
Analysis of Readings On Management

Courtney S Analysis on Management Theory

There have been many books written and published on management theory in recent years. The Manager's Bookshelf provides reviews and summaries on many of the best-selling books written on management. This analysis cover the following readings: The Fifth Discipline: The Art and Practice of the Learning Organization, by Peter M. Senge, Competitive Advantage: Creating and Sustaining Superior Performance by Michael E. Porter, The One Thing You Need to Know about Great Managing, Great Leading, and Sustained Individual Success by Marcus Buckingham, Big Winners and Big Losers: The 4 Secrets of Long-Term Business Success and Failure by Alfred Marcus, Beyond Teams: Building the Collaborative Organization by Michael Beyerlein, Sue Freedman, Craig McGee, and Linda Moran, The Strategy Paradox: Why Committing to Success Leads to Failure (And What to Do About It) by Michael Porter, Responsible Restructuring: Creative and Profitable Alternatives to Layoffs by Wayne F. Cascio, and Treat People Right! How Organizations and Individuals Can Propel Each Other Into a Virtuous Spiral of Success by Edward Lawler. In this analysis I will highlight the management theories of each reading, apply them to the organizations at which I am employed, compare and contrast two of the selected readings as they apply to my employer and provide an evaluation based on my findings.

Management Theories

A summary of Peter M. Senge's The Fifth Discipline explains the author's seven learning disabilities that are common to organizations. Dorothy Marcic explains that when organizations are learners they are more successful. The learning disabilities identified include failing to see how their job relates to others, displacing the blame on anyone and everything but themselves, projecting the illusion of taking charge, placing too much focus on the short term rather than real and long-term threats, failing to recognize and examine gradual processes, having a misconception that learning from experience is good, and refraining from rewarding employees noticing difficult issues (Pierce & Newstrom, 2011). To be considered learning, organizations must develop a personal mastery or develop personal learning and growth, examine their assumptions and world views, share the vision of working together, aligning the group to function as a team rather not individuals, and most importantly have systems thinking (Pierce & Newstrom, 2011). Systems' thinking is described as understanding the organization in all of its individual parts and making decisions based on the needs of the organization (Pierce & Newstrom, 2011).

In the summary of Michael E. Porter's Competitive Advantage, Sara A. Morris describes how firms create an advantage for themselves by providing more value to their customers than that of their competitors. A firm can keep its cost-based advantage by maintaining "the total costs of all its value chain activities are lower than any competitor's" achieved through controlling its cost drivers, and configuring the value chain to keep costs, such as productions and material, lower (Pierce & Newstrom, 2011). Keeping a competitive advantage through differentiation happens when a firm provides a unique product or service that is valuable to the consumer that they will be willing to pay a premium price to obtain (Pierce & Newstrom, 2011). Maintaining this

requires the customer's needs to remain stable and other competitors not imitating the unique product or service (Pierce & Newstrom, 2011). Porter additionally discusses that using technological advances can make a difference in the value chain and can be a significant driver of competition, if used wisely (Pierce & Newstrom, 2011).

A summary of Marcus Buckingham's *The One Thing You Need to Know* by Kristie J. Loescher examines behaviors that define greatness. In order to achieve management greatness, a company needs to select the right people, define clear behavioral expectations, motivate and shape behavior with praise, and demonstrate care and concern (Pierce & Newstrom, 2011). Buckingham also states that in order to maintain individual success, employees should focus more on growing their strengths, rather than improving their weaknesses. By focusing on strengths, employees are able to enjoy their work and ultimately, perform at a higher level (Pierce & Newstrom, 2011).

In the summary of Alfred A. Marcus' *Big Winners and Big Losers*, Allen Harmon highlights the traits of top performers that organizations should seek to adopt and the traits of non-performers that they should avoid. Winners demonstrate agility, discipline and focus. They achieve agility with flexibility, quick responses, fulfilling needs and diversifying. They demonstrate discipline with reduced cost and increased quality, controlling distribution, and employee involvement. Focus is demonstrated by concentrating on strengths, finding solutions based on customer needs, and globalization (Pierce & Newstrom, 2011). Losers demonstrated rigidity, ineptness, and diffuseness. Rigidity is failing to recognize and respond to customer and market changes. Ineptness is the inability to maintain the position held over new competitors. Diffuseness is the lack of focus (Pierce & Newstrom, 2011).

