

Organizational Behavior

IEMS 342

Industrial Engineering and Management Sciences

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Office Hours: Tuesdays 1-3 and by appointment

Term: Spring 2008
Day and Time: T/R 9:30-10:50
Location: Tech M-152

OVERVIEW

The purpose of this course is to increase your ability to understand and improve the organizations within which you will work. It is a course in applied behavioral science. By this I mean that we will review some fundamental behavioral science concepts and illustrate how they can be effectively used in organizations. Although the emphasis is on high technology and manufacturing organizations, the course material applies to organizations in general.

This course will also help you understand some of the challenges involved in both managing and being managed. Each week we will explore a different process germane to the functioning of organizations. Each Tuesday we will focus on how entry level managers can participate in and affect the process under study. Each Thursday we will focus on how the process can be influenced by more senior management. Examining organizational processes at various levels of analysis will help you to learn how management practices change as you progress through your career and how the things managers expect you to do change too. Ultimately, the tools and skills developed in this course should equip you to become more effective contributors to organizations that you join. Much of our learning in this course will be through case studies, exercises, and class discussions.

There is no textbook for this course. All readings and case materials are available in PDF format for download from the course's blackboard site.

COURSE REQUIREMENTS

Lectures

Class participation and attendance are desired and important. As mentioned below, they will affect grading. If an article is listed for discussion, then you should be prepared to contribute to the class discussion of that article. Specific discussion questions are in the syllabus. A good grade will be difficult to achieve without regular class attendance because the lectures cover material that is not in the readings.

Readings

The readings assigned each week illustrate important concepts in the management of organizational processes. Readings are based on evidence from empirical studies of various practices and strategies of management. The readings are not fluff. They are assigned to provide fodder for discussion and lenses through which to interpret the material presented in the case studies. You should ask yourself the following questions about each reading:

1. What is the central problem the author(s) is trying to solve?
2. What primary mechanisms are posited?

3. What is the evidence to support the argument(s)? How convincing is that evidence?
4. What are the basic assumptions behind the analysis?
5. How do the concepts described in the reading and the insights generated by the analysis explain phenomena you've seen in your organization

Class Participation (15% of Final Grade)

I'll begin each class period by providing a general overview of the concepts for the day and a broad synthesis of the readings. Our goal in class discussion is application. You should leave class each day with some ideas about how you could apply the concepts we discuss to real projects in your organization. We will talk about each of the readings in more depth. I will ask that you apply as many of the concepts as you can to projects, events, or strategies that you've encountered throughout your career. When you share, it helps others to learn – and vice-versa.

We will also discuss the assigned case. The cases are selected to present students with a problem that can be solved in a number of ways. In some instances, the concepts from the readings may help to solve the problem, in others they won't. As a class, we will discuss different options to solving case problems and evaluate how well we think each of these options would work. When we discuss cases in class, you should employ the following strategies:

1. Make sure you are considering the problem that is presented in the case.
2. Think of four to five sub-questions that you need to answer before you can address the overall issue.
3. When discussing a specific issue, remember why you are discussing it and where it fits into the overall problem.
4. If you have considered some alternatives and rejected them, tell us what and why.
5. Summarize what you have learned and what the implications appear to be.
6. Don't fixate on "cracking the case." It is much more important to follow a logical thought process than to arrive at the solution.

Group Assignments (20% of Final Grade)

The group assignments are the "homework" of this course. They are designed to: 1) give you experience with working in groups, 2) provide a forum for you to discuss and review course material with others and in the context of problem situations, and 3) offer opportunities to practice writing the kind of short, precise communications that are demanded in the business and professional worlds. All papers should be typed and adhere to page limits. The papers are due at the beginning of class on the day indicated. Late papers will not be graded, but each group must turn in each paper to receive a grade in the class. One paper per group assignment should be submitted. Groups should consist of four members. All members are expected to contribute equally to each assignment. There are four assignments. Group composition will change for the final two assignments.

