

# Foundations of Family Resource Management

SIXTH EDITION

ELIZABETH B. GOLDSMITH



## Foundations of Family Resource Management

*Foundations of Family Resource Management* uses the lenses of consumer science, management, and economics, and beyond to help students make intelligent decisions about resources, time, and energies at the individual and family level. It has a strong interdisciplinary, global, and multicultural focus.

This sixth edition brings in new material on millennials, delayed marriage, household composition, neuroscience, behavioral economics, sustainable consumption, technology, and handling crises. It has been updated in line with the latest census data and academic literature.

The text contains lots of features to support student learning, including chapter summaries, “Did You Know?” questions, glossary of key terms, examples and cases, critical thinking activities, and review questions for discussion and reflection. Lecture slides and an instructor manual are available as digital supplements.

This textbook meets the standards and criteria for the Certified Family Life Educator (CFLE) designation of the National Council on Family Relations (NCFR) and will be suitable for resource management courses in family and consumer science, human ecology, and human environmental science programs.

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# Preface

The world is constantly changing and with it the way we live and find meaning. It is with this in mind that *Foundations of Family Resource Management, Sixth Edition* is launched building on the previous five editions under the title *Resource Management for Individuals and Families* and my graduate education at Michigan State University. Moreover, I served as a policy advisor to the White House and as a professor at Florida State University where I am Professor Emerita, and at Virginia Tech University, the University of Alabama, the University of Wyoming, and New Mexico State University.

The sixth edition brings in new material on work from home (WFH), Gen Z, millennials, delayed marriage and childbirth, household composition, behavioral economics, sustainability, technology, and handling crises. It has been updated in line with the latest census data and academic literature and topics such as economic insecurity and mindfulness. This definitive textbook introduces students to management principles and models about time including original material on time bursts, relationships, decision making, personal and family finance, planning, and responsibilities.

Combining systems theory and practice, students are introduced to the fundamentals of family resource management and how to function better and to get organized. The future is also addressed.

Many chapters contain Suggested Activities with ideas for class or group discussion or individual reflection.

Highlights in this edition include:

- Chapter one adds neuroscience to the list of interdisciplinary influences on the study of resource management and cites it throughout the book, such as in the Chapter 5 section entitled “The Brain and Steps in Decision Making.”
- Network Theory.
- The Model of Social Influence original to the author.
- New Critical Thinking Projects and Case Studies such as one on Dr. Jane Goodall, a famous scientist and conservationist, to encourage students to develop their critical thinking skills and to examine unique ways of living and contributing.
- New terms too numerous to list here, in the work world reskilling, entrepreneurship, and the gig economy.

- Expanded coverage on artificial intelligence and well-being.
- A companion website with powerpoints and presentation materials for each chapter.

This textbook is suitable for students studying family resource management—what works, what doesn't, and how individuals and families are changing. The road is often rocky; achieving the right work and personal balance is complex. Recent events have made this truer than ever before as homes and lifestyles are being redefined.

# Acknowledgments

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Many thanks to my students and colleagues around the world, the National Council on Family Relations (NCFR), Voice of America (VOA), and to the J. William Fulbright Scholarship Board (CIES) and the Bureau of Educational and Cultural Affairs of the U.S. Department of State, the University of the West Indies, the University of Malta, my academic home, Florida State University (FSU), and to my family for their love and support.



# Chapter 1

## Management Today

### MAIN TOPICS

What Is Family Resource Management?

Introduction to Family, Lifestyle, and Household Trends Management as a Process

Successful Plans: Putting Management into Action Why Manage?

Who Manages?

Influences on Management Styles Based on Interdisciplinary Foundation

Life Management for Individuals and Families

Managing the Second Half of Life

Singles, Households, Nonfamily Households, and Families Changes in Family, Lifestyles, and Household

Composition

What Lies Ahead?

### DID YOU KNOW THAT...?

... By 2050, the world's population is estimated to be 9.3 billion.

... More than half of U.S. households are headed by someone 50 years of age or over.

... The median age at first marriage in the United States is 30.5 for men and 28.1 for women up from ages 23.7 and 20.5, respectively, in 1947. Current median ages are higher in Nordic countries and Western Europe. Lower in India especially in rural areas.

... In the United States, in 2020, 58 percent of adults aged 18 to 24 lived in parental homes up from 55 percent in 2019.

## What Is Family Resource Management?

**Resource management** is the process of planning, scheduling, and allocating resources to maximize satisfaction, well-being, and efficiency. It can be applied to many realms of life with the emphasis in this book on individuals, families, and households.

In this digital age, life is propelling us forward in paths we would never have imagined. Nearly everyone is involved in building careers, updating their homes and healthy practices, and changing lives, theirs and others. This book honors that effort which may require **grit**—the combination of passion and perseverance extolled in a book by Angela Duckworth who studied West Point cadets—those who succeeded and those who dropped out. She next studied the rejection-filled career field of sales which challenges people in a different way but nonetheless requires strength and fortitude. Grit requires **futuristic thinking skills**—the ability to predict future events and trends that will affect you. One must be energized by change—creative and adaptable.

Juggling personal life, family, technology, and work is critical to understanding contemporary management. To explain further, the study of resource management is about how individuals and families decide, plan, and act to progress, fulfill their needs, and accomplish goals in an increasingly complex, technological society. The word “management,” whether applied to business or the family, implies working together. Management fulfills this task in a family by enabling families to engage in collective decision-making and by providing a framework that supports and maximizes the benefits to family members. The National Council on Family Relations (NCFR) sums it up this way:

Family resource management is an understanding of the decisions individuals and families make about developing and allocating resources including time, money, material assets, energy, friends, neighbors, and space, to meet their goals.

Individual and family resource management raises a lot of questions about how life is managed, such as: How can I find a fulfilling career?

Where should I live?

Should I go to graduate school? What should I be doing with my life? How can I succeed?

Where do I fit in?

In using technology, am I sacrificing privacy for more convenience?

Surely you would have asked yourself at least some of these questions. This book is about time management, thinking and planning, and making decisions and choices as an individual and as a member of a family or group. Much of our planning is a sorting-out process, which leads to automatic actions like removing spam from email or more complicated life decisions such as choosing where to live, whom to marry, and if and when to have children. When you choose, you are accountable for the resources used and the paths selected such as applying to a school or for an award. Your time and what you choose to do with it are gold.

**Resiliency** (defined as the ability to adapt) is needed to meet individual and family goals. All individuals and families encounter difficult and complex issues. A case in point is the worldwide pandemic that individuals, families, governments, health organizations, and employers faced in 2020 and 2021, and beyond (Gates, 2020). Issues surrounded solving the pandemic, administering vaccines, and keeping Covid-19 from happening again—the second has long-term consequences for everyone including managers and leaders. Risk is inherent in how people dealt with the pandemic and with the privacy, security, and surveillance example in the critical thinking box. Risk can be a good thing (propelling us forward such as space travel) but risks must be weighed.

## CRITICAL THINKING

### Privacy, Security, and Surveillance

In recent years, societies are moving toward a state of constant surveillance with motion detectors in homes, cameras in homes, schools, businesses, and on streets, Google Homes and Amazon Echoes—we as humans allow them to listen in and/or film our daily lives. Household technology has changed with hundreds of millions of smart-home devices in more than 40 million U.S. homes and that number is expected to double in 2021 (Source: Amazon.com founder Jeffrey P. Bezos who owns *The Washington Post*). Questions arise as to the wisdom of collecting this information and the amount needed. When will it crest or morph into different forms?

**Choice** is the act of selecting among alternatives. For example, according to the polling company Nielsen, “Younger generations are growing up with more choices at their fingertips” (Levin, 2018, p. D1). This includes changes in television viewing habits. Peter Katsingris, senior vice president of audience insights at Nielsen, says younger generations “‘don’t know that you had to watch at 3 o’clock on a Wednesday if you wanted to see a show.’ For them, dependency on a network schedule is ‘like looking at a typewriter.’” A broad definition of television viewing includes streaming through any device connected to a TV. Of course, websites and mobile apps open this definition further.

Mindsets are changing, time use is changing, and there is a renewed emphasis on healthy and affordable lifestyles. When we choose, we rely on what we have or what we can most easily access. For example, there is no sense in searching for a \$300-a-month apartment or an entry-level job that pays \$120,000 a year, because they don’t exist.

Risk, as mentioned earlier, is a factor in the choice. **Risk** is the possibility or perception of harm, suffering, danger, or loss. Let’s say a new housing development is being built in your town. The roads haven’t even been put in yet, but people buy lots at a certain price based strictly on maps they are shown and their knowledge of the area, developer, and potential services. They are taking a huge risk. The purchase contract may include a time factor: Perhaps the lots will have to be built on within three years or sold back to the developer at the original purchase price, thus limiting the time in which the purchaser’s investment can increase. The development may or may not grow in three years and as we have seen in recent years, the real estate market could be in turmoil. Buying an existing house at a low price rather than building a new one in a proposed development may stretch money further.

A basic principle in management is that *where there is risk, there is opportunity*. In the aforementioned housing development example, it is possible that it could be a good opportunity given location and other factors. Some people are more risk-averse (or the flip side, risk attracted) than others, so another factor in

management is your personality. Decisions are not made in a vacuum; environment and time play roles, too. For example, physical stores are part of our environment and store layouts affect how quickly people can shop and how enjoyable they find the experience (Skogster et al., 2008). Have you ever been in a confusing store where nothing seemed to be in its logical place? With online stores, shoppers have little patience with ill-designed websites.

People's lives can also seem in confusion, lacking logic or organization. As Syd McGee, interior design company co-owner, noted "I grew up the youngest of six kids. My family lived with a certain level of constant chaos" (2020, p 15). Can you relate to his statement?

## CASE STUDY

### So Much to Choose From

In 2019, Coca-Cola introduced Orange-Vanilla Coke, its first new flavor in more than a decade. There is no question that this flavor was selected after extensive data analysis. "We wanted to bring back positive memories of carefree summer days," Coca-Cola brand director Kate Carpenter said on the company's blog. "That's why we leaned into the orange-vanilla flavor combination – which is reminiscent of the creamy orange popsicles we grew up loving, but in a classically Coke way." (Ziati, 2019). This introduction of a new flavor came at a time when many people are questioning the role of soda in a healthy diet and when municipalities around the country were passing so-called soda taxes. According to consulting company Beverage Marketing, Americans buy more bottled water than carbonated beverages (Meyer, 2019). Because beverage preferences are changing so rapidly, companies like Starbucks offer temporary flavors such as Cherry Mocha around Valentine's Day (February 14th) and in November and December offer a special holiday red and green cup. Each year the design changes.

Through our choices, we define our lives and influence other people's lives and the world in which we live. "Our most meaningful and significant thoughts, feelings, and behaviors in our everyday lives occur in relation to the things we value and strive for, and much of our action is in the service of the attainment of valued goals" (Grant & Gelety, 2009, p. 78). No decision is made in total isolation; we are constantly being influenced and influencing others. According to Stephen Covey, author of *The Seven Habits of Highly Effective People*, "Our basic nature is to act, and not be acted upon. As well as enabling us to choose our response to particular circumstances, this empowers us to create circumstances" (1989, p. 75). A modern example is the Marie Kondo movement based on her book *The Life-Changing Magic of Tidying Up* (2011 in Japan, 2014 in the United States) which swept the world with its message of organization and reducing clutter, known as the Kon Mari method. On Netflix, Marie Kondo spread her message that your household items and clothes (including folding and storage techniques) should spark joy. Her emphasis is on minimalism.

The study of management explores how human beings react to change and how they cause change to happen. It has been said that the only thing humans can rely on is that things will change. Family life and household functioning, for example, have undergone enormous changes in the last 50 years. More women are working outside the home than ever before and are more highly educated. Fifty-three percent of the new Ph.D.s in the United States are granted to women (*USA Today*, November, 11, 2018, D1).

