

MS&E 280 Course Outline (updated 1/17)

ORGANIZATIONAL BEHAVIOR: AN EVIDENCE-BASED APPROACH

**Department of Management Science and Engineering Management
Stanford University**

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Office hours: Fridays 3:00-4:00

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Winter, 2006

WF 4:15-5:45

Terman Auditorium

Class Description:

Evidence-based management is a simple idea. It just means finding the best evidence that you can, facing those facts, and acting on those facts – rather than doing what everyone else does, what you have always done, or what you thought was true. It isn't an excuse for inaction. Leaders of organizations must have the courage to act on the best facts they have right now, and the humility to change what they do as better information is found. It isn't a new idea and isn't an original idea. Yet surprisingly few leaders and organizations actually do it – and those that do trump the competition. The goal of this class is to tackle fundamental organizational behavior issues (e.g. employee selection, rewards, teamwork, culture, innovation) from an evidence-based perspective.

Books/Materials:

Jeffery Pfeffer and Robert I. Sutton, *Hard Facts, Dangerous Half-Truths And Total Nonsense: Profiting From Evidence-Based Management*, 2006, Harvard Business School Press

Robert B. Cialdini, *Influence: The Psychology of Persuasion*, 1998, Collins. NOTE there are different versions of this book around, so long as Cialdini wrote the one you have, any variation is fine.

William C. Taylor and Polly G. LaBarre, *Mavericks at Work: Why the Most Original Minds in Business Win*, 2006, William Morrow

(DVD) Metallica - *Some Kind of Monster*, 2004, Third Eye Motion Picture Company

All of the articles can be found by simply clicking on the url provided. For Harvard Business Review articles, Harvard cases, some Stanford cases, and California Management Review articles, the links take you to online archives that require a SUNET ID.

Websites

We will be using Stanford's Coursework system for distribution of updated syllabi and other course materials. You should log in to coursework and make sure you are able to access the class (MSANDE 280) as soon as possible. You can add yourself manually to the course if you are not automatically granted access. Always look on Coursework for updates.

<http://coursework.stanford.edu>

We will also be using a Google group as a forum for class discussion and questions. This can be accessed through Coursework or by using the following link:

<http://groups.google.com/group/mse280?lnk=oa&hl=en>

Much of the material for the course in particular and about evidence-based management in general will be available at this website, which Jeff Pfeffer, Bob Sutton, Ralph Maurer, and a team at the Stanford Business School Library led by Daphne Chang and Paul Reist have developed. The most recent version of this course outline will be available here, links to many of the papers assigned, articles that may inspire you, and a blog you can read or comment on.

<http://www.evidence-basedmanagement.com>

In addition, Bob Sutton has a blog called Work Matters that contains additional material about topics that are pertinent to the course.

<http://www.bobsutton.net>

Grading:

Grading for on and off-campus students is the same except for the **cold calling** requirement described below. Off-campus (SCPD) students are welcome to attend lectures (assuming there are empty seats), however on-campus students may not use the SCPD site as a substitute for coming to class.

1. Brief written assignments (30% of final grade)

Four times during the term, a 500 word written assignment (no longer) will be due at the *start* of the classes. These assignments will be standard letter grades. Except in the case of *extreme circumstances* (note that a job interview, business trip, or competing deadline at work or school is not an extreme circumstance), no late papers will be accepted. Please include a word count at the end of each paper to demonstrate that it adheres to the 350 to 500 word limit. Longer assignments will not be accepted. These assignments will constitute 35% of your grade for the course.

Assignments must be handed in paper form at the start of class on the day it is due. I want to emphasize that the start of class means the start of class. You can't write it in class, you can't send an e-mail attachment by the start of class unless you are an SCPD student. I mean that you – or another human being – need(s) to hand the printed and completed assignment in to a member of the teaching staff when class begins. SCPD students should email their assignments to 280scpd@gmail.com by the beginning of class (4:15pm PST).

We will be evaluating your assignments for the following: the degree to which you fulfilled the assignment, support for your argument using core concepts covered in this course, clarity and originality. Take care to read the task(s) or question(s) asked of you in each assignment. You and the grader will be happy for your doing so. We assess your understanding of course concepts by how you use them in your assignments. Note: course concepts are not stories or cases presented in class. Also, please do not repeat passages from course material -- parroting is not a sign of originality and does not demonstrate your understanding of course concepts.

2. Midterm (30% of final grade)

A written, take-home midterm will be due at the beginning of class on February 16th. The midterm will constitute 30% of your grade and consists of an essay of no more than 1200 words. The Question: Watch the behind-the-music documentary "Metallica: Some Kind of Monster" (2004). Use course material to analyze the sources of effectiveness and ineffectiveness in this group, to evaluate the interventions made by the therapist, and make suggestions for improving the effectiveness of the group.