Precise, well-considered papers that demonstrate the application of course material to the assigned problem are desired. The papers are short for the express purpose of forcing you to crystallize the key ideas. This is a critical thinking skill for your future careers. Please answer the question(s) and do not simply re-state the case. Substantiate your position with evidence from the case and course material (you do not have to give formal citations and page numbers). Your papers should integrate course material with your analysis. Please ensure that you avoid "laundry lists". You should use only those portions of the course that you think are the most relevant. Successful and efficient groups have members who have read the case and

developed their own positions before the group meets. Although performance on group assignments is a modest portion of the course grade, it is closely related to your success in and enjoyment of the course.

Each member of your group will receive the same grade for the group assignments. In exceptional circumstances, the professor reserves the right to alter individual grades on the group assignment (e.g., when someone, in the opinion of the professor, clearly does not contribute to the project in a substantive and consistent way). A five-point grading system is used for all written assignments:

- 5 = Exceptionally good performance
- 4 = Good, solid performance
- 3 = Fully acceptable performance
- 2 = Weak performance, but with some good insights
- 1 = Unacceptable performance

Examinations (Midterm = 25% of final grade; Final = 40% of final grade)

All examinations are closed book and closed notes. They will cover all lectures, readings, and group assignments unless stated otherwise. Please note that you are responsible for readings that are not covered in class and lecture material that is not in the readings. Requests for alternative examination times are subject to instructor approval, should be made with regard to equity with other students, and must be made within 2 weeks of the start of the quarter.

NORTHWESTERN POLICY STATEMENTS

Students with Disabilities

In compliance with Northwestern University policy and equal access laws, I am available to discuss appropriate academic accommodations that you may require as a student with a disability. Request for academic accommodations need to be made during the first week of the quarter, except for unusual circumstances, so arrangements can be made. Students are encouraged to register with Services for Students with Disabilities (SSD) for disability verification and for determination of reasonable academic accommodations. For more information, visit:

<http://www.northwestern.edu/disability/>

Academic Integrity at Northwestern

Students are expected to comply with University regulations regarding academic integrity. If you are in doubt about what constitutes academic dishonesty, speak to the instructor before the assignment is due and/or examine the University web site. Academic dishonesty includes, but is not limited to cheating on an exam (e.g., copying others' answers, providing information to others, using a crib sheet) or plagiarism of a paper (e.g., taking material from readings without citation, copying another student's paper). Failure to maintain academic integrity on an assignment will result in a loss of credit for that assignment-at a minimum. Other penalties may also apply. The guidelines for determining academic dishonesty and procedures followed in a suspected incident of academic dishonesty are detailed on the website. For more information, visit:

http://www.communication.northwestern.edu/programs/undergraduate/policies_procedures/academic_integrity/

COURSE SCHEDULE

WEEK 1: INTRODUCTION

Tuesday April 1, 2008:
Course Overview

Thursday April 3, 2008:
Leaders and Evidence

Everyone Read:

1. Pfeffer, J., & Sutton, R. I. (2006). Evidence-Based Management. *Harvard Business Review*, 84(1), 63-74.

If your last name is A-L, read:

2. Mintzberg, H. (1975). The manager's job: Folklore and fact. *Harvard Business Review*, 53(4), 49-61.
3. Bono, J., & Judge, T. A. (2004). Personality and Transformational and Transactional Leadership: A Meta-Analysis. *Journal of Applied Psychology*, 89(5), 901-910.

If your last name is L-Z, read:

4. Wuorio, J. (2007). 8 Tips for Becoming a True Leader. *Microsoft Technology Management*.
5. Tracy, B. (2008). Empowering Others. *Business Leadership Advice*.
6. Welch, J., & Welch, S. (2007). How to Be a Good Leader. *Newsweek*.

WEEK 2: MOTIVATION

Tuesday April 8, 2008:

Personal Approaches to Motivation

Background Reading:

1. Roethlisberger, R. F., & Dickson, W. J. (1939). *Management and the worker*. Cambridge, MA: Harvard University Press.
2. Kerr, S. (1975). On the folly of rewarding A, while hoping for B. *Academy of Management Journal*, 18, 769-783.