Here is an example of massive choice from Japan: Beverage makers there, trying to keep pace with Japan's fad-driven culture, launch more than a thousand new drinks each year, many claiming to boost energy or provide other health benefits (Terhune & Kahn, 2003). Vending machines provide easy access to the many beverages, but does anyone really need a thousand more beverage choices a year? How are decisions made in this frenzied atmosphere? One explanation is as follows:

Riho Yamanaka, a 29-year-old Tokyo hotel manager, consumes up to four drinks a day and says she switches brands all the time. "When the new drinks come out, I probably try them at least once or so," says Ms. Yamanaka. "But I don't go for one particular brand" (Terhune & Kahn, 2003, p. B4).

### Introduction to Family, Lifestyle, and Household Trends

The United States is growing older, more suburban, more diverse, with more multi-generations living under one roof, with more single-headed households, and with more Hispanics and Asians. As an example of the aging population, the 85-plus population nearly doubled from 1990 to today. Another example was in the chapter's Did You Know That ...? According to the Joint Center for Housing Studies of Harvard University, more than half of U.S. households are now headed by someone 50 or over (2018). The number of Hispanics surpassed the number of blacks in 2003. Once driven by immigration, the Hispanic growth is more fueled now by births. This group has increased to 43 percent since 2000. The majority of blacks live in the south and the trend is upward as many return south in retirement, and as young professionals, they seek jobs in the urban centers of the south. A growing number of Americans are claiming to be more than one race. Census.gov provides further information on these trends and others are to be discussed in this chapter. For example, on their website, they have a report that said, "as we gear up for the 2020 Census, the U.S. Census Bureau recognizes the unique challenges associated with conducting the census as accurately as possible in American Indian and Alaska Native areas." One challenge to getting an accurate count is the presence of remote villages and communities and because of seasonal movements for fishing and hunting or for warm-weather jobs. As of the writing of this chapter, the 2020 Census collection was done (99.98 percent of all housing units and addresses nationwide were accounted for) and analyses were underway.

A household consists of all the people who occupy a housing unit (a house, apartment, group of rooms or a single room is considered a housing unit if occupied) according to the U.S. Census Bureau. The trend is



Multigeneration family gathering.

toward a higher number of households in the United States from 1960 to now. Particularly relevant to the study of family resource management is that less than 25 percent of households have a mother, a father, and children living at home, yet the nation's housing stock is geared to this family constellation. The percentage of U.S. babies born outside of marriage continues to rise, according to government statistics. The age at first marriage also continues to rise, as noted in the "Did You Know That" statements introducing the chapter: the median age in the United States for first marriage is 30.5 for men and 28.1 for women.

The biggest change over five decades has been the decline in married households, down to 44 percent, and the rise of the householder living alone (20 percent) or with a partner (8 percent). There are 122.8 million (and the number is growing) households, with most classified as family households (see Table 1.1). There

**Table 1.1** Example of U.S. Household Growth

	Family Households	Nonfamily Households	Total Number
1990	64.5 million	27.4 million	91.9 million
2000	71.8 million	33.7 million	105.5 million
2010	79.95 million	33.46 million	113.4 million
2020	83.67 million	44.77 million	128.4 million

Source: U.S. Census Bureau (census.gov) Since a new census is taken every ten years the next one to be collected and reported is in 2030, for that data and the information gathering leading up to it go to the U.S. Census Bureau. In between the ten-year reports data are collected, for example, a 2017 study showed the number of married couples increased but this may be just a reflection of growth in the U.S. population.

## CASE STUDY

### The New Royals

Of course, the lives of royals are atypical but the May 19, 2018, marriage of Britain's Prince Harry and Meghan Markle, a divorced mixed-race American actress received international attention. She became the Duchess of Sussex upon her marriage to Prince Harry. Royal followers know that decades earlier the marriage of the Prince of Monaco to American actress Grace Kelly also received a lot of press and good wishes. These are highly public families and thus a subject we can all share and observe. As this book went to press, Harry and Meghan were living in California with their son, Archie, and daughter Lili.

To discuss further, Prince Harry's older brother William did things differently than his father by picking someone older, Kate Middleton (though only six months), who went to the same university, and whom he dated for a long time. Kate is not of royal blood and was not brought up around royals. Her parents own a party store business and her mother used to be a flight attendant. She may become the first English queen with a university degree. Some say the marriage of William and Kate is more a marriage of equals, and the couple represents changes in marriages overall. In the Western world, brides and grooms tend to be older and more similar in socioeconomic and educational levels than 25 or 50 years ago.

are fewer people per household and part of this increase is due to an aging population besides the postponing of marriage for reasons such as money and attaining further education. Divorce levels are leveling off, with more couples likely to reach their ten-year wedding anniversary. Divorce rates peaked in the United States in the 1980s. According to the 2020 Census, more couples are cohabitating.

More important than memorizing the percentages and the numbers is to reflect on what it all means. How are people living and managing their lives, not just in North America but around the world? Accelerated changes in families and households are happening in Asia, Australia, South America, Europe, and Africa.

Analyses take place for many years after the data are collected. The goal of the Census is to count everyone once, only once, and in the right place.

## Happiness

Given the changes already made in—and still to come to—marriages, sustainability, the Internet, biology, medicine, social values, demographics, the environment, and international relations, what kind of world is emerging? *Will people be happier and healthier in the future?*

**Happiness** is not so easily defined, but most would agree that it is the degree of happiness with which one judges the overall quality of his or her life as favorable. In the United Kingdom, the Office for National Statistics said that societal and personal well-being is beyond what is produced. Using different scales and measures such as the Community Life Survey they found average ratings of life satisfaction and happiness are at their highest levels.

France's president suggested that France's gross domestic product measure include subjective aspects such as happiness levels.

A key question in the regularly conducted General Social Surveys (GSS) of the United States is:

Taken all together, how would you say things are these days—would you say that you are very happy, pretty happy, or not too happy?

### CRITICAL THINKING

#### Does Happiness Equal Progress?

Read the following and comment if you agree or disagree.

*I was reading that the number one secret to happiness isn't fame, money, or freedom. It's progress. Progress=happiness. Happiness comes from setting a goal, and moving towards it, step by step. People with fitness goals succeed because they know where they're going. We should all strive for progress, not perfection. Some quit because they feel progress is too slow, never really grasping the fact that slow progress is still progress! Be proud of every step you take toward your goal.*

(Source: Matt Moinar, September 29, 2020, Focus on progress and laugh along the way. *Tallahassee Democrat*, p. 2C.)



How would you answer that question? When Americans answer this question, the top choice is “pretty happy,” followed by “very happy,” and then “not too happy.” Psychologists draw a distinction between overall happiness and well-being as this question measures reactions to specific events or single areas of life such as an individual’s financial life (Blanchflower & Oswald, 2004). Daniel Gilbert, the author of *Stumbling on Happiness*, says that money itself doesn’t make you happy but what makes people happy is what they do with the money. He says that experiences such as travel produce more satisfaction than durable goods. What do you think of that?

### **Population Shifts**

Population shifts affect management patterns. It is important to know where humans are living now and where they will be living. The worldwide trend is for populations to become increasingly urban and mobile. Today, about half of the people on Earth live in or around cities. In the United States, there are over 330 million people and going up every day with 83.7 percent of the population living in urban areas. The world population is 7.8 billion and rapidly going up. The latest population numbers can be found on Google or at census.gov. By 2050, the world population according to the United Nations is projected to be 9.3 billion. The U.S. population alone will be over 500 million. An estimated 75 percent of the world’s population will be urban dwellers. This switch will have enormous implications for the environment, employment, and transportation like electric cars, and other factors affecting the quality of daily life. For example, the median age of the U.S. population is about 37.9 years and rising. States with the oldest (meaning median age) populations are Maine, New Hampshire, and Vermont.

### **Management as a Process**

**Management** is the *process* of using resources to achieve goals. In other words, management is the process of using what one has to get what one wants. The process includes the functioning, actions, thinking, and events that occur over time. Although situations change, the basic principles integral to management remain the same. How does this apply to families? One study found emerging adults with lower income and less education often delayed family formation decisions because of the strong link between finances and family formation decisions (Kelley et al., 2020).

## CRITICAL THINKING

### Increased Urbanization

Pick one of these implications (environment, employment, or transportation) and explain how you think increased urbanization will impact how families function.

Populations throughout the world are aging, too. By 2025, according to estimates made by the U.S. Census Bureau's International Database on Aging, more than half of Japan's population will be over the age of 50. Table 1.2 shows the most populous countries currently and projected for 2050.

**Table 1.2** World's Most Populous Countries and 2050 Projections

Current	Countries
	2050 (estimated)
China	India
India	China
United States	United States
Indonesia	Nigeria
Brazil	Indonesia
Pakistan	Pakistan
Nigeria	Brazil
Bangladesh	Bangladesh
Russia	Mexico
Mexico	Russia

Sources: U.S. Census Bureau and the United Nations Population Department.

This chapter introduces the fundamentals of management as they relate to individuals, families, and households. It begins by asking, "What is management?" Some answers will emerge as we examine the management process and see how management can be put into action. Other important questions to be explored include "Why manage?" and "Who manages?" Management styles are influenced by several factors, and the study of management draws upon a number of other disciplines. Of necessity, life management must be both versatile and dynamic, for it applies to single adults as well as to families and must adapt to the changing composition of families.

Let's briefly talk about young single adults. Some of their life choices are moving to a city or suburb, hunting for an apartment, townhouse, or small house, and joining friends for dinner, but what happens when the job opportunity is in a small town or rural area?

*Working in the suburbs can rule out the use of public transportation to get around, possibly forcing you to incur the costs of buying a car, gasoline and car insurance and paying for parking. When Rochelle Kleter, 24 years old, accepted a position as an analyst at Citibank's Short Hills, N.J., branch, she traded her 15-minute commute to the bank's Manhattan office for a 1½ hour drive, for which she had to buy a car.*

*(Mattioli, 2008, p. B8)*

She also noticed that she was the youngest person in her office; colleagues ran home to families. On the plus side of a smaller office and a smaller place, you don't get lost in the shuffle. Ms. Kleter says, "In New York, you get lost in the crowd because there are so many people and it's harder for upper managers to get to know you." Her story might have changed in 2020 when working from home for millions changed commuting behaviors. A male NYC financial company employee (office on 32nd floor) in his 20s was told to stay home from April 2020 until he was called back to the office which was then estimated to be January 2021 and still until the writing of this chapter has been extended indefinitely. He is still working from home in the suburbs and loving it. He got to open windows in his home office, ride his bike, and get outside.

This chapter will examine some of these life changes and show how the study of management has adapted to them. As with all chapters, this chapter concludes with a Summary, Key Terms, Review Questions, and References.

Management includes both thought and action. The importance of knowledge management, the "thought" part, cannot be underestimated. We all struggle to learn from past experiences, especially mistakes and failures, and we struggle even more to apply the knowledge gained to new situations. Thus, we face several challenges when trying to initiate knowledge management; among them are

Arrogance (the feeling that there is nothing new to learn)

Previous failed attempts (why try again?)

Lack of commitment, drive, and awareness (why should I?)

Lack of empathy, support, energy, or enthusiasm (who cares?)

These and other challenges, concepts, and themes recur throughout the book. They are reflected in the titles of the first seven chapters: values, attitudes, goals, resources, decision-making, problem solving, planning, implementing, evaluating, and communication. Chapters 8–14 then apply these concepts to the specifics of managing human needs, time, work and family, stress, fatigue, environmental resources, and finances. Central to the discussion in each chapter is the way different personalities and situations affect how choices are made and acted upon.

The **management process** involves thinking, action, and results. Because it is results-oriented, management is considered an applied social science. Management specialists evaluate the knowledge obtained through the study of management in terms of its ability to make an individual's or family's management practice more effective. People need results. It is inherently satisfying to commit to and work toward a goal.

