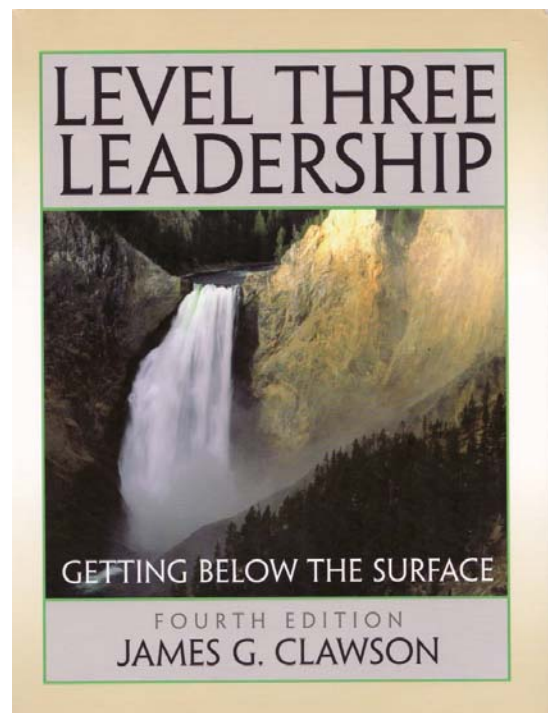


STRATEGIC LEADERSHIP

“Culture eats Strategy for Breakfast”

Course Syllabus GBUS 8474

James Clawson
The Darden Graduate School of Business
Administration
University of Virginia
Spring 2010



STRATEGIC LEADERSHIP

The Darden Graduate School of Business Administration is a professional school that seeks to better society by developing principled leaders in the world of practical affairs.

Darden School Mission Statement

Consistent with the mission of the school, all students are required to have a leadership-learning experience of at least 1.5 credit hours while attending Darden in order to graduate.

Academic Policies and Procedures Manual

COURSE OBJECTIVES

The goal of this course is to help you develop a mental map of how to think about business and organizations strategically. The emphasis will be on exerting influence through strategy, organizational design, organizational culture and leading change efforts. F2F leadership influence is addressed in Tactical Leadership. More specifically, this course is intended to help you:

1. Develop a set of mental maps about strategic thought, organizational culture, and leading strategic change.
2. Practice strategic thinking and strategic change planning.
3. Enhance your model of leading and managing change.
4. Develop a charter for an organization.

COURSE ORGANIZATION

Strategic Leadership is organized around a set of modules. These modules and their related core questions are:

INTRODUCTION	What issues and challenges will we address?
STRATEGIC FRAMES	How do we think about strategy?
VISIONING	How can we develop the art of the long view?
STRATEGIC DESIGN	How can we design for results?
ORGANIZATIONAL CULTURE	What is it and how do we manage it?
MERGERS & ACQUISITIONS	How can we manage M&A successfully?
LEADING CHANGE	How can I/a company keep up with the changing world around us?
CONCLUSION	Student Reports and Conclusions

The meaning of these modules will become clear to you as the course unfolds. See the Course Schedule below.

REQUIRED MATERIALS

1. *Level Three Leadership: Getting Below the Surface Fourth Edition* (Clawson, Prentice-Hall, 2008)
2. *The Art of the Long View: Planning for the Future in an Uncertain World*, (Peter Schwartz, Currency Doubleday, 1996)
3. *Our Iceberg is Melting*, (John Kotter and Holger Rathgeber, St. Martin's Press, 2006)
4. Access to COURSE WEBSITE:
http://faculty.darden.virginia.edu/Strategic_Leadership/index.htm
5. Access to MY WEB PAGE: <http://faculty.darden.virginia.edu/clawsonj/index.htm>
6. Case Packet from DEMS

ON RESERVE IN THE LIBRARY

1. *Level Three Leadership 4th Edition*, (Clawson, Prentice-Hall, 2008)
2. *Organizational Culture and Leadership*, (Ed Schein) (3 copies)
3. *Leading Change*, (John Kotter)
4. *Our Iceberg is Melting*, John Kotter and Holger Rathgeber, St. Martin's Press, 2006)
5. *The Art of the Long View* (Peter Schwartz, Doubleday, 1996)

COURSE REQUIREMENTS and PRINCIPLES

1. **PREPARATION AND PARTICIPATION:** (50% of your grade)
On average I expect about two hours of *preparation* time for each class.
On *participation*, if you learn a lot but never share that with others, what good is it? I place a high value on honest, forthright discussion and debate about real issues. You are in class as much for what you *contribute* as for what you take away. I expect you to be contributing to the discussion in every class.
2. **FINAL PROJECT:** (50% of your grade.) See below.
3. **WIKI-CASE:** At a time of your choosing, I ask that you make a one page contribution to the Darden wiki-case site. The site is designed so you can add pages on new topics or already established topics; please pick a topic related to the macro orientation of the course, that is, strategy, design, culture, or change.

