MORS 430: Leadership in Organizations

2019

Professor Adam Waytz
Phone: 917.232.2134
E-mail: a-waytz@kellogg.northwestern.edu

Teaching Assistants
Monica Gamez-Djokic: m-gamez-djokic@kellogg.northwestern.edu
Shane Schweitzer: s-schweitzer@kellogg.northwestern.edu
Course Overview

The goal of this course is to enhance your leadership skills. The course is designed to prepare you to lead high-performing, successful firms in the future and to effectively lead your own careers.

A key leadership task is to assemble the skills, talents, and resources of individuals and groups into those combinations that best solve the organizational problem at hand. You must manage people, information, and processes to accomplish organizational goals; you must make things happen, and often under conditions or time frames that are not of your own choosing. Leaders must also understand how to introduce their own skills and abilities into their teams. Successfully executing these goals requires leaders to be able to diagnose problems, make effective decisions, influence and motivate others, manage the diversity of their personal contacts, tap into and motivate the human and social capital of organizational members, optimize cross-functional teams, and drive organizational change.

This course prepares you to achieve these objectives. The course provides fundamental tools from the behavioral and social sciences that will improve your ability to analyze organizational dynamics and take robust action.

Course Format:

Each day we will focus on a particular set of leadership skills. Our goal will be to distinguish between effective and ineffective strategies. We will accomplish this by discussing key theoretical concepts and analyzing related cases. In each class session, we will use a case or exercise to motivate our discussion.

This course reflects a dual focus on practical and conceptual training. The course packet articles introduce key concepts and useful ways of thinking about common situations in complex organizations. Case studies and class exercises provide opportunities to apply theories, concepts, and research findings to particular situations and to hone your skills in problem definition and problem solving.

You should come to class prepared to summarize key points from the day’s readings and to contribute to the case analysis. As you complete the reading, ask yourself:

- What is the basic argument the author makes?
- What are the key concepts/principles?
- So what? How does this matter for an organization?
- What are the implications for the kinds of challenges I face as a leader?
- How can I apply this to my firm, my job and my career?
Assignments:

Your final grade is composed of:
1. Citizenship 10%
2. Leadership Development Exercises 20%
3. Senior Executive Case Analysis 30%
4. Final Exam 40%

Citizenship (10%)
Good citizenship involves careful attention to fairness and mutual respect for one another. Citizenship also requires adhering to the course’s policies. In some indicated classes, a laptop is needed, but laptop use in class is limited to the specific exercises for which it is needed. Otherwise, this class has a strict no-technology policy including phones, tablets, and laptop computers. I know that many students prefer to take notes on a laptop, but you can always transcribe your handwritten notes later. Doing so will provide additional engagement with the course material and will help you learn it even better.

Citizenship also requires being prepared to share your ideas, listen to and interpret the issues presented by others, and engage in class discussion. Therefore, it is absolutely essential to review all readings and cases for every class session carefully.

Finally, citizenship means you are expected to attend every class on time and to stay for the entire class session. If you have an unavoidable conflict, please do not disturb your classmates by arriving late, leaving early, or asking to have information you missed repeated during the class. This also means returning back on time from in-class exercises.

Always email the TA at least 24 hours in advance if you will miss a class session so that I can plan for any in-class exercises to be certain that your absence does not adversely affect your classmates. This advance notice will also ensure that we can get you all of the materials distributed in that class. You get one excused absence and every additional absence drops you a letter grade (e.g., if you miss two classes, the highest grade you can get is a “B”). In addition, attendance for the first class is mandatory.

Leadership Development Exercises (20%)
A key part of the learning process in this course is to take the lessons you are learning and apply them to real business situations. In order to facilitate this, you will be asked to complete four Leadership Development Exercises, each focusing on one or two particular tools that a leader can use to achieve success. Exercises 1 and 3 will be completed in a Study Group and Exercise 2 will be completed as an individual. These exercises will challenge you to use the concepts presented in the course to analyze a business case. An added benefit of these assignments is that they will help you to prepare for the final exam.