Although management is practical, it is not necessarily simplistic. It becomes complex because individuals' and families' choices are constrained by limited resources. How people handle these constraints is what makes the study of management so stimulating. If everyone had equal resources and abilities, the same

dreams and wishes, and the same drive and ambition, then there would not be much to discuss. Everyone would lead identical lives. How boring that would be! In actuality, each individual has his or her own set of resource mix—attitudes, talents, and skills that are brought to bear in situations. Additionally, individuals vary in the way they respond to external and internal forces. Internal forces are the personal drive behind our actions. External forces include the ups and downs of the economy, the condition of the environment, and the rules and laws of society. Consequently, we must view management within the context of the greater environment, which changes constantly, as does the individual or group attempting to manage life within that environment.

The purpose of this chapter is to provide an overview of the management process; each aspect of the process will be examined in depth later in the book. Figure 1.1 provides a model of the management process and indicates the chapters in which each step is discussed. Each part of the model plays a critical role in the reinforcing circle, or loop, of the management process.

The process begins with a problem, need, want, or goal. The person initiating the management process identifies a problem or something that he or she desires. **Problems** are questions, dilemmas, or situations that require solving, such as “Should I buy or rent a home?” **Needs** are what we need to survive or sustain life, such as food and shelter. **Wants** are things that we desire, such as an expensive sports car, but that is not necessary for us to survive. In general conversation, the words *needs* and *wants* are sometimes used interchangeably, but in management, they are viewed as distinct. Needs can include the need for wellness, social interaction, financial support, and information. Regarding the latter, we want to know what is going on around us, what is in the news, and what the weather will be like so we can plan our actions. We have a need to satisfy intellectual curiosity, which is why you are reading this book, and to engage in cognitive activity. For example, people need food, air, water, and shelter to survive. Wants are more specific; they are things or activities that make people feel comfortable and satisfied. Thus, a person may be hungry (a need) but may want to satisfy that hunger with a specific food, such as a burrito or a slice of pizza.

**Goals** are end results that require action for their fulfillment. Goals connect individuals to situations, providing a sense of meaning and control over events and environments. A college diploma is a goal of most college students. Passing courses and applying for graduation are the actions required to reach that goal. In the greater scheme of life, goals are arranged in a hierarchy from fairly ordinary to extraordinary.

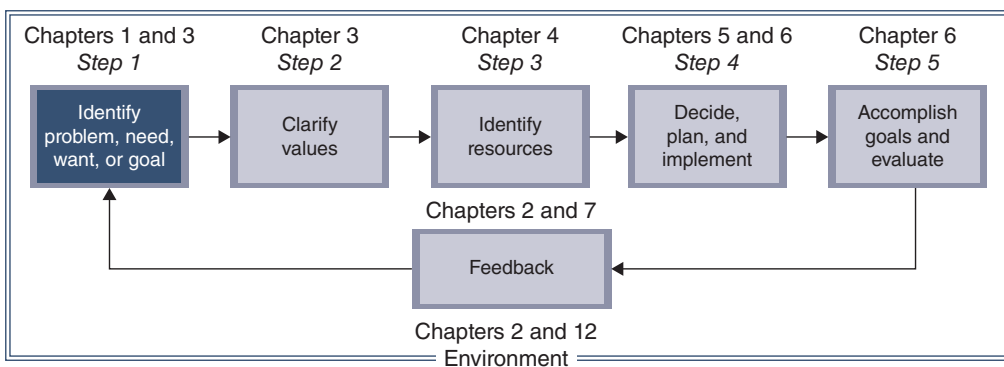


Figure 1.1 The management process.

Once individuals or families have identified the problem, need, want, or goal, they move to the next step, which is the clarification of values. What do they really want, and does it fit into their value system? **Values** are principles that guide behavior, such as honesty or loyalty. **Clarification** means to make it clear, to make it easier to understand, or to elaborate. As they move through the management process, people need to clearly identify what they want to achieve and to ensure that their goal-seeking behavior is compatible with their values. For example, an individual may desire more money, but robbing a bank probably doesn't fit the person's or society's value system. Management is based on values and goal-seeking behavior; without these, the process would be aimless and misdirected. Behavior has consequences.

The next step in Figure 1.1 involves identifying resources: finding out what one has to work with. **Resources** are whatever is available to be used, such as information, time, skills, human and mechanical energy, Internet access, and money. Consider the situation described by writer Ruth Davis Konigsberg in the case study:

### CASE STUDY

#### Time Problems

If there was one time in my marriage when life felt the most unfair, it was during the witching hour. When our children were young and I was working from home, I would relieve our babysitter at 5 P.M. and start to feed and bathe our three-year-old and six-month-old and begin various pre-bedtime rituals. By 6 P.M., this thought would be running through my head: If my husband doesn't come home from the office soon to help, I'm going to be losing my mind. By 7 P.M., my panic turned to anger: Do I have to do *everything*? Each minute before his arrival seemed like an eternity, my task much more onerous than the pressure he was facing to make daily deadlines. Was our parenting arrangement altering my perception of time...

Can you relate to the family situation in the Time Problems case study or can you project that this may be a problem in your future?

The quantitative and/or qualitative *criteria* that reconcile resources with demands are known as **standards**. Standards are set by individuals and families for themselves; they are also set by friends, employers, schools, and governments. For example, governments establish speed limits (a standard) as part of their traffic management in order to preserve life and property, and schools and businesses establish appearance or dress codes for their students and employees. During the management process, standards may have to be adjusted such as moving mealtimes around based on changed schedules. The standard setting is dynamic, meaning that it is subject to change, and flexibility is key. What is acceptable one year may not be acceptable the next. For example, a school may set school uniforms as the standard one year and do away with the practice the next.

The next step in the process has three aspects: deciding, planning, and implementing. *Decision-making* refers to choosing between two or more alternatives. *Planning* requires making a series of decisions that lead to action, and *implementing* means putting plans into action. Plans give focus and direction to the pursuit of wants, needs, and goals. In working through this step, a manager evaluates and adjusts decisions and plans as needed. For example, an individual planning a trip may select a new route or time of arrival as circumstances change.

## CASE STUDY

### Standards or Rules in a Planned Community

This is a true story told to the author, to protect anonymity location and specific details are not mentioned.

Homeowner associations (HOAs) have rules and regulations. You may be aware of them if you have lived in such a community or neighborhood. One of the rules has to do with political signs. In this case, a homeowner did not put a political sign in their front yard (this was against the subdivision's rules) but put a political candidate sign in their backyard visible to a public walking path. An HOA person got off the path and walked on the homeowner's lawn to take a picture of the sign and the homeowner called the police. Is this trespassing? Should the HOA person have walked on his land? What are the HOA rules? What are the homeowner's rights?

## CRITICAL THINKING

### School Uniforms

Do you think school uniforms are a good or bad idea? Explain why. Did you or anyone you know wear school uniforms? What were the pros and cons of wearing uniforms from the students' and parents' points of view? Consider factors like conformity, cost, and time.

The last step of the management process sees goals accomplished or fulfilled and the process as a whole evaluated. Individuals are pleased when they achieve their hard-sought goals, but they often overlook evaluation, which in many ways is the most important step in the process.

Was the problem solved?

What was learned?

Which decisions or plans worked and which ones failed?

What adjustments should have been made?

The answers to these questions are part of the **feedback** (information that returns to the system) that enables the individual's overall management knowledge and ability to grow.

The management process is never stagnant. One learns from and grows with each decision. New situations provide opportunities for advancement and self-learning. By evaluating past experiences, people learn how to approach the world and discover where their skills and talents lie. In many ways, the study of management is a discovery of self and of how others relate to the world.

So far, we've looked at the management process primarily as an internally driven system (people's problems, wants, needs, and goals motivate them to act), but in fact the process takes place in the larger context of the external environment. For example, a person at a busy fitness center may want to use the treadmill but will have to wait if someone else is using it. The environment, therefore, can present limitations or barriers to an individual's or family's course of action. As previously noted, the rules and laws of society also affect how wants and needs are fulfilled and what goals are feasible. Thus, the management process must be viewed within an environmental context as Figure 1.1 indicates. Environment refers to everything outside the individual.

Let's note two other features of the management process. First, in certain situations and decisions (especially hurried ones), the steps may not progress in exactly the order shown in Figure 1.1; sometimes several steps may occur simultaneously. Second, although understanding the individual components of the process is important, the management process is far more than a set of concepts.

The essence of the process is that the concepts are interrelated. The process may start with a problem or a need and end with a solution, but the critical element is what happens in between. From the first step to the last, management knowledge, skills, and tools are used.

**Management tools** are measuring devices, techniques, or instruments that are used to arrive at decisions and plans of action; examples include clocks, lists, forms, calendars, budgets, and timetables. Are you a list maker? Are you very conscious of what time it is? Did you know that the mechanical clock was invented in the 14th century? Before that, people did not think of time in fixed units, but more as a progression, a cycle based on nature. Of course, nature is not linear; it ebbs and flows in an inexact way. For example, depending on where you live, the first day of spring (March 21) may find the ground covered with snow. The calendar says it is spring; nature says it is not. In this case, using weather as a time measure may be more appropriate than using a calendar.

### Successful Plans: Putting Management into Action

Planning is the operationalization of choices; often, it means making a list of steps to be taken. This is the stage when people ask, "Okay, we know what we want; now how are we going to get there?" So a particularly critical management skill is the ability to create and execute an effective plan. Planning helps individuals to

- Highlight important problems and opportunities
- Invest resources in the right tasks
- Encourage the development of goals
- Make decision-making more efficient and effective
- Motivate and coordinate efforts
- Provide a feeling of growth and accomplishment
- Involve others

How much planning is necessary? The answer depends on the situation and individual's goals, resources, levels of motivation, and abilities. One fundamental management principle is that planning skill increases with knowledge, practice, and effort. The more individuals plan, listen to feedback, and evaluate their decisions, the stronger their management skills become.

To be successful, a plan needs to be realistic, clear, flexible, well-thought-out, and executed. The experience of job hunting provides a good example of how planning works and how feedback can help individuals

make adjustments to their plans. Most college students want to graduate and get a good job that uses their skills, education, and training. Beyond this generalization, an individual student's career goals become more specific. For example, Jennifer's goal is to be employed in a government job in human services or human resources (HR) when she graduates. Her Bachelor of Science degree and senior-year internship provide her with knowledge, skills, contacts, and a platform based on tools. She knows how to analyze data and reports. In terms of values, she wants to serve people in a meaningful and caring way, and she especially likes working with children. As part of her career plan, she wants a job that will start soon after her graduation in May. In January she begins filling out applications, sending out résumés, including an online portfolio, and interviewing. But many of her letters and applications go unnoticed, and she receives very few responses. By April she begins adjusting her plan to include more than government jobs. She applies for jobs in nearby states, in the human resources departments at various companies, and at other places through the career services center on campus. At Jennifer's first interview, the interviewer tells her (provides feedback) that she should rewrite her résumé so that it highlights her past work experiences more clearly. So Jennifer rewrites it and has three more interviews. In June she is hired and begins work in July. Her job is not what she had envisioned, but it does use her skills and provides the potential for growth. She is pleased to be working with families and children, and in hindsight she is glad she has had two months off between graduation and the start of her new job. Jennifer feels that managing this first professional job search has taught her skills, such as the need to be flexible and listen to interviewers' feedback that will help her the next time she looks for a job.

### CRITICAL THINKING

#### Gap Year

Increasingly in the United States, students are taking a gap year between high school and college or between college and going to full-time professional employment or to graduate school, law school, or medical school. Malia Obama, daughter of former President Barack Obama and former First Lady Michelle Obama took a gap year between high school and attending Harvard University. A Virginia Tech University student majoring in Human Development asked the writer of this book whether she should take a gap year before going on to a Master's program. She wanted to travel (this was before the Covid-19 pandemic) and figure out if that is really what she wanted to do. What do you think about the purpose of the Gap Year? Will more graduating high school or college students take it?

#### Why Manage?

The answer to the question, "Why manage?" is that people have no other choice. Certainly, life involves nonmanaged actions such as everyday activities that do not require a lot of thought or planning (getting up in the morning and brushing one's teeth), but the bigger things that most people want, such as a job and a family life, require management skills. Essentially, management takes people from where they are to where they want to go. Having a future to work toward is integral to people's sense of well-being. Humans need to feel in control of their lives. But being in control is only one of the many benefits management offers. Management also provides new ways of critiquing life situations and offers new perspectives on the nature of change. When people are frustrated or confused, management supplies constructive order, reduces chaos, and suggests steps to follow. For example, familiarity with the management process helped Jennifer plan, make adjustments, and overcome discouragement in her job search.

