

Development Practice for Managerial Insights from Parables in Daily Life Situations

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ABSTRACT

This paper describes couple of the daily life situations to explain the managerial cases and their insights to deliver proper recommendations. Finding certain insights by observing something typical is one of most important ability for being a critical thinker. It is also one of important skills for a management majored student who wants to be a true leader. Real life situations are the parables that help common people for better understanding for better managerial decisions. This paper demonstrates the guideline how the idea from a daily life situation could be adopted into solving real managerial issues. The management cases in the paper are based on the real companies which make this paper more tractable and instructors could use this material of a case discussion session for their class.

Key words – Managerial cases; decision making; daily life situations; parables; management insight;

1. INTRODUCTION

Managers are frequently tasked with making the decision in the various managerial situations and they should have the insights to make the better decisions based on their experiences. These experiences do not have to come directly from managerial cases and any experience from daily life situations could be useful to make better decisions in business or management problems. A typical daily life situation occasionally gives the inspiration to change the world and it is used as materials to explain complicated contexts into simple ways. The paper shows how the typical daily life situation could be adopted into the real managerial cases and gives the recommendation for proper strategic decision.

2. DAILY LIFE SITUATION: ELEVATOR

Every elevator has weight limits for safety reasons. Let us assume people are in the queue for waiting an elevator and they are getting it one by one. Once the bell rings because of over capacity, most people think it is the fault of the lastly entered person who leads the limit. But it is not only his or her fault because the total weight of people reaches the limit by all people who are in the elevator, not by one person who enters lastly or who has heaviest weight.



[Figure 1. Queue before an Elevator]

3. RELATED MANAGERIAL CASES

3.1 Management Case 1

In 2011, Hewlett-Packard discontinued its TouchPad tablet and WebOS business to focus its efforts on enterprise systems. In 2013, Microsoft announced its intent to acquire the mobile hardware division of Nokia in a deal worth more than 5 billion euros including the patents. In 2016, Marissa Mayer, Yahoo CEO, decided to sell the core business of Yahoo after 4 years of her joining. Once big firms are failing, many people (so called analysts or consultants) bring up the reasons why the companies fail their business. In case of the above examples, the analysts have brought ten failing reasons for HP (Reisinger, 2011), five reasons for Nokia (Chang, 2012) and seven reasons for failing leadership in Yahoo (Wagner, 2016).

3.2 Management Case 2

Many best-seller books for self-help claim that some (seven or eight) critical points could make people to be successful (John, 2010) or highly effective (Covey, 1989). Tesla Motor also debuted in 2008 by launching the first full electronic sport car Tesla Roadster and the Model S which was an electric luxury sedan in 2012. The company becomes one of most attractive high-tech companies in the world and, again, analysts are bring up some reasons (less than 10) why the company is succeed (Ciaccia, 2014). In 2012, K-pop song, Gangnam Style, became a global hit and many analysts brought the several reasons what it was succeed (Hollis, 2012; TheDrum, 2012; Socialmaximizer, 2012).

4. MANAGERIAL INSIGHTS AND RECOMMENDATIONS

4.1. Managerial Insights

As you might know, the first case is about failing stories and the second case is about the success stories. Ironically, the insights from the elevator situation could be applied into both management cases in the same approach. When a big company fails or a small company becomes a big company, many people want to know the reasons why it happens. Many analysts believe that some critical reasons make a company fail and most people believes same way. Practically speaking, it is not true. Of course, some reasons might be more vital than others but these critical reasons are just like the person who enter lastly or the person who is heaviest. You might point out who is the last person to enter or find who is heaviest in the elevator. But it is not worthy to solve the problem. This idea is seemly applicable for success stories. If your company knows the seven reasons what Tesla become successful (Ciaccia, 2014), you would not be successful like Tesla by completing only seven reasons. The failure (or success) factors are more complicated than just couple of reasons but most people want to hear only highlights, just like picking the last person to leave in the elevator.

4.2 Recommendations

If you are running the business and want to adopt the reasons for success of other companies (or void the reasons for failure), these types of analysis reports from consultants might not be worthy because the success of companies would not be happened just couple of reasons. Bring up the couple of reasons for success (or failure) does not make your company succeed (or fail).

5. CONCLUSION

Finding certain insights by observing something typical is one of most important ability for being an innovator, a leader, a manager and an entrepreneur. This paper provides the guidelines how to be a critical thinker from daily life situations. It could be also useful for management major students to practice for building the critical thinking skills. The recommendations in the section are really practical even though the companies have not applied. But the management case has been well observed and delivering the practical insights.

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