

1. (p. 197)

Typically there are four stages in rational decision making (see Figure 7.1): Stage 1: Identify the problem or opportunity, Stage 2: Think up alternative solutions, Stage 3: Evaluate alternatives & select a solution, and Stage 4: Implement & evaluate the solution chosen.

2. (p. 197)

The rational model of decision making, also called the classical model, explains how managers should make decisions; it assumes managers will make logical decisions that will be the optimum in furthering the organization's best interests.

3. (p. 198)

Patience and good decision making help set women apart in investing. As a result, according to a study cited by DiCosmo, women's portfolios on average gain 1.4% more than men's, and single women's portfolios do 2.3% better than single men's.

4. (p. 198-199)

In evaluation, you should ask yourself if the alternative is ultimately effective. If the decision is merely "good enough" but not optimal in the long run, you might reconsider.

5. (p. 200)

One "law" in economics is the Law of Unintended Consequences—things happen that weren't foreseen. For this reason, in the final stage you need to follow up and evaluate the results of the decision.

6. (p. 201)

Three nonrational models are (1) satisficing, (2) incremental, and (3) intuition.

7. (p. 202)

The bounded rationality concept suggests that the ability of decision makers to be rational is limited by numerous constraints, such as complexity. The problems that need solving are often exceedingly complex, beyond understanding.

8. (p. 202)

Because of constraints (here, a time constraint), managers don't make an exhaustive search for the best alternative. Instead, they follow what Simon calls the satisficing model—that is, managers seek alternatives until they find one that is satisfactory, not optimal.

9. (p. 202) In the incremental decision-making model, managers take small, short-term steps to alleviate a problem, rather than steps that will accomplish a long-term solution.

10. (p. 203) Intuition is making a choice without the use of conscious thought or logical inference. It may be based on expertise or feelings.

11. (p. 207) Analytics, or business analytics, is the term used for sophisticated forms of business data analysis. In one example of analytics in gambling, data-mining software was used to analyze vast amounts of casino customer data to target profitable patrons.

12. (p. 209) Some people desire a lot of structure in their lives (a low tolerance for ambiguity) and find ambiguous situations stressful and psychologically uncomfortable.

13. (p. 235) Odette Pollar recommends that you don't delegate confidential and personnel matters: Any tasks that are confidential or that involve the evaluation, discipline, or counseling of subordinates should never be handed off to someone else.
14. (p. 238) A hierarchy culture has an internal focus and values stability and control over flexibility.
15. (p. 237-238) A clan culture has an internal focus and values flexibility rather than stability and control. Like a family-type organization, it encourages collaboration among employees, striving to encourage cohesion through consensus and job satisfaction and to increase commitment through employee involvement.
16. (p. 238) An adhocracy culture has an external focus and values flexibility. This type of culture attempts to create innovative products by being adaptable, creative, and quick to respond to changes in the marketplace. Adhocracy cultures are well suited for companies in industries undergoing constant change.
17. (p. 239) Espoused values are the explicitly stated values and norms preferred by an organization, as may be put forth by the firm's founder or top managers.
18. (p. 239) Although managers may hope the values they espouse will directly influence employee behavior, employees don't always "walk the talk," frequently being more influenced by enacted values, which represent the values and norms actually exhibited in the organization.
19. (p. 240) Culture is transmitted to employees in several ways, most often through such devices as (1) symbols, (2) stories, (3) heroes, and (4) rites and rituals.
20. (p. 240) A story is a narrative based on true events, which is repeated to emphasize a particular value. Stories are oral histories that are told and retold by members about incidents in the organization's history.
21. (p. 242) Hewlett-Packard's "HP Way" culture from 1957 to the early 1990s pushed authority as far down as possible in the organization and created an environment that emphasized integrity, respect for individuals, teamwork, innovation, and an emphasis on customers and community improvement. This fit perspective was a key contributor to HP's success.
22. (p. 243) The adaptive perspective assumes that the most effective cultures help organizations anticipate and adapt to environmental changes.
23. (p. 243) An investigation of 207 companies from 22 industries from 1977 to 1988 partly supported the strength and fit perspectives. However, findings were completely consistent with the adaptive perspective. Long-term financial performance was highest for organizations with an adaptive culture.
24. (p. 246) A nonprofit organization is formed to offer services to some clients, as Goodwill Industries does, not to make a profit.
25. (p. 247) A glance up and down an organization chart shows the vertical hierarchy, the chain of command.

26. (p. 271) To stand out in the first 60 days of a new job: come in 30 minutes early and stay a little late to see how people behave, get to know some people and listen to what they have to say, be aware of the power of first impressions, make it easy for others to give you feedback, and overdeliver.
27. (p. 272) Human resource (HR) management consists of the activities managers perform to plan for, attract, develop, and retain an effective workforce.
28. The steps of the strategic human resource management process are: establish the mission & the vision, establish the grand strategy, formulate the strategic plans, plan human resources needed, recruit & select people, orient, train, & develop, and finally, perform appraisals of people.
29. (p. 273) Human capital is the economic or productive potential of employee knowledge and actions. A present or future employee with the right combination of knowledge, skills, and motivation to excel represents human capital with the potential to give the organization a competitive advantage.
30. (p. 273) The purpose of the strategic human resource process is to get the optimal work performance that will help the company's mission and goals (see Figure 9.1).
31. (p. 274) The purpose of job analysis is to determine, by observation and analysis, the basic elements of a job. Specialists who do this interview job occupants about what they do, observe the flow of work, and learn how results are accomplished. For example, United Parcel Service has specialists who ride with the couriers and time how long it takes to deliver a load of packages and note what problems are encountered (traffic jams, vicious dogs, recipients not home, and so on).
32. (p. 274) A job specification describes the minimum qualifications a person must have to perform the job successfully.
33. (p. 275) Better than assuming the status quo is to assume the organization will change. Thus, you need to understand the organization's vision and strategic plan so that the proper people can be hired to meet the future strategies and work.
34. (p. 275) A human resource inventory is a report listing your organization's employees by name, education, training, languages, and other important information.