For Class Discussion:

3. Wal-Mart's \$288 Billion Meeting

Discussion Questions:

1. How does Wal-Mart motivate its employees?
 2. Why do so many people *want* to work for Wal-Mart given its often poor reputation?
4. The Art of Motivation – Nucor

Discussion Questions:

1. How is Nucor's philosophy on worker involvement different than its competitors?
2. What kinds of incentives does Nucor provide to its workers and why do they work?

Thursday April 10, 2008:

Motivation Through Job Design

Background Reading:

1. Hackman, J. R., Oldham, G., Janson, R., & Purdy, K. (1975). A New Strategy for Job Enrichment. *California Management Review*, 17(4), 57-71.
2. Herzberg, F. (2003). How Do You Motivate Employees? *Harvard Business Review*, 84(1), 87-96.

For Class Discussion:

3. Starbucks

Discussion Questions:

1. How would you describe Starbucks approach to motivating people?
 2. To what extent do these tactics mirror the approach described in the Hackman et al. article?
4. A Tale of Two Companies

Discussion Questions:

1. What are the differences in the jobs designed by Liederman and Fields?

WEEK 3: SOCIALIZATION

Tuesday April 15, 2008:
Bringing People into a Culture

Background Reading:

1. Schein, E. H. (1956). The Chinese Indoctrination Program for Prisoners of War: A Study of Attempted Brainwashing. *Psychiatry*, 12(2), 149-172.
2. Van Maanen, J. (1978). People processing: Strategies of organizational socialization. *Organizational Dynamics*, 7, 18-36.

For Class Discussion:

3. The Pink Panther (Video we'll watch in class)

Discussion Questions:

1. What tactics does Mary Kay use to socialize new sales people?
2. Why do these tactics work?
3. What effects do these tactics have on people's work and careers?
4. Does the incentive structure at Mary Kay relate in any way with the process of socialization?

Thursday April 17, 2008
Creating and Changing Culture

Background Reading:

1. Schein, E. H. (1992). *Organizational culture and leadership* (2nd ed.). San Francisco: Jossey-Bass Publishers.
2. Chatman, J. A., & Cha, S. E. (2003). Leading by Leveraging Culture. *California Management Review*, 45(1), 20-34.

For Class Discussion:

3. Changing the Culture at British Airways (Purchase from Harvard Business School Press)

Discussion Questions:

1. What was life like at the "old" British Airways? What was difficult about making change?
2. Using Schein's model, identify the three levels of British Airway's "old" culture.
3. What were the critical factors in its successful transformation?
4. Will it be harder or easier to make future changes (such as cost cutting)?

WEEK 4: INFLUENCE AND NEGOTIATION

Tuesday April 22, 2008

Persuading People

Background Reading:

1. Cialdini, R. B. (2001). Harnessing the Science of Persuasion. *Harvard Business Review*, 79(9), 72-79.
2. Garvin, D. A., & Roberto, M. A. (2005). Change Through Persuasion. *Harvard Business Review*, 83(2), 104-112.

For Class Discussion:

3. Children's Hospital and Clinics (A) (Purchase from Harvard Business School Press)

Discussion Questions:

1. What is your assessment of the Patient Safety Initiative at Children's?
2. What sorts of influence tactics did Morath's use when promoting the organizational change process at Children's?
3. Consider the challenges Morath faced at each stage of the transformation process and evaluate her effectiveness in addressing these challenges.
4. 3) What specifically would you recommend that Morath do differently to persuade the hospital that change is needed?

Thursday April 24, 2008

Negotiating Within Organizations

Background Reading:

1. Neale, M. A., & Bazerman, M. H. (1992). Negotiating Rationally: The Power and Impact of the Negotiator's Frame. *Academy of Management Executive*, 6(3), 42-51.
2. Hopkins, M. S. (February, 1989). How to Negotiate Practically Anything. *INC*.
3. Spector, B. (2004). An Interview with Roger Fisher and William Ury. *Academy of Management Executive*, 13(3), 101-108.

