



MGMT 301 EXAM 2 Study Guide 2

Basic Management Concepts (The Pennsylvania State University)

Chapter 4:**Computer Literacy, Information Competency & Interpersonal Skills (Chilean Mine) + 3 Roles:**

- **Chilean Miners:**
 - August 5th, 2010 – 33 miners were trapped 2,000 feet below the surface and were stuck there for 69 days with only rations for 2 days.
 - The president of Chile, Sebastian Pinera, asks, “What can we do?” and becomes the decision maker on the surface.
 - Luis Urzua was the foreman stuck below the surface. He became the decision maker below the surface and split everyone into teams to find possible ways out. He held the miners together physically and emotionally.
 - Centre Rock from PA helped with the drill to get them out.
- **Decision Making:**
 - Problem solving and taking advantage of opportunities.
 - Problem solving is defined as the process of identifying a discrepancy between an actual and a desired state of affairs and then taking action to resolve it.
- **Computer Literacy (Also known as technology competency):**
 - The ability to understand new technologies and use them to their best advantage.
 - Includes social media, Internet, and smart devices.
- **Information Competency:**
 - The ability to locate, retrieve, organize, and display information of potential value to decision-making and problem solving.
 - This means locating credible and valuable information.
- **Analytical Competency:**
 - The ability to evaluate and analyze information to make actual decisions and solve real problems.
 - This involves being able to digest and sort through information, even very large amounts of data, and then use it well to make good decisions that solve real problems.
- **3 Roles Of Information:**
 - **Decisional Roles:**
 - Information used for entrepreneurship, resource allocation, disturbance handling, and negotiation.
 - **Information Roles:**
 - Information sought, received, transferred among insiders and outsiders.
 - **Interpersonal Roles:**
 - Information used for ceremonies, motivation, and networking.

Problem Avoider, Problem Solver, and Problem Seeker:

- *Problem Avoider:*
 - *These are managers that ignore information that would otherwise signal the presence of a performance threat or opportunity.*
 - *They are not active in gathering information and prefer not to make decisions or deal with problems.*
- *Problem Solvers:*
 - *These managers make decisions and try to solve problems, but only when required.*
 - *They are reactive, gathering information and responding to problems when they occur, but not before. They deal reasonably well with performance threats, but they are likely to miss many performance opportunities.*
- *Problem Seekers:*
 - *This is the highest skill level held by the highest managers. **This is when a manager is working at their absolute best.***
 - *These managers are always looking for problems to solve or opportunities to explore.*
 - *They are proactive as information gatherers, and they are very forward thinking. They anticipate threats and opportunities, and they are eager to take action to gain the advantage in dealing with them.*
- *Costa Concordia:*
 - *400 people on this cruise ship were stranded off the coast of Italy and their captain, captain Shitino, abandoned the ship. Shitino would be considered a problem avoider as he refused to make decisions or be accountable.*
 - *On January 13th, 2012, the boat starts to sink and 33 people end up dying.*
 - *Problem solvers needed to worry about the environmental nightmare that this sinking ship created. Carnival, the makers of the ship, managers were proactive and are working on getting the ship moved.*
 - ❖ *There will be a question about this on the exam*
- *PSU Ice Hockey Arena:*
 - *The Pegula Ice Area broke ground on February 12th, 2012, only a few months after the Sandusky scandal. Joe Bautista was a problem seeker and called Pegula to make sure that this scandal would not be a problem and that Penn State could still expect a donation to build the new hockey arena.*
 - ❖ *There will be a question about this on the exam*

Performance Threat vs. Performance Opportunity (Coke/Honest Tea):

- *For Coke, a \$47 billion company, the threat was that water and tea were becoming dominant, while soda intake was declining. The opportunity was their ability to get into tea.*