3. Final (40% of final grade)

A written, take-home final is due at the start of the last day of class. The final will constitute 40% of your final grade and consists of an essay of no more than 2000 words. I will make it easy for you by giving you the final exam question now. The question is:

"Design the ideal organization. Use course concepts to defend your answer. "

4. Class participation

Professor Sutton and guest lecturers will be “**cold calling**”. This means that students are not only expected to have prepared for each class session, but that they may be called on to answer a

question or respond to part of the lecture. If it becomes obvious that a student is either poorly prepared or absent on a regular basis their grade will be negatively affected.

Schedule

January 10th - Class 1: Introduction and Logistics

January 12th - Class 2: An Introduction to Evidence-based Management

Reading

Chapter 1: "Hard Facts"

"From Demoralization to Living Community", Stanford Business School interview with Kent Thiry (watch the video; link is halfway down the page)

http://www.gsb.stanford.edu/news/speakers_social.html

Jensen, A., "Why the Best Technology for Escaping from a Submarine is No Technology," *American Heritage of Invention and Technology* (Summer 1968): 44-49

http://www.americanheritage.com/articles/magazine/it/1986/1/1986_1_44.shtml

ASSIGNMENT #1 DUE

Provide an example not from the reading (or www.evidence-basedmanagement.com) where evidence-based management would improve decision-making.

January 17th - Class 3: Ways of Learning About Organizations

Reading

Chapter 2: *Hard Facts*

Ethnography - "Bill's Excellent Adventure"

<http://www.inc.com/magazine/20040601/microsoft.html>

Participant Observation - "One of Us"

<http://www.rider.edu/suler/psycyber/partobs.html>

Statistics – "Five Guidelines for Using Statistics"

<http://hbswk.hbs.edu/archive/5352.html>

Data Mining – "Data Mining: The X-Box Files"

<http://www.pcmag.com/article2/0,4149,1118791,00.asp>

January 19th - Class 4: Evidence-Based Management at eBay

Guest: Michael Dearing, Stanford d.school (tentative)

Link to Dearing's profile: http://www.stanford.edu/group/dschool/people/team_michael_dearing.html

January 24th: Class 5: Leadership

Film of various leaders

Reading

Chapter 8, *Hard Facts*.

Mintzberg, H. "The Manager's Job: Folklore and Fact" *Harvard Business Review*, March/April 1990

Forbes.com - "PeterDrucker on Leadership"
http://www.forbes.com/management/2004/11/19/cz_rk_1119drucker.html

J. Collins – "The Misguided Mix-Up of Celebrity and Leadership"
<http://www.jimcollins.com/lib/articles.html#>

Stanford Business School – "Ann Mulcahy" Read story and see video.
http://www.gsb.stanford.edu/news/headlines/vftt_mulcahy.shtml

January 26th - Class 6: Employee Selection and Socialization

Reading

Chapter 4: *Hard Facts*

Gladwell, M. "Personality Plus."
http://www.gladwell.com/2004/2004_09_20_a_personality.html

Moneyball – "Pay for Performance, Stupid"
http://www.failuremag.com/archives_business_sports_moneyball.html

Boris Groysberg, Ashish Nanda, and Nitin Nohria, "The Risky Business of Hiring Stars" *Harvard Business Review*, May 2004. <http://search.ebscohost.com/login.aspx?direct=true&db=bth&AN=12933070&site=ehost-live>

ASSIGNMENT #2 DUE

If you were appointed as the chairperson of the search committee for the CEO of a Fortune 500 company, how would you go about selecting a new CEO? Remember, use course concepts and reading – especially evidence – to defend your answer.

January 31st - Class 7: Rewards and Motivation

The power of rewards, self-fulfilling prophecy, and similarity-attraction to motivate human behavior.

Reading

Chapter 5 and pages 225-278 (point #5), *Hard Facts*

Kerr, Steve. "On the Folly of Rewarding A, While Hoping for B," *Academy of Management Executive*, 1995, Vol. 9, No. 1.

<http://www.geocities.com/athens/forum/1650/rewardinga.html>

Hasso Platner's Incentive Plan for SAP

http://www.sap.com/company/governance/meetings/pdf/incentive_plan_2010_fact_sheet.pdf

Pfeffer, J. Management tips from Opus Dei. *Business 2.0*

http://money.cnn.com/magazines/business2/business2_archive/2006/08/01/8382249/index.htm

February 2nd - Class 8: An Introduction to Groups in Organizations

Reading

Griffen, Em, "The Groupthink of Irving Janis."