For Class Discussion:

4. Negotiation Exercise (to be distributed in class)

WEEK 5: DESIGNING

Tuesday April 29, 2008

Process Design

Background Reading:

1. Boland, R. J., & Collopy, F. (2004). Design Matters for Management. In R. J. Boland & F. Collopy (Eds.), *Management as Design* (pp. 3-18). Stanford, CA: Stanford University Press.
2. Kelley, T. (2000) *The Art of Innovation*. New York: Doubleday

For Class Discussion:

3. GM's Race to the Future

Discussion Questions:

1. What steps is GM taking to redesign its process of vehicle design?
2. What would you recommend they do?

4. Biotech's Next Challenge

Discussion Questions:

1. How can the pharmaceutical companies compete against generic drugs?
2. What design alternatives would you suggest for changing the way they do business?

Thursday May 1, 2008

Structural Design

Background Reading:

1. Robbins, S.P., & Judge, T.A. (2008). What is Organizational Structure? *In Organizational Behavior*.
2. Galbraith, J. (1973) *Designing Complex Organizations*. Boston: Addison –Wesley.

For Class Discussion:

3. Designing Structure at HP

Discussion Questions:

1. What sorts of different organizational designs has HP tried over the years?
2. What designs have been the most successful and/or the poorest choices? Why?
3. How should HP be designed for the future?

WEEK 6: MIDTERM

Tuesday May 6, 2008

*****Midterm*****

No Readings

Thursday May 8, 2008

Midterm Recovery Day

No Readings

WEEK 7: POWER AND DECISION MAKING

Tuesday May 13, 2008

Getting, Holding on to, and Using Power

Background Reading:

1. Salancik, G. R., & Pfeffer, J. (1977). Who Gets Power- and How They Hold on to It: A Strategic-Contingency Model of Power. *Organizational Dynamics*, 5, 3-21.
2. Pfeffer, J. (1992) *Managing with Power*. Boston: Harvard Business School Press

For Class Discussion:

3. The Lawyer is in at Pfizer

Discussion Questions:

1. Why did a drug company appoint a lawyer as CEO?
4. Monica's Education

Discussion Questions:

1. What actions should Monica have taken during Project Hippocrates? To answer this question, develop a power analysis of the situation which includes an assessment of: Monica's objectives, point of view of the relevant people, their (and Monica's) sources and extent of power, their interdependencies (i.e. who depends on whom). Then develop an action plan for Monica at the outset of the project.

Thursday May 15, 2008

Decision Making

Background Reading:

1. Janis, I. (1972). *Victims of Groupthink*. Boston: Houghton Mifflin
2. Roberto, M. A. (2002). Lessons from Everest. The Interaction of Cognitive Bias, Psychological Safety, and System Complexity. *California Management Review*, 45(1), 136-158.
3. Eisenhardt, K., Kahwajy, J. & Bourgeois, L.J. (1997). How Management Teams Can Have a Good Fight. *Harvard Business Review*.

For Class Discussion:

4. Sacred Ground (video to be shown in class)

WEEK 8: INNOVATION

Tuesday May 20, 2008

Promoting Creative Thinking

Background Reading:

1. Amabile, T. M. (1998). How to Kill Creativity. *Harvard Business Review*, 76(5), 76-87.
2. Sutton, R. I. (2001). The Weird Rules of Creativity. *Harvard Business Review*, 79(8), 94-103.

For Class Discussion:

3. IDEO Product Development (Purchase from Harvard Business School Press)

Discussion Questions:

1. How would you characterize IDEO's process?
2. How does IDEO routinize creative thinking?
3. Should IDEO accept the Visor project at all?
4. Would you try to negotiate a longer lead time?

