

Key Terms and Concepts

annual objectives (p. 209)
 avoidance (p. 213)
 benchmarking (p. 224)
 bonus system (p. 226)
 conflict (p. 213)
 confrontation (p. 213)
 culture (p. 228)
 decentralized structure (p. 216)
 defusion (p. 213)
 delaying (p. 224)
 divisional structure by geographic area, product, customer, or process (p. 216)
 downsizing (p. 224)
 educative change strategy (p. 227)
 employee stock ownership plans (ESOP) (p. 232)
 establishing annual objectives (p. 209)
 force change strategy (p. 227)
 functional structure (p. 215)

furloughs (p. 230)
 gain sharing (p. 226)
 glass ceiling (p. 234)
 horizontal consistency of objectives (p. 209)
 just-in-time (JIT) (p. 230)
 matrix structure (p. 220)
 policy (p. 211)
 profit sharing (p. 226)
 rational change strategy (p. 227)
 reengineering (p. 224)
 resistance to change (p. 227)
 resource allocation (p. 213)
 restructuring (p. 224)
 rightsizing (p. 224)
 self-interest change strategy (p. 227)
 Six Sigma (p. 224)
 strategic business unit (SBU) structure (p. 214)
 vertical consistency of objectives (p. 209)

Issues for Review and Discussion

- ★ 7-1. Discuss the glass ceiling in the United States, giving your ideas and suggestions.
- 7-2. Discuss three ways for linking performance and pay to strategies.
- 7-3. List the different types of organizational structure. Diagram what you think is the most complex of these structures and label your chart clearly.
- 7-4. List the advantages and disadvantages of a functional versus a divisional organizational structure.
- 7-5. Discuss recent trends in women and minorities becoming top executives in the United States.
- 7-6. Discuss recent trends in firms downsizing family-friendly programs.
- 7-7. List seven guidelines to follow in developing an organizational chart.
- 7-8. Women comprise only 6 percent of corporate board seats in Asia, compared to 17 percent in Europe and 15 percent in the United States. Why is this a problem globally for (1) companies with a low percent and (2) countries with a low percent?
- 7-9. College football coaches get paid millions, presumably because there is so much money involved in college football the need to win is paramount. However, head coaches are often fired when a season goes badly, such as Gene Chizik at Auburn University in late 2012. Coach Chizik's buyout provision (if fired before his contract ends, which happened) was

- 7-10. *Businessweek* says firms should "base executive same time not be so potentially costly to a university? How could a head coach's compensation package be better structured to encourage winning, and at the same time not be so potentially costly to a university?
- 7-11. What do you especially like and dislike about Halliburton's organizational chart shown in the chapter? What would you change if anything? Why?
- 7-12. List four corporate wellness practices that could be especially effective for a company.
- 7-13. Women now make up 53 percent of the work force in Latin and South America. Do some research to determine how that percentage compares with other parts of the world. What are the implications for a business in doing business globally?
- 7-14. Advertising agencies are an example industry transitioning from specialist Hispanic, African American, and Asian firms to multicultural, generalist agencies. Why is this occurring? What other industries or institutions may follow suit? Why?