

Management (MMM132) Exam Revision Document

TOPIC 5: Foundations of Decision Making, Groups and Teams - Chapters 3 & 9	4
3.1 Describe the decision-making process (pp.62-66)	4
Common Decision Making Errors and Biases	5
3.2 Explain the three approaches managers can use to make decisions (pp.67-70)	6
Rational Model of decision making	6
Bounded Rationality Model	6
Intuitive Decision-Making	7
3.3 Describe the Types of Decisions and Decision Making Conditions Managers Face (70-72)	7
Structured problem	7
Unstructured problem	8
Decision-making conditions	8
3.4 Discuss group decision making (pp.73-75)	8
Advantages	8
Disadvantages	8
When are groups most effective?	8
How can group decision-making be improved?	9
3.5 Discuss contemporary issues in managerial decision making (pp.76-78)	9
National culture	9
Creativity	9
Design thinking	9
Big data	9
9.1 Define group and describe the stages of group development (pp.246--248)	10
What is a group?	10
Stages of group development	10
9.2 Describe the major concepts of group behaviour (pp.248-251)	11
9.3 Discuss how groups are turned into effective teams (pp.251-258)	11
Four types of work teams	11
Team effectiveness	12
Context:	12
Composition	12
How does work design affect team effectiveness?	13

What team processes are related to team effectiveness	13
Teams vs Groups	13
What makes an effective team?	13
How do managers shape team behaviour?	13
9.4 Discuss contemporary issues in managing teams (pp.259-261)	14
TOPIC 6: Foundations of Planning - Chapter 4	16
4.1 Discuss the nature and purpose of planning (pp. 90- 92)	16
4.2 Explain what managers do in the strategic management process (pp.93-98)	16
The strategic management process	16
4.3 Compare and contrast approaches to goal setting and planning (pp.98-107)	17
Types of goals	18
Steps in goal setting	19
4.4 Discuss contemporary issues in planning (pp.107-108)	20
TOPIC 7: Foundations of organising - Chapters 5, 6 & 7	21
5.1 Describe six key elements in organisational design (pp.118-127)	21
5.2 Identify the contingency factors that favour either the mechanistic model or the organic model of organisational design (pp.127-129)	21
Mechanistic Versus Organic Organisations	21
Structural contingency factors	21
6.1 Describe the key components of the human resources management process and the important influences on that process (pp.152-154)	23
7.1 Discuss techniques for stimulating innovation (pp.186-190)	23
Creativity	23
Innovation	24
The innovation process:	24
Innovation variables	24
7.2 Define organisational change and compare the contrast views on the change process (pp.190-195)	24
Categories of organisational change:	24
What drives organisational change	25
Change process	25
TOPIC 8: Foundations of Behaviour - Chapters 8 & 10	26
8.1 Identify the focus and goals of organisational behaviour (pp.212-213)	26
8.2 Explain the role that attitudes play in job performance (pp.213-214)	26
Attitudes and job performance	26
8.3 Describe different personality theories pp.217-223	27
10.1 Define and explain motivation (pp.274-275)	28
10.2 Compare and contrast early theories of motivation (pp.274-277)	28

Maslow's Hierarchy of needs	28
McGregor's Theory X and Theory Y	29
Herzberg's Two-Factor theory	29
10.3 Compare and contrast contemporary theories of motivation pp.277-284	29
Goal-Setting Theory	29
Job Characteristics Model	30
Equity Theory	31
Expectancy Theory	32
Integrating Motivation Theories	33
Topic 9: Foundations of Leading - Chapters 11 & 12	35
11.1 Define leader and leaderships (p.304)	35
Traits associated with leadership	35
11.4 Describe modern views of leadership and the issues facing today's leaders (pp.313-319)	36
Leader-member exchange (LMX) theory	36
Transactional leaders	36
Transformational leaders	36
Charismatic leaders	36
Visionary leaders	37
Contemporary issues on leadership today	37
Team leader roles	37
11.5 Discuss trust as the essence of leadership (pp.319-321)	37
Five dimensions of trust	37
Suggestions for building trust	38
12.1 Describe what managers need to know about communicating effectively (pp.334-342)	38
The communication process	38
Sender	39
Message	39
Encoding	39
Channel	39
Decoding	39
Feedback	39
Noise	39
Barriers to effective communication	39
Topic 10: Foundations of Control - Chapter 13	41
13.1 Explain the nature and importance of control (pp.360-361)	41
13.2 Describe the three steps in the control process (pp.361-366)	41

13.3 Discuss the types of controls organisations and managers use (pp.366-370)	42
Input	42
Processes	42
Output	42
13.4 Discuss contemporary issues in control (pp.370-375)	43

TOPIC 5: Foundations of Decision Making, Groups and Teams - Chapters 3 & 9

3.1 Describe the decision-making process (pp.62-66)

The decision making process is a set of 8 steps that begins with identifying the problem, it moves through selecting an alternative that can alleviate the problem and concludes with evaluating the decision's effectiveness.

1. **Identification of a problem** - a discrepancy between an existing problem and a desired state of affairs. Managers can become aware they have a problem by making a comparison between current reality and some standard which can be 1. Past performance 2. Previously set goals and 3. The performance of some other unit within the organisation or in other organisations.
2. **Identification of Decision criteria** - the decision criteria are factors that are relevant in a decision. Once a manager has identified a problem the decision criteria that will be important in solving the problem must be identified. The criteria reflect what the decision maker thinks is relevant in their decision. Every decision maker has criteria - whether explicitly stated or not that guide his or her decision making. Note that in this step what's not identified is as important as what is. If a decision maker doesn't identify a particular factor in this second step it's treated as irrelevant.
3. **Allocation of weights to criteria** - Decision criteria are not all equally important. It's necessary therefore to allocate weights to the items listed in step 2 in order to give them their relative priority in the decision. A simple approach is to give the most important criterion a weight of 10 and then assign weights to the rest against that standard. The idea is to use your personal preferences to assign priorities to the relevant criteria in your decision as well as to indicate their degree of importance by assigning a weight to each.
4. **Development of alternatives** - The decision maker then lists the alternatives that could succeed in resolving the problem.
5. **Analysis of alternatives** - Once the alternatives have been identified the decision maker must critically analyse each one. Each alternative is evaluated by appraising it

against the criteria. The strengths and weaknesses of each alternative become evident as they are compared with the criteria and weights established in step 2 and 3.

6. **Selection of an Alternative** - choosing the best alternative from among those assessed. This step is fairly simple, we merely have to choose the alternative that generated the highest score in step 5.
7. **Implementation of an Alternative** - decision implementation involves putting the decision into action. If others will be affected by the decision, implementation also involves conveying the decision to those affected and getting their commitment to it.
8. **Evaluation of decision effectiveness** - managers appraise the outcome of the decision to see whether the problem was resolved. Did the alternative chosen in step 6 and implemented in step 7 achieve the desired result. Evaluating the results of a decision is part of the managerial control process.