Decisions are relatively minor. • Corporate culture is open to allowing managers to have a say in what happens. • Company is geographically dispersed. • Effective implementation of company strategies depends on managers having involvement and flexibility to make decisions

Adapted from: http://www.emaytrix.com/mgmt307/section2.php

Exercise: Write a one-paragraph editorial for the online newspaper, *Today's Entrepreneur*, with the title: "Decision-Making: To Centralize or Not, That is the Question." In this editorial give your opinion as to whether it is better for an entrepreneur to centralize or decentralize decision making, giving reasons to support your opinion.

Today's Entrepreneur
"Decision-Making: To Centralize or Not, That Is the Question."

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Handout V.7.D, "Tall vs. Flat Organizational Structure"

Directions: Read the handout below and circle the strongest argument favoring a tall and the strongest argument favoring a flat organizational structure.

Overview

The way that a company's structure develops often falls into two types: a tall (vertical) structure or a flat (horizontal) structure. Tall structures are more of what we think of when we visualize an organizational chart with the CEO at the top and many levels of management below. Flat organizational structures differ in that there are fewer levels of management and employees often have more autonomy. Examine the chart below:

Exhibit 2: Flat vs. Tall Organizational Hierarchy
Tall Organizational Structure

Flat Organizational Structure
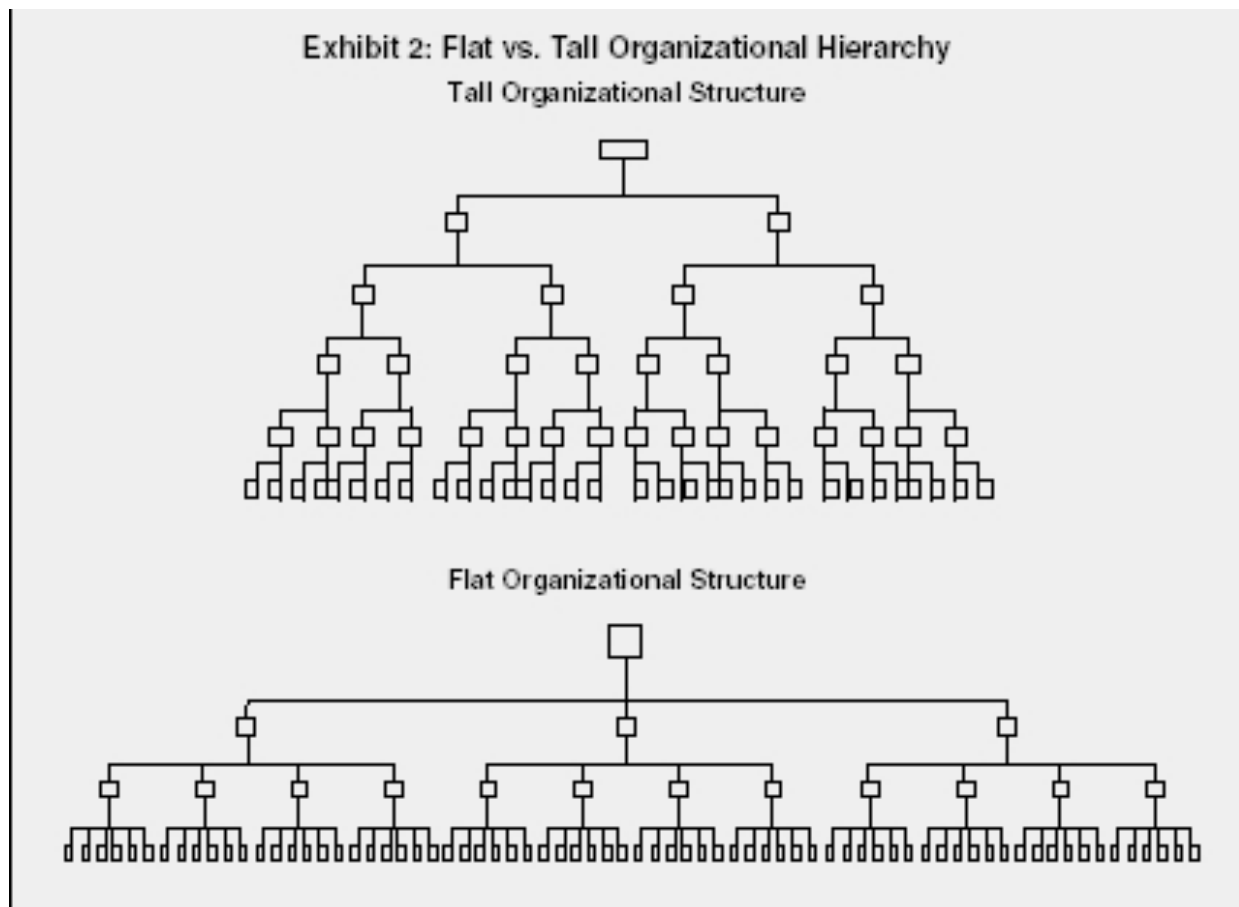
Taken from: referenceforbusiness.com

Handout V.7.D, "Tall vs. Flat Organizational Structure" (continued)

Tall Organizational Structure

Large, complex organizations often require a taller hierarchy. In its simplest form, a tall structure results in one long chain of command similar to the military. As an organization grows, the number of management levels increases and the structure grows taller. In a tall structure, managers form many ranks and each has a small area of control. Although tall structures have more management levels than flat structures, there is no definitive number that draws a line between the two.

