

# 101 *Management* Models

English edition

Marijn Mulders



Noordhoff Uitgevers

First Edition



# 101

## Management Models

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# Preface

## **Management Models**

Management models: many students become familiar with them during their studies. However, a model only comes to life if someone works with it. In practice, when students complete a practical assignment, it often turns out that they don't know which model they should apply in a certain situation. The management books they study include models but these are often dispersed over several chapters and consequently more difficult to find and compare.

Furthermore, due to current developments in education and trade and industry it is no longer necessary to learn all the knowledge and its application by heart. It is no longer possible to view everything separately because all the processes and corporate functions within the enterprise are interlinked. To gain more insight into how the activities in an enterprise are mutually related, it is wise to follow the modelling approach. There now seem to be many hundreds of models that can offer support. But not all the models are as relevant and applicable, so it is difficult to select a suitable model from their ever-growing numbers.

This book has been written as a reference work and serves to find one or more models that can be used for the development of a research or advice project. A large number of much tried and tested models and a number of new, promising models have been put together.

## **101 Management Models**

The list of 101 models came about on the basis of:

- Feedback from users of the Dutch edition of this book: according to teachers and professionals, a number of models should absolutely be present.
- The many years experience in the business community with which models have been used and applied.
- An assessment of models that are (as yet) little used but will perhaps become more important in the future.

## **Models and instruments**

A frequently used definition of the concept of 'Models' is a simplified reflection of reality. A model attempts to imitate or describe reality. They make you think. The 101 management models are not all models. Instruments are also included in the book. An instrument is an aid to determining a certain result, investigating a question or implementing a solution, for example.

All the same, model or instrument, the selection in this book gives the user a modelling insight into the problem and offers tools to put the models into practice.

### **Target group**

*101 Management Models* is a concise and accessible reference work for bachelors and masters students who regularly have to apply models in research or advice projects. For them, this book provides an excellent reference work for the rapid selection of the correct model for the development of their assignments. This book is also very practical for entrepreneurs, managers and advisors from trade and industry, to support their decisions and recommendations with the aid of the models.



### **Web site**

With this book there is a supporting web site available for students and teachers: [www.managementmodels-englishedition.noordhoff.nl](http://www.managementmodels-englishedition.noordhoff.nl). This site offers handy tools for the application of the models. Furthermore, the figures of the models can be downloaded as PowerPoint presentations. For teachers, cases and their solutions are available.

Finally, I hope that everyone will use this book with pleasure, not only in their studies but also at work.

Marijn Mulders RI

Haaren, July 2010

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# How do I use 101 Management Models?

## **Structure**

The structure within which the models are described is the same for every model and comprises the following subjects:

### *Name of model*

The title of the model is the name under which it is best known. Other information that is given for each model:

- 1 Author: the name of the person who developed the model, if known.
- 2 Year developed: year in which the model was developed.
- 3 Also known as: the name under which this model is also known.
- 4 Purpose: the intention with which the model was developed.

### *Background*

The background gives the context in which the model can be used and also the background of the model.

### *Application*

In the application it is described how the model is applied in practice.

### *Result*

Under result is indicated what the model ultimately produces.

### *Focus areas*

The focus areas indicate what must be paid attention to in the use of this model. This concerns the limitations of the model.

### *Literature*

This concerns references to sources that give more information about the model. The first reference relates as far as possible to the original book.

## **Indices**

This book was written as a reference work and is used to find one or more models that can be used in the development of a research or advice project. If it is already known which model will be used, you can use the table of contents in alphabetical order to find in which chapter the model is described in. If the name of the model is unknown, you can search via various indices at the back of the book for which model applies to the problem in your question.

The following indices are included at the back of the book:

- by Discipline
- by Objective
- by Research or advice project
- by Author
- by Keyword

These indices are further explained hereafter.