As a field of study, management is exciting and challenging because it is

Change oriented

Economically, culturally, and socially significant

Dynamic, intriguing, and complex

Personally and professionally rewarding

Integral to developing leadership and teamwork skills and receptive to community involvement

Furthermore, the study of management provides a great deal of insight into a major area of human behavior—the decisions people make and the actions taken based on those decisions. Knowledge of management will help students of human behavior to better understand themselves and the actions of those around them.

Few subjects are more positive and more encouraging than management, or more appropriate for college students who are about to embark on new life paths. Most college students at some time in their lives will be in a position of managing others or working in teams, so studying management while in school is a skill-building asset. Management applies to all stages of life. The ever-changing environment, coupled with their own changing needs, impels individuals to constantly search for new courses of action, goals, and solutions to problems. It is important to realize that despite difficulties, new ideas do spread and new options open up all the time.

### Who Manages?

The answer to the question “Who manages?” should be obvious by now: Everyone does. Management is such a natural and normal part of life that few people stop to think about how they do it. The management process should be employed every time someone makes a decision involving school, career, or personal life. Using this process, individuals consider their needs and wants, their resources, their preferences, the situation, the other people involved, and so on. Then they create a plan of action and implement it. The decision-making of the individual lies at the heart of the management experience.

As Figure 1.1 illustrates, however, management is much more than decision-making; it is a multifaceted process involving many concepts, actions, and reactions. Besides those already mentioned, management includes organizing, scheduling, synthesizing, analyzing, resolving tension, negotiating, reaching an agreement, mediating, problem solving, and communicating. In other words, although management is fundamental to human life, it is often a difficult process.

#### CRITICAL THINKING

##### Staying or Moving?

Jason has graduated but doesn't have a job and is living with his parents while he searches for a job. Should he continue to stay at home after he finds a job and build his savings, or should he rent an apartment and try to make it on his own even though the rent will take nearly all of his income and savings? If he decides to live with his parents, should he stay for a year? Two years? What factors should Jason consider besides money in making his decision? What other options does he have?

Throughout this book, most examples will involve individuals, households, and families, but the basic principles apply to all walks of life. As we've seen, however, management is particularly applicable to career situations. Being on time, organizing and finishing work, and scheduling appointments are behaviors that take place in the office as well as at home.

## Influences on Management Styles

Whether at home or at work, people are constantly searching for ways to do things more efficiently and effectively. Commuters try to find routes that will cut ten minutes off their travel time, and retirees try to find ways to stretch their dollars further. Although everyone manages, each person has his or her own **management style**, or characteristic way of making decisions and acting.

Five factors influence management styles:

History influences the way a person makes decisions and the options he or she considers. "History" can apply to individuals, families, and societies.

Biology dictates basic physiological needs such as food, shelter, air, and water.

Culture provides a systematic way to fulfill needs. As social beings, people care about each other.

Personality is the sum total of individual characteristics, enduring traits, and ways of interacting. For example, personality affects how a person interacts with the environment.

Technology applies methods and materials to the achievement of objectives. Technology includes laws, techniques, tools, material objects, and processes that help people get what they want.

## Maslow's Hierarchy of Needs

Of these factors, the most fundamental is biology. According to psychologist Abraham Maslow (1908–1970), physiological needs must be met before higher-order needs are considered. He hypothesized that each individual has a series of needs ranging from low-order needs to higher-order needs (see Figure 1.2).

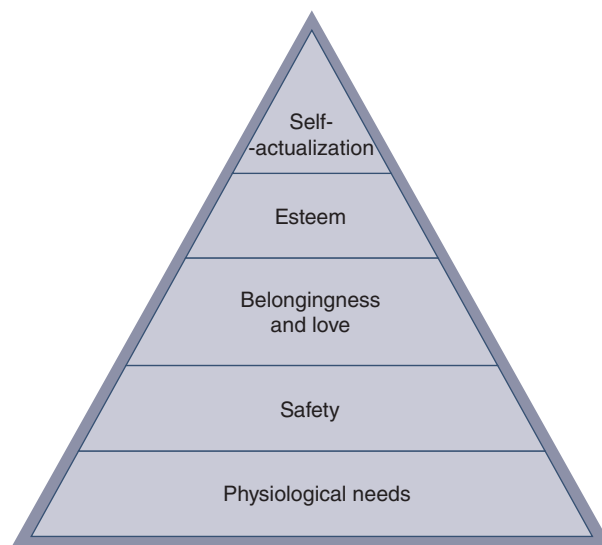


Figure 1.2 Maslow's hierarchy of needs.

In Maslow's hierarchy of needs, physiological needs (e.g., thirst, hunger) must be at least partially met before higher-order needs such as safety and love (Maslow, 1954).

The highest level of need, self-actualization, is the fulfillment of one's highest potential. Self-actualizers fully integrate the components of their personality or self. In other words, they attain self-realization, the process by which individuals have the opportunity to invest their talents in activities that they find meaningful.

Of the other factors influencing management style, history, culture, and personality help define human needs and aspirations. Technology provides the means by which humanity progresses.

### **Technology**

Although we will look at technology in more detail later in the book, it's important to consider it here because it plays a significant role in the management and will play an even larger role in the future. It's important to study technology because it is playing an increasingly larger role in our daily lives in forms ranging from cell phones to email to e-commerce. We are so used to searching for information on the Internet that it is difficult to imagine life before Google.

Technology differs from the other influences on management style (i.e., history, culture, and personality) in that it is usually visible; technological advances are easily observed and measured. For example, one television set per household used to be the norm and now several would be more typical.

The number of mobile devices keeps rising to the point there are more cellphones than there are people in the United States. How is this possible? Most people have more than one wireless device, which includes smartphones, tablets, and wireless cards. Jon, a stockbroker, has two phones—one for work and one for personal use and he carries both every day and says it can be confusing. To report actual numbers would outdate immediately so suffice it to say mobile devices and services cost money and take up time in their use and updating. Smartphones and service charges constitute one of the fastest-growing expenditure categories. Updated figures are kept by the U.S. Department of Commerce and the Consumer Electronics Association. Smartphone use varies by age group; the younger the age, the more likely the person will have multiple devices. And this is not an American phenomenon. Japan and most of Europe are well ahead of the United States in Smartphone use.

Cellphones are both time-savers and time-users. Before the invention of the cell phone, how did people reach each other, and how did they spend the time now spent on the phone? In addition, email, text messaging, and the Internet have added new dimensions to communication. Most American households have personal computers and Internet access. The average American spends over ten hours a day on media of various sorts.

The use of technology determines its worth. The most documented house in the United States, the White House, provides some examples of this phenomenon. In 1879, President Rutherford B. Hayes had the first telephone installed in the White House, but it was rarely used because hardly anyone else in Washington had a telephone, so there was no one to call or to call in; thus telephone is an obvious example of shared technology. When the typewriter was introduced to the White House in 1880, it was put to more immediate use. Previously, all presidential correspondence had to be handwritten by a clerk, so the typewriter was clearly a useful innovation. In 1891, during Benjamin Harrison's administration, electric lights were installed in the White House. The president was afraid of getting a shock, however, so he refused to operate the electric lights and summoned servants to turn them on or off. To show the progression of technology, over

a hundred years later during the Bill Clinton administration, the White House was rewired so that computers could be used more readily and television interviews could take place in a variety of locations without the necessity of dragging around long, heavy cables. Subsequent presidents added even more technology.

When microwave ovens were introduced in the 20th century, many people were not sure that they were really safe and useful. Today, microwave ovens are pervasive. Technology is more than a system of machines; it can refer to ideas or ways of doing things. Today's technologies crisscross many fields so that an invention in one industry, such as computers, can revolutionize another, such as retail. It is becoming increasingly important, then, to be knowledgeable in a variety of fields and to keep up with developments in other disciplines.

### ***Interdisciplinary Foundation***

As the previous section explained, various factors (e.g., history, biology, culture, personality, and technology) influence individuals' management styles. But the field of resource management is even broader than these factors suggest. Although the discussion here will be limited to the connections between management and some of the social and biological sciences, neuroscience, anthropology, psychology, sociology, economics and other disciplines have also contributed to the development of the field. These include geography, political science, agriculture, philosophy, organizational behavior, marketing, biology, chemistry, engineering, and physics. For example, philosophy contributes to our understanding of values, marketing to the consumption decisions made by individuals and families, and engineering to the mechanics and functioning of the home. Geography tracks regions, landscapes, and other spatial units. The distribution of people, resources, and culture is a driving force in geography. Connections to political science may seem obscure, but public policy affects individual and family life through services offered, taxes, and the ultimate control of resources.

### ***Neuroscience***

***Neuroscience*** is a growing field dedicated to the scientific study of the nervous system. Within it, there are subfields such as the study of decision-making and neuroeconomics focusing on the use of money and consumer behavior. Neuroscience is itself an interdisciplinary field combining math, psychology, physiology, communication, molecular biology, and anatomy (especially the study of the brain and the spinal cord and how they function). Although the documented study of the brain has its origins in ancient Egypt, it became more organized as a distinct field of study in the latter half of the 20th century and with advances in technology in the current century has moved even further into our understanding of neurons (nerve cells) and the effect on the body. We can learn a lot from this area, especially about memory, addiction, reward behaviors, emotions, learning, wellness, and perception relevant to resource management.

### ***Anthropology***

The word *anthropology* comes from the Greek *anthropo* (man) and *logy* (science). Simply defined, anthropology is the science of human beings. Anthropologists seek to study and interpret the characteristics of a particular population or activity in its place in time. This includes communities, subcultures, and entire societies. Of anthropology's many subfields, cultural anthropology is the most relevant to management. Culture affects what people learn and how they behave. Culture applies to management on two distinct levels: as a set of general attributes of people in a society or group and as material culture, or the objects and tools individuals, groups, and families use. (Because the family is the social group of interest in this book, discussions of material culture will focus on objects associated with the family and home use.) Occasionally a new group is found. In 2011, for example, a Brazilian tribe with 200 individuals was discovered.



The White House is often first in the United States to have new technology.

Culture also refers to patterns. Those who study management are interested in repetitive patterns of living. The characteristic way, or pattern, in which an individual conducts her or his life is called **lifestyle**. Needs, wants, tastes, styles, and preferences all contribute to lifestyles.

### **Psychology**

The word *psychology* is formed by combining *psyche* (the mind) and *logy* (science). Psychology focuses on how the individual thinks and behaves. Communication of meaning is a driving force in psychology. Social psychology and cognitive psychology are particularly relevant to the study of management. Two of the main constructs in social psychology are goals and attitudes both of which figure strongly in the study of management. Social psychology is the study of individual behavior within a group; it examines attitudes, problem solving, social influences, leaders and followers, and communication. These topics will be discussed in depth in future chapters.

**Cognitive psychology** is the scientific study of the mind that explains the nature of human intelligence and how people think. It is dominated by the *information-processing* approach, which analyzes thinking processes as a sequence of ordered stages. Values, attitudes, and decision-making are integral to cognitive psychology as well as to management. Studies are conducted on judgment, perception, memory, attention, and memory.

### **Sociology**

Whereas psychology focuses on the individual or the individual operating in groups, sociology emphasizes the collective behavior of social groups, including organizations and communities. *Sociology* comes from the Latin *socius* (companion or associate) and *logy* (science).

Sociology applies the scientific method to the study of human society. It explores why some groups function the way they do. For example, sociological studies investigate the norms and roles of retired workers, schoolchildren, and employed women. Because the family is a societal group, sociology coupled with family relations contributes much to our understanding of family managerial behavior. Families usually share common goals or purposes and interact in pursuit of these objectives. Each member of the family is perceived

by others as a member, and all members are bound together by traditions and networks. Sociologists study customs, structures, and institutions, as well as how individuals function in groups and organizations. Sociologists research the connections between work and family. They are particularly interested in conflict (social disorder) and cohesion (social order) as driving forces.