Please follow instructions below and on the wiki-case site carefully so as not to destroy inadvertently the page you're working on.

Send me the URL for your contribution in an email. This write-up will count as *one* class contribution grade.

<http://mbaportal.darden.virginia.edu/ca/casewiki/Wiki%20Pages/Home.aspx>

4. **TEAM:** You may choose, if you wish, to work together on a team of no more than four

people (total) to do your final project—and for the book reading assignments. If you choose to do so, all members of your team will get the same grade for the final project. For the book readings, you can assign $\frac{1}{4}$ to each team member and then educate each other in a team meeting *before* class if you wish.

- 5. STUDENT LEADERSHIP:** It's hard to practice leadership waiting for someone else (instructor) to set the agenda. Consequently, there will be times when I'll ask members of the class to lead the class discussions. This activity will help you develop your planning and leadership skills.

CLASS DEPARTMENT REQUESTS

I invite you and ask you to:

1. Share my interest in having active, honest, deep discussions about important principles in leading and living (help create a *high energy learning bubble* in the room).
2. Come on time. (to protect the bubble)
3. Do not come and go from class; it disrupts the discussion. (breaks the bubble)
4. Come prepared having read all of the materials for the class. (creating the bubble)
5. Do not wear hats in class, please. (respect for classmates, a *VABE* from my upbringing)

GRADING

Your final course grade will be derived 50% from classroom contributions including the ancillary assignment outlined above and 50% from your final project. Attendance requirements will conform to Darden School policy.

FACULTY

Professor James G. Clawson	Tel: 924-7488	(Room 293B)
Course Secretary Barbara Richards	Tel: 924-7331	(Room 264)

Strategic Leadership **COURSE SCHEDULE** March - April 2010

#	Day	Date	MODULE	Topic	Method & Core Material
1.	Tu	3/16	INTRO- DUCTION	Introduce Course	CASE: Peter Browning and CWC A
2.	We	3/17	STRATEGIC FRAMES	Strategic Maps	L3L: Strategic Frames
3.	Mo	3/22		MBA Challenges	CASE: Gillette Singapore
4.	Tu	3/23		Charters	L3L: Charters Case: US NAVY BASE JAPAN
5.	Mo	3/29	VISIONING	The Long View	BOOK: <i>The Art of the Long View</i> Possible Scenarios
6.	Tu	3/30		GE example	Open Research: GE Initiatives Student Opportunity Discussion
7.	We	3/31	DESIGN	Organizational Design	CASE: FMC Aberdeen
8.	Mo	4/05	CULTURE	Organizational Culture	Open Research on Org Culture
9.	Tu	4/06		Design and Culture	CASE: Hausser Food Products
10.	Mo	4/12	LEARN ORG	Learning Organizations	CASE: WD-40
11.	Tu	4/13	M&A	Mergers	Open Research: M&A process
12.	Mo	4/19	LEADING CHANGE	Change Models	BOOK: <i>Our Iceberg is Melting</i>
13.	Tu	4/20		Leading Change	CASE: Ed Norris & the Baltimore Police Department A
14.	Mo	4/26	CONCLUSION	Student Presentations	3 TEAMS PRESENT DRAFTS 4 FDBK
15.	Tu	4/27		Loose Ends & Conclusion	
	Mo	5/03		Final Project Due 4:30 pm	

STRATEGIC LEADERSHIP FINAL PROJECT

Purpose

The central purpose of your final project is to craft a charter for an existing company of your choosing. The charter should include all of the elements outlined in Chapter 8, “Personal, Workgroup and Organizational Charters,” in *L3L*. Your final project will include some other elements as outlined below, but the *charter* is the core and most important piece. Here are the main steps in creating your charter:

1. **Select a company** about which you can gather lots of information. You (and/or your team) might begin with the Fortune 1000 international list and pick a company in which you have significant interest. For this project, I encourage you to use a public company given the volume of public information on them. Later in life, you may wish to apply your new skills to a family business or a start-up.
2. **Complete to the best of your ability what you think the explicit or implied charter of the firm is** from the public information available. Some of the elements of the charter may not be evident from the public information. Do the best you can. If you have inside contacts, you may add this information to your analysis. Include an analysis of the organization’s culture (as best you can) in your charter. This would fit under the “values” section—do the espoused values match up with the values-in-action?
3. **Revise the existing charter** as you see appropriate given your study in the course. What’s missing? What should be there? How would you re-write or revise existing charter elements? Where you don’t have specific information or insight, think through the industry, the company, and *draft* your tentative thoughts about what the charter elements should be.

