UNIVERSITY OF CALIFORNIA
Haas School of Business

Course Outline
Spring 1996

BA 159 - Organizational Behavior
Mr. Glenn Carroll

Lecture: Wednesdays, 9:30-11:00 a.m., Room F295
Office: Room F594
Office Hours: Wednesdays, 11:00-12:30 p.m., Room F594
Phone: 642-0829
e-mail: BGRCAR@CMSA.BERKELEY.EDU

GSI: Marc-David Seidel (Discussion Sections on Fridays)
Office: Room F403
Office Hours: Fridays, times to be announced
Phone: 643-1403
e-mail: SEIDEL@HAAS.BERKELEY.EDU

Description: This course provides a general introduction to the management and analysis of complex formal organizations. It has three educational goals: (1) To expose students to concepts and other tools for analyzing formal organizations; (2) To develop an understanding of the factors that produce effective organizations; and (3) To expose students to theories of organizations and organizational processes, including strategic management.

Class Format: Wednesdays will be devoted to a lecture by Mr. Carroll. On Fridays, students will attend one of three discussion sections led by Mr. Seidel. The discussion sections will consist primarily of case analyses, where students are expected to come prepared to discuss the assigned case at length and in great detail.

Requirements: Attendance at lectures and all discussion sections. Name placards should be brought to all discussion sections. The GSI will announce the policy for attendance and grading; any absences must be approved in advance.

Haas e-mail addresses are required; you must also sign up for the BA 150 mailing list by Week 3. Instructions will be distributed in class; failure to sign up will result in a zero for class participation for each week the student is not signed up.

A brief office visit to Mr. Carroll to introduce yourself is required sometime during the semester.

Completed personal data sheet (attached) must be turned in to Mr. Carroll by Week 3.

Book report (approximately four pages in length).
Midterm examination.

Final examination.

Examinations: The exams will consist of several open-ended essay questions asking you to apply the material covered in the course. The questions will be similar to those used in the cases analyses of the Discussion Sections.

Book Report: You are asked to read one of the interesting books listed below and to write a brief (approximately four pages) report. The book report is due on Friday, April 5. It should summarize briefly the book you read (about two pages). It should also identify one organizational issue that plays an important role in the book and present a brief analysis of that issue (about two pages).

Book options (available at most area bookstores):

T. Kidder, The Soul of a New Machine
   (the story of the building of a computer at Data General)

J. Kaplen, Start-Up
   (the story of GO, a company trying to build a pen computer)

M. Lewis, Liar's Poker
   (what it was like to work at Salomon Brothers in the 1980’s)

B. Werth, Billion Dollar Molecule
   (about a company trying to design new drugs)

D. Dorsey, The Force
   (tales of a very successful sales team at Xerox)

F. Lager, Ben and Jerry's: The Inside Scoop
   (the story of Ben and Jerry’s)

J. Stewart, Den of Thieves
   (insider trading of I. Boesky, M. Milken and others)

J. Strawn, Driving the Green
   (the building of a golf course)

Grading: Participation in discussion of cases: 40%
Midterm exam: 25%
Final exam: 25%
Book report: 10%
Grading Policy: We feel no obligation to use a fixed distribution for grades. However, experience shows that a distribution will emerge with grades ranging from A to F.

We have unfortunately been assigned a lecture room with many more seats than there are students in the class. In order to ensure that the lectures do not assume an undesirable atmosphere, I must insist that all students sit in the lower section of the room, below the divider. Any student sitting in the upper section of the room (except during exams) will receive an automatic lowering of his or her grade by one letter on each occasion. The good news is that the room is air-conditioned.

Required Readings:

Photocopied packet of articles and cases. Available now at ASUC.

Book for book report. From list above.

Black Lightning lecture notes are also supposed to be available for your optional assistance. Available at ASUC.

Week 1

Wednesday, January 17 Lecture: Introduction to Course
Friday, January 19 Discussion: Introduction. An in-class exercise.