### *Discipline*

This matrix indicates for each model for which area of application the model was originally developed. The following areas of application are used:

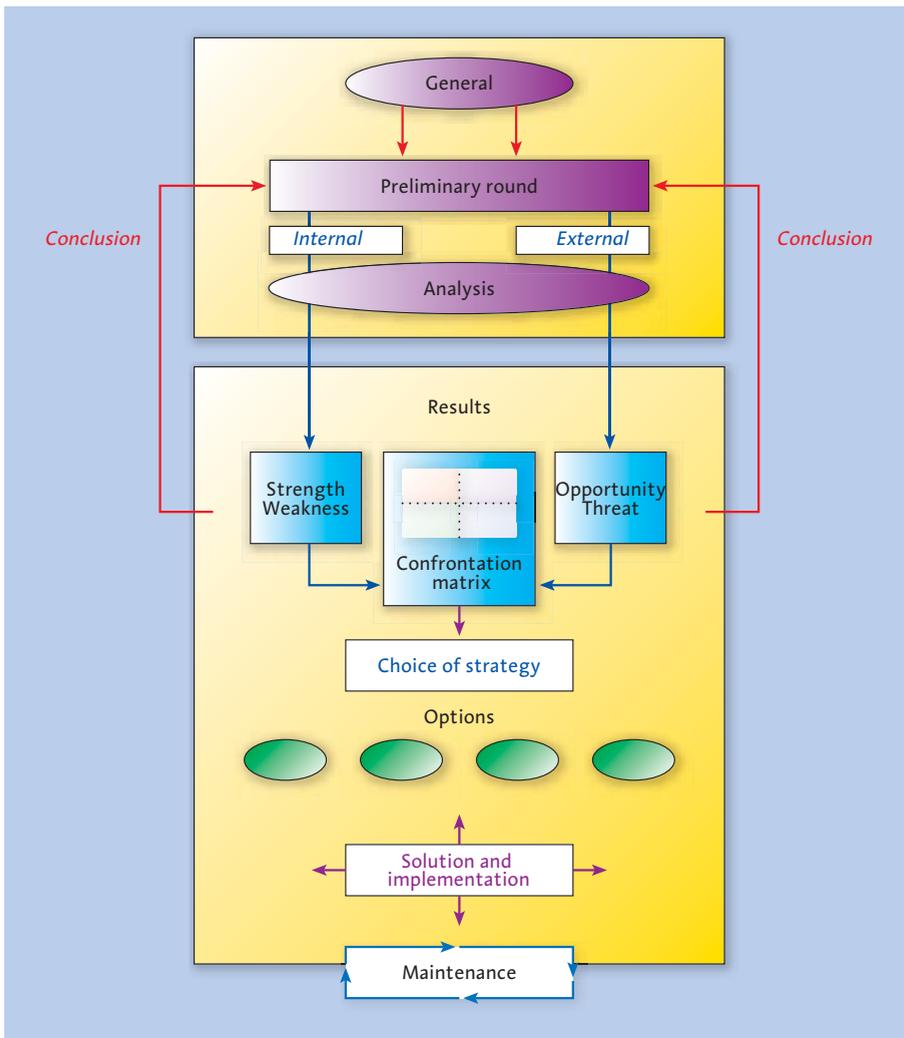
- General management. Models that can be used at different times and places in a research project.
- Strategy. Models applicable to the strategy of the enterprise with a planning horizon from three to five years.
- Marketing. Models applicable to the marketing aspects of the enterprise with a planning horizon from one to five years.
- Sales. Models for account and sales management.
- Purchasing. Models that can be used in purchasing.
- Project & Planning. Models that can be used for project execution and project planning.
- Production. The realisation of the products of the enterprise.
- Quality. Concerning integrated quality assurance.
- Logistics & Distribution. Models for logistics and distribution.
- Information management. Models that can be used in the (computerised) information processing of the enterprise.
- Financial. Models concerned with the flow of money in an enterprise.
- HRM & HTM. Human Resource Management and Human Talent Management. Models used for personnel matters.
- Internationalisation. Models that can be used in the international activities of the enterprise.

### *Objective*

This index gives direction to the purpose for which the model can be used.