Other elements in your final project should include

- Major insights that you gleaned from the course
- Your personal model for managing change

You have two options for delivering your final project: written paper or PowerPoint slide presentation. If you choose the paper option, assume that I am an interested but impatient potential investor or acquirer, and you’re trying to make the nature of your business clear in as short a length as possible. If you use a slide presentation, you should add voice over explanation as if I were in the audience listening to your vision of the firm as its CEO. In either case, the analysis should be complete and professionally presented.

Length. Please see the chapter in *L3L* for more information on the relative sizes of the pieces of a charter. In general, mission/purpose statements should be one sentence or less. A vision might be several pages and relate to every discipline of a firm (ie, financial, operations, marketing, human resources, public relations, etc.) A statement of values should be one page or less; but the organizational culture analysis might be at a minimum, another page. The strategy is probably the longest section and will have detailed strategic plans/moves for each of the disciplines (e.g. finance, marketing, operations, etc.). Short term operating goals involve

identifying and noting the metrics by which a firm will be assessed. This section might be one to three written pages or slides. Hence, in total, a complete charter might be 20 - 30 pages single spaced or 20 - 30 slides. Then add your learnings from the course (1-2 pages) and your model of leading change (1-2 pages with diagrams) and you have something about 30 pages/slides in length.

Due Date

Your Final Project is due in my e-mail inbox by 4:30 pm as shown on the Course Schedule above. You may send your project in early if you wish; however, be careful that you do not do it so early that you don't benefit from all of the content in the course.

WIKI-CASE CONTRIBUTION

At some time during the course I ask that you contribute a one-page new case to the Darden wiki-Case project. At present the Darden wiki-Case project is limited to the Darden community. Your contribution will be the equivalent of one class contribution grade. When you've made your contribution, simply send me an email with the web address of your wiki-Case included so I can go read it.

The Darden wiki-Case site is

<http://mbaportal.darden.virginia.edu/ca/casewiki/Wiki%20Pages/Home.aspx>.

PLEASE BE CAREFUL AS YOU ADD WIKI PAGES and don't destroy what's already there.

In general, there's a two step process:

1. Edit a **CATEGORY** page to include your caselet **title** in double brackets. First, find the appropriate category page, click on EDIT, and add your TITLE only in between [[]]’s and then click on SAVE. This will add the TITLE of your case to the wiki-site. THEN,
2. Add the new **CASELET** page with your text to the wiki-structure by clicking on your new title (which should have a DASHED line under it indicating there's no text on that page yet), and typing in or pasting your text in the page that appears. Then, click on SAVE.

You can edit **any** page by clicking on the EDIT button in the upper right hand portion of the page. **CAUTION!!!!** Feel free to add new cases on any topic related to the course. If you find cases already there on your chosen topic, you can add a second case with a different title. When writing your wiki-Case, please follow these guidelines:

1. All cases must be real, nothing fictional or made up.
2. Please change all of the names so that while real, the situation cannot be attributed to an actual person.
3. Keep your cases to one page or less.
4. Write all of your cases in the past tense.
5. Be sure to end each case with a decision point in which someone in the case needs to make a decision and do something. This will likely mean that you write up a situation that you know about but don't tell the whole story, just up to a point where someone had to decide and then act.

