



Analysis for General Managers Fall Term A, 2012

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“Look, I only have three things to do. I have to choose the right people, allocate the right number of dollars, and transmit ideas from one division to another with the speed of light.”

– Jack Welch, Former CEO, General Electric

When asked what single event was most helpful in developing the theory of relativity, Albert Einstein is reported to have answered, “Figuring out how to think about the problem.”

Course Goals

Analysis for General Managers (AGM) has two primary objectives:

- To introduce the concept of “general management,” and
- To develop analytic skills for effective problem and opportunity identification.

We do not expect each student to become an expert at each in these sessions. Indeed, an underlying theme for the entire Tuck core curriculum is to build, enhance, and perfect the skills you will need to excel as a general manager. We do expect, however, that students will finish the first-year program with a solid foundation in all areas of general management through a set of in-depth courses on each of the functional areas of management. As such, the two primary objectives noted above for this course are only the first steps in your general management education here at Tuck.

The General Management Perspective

All of us come to a problem, opportunity, or decision with a set of assumptions based on our backgrounds and experiences. For example, someone who has spent years in a finance function – concentrating on managing cash flow, raising capital, and budgeting – will have a particular point of view that is different from someone whose experience has been in marketing – focusing on product development, customer segmentation, product positioning, etc. Two implications arise from this: (1) Each person will have only a "limited" view of the whole organization, and may be driven to define a problem as a "finance" or "marketing" problem because this is what their experience tells them to do, and (2) Each person may be correct, but only partially.

The solution is to develop a general management perspective. The general management perspective seeks to integrate multiple functional perspectives to arrive at a complete understanding of a problem or opportunity. The value of the general management perspective becomes particularly clear when running a business, for it is here that the interplay of different functional imperatives – with views often in conflict – becomes most apparent. Thus, this course focuses on the challenge of effectively combining the requirements of each functional area with the overall needs of the enterprise.

The General Manager's Job

What's so special about the general manager's job? At one level, the general manager is responsible for the management of the total enterprise. He or she is ultimately responsible for the success or failure of a business – whether it is for-profit or not, domestic or international, small or large. Thus, general managers include CEOs, entrepreneurs in start-ups, leaders of business units in larger companies, executive directors of charitable organizations, and presidents and prime ministers of countries. General managers are also leaders – the people who set the organizational purpose and create an environment where success happens.

The job of the general manager as leader involves one part critical thinking – about strategy and how to define the business model; one part innovation and creativity – by exploring opportunities, understanding discontinuities, and crafting strategy; and one part intuition. So while we will rely on frameworks to guide our thinking wherever possible, there is a "messiness" in the general manager's job that cannot be denied.

The complexity and responsibility of the general manager's job make it one of the most important in an organization. Accordingly, many, perhaps most, students will aspire to such positions at some point in their career. This course will seek to lay a foundation about the general manager's job that can then be augmented and developed further throughout the rest of the curriculum.

Problem and Opportunity Identification

Business school is different from the “real world.” In business school it is not unusual for students to be told the essence of the problem or issue upon which a particular class session will focus. Professors provide general clues, such as the name of the course, the title or topic of the class session, and perhaps the nature of the assigned readings. Specific assignment questions, or even a brief description of the issues to be discussed, are often provided in advance as well. While it is perfectly natural for students to welcome such indicators – for they clearly reduce uncertainty on what is to come – we would be hard-pressed to think of a situation outside of business school where the key issues to be resolved are so thoughtfully laid out in advance. In truth, of course, problems and opportunities in the business world need to be decided, formed, even cajoled from the facts on hand. *For this reason, AGM provides only the most general guidelines for case preparation. An important part of the learning here will be in the process of figuring out what the right questions are, and what the right problems and opportunities should be.* This is not easy, but then, the same can be said of business situations in the real world.

We will spend time in every class trying to understand how best to define the problem or opportunity at hand. It is not hard to imagine a company going wrong if they cannot understand what the really critical issues are. As such, our own emphasis on problem and opportunity identification will fit in well with the broader problem-solving framework discussed in other courses in the core curriculum.

Course Requirements

The course packet and assigned texts contain the readings and cases we will use. The primary method for both getting a lot out of AGM and being recognized for doing so is thorough preparation for class and active participation while in class. There is seldom only one "right" answer in a case study; what counts is your ability to contribute well thought-out and reasoned arguments to the discussion. (See first readings on September 5th for more on the case method.)

Typically, class time will be dedicated to an in-depth analysis of a case and the issues that arise from that case. Students are presumed to have read and thought about the assigned readings as part of class preparation. *We also assume you have spent a significant amount of time discussing the case with your study group.*

You should come to class with prepared notes on the key points you would like to make in class. We will both "cold call" and elicit voluntary points of analysis in the class discussion. The case analysis in class tends to move very quickly, placing a premium on your ability to think and respond in real-time. The dynamic aspect of case analysis comes not only from the professor's leadership but also from the interaction among students debating and analyzing the case issues.

