



**Tuck School of Business at Dartmouth
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**STRATEGIC LEADERSHIP – SECTION 1 (MONDAYS)
Fall 2014**

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Course Description

Strategy – its formulation and execution – is a human endeavor. The experiences, biases, egos, values, and other human factors in the executive ranks greatly influence what happens to companies. This course examines the effects of senior executives on company strategy, performance, and vitality. The central question is this: How can we improve our understanding and prediction of organizational outcomes – and improve the outcomes themselves – by paying greater attention to top management capabilities and behaviors? Course topics include: executive selection and succession, executive compensation, top management team composition and dynamics, and board-management relations.

Objectives

- To highlight the role of individual and groups of executives in determining the strategic direction of a company.
- To develop expertise in evaluating executives for senior management jobs, as well as insight into career progressions and choices.
- To understand some of the challenges and dynamics involved in top management teams and board of directors.
- To learn about board of director best and worst practices.

Although the course is highly relevant for students who wish to strengthen their own managerial talents, it is not a skills-based “leadership” course. Rather, it is intended to improve the student’s ability to diagnose, critically evaluate, and enhance executive capabilities in a firm. Thus, the course is relevant for students interested in general management, management consulting, firm valuation, venture assessment, and executive staffing and development.

Format and Requirements

Strategic Leadership (SLEAD) has a unique format. There will only be 4 class meetings, from 4:45-7:45pm either on Monday or Tuesday, depending on your section. In all 4 class sessions in this section there will be a visitor who will actively participate in the session and act as a second instructor in the room. These visitors bring their experience as senior executives, headhunters, private equity partners, venture capital partners, hedge fund managers or corporate governance experts. Because we are asking a great deal from these visitors, they will only participate on one date, in one section. That means that the visitors will not be the same in the two sections, and, as a result, there will be some variation in the materials covered across sections. If there is room in the class, and you wish to attend an extra class in the section you are not registered in, just let me know.

Most of the required reading materials due for any class are case studies. Because of the 3-hour time block, you will usually need to prep two case studies for the same day; please plan accordingly.

Grading

Grading for the course will be based on (1) class participation (counting for 2/3 of the final grade in the course), and (2) an “opinion column,” (counting for 1/3 of the final grade in the course). Please note that because there are only 4 class meetings, attendance is compulsory. Missing one class is the equivalent of missing 25% of the course.

(1) Class Participation – I believe the ability to articulate a well-thought out point of view, and engage in real debate, is a key to success in business. As a result, I place a very high weighting on your performance during the class sessions of SLEAD. More important than grades, however, is learning, and experience has shown that learning is maximized via preparation, involvement, and participation.

(2) Opinion Column (“OC”) – There is one OC required for SLEAD. In addition, this assignment also asks you to provide written feedback to 3 other people in your class on their own OC (details below). An OC is a short written article of between 750-1,000 words on a specific topic, like an op-ed might be in a newspaper. It is submitted in hard copy and electronically, allowing you to use HTML to provide further information or support or a reference, as the case may be, right in the text of the OC. An OC does the following:

