

Organizational Management Syllabus

Course #91-800, Fall 2011

Mondays 5:30 to 8:20 p.m.

Hamburg Hall Room 1001

H. John Heinz III College of Public Policy and Management

Carnegie Mellon University

1. Course Description

This is an introductory course that focuses on the concepts and methods of managing an organization. The overall course objective is to identify, apply, and evaluate techniques for structuring and resolving managerial problems in public and private organizations. The main educational tool used in the course is the analysis and class discussion of case studies. Readings and lectures are used to supplement the case analyses.

Topics include: culture and change; managing globally and ethically; organization structure; performance evaluations; groups and teams; motivation; operational management; and leadership. Two group projects and six single-page, individual written assignments are required.

2. Course Objectives

By the end of the course, you will have honed the following skills:

1. Identify and clearly define a problem/issue;
2. Analyze and question data and information in a rigorous manner;
3. Generate and organize qualitative and quantitative evidence to support arguments and recommendations;
4. Make decisions with imperfect/incomplete data within a clearly defined timeframe (which is typically shorter than desired);
5. Take an holistic approach to addressing issues facing an organization; understand and compensate for the effects of changes on all aspects of an organization;
6. Listen to, respect and heed the advice and ideas of others;
7. Present data and recommendations in a group setting and effectively defend your positions;
8. Write in a clear and concise manner.

3. Required Reading – available at the CMU book store:

- 1) Cases – one or two cases per class session
- 2) Additional notes/articles
- 3) Text – there is no textbook for this class

4. Class Structure

Classes will consist of either one or two case discussions and a review of the associated articles. The articles are meant to provide theory and frameworks to assist in case analysis. Questions to assist with case analysis are attached to this syllabus.

5. Expectations

Typically, cases require 2 to 3 hours of preparation; articles require 1 hour of preparation; and the Individual Written Assignments require 1 to 2 hours of preparation. It is expected that everyone will be prepared to discuss the cases and the articles. You are permitted and encouraged to discuss cases and reading material before class in a study group with other members of the class.

My goal is to make this an excellent learning experience for you. If at any time you feel that the course is not meeting your expectations, PLEASE CONTACT ME. If you would prefer to provide anonymous comments, please leave a message in my office mailbox or speak with my supervisor, Brenda Peyser.

Be respectful of others: arrive to class on time; do not return from break late with a coffee from Starbucks; if you must leave class early, please let me know beforehand.

6. Grading

All assignments and class participation are graded on a point scale as outlined below. The maximum points one can achieve for the entire semester is 300. Final course grades will be assigned as follows:

Letter Grade	Point Range
A- / A / A+	270-300
B- / B / B+	240-269
C- / C / C+	210-239
D	180-209
F	Below 180

Class participation – 20% of course grade; each class is 5 points maximum; 12 classes are graded for a total of 60 points for the entire semester.

Attendance is taken at all classes (excluding the first class) and participation will be graded using the following scale:

0 points – Absent from class.

4 points – In attendance, but makes no contribution.

4.5 points – In attendance; makes contributions, which are mainly the restating of case facts.

5 points – In attendance and actively participates in class discussion. Your comments go beyond restating case facts: 1) you draw conclusions from the case; 2) you propose and defend a plan of action; and/or 3) you relate the case to an experience in your career/life.

- There is one class participation score per night, i.e. for classes with two cases, you will receive only one participation score.
- The first class discussion ('Class Introduction' and 'Introduction to the Case Method') is not graded for class participation.
- The last class discussion ('Class Summary') is not graded for class participation.
- The lowest one (1) class participation score will be dropped.
- This point system rewards coming to class prepared, actively participating, drawing conclusions, and sharing related experiences with the class.

Individual Written Assignments – 35% of course grade; each assignment is 17 points maximum; there are 6 assignments for a total of 102 points for the entire semester.

For six of the classes, students are required to submit a written assignment that pertains to the assigned case and article. The paper must be one-page, double-spaced, 'Times New Roman' font, 11 or 12 point. Papers are due by 5:30PM on the day of the class; late papers receive 0 points. The assignment is:

“What is the one key lesson you learned from the case and/or article? Describe the implications this lesson had for you in a prior job, or may have for you in a current or future job.”