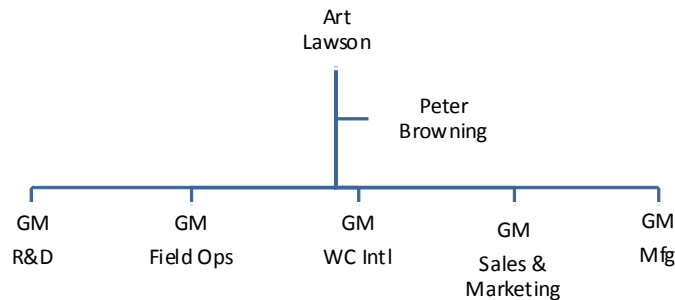
DAILY ASSIGNMENTS
Level Three Leadership

Legend

- L3L = *Level Three Leadership, Fourth Edition*
- CP = Case Packet
- TBD = To Be Distributed

Class # /Topic	1. Course Introduction
Read:	<ol style="list-style-type: none"> 1. <i>Syllabus (web site: http://faculty.darden.edu/clawsonj/Strategic_Leadership)</i> 2. <i>L3L, 4e, Chapters 1-2</i> 3. <i>Peter Browning and Continental White Cap A (HBS)</i> <p>NOTE: <i>REPLACE the organization chart in the case with the one below which the author told me was more accurate at the time PB <u>arrived</u> in Chicago.</i></p> <p>Complete the “Survey of Managerial Style” (L3L 4e, p. 384) Input your data on the appropriate VCM collection link on: http://faculty.darden.virginia.edu/clawsonj/</p>
Study Questions:	<ol style="list-style-type: none"> 1. If you were in Peter Browning’s position, what would you be concerned about? 2. What would you do? Have a complete action plan outline ready to go. 3. What would Browning’s VCM profile look like? What does yours look like?

White Cap Organization when Peter arrived (contrary to exhibit)



Class # /Topic	2. Strategic Maps
Read:	<i>Strategic Frames</i> (L3L 4e, Ch. 5)
Study Questions:	<ol style="list-style-type: none"> 1. Given your education and experience to date, what's your model of strategic thinking today? Be prepared to show your model to your Dyad Partner (selected in the last class) and the class. Do you choose/have a fit model, an intent model or some other kind of model? 2. Pick a public company that you'd like to learn more about and spend an hour on-line finding out everything you can about its strategy. If you were the president of this corporation, what is your model of what you should be attending to? 3. Review Final Project Assignment.

Class # /Topic	3. Master of Business Administration Challenges
Read:	<p><i>"The Global Business Leader," L3L 4e, Ch. 14.</i></p> <p><i>Gillette Singapore (A) (HBS 897-102)</i></p>
Study Questions:	<ol style="list-style-type: none"> 1. What are the problems here? 2. Prepare a detailed agenda for the first Operating Committee Meeting as of March 21, 1994. Given your knowledge of what factors have to be organized and managed in a company, what questions have been answered and what questions remain? 3. What would be your action plan if you were in Mr. Juan's position following the first Operating Committee Meeting? 4. How does the Singapore context change how you think about taking action? 5. What's your self assessment of your profile compared with the Global Leaders profile in the chapter?

Class # /Topic	4. Charters
Read:	<p><i>"Strategic Planning On A Military Air Station: Calm Skies Or Turbulence Up Ahead?" (UVA-OB-0818)</i></p> <p><i>"Personal, Workgroup, and Organizational Charters" (L3L 4e, Ch. 8)</i></p>
Study Questions:	<ol style="list-style-type: none"> 1. If you were Commander Naumu's commanding officer, what would your assessment be of the charter document? 2. What questions would you ask Cdr. Naumu? 3. What improvements would you advise?

Class # /Topic	5. The Long View
Read:	<i>The Art of the Long View</i> (Peter Schwartz)
Study Questions:	<ol style="list-style-type: none"> 1. What are the key concepts for you from this book? 2. What were the author's central theses? 3. What questions do you have regarding the book? 4. Identify, using the concepts as described in the book, three scenarios you believe necessary to investigate.

Class # /Topic	6. GE Example
Read:	"Innovation and Level Three Leadership," (<i>L3L 4e, Ch. 7</i>)
Study Questions:	<ol style="list-style-type: none"> 1. Learn as much as you can (from the web or wherever) about General Electric's strategic plan under Jeff Immelt. What is Immelt trying to do? How do you think this will turn out? Why? What is Immelt's view of his business colleagues? 2. What does it take to innovate in a medium to large corporation? <p>NOTE: This is a preview of part of the final project.</p>

Class # /Topic	7. Organizational Design
Read:	FMC Aberdeen (UVA-OB-0385)
Study Questions:	<ol style="list-style-type: none"> 1. Do you think this organization "works?" 2. If so, what evidence would you cite to support your claim? 3. WHAT makes this organization work? Be prepared to describe in detail your assessment of how this organization does what it does.