- The OC must be related, in some way, to the topics we discuss in SLEAD. So, anything on top managers, CEOs, boards of directors, executive compensation, decision-making, how people think about and make strategy, entrepreneurial leaders, leaders in startups, leaders in M&A, organizational culture, hiring and firing, career management, the list goes on. You can see that there is a very wide spectrum of potential topics. If you are not sure, ask me. I will be very open-minded with respect to topic.
- It is probably smart to select a topic that has something to do with your career or personal interests.
- An OC takes a specific point of view on an interesting topic. It is not a newspaper article that is meant to balance all sides of a question. It is not an executive summary.
- The best OCs will select an interesting topic, take a clear point of view, offer an unexpected or original insight on that topic, and be very well written.
- An OC is an original document, with your own point of view, but if you make a key factual statement you need to support it. Use embedded HTML to link to relevant support, where needed. You can also use HTML to link to related articles or information if you think that is helpful for the reader.
- The OC is due by 4:45pm on the last day of class, September 29, or earlier. It must be submitted in (1) pdf format electronically to both me Sydney.finkelstein@dartmouth.edu and my assistant Jessica Osgood Jessica.osgood@dartmouth.edu, and (2) hard copy to Jessica Osgood's office.
- You can read some of the OCs I've been writing for the last few months here: <http://www.bbc.com/capital/columns/syd-weighs-in>. You need not write on any of the topics that I have, but they will give you a good idea of what the finished product should look like (with the important exception being that you are required to provide HTML links to support your OC, as discussed above, which I didn't do).
- BBC Capital has other columnists that provide other examples of potentially relevant topics for SLEAD, as well as writing style and structure: <http://www.bbc.com/capital/columns/leader-board>
- Other columnists who are worth looking at for examples and style are James Surowiecki from the New Yorker: <http://www.newyorker.com/magazine/2014/07/07/moaning-moguls>, and Joe Nocera from the New York Times: <http://www.nytimes.com/2014/07/22/opinion/Joe-Nocera-Did-Dodd-Frank-Work.html>
- Student feedback on OC: The best results for an OC occur when the writer has received feedback from knowledgeable people along the way. We accomplish this by having each student provide written feedback to 3 other people about their OC's. **When handing in your OC, please indicate to whom you gave feedback, and provide a short summary of the quality of your feedback to those people and what you learned in doing so.**

Tuck Honor Code

All students are expected to read each case fully and prepare their own individual analysis of the whole case. However, once this individual analysis has been completed, students should feel free to work together with partners or in groups to help sharpen points of view and refine thinking.

Laptops are permitted only if used to access course materials or take class notes. It is a breach of professional ethics to use your laptop for any other purpose during the class.

Course Outline

Session 1: Monday, September 8

Topic: Executive Selection, Succession, and Strategy

Special Classroom Visitor: Michael Ward, T'92, Executive VP, Bain Capital
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Case 1: Madison Rubber Corporation (A)

Assignment 1:

1. In 1991, if you were a consultant to Madison's board, how would you get them started on CEO selection?
2. Why is there so much friction between Stillman and Cook?
3. What should Stillman do now?

Case 2: Toys-R-Us

Assignment 2: See questions on first page of case materials.

Session 2: Monday, September 15

Topic: Boards of Directors and Corporate Governance

Special Classroom Visitor: Peter Sisson, T'94, CEO, Line2, Inc.
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Case: Toktumi, Inc.

Assignment: See questions at end of case.

Reading: Finkelstein, Sydney. "Chapter 2: New Business Breakdowns," in *Why Smart Executives Fail* (Portfolio, 2003). Pay special attention to the sections on General Magic.

"Are Current CEOs the Best Board Members?" Stanford Graduate School of Business, CGRP-18, 08/17/11. Please answer the questions at the end of this short research report.

Session 3: Monday, September 22

Topic: Why Some CEOs Succeed, and Others Fail

Case 1: Bill Walsh

Assignment 1:

1. Bill Walsh was both innovative in his work, and a spawner of talent. Do you think that these two characteristics usually go together? Can you think of other examples?
2. What are the key characteristics of Bill Walsh as a leader, and are they transferable to your own business context?
3. Only a few years after Bill Walsh left San Francisco, the team went on a downward spiral and few speak of their coaching talent and spawning of coaching talent anymore. Was this inevitable? How could this talent pipeline have been institutionalized so that it would have continued after Walsh was gone? How do companies deal with this problem?

Reading: Book Proposal – Godfathers of Talent, by Sydney Finkelstein

Case(s) 2: Motorola
J&J
Snow Brands
Saatchi & Saatchi

Assignment: Read all 4 mini-cases. What went wrong in each situation? Why? What are the key lessons for you from each case?

Session 4: Monday September 29

Topic: How to Select Top Talent

Special Classroom Visitor: Rick Routhier, T'76, Senior Director, Spencer Stuart
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Case 1: Scribe (A)

Assignment 1: What is your assessment of Newberry's approach to profiling his "ideal" management team?

Case 2: Ansell Ltd.

Assignment 2: See case study for questions.

Reading: William Pasmore, White Paper, Center for Creative Leadership, 2014 – “Are You Ready: Four Keys to Becoming a CEO”