Week 2

Wednesday, January 24 Lecture: Managers, Executives and Decision-Making in Organizations
Readings: H. Mintzberg, "The Manager’s Job: Folklore and Fact"
J. Rosener, "Ways Women Lead"

Friday, January 26 Cases: Fred Henderson Renn Zaphiropoulos

Week 3

Wednesday, January 31 Lecture: Why Organizations Matter
Readings: Chapter 1 of Organizations in Industry

Friday, February 2 Case: Ben and Jerry’s Homemade Ice Cream, Inc.
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<tr>
<th>Week 4</th>
<th>Lecture: Organizational Strategy</th>
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<tr>
<td>Wednesday, February 7</td>
<td><strong>Readings:</strong> M. Porter, &quot;How Competitive Forces Shape Strategy&quot;</td>
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<td>C. K. Prahalad and G. Hamel, &quot;The Core Competence of the Corporation&quot;</td>
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<td>Friday, February 9</td>
<td><strong>Case:</strong> U.S. Airline Industry in 1995</td>
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<th>Week 5</th>
<th>Lecture: Organizational Structure</th>
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<tr>
<td>Wednesday, February 14</td>
<td><strong>Reading:</strong> D. Nadler and M. Tushman, &quot;Strategic Linking: Designing Formal Coordination Mechanisms&quot;</td>
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<td>&quot;Note on Organizational Structure&quot;</td>
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<td>Friday, February 16</td>
<td><strong>Case:</strong> Johnsonville Sausage Co. (A)</td>
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<th>Week 6</th>
<th>Lecture: Organizational Forms</th>
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<tr>
<td>Wednesday, February 21</td>
<td><strong>Reading:</strong> G. Hamel and C. K. Prahalad, &quot;Do You Really Have a Global Strategy?&quot;</td>
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<td>H. Mintzberg, &quot;Structures, Forces and Forms in Effective Organizations&quot;</td>
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<td>Friday, February 23</td>
<td><strong>Case:</strong> Corning Glass Works International (A)</td>
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<th>Week 7</th>
<th>Lecture: Organizational Culture</th>
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<tr>
<td>Wednesday, February 28</td>
<td><strong>Reading:</strong> C. O'Reilly, &quot;Corporations, Culture and Commitment&quot;</td>
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<td>Friday, March 1</td>
<td><strong>Case:</strong> People Express (A)</td>
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<th>Week 8</th>
<th>Lecture: Contemporary Human Resource Management</th>
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<td>Wednesday, March 6</td>
<td><strong>Case:</strong> Southwest Airlines (A)</td>
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<td>Friday, March 8</td>
<td><strong>Case:</strong> Southwest Airlines (A)</td>
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Week 9

Wednesday, March 13
Lecture: Organizational Inertia and Change
Reading: Chapter 2 of *Organizations in Industry*

Friday, March 15
Case: Philips Group

Week 10

Wednesday, March 20
MIDTERM EXAMINATION

Friday, March 22
Debriefing of Exam
(Attendance optional)

SPRING BREAK, March 25-29

Week 11

Wednesday, April 3
Lecture: Power and Politics in Organizations
Reading: G. Salancik and J. Pfeffer, "Who Gets Power and How They Hold Onto It"

Friday, April 5
Case: Markham Instrument Co.
Due: Book Report

Week 12

Wednesday, April 10
Lecture: Organizational Demography and Decline
Readings: J. Pfeffer, "Organizational Demography"
R. Sutton, "Managing Organizational Death"

Friday, April 12
Case: Cleveland Twist and Drill (A)

Week 13

Wednesday, April 17
Lecture: Organizational Populations: Environmental Selection and Density Dependence
Readings: Chapters 3-10 in *Organizations in Industry*

Friday, April 19
Case: Hattori-Seiko and the World Watch Industry in 1980
Week 14

Wednesday, April 24
Lecture: Organizational Segmentation
Readings: G. R. Carroll, "Organizations...The Smaller They Get"
Chapters 11-16 in Organizations in Industry

Friday, April 26
Case: Mendocino Brewing Co. (A)

Week 15

Wednesday, May 1
Lecture: Review

Friday, May 3
Discussion: Question and Answer Session

On preparing for discussion of cases

Cases are designed to give you experience in (1) using your analytical abilities; (2) applying abstract theory to specific managerial contexts; and (3) public communication about managerial issues. In order to benefit from the cases, you must prepare diligently before the discussion section. The GSI will seek volunteers to aid the discussion but he will also call on others who do not volunteer to speak. Your participation grade will be based on the quality of your remarks as well as your ability to express ideas. Regular attendance and active participation are essential.