These are relatively brief written assignments (a 1 or 2 page, double-spaced report with 12-point Times New Roman font and 1” margins all around) and will be due on the following days:
Senior Executive Case Analysis (30%)
Your own career success will depend at least in part on how effectively you manage your professional relationships. These relationships will give you access to information, skills, and expertise and will help to determine your power, control, and opportunities. This project provides an opportunity to spend some time reaching a deeper understanding of how the social relationships of successful leaders are developed, managed, and executed to get things done. Each Study Group will be required to interview at least two senior executives regarding their experiences. Your group can choose to interview more leaders, but at least two executives must be interviewed. These executives can be from firms you previously worked for, from firms you would like to work for, or simply from industries that interest you. If you need assistance in locating executives to interview, please let me know.

Anticipate having to interview each leader at least once to gain an understanding of his or her situation, the structure of his or her social network, how this network is managed, and how he or she uses this network to tackle some of the types of organizational challenges discussed in class. Following these interviews, your group will write an analysis of two (or more) executives’ networks. In this analysis, you will compare and contrast the executives’ networks: both what they look like and how they use them. You should compare the networks they have developed, how they manage these networks, and what their general strategies are for accomplishing goals. The names of the executives will be kept strictly confidential; you may use an alias when discussing your interviewees in your analysis.

Detailed information on this assignment is included on the final pages of the syllabus. The 10-page analysis (double-spaced, 12 pt. Times New Roman font, 1 inch margins) is due by 6:00 p.m. CST on October 11th (date to be confirmed). As a part of the group assignment, you will be asked to evaluate the performance of all of the members of your group, including yourself. Please submit the SECA assignment via Canvas. You will submit group evaluations independently online via a link I will send to you following the completion of the SECA.

Final Exam (40%)
The final exam will be a closed-book exam that will consist of a series of multiple choice and short answer questions. The exam will take place on September 20th.
**Meeting:**

I will be available to chat as I am setting up class before 9:30am and during the break. If these times do not work for you, please email me and we can make alternative arrangements.

**Previous Knowledge of Cases:**

If you are familiar with a case or an exercise introduced in class, please do not discuss your prior knowledge with other students as this can ruin the learning experience for them. **Telling other students (in any section) about your experience with cases and exercises is an honor code violation.** If you are concerned that your prior experience with a case might be an issue, please let me know before class.

**Recordings, Postings, Blogging, Tweets, Social Media, etc.:**

Going online to find information on cases or exercises is an honor code violation unless you have been told explicitly that online research is part of an assignment. No audio or visual recordings can be made of the class without permission of the instructor (and in many cases) the students in the class. In addition, exercises and their solutions are confidential per the Kellogg Honor Code or copyrighted and cannot be circulated, (micro) blogged about, or posted in any form. If you are unsure as to the application of these rules, please see the instructor.

This course adheres to the guidelines established in the Kellogg Honor Code and the Kellogg Code of Classroom Etiquette.

**Course Materials:**

The course-pack – distributed on Canvas across **Study.net** and **Files** (to reduce costs) contains all of the assigned readings and cases (unless otherwise noted); no textbook is required. Assignments listed under the “case” heading will be discussed in-depth during class and should receive special attention. Deliverables are listed in the box at the bottom of each class below.
Leading with Integrity
September 6th
Class 1

Objectives:
- Strategies for gaining competitive advantage through people
- Creating high-performing organizations

Case:
- Why Should My Conscience Bother Me?

Discussion Questions:
1. Who is to blame for the unethical behavior?
2. What could Lawson have done differently to prevent the production of a flawed brake?
3. Would you blow the whistle on unethical behavior and how would you do this?
4. How can management promote ethical behavior?