### **Economics**

*Economics* is the social science concerned with the production, development, and management of material wealth at different levels: households, businesses, or nations. It tracks markets, industries, and economies as key units of study. The driving forces of change are economic value, worth, and scarcity (constraints).

Harvard economists Alberto Alesina and Paolo Giuliano say that strong family ties imply more reliance on the family as an economic unit and that household production is important versus over-reliance on government or the marketplace (2007). They stress the role of the family as an economic unit.

Economists study human behavior within the context of the relationship between desired end results and scarcity. Specifically, it covers human resource planning, labor market changes, cost–benefit analyses, and resources such as land, natural resources, and capital (human-made resources). For the purposes of resource management, the most relevant topics are those related to human resource planning, financial management, households, and specifically microeconomics, which focuses on the behavior of individual consumers. The most basic economic problem is how individuals decide how to allocate scarce resources to achieve the results they desire.

In conclusion, management works in tandem with other disciplines—the interdisciplinary influences are noted in Table 1.3. It deals with people, their values, and their growth and development; and in so doing, it concerns itself with the social structure and the community.

Concepts and skills integral to management, such as attitudes, decision-making, and planning, are also integral to other disciplines. Knowledge from neuroscience, anthropology, psychology, sociology, economics, and other disciplines provides direction and strength to management research and theory. The next section shows how these theoretical aspects of management can be applied to contemporary problems.

## **Life Management for Individuals and Families**

Although management principles can be applied to individuals, families, groups, organizations, governments, and businesses, this book focuses on individual, family, and household management—on what can be called life management. This section discusses life management and provides definitions of several key families and household terms.

**Life management** encompasses all the decisions a person or family will make and the way values, goals, and resource use affect decision-making. It refers to more than just specific goal achievement. In life management, people are seen as possessing a “self,” which helps regulate their actions. They **self-monitor**, which means assess or alter their actions, language, and reactions according to those around them. Someone engaging in road rage, telling off others in surrounding cars or chasing them, is someone with low self-monitoring. Thus, life management includes all the events (the good, the bad, and the ugly), situations, and decisions that make up a lifestyle. Life management is a holistic approach that looks at management as a process that evolves over a life span. The process takes place in a social context as part of the environment that surrounds individuals and families.

**Table 1.3** The Interdisciplinary Influences on the Study of Resource Management

Discipline	Units of Analysis	Focus/Drive <sup>a</sup>
Neurosciences	Individuals	Decision-making, cognitive processes, health and wellness
Anthropology	Dominant Cultures Subcultures Societies	Culture
Psychology	Individuals	Communication, self-knowledge, goals, attitudes
Sociology	Social groups	Conflict and cohesion
	Organizations	
	Communities	
	Families	
Economics	Households	Value, worth, scarcity
	Markets	
	Industries	
	Economies	

<sup>a</sup>All these disciplines share an interest in understanding human behavior.

### Managing the Second Half of Life

Designer Michael Kors says, “I think the older I get, the more I realize that the ultimate luxury is time.” The second half of life requires a reshaping of time use and goals. One choice may be seeking early retirement from a main career. The **FIRE** (Financially Independent, Retire Early) **Movement** is catching on with Millennials and Gen Zs—the goal is to intentionally increase an individual’s or family’s savings rate by increasing income and decreasing expenses resulting in passive or accumulated income enough to retire earlier than the conventional retirement age. It is controversial. Some disagree that early retirement should be a goal. The FIRE Movement leads to questions about motivation and lifestyle adjustments and how early to retire and what to do in the second half of life, past the young adult and middle age stages.

Should the image and concept of retirement be reinvented? “Longer lifespans, shifts to self-funded retirement, market volatility, and lifestyle changes have reshaped retirement into a significant life stage that requires thoughtful long-term planning and diligent preparation (Sharpe, 2020, p. 54). To summarize, the second half of life presents its own unique challenges and opportunities in the following areas:

Health

Living arrangements

Finances

Social and personal growth

Functional abilities

## Identity/Purpose

Nearly a third of U.S. households age 65 or older (9.7 million) pay at least 30 percent of their income for housing, and more than half of these pay over 50 percent (Housing America's Older Adults, 2018).

For example, a 62-year-old woman tries to swim from Cuba to the United States to attempt to set a new record, and a 55-year-old attorney decides he would rather teach elementary school than be a lawyer so he goes back for an education degree and a year later is teaching fifth graders. A 42-year-old female lawyer changes direction and gets her nursing degrees and finishes out her career in the health field. Commitment to a newly defined goal or desired future has an energizing effect. Patterns (personal, family, work, leisure) established in the first half of life may no longer suffice. Children grow up and leave; some grownup children return home after a failed marriage or a financial loss; jobs prove less challenging; an expected promotion does not come through; or an early retirement buyout package is offered.

Examples of changes or new goals in midlife include the following:

A seasoned runner decides to run in a marathon.

A college graduate now 60 years old decides to contact her college friends through Facebook.

An educator takes accounting classes with the idea of starting a side business.

You have probably heard of the midlife crisis. It has long been thought of as something that afflicts men, but research indicates that many women also go through a midlife crisis, which usually entails a substantial reexamination of their lives leading to changed outcomes. Sometimes this reexamination comes from a reaction to another office shakeup. When companies reorganize way too much it puts a strain on men and women employees (Shellenbarger, 2019).

About early retirement buyout packages, one man in his 50s took advantage of a generous buyout package from a car company and started his own scrap metal business with two friends from the same industry. They knew there was a market, they knew where the sources of scrap metal were, and they put their expertise together. Although they are no longer in the car industry per se, they are in a related industry in which they travel the world buying up the metal and transporting it to car factories. As owners of a new, smaller company, they are enjoying the freedom of working closely together. Often the most successful career transitions are made this way, by finding a new way to use old skills, knowledge, and relationships. As another example, four friends formed a partnership and bought land on the side of a mountain where they are selling off property and building retirement homes for themselves and their families.

## **Improving Skills**

Individuals may find themselves having spent their first 25 years getting educated and the next 25–30 years on the job, and then facing the prospect of 30–40 years of retirement. How they react to this scenario has a great deal to do with their personality and the details of the actual situation, such as finances and health. Even if they remain employed, work may be redefined by the workers themselves or by the demands of the workplace. Baby boomers, born between 1946 and 1964, are a generation known for re-invention. They may be filled with worry and doubt and desperately seek a change not only for themselves but also for their children. A Florida couple moved after retiring from state employment and teaching after 30 years back to their home state of Montana. They knew they would miss their friends but their children had grown and left and they felt the need to start over. Another Florida couple moved to Virginia to be near their daughter's family and a new granddaughter.



Many people question the nature of their work at midlife; many do not want to stay in the same job for 30 years, others hang on for the income and retirement benefits. In any event, upcoming retirement will require a new plan formation. Unless they manage options or find new opportunities, they may deteriorate, become bored, “retire on the job,” lose all joy in work and in life, and become a burden to themselves and those around them (Drucker, 1999, pp. 188–189). Some refuse to retire or to accept society’s definition of aging. When federal judge Milton Pollack—at 96 years old, the third oldest federal judge in the United States—was asked about retirement, he said, “Having a daily occupation keeps me active and I have no plans to leave the bench” (Davis & Smith, 2003, p. C1).

Guitarist Joe Perry of Aerosmith, a member of 1970s rock ‘n’ roll band that still performs, says,

*Society programs you to be a couch potato, and you don’t have to be. This isn’t about rock ‘n’ roll: it’s about getting out there and living life instead of just watching it go by I don’t think of myself as being 52; I just think of myself as being.*

*(Umminger, 2003, p. 4D)*

Another member of the band, bassist Tom Hamilton, says, “You have to make sacrifices. You can’t open a bag of potato chips whenever you want.” Joe responds, “You can but you can’t eat it” (Umminger, 2003, p. 4D). The band members said they have to watch what they eat and work out in gyms because fans don’t want to see a fat rocker. With aging and growth come compromises; staying active is not easy. For those of us in less public professions than rock stars, possible solutions to workplace ennui include

Enriching the present job by taking advantage of training opportunities or travel; teaming up with colleagues on projects. A higher percentage of women than men want to travel when they retire.

Starting a second or a different career or moving to another organization or locale. As an example of the twists and turns this can take, a woman sold her large urban interior design firm after 20 years and downscaled to a corner of a fabric store in a small city. In a few years, that store moved and joined forces with a leading furniture store, which led to more work (and money) for the interior designer than ever before, but in an environment shared with more people, a situation she enjoyed. Her overhead was low

because her rent was low, and the only person she had to pay for was herself. She set her own hours, decided how many clients to take, and used the furniture store to display her skills. Another interior designer chose to work entirely out of her home thus saving any overhead or travel costs except to client's homes.

Developing a parallel or extra job or career (called being part of the **gig economy**): keeping the basic job, but adding another track such as a part-time job, possibly an outgrowth of a hobby or interest area. Women want to pursue hobbies more than they have in the recent past and you may have noticed the subsequent growth in hobby and special interest stores or areas of stores to meet these needs and to go further, many women are starting small businesses in a variety of ways as part of the growing field of **entrepreneurship** involving men and women nationally and internationally. Other options include being a delivery driver or Uber/Lyft driver or working part-time for the Census Bureau or state government or helping with elections.

Joining in a nonprofit activity such as community service, politics, school boards, or neighborhood associations. Jennifer at age 60 and anticipating retirement joined two community clubs, one economics-based, the other political, to see if she would like them for when she had more leisure time and as a way to stay connected. As a people person, she knows she needs a lot of contacts and likes to follow issues.

In addition to the obvious changes that may occur during the second half of life in families, health, or jobs, more subtle changes may take place, such as redefining success or determining what is important. People of all ages need to feel that they have a purpose and are making a contribution at home, at the workplace, or in the community. Are they growing or stalling?

## CASE STUDY

### **Amber, 45, Is Wondering, What Next?**

There is no timetable to denote second half of life, but in the mid-40s or around age 50, one may wonder what is coming next. A case in point is Amber who says I have a husband, a job, a house, a dog, all the things I thought I needed. Yet, I feel there is something else out there. Should it be going back to school to retrain, a new place to live or work, a promotion, new friends, a hobby, a side gig? I find myself wondering, is this all there is?

As more workers become knowledge workers, the need to retire has become less evident than it was when most people were manual laborers, and the physical limitations of age prevented continued employment. Now that work is less physically defined and people are living longer, and as more people work from their homes (using computers and broadband connections), a societal redefinition of retirement is under way.

## **Singles, Households, Nonfamily Households, and Families**

Living solo continues to grow in the United States, up from 25 percent in 1990 to 27 percent in 2010 to 30 percent in 2020. There are fewer married households and more adults living alone. The share of adults living without children is climbing. More single men and women are buying houses.

In many Western European countries, the percentage is higher with more than 33 percent of households consisting of one person. In Paris, "the city of love," there are more singles than married couples.

Traditionally, the study of management has focused primarily on the family, but the growing number of single adults means that the field must pay equal attention to their lifestyles and needs. The number of single adults is increasing for several reasons. Populations are aging resulting in more empty-nest households and elderly singles. In addition, because the age at first marriage is rising, there are many more young adult singles and more singles between marriages. Delaying marriage is related to delaying childbirth.

In the United States, there are more multigenerational households with adult children returning home after college or military service or failed marriages or sometimes with a spouse and children. Under one roof, there are more blended families with stepparents or stepchildren and extended families including cousins, great-aunts, and grandparents. A wide variety of nonrelated people are living together—unmarried partner couples, friends, and roommates sharing expenses. As an example, 26-year-old John, who was restarting his life after being in the military, found he could rent a room in a three-bedroom house for \$500. He would rather do that than spend \$1,000 for his own apartment while he was going back to school.