Flat Organizational Structure

Flat structures have fewer management levels, with each level controlling a broad area or group. Flat organizations focus on empowering employees rather than adhering to the chain of command. By encouraging autonomy and self-direction, flat structures attempt to tap into employees' creative talents and to solve problems by collaboration.

Tall Structure Pros And Cons

The pros of tall structures lie in clarity and managerial control. The narrow span of control allows for close supervision of employees. Tall structures provide clear, distinct layers with obvious lines of responsibility and control and a clear promotion structure. Challenges begin when a structure gets too tall. Communication begins to take too long to travel through all the levels. These communication problems hamper decision-making and hinder progress.

Flat Structure Pros And Cons

Flat organizations offer more opportunities for employees to excel while promoting the larger business vision. For flat structures to work, leaders must share research and information instead of keeping it to themselves. Flatter structures are flexible and better able to adapt to changes. Faster communication makes for quicker decisions, but managers may end up with a heavier workload. Instead of the military style of tall structures, flat organizations lean toward a more democratic style. The heavy managerial workload and large number of employees reporting to each boss sometimes results in confusion over roles. When too many people report to a single manager, his job becomes impossible.

Adapted from: http://smallbusiness.chron.com/tall-vs-flat-organizational-structure-283.html

Handout V.7.E, "Sample Business Organization Chart"

Directions: Study the sample business organization chart that follows and complete the exercise on the next page.

Project Manager Location in the Structure
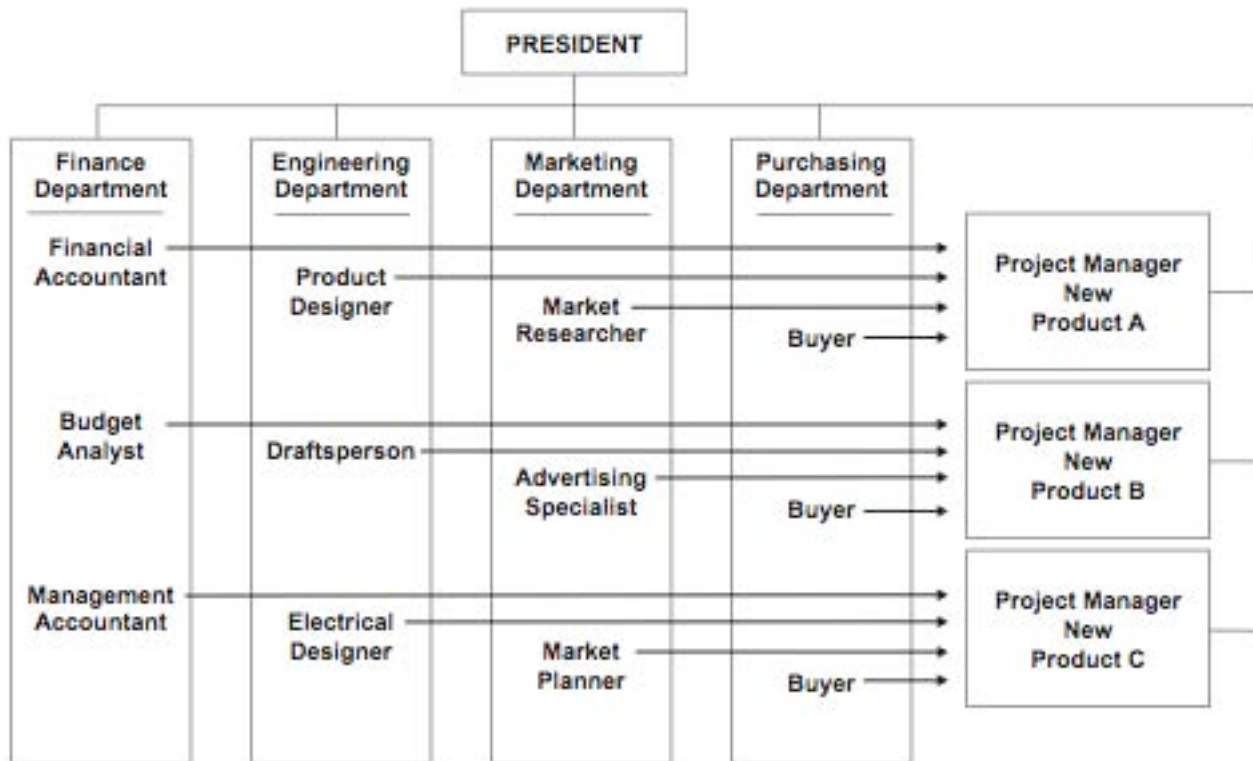
Handout V.7.E, "Sample Business Organization Chart" (continued)

Exercise
Determine what, if anything, you can learn from the chart on this page about the six characteristics of a business organization appearing below. In the column marked "Yes," place a check mark if you can learn something from the chart about that characteristic. Place a check mark under "No" if you cannot. In the last column, for those characteristics you checked "Yes," write what you learned about the business from the sample organization chart above.

Characteristic of business	Yes, I can learn something about this characteristic.	No, I cannot learn anything about this characteristic.	Briefly, what did you learn about those items, for which you placed a check under "Yes"?
1. Division of Labor			
2. Span of Control			
3. Authority			
4. Centralized or Decentralized Decision-Making			
5. Authority			
6. Tall or Flat Structure			

Taken from: http://www.unf.edu/~gbaker/Man4201/Chapt003a.PDF

Motivating Employees and Building Employee Morale

Time Frame
2 days

Standards
NES: <u>Management</u> – Identify what it takes to be a successful leader
Describe the informational, interpersonal, and decisional roles of management
NES: <u>Skills</u> – Write persuasive messages
Follow directions
Make oral presentations

Guiding Question

How does an entrepreneur become an employer of choice?