Thursday May 22, 2008

Structural Determinants of Innovation

Background Reading:

1. Burt, R. S. (2004). Structural Holes and Good Ideas. *American Journal of Sociology*, 110(2), 349-399.
2. Rizova, P. (2006). Are You Networked for Successful innovation? *MIT Sloan Management Review*, 47(3), 49-55.

For Class Discussion:

3. Technology Brokering and the Pursuit of Innovation

Discussion Questions:

1. Map out the network of people who you talk to in your organization (it could be the place where you work, your research lab, your fraternity or sorority, your sports team). Create a list of names of people you go to for (1) advice about work processes, (2) resources for your work, (3) good ideas. Then, pick three co-workers who are at your same hierarchical level. Either ask them to answer the same questions or you can do a hypothetical mapping based on who you think they talk to.

WEEK 9: PRODUCT DEVELOPMENT

Tuesday May 27, 2008

Structuring the Product Development Process

Background Reading:

1. Brown, S. L., & Eisenhardt, K. M. (1995). Product Development: Past Research, Present Findings, and Future Directions. *Academy of Management Review*, 20(2), 343 -378.
2. Reppenning, N. P. (2001). Past the Tipping Point: The Persistence of Firefighting in Product Development. *California Management Review*, 43(4), 44-63.

For Class Discussion:

3. Greeley Hard Copy (A) (Purchase from Harvard Business School Press) **SKIM THIS CASE**
4. Greeley Hard Copy (B) (Purchase from Harvard Business School Press) **READ THIS CASE**

Discussion Questions:

1. Skim the (A) case.
 - a. Why it is so challenging to manage Lobo and Zorro simultaneously?
2. Read the Greeley Hard Copy (B) case.
 - a. What are specific organizational arrangements and features that promote effective product development and why?
 - b. If you were Faraci, what recommendation would you make to Stedman?

Thursday May 29, 2008

Product Development Strategy

Background Reading:

1. McGahan, A. M. (2004). How Industries Change. *Harvard Business Review*, 82(10), 87-94.
2. Christensen, C. M., Overdorf, M. (2000). Meeting the Challenge of Disruptive Change. *Harvard Business Review*, 78(2), 66-76.

For Class Discussion

3. Flight of the Kittyhawk (Purchase from Harvard Business School Press)

Discussion Questions:

1. What would you rate as the strengths and weaknesses of the way HP supported and structured the Kittyhawk development team?
2. What do you think of the way the team set out to find a market for Kittyhawk?
3. What are the root causes of the failure of the Kittyhawk project?

WEEK 10: IMPLEMENTATION

Tuesday June 3, 2008

Communication and Technology

Background Reading:

1. Edmondson, A. C. (2003). Framing for Learning: Lessons in Successful Technology Implementation. *California Management Review*, 45(2), 34-54.
2. Fulk, J., Schmitz, J., & Ryu, D. (1995). Cognitive elements in the social construction of technology. *Management Communication Quarterly*, 8(3), 259-288.

For Class Discussion:

3. Talking About Technology

Discussion Questions:

1. How did each of the frames proposed by Chowpa and Eileen shape the way that engineers thought about SPA?
2. Why did these different frames have different effects?
3. Is one frame preferable to the other or was one just lucky/unlucky?
4. Would you have one united strategy or multiple strategies to frame SPA to potential users?

Thursday June 5, 2008

Information and Change

Background Reading:

1. Orlikowski, W. J., & Hofman, J. D. (1997). An Improvisational Model for Change Management: The Case of Groupware Technologies. *Sloan Management Review*, 28(2), 11-21
2. Leonardi, P. M. (2007). Activating the Informational Capabilities of Information Technology for Organizational Change. *Organization Science*, 18(5), 813-831.

For Class Discussion:

3. 7 Unintended Uses of the iPod

Discussion Questions:

1. What encourages people to use the iPod in ways other than designers intended?
2. Should Apple encourage alternative uses of the iPod? Should they try to create separate new technologies that try to meet people's needs? Should they redesign the iPod to do new things? Should they just design a generic technology?