In 1900, the average life expectancy in the United States was 47, and only 3 percent of the population lived past 65. Now the average life expectancy is 78.69 years. Of course, many live well into their 90s and some into their 100s. By 2043 Americans age 65 and older will be 20 percent of the population. As had been said before, *we are an aging population*, and this is true for most of the developed world.

As mentioned before, the delay of marriage until a later age for both males and females is a significant demographic change. Fewer people are getting married besides delaying marriage. According to the National Center for Health Statistics, the average age of first-time moms keeps climbing in the United States far later than the age at which her great-grandmother had her first child. Delayed childbearing is becoming more the norm and being unmarried and giving birth is also becoming more typical.

To return to the subject of the single lifestyle, there is no doubt that from a management point of view it has both pluses and minuses. For example, on the positive side, single adults enjoy increased freedom of action, privacy, and solitude, whereas on the negative side they may experience more loneliness. *Solitude* connotes a sense of enjoyment in being alone. Most of us enjoy periods of peaceful, uninterrupted reading or time on the Internet. Solitude offers the advantage of being restful and life-restoring. On the other hand, singles may feel burdened by their inability to share responsibilities; single people have to take care of everything by themselves such as grocery shopping and running errands. Generalizing about singles is difficult, however, because many singles have children or live with friends or family members, have pets, and enjoy the support of co-workers and neighbors.

Cohabitation has increased in the United States. Most are heterosexual couples, but there are also same-sex couples. Same-sex marriage ceremonies are available in some states and under consideration in others.

Many popular images of singles are incorrect or confused. Consider the common belief that elderly singles choose to retire primarily in the Sunbelt states, especially Florida. Actually, Nevada's elderly population grew by more than 70 percent during the 1990s and the early 2000s, whereas Florida's grew only by 18.5 percent. Las Vegas, Nevada, was one of the fastest-growing cities in the United States during the decade of the 2000s. Census data indicate that elders are flocking to Maine, North Carolina, South Carolina, Georgia, Alaska, Arizona, New Mexico, Hawaii, Utah, and Colorado. The greatest rise in elderly population growth is taking place in the suburbs going along with a national trend toward more living in the suburbs and fewer in rural areas. Rural residents constitute approximately 19 percent of the U.S. population vs. 20 percent in 1990.

Besides the suburbs, singles, young and old, are attracted to the towns and cities with colleges and universities such as State College, Pennsylvania; Iowa City, Iowa; Bloomington, Indiana; Madison, Wisconsin;

Austin, Texas; and Chapel Hill and Raleigh–Durham, North Carolina. Large numbers of elderly live in small towns or rural New England and in the rural Midwest. The phrase *aging in place* refers to the phenomenon of people staying where they were brought up or spent most of their working years—for example, in the Midwest or in the suburbs. More senior communities are forming outside cities so people stay near families including grandchildren, friends, co-workers, and services and stores they are used to versus starting all over again with relationships and interests. Eileen, age 50, moved her parents close to her in a southern state, but after three years her parents moved back north to be with friends and family. Much as they liked the warmer weather it was too difficult to adjust.

Census data reveal that working-age singles tend to cluster in cities (and surrounding suburbs) such as New York, Tampa/St. Petersburg, Washington, Miami, Houston, Atlanta, Orlando, Austin, Denver, Seattle, Boston, and San Francisco. If trends hold true, more elders, along with the rest of the population, will migrate West and South in the future.

It is also not an unusual pattern to see active elders retire to warm-weather states and then when they become older and frailer move back to the areas from which they migrated or move closer to grownup children or suburbs with services like doctors and grocery stores. Multigenerational houses are springing up. Taxes, safety, caregiving, and expenses are factors. As an example, Rodney and Ann in their early 70s sold their large organic farming business and built a special aging in place home complete with a caregiver suite on an acre lot in a suburb with more services. Likewise, Christy and Al, retired educators, built an aging in place home closer in for the same reasons, with more services nearby and less driving required. Both couples figured new construction and less land would mean less maintenance.

This definition combines some practical and objective criteria with a more social-psychological sense of family identity.

A narrower definition is provided by the Census Bureau, which says that the word **family** refers to a group of two or more persons related by birth, marriage, or adoption and residing together in a household. Child development and family experts try to find out how changes in the family affect children. One study reported that “Research in the United States has shown that children growing up in 2-parent households do better in school than children from single-parent households” (Heveline, Yang, & Timberlake, 2010, p. 1362).

A free-form definition would indicate that the family is whatever an individual says it is. The definition of immediate family used by the American Red Cross Disaster Services Program includes mother, father, spouse, dependent children, dependent grandchild/grandchildren, dependent stepchild/stepchildren, regularly financially supported significant others, fiancés, housemates, and/or other family members. They use this definition to determine who qualifies for aid in a disaster. Setting parameters is important because when money is involved, anyone may claim to be a fiancé or a long-lost relative: What happens, for instance, when three women say they were fiancées of the same man? The American Red Cross asks for verification before aid is disbursed. Examples of acceptable forms of verification include

## CRITICAL THINKING

### Changes

As you read these descriptions of singles and families, what do they tell you about how families and households are changing and what might happen in the future? What sorts of housing designs fit different groups?

The definition of a household is broader than the definition of a family. People's lifestyles are categorized by housing units rather than by marital status. According to the Census Bureau, a **household** comprises all persons who occupy a "housing unit"—that is, a house, an apartment or a cluster of rooms, or a single room that constitutes "separate living quarters." A household includes related family members and all the unrelated persons, if any, such as lodgers, foster children, wards, or employees who share the housing unit. A person living alone or a group of unrelated persons sharing the same housing unit is also counted as a household. Household change generally parallels population change. The smallest gains in the number of new households were in slow-growing states, mainly in the Northeast. A nonfamily household is defined as those who live alone or with nonrelatives.

Cohabitation, discussed earlier, contributes to the rising number of nonfamily households. It is estimated that a quarter of the time, one cohabitating partner wants to marry, while the other doesn't. Although most people think of cohabitants as young adults, they may be older. The majority of people who have experienced a divorce will try cohabitation before remarrying, but the trial run may be quite short.

No universal definition of the family exists; however, a number of definitions are considered appropriate. According to Lamanna, Riedmann, and Stewart (2018, p. 4), the family involves relationships in which people are usually related by ancestry, marriage, or adoption:

form an economic unit or otherwise practical unit and care for children or other dependents, consider their identity to be significantly attached to the group, and commit to maintaining that group over time.

Current joint ownership of a home

Current joint rental/lease agreement

Current joint bank account or credit cards

Current joint ownership or holding of investments

Current utility bill with both names

Joint obligation on a current loan

Current joint renter's or homeowner's insurance policy

Registration with a state or a local domestic partnership registry or certification of a union celebrated overseas. Immediately following September 11, 2001, disasters in Washington, DC, and New York City, the American Red Cross assisted families of the 3,333 deceased or seriously injured, opened 55,370 cases, and made 131,185 disaster health contacts and 236,498 disaster mental-health contacts. The American Red Cross is allied with the International Red Cross and other groups who share a common goal of relieving suffering. The organization's definition of a family is considered more inclusive than the U.S. Census Bureau's definition. Besides nonprofit organizations like the International Red Cross, businesses seek to define "family" for their benefits programs. Who should be covered in a family health plan? Most Fortune 500 companies offer domestic-partner benefits, as do several states.

From the Census Bureau's point of view and for those who rely on census data, consistent definitions of "family" and "household" are important because comparisons can be made from decade to decade. A family includes among its members the householder. According to the Census Bureau, the **householder** is the person (or one of the persons) in whose name the home is owned or rented. If a home is owned or rented jointly by a married couple, either the husband or the wife may be listed first. Prior to 1980, the husband was always considered the household head (householder) in married-couple households. The American Red Cross has another definition of household. It says that a household is defined as a family or other

group of individuals who live together and act jointly in conducting most or all domestic activities, or an individual who lives alone or lives with others but acts alone in conducting most or all domestic activities.

To summarize much that has been covered in this chapter, according to the Census Bureau, since 1980 the percentage of traditional family households has declined but the number of non-traditional households has increased, and the percentage of people living alone has risen. Included in this count of people living alone are the over 2 million Americans who are in prison.

## Changes in Family and Household Composition

To conclude, the term “family” refers to relationships, usually by marriage or through children, shared commitment, or shared resources over time, or to genetic relationships; and the term “household” refers to housing units and the occupants who share the residence. Households and families have fewer people on average with one of the notable exceptions of Hispanics as discussed earlier. Hispanic fertility is 2.9 births per woman compared to the national average of 2.1. Perhaps this content about families and households can seem confusing but the point is that people are redefining what constitutes a family or a household. They are not less committed to the concept of family and television shows such as *Modern Family* portray diverse family forms and everyone has to live somewhere. Issues about parent-adolescent dyads of recent Latino immigrants were addressed in a 2020 NCFR/Reuben Hill award-winning study using a longitudinal design and the Family Stress Model (Lorenzo-Blanco et al., 2019).

Statistics indicate significant changes in the composition and size of families. According to the last census, in the United States:

In the nation’s rural counties many are losing population especially in the Midwest and Northeast, some experiencing higher death rates than birth rates.

Ethnic and racial growth is uneven. Since 2000, Asians, although a small share of the population, grew at a faster rate than African-Americans.

The percentage of households with children younger than 18 is declining but this varies greatly by region and by group. Twenty-three states and Washington, DC, lost 10 percent or more of their child population since 2000.

The trend is toward more mixed marriages with one in seven new marriages of spouses of different racial or ethnic backgrounds.

Life expectancy is up with men making more gains than women (14 to 4 percent) explained by better heart treatments and heart disease prevention and less smoking, the less easily measured aspect of stress may also be a factor.

If you take all this information together a picture starts forming of today’s lifestyles. For a woman, she may be single during her twenties, marry for a few years, have a child, divorce, remarry, and then be widowed. When high school classes convene for their fortieth reunion, it is not unusual to find several people who have been married three or four times.

Although the statistics given so far describe mostly conditions in the United States, changes in the composition of families are a global trend. Timeworn traditions concerning the proper age for marriage and to have children are being questioned.

Regardless of family stage or type, the main difference between individual and family decision-making is that decisions are more complex when made by two or more persons. The bigger the family, the more

complicated the decision-making process, because more people's needs are considered and resources stretch further. Family decision-making is an important area of study because the family provides the setting in which essential resources are created, transformed, and transferred. In conclusion, managing life, whether as an individual or as a member of a family, within the context of the mounting pressures and stresses of everyday existence, is not an easy task. As we have seen, not only families but also the society in which they live and the economy are undergoing dramatic changes. People try to adapt to and influence these changing situations through the choices they make. For example, from 2007 to 2011 during a recession and immediately after in the United States people became thrifter, spending less, reducing debt load, and saving more. They revamped household budgets and focused on what they really needed. Following this period, the Covid-19 pandemic brought another wave of change greatly affecting children, adults, consumers, and family behavior (Chen et al., 2022). Whatever the year or circumstances, financial management, an aspect of the umbrella subject of resource management, provides opportunities to shape future outcomes for the benefit of individuals, families, and communities. Resiliency and grit, introduced at the beginning of this chapter, are continually challenged.

### CRITICAL THINKING

#### Savings Rate is Up

Have you or members of your family cut back on spending? If so, in what ways? Before the recession Americans saved less than 2 percent of disposable income and this went up to 5.7 percent in 2019 and higher in 2022 a time of recovery (Source: U.S. Bureau of Economic Analysis) Have you or members of your family tried to save more? A related question is what are Americans saving for? According to a SunTrust Financial Confidence Index survey reported in the United States TODAY November 12, 2018. p. D1 of 2,500 adults, 45 percent of Americans say they save money for travel, more than any other reason. Is the ability to travel a high priority for you in the long run? Perhaps saving for a house is more important.

### What Lies Ahead?

This book is divided into four parts. Part 1 includes the present chapter and the next one on management history and theories. These two introductory chapters provide a framework for interpreting the management concepts and applications to come in subsequent chapters. Part 2 covers management concepts and principles; values, attitudes, and goals; resources; decision-making; planning, implementing, and evaluating; and communication. Each chapter in Part 2 will elucidate the steps in the management process model presented in Figure 1.1. Part 3 on management applications has chapters on managing human needs, time, work and family, stress and fatigue, environmental resources, and finances. The book concludes in Part 4 with a chapter on future challenges. Each chapter begins with the chapter outline, a "Did You Know?" section, an epigraph, and concludes with a Summary, Key Terms, Review Questions, and References. At the end of the book is a Glossary and an Index.

### SUMMARY

Are you creative and adaptive? Do you have grit? Are you managing your resources efficiently in our increasingly digital era? There is no doubt, the landscape is changing. Change in television viewing was one example given in this chapter, about 40 percent of homes led by millennials don't subscribe to cable or satellite services (Levin, 2018, p. D2). Indications are that Zoomers (Gen Z) are following suit. Studying

individual and family resource management provides a perspective, a way of thinking, and acting. It is motivated by curiosity and the desire to understand human behavior and, in particular, changes in family and household behavior. This chapter addressed the following questions:

What is management?

Why manage?

Who manages?

Management is the process of using resources to achieve goals. Besides resources and goals, management involves many interacting elements, including problems, needs, wants, values, decision-making, planning, implementing, communication, and feedback, all operating within an environmental and entrepreneurial context.

The unique contribution of management is the insight it provides into decision-making and decision implementing. Management is necessary because it provides a sense of direction and purpose. Everyone manages, some with more skill than others. Many of the principles of management are timeless, but the application of management to everyday life is constantly changing.

Examples of change include the dramatic increase in the number of single adults and the trend toward marrying at a later age. We are an aging population with more diverse families. Many Americans are burdened by rising housing costs. Different definitions of “family” and “household” were presented, with a recognition that there are various configurations.

The evolving nature of society and technology has made management an increasingly necessary and far more complex subject. Given the health, environmental, economic, and social problems in the world today, the need for skilled managers at all levels has never been greater. Many challenges lie ahead for the thinker and the planner in all of us.

### KEY TERMS

choice	grit	planning
clarification	happiness	problems
cognitive psychology	household(er)	resiliency
decision-making	implementing	resource management
entrepreneurship	life management	resources
family	lifestyle management	risk
feedback	management process	self-monitoring
Fire Movement	management style	standards
futuristic thinking skills	management tools	values
gig economy	needs	wants
goals	neuroscience	

### REVIEW QUESTIONS

1. How is the field of neuroscience related to family resource management? Define neuroscience and build from there.
2. Why does Daniel Gilbert, author of *Stumbling on Happiness*, say that experiences might bring more satisfaction than durable goods? Do you agree or disagree? What would Marie Kondo say about managing household goods?

3. Harvard economists Alberto Alesina and Paolo Giuliano say that strong family ties imply more reliance on the family as an economic unit that provides goods and services and less on outside institutions such as those found in the marketplace and government. Why does household production (doing things together or making things within the home) activity have such an impact on family ties? Can you give an example from your own family?
4. How does technology influence management style? Give an example of a technological change in the 21st century and explain how individual or family lifestyles were impacted.
5. Sociologists Lamanna, Reidmann, and Stewart in their book give a definition of family which includes a list of common characteristics including economic unit, identity & attachment, and commitment. Does your family fit these or would you add something to the list or take something away? Explain your answer.

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# Chapter 2

## Management History and Theories

### MAIN TOPICS

#### History of Management

- The Early Years of Management

- Household Production/Consumption System I: Premodern (Early 1900s)

- Household Production/Consumption System II: Modern (1950s to 1990s)

- Household Production/Consumption System III: Postmodern (21st Century)

- Four Eras of Management

- Legislation, Policy, and Research

#### Theory Overview

- Functions of Theory

- Theories Ahead

#### Systems Theory

- Open and Closed Families

- Subsystems and System Elements

- The Personal System

- Family Systems Theory and Management

- Application of Systems Theory to Households

## Human Ecology and Ecosystems

## Economic Theory

## Optimization and Satisficing

## Risk Aversion

**DID YOU KNOW THAT...?**

... Americans eat an estimated 386 billion ready-to-eat snack foods a year and that number is rising. According to the U.S. Bureau of Statistics not only are the numbers up but also the price of snacks in recent years has risen faster than most other food categories.

... When boomerang children return home most live in their childhood bedroom and the main reasons they return are for a romance on the rocks or for economic or health reasons.

What people eat and when has changed radically in the last few years, and these are just one part of daily life management. Personal, work, and family lives have changed greatly, and our homes and how we use them reflect these changes.

Besides reading diaries, advertising, newspaper accounts, and conducting research studies, we can find out a great deal about daily life from the past from ongoing archaeological digs. To understand how far families and homes have come, read this advertising copy depicting the olden days:

*When America was young—a patchwork of small towns connected by dusty roads and wagon trails—it was the general store that stood at the heart of the community and provided simple necessities for family life, work, and home. It was a place for the whole family to gather, to take time out to reach for their dreams—a jar of penny candy for the children, a pretty dress for big sister, a new set of dishes for Grandmother's dining room table. Early Americans were steadied by their practicality, ingenuity, values, and warm sense of humor. They were sustained by their dreams for a better life for themselves and their family.*

*(JCPenney, AmericanLiving.com, 2008)*

**CASE STUDY****Meals and Snacking Behavior**

"There's a changed definition of what a meal is," said David Porta Latin, NPD's National food and beverage analyst. Today I might have a piece of fruit and trail mix and call that lunch. In the past, we would've thought of that as exclusively snacks." The blurred line between snacks and the traditional trio of breakfast, lunch and dinner impacts what Americans choose to munch on, too. For example, breakfast sandwiches can be eaten as meals or snacks despite the first word in the name. A granola bar, dried cranberries and yogurt are often a meal for 27-year-old Shamika Johnson of Akron, Ohio. She says, "I work. I'm busy. Sometimes it is easier to get snacks." She adds that snacks were fun and now they are a reality.

*Source: Ziati Meyer (2019, February 4). Do you love snacks? Here's Why you're not alone. USA Today, Section B, p. 1.*

Of course, this quote glamorizes America's past, but there is no doubt that all of us, regardless of country, have some nostalgia for when times were simple, and everything seemed possible. Today, convenience and home delivery or curbside pick-up often win out over charm. Practical, time-saving methods outweigh sentiment. As a case in point, when the first edition of this book came out in the '90s it was only available in print in hard cover and sold at campus bookstores. Since then, it is also available electronically in several forms including Kindle and from online sources. Book publishing has moved on as have families, homes, workplaces, and traditions but as the opening quote by Ansel Adams illustrates the world is still a beautiful place for us to wonder at and explore.

This chapter opens with descriptions of changes in homes which serve as the environmental and support sides of our daily lives, the place we come home to. This chapter then explains the theoretical underpinnings of the study of family resource management, including discussions of social exchange and economic theories. In so doing, this chapter lays the foundation for what is to come in the rest of the book, such as in-depth explorations of attitudes, values, and decision making. Throughout the book, management serves as a roadmap or guide. Although many of the examples will be from the United States, other countries could be substituted. No doubt the past generations struggled, but the family remains strong and we still have our dreams of a better future for ourselves and our children and grandchildren.

We need to study the various theories that have been formulated about managerial behavior to help us understand how and why people plan, decide, and act the way they do. This chapter explores the nature of theory and its application to management. Worldwide, there has been a revival of interest in green, or environmentally friendly, ways of doing things such as ecotourism and a revisiting of traditional ways of managing a home and the environment surrounding it.

Some people collect household goods such as furnishings and appliances from the past or reproductions. Here is an example regarding vacuum cleaners:

*Store owners from Virginia to Oregon say they can barely keep them in stock. "As soon as I get one, it just flies out the door," says Istikar Ahmed, who runs a vacuum store in the Washington suburbs Joe De Maria, for instance, has shelled out more than \$900 for vacuums during the past four years—he's got four—and each one has fallen short. Not only do they break down but he says they don't pick up the dirt left by his children and two hairy dogs. "The attachments are so short, you can't get under the couch," the Miami homeowner complains. What's his dream machine now? "My mother's old metal Kirby, which you could bang into the furniture, or throw down the stairs," he says.*

*(Fletcher, 2002, p. W9)*

Common household objects such as vacuum cleaners are part of the larger picture of how people live; although keeping a clean house may not be everyone's number one concern, it is something everyone has to deal with to some degree. As noted in the first chapter, the subject of household organization has been reinvigorated by a Japanese author, public speaker, and Netflix personality Marie Kondo (2011).

Knowledge of the evolution of management theory (the ways and whys of doing things) provides a useful background for understanding the management process diagrammed in Figure 1.1, which is repeated here as Figure 2.1. This chapter specifically addresses the feedback and environmental components of the model.

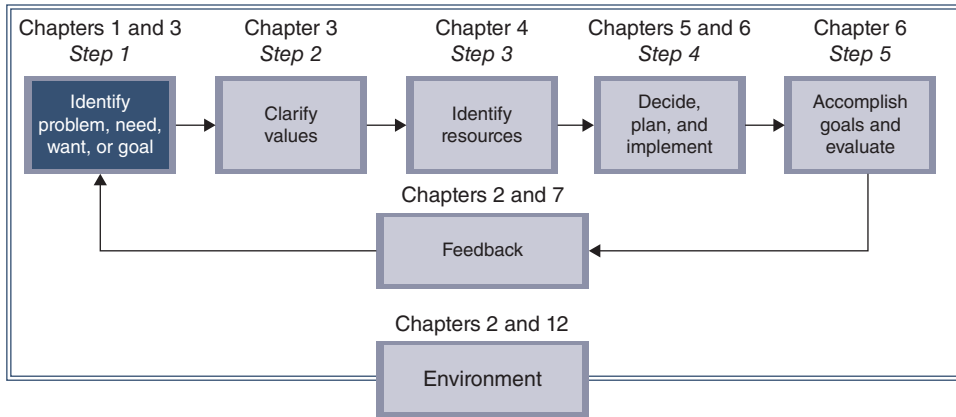


Figure 2.1 The management process model.

## History of Management

### The Early Years of Management

Although managers and management have existed since the beginning of organized civilization, the earliest records of management are found on the walls of cave dwellings in Western Europe, most notably France. These cave drawings indicate which members of the societal unit hunted, gathered food, and reared children. Over time, around the globe, village centers sprang up as people went from subsisting on wild resources to farming. This more settled approach led to larger towns. Populations grew and with them the need for more advanced systems of food storage and freshwater access. Homes lasted longer, and attention was paid to pottery and other forms of food display and storage and to stone carving and other forms of decoration.

Moving up in time, we come to ancient Greece and Rome where home management became the subject of philosophical discussions. Several Biblical verses refer to the importance of keeping an orderly home. Since the Middle Ages, numerous books about household management have been published. A contemporary book summarizes the household accounts of an estate in medieval England (Woolgar, 1993). Diaries and memoirs describe what it was like to live in previous eras.

Much of what we know about these human ancestors and their households come from archaeological digs that reveal the kinds of settlements people lived in, the cooking pots used, foods eaten, and ornamentation. For example, in North Florida half of the area was covered by pine forests and the early native people used pine for canoes, utensils, sculptures, and bowls. When the colonial Europeans came, they harvested pine for timber and used it in shipbuilding. Later, pine was used for tar, pitch, rosin, turpentine, and paper pulp. Each culture saw the same resource, pine trees, but used it differently.

In the 18th and 19th centuries, in the United States, standards of hygiene were undergoing a transformation. After trying out her new shower in 1799, a Philadelphia woman named Elizabeth Drinker noted in her diary that she tolerated the new experience “better than expected, not having been wet for 28 years” (Crossen, 2002).

In rural areas, pioneer homes were often single-room (also called “single pen”) log cabins with a fireplace. This was followed by a “dogtrot” structure consisting of two rooms joined by a breezeway for ventilation in warm climates and an enclosed hall in cooler climates. A more upscale home might be a “four-square” with four rooms joined by an enclosed central hallway and stairs leading up to an attic, loft, or bedrooms

**CRITICAL THINKING****Standards of Personal Care**

How many showers or baths would be normal where you live? Daily? Weekly? Does it vary by age or income group? Why do you think standards of hygiene change?



Simple beginnings, a log one-room house with loft or attic above.

and stairs leading down to a basement. In the Midwest, there were “I-houses,” so named for the states Iowa, Indiana, and Illinois, which were typically two-story versions of the dogtrot, four rooms down and four rooms up (Haase, 1992). Some of these early homes were modest, whereas others became quite grand when they added a porch out front supported by pillars. The pillars might be made of brick and finished with plaster and white paint. For further reading consult *A Field Guide to American Houses: A Definitive Guide to Identifying and Understanding America’s Domestic Architecture* by Virginia Savage McAlester (2015). The author’s drawings and explanations center on homes one would find in neighborhoods and small towns since she says many books had been written about monumental homes and she wanted to document everyday life and purposely chose the title a field guide.

In the early years, cooking may have been done in the house, or the kitchen may have been behind the house in a separate building. Drinking and bathing water was brought in buckets from streams and lakes, then wells, and later pumped from outside near the back door. The most welcome addition to homes was running water usually in the form of a kitchen sink with cold water. Can you imagine what a life-altering experience it must have been going from hauling water to being able to turn a spigot to get water? And, then later on, to add hot water from the spigot that didn’t have to be heated on a stove for baths or whatever?

Ben Franklin (1706–1790), inventor of the Franklin stove, bifocals, and the lightning rod, popularized the adage “time is money.” He was also deputy postmaster in charge of the mails in the northern colonies. By 1792, the U.S. post office had a regular mail delivery schedule. In the United States, today we have mail delivery once a day Monday through Saturday, but in cities in colonial times, in the United States and also in England, twice a day service, morning and afternoon, was not unusual. In the United States, there are

discussions about taking away Saturday delivery or to reducing delivery to three days a week in order to save money and in response to changes in how people communicate. At the same time, home delivery of packages by for-profit services has gone way up.

In the 19th century, middle-class households commonly owned clocks, whereas in the previous century only the wealthy had clocks. The stopwatch, a timepiece that can be instantly started and stopped by the press of a button, was invented in the 1880s. New inventions were altering the way homes functioned and looked. The first vacuum cleaners were hand-pumped models of wood and canvas almost as big as coffee tables.

Home management, or domestic management, emerged as a formal subject of study in the United States in the 19th century. High school and college courses covered a wide range of management topics. These courses and the home care books written for the general public offered advice for healthful living; among other things, they extolled the virtues of early rising, cleanliness, sunshine, and fresh air.

The first textbook to mention household management in the title was Maria Parloa's *First Principles of Household Management and Cookery*, published in 1879. Parloa advised that "a bed that has been made up a week or more is not fit to sleep in; as moisture gathers, which often proves fatal to persons sleeping in one" (Parloa, 1879, p. 7).

Ellen H. Richards, an American chemist and founder of the home economics movement, is credited with forming the bridge between scientific analysis and household management through guiding the discussions at the Lake Placid Conferences, held in New York from 1899 to 1908.

During these years, the economy was growing, and the nation was prosperous; yet many Americans lived on farms, and life was hard. The labor force participation rate for men age 65 and over was 80 percent: "People literally worked until they died or until they couldn't work any more, retirement was a privilege of the well to do" (Willis & Young, 2003, p. 84).

Authors Lillian Gilbreth and Christine Frederick toured the United States and Europe on the lecture circuit spreading the word about the new scientific methods of efficient home management and household production (Frederick, 1918; Gilbreth, 1927). Frederick, based in New York and married to an advertising executive, designed a model kitchen in her home that is on display at the Smithsonian's National Museum of American History and testified before Congress about the important role that women play as consumers. Gilbreth saw the home as a workplace and the homemaker as both worker and manager. She and her husband, Frank, a factory efficiency expert, had 12 children. Their lives were portrayed in his book, *Cheaper by the Dozen*, which formed the basis of two movies. When Frank died in 1924, Lillian took up his cause and applied work-saving methods to the home. She designed the Gilbreth management desk that was displayed at the 1933 World's Fair. Her goal was to increase productivity, reduce drudgery, and accumulate "happiness minutes," which she thought of as time spent in leisure or creative pursuits (Smithsonian, 2000). She redesigned kitchens based on photographs of operations in the room and, in later life, applied her knowledge to bettering living conditions for the disabled.

Nationwide, government- and industry-sponsored experimental kitchens and college residential laboratories (more commonly known as home management houses) were set up to record the time required and the human and mechanical energy used to perform household tasks. Two of the earliest colleges with residence courses were Stout Institute in Wisconsin (now the University of Wisconsin, Stout) and the University of Illinois. Florida State University was unique in being the first college to build a house specifically for home

management. The usual way it worked was like this: During students' senior year they moved into the home management house or residence for a semester, where they experienced living on a budget, record keeping, time and meal management, and other forms of efficient home management. They shared rooms and simulated family and household conditions. Some campuses offered multiple houses or apartments and different levels of living conditions and budgets. With changes in college life and professional training, the need for this type of experience lessened, and by the 1970s and 1980s most campuses transformed the houses and put them to other uses such as childcare centers or faculty offices or removed them to make way for parking lots or classroom buildings.

When management practitioners such as Frederick and Gilbreth applied techniques that were being used in the workplace to the home, they were emulating the work of Frederick Taylor (1856–1915), among others. Known as the father of scientific management, Taylor was famous for his time and motion studies. He proposed scientific management principles designed to maximize production efficiency. By carefully studying the most efficient ways assembly line jobs could be performed and implementing changes to increase efficiency, he was able to achieve significant productivity improvements (Taylor, 1911). Taylor revolutionized assembly lines. He was not afraid of work. He was so willing to pitch in that when confronted with a blocked drain in a factory, he put on overalls, tied shoes to his elbows and knees, and crawled through the muck to remove the obstruction (Wooldridge, 2000). He believed in the carrot (reward) and stick (punishment) approach. Taylor promoted time clocks, synchronization, and anything that would speed up work. Some workers thought he went too far and criticized him for depersonalizing the workplace. His influence went beyond business: His scientific management principles were applied to nonprofit organizations and government agencies and facilities, including the Watertown Arsenal of the U.S. Army. Others, observing his work, applied the same principles to the home by redesigning floor plans, standardizing and updating equipment, and suggesting better work methods (e.g., saving steps and using less time and human energy in such tasks as keeping household accounts, making beds, washing dishes, and cooking). These improved work methods in the home, known as **work simplification**, became an integral part of the study of management.

American homes were changing rapidly. Of course, regional and individual variations existed, but in general, the time period between 1900 and the present can be divided into three eras: premodern, modern, and postmodern.

Tables 2.1–2.3 summarize the main characteristics of household production and consumption patterns in representative decades. Notice that in 1900 most houses did not have indoor plumbing. Although Thomas Edison had invented the incandescent lightbulb in 1879, only 8 percent of U.S. homes had electricity by 1907 (Cowan, 1983). In 1909, even the houses that had electricity did not have the number of wall outlets we are used to today, so wires and cords for appliances had to be screwed into a central light fixture or lightbulb socket.

### **Household Production/Consumption System I: Premodern (Early 1900s)**

In the early 1900s, people were collectors more than decorators. Kitchen and laundry equipment were primitive in the premodern era, and housework was backbreaking labor. Furthermore, it increasingly had to be done by the sole adult woman in the household because, by this time, servants were disappearing: They could find more lucrative employment in the growing number of factories, offices, and shops. American families were also experiencing a radical change in the way things were bought and made. According to historian Susan Strasser, the period from 1885 to 1915 was a time of “massive transformation”: “During this period there was a transformation in the factory and in the distribution process. All

**Table 2.1** Household Production/Consumption System I: Premodern (Early 1900s)

Typical families in the early 1900s made most of their own clothes, food, and household cleaning products. They were likely to buy such basics as soap, flour, and baking powder.

- *Household work*: Hands-on, arduous, specific, repetitive.
- *Kitchen/laundry equipment*: Inside sink (probably only cold water), stove, washtub or wringer washer, possibly an icebox.
- *Bathroom equipment*: Outdoor privy, indoor slop buckets, bathtubs, or buckets for washing filled with water heated on the stove; the rich and/or city dwellers might have indoor plumbing.
- *Servants*: One servant for every 15 households.<sup>a</sup>
- *Shopping*: Home delivery is common—doctors, peddlers, and tailors come to the home; groceries, ice, baked goods, and dairy products are all delivered. At stores, shop owners take products off the shelf and hand them to the customer. Catalog shopping becomes popular; catalogs offer everything from medicines to whole houses. Beginning of exposure to media advertising and brands.
- *Electricity*: Newly introduced, rare in homes except those of the rich, particularly those who live in cities. Mostly used for lighting.
- *Lighting*: Kerosene (mostly lower and working class, rural), gas (upper, middle class, urban), candles, and some electricity.



<sup>a</sup>Cowan, R. S. (1983). *More Work for Mother* (pp. 99, 240). New York: Basic Books.

the really major innovations came in during this time” (Goldsmith, 1993, p. 47). The introduction of the automobile created a veritable revolution in transportation, which led to great changes in the marketplace and consumer demand. There were about 8,000 cars (horseless carriages) in 1900 and less than 10 miles of concrete road in the United States. By 1910 the automobile had changed everything, including what was inside homes as well as the actual location of homes: Living in the suburbs now made more sense. The gap between rural and urban life began to narrow, and this trend would continue through the 1920s and 1930s. Some families returned to the farm in 1929 and up (during the Depression years) in order to feed their families.

One of the primary changes affecting the home was the switch from making most goods at home to purchasing mass-produced items at the store. Things that used to take all day to make (e.g., soap and bread)

**Table 2.2** Household Production/Consumption System II: Modern (1950s)

Typical families in the mid-20th century bought most of their clothing, food, and household cleaning products from stores.

- *Household work*: Hands-on and machine-aided, somewhat arduous, specific, repetitive.
- *Kitchen/laundry equipment*: Sink (with hot and cold water), stove, refrigerator, washing machine, perhaps a dryer and a dishwasher.
- *Bathroom equipment*: Sink, toilet, bathtub/shower (one or two bathrooms in the average new home).
- *Servants*: One to every 42 households.\*
- *Shopping*: Home delivery less common than in the early 1900s. Customers serve themselves at stores. Moderate exposure to media advertising and brands. Shopping centers begin.
- *Electricity*: In over 80 percent of homes.<sup>a</sup>
- *Lighting*: Electricity most common; kerosene still used in some rural areas.



<sup>a</sup>*Historical Statistics of the United States* (1975). Washington, DC: U.S. Government Printing Office.

could now be bought in minutes. A time revolution, as well as an economic, social, and technological one, was taking place. The value of light, air, and sunshine was revisited.

Heavy draperies were replaced with pulled-back, lighter curtains. Homes were redesigned. A popular style introduced in the Midwest, especially around the Chicago area, and throughout the South was the bungalow with its more horizontal lines and one or one and a half stories:

*It incorporated a number of progressive ideals of the early 1900s—the straightforward use of materials, an informal way of living, and accessibility to outdoors. The first Bungalow owners were interested in affordable homes that would both simplify their lives and allow them to enjoy the outdoors as part of their daily routines. Most were middle-class families who felt secure enough about their social standing that they didn't need to use shelter as an outward display of their worth.*

*(Connolly & Wasserman, 2002, p. 8)*

In 1900, the economy was strong and prices were low. It was a good time to be a consumer. Sanitation and health improved. Books and collectibles were kept clean behind glass doors. By the 1920s chrome, metal, and glass infiltrated homes—what was sleek, modern, and curved were preferred. Pianos provided entertainment in the home, as did record players and radios in later years. Outside the home, movie theaters sprang up. Hollywood lifestyles portrayed on the screen and in the press brought a new level of glamor and sophistication to rural areas. By the 1930s central air-conditioning added comfort to high-rise buildings.