Instructional Objectives

Students will be able to:

- recognize characteristics of employees with high morale.

- examine managerial strategies for motivating employees and creating a high level of morale.

- describe those factors that lead to high employee job satisfaction and high employee dissatisfaction.

Teacher Background

Every good business person realizes how important it is to keep employee morale high. Frequently, however, the effort to maximize profits and keep expenses low gets in the way of maintaining good employee relations. Obviously, being an employer of choice is a sought-after goal that is not so easy to achieve.

This lesson begins by asking students to define their concept of "employer of choice. Handout V.8.A looks asks students to determine which criteria should qualify a business for consideration as an "employer of choice." In Handout V.8.B, the class will examine a study of a number of factors that have been found to lead to high employee morale. The Hertzberg motivation theory, which tries to explain what conditions lead to satisfaction and dissatisfaction in the workplace, is the focus of Handout V.8.C. Using Handouts V.8.D and V.8.E, students will have the opportunity to determine the extent to which the Hertzberg Theory is valid today.

Materials

Handouts V.8.A-E

Teaching Strategies/Supporting Activities

- Write the following words on the board, "Employer of Choice," explaining to students that many entrepreneurs would like to have their businesses thought of as an employer of choice by employees. Ask students to explain their answers to the following:

  — What do those words "employer of choice" mean to you?

  — Why would a business want to be known as an "employer of choice"?

  — What do you think it would be like to work in an employer-of-choice company?

  — How important is it to the success of a business that a company seek to have high morale among its employees?

- Distribute Handout V.8.A, "Employer of Choice Criteria." Have students complete the exercise on the handout, then have them explain their answers to the following:

  — How did you rate each criteria associated with being an employer of choice? Explain your ratings.

  — As an employee, which of these criteria would be of greatest importance to you working for an entrepreneurial venture?

  — Which criteria would have the least importance to you as an employee?

  — To what extent does the success an entrepreneurial venture depend on whether a business lives up these "employer of choice" criteria?

- Distribute Handout V.8.B, "Boosting Employee Morale." Have students follow the directions on the handout, then have them explain their answers to the following:

  — What did you learn about the factors that influence employee morale from this reading?

  — Select any one factor and explain why it would lead to increased employee morale.

  — Which of these factors do you think is most important in raising morale?

- Distribute Handout V.8.C, "Hertzberg's Theory." Have students follow the directions on the handout, then have them explain their answers to the following:

  — How would you summarize the Hertzberg Theory to someone who had never heard about it?

  — Do you agree that earning a higher salary would not lead to great job satisfaction?

  — Are there any factors about a job that Hertzberg left out that would explain a worker's satisfaction or dissatisfaction?

  — What are the strongest arguments you could make for agreeing with Hertzberg's theory that there are separate set of factors that lead to satisfaction on the job and a separate set of factors that lead to dissatisfaction on the job?

  — What are the strongest arguments you could make for disagreeing with Hertzberg's theory?

Summary/Assessment

Ask students to explain their answer to the following question:

If you were asked to advise an entrepreneur on the best way to boost employee morale, what would you say?

Follow Up

Tell students that they will be conducting a survey to see how valid the Hertzberg Theory is today. In doing so, ask them to select six adults who will participate in taking the survey. Prior to giving out the survey, have students ask each participant whether they would say that they are more satisfied or dissatisfied with their jobs, then distribute Handout V.8.D, "Satisfied with Work: A Survey," to those who answered "Satisfied," and Handout V.8.E, "Dissatisfied with Work: A Survey," to those who answered "Dissatisfied." Based on these surveys conduct a lesson, asking the following questions:

- What did you learn from these surveys?

- What were the factors that appeared most often in your surveys explaining why people were satisfied with their jobs?

- How do these factors help explain job satisfaction?

- What were the factors that appeared most often in your surveys explaining why people were dissatisfied with their jobs?

- How do these factors help explain job dissatisfaction?

- Based on what you learned from these surveys, is Hertzberg's theory that there is a separate group of factors that explains job satisfaction and dissatisfaction valid today?

- What advice would you give to an entrepreneur, based on what you learned today?

Handout V.8.A, "Employer of Choice Criteria"

Directions: Employer of Choice, Inc. has identified the seven criteria below in defining "employers of choice." Rate each of the criteria, as to its importance in defining an employer of choice, by placing a 0-4 next to each criterion, with 0 = of no importance, 1 = of very small importance, 2 = of moderate importance, 3 = of considerable importance, and 4 = of the greatest importance. Next to the item labeled "Other," write in any criteria that you think were left off the list and rate each of these criteria between 0-4.