Although there are many ways to prepare effectively for a case, the following format has been proven to work well. First, form a case discussion group with 3-4 of your fellow students. Plan on meeting with your group every week before the discussion section meets. Second, read the case several times prior to the discussion section. An initial quick reading of the case should give you a sense of the issues involved and their organizational setting. Then look at the study questions for the case contained in the course outline. Follow this with a thorough and careful reading of the case. Make notes as you read; keep in mind the study questions and other issues pertinent to the course. Discuss the case with your group, then read it again prior to class. Organize your notes so that you can use them in class.

Study Questions for Cases

January 26

Fred Henderson and Renn Zaphiropoulos

Henderson and Zaphiropoulos are managers from Xerox with very different styles. We will watch videos of each at work. In preparing, please read the cases and ask yourself:

1. How would you describe the manager’s style?
2. Why is he behaving in this way?
3. How effective is he?
February 2

Ben and Jerry's Homemade Ice Cream, Inc.

1. What do you think of Ben Cohen and Jerry Greenfield?
2. How would you describe the Ben and Jerry's organization?
3. Why has Ben and Jerry's succeeded?
4. Evaluate the mission statement of the company.

February 9

U.S. Airline Industry in 1995

1. Describe the competitive environment of the industry in 1995.
2. What are the sources of competition?
3. Describe the different types of strategies adopted by the various airlines.
4. Which strategies are likely to remain viable through the 1990's?

February 16

Johnsonville Sausage Co. (A)

1. List the ten most important changes made by Stayer.
2. Evaluate the new organizational design. Consider alternatives.
3. What should Stayer do about the Palmer request?
4. Does the organizational structure at Johnsonville depend on Stayer? Or can he be replaced?

February 23

Corning Glass Works International (A)

1. What are the problems at Corning International?
2. Describe the organizational changes made by Behm. Evaluate each.
3. What should Behm do now?

March 1

People Express (A)

1. How would you characterize People Express's culture?
2. Which organizational features support this type of culture? Why?
3. What effects does such an organizational culture have? Would it be most appropriate?
March 8

Southwest Airlines (A)

1. What are the sources of competitive advantage for Southwest? Are these sustainable?

2. How serious is the threat of competition? Can United copy Southwest’s sources of competitive advantage?

3. What issues should Ann Rhoades raise at tomorrow’s meeting? What recommendations should she make?

March 15

Philips Group

1. List the changes made by Dekker and van der Klugt.

2. Evaluate each change on a scale of 1-10 when 10 is the best. Defend your evaluations.

3. What do you think of the future for Philips circa 1987?

April 5

Markham Instrument Co.

1. What is the power structure at Markham in terms of departments? How has it changed over time? Why?

2. Are there important political subdivisions in the company besides departments?

3. Why has Ed Green behaved as he has?

4. Who should be chosen to replace him? Why?

5. What should be done by his replacement and by others, such as Finlay, to ensure that the problems with production do not continue?

April 12

Cleveland Twist and Drill (A)

1. Evaluate management’s appeal to the workers. Could it have been effective? If so, how?

2. Would you have carried out the downsizing differently? How? Why?

3. What are Cleveland Twist and Drill’s chances for success? What is required to make the company successful? Can the Cleveland plant be salvaged? Should it?
April 19
Hettori-Seiko and the World Watch Industry
1. Describe the evolution of watch technology.
2. Describe the evolution of the world watch industry.
3. Why do national industries and dominant firms list their positions? How can this be prevented?

April 26
Mendocino Brewing Co. (A)
1. How would you characterize the current strategy at MBC?
2. Describe the environment facing MBC?
3. How should MBC prepare for the future?
Name:
Year in School:
Major:
What are your career goals?

What types of jobs have you held (full-time and part-time)?

Which organizations or firms have you worked for? Please list.

Which industries do you know something about or have an interest in? Please list.

Do you belong to a fraternity or sorority or cooperative? (Please circle.)

Do you belong to any voluntary associations or organizations? Please list.

What is your favorite type of music?

List some of your favorite musicians.

List some of your favorite movies.

List your favorite sports, both for participation and for spectating.