### *Research or advice project*

Education and trade and industry are coming increasingly closer to each other and students and entrepreneurs increasingly carry out projects together. Consequently, more and more attention is paid to the manner in which these projects are carried out. A model for structuring such a project is given hereafter.



### 1 General

Projects that can be applied prior to or as the result of a research or advice project

### 2 Preliminary study

During the preliminary study, a question is formulated to define and give direction to the whole of the research. The question is composed of three parts:

- Background: the background reflects the events that led to the setting up of this research. What led to the current situation and symptoms?
- Problem determination: the problem determination always begins with a question. For example: how can we increase turnover? When can a new product be introduced to the market? The problem determination guides your thoughts for the third step, the terms of reference.

- Terms of reference: the terms of reference always begin with a verb. For example: write a business plan that leads to increasing the turnover by 25% within three years. The terms of reference must be formulated according to SMART.

### 3 *Analysis: external research*

External research is performed before internal research. If the market has no need for the solution the enterprise has to offer, it makes no sense to carry out internal research. The external research provides an answer to the question of the market possibilities for the enterprise to achieve the declared mission. The results of the external research are formulated within the opportunities and threats for the enterprise.

### 4 *Analysis: internal research*

The internal research within the enterprise comprises an analysis of different components to establish whether the enterprise is actually capable of carrying out the mission formulated in the question. The results of the internal analysis are expressed in the strengths and weaknesses of the enterprise.

### 5 *Choice of strategy*

On the basis of the internal and external research, an analysis can take place and an interpretation of the findings to establish the further strategy of the enterprise.

### 6 *Solution and implementation*

After the correct strategy has been determined, it will have to be further developed into a concrete solution that can subsequently be implemented.

### 7 *Maintenance*

After the implementation of the chosen solution, aftercare and monitoring must take place to establish whether the activities have also actually led to the desired results. If this is not the case, changes will have to be made.

### *Name of author*

In this index, users will find the models ordered by the name of the author of the model, if known.

### *Keyword*

In this index, users will find the models ordered according to the names they are commonly known by.

### **Glossaries**

At the back of the book, two glossaries are available; one from Dutch to English and a glossary from English to Dutch. This supports the use of the book in both Dutch and English classes.

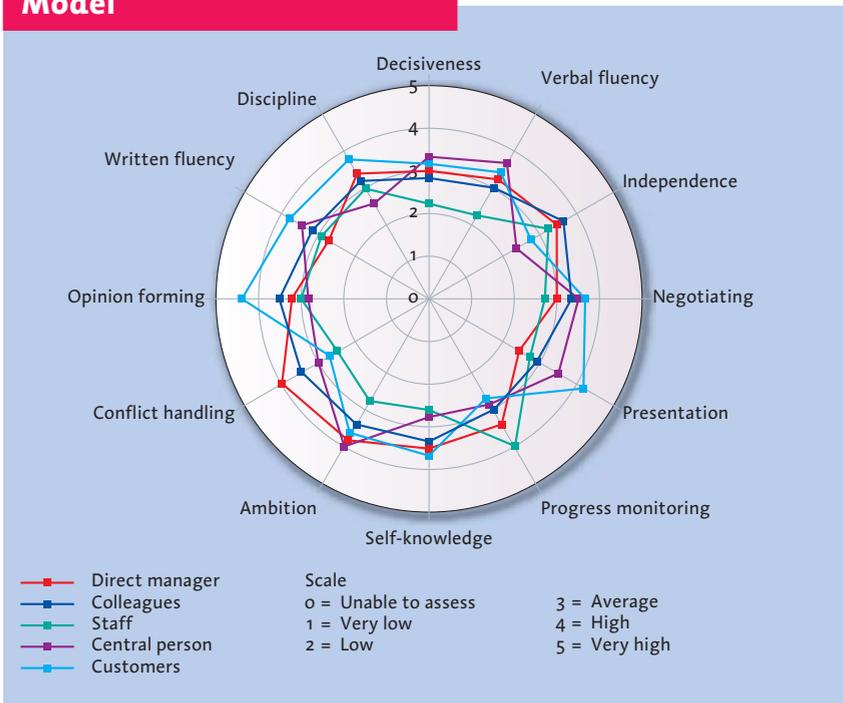


# 1

## 360° feedback

Author	P. Ward
Year developed	1985
Also known as	Multi Rater Feedback
Objective	Awakening process to arrive at own development