Criterion	Rating
1: ORGANIZATIONAL CULTURE. "Culture" refers to the overall atmosphere of the organization. It includes communication issues, the use of teamwork in day-to-day interaction, and fairness in the workplace. A firm that is excelling in "Organizational Culture" has employees who enjoy working together and feel that their organization is a great place to work.	
2: LEADERSHIP. "Leadership" includes many aspects of the organization's executive performance. Areas measured here include effective coaching, mentoring and listening to employees, commitment to change initiatives, honesty, vision, and earning the confidence of the employees.	
3: CARE OF PEOPLE. "Care of People" reflects the organization's treatment of and sincerity in caring for employees as individuals. This behavior is reflected through managers and supervisors, work-life balance of employees, and organizational flexibility.	
4: GROWTH AND OPPORTUNITY. "Growth and Opportunity" encompasses orientation, learning, training, and opportunities for advancement within an organization. Professional and personal development as well as setting performance goals, all fall within "Growth and Opportunity."	
5: HUMAN RESOURCES PROCESSES. "Human Resources Processes" refers to how effective the human resources function provides services to employees. If your organization's employees were considered "customers" of the HR department, how would they rate their services, responsiveness to requests, knowledge and/or competency, and overall integrity? Also consider how well the HR department positions your organization in the local marketplace for recruiting purposes.	
6: JOB/ROLE/PROCESS DESIGN. "Job/Role/Process Design" refers to the appropriateness of the work for employees based upon their individual skills and/or competencies. It also includes the organization's commitment to continuously improve the process effectiveness of the work performed. Is it a standard business practice for your organization to ask the following question: "Can the number of steps in a process be reduced with improved quality, fewer people, and more cost-effectiveness in less time?"	
7: GROWING THE NEXT GENERATION. "Growing the Next Generation" refers to how well your organization is investing in the future development of your work force, and/or industry. To what degree are you closely involved in local and regional educational programs to "plant recruiting seeds" with potential employees? How are your employees contributing to these educational or awareness programs, and what outcomes are you experiencing?	
8: OTHER.	

Taken from: http://www.employerofchoice.com/2010_eoc_application.pdf

Handout V.8.B, "Boosting Employee Morale"

Directions: *Read the handout below. Based on in-depth research, including data from over 100,000 employees across multiple years, in the U.S. and abroad, the following factors have consistently been statistically significant in explaining and predicting higher morale among employees.*

I. **Opportunity.** Of all the factors that make a difference in boosting employee morale, the chance for increased opportunity is the most important. It also has the greatest impact on behavior. For younger people, opportunities for increased money and promotions are especially crucial. Older or more experienced workers are motivated by the opportunity to work on projects and challenges that they find interesting, important or will enhance their reputation.

II. **Commitment.** Employees are more committed when they agree with the ethics, goals, and morals of their organization; have a personal involvement (investment) in the organization; and are proud of the reputation of the company. For some employees, a company that respects the environment and treats workers with dignity is just as important as one that offers merit pay raises.

III. **Co-workers.** Successful organizations motivate people to work as teams to achieve common goals and encourage employees to build personal relationships. Employees who have coworkers they respect and enjoy seem to have lower absenteeism and are less likely to spontaneously quit due to a single, negative event.

IV. **Fairness.** Key areas that demand fairness are workload, promotions, pay, rewards and recognition. Research data suggest that the feeling that employees are paid fairly, better explain their attitudes towards the workplace than the amount they are paid.

V. **Recognition.** Employees want management to understand the contribution they make and to thank them in a meaningful way. Our results indicate that a genuine "thank you" from a manager can be significantly more effective than many, expensive, institutionalized recognition programs.

VI. **Learning.** Managers and employees are justifiably proud of new knowledge and skills, whether it is information gained from outside the organization or the acquisition of "known" information by employees (e.g., cross-training or new-hire training).

VII. **Authority.** Employees should have enough authority to do their jobs easily and efficiently. This not only makes the organization more efficient, it is one way an organization says, "I trust you."

VIII. **Involvement.** People who are involved with their jobs are proud of what they do and have a personal sense of ownership and responsibility for the quality of their work.

IX. **Balance.** Most people want a reasonable balance between work and personal life. Therefore, managers must become more sensitive to the personal or family needs of employees.

X. **Job Security.** Employees are attracted to and will stay with organizations where they feel they will have a job if they do good work. Employees with job security are also more willing to be innovative and take risks for the organization.

Adapted from www.wednetpa.com. Report supplied by Bavendam Research: www.bavendam.com

Handout V.8.C, "Hertzberg's Theory"

Directions: Read the article below and complete the exercise at the end of handout.

Herzberg's Motivation-Hygiene Theory
(Two Factor Theory)

To better understand employee attitudes and motivation, Frederick Herzberg performed studies to determine which factors in an employee's work environment caused satisfaction or dissatisfaction on the job. He published his findings in the 1959 book *The Motivation to Work*.

The studies included interviews in which employees where asked what pleased and displeased them about their work. Herzberg found that the factors causing job satisfaction (and presumably motivation) were different from those causing job dissatisfaction. He developed the **motivation-hygiene** theory to explain these results. He called the satisfiers *motivators* and the dissatisfiers *hygiene factors*, using the term "hygiene" in the sense that they are considered maintenance factors that are necessary to avoid dissatisfaction but that by themselves do not provide satisfaction.

The following table presents the top six factors causing dissatisfaction and the top six factors causing satisfaction, listed in the order of higher to lower importance.

Factors Affecting Job Attitudes

Leading to Dissatisfaction	Leading to Satisfaction
• Company policy • Supervision • Relationship w/Boss • Work conditions • Salary • Relationship w/Peers	• Achievement • Recognition • Work itself • Responsibility • Advancement • Growth

Herzberg reasoned that because the factors causing satisfaction are different from those causing dissatisfaction, the two feelings cannot simply be treated as opposites of one another. The opposite of satisfaction is not dissatisfaction, but rather, *no* satisfaction. Similarly, the opposite of dissatisfaction is *no* dissatisfaction.