Note that some of the cases we will use are "old" in the sense that they were written in, and refer to, previous time periods. Please recognize that cases are not the same as newspaper or magazine articles, and that their goal is not to describe current or even real events but to provide an opportunity for in-depth analysis of fundamental, critical issues. The importance of critical thinking about general management is the same today as it has been for decades, perhaps centuries. For this reason we rely, for the most part, on classic cases that have stood the test of time.

Expectations and Grading for AGM

Expectations

You are expected to:

1. Take responsibility for group work representing equal efforts by all team members. If you have a “free rider” problem in the group that you can’t solve yourselves, you need to tell us about it.
2. Attend every class session. If you miss class, it will adversely affect your class participation grade.
3. Turn in all assignments on time. Late assignments will be downgraded.
4. Use laptops in class only when required for the class session. Do not check email or surf the Internet during class.

Grading

Your grade in AGM will be based on the following percentages:

- 50% Class participation in case discussions
- 50% Final written exam

Required Textbooks, Cases, and Readings

The required texts for AGM are: *Think Again: Why Good Leaders Make Bad Decisions*, by Sydney Finkelstein; and *Corporate Communication, 5th edition*, by Paul A. Argenti. For those seeking a reference book for the course, an optional text is: *The Fast Forward MBA Pocket Reference*, (2nd edition) by Paul A. Argenti. All books are available at the Dartmouth Bookstore and Wheelock Books. *Think Again* by Professor Finkelstein is also available on Kindle from Amazon.com. Please note that you will be using these books throughout the year, so do not sell them at the end of Fall A.

Analysis for General Managers Class Sessions

Session 1: Wednesday, September 5

Case: Yellowtail Marine

Readings:

1. Argenti, P., "A Note on the Case Method," *Corporate Communication*, pp. xi-xiii.
2. Review from Orientation: "How to Discuss a Case" and "How to Analyze a Case," HBS Press.
3. Gadiesh and Gilbert, "Transforming Corner-Office Strategy into Frontline Action," *Harvard Business Review*, May 2001.
4. Finkelstein, S., *Think Again: Why Good Leaders Make Bad Decisions*, Chapter 5.

Assignment:

1. What would you do if you were Robin Gilchrist? Why?

Session 2: Thursday, September 6

Readings:

1. Finkelstein, S., *Think Again: Why Good Leaders Make Bad Decisions*, skim chapters 1-4.

Assignment: Will be given to you in class on September 5.

Session 3: Tuesday, September 11

Case: Nike (A)

Reading:

1. Argenti, P., *Corporate Communication*, chapter 4, pages 67-104.

Assignment:

1. Why has Nike been successful?
2. What are the most important problems and opportunities the company faces at the time of the case? How would you deal with these problems and opportunities?

Session 4: Tuesday, September 11

Special Session

Guest Speaker: Mark Thompson
CEO, Boston Private Bank
3:00 to 4:30 pm in Cook Auditorium

Session 5: Friday, September 14

Case: The Atchison Corporation (A)

Readings:

1. Lawler, "Achieving High Performance: Turning Principles into Practice," in *From the Ground Up: Six Principles for Building the New Logic Corporation*, San Francisco: Jossey-Bass Publishers, 1992.
2. Finkelstein, S., *Think Again: Why Good Leaders Make Bad Decisions*, Chapter 6

Assignment:

1. If you were Price Millman, what problems and opportunities would be of greatest importance to you? What would you do? Why? How would you do it? (Note: Be very specific in addressing this question.)

Session 6: Wednesday, September 19

Case: The Body Shop International

Readings:

1. Finkelstein, S., *Think Again: Why Good Leaders Make Bad Decisions*, chapter 8.
2. Argenti, P., *Corporate Communication*, Chapter 5, pages 105-133

Assignment:

1. Why has the Body Shop been such a strong economic performer?
2. Are there any risks associated with the Body Shop's corporate responsibility positioning?
3. What recommendations would you make about how to proceed in the U.S. market?

Session 7: Thursday, September 20

Case: Merrimack Imaging

Readings:

1. Munter, M., *Guide to Managerial Communication*, "Consult/Join Meetings" pp. 97-100.
2. Argenti, P., *Corporate Communication*, Chapter 2, pages 27-42.
3. Finkelstein, S., *Think Again: Why Good Leaders Make Bad Decisions*, chapter 9.

Assignment:

At the end of the case, a meeting has been called of all five managers to discuss how to deal with the problems and challenges of the company. In class we will conduct a role play of that meeting. Read and think about the case from your assigned perspective, which will be announced beforehand:

1. From your perspective, what do you think Merrimack should do and why?

2. What do you think will be the effect of your approach on the performance of the company as a whole, and on the positions and interests of the key managers? Be prepared to respond to the comments and suggestions that you anticipate from the other members of management.
3. What is your intended approach to the upcoming meeting?

Final Exam

The final exam will be distributed on Thursday, September 20 after the afternoon class. You will be given the exam questions and a four-hour period to complete the exam, which is due on **Tuesday, September 25 by 8:30 AM** hard copies only. This is an individual exercise. You will not be able to discuss the exam with your group or anyone else in your class.