

Key Take-Aways

- 1) **Management** must include both **efficiency** (accomplishing goals using the fewest resources possible) and **effectiveness** (accomplishing goals as accurately as possible).
- 2) The management process has four **functions**: **planning**, **organizing**, **leading**, and **controlling**.
- 3) **Planning** for a business starts with **strategic planning**—the process of establishing an overall course of action.
- 4) Management first identifies its **purposes**, creates a **mission statement**, and defines its **core values**.
- 5) A **SWOT analysis** assesses the company's strengths and weaknesses and its fit with the external environment.
- 6) **Goals and objectives**, or performance targets, are established to direct company actions, and **tactical plans** and **operational plans** implement objectives.

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- 7) A manager's **leadership style** varies depending on the manager, the situation, and the people being directed. There are several management styles.
- a. An **autocratic** manager tends to make decisions without input and expects subordinates to follow instructions.
 - b. Managers who prefer a **democratic** style seek input into decisions.
 - c. A **free rein** manager provides no more guidance than necessary and lets subordinates make decisions and solve problems.
 - d. **Transactional** style managers exercise authority according to their rank in the organization, let subordinates know what's expected of them, and step in when mistakes are made.
 - e. **Transformational** style managers mentor and develop subordinates and motivate them to achieve organizational goals.

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- 8) The **control process** can be viewed as a five-step process: (1) establish standards, (2) **measure** performance, (3) **compare** actual performance with standards and identify any deviations, (4) **determine the reason** for deviations, and (5) **take corrective action** if needed.
- 9) **Benchmarking** is a process for improving overall company efficiency and effectiveness by comparing performance to competitors.
- 10) Top managers need strong **conceptual skills**, while those at midlevel need good **interpersonal skills** and those at lower levels need **technical skills**.
- 11) All managers need strong **communication, decision-making, and time- management skills**.