### Model



### Background

The purpose of 360° feedback is learning and development. If used properly, 360° feedback is an excellent aid for providing people with information about what kind of conduct is seen as strong and which behaviours should be changed.

General management

Strategy

Marketing

Sales

Purchasing

Project & Planning

Production

Quality

Logistics & Distribution

Information

Financial

HRM & HTM

Internationalisation

The 360° feedback process has the purpose of collecting perceptions of the behaviour of the employee and the consequences of such behaviour for managers, business contacts, colleagues, members of the project team, internal and external customers and suppliers. It is a method of assessing the functioning of employees by allowing a number of people in their direct environment to give feedback. These can be direct colleagues, subordinates and managers, but also customers, suppliers or family members. Next to the fact that others make an assessment, the person in question fills in his own score. In this way, a complete picture of the employees in question is obtained.

## Application

360° feedback can be used to:

- develop employees
- make competences measurable
- improve customer orientation
- measure the effects of education/training
- obtain information for career development

360° feedback can be accomplished in a number of steps:

- 1 First, the management should stand by the instrument and the staff must be convinced that the instrument will only be used for their own development.
- 2 The second step is establishing the competences and their classification into the different roles within the enterprise. Everyone who participates in this 360° feedback will be assessed according to these competences. This should be absolutely clear.
- 3 The third step is to establish for each employee for what purpose the 360° feedback will be used. Is it for the development of the employees in general, is it to follow specific competences in their development or is it an aid to career development?
- 4 The fourth step is indicating the process steps used in the 360° feedback. The staff want to know where they stand and also have a right to this.
- 5 The fifth step is the actual performance of the assessments. The staff allow others to fill in their feedback within an established period. After the closing date, the results are shown to the staff and discussed individually.
- 6 The last step, depending on the purpose of the 360° feedback, is the repetition of the research within a certain period of time, to establish the development of the employees.

### Multi-rating

Multi-rating (assessment by more than one person) has a greater degree of acceptance than assessment by a single rating (assessment by one person). The fact that the assessment is performed by several people and not just by the manager gives a better chance of acceptance.

### Self-assessment

Besides the fact that several people participate in the assessment, the people in question will have to assess themselves.

Due to this, people are able to compare the picture they have of their own functioning against the opinions of others. Statistical research shows that people almost always assess themselves more positively than the assessors. This is because people like to draw a positive picture of themselves and tend to adjust their self-image to the wishes of the people in their environment. Here, it is true that the difference between self-assessment and the assessment of others is smaller with successful people than with people who are less successful. This means that self-assessment is characterised as hardly successful.

### Digital

360° feedback can be excellently performed digitally because there are nowadays sufficient electronic aids available.

## Result

The result of 360° feedback is insight into the functioning of employees in their current work situation. This information can then be used by employees, in consultation with the manager, to set up a personal development plan (PDP) and develop themselves in this manner.

## Focus areas

The instrument is not suitable to completely replace assessment, since a corrective element is lacking. It must all the same be avoided that a relationship arises between the 360° feedback and the payment structure. The results depend on how long a person has worked in a certain position. In the event of a short period working in a position there is a risk that the model is filled in as the pattern of expectation that others have of the role. This does not always agree with the actual functioning. The objectivity of 360° feedback is highly dependent on those who fill in the assessments. Allowing only friendly colleagues to fill in the assessment gives a one-sided view.

## Literature

- <http://www.custominsight.com/360-degree-feedback/>
- <http://www.hr-survey.com/360Feedback.htm>
- <http://www.360degreefeedbackbestpractice.co.uk/>