NOTE: Pick up Speed Ventures case before leaving class

Effective Decision Making
September 9th
Class 2

Objectives:
- Demonstrate how psychological biases corrupt managerial decisions
- Strategically using and defusing psychological biases

Readings:
- Leaders as Decision Architects
- How Much Can We Learn from Success

Case:
- “Speed Ventures” (distributed after Class #1)

DUE: Bring to class a handwritten, 2-3 sentence description in hard copy of whether or not you will race and why based on the case
Tactics of Influence  
September 10th  
Class 3

Objectives:
- Using the science of persuasion as a leader and as a subordinate

Reading:
- Harnessing the Science of Persuasion

Case:
- “12 Angry Men” excerpts presented in class (no separate written case to read)

Discussion Questions:
1. Identify the dysfunctional properties of this group as they pertain to information search, the logic of evidence, and power dynamics. Why do these properties exist?
2. How does the main player in the group introduce counter normative and counterfactual arguments into the group discussion in order to sway opinion? What doesn’t he do?
3. What strategies would you use to overcome the dysfunctional properties of the group? What strategies should be purposefully avoided?

Productive Teams and Groups  
September 11th  
Class 4

Objectives:
- Strategies for building and leading high impact teams

Reading:
- What Google Learned from Its Quest to Build the Perfect Team

Case:
- Group Performance Exercise to be completed in class (no separate written case to read)

NOTE: Pick up negotiation role before leaving class
Objective:
- Test and assess your skills at negotiating
- Equip you with the core principles of expert negotiating tactics

Reading:
- 15 Rules for Negotiating a Job Offer

Case:
- Deep Space Negotiation Exercise to be completed in class (preparation reading distributed after previous class – class #4)

Model of the Negotiation Bargaining Zone

Objectives:
- Provide strategies for inducing productive behavior through incentives
- Understanding how to motivate people
- Strategies for building effective organizational cultures

Readings:
- Leisure is our Killer App
- On the Folly of Rewarding A, While Hoping for B and More on the Folly

Case:
- Southwest Airlines
Social Intelligence  
September 16th  
Class 7

**Objective**
- Enable you to become expert mind-readers
- Learn how to identify the biggest barriers to understanding why others do what they do

**Reading:**
- Be Mindwise: Perspective Taking Vs. Perspective Giving

**Case:**
- Stanley & Burke Performance Evaluation to be completed in class (no separate written case to read)

---

Building Social Networks and Leveraging Diversity  
September 17th  
Class 8

**Objectives:**
- Strategies for building networks rich in social capital
- Assessment of your social capital
- Strategies for tapping the hidden resources in contacts
- Strategies for harnessing the benefits of diversity

**Reading:**
- A Smarter Way to Network

**Case:**
- Heidi Roizen

---

**DUE:** Complete *Networking Survey* before class
Understanding and Influencing Change: EIS Simulation
September 18th
Class 9

Objectives:
- Gauge your performance in a simulated change program
- Acquire the skills for championing and leading change

Readings:
- The EIS Simulation Manual
- The Network Secrets of Great Change Agents

Case:
- EIS Simulation (set up software prior to class; complete exercise in class)

DUE: Come to class with the EIS software (on Canvas) installed on 2 PCs per team (contact TA at least 48 hours in advance if your group needs to borrow a PC)

Bringing it all Together: Organizational Congruence
September 19th
Class 10

Objectives:
- Learning how to lead large-scale organizational change efficiently and effectively
- Bringing it all together in (re)designing firms: decision-making, influence, teams, networks, incentives, culture, change and strategy

Reading:
- The Three Rules of Epidemics

Discussion Questions:
1. Which strategies were effective at securing adopters in EIS? Which were ineffective?
2. Who do you target with a change initiative?
3. How do you figure out what tactics work with what targets?
4. When should you time your tactics for motivating and achieving change?
Senior Executive Case Analysis

Your own career success will depend at least in part on how effectively you manage your professional relationships. These relationships will give you access to information, skills, and expertise and will help you build a solid base of power, control, and opportunities. Research shows that managers who aspire to positions of executive leadership succeed by effectively synthesizing the capabilities of the individuals on their teams and in their firms. In this way, leaders transcend their own individual limitations by leveraging the knowledge and resources of others. In addition, personal networks enable effective leaders to share their resources with others to enhance the performance of the firm. This project provides an opportunity to spend some time developing a sophisticated understanding of how successful leaders and senior executives initiate, develop, and manage their interpersonal relationships to accomplish their key professional objectives. In your interviews and analysis always remember the twin themes of the course: how to establish, manage, and lead prosperous firms and a thriving career for oneself.