NOTE: For nights with two cases, you are required to submit the assignment for one case and/or article ONLY.

First group project (20% of course grade; 60 points maximum); **Second group project** (25% of course grade; 75 points maximum). Each group project is a written case analysis, prepared by teams of 3 or 4 students. While team members will work together to complete the final case analysis, teams should not discuss the case with other teams. Students are allowed to use the articles, other cases taught in this class and class notes. Each team member will complete a “Team Evaluation Form” in order to rate their work/effort as well as the work/effort of the other team members. Most of the time, the evaluation forms will not lead to major grade changes. However, if there appears to be consensus that one group member did not pull his or her weight (or, alternatively, that one member was crucial to the team’s success) I will adjust an individual’s project grade up or down. So please be fair in rating your team members.

7. Academic Statement

You are expected to attend class, be prepared for class and participate in the discussions. Written assignments are due on or before the due date. If you must miss a class, please notify me with as much advanced notice as possible; if you cannot talk with me directly, please leave a message on my voice mail or on my e-mail. For any class that you miss, you are responsible for obtaining the notes and related materials from another student.

Please let me know if you do not understand class material or requirements or if any special circumstance prevents you from completing a class requirement on time.

You are responsible to know and adhere to all University policies on academic integrity. Heinz College provides a booklet on Plagiarism and Cheating and the University lists all policies on the web at www.cmu.edu/policies/documents/Cheating.html. Please acquaint yourself with their contents. Any cheating or plagiarism will result in failure in the course and your case will be referred to the Associate Dean, who may decide to take further action.

8. Recording academic classroom activities, lectures, etc.

Classroom activities, lectures, etc. may not be recorded without written permission from me (the instructor) in advance. If I give a student permission to record classroom activities, lectures, etc., the student may do so for his/her own personal use only; additionally, no copies of the original recording may be made.

Class Schedule

CLASS/ DATE	TOPIC	CASE ASSIGNMENT	ARTICLE ASSIGNMENT
1 8/29/11	1. Class Introduction 2. Introduction to the case method	None	None
9/5/11	NO CLASS – LABOR DAY HOLIDAY		
2 9/12/11	Organizational Culture Individual Written Assignment #1 Due	Accounting Fraud at WorldCom (HBS 9-104-071)	“Organizational Culture” white paper by David R. Lassman, 2011
3 9/19/11	Ethics; Understanding Personal Values (No Individual Written Assignment Due)	The Analyst’s Dilemma (A) (HBS 9-394-056)	1. “The Discipline of Building Character” by Joseph Badaracco, Jr. (HBS 98201)
4 9/26/11	Managing Globally and Ethically Individual Written Assignment #2 Due	Levi Strauss and Co.: Global Sourcing (A) (HBS 9-395-127)	1. “Managing for Organizational Integrity” (HBS 94207)
5 10/3/11	Motivation and Incentives (No Individual Written Assignment Due)	SAS Institute (A) (HBS HR6)	1. “Why Incentive Plans Cannot Work” by Alfie Kohn (HBS 2799) 2. Watch Daniel Pink video at: http://comment.rsablogs.org.uk/2010/04/08/rsa-animate-drive/
6 10/10/11	Organization Structure	Case by David Lassman on organization Structure	1. TBD
7 10/17/11	Performance Evaluation; coaching; 360 (No Individual Written Assignment Due) First group project due: “Serendipity Software” (HBS 9-493-001)	1. Rob Parson at Morgan Stanley (HBS 9-498-054) 2. Michael Smith at Acme Corporation (by David Lassman)	1. “Should You Use 360 Degree Feedback for Performance Reviews?” (HBS U9902C) 2. “A Failing Grade for Performance Reviews” by Wallace Immen; from “Globe and Mail” of Toronto, Canada
8 10/24/11	Leadership (No Individual Written Assignment Due)	Patton and Gandhi movie clips shown in class (no case)	“What Exactly is Charisma?” by Patricia Sellers, “Fortune Magazine”, January 15, 1996.
9 10/31/11	Leadership Individual Written Assignment #3 Due	1. Howard Schultz: Building Starbucks Community (A) (HBS 406127) 2. Howard Schultz: Building	“Level 5 Leadership”, by Jim Collins (HBS 5831)

		Starbucks Community (B) (HBS 407127)	
10 11/7/11	1. Followership 2. Warmth and Competence Individual Written Assignment #4 Due	None	1. "In Praise of Followers" (HBS 88606) 2. "The Psyche on Automatic", by Craig Lambert in the November/December 2010 issue of 'Harvard Magazine' 3. "Google's Quest to Build a Better Boss", by Adam Bryant, 3/12/2011 'New York Times'
11 11/14/11	Groups and Teams Individual Written Assignment #5 Due	Medisys Corp.: The IntensCare Product Development Team (HBS 4059)	"Teamwork Inside and Out", by Denise Rousseau, from "BusinessWeek" magazine, 1993.
12 11/21/11	1. Five Dysfunctions of a Team 2. Employee Selection and Deselection (Hiring and Firing) 3. "Is Silence Killing Your Company?"	None	1. <u>The Five Dysfunctions of a Team</u> , by Patrick Lencioni 2. "Is Silence Killing Your Company?" (HBS R0305C)
13 11/28/11	Managing Change Individual Written Assignment #6 Due	David Lassman at E-L Products	"Leading Change: Why Transformation Efforts Fail" by John Kotter (HBS 95204)
14 12/5/11	1. The Toyota Production System 2. The Service-Profit Chain 3. Skills and Passions Exercise Second group project due: TBD	None	1. "Decoding the DNA of the Toyota Production System" by Steven Spear and H. Kent Bowen (HBS 99509) 2. "Putting the Service-Profit Chain to Work" (HBS 4460) 3. Skills and Passions Exercise (See Supplemental Study Questions)
15 12/12/11	Class Summary	Bring 'Case/Article Evaluation' forms to class	None

Note: HBS refers to "Harvard Business School Publishing"

Supplemental Study Questions

Note: These are meant to guide your case analysis; I do not expect written responses; these are NOT to be answered for the 'Individual Written Assignment'.

Class 2

Accounting Fraud at WorldCom

- 1) What are the pressures that lead executives and managers to “cook the books?”
- 2) Why were the actions taken by WorldCom managers not detected earlier? What processes or systems should be in place to prevent or detect quickly the types of actions that occurred at WorldCom?
- 3) Were the external auditors and board of directors blameworthy in this case? Why or why not?
- 4) Is Betty Vinson a victim or a villain? Should criminal fraud charges have been brought against her? How should employees react when ordered by their employer to do something they do not believe in or feel uncomfortable doing?
- 5) Use ‘Elements of Culture’ note to analyze Worldcom’s culture.

Class 3

The Analyst’s Dilemma

We will call the woman who works at B&B (the protagonist in the case) “Amy”.

- 1) To whom should Amy feel obligated and why? To whom should Lori feel obligated and why?
- 2) What are Amy’s options? What should she do?
- 3) How does one balance loyalty to friends with loyalty to one’s company? Is there a reasonable limit to the degree of devotion people are expected to show their employers? Can people separate their private lives from their business responsibilities?
- 4) Have you ever been in a situation like the one faced by Amy in the case? Does she really face a difficult moral problem?
- 5) Think about 'defining moments' in your life, as defined by Joseph L. Badaracco, Jr. in his article "The Discipline of Building Character". Please come to class prepared to share and discuss your 'defining moments'. What did you do and why? What was the result?

Class 4

Levi Strauss and Co.: Global Sourcing

- 1) How attractive is China as a business opportunity? As a member of the China Policy Group, what would you recommend regarding (1) continued sourcing and (2) possible direct investment in manufacturing or marketing ventures in China?
- 2) If you recommend continued involvement in China, would you attach any special requirements such as adherence to the guidelines in the proposed code-of-conduct bill (page 18 of the case)?
- 3) What is your assessment of Levi Strauss' global sourcing guidelines? Would you have voted for the Guidelines as written?
- 4) How vulnerable is Levi Strauss to the charge of "moral imperialism?" How concerned should company executives be about this issue?

Class 5

SAS Institute

- 1) To what extent is SAS’s success due to its management philosophy and practices? Or is its success more attributable to it being at the ‘right place at the right time’?

- 2) Should the Institute maintain its unique approach to pay and other practices?
- 3) Given the scarcity of software talent, can SAS expect to thrive with its unique approach to pay and other practices?
- 4) What have you personally experienced with incentive pay systems? Did the system work and if so, why? If the systems did not work, why didn't it?

Class 6

Organization Structure

Think about organization structures that you have experienced working in various organizations. How many layers existed between the bottom and the top? Were the organization structures effective; for example: were problems resolved quickly, was communication smooth, were employees focused and busy, did the organization achieve its goals and objectives? Did the structures create 'office politics'? What does an ideal organization structure look like, in your opinion?

Class 7

Bob Parson at Morgan Stanley

- 1) Is Rob doing what he was hired to do? Are Rob's actions consistent with the Morgan Stanley mission statement (the mission statement is at the bottom of page 1 in the case)?
- 2) Why is Rob having trouble fitting in?
- 3) If you were Paul Nasr, would you recommend Bob Parson for promotion to Managing Director? How would you complete the "Evaluation and Development Summary" in Exhibit 3?

Performance Evaluations

- 1) What has been your experience with performance evaluations? Were the experiences positive or negative?
- 2) Do you believe performance evaluations should be 'scrapped', as the article suggests?

Class 8

Gandhi and Patton

If possible, please watch both movies prior to class. (Note that watching the movies prior to class is NOT A REQUIREMENT). Consider Patton and Gandhi with respect to the five traits of charismatic leaders:

- Simplify and exaggerate the vision/strategy; articulate the vision/strategy. The message is simple and easy to understand, which is facilitated by the use of symbols, analogies, stories and imagery.
- Romanticize risk. They do what hasn't been done before. They work on hearts and minds.
- Defy the status quo. They are rebels and exhibit behaviors that are out of the ordinary.
- Step into another's shoes. They are empathetic and can see things from another person's perspective. They are sensitive to follower needs.
- Spar and rile. They goad, challenge, prod and poke. They test one's courage and intellectual meddle.

Class 9

Howard Schultz: Building Starbucks Community

- 1) Refer to the eight characteristics of Level 5 Leadership described in the table, "The Yin and Yang of Level 5" on page 7 of the "Level 5 Leadership" article by Jim Collins. Is Howard Schultz a Level 5 leader? Why or why not?

- 2) How does Howard view his employees?
- 3) Did Starbucks correctly handle the leaking to the press of Howard's February 14th, 2007, memo? How would you have handled it differently?

4) Add the 4 M's of a mission statement?

Class 10

In Praise of Followers

- 1) What kind of follower are you currently? Have you been a different kind of follower at other points in your career and/or in other organizations?
- 2) What do you need to do to become an 'Effective Follower'? What must your direct supervisor do to assist you and all of his/her direct reports in becoming Effective Followers?

Warmth and Competence

- 1) Do you agree with the articles' premise that warmth is more important than competence? As you look back on your career and the people you have worked with/for, does this premise hold true?
- 2) How do you define 'warmth' and how does it relate to trust? How do you define 'competence' and how does it relate to respect?
- 3) Do you make snap judgments as described in the 'Psyche on Automatic' article? How do you determine if someone is cold versus warm, i.e. do you ask certain questions; do you analyze postures/facial expressions; do you focus on specific verbal cues?
- 4) Can someone lead you to believe they are warm (good intentions towards you) when in fact they are cold (just in it for themselves)? What are the consequences?

Class 11

Medisys Corp.: The IntensCare Product Development Team

In class, we will do some role-playing, so please be prepared to step into the shoes of one of the people in the case.

- 1) How well is the IntensCare Product Development Team performing? What forces are affecting the IntensCare team's behavior, culture and outcomes?
- 2) How important is IntensCare to the company?
- 3) What do you expect will happen at a team meeting (to resolve the modules issue for example)? How would you feel and act/react if you were Valerie, Jack or one of the other team members? Ideally, how would you like to see the other team members act?
- 4) To what extent should all team members be responsible for doing things to ensure the team's success regardless of both 1) their level/status in the organization and 2) the amount of organizational support for the program?
- 5) What does the team need from upper management?

Class 12

Five Dysfunctions of a Team

1. Analyze a team you are on currently at work or were on recently at work. Does the team have any of the 5 dysfunctions? If not, why not? If it does have some of the dysfunctions, why does it have them and what can you do to correct it? It may be helpful to use the 'team assessment model' on pages 190-194.
2. Have you ever been on a strong functioning team at you current employer or at a previous employer? Why did it function so well? What actions did the leaders and the team members take to make it not 'dysfunctional'? What role did you play in helping the team not be dysfunctional?

3. Was the Medisys team (from last week's class) experiencing any of the five dysfunctions?

Employee Selection and Deselection

1. If you are hiring someone, what are the key characteristics you look for, i.e. what traits will the successful candidate have? How do you determine if the candidate has those characteristics?
2. In your experience with job interviews, what have been the best and worst questions asked of you? Why?
3. What have been your best and worst interview experiences? Why?
4. How do you determine if you will be a good 'fit' with an organization? How do you define 'fit', i.e. is it culture, values, work ethic, etc.? How important is that 'fit'?

Is Silence Killing Your Company?

Is 'silence' an issue in your organization? What, if anything, has been done to alleviate this problem?

Class 13

David Lassman at E-L Products

The questions are in the final paragraph of the case.

Class 14

Toyota Production System

- 1) What makes the Toyota Production System (TPS) successful?
- 2) What is unique about Toyota that allows TPS to work in that organization?
- 3) If TPS is so good, why isn't everybody doing it? What is so difficult about implementing and maintaining TPS?
- 4) How much is applicable in a non-manufacturing setting? How can TPS be applied to a non-manufacturing organization?

Service-Profit Chain

- 1) Is it possible to spend too much time setting goals and focusing on market share?
- 2) What do the authors mean by the "importance of the mundane"?
- 3) Does your organization adhere to the principals in this article? Why or why not? If so, what are the results?
- 4) What can your organization do to more closely adhere to the Service-Profit Chain?

Skill and Passions

- 1) Write down what you are really good at, your skills, your gifts. These are often things you do very well at work. Consider both the soft (people) skills and the hard (technical) skills.
- 2) Write down what you are passionate about, i.e. what you would love to do if money were no object. Your hobbies, what you enjoy reading, and what you talk about with friends and family can help you uncover these.
- 3) Does your current job utilize your skills and does it ignite your passions? Ideally you will find a job that combines both your skills and your passions. Ideally your job will be your "paid hobby". In class, we will discuss what you have uncovered.

Class 15

In our final class, we will discuss topics of your choosing. Of course these topics should have something to do with Organizational Management. Please send me topics of interest and I will come to class prepared to lead a class discussion on them.

Also, we will share 'Universal Truths', which I define as 'Rules to live by and observations about life'. Some examples of my Universal Truths are:

1. Nothing beats telling the truth.
2. Do what you love. Life is easier when you are doing what you are supposed to be doing.
3. Change is good.

Please send me three or four of your 'Universal Truths', which I will compile and share with the class.

PLEASE E-MAIL YOUR DISCUSSION TOPIC IDEAS AND UNIVERSAL TRUTHS BY SATURDAY, DECEMBER 10TH AT 6:00 SO THAT I HAVE ENOUGH TIME TO PREPARE FOR CLASS.

Please complete the 'Organizational Management Case/Article Evaluation Template', which you received at the beginning of the semester, and bring it to class or e-mail it to me. I value your feedback so please take the time to complete this carefully.