While at first glance this distinction between the two opposites may sound like a play on words, Herzberg argued that there are two distinct human needs portrayed. First, there are physiological needs that can be fulfilled by money, for example, to purchase food and shelter. Second, there is the psychological need to achieve and grow, and this need is fulfilled by activities that cause one to grow.

From the above table of results, one observes that the factors that determine whether there is dissatisfaction or no dissatisfaction are not part of the work itself, but rather, are external factors. Herzberg often referred to these hygiene factors, with the process of providing incentives or a threat of punishment to cause someone to do something. Herzberg argues that these provide only short-run success because the motivator factors that determine whether there is satisfaction or no satisfaction are intrinsic to the job itself, and do not result from carrot and stick incentives.

Handout V.8.C, "Hertzberg's Theory" (continued)

Implications for Management

If Hertzberg's theory holds, management must provide factors that avoid employee dissatisfaction and also factors that lead employees to being satisfied with their jobs.

Herzberg argued that *job enrichment* is required for intrinsic motivation, and that it is a continuous management process. According to Herzberg:

- The job should have sufficient challenge to utilize the full ability of the employee.

- Employees who demonstrate increasing levels of ability should be given increasing levels of responsibility.

- If a job cannot be designed to use an employee's full abilities, then the firm should consider automating the task or replacing the employee with one who has a lower level of skill. If a person cannot be fully utilized, then there will be a motivation problem.

Critics of Herzberg's theory argue that the two-factor result is observed because it is natural for people to take credit for satisfaction and to blame dissatisfaction on external factors. Furthermore, job satisfaction does not necessarily imply a high level of motivation or productivity.

Herzberg's theory has been broadly read and despite its weaknesses its enduring value is that it recognizes that true motivation comes from within a person and not from external factors.

Taken from: http://www.netmba.com/mgmt/ob/motivation/herzberg/

Exercise
In the space below, write one paragraph describing Hertzberg's "Two Factor Theory" and giving reasons to explain whether you agree or disagree with it.

_____

_____

_____

_____

_____

_____

_____

Handout V.8.D, "Satisfied with Work: A Survey"

You have indicated that overall you are more satisfied than dissatisfied with your work. Place an X in front of the five features of your job that best helps explain your feeling of satisfaction about your job:

_____ 1.   My company's policies and/or corporate culture

_____ 2.   The way I am supervised by company managers

_____ 3.   My relationship with my boss

_____ 4.   Our working conditions

_____ 5.   My salary

_____ 6.   My relationships with co-workers

_____ 7.   My achievements at work

_____ 8.   The recognition I get from my co-workers and/or managers

_____ 9.   The kind of work I do

_____ 10. The amount and kind of responsibilities I have

_____ 11. The possibilities I have for being promoted

_____ 12. The opportunities I have for gaining new skills and learning new things

Handout V.8.E, "Dissatisfied with Work: A Survey"

You have indicated that overall you are more dissatisfied than satisfied with your work. Place an X in front of the five features of your job that best helps explain your feeling of dissatisfaction about your job:

_____ 1.   My company's policies and/or corporate culture

_____ 2.   The way I am supervised by company managers

_____ 3.   My relationship with my boss

_____ 4.   Our working conditions

_____ 5.   My salary

_____ 6.   My relationships with co-workers

_____ 7.   My achievements at work

_____ 8.   The recognition I get from my co-workers and/or managers

_____ 9.   The kind of work I do

_____ 10. The amount and kind of responsibilities I have

_____ 11. The possibilities I have for being promoted

_____ 12. The opportunities I have for gaining new skills and learning new things

Communication and Managing an Entrepreneurial Venture

Guiding Question

Why is it so important for managers to communicate properly with people inside and outside their businesses?

Instructional Objectives

Students will be able to:

■ identify the basic forms of communication in an entrepreneurial venture.

■ describe the means of implementing the basic forms of communication.

■ suggest ways to overcome barriers to communication in a business.

Teacher Background

A business person's success often depends on his or her ability to communicate effectively. It is essential to have one's message clearly understood by people within (e.g., employees) and outside the organization (e.g., customers and vendors).

In Handout V.9.A, students will be asked to examine the basic elements of good communications in the workplace. Next, in Handout V.9.B, the class will look at barriers to good communications and be asked to rate each barrier's significance to the overall effectiveness of the business. Handout V.9.C presents some ideas for overcoming the barriers to good communications. In Handout V.9.D, the class will examine the communications process from the perspective of how managers respond to workers' suggestions. To prepare for Day 2, the class will be given a homework assignment, in which they examine some typical workplace problems, caused by poor communications, and suggest solutions.

Materials

Handouts V.9.A-D

Teaching Strategies/Supporting Activities

■ Distribute Handout V.9.A, "Workplace Communications." Have students complete the exercise on the handout, then have them explain their answers to the following:

— Describe the basic forms of workplace communications?

— Why do some people say the unspoken communications often are louder than the spoken word?

— In what ways are good communications important for worker productivity?

— Why is it said that effective communication is a work in progress?

— What was the most important piece of information that you gained from this handout?

— Suggest some ways that an entrepreneur can make sure his or her communications are being transmitted inside and outside the business correctly.

— What did you suggest as the title for this handout?

■ Distribute Handout V.9.B, "Barriers to Communicating." Have students complete the exercise on the handout, then have them explain their answers to the following:

— What did you learn about barriers to communicating from this handout?

— Why was it said that barriers to communication can distract, distort or restrict communications?

— How did you rate the significance of each of these barriers?

— Which of these barriers is most difficult to overcome?

