



北京大學
汇丰商学院

Peking University HSBC Business School

Course Code MGT 518 CEO & TOP MANAGEMENT TEAM Module 3, 2016-2017

Course Information

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Office Hour: 3:30-5:30pm Tuesday & By Appointment

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TA Office: PHBS Building, Room 213/214

TA Office Hours:

Classes

Lectures: Monday & Thursday 10:30-12:20pm

Venue: PHBS Building, Room 425

Wechat Group:

2017 CEOTMT Course

1. Course Description

1.1 Context

Course overview

The actions – or inactions – of CEOs and Top Management Teams (TMTs) at the apex of an organization can dramatically affect organizational outcome. CEO & TMT is a graduate level course designed to deeply comprehend these key people – the importance of these key people to an organization, their differences in personalities, values, abilities, and experiences, perceptions, