Management Skills Development: *Course Analogies*

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Course: *MGT 370*
Title: *Management Skills Development* (3 units)

"There are five managerial roles; they are to set objectives, organize, motivate and communicate, measure, and develop people."
---*Peter Drucker (1909-2005)*

Purpose

Through a course of study, Management students have passed courses in Basic Skills, Lower-Division Core, and Upper-Division Core. Students also passed General Education courses. Naturally, Management courses are the ones that of keen and affective interest to management students.

The first reason that non-management courses are assigned is because an educated and experienced person requires a range of skills, knowledge, or abilities to advance one's intellectual, economic, social, and cultural position over an entire lifetime. A second reason is to help students flourish on a progressively responsible growth track from professional to manager, and perhaps from manager to executive. A third reason is to help students survive future—and especially uncertain or unpredicted—conditions in the workplace and substantive, impactful changes in the economy. A fourth reason is to permit some agency (choice) on the part of a student in the selection of courses (this applies to Management courses as well).

A further way to think about these non-management course is to re-imagine them differently. That is, non-management courses can be related to management thinking. The key to doing this is to make *strong* analogies. It's easy to make a *weak* analogy. Practicing making strong analogies not only helps with academic matters (such as critical thinking) but also in professional matters (such problem-solving).

The references below are merely starting points. They can help management students reflect on learning that took place in a prior semester, and can help management students prepare for success in a subsequent semester. I've *excluded* General Education courses not because they are unimportant but because there are many of them and they are—rightly so—highly diverse. I've *excluded* College Math and College Writing because I've included their higher level courses instead: Mathematical Methods for Business and Business Communication respectively.

This is an evolving document. I welcome feedback from students, present and past, on the strengths and weaknesses of this pedagogical (learning) perspective.

Basic Skills Courses

Mathematical Methods for Business

Assumption: Managers use a common quantitative language in all aspects of organizational life. Managers, by learning through proofs occasionally, built their reasoning and justification skills. Managers learn that higher-order concepts always build upon lower-order concepts.

Non-Management Learning Outcome…	**Possible Analogy for Management…**
Arithmetic	Organizational value created by summing cumulative strengths of employees; Organizational Value created by identifying and leveraging marked, creative differences among employees; Organizational value created by the design and execution of high-performing teams; Organizational value created by determining the optimal employee productivity.
Algebra	Job Rotation
Geometry	Aesthetically true and pleasing work products and workspaces
Trigonometry	Periodic feedback, business and economic cycles, and operational congruency
Calculus	How good management builds ascendants (derivatives); how strong leadership comes from descendants (integration)
Linear Algebra	First, determining if there is at least one feasible solution at all. Second, determining the best possible outcome out of a number of feasible solutions.

Business Communication

Assumption: Managers craft meaning through messages. Messages are important but meaning is critical.

Non-Management Learning Outcome…	**Possible Analogy for Management…**

Meaning beyond Message	A business memo must be clear and unambiguous.
Beliefs linked to Desires	An office conversation must connect on both cognitive and emotional level.
Intentions linked to Understanding	A manager's particular motivation must be aligned with employee's particular explanation.

Computer Science/Information Systems

Assumption: Managers make informed decisions with quantitative (numeric) and qualitative (word) data. Managers acquire and use various technologies, and managers design, develop and implement various technologies.

Non-Management Learning Outcome…	**Possible Analogy for Management…**
Data	Raw
Information	Meaningful Data
Knowledge	Combine explicit information and latent information
Wisdom	Extraordinary insight or foresight
Current Technology vs. State-of-the-Art Technology	Training for the employee's current position; Education for the employee's future position
Technology for Labor Substitution	Life-long Learning embedded deeply in each professional, manager, and executive

Lower-Division Core Courses

Financial Accounting

Assumption: Currency is the medium of exchange outside of the organization; however, Trust is the medium of exchange within an organization. The manager's challenge, therefore, is to successfully measure and manage intangible, visceral, and impactful trust.

Non-Management Learning Outcome…	**Possible Analogy for Management…**
Identify the Three Financial Statements	Trust can be earned, trust has flows, and trust can be stored as an asset.
The Value of the Three Financial Statements	Earned trust can be measured (or estimated), trust flows build alignment

	and performance (with mission/vision), and stored trust can be capitalized and leveraged (for success).
Financial Reporting (consistency and verifiability)	Organizational culture should support recurring trust building and visible reproducibility.
Recording a Basic Business Transaction (based on the Accounting Equation)	Trust = Exuded Authenticity plus Genuine Value
Measurement and Evaluation Basis	Trust is derived from an Individual's Purposeful Values, Authentic Leadership, and Effective Communication
Time Value of Money	Trust can be compounded from the present to the future when it is aligned with goals and committed, and trust can be discounted from the future to the present when it is aligned with goals and leveraged.
Timing of Revenue and Expense Recognition	Identify and link trust sources and uses with success together on a regular basis.
Liquidity, Solvency, and Profitability Ratios	Trust should be available and serviceable, open and positive, and used solely for activities that lead to success.
Define and Calculate Depreciation and Amortization	Trust is susceptible to entropy without maintenance and susceptible to dilution with nurturing. Trust can be used (expended) diligently and prudently in the course of manager's operational activities, tactical choices, or strategic initiatives.

Managerial Accounting

Assumption: Both professionals and managers are "cost objects" too—sometimes that cost is expensed and sometimes that cost is capitalized. Managers are concerned with Performance Opportunities and Challenges in a *Quantitative*—numbers—Context.

Non-Management Learning Outcome…	**Possible Analogy for Management…**
Differences between Financial Accounting and Managerial Accounting	Consequences of Good Management seen externally; Determiners of Good

	Management as used and executed internally
Various meanings of the term Cost	Understand how the value of each employee's contribution differs, and how the needs of each employee's growth requirements are to be acknowledged and supported
Variety of Cost Objects; Explain Overhead; Absorbed Overhead	Understand variation in human behavior; Understand the Direct or Indirect Value proposition of each employee; Distinguish between individual-level contributions and team-level contributions
Compute Break-even point; Explain Contribution Margin	Know the nature, slope, and inflection point of each individual's learning curve; Distinguish between payoffs to Capital and payoffs to Labor
Prepare a Master Budget; Prepare Supporting/Operating Budgets	Allocate individuals to maximum success organization-wide; Allocate individuals to maximum success unit-wide
Differences between Capital and Expenses; Present Value Analysis of a Capital Expenditure	Invest in training, education, and development for all employees; Understand and Account for the long-term value of employee growth
Different costs for different purposes; Make or buy decisions	Each individual should be in the position which leads to the highest organizational value; Hire, lead, and transform human capital or focus managerial resources, time, and effort elsewhere in the organization
The use of Cost data in decision-making	The collective value of individuals' skill, knowledge, and ability

Business Statistics

Assumption: An organizational culture can be modeled. That model is based on a distribution of one or more types. Sometimes individuals conform (deliberately or inadvertently) to the culture, and sometimes they don't (are unwilling or unable).

Non-Management Learning Outcome…	**Possible Analogy for Management…**

Descriptive Stat, Tables/Charts	An Individual's perceptions and views about an Organization
Hypothesis Test	Explanation of why an Individual fits (or doesn't fit) with an organization's culture
Confidence Interval	Comparison of an individual's fit with the minimum and maximum fits of everyone in the organization
Regression	Prediction of an individual's performance, behavior, beliefs, or intentions
Expected Value	Cultural Norms as Established (implicitly or explicitly) by an Organization
Probability Distributions	The Culture of an Organization
p-value	How well an Individual fits with an Organization (other than randomly)
How variation creates uncertainty	How Creativity creates Differentiation through operational, tactical, or strategic value
Population vs. Sample	All of the Individuals in an Organization vs. One or Two Individuals in an Organization
Types of appropriate statistical analyses	The Breadth and Depth of the Analytical Tools in the Management Toolbox

Business Law

Assumption: Individuals that work in an organization design and live by a variety of policies. Both professionals and managers succeed by understanding and interpreting these policies (some explicit, some less so). Managers are concerned with Performance Opportunities and Challenges in a *Qualitative*—words—Context.

Non-Management Learning Outcome…	**Possible Analogy for Management…**
Contract Offer and Acceptance	
Differences in Types of Liability	
Understand Arbitration	
Product Liability	
Duty to Mitigate Damages Recognize Misrepresentation and Fraud	
Understand the differences between Criminal Liability and Civil Liability	

Differences between Compensatory Damages and Punitive Damages	
Need for Contracts to be in Writing to be Enforceable	

Micro-Economics

Assumption: The Strengths and Limits of Behavioral Decision-making)

Non-Management Learning Outcome…	**Possible Analogy for Management…**
Explain Opportunity Costs; Difference between Accounting Costs and Economic Costs	
Principle of Comparative Advantage and how it leads to specialization and trade	
Various Factors that Shift Supply and Demand; Consequences for the Equilibrium of Price and Quantity	
How Prices affect the allocation of Resources and Coordinate a Decentralize a Market Economy	
Discuss Factors that determine Demand and Supply Elasticity; Affects Tax Policy and Business Decisions	
Be able to explain and calculate average and marginal cost to make production decisions	
Contrast market outcomes under Monopoly and Competition	
Apply Principles of Consumer and Producer Surplus to Explain Efficient Level of Production and Sales in a Market	
Explain Externalities and Public Goods and how they affect the efficiency of market outcomes	
Explain Why Exchange Rates Indicate the Price of International Currencies and How Exchange Rates are determined by supply and demand of currencies in international markets	

Macro-Economics

Assumption: (Strategic Success through Leadership and Productivity)

Non-Management Learning Outcome…	**Possible Analogy for Management…**
GDP; Nominal vs. Real; Price Index	
Capital Investment in determining economic growth	
Importance of Institutions and Property Rights in long-run economic growth	
Interest rates in a market for loanable funds	
Factors that determine unemployment	
Federal Reserve creates money (supply side); Factors that affect demand for money	
Exchange of exchange; Relationship between unemployment and inflation	
Slow price adjustments affect short-run response of the economy to economic shocks	
Explain the strategies of government policies to stabilize the economy; Role of the Federal Reserve	
Merchandise Trade Deficit is offset by Capital Flows and Investment in Debtor Economies	

Upper-Division Core Courses

Finance

Assumption: (Consistent Success in the Marketplace)

Non-Management Learning Outcome…	**Possible Analogy for Management…**
Financial Decisions/Markets/Institutions	
Global Finance	
Risk	

Valuation	
Financial Statement Analysis	
Financial Ratios/Financial Forecasting	
Capital Budgeting	
Corporate Finance/Small-business Finance	
Cost of Capital	
Corporate Control	

Marketing

Assumption: (Quality through Effectiveness as seen by the Customer)

Non-Management Learning Outcome…	**Possible Analogy for Management…**
Creating Customer Relationships and Value	
Successful Marketing Strategies	
Understanding the Marketing Environment	
Understanding Consumer Behavior	
Understanding Organizations as Customers	
Understanding and Reaching Global Consumers and Markets	
Market Research/Marketing Insights	
Market segmentation, targeting, and positioning	
Developing New Products and Services	
Managing Marketing Channels and Supply-Chains	
Retailing and Wholesaling	
Integrated Marketing Communications/Direct Marketing	
Advertising, Sales Promotion, and Public Relations	
Using Social Media to Connect with Consumers	
Personal Selling and Sales Management	
Implementing Interactive and Multi-Channel Marketing	

Operations

Assumption: (Quality through Efficiency in leveraging Capabilities and Resources)

Non-Management Learning Outcome…	**Possible Analogy for Management…**
Competitiveness through Productivity	
Operational Forecasting	
Product and Service Design	
Capacity Planning for Products and Services	
Process Selection and Facilities Layout	
Goal Optimization (e.g., linear programming)	
Location Planning and Analysis	
Management of Quality/Quality Control	
Inventory Management	
Just-in-time/Lean Operations	
Supply Chain Management	
Scheduling/Project Management	