■ Distribute Handout V.9.C, "Ideas for Communicating." Assign 2-3 students, depending on the size of the class, one of the 11 ideas mentioned on this handout (the likelihood is in a class of about 30 students, at least two students will write about the same idea). Have students follow the directions at the bottom of the handout to complete the exercise found there. Then, have students explain their answers to the following:

— What did you write about the idea you were assigned?

— What did the author of the reading mean by saying "maintain a positive approach?"

— How can you explain this suggestion: "Always keep the boss informed in a timely manner?"

— Which of these 11 ideas would have the greatest effect on overcoming the barriers to good communication you read about in Handout V.9.B?

— Which of these 11 ideas would be most difficult to incorporate successfully in the workplace?

■ Distribute Handout V.9.D, "Responding to Employees' Suggestions." Have students read the handout, then have them explain their answers to the following:

— What does this worksheet have to do with the communications process in a business?

— As an owner, how would having your managers complete this checklist help you run the business?

— To what extent would a company whose managers place many check marks on this list indicate that there is a communications problem in the business? Why do you think managers in real life do make such responses to worker's suggestions like "Face facts; it's unrealistic," or "Don't you have better things to do?"?

— To what extent would you agree with the following statement: "Any statements that managers have checked on this list may indicate that management in the company is inflexible and unresponsive to employee suggestions"? Would you agree that such inflexibility can mean the difference between failure and success in a business?

Summary/Assessment

Ask students to explain their answer to the following question:

Why is it so important for managers to communicate properly with people inside and outside their businesses?

Follow Up

For homework, distribute Handout V.9.E, "Communications Issues." Assign each student to focus on one of the four communication issues on the handout, having them follow the directions that appear at the top of the page. During the next class period, have students explain their answers to the following:

- Describe the communications issue you focused on.

- How serious of a problem would such an issue present to a business?

- How did you suggest solving the problem arising from this issue?

- Have you encountered any similar problems either as an employee or as a consumer?

- To what extent are the manager, the employee, and the customer to blame for the problems addressed in the four communications issues?

Handout V.9.A, "Workplace Communications"

Directions: In the handout below, the title was purposely omitted. S uggest a title for the article and write it in in the space provided below.

Title: _____

_____

Any workplace thrives with effective communication. Effective communication empowers employees and provides clear direction and feedback agents for employees to express their thoughts, suggestions and concerns. It also improves workplace productivity. The **Wisconsin Business Alumni** website states that all business involves people and people need communication to stay informed and satisfied. It also states that communication is one of the most important aspects of management.

Definition
Effective communication is the process of accurately forming a message, sending it and it being completely understood by the recipients. Effective communication requires that verbal (spoken words) and nonverbal (body language, gestures and actions) agree with one another. For example, if a manager verbally says he is interested in the employees' suggestions but never creates a way or opportunity for employees to express their thoughts, the messages will contradict each other. This leads to confusion and frustration.

Function
The purpose of effective communication in the workplace is to provide clear objectives, tools to accomplish those objectives and an action plan to follow. Providing clear direction increases employee satisfaction, which has a direct impact on customer satisfaction, according to morebusinesss.com. It also creates a strong corporate **culture** where employees trust leadership and feel like they have a voice, according to Alliance Training and Consulting. For example, if leadership effectively communicates with employees certain goals and expectations, the employees will be able to accomplish the goals with a sense of completion. Effective communication in the workplace provides purpose and reward when the purpose is fulfilled.

Types of Communication
Effective communication in the workplace can manifest itself in different ways. Written communication such as memos, the company intranet and emails are traditional types of communication in the workplace. Feedback agents such as focus groups, employee surveys and discussion groups encourage employees to share their viewpoints with upper management. Meetings are held to verbally communicate vision, direction and important information specific to the company.

Handout V.9.A, "Workplace Communications" (continued)

Type of Workplace Communication

Internal workplace communication is all messages sent within the company. According to Lee Hopkins, a leading Australian communication consultant, "internal communication is the conversations that **businesses** have with their staff and those staff have with each other." This may be between two employees; management and a team of employees; or the company as a whole and all employees. External workplace communication is messages sent to people outside the company such as business-to-business communication, marketing efforts and public relations.

Considerations

Effective communication in the workplace is a work in progress. Every company and business always has room for improvement with its communication. A communication specialist can perform an assessment and provide an objective look at how effective the company's communication is.

Corporate communication should be sent through various media to send one message various ways, according to morebusiness.com. This will ensure everyone understands the message and the message is constantly reinforced.

Adapted from: http://www.ehow.com/about_6619247_importance-effective-communication-workplace.html

Handout V.9.B, "Barriers to Communicating"

Directions: Barriers exist in the workplace that can distract, distort or restrict communication. Identifying workplace communication barriers is the first step in overcoming them and improving organizational communication. Four categories of barriers exist below. Rate each of the categories of barriers using the following scale: 4 = a barrier of the greatest significant, 3 = a barrier of some significance, 2 = a barrier with little significance, and 1 = a barrier with no significance. Write the number of the rating you applied to each barrier in space provided below.

Barriers to Workplace Communication

Physical Barriers (Rating number _____)

Management may use physical barriers to intentionally limit communication. A common example is the placement of the CEO's office. Typically her office is located on the top floor and a key is required in the elevator to gain access. A closed office door, dividing walls or separate rooms that departments operate from, all hamper communication.