A summary of Michael M. Byerlein, et al. *Beyond Teams* by David L. Beal discusses how organizations must be flexible and adapt to market changes. They must be able to compete on a national and global scale. Byerlein describes the following ten principles of collaborative work systems needed for organizations to succeed: focus collaboration on achieving results with long-term success, promote ownership, articulate and enforce strict rules, create new ways to get the job done that includes the necessary discipline, make timely and effective complex decisions, create a high standard for discussion, and information sharing, foster personal accountability, grant the authority for effective decision making, treat collaboration as a disciplined process, and design and promote a flexible organization (Pierce & Newstrom, 2011).

The summary of Michael E. Raynor's *The Strategy Paradox* by Allen Harmon states that the strategy paradox, "that the commitments required to achieve breakthrough success make it difficult to adapt when the future turns out differently than expected" (Pierce & Newstrom, 2011). He expands upon many principles including commitment, adaptability and forecasting. (Pierce & Newstrom, 2011). He believes that scenarios are the hallmark of a flexible strategy. Effective and useful scenarios are created by asking the right questions, identifying uncertainty, determining the limits of uncertainty, establishing a final scenario set and finding relative probabilities (Pierce & Newstrom, 2011).

An analysis of Wayne F. Sascio's *Responsible Restructuring* by Stephen Rubinfeld discussed how restructuring "can be constructive and essential when a company is struggling to regain or achieve economic success" (Pierce & Newstrom, 2011). Responsible restructurers see employees as assets and essential to carrying out the "answers to competitiveness challenges" (Pierce & Newstrom, 2011). They turn to broad based layoffs and compensation cuts only as a

last resort (Pierce & Newstrom, 2011). Avoiding the belief that employees are costs to be cut, and empowering employees and employee-centered initiatives is essential to responsible restructuring (Pierce & Newstrom, 2011).

In the final reading, Edward E. Lawler III's *Treat People Right!*, summarized by Danielle DuBois Kerr, Lawler asserts how companies need to have their strategy, their capabilities, core competencies, and environment is essential for treating people right (Pierce & Newstrom, 2011). Lawler defines the seven key principles for doing this as attracting and retaining employees that align with company values, having effective and disciplined hiring practices that effectively assess the company needs, continuous training and development programs, designing work to be satisfying to promote motivation and performance, establish a mission, strategies, and goals that employees support and believe in, implement a rewards system, and having effective leadership (Pierce & Newstrom, 2011).

Application to Employer

In Senge's *The Fifth Discipline*, he states that organizations have to function as a learning organization. To do this they must focus on personal learning and growth and work toward a shared vision. While I believe that we do strive for a shared vision, the administration does not promote learning and growth to individual employees. As licensed and certified healthcare employees, there are required continuing education credits to maintain those qualifications. Matthew 25 does not offer or pay for any of those CE courses. They also do not help with the annual fees to maintain our licensure. While we are a not-for-profit organization, in order to stay a competitive employer, some of these additional benefits would make it a more attractive place to work. Matthew is very careful to hire those who share the vision of helping those in need and tends to recruit and hire employees with the same values. I feel like all of my colleagues are patient oriented and genuinely care about our organization and our mission.

As I reviewed Michael E. Porter's *Competitive Advantage*, I thought about how Matthew 25 fits into this theory. Then I remembered that we have several patients that have turned down better paying jobs in order to stay within our income guidelines. Keep in mind, that Matthew 25 does not get any funding from any government organization, so our patients are not receiving any entitlements by being a patient with us. We are such a unique entity, that many patients will decline more money in order to stay with us for medical and dental care because even with insurance, their medications are not affordable. While not-for-profits usually do not strive to stay competitive, we do provide a unique service to the community that keeps us in the running with other clinics.