<http://www.afirstlook.com/archive/groupthink.cfm?source=archther>

Sutton, R.I. "Why Innovation Happens When Happy People Fight." *Ivey Business Journal*, 2002.

http://www.iveybusinessjournal.com/article.asp?intArticle_ID=387

February 7th - Class 9: Group Brainstorming/Decision-making Exercise

Reading

Read Cialdini (start reading)

Sutton on Brainstorming in BusinessWeek

http://www.businessweek.com/magazine/content/06_39/b4002412.htm

February 9th : Class 10: Interpersonal Influence

Discussion of Cialdini's *Influence*

Film

"The Life Magazine Ploy" from "Tin Men"

Reading

Cialdini, R. *Influence* (entire book)

Gladwell, M. "The Naked Face"

http://www.gladwell.com/2002/2002_08_05_a_face.htm

ASSIGNMENT #3 DUE

Use one or more of Cialdini's methods on someone else – at work or in your non-work life – to get something you want. Describe what you did and the response to your influence attempt. Use Cialdini's book to explain why your influence attempt succeeded or not. NOTE FOR NON-SCPD STUDENTS: You have option of doing this assignment with one other class member and to write a paper that is a maximum of 750 words instead of the usual 500.

February 14th - Class 11: Mid-term Break NO CLASS : Individual Office Hours

February 16th - Class 12: Organizational Change

Reading

Chapter 7: Hard Facts

"Smashing the Clock", *Business Week*, December 11, 2006

http://www.businessweek.com/magazine/content/06_50/b4013001.htm?chan=search

February 21st - Class 13: Organizational Change; Bringing Together Two Cultures

Guest: Webb McKinney on the HP Merger

Webb McKinney spent 34 years at HP, where he held many senior positions including running the PC business. He will tell us the story and lessons learned from his last job at HP, where he led the 2000+ person that implemented the HP merger.

Reading

McKinney, Webb, "Getting Direct With Data" Evidence-Based Management website guest column

http://www.evidence-basedmanagement.com/guests/mckinney_nov06.html

Burgelman, Robert A., and Webb McKinney, "Managing the Strategic Dynamics of Acquisition Integration: Lessons From HP and Compaq," *California Management Review*, 48/3 (Spring 2006): 6-27.

<http://search.ebscohost.com/login.aspx?direct=true&db=bth&AN=20868919&site=ehost-live>

Ewers, Justin Cisco's Connections. *U.S. News and World Report*, June 18th, 2006.

<http://www.usnews.com/usnews/biztech/articles/060626/26best.htm>

MIDTERM DUE

February 23rd - Class 14: Organizational Design and Culture, Part 1

General Introduction to Organizational Culture

Building a Culture for Implementation

Film - "Southwest Airlines"

Case - "Southwest Airlines"

Reading

Chatman and Cha, "Leading by Leveraging Culture", *California Management Review*, July, 2003

<http://search.ebscohost.com/login.aspx?direct=true&db=bth&AN=11057040&site=ehost-live>

Gittell, J.H. (2000). "Paradox of Coordination and Control," *California Management Review*, 42(3): 4-117

<http://search.ebscohost.com/login.aspx?direct=true&db=bth&AN=3150785&site=ehost-live>

February 28th- Class 15: Organizational Design and Culture, Part 2

Building a Culture of Creativity: Some Weird Ideas That Work

Reading

Surowiecki, J. audio interview about "The Wisdom of Crowds"

<http://www.wamu.org/audio/dr/04/07/r2040707-2823.ram>

Hargadon, A. & Sutton, R.I. "Building an Innovation Factory." *Harvard Business Review*, May-June, 2000.

<http://search.ebscohost.com/login.aspx?direct=true&db=bth&AN=3049553&site=ehost-live>

March 2nd - Class 16: Mavericks at Work

Guest: Polly LaBarre, founding editor Fast Company magazine

Read about Polly and her book at <http://www.mavericksatwork.com/blog/author/polly/>

Reading

Taylor and LaBarre (entire book)

ASSIGNMENT #4 DUE

Is it possible to have organizational creativity WITHOUT having some mavericks?

March 7th - Class 17: The No Asshole Rule – My Answer to the Final Exam Question

Building a Civilized Workplace and Surviving One That Isn't

Reading

Check related posts and links on www.bobsutton.net

Robert Sutton "Nasty People" CIO Insight.

<http://www.cioinsight.com/article2/0,1397,1591222,00.asp>

Pfeffer, J. "You Don't Have to be Well-Liked to Succeed."

<http://money.cnn.com/2006/05/15/magazines/business2/welllikedsuccess/index.htm>

March 9th - Class 18: IDEO: A Case Study of an Innovation Firm

Guest: Whitney Mortimer, Head of Marketing at IDEO

Reading

Go to www.ideo.com and watch the Tim Brown Davos video, and read the latest stories that are posted.

Film:

The Deep Dive. An ABC Nightline Episode

March 14th - Class 19: The Knowing-Doing Gap

Reading

Robert Sutton “The Smart Talk Trap,” CIO Insight

<http://www.cioinsight.com/article2/0,1540,1927815,00.asp>

Robert Sutton “The Enemy Next Door,” CIO Insight

<http://www.cioinsight.com/article2/0,1397,1928816,00.asp>

March 16th - Class 20: Final Class

Course evaluations

Parting thoughts

FINAL DUE