Class # /Topic	8. Organizational Culture
Read:	<p>"Ford's Way Forward," <i>WSJ</i>, 1/23/06, Jeffrey McCracken (CP)</p> <p>"Evolution and Revolution as Organizations Grow," (Greiner, CP).</p> <p>Use the Web, <i>Organizational Culture and Leadership</i>, (Ed Schein, on reserve Chapters 1, 2, 3, 7, 8, and 11), Lou Gerstner's experience at IBM, and any other sources you can find to answer the questions below.</p>
Study Questions:	<ol style="list-style-type: none"> 1. What is organizational culture? 2. What is the impact of organizational culture on performance? 3. How if at all does one alter organizational culture? 4. What would a good organizational culture analysis look like? 5. Pick a company and describe its culture.

Class # /Topic	9. Design and Culture
Read:	<p>Hausser Food Products Company (CP)</p> <p>"Leading Organizational Design," <i>L3L 4e</i>, Ch. 22.</p> <p>"The Ethical Imperative of Level Three Leadership," (<i>L3L 4e</i>, CH. 6)</p>
Study Questions:	<ol style="list-style-type: none"> 1. What does corporate want? 2. What does Brenda Cooper want? 3. What does the Florida Sales Team want? 4. What are the key demographics of the Florida Sales Team? 5. Be prepared to describe in detail the FOUR main organizational designs/systems/sub-systems introduced in the case as these will be the basis/foundation for the further discussion.

Class # /Topic	10. Learning Organizations
Read:	<p>“Unlearning the Organization,” Slocum and McGill, <i>Organizational Dynamics</i>, Autumn 1993.</p> <p>“WD-40: The Squeak, Smell and Dirt Business,” (UVA-OB-0764)</p>
Study Questions:	<ol style="list-style-type: none"> 1. Analyze the culture at WD-40 when Mr. Ridge arrived. How might Slocum and McGill’s table/model apply? 2. If you were in Garry Ridge’s position, what would you do? Why? 3. Think about your previous employer(s). How, if at all, did they manage the learning of the organization?

Class # /Topic	11. Mergers
Read:	Learn as much as you can about why mergers and acquisitions fail (on-line, other courses, etc.)
Study Questions:	<ol style="list-style-type: none"> 1. Why do so many M&A’s fail? 2. What, if any, is the role of organizational culture in M&A outcomes? 3. As a manager/consultant, what process would you use to avoid these failures? Be prepared to lay your process out in detail.

Class # /Topic	12. Change Models
Read:	<p>"Leading Change" (<i>L3L, 4e, Ch. 24</i>)</p> <p><i>Our Iceberg is Melting</i> (John Kotter)</p>
Study Questions:	<ol style="list-style-type: none"> 1. What's YOUR model of leading change? 2. For each of the Kotter eight steps/principles, think of examples that illustrate from your experience. 3. Which of the eight steps are most difficult to manage? Why? 4. What lingering questions do you have? <p>NOTE: this is a preview of <i>part</i> of the final project, that is, identifying and clarifying your personal change model.</p>

Class # /Topic	13. Leading Change: "Culture Eats Strategy for Breakfast"
Read:	<p><i>Ed Norris and the Baltimore Police Department A</i> (<i>UVA-OB-0776</i>). View CD-ROM clips on-line.</p>
Study Questions:	<ol style="list-style-type: none"> 1. If you were in Ed Norris' position, what would you do? Assume that you got the top job shortly after you arrived. 2. How does one manage/lead change in large organizations?

Class # /Topic	14. Student Presentations
Read:	<p>“The Language of Leadership,” <i>L3L 4e</i>, Ch. 20.</p> <p>Be prepared, with your team, to present IN TEN MINUTES OR LESS a draft of your final project, that is, a charter for the organization of your choice. We’ll pick 3 teams at random to present. In class, you’ll be asked to give constructive feedback—and receive it.</p>
Study Questions:	<ol style="list-style-type: none"> 1. What is the charter for the organization you chose to analyze? 2. What is its culture? 3. If you were CEO, what changes would you want to make?

Class # /Topic	15. Loose Ends and Conclusion
Read:	<p>“Six Steps to Effective Leadership,” <i>L3L 4e</i>, Ch. 19.</p> <p>Complete the <i>Leadership Steps Assessment</i> on page 413 in <i>L3L 4e</i>. Input your data on my webpage.</p>
Study Questions:	<ol style="list-style-type: none"> 1. What lingering questions do you have about the topic of leading strategic change? 2. What’s your strategic, professional purpose in life?