In reading *The One Thing You Need to Know*, I am reminded that at Matthew 25 is always striving to find the right people for our organization. Most recently, it had been rumored that our CEO would be retiring later this year. Just last month, he sent out an email stating that he had planned to stay on as CEO with a more limited schedule. He had been involved in the search for his successor, and I truly believe that he had not found anyone to take over the role that could uphold his standards. Since he has assumed the role, we have had a lot of wonderful changes and additions to the clinic that include new flooring, more education classrooms and more programs to help our patients. To undertake this role and continue to improve will be a difficult task for the person chosen.

In *Big Winners and Big Losers*, Marcus the importance of being flexible. Just a couple of years

ago, when the Affordable Care Act was enacted, we saw a decrease in our patient numbers. At that time we only served those living in Allen County. Our board decided that in order to serve more people; we should open up to surrounding counties. We added several of the surrounding counties in Indiana and a few in Ohio. Since that time we have also increased our income guidelines to 200% of the poverty level. Now we can serve more people in need and keep our numbers high enough to stay open.

Comparison and Contrast

In Treat People Right! Lawler describes how companies need to have their strategy, capabilities, core competencies, and environment is essential to treating employees right (Pierce & Newstrom, 2011). Part of this strategy is supporting training and development and designing the work to be satisfying. At Matthew 25, the desire to help those who have no other healthcare options, makes the job we do satisfying. They offer flexibility to us employees and do not penalize us for being tardy or needing to leave early as long as it is not abused. For instance, because they were so flexible, I am able to drop my children off at school each morning without the penalty of being late. Until recently, I was working full time at Matthew and part-time at IPFW. This became so overwhelming to me because I had very little time with my children. I approached my boss at Matthew and he agreed to let me share my workweek with another assistant. I now work two days a week at Matthew and I teach two days a week at IPFW (now called Indiana University Fort Wayne). Because of this flexibility, I have more respect and pride in my work. While Matthew 25 isn't in much of a position to support individual education and development of the employees, IU Fort Wayne definitely picks up the slack for that. Working in healthcare education requires me to keep up on the newest information as it pertains to the courses that I teach. Prior to my employment, I barely got my required 12 CE courses for my certification. This year I'm on track to double that total.

These two points can be compared to some of the samr points discussed in The One Thing You Need to Know where the Buckingham describes focusing on employee's uniqueness and encouraging them to grow their strengths (Pierce & Newstrom, 2011). At Matthew 25 we have three Spanish-speaking employees. Approximately 45% or our patient population is Hispanic. Two of the three have taken a medical interpreter course to be more effective interpreters for our patients. This opportunity was made possible by one of our donors because it was important that we communicate effectively with our patients. Developing these strengths in these employees has not only given them pride in their work, but the satisfaction of helping those in need.

Evaluation of a Healthcare Organization

Throughout these readings, I thought of the many ways that Matthew 25 could improve. First, I feel like employee educational development is imperative. In the healthcare field, every clinician should be up to date on the newest developments in their field, whether it is in dentistry or medicine. Keeping up with new technology and research only makes your employees more knowledgeable and efficient. Annual training on OSHA is required and we have not been compliant with that until recently. If Matthew would provide more employee training or even reimbursement for CE courses, more healthcare professionals would be attracted to the positions available.

Additionally, I think that Matthew 25 provides a unique service to the community. People who

otherwise could not afford healthcare, are now finding what they need at Matthew 25. While our main focus is on serving low-income and uninsured patients, we offer other services to the entire community. Smoking cessation classes are available to anyone in the community that is interested. Pre-diabetes education courses are available to those that are at high risk for developing type 2 diabetes, even if they are not a patient of the clinic. I feel that by providing services to everyone, the community will feel invested in what Matthew 25 provides to our underserved population. This can lead to more volunteers and possible donations for our organization.

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