Each group should interview at least two senior executives regarding their experiences building, maintaining, and using their social networks. These executives can be from firms you have worked for, from industries that interest you, or simply be individuals that you would like to meet. Try to choose executives who you believe will be candid, open, and insightful.

Anticipate having to interview each executive at least once to gain an understanding of his or her situation, the nature of his or her relationships, how his or her social network is managed, and how it is used to tackle key organizational or career objectives. Following these interviews, your group will write an analysis of two (or more) executives’ networks. In this analysis, you will compare and contrast the leaders’ approaches to building, maintaining, and using their social networks. You should analyze what your executives are doing well but also highlight any opportunities they may be missing. Projects will be graded for their grasp of the class material, displayed insight into the manager's social situation, and clarity of presentation.

The analysis of the managers, their networks, and the lessons you have learned from examining them is due by 6:00 pm CST on October 11th (date to be confirmed). Each student must also complete a confidential team evaluation form following the submission (this evaluation will be emailed to you).

Key Elements of the Analysis

The paper should have a four-part structure:

1. **An introduction to your analysis and the executives.** What is your paper's thesis? Who are the leaders you interviewed? This introduction should include a brief description of each leader’s situation, and if applicable, the problem being faced.

2. **Body of analysis.** You should focus your analysis on course concepts and use those concepts to explain the similarities and differences you observed. That is, the experiences of your leaders should be compared and contrasted to draw general lessons about which strategies are most useful under which conditions. Assess each leader’s strategy for networking. What are
its strengths? How could the strategy be improved? Are there any opportunities the individual has overlooked? What role have their relationships played in their success both within their current firms and across their careers? How do executives effectively build trust and commitment from their network contacts? How do these executives use the resources lodged in their network ties to get things accomplished?

3. **Network map.** Include a network map for each executive you are discussing (these may be placed in an Appendix but should also be discussed in the main body of the paper). Be critical in your analysis.

4. **There should be a conclusion section titled: “Recommendations for Kellogg Students.”** This section should be one to two pages and include concrete recommendations for building value into the vital activities of Kellogg students. These suggestions should be gleaned from your interviews with executives and course concepts. Focus on what students could potentially do the next day in their teams, the next summer in their jobs, or during the first years after graduation to build, maintain, and use social relationships to build trust, influence others, lead teams, and enact change.

**NOTE:** The most informative analyses go beyond description (a story about or description of the executives' networks) to an explanation of why something happened the way it did using the concepts from class. Well-organized papers that stress the most important factors rather than simply provide a data-dump of all the possible concepts are evaluated more highly.

**In all other respects, the project is yours to define.** Be creative, yet professional. You decide how best to package your analysis.

**Tips for How to Approach this Assignment**

1. You should assure the executives that their names will be kept strictly confidential: You can use an alias when discussing each interviewee in your analysis.

2. Find out the executive’s “philosophy of networks.” To do this focus on how the person uses relationships to get something accomplished and then work back to how that person makes and manages networks and to his/her “philosophy of networks.”

