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An Introduction to Management Studies

Based on the
St.Gallen Management Model



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Preface

Managing as a task and activity, *management* as an institution, and *managers* as actors are truly fascinating. Management carries both positive connotations — with design, responsibility, competition, and success — and negative ones — with mismanagement, excessive management salaries, or a lack of managerial responsibility.

Various developments shape today's management:

- Professional management is gaining ground: not only in private-sector companies, but also in public administration, churches, and nongovernmental organizations. Managers are either undergoing further training or are being recruited from outside.
- The debate over management long focused on whether it is a science, a profession, or even an art for which people have a talent or not. Today, with the aforementioned development, management seems to be becoming more and more a profession in its own right, characterized by all the features of a professional community, such as its own language, habitus, values, and standards.
- Correspondingly, managers seem to be changing sectors a lot more than previously. In this context, the sector or industry seems to be losing importance as a reference point.
- Management is becoming ever more demanding given the increasing complexity of the global economy, trends in society, and the demands of the natural environment, technological change, and the associated increase in regulation. Today's world is now often referred to as a "VUCA world," characterized by volatility, uncertainty, complexity, and ambiguity.
- The call for integrative management is thus becoming louder. This integration is required with regard to various dimensions and tensions: from the concerns of different stakeholders to both the different functions in companies and the different time horizons of organizational development.

- With management becoming increasingly important in all areas of the economy and society, and given the increasing need for integration, managers must meet ever greater requirements in terms of responsibility and sustainability. Accordingly, the vision of the University of St. Gallen, which has one of the largest management faculties in the German-speaking world, is: *As a leading business university, we set global standards in research and teaching by promoting integrative thinking, responsible action, as well as an entrepreneurial and innovative spirit in business and society.*

For these reasons, this book does not provide an introduction to business studies, which mainly rests on functional principles. Rather, this book provides an introduction to management, which addresses the specific challenges, fields of tension, and tasks of an integrative management approach. The book builds on the tradition of the St. Gallen management models, which have provided several generations of students with an intellectual map for classifying and addressing management challenges.

This book is a required reading for all first-semester students attending the assessment year at the University of St. Gallen. It thus complements the textbook *Marketing Concept: The St. Gallen Management Approach*, which explores (1) value creation as an objective and as a field of managerial activity and (2) how to design the value chain. The book at hand highlights the management and support processes that every organization needs in an appropriate form. It also embeds management in the organizational environment and its societal demands.

This book emerged from teamwork pursued online during the COVID-19 pandemic. Our goal was to supplement online lectures with a self-study book. Since this is an introductory textbook, it presents topics in simplified form for the sake of didactic clarity. Only the most essential references are provided. The book is available in German and English (the latter version is primarily a translation of the German text).

We have divided this book into six chapters, each corresponding to six lecture modules dealing with two main topics:

1. Integrative Management and Management Models
2. Decisions and Communication
3. Strategy and Development Modes
4. Structure and Culture
5. Leadership and Governance
6. Environment and Interaction Issues

Every chapter contains a short case study with introductory questions. The case studies are all linked to the University of St. Gallen: The companies discussed were either founded or are managed by HSG alumni. Each of these companies faces challenges, and experiences ups and downs. The case studies are short and thus do not illumine all facets of these companies. Instead, they provide illustrative material as a basis for discussing specific aspects.

Its concise format, practical examples, and topical references also make the book suitable as a “refresher course” for managers or as an introduction for career changers entering management.

The team of authors wishes to thank the over 20 lecturers teaching business studies in the University of St. Gallen’s Assessment Year. We are grateful for their important input. We also thank the pioneers among the HSG faculty — Prof. Dr. Johannes Rüegg-Stürm and Prof. Dr. Kuno Schedler — who used to oversee the lecture series and who have made an essential contribution as well as provided inspiration. Many thanks to Margareta Brugger and Greta Gillet for editing the manuscript, to Barbara Bieger and Jay Binneweg for their attentive proofreading, and to Mark Kyburz for carefully editing the English version.

Bieger, Heer, Kuster, Tuckermann
St. Gallen, July 2021

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