Emotional Barriers (Rating number _____)

If a person is afraid of losing his job or that a superior is going to find out that he compromised his work, he will take pains to limit his communications. Jealousy and envy crop up when workers are at odds with one another. If an employee is promoted and others are unhappy with the promotion, this creates emotional barriers that will prevent effective communication.

Perceptual Barriers (Rating number _____)

Everyone sees and understands the world differently. A task may be given to a team of employees and each employee may pursue the objective very differently. A team leader may ask a team member to remember to turn in his work before 5. The team member may perceive that the leader doesn't trust him or doesn't think he is a good worker. A different worker in that situation might perceive that the leader is looking out for her best interest.

Cultural Barriers (Rating number _____)

A person's upbringing, culture and belief system can all play into complex barriers in the workplace. For example, a person from a Country A may feel comfortable talking in close proximity, while another person from Country B may feel uncomfortable. Learning to keep comfortable social distances and observe other cultural preferences will help overcome cultural barriers.

Handout V.9.C, "Ideas for Communicating"

Directions: The key to a good organization, from a communication point of view, is having good upward and downward communication. An effective leader's communications are clear, direct, respectful, reflective, frequent, and transparent. The list below contains some important ideas about effective communications in the workplace. Read the list below of 11 ideas for effective workplace communications and complete the exercise below.

Ideas for Effective Workplace Communications

1. Be as concise and accurate as possible.

2. Maintain a positive approach.

3. Demonstrate respect for your co-workers by listening to them and showing interest in their ideas

4. Always keep the boss informed in a timely manner

5. Focus on solutions, not problems.

6. Pay close attention to how you frame an issue, making certain that the information you present is as relevant to the issue as possible

7. When presenting information, be sure to provide written documentation.

8. It is better to give too much information than not enough, meaning in order to be useful the information provided should be complete

9. Ask for opinions.

10. Hold regular meetings to provide updates and answer questions.

11. Anticipate issues that might provoke gossip and deal with them immediately.

Adapted from: Entreskills, Chapter 7, Section 8

Exercise

In the space below, write a paragraph about the one idea from the list above that you were assigned. In the paragraph, explain in more detail what you think the author meant by the idea and why you believe the idea is important to improving communications in the workplace.

Handout V.9.D, "Responding to Employees' Suggestions"

Directions: Read the handout below, including "Follow Up," at the bottom of the page.

Dear Manager:

Your owner wants his managers to give some attention to the communications flow between managers and workers. He is especially interested in how you respond to suggestions from those who report to you. In this regard, he would like you to complete the check list below, following these instructions: Over the next week each time a worker makes a suggestion (e.g., "We need additional staff members to complete this job) write that suggestion in one of the five suggestion boxes below. Then, under each suggestion box, place a check mark to indicate which of the 16 responses that appear most closely matches your response or responses to the suggestion.

Suggestion 1	Suggestion 2	Suggestion 3	Suggestion 4	Suggestion 5	Your Response
					1. Face facts; it's unrealistic.
					2. Who else has done it?
					3. It's not your problem.
					4. Fill out form X.
					5. It won't work.
					6. Bring it to the committee.
					7. We don't have the time.
					8. We tried it before and it failed.
					9. You think what? You're joking!
					10. Everybody knows that that's foolish.
					11. We can't afford to think about it.
					12. Don't you have better things to do?
					13. Are you some kind of a radical?
					14. We're too small/big for that.
					15. Impossible; our main product line would be obsolete.
					16. The boss would never consider it.
					17. It's contrary to company policy.

Follow Up: Carefully consider any statements that you have checked. This may indicate that management is inflexible and unresponsive to employee suggestions.

Adapted from: http://www.bizoffice.com/library/files/man.html

Handout V.9.E, "Communications Issues"

Directions: Your teacher will assign you one of the four issues below. For the issue you are assigned do the following: 1) Summarize in one sentence the communications problem described and 2) Explain in 2-3 sentences how you would solve the problem described.

Communication Issue 1

"I am a new hire and was informed at my initial job orientation about the performance expectations for someone in my job. First of all, what they said was expected of me was very unclear. Second, it appeared they were saying that if I did not live up to these expectations, I wouldn't be around here for too long. All of this made me feel uncertain and uncomfortable in my new job. Moreover, this talk also intimidated me so much, I was afraid to ask what it all meant."

Summary of problem: _____

_____

Your solution: _____

_____

_____

Communication Issue 2

"I work for a small company. Recently, some co-workers mentioned that the boss told them that changes were being made in the company's retirement program. I asked the boss about it and he said, 'I'm pretty sure we will be making changes, but I can't talk about them with you now.' In the meantime, I've heard different rumors about the company. Each time I go to the boss about it, he starts to talk, but gets pulled away. Just the other day, I was talking to someone who works for a competing firm who said he knows all about what's happening to our company's retirement program. I went back to the co-workers who initially spoke about the retirement program changes. They said that they knew nothing about the specifics. When I told them about what I heard from the other company, they resented the fact that the employees were the last to know. Besides being resentful, we thought such poor communications have created a lack of trust in the company."

Summary of problem: _____

_____

Your solution: _____

_____

_____

Handout V.9.E, "Communications Issues" (continued)

Communication Issue 3

"I mentioned to my boss about two months that I was looking to work overtime to earn some extra money. He said, 'Fine.' Two months have passed and I still haven't worked any overtime. I'm wondering what's up. Also, I told to my supervisor that a co-worker plays his radio too loud and I can't get my work done. My supervisor came by my cubicle, listened to the radio and said, 'It's not that loud, maybe you should buy earplugs.' Lastly, I told the boss, I'd like to leave early to pick up my child from school. He said, 'You can leave as soon as you finish your work.' I arrived late to school and my kid was nearly frantic. There's obviously a communications problem in the company."