3. A good way to start your discussion with each leader is to introduce the task then to ask the person to describe briefly how his or her career took shape. Let the executive free associate about his or her career and the critical events within this career progression. Note how the critical events were spawned by or renovated the social network around the leader. A good way to get the interviewees to reveal their knowledge about their experiences is to let them tell you a story about how they found a key job, a valued colleague, or an important competitive opportunity. After you hear the leader’s account, map it onto your understanding of how social relationships are used and managed. Asking the executives to tell you stories is often a much more effective technique than asking them direct questions, particularly at the beginning of an interview. Clarifying questions about their stories, on the other hand, are an important tool for ensuring your understanding.
4. In order to draw an informative network map, ask the executive about specific persons he or she relies on for information, social support, resources, power, etc., or has relied on in the past to achieve key organizational or career goals.

**Here are some Questions to Consider in Developing your Analysis**

What is the summary network map of the executive's key contacts in his or her current job? Consider drawing a network diagram during the interview in which you identify contacts and the types of exchanges and relationships the executive uses to cultivate them. Analyze the network map. What is the strongest entrepreneurial opportunity (i.e., where can the most value be added)? Cite examples from your discussions or observations to illustrate your view of the leader's entrepreneurial skill. Be careful not to jump to quick conclusions that blind you to alternative interpretations.

1. How is the leader positioned for action and getting things done? How are barriers to action overcome? You could ask about a recent example of this (this could provide a focal situation for the analysis): For example, ask how she or he leveraged contacts to respond to a situation and why it worked or did not work. Probe for how networks could be better structured, maintained or used, in light of the pattern of dependencies the person faces.

2. What are the kinds of contacts and exchanges that the executive uses for different purposes and in different contexts (e.g., to make decisions, to get a specific task accomplished quickly, to gain influence, to get information, to seize an opportunity, to advocate or implement change)? Have them provide specific examples and discuss specific contacts (they can use aliases to do so, if they are more comfortable).

3. How does each executive’s network stack up on the key network properties of trust, diversity, and brokerage? How could his or her network be improved?

4. Where is the executive’s sponsorship or mentoring structure? How has this changed over his/her career? What was the person’s experience with “developmental” relationships—either as a protégé, mentor, sponsor, or combinations of these?

5. How does the corporate culture affect the leader’s relationships?

6. How do the leader’s relationships map onto the formal organizational structure?

**Interviewing Skills**

Keep in mind that interviewing skills are extremely important to managers and consultants because they are a major tool by which to collect data about competitive processes and outcomes. Use this opportunity to test and develop your skill base. Furthermore, you will learn what makes a good interviewee; this knowledge will enhance your performance on the job market when you are being interviewed.
You should go into the interview with a set of questions, but remember that asking direct questions about executives’ views on power or networking may put them on the defensive or make them uncomfortable. Ask them to tell you stories at the beginning of the interview, and then use their stories to guide your questions. Use your questions as an outline but be prepared to give up your sequencing. It is your job to navigate back to them when the time is ripe. If you try to stick too closely to your outline you are likely to lose the interviewee’s attention and stall the interview when the conversation shifts in another direction.

**Probing:** It is important to probe during the interview. If your interviewee makes a general statement such as, “I use trust to build my network,” ask, “How do you build trust?” “What approaches do you use and under what circumstances?” “What activities don’t work?” “If you do X, won’t Y be a possible unanticipated consequence?” This is the best way to get fine-grained and accurate information about how networks are used by your interviewees.

**Here are some sample questions for revealing the structure of the network:**

1. If you look back over the last six months, who are the four or five people with whom you discussed matters of importance to you? Just list their first names or initials.
2. Consider the people with whom you spend your free time. Over the last six months, who are the three people you have been with most often for informal social activities such as going out to lunch, dinner, drinks, films, visiting one another’s homes, and so on?
3. Who are the four or five people who have contributed most to your professional growth and where are they in the network? Are they connected to each other?
4. Who do you see as your single, most important contact for your continued success, and where are they in your network?
5. At the other extreme, what people working at your company have made it the most difficult for you to carry out your job responsibilities? Again, just list the person’s first name or initials (and remind them that this data is strictly confidential).
6. As part of your notes, you will find it helpful to diagram the manager’s key contacts. Which are most and least connected to one another