Summary of problem: _____

_____

Your solution: _____

_____

_____

Communication Issue 4

"I walked into XYZ company looking to buy a cell phone. After explaining my needs to a salesperson, he said 'I have just the phone for you.' Then, he gave me a 10-page booklet with a lot of small print and told me to read it in the store. I hardly understood a word in the pamphlet, as the writing was very technical, talking about megahertz and bandwidths. I asked if he could show me the phone, which he did. He spoke very quickly and explained so much I forgot most of what he said. By that time, my head was spinning and I couldn't decide what I wanted. The salesperson told me to take my time while he waited on another customer. By the time I was ready to make a decision my salesperson was busy, so I was referred to a second salesperson. Rather than telling me about the cell phone I wanted to buy, she read about it to me from a booklet. This only made me more confused so, I decided leave the store."

Summary of problem: _____

_____

Your solution: _____

_____

_____

Management Issues Roundtable: Culminating Project

Guiding Question

What are the key management issues for entrepreneurs?

Instructional Objectives

Students will be able to:

- discuss key management issues confronting entrepreneurs today.

- suggest approaches for successfully handling management issues facing entrepreneurs.

- explain some of the lessons they learned in the Management Unit of the Entrepreneurship Curriculum.

- discuss key management issues with actual entrepreneurs who have been invited to class.

Teacher Background

Effective management is the key to succeeding in business. Good management skills involve examining the marketplace environment and creating employment and profit opportunities that provide for the potential growth and financial viability of the business. Despite its importance, management is an area often misunderstood and poorly implemented, primarily because people focus on the output rather than the process of management.

Lesson 10 is the culminating activity of the Management Unit of the curriculum. For this activity, students should be given about two weeks to prepare. In the activity, the class will be divided into five groups, each dealing with one of the following management topics: 1. Leadership styles, 2. Decision Making, 3. Dealing with Employees, 4. Communications, and 5. Planning (e.g., strategic planning and organizing a business). The task of each group will be to make a five-minute presentation to the class and a group of at least two entrepreneurs who have been invited to participate. The presentation should focus on important ideas the students learned about the topic they were assigned, both from the classroom lessons and independent research they have gathered. After each presentation, the entire class and the guest entrepreneurs will engage in a brief discussion about the topic. The lesson will conclude with the teacher asking debriefing questions.

Materials

Handout V.10.A

Teaching Strategies/Supporting Activities

Distribute Handout V.10.A, "Management Issues Roundtable." Have students read the handout and answer any questions they have about their assignment. Give the students two weeks to prepare for the activity. On the day of the culminating activity, follow the agenda for the Roundtable that appears on Handout V.10.A. After all the presentations and follow-up discussions have been completed, conclude the lesson by asking students to explain their answers to the following:

■ What is one important idea about managing a business that you learned today?

■ Which of the following management areas—leadership styles, decision-making, communications, dealing with employees, and planning—is most important for an entrepreneur to master?

■ Which of the five areas we discussed is the most difficult for an entrepreneur to learn how to master?

Summary/Assessment

Ask entrepreneurs who have invited to class to answer the following:

Based on your experience, what is one idea about any of the topics discussed today that you would like the aspiring entrepreneurs in this class to learn?

Follow Up

Based on the Management Unit and the culminating activity, have the class put together a bulletin board in the classroom or another appropriate place, which highlights key management issues.

Handout V.10.A, "Management Issues: Roundtable"

Directions: This handout explains the culminating activity for the Management Unit section of the Entrepreneurship Course. In this activity, which will take place on the last day of lessons of the Management Unit, you will be divided into one of the following groups, related to a topic we have studied in class:

1. Leadership Styles
2. Decision Making
3. Dealing with Employees
4. Communications
5. Planning (e.g., strategic planning and organizing a business)

Each group's task will be to make a five-minute presentation on their topic to the class and actual entrepreneurs who will be invited to observe. In the presentation, which should incorporate Powerpoint slides, the group will discuss and explain at least three important ideas you learned about the topic from the classroom lessons and homework reading. In addition, the group will present at least one idea they learned about their topic from independent research they have gathered. After each presentation, the class will have the opportunity to question the group. Then, the entrepreneurs, invited to observe, will give their reactions to the presentation and participate in a brief discussion with the class.

The agenda for the Management Issues Roundtable will be as follows:

- Group 1's Presentation: Leadership Styles (5 minutes)

  – Class Questions (2 minutes)

  – Entrepreneurs' reactions and class discussion on the topic of Leadership Styles (2 minutes)

- Group 2's Presentation: Decision Making (5 minutes)

  – Class Questions (2 minutes)

  – Entrepreneurs' reactions and class discussion on the topic of Decision Making (2 minutes)

- Group 3's Presentation: Dealing with Employees (5 minutes)

  – Class Questions (2 minutes)

  – Entrepreneurs' reactions and class discussion on the topic of Dealing with Employees (2 minutes)

- Group 4's Presentation: Communications (5 minutes)

  – Class Questions (2 minutes)

  – Entrepreneurs' reactions and class discussion on the topic of Communications (2 minutes)

- Group 5's Presentation: Planning (5 minutes)

  – Class Questions (2 minutes)

  – Entrepreneurs' reactions and class discussion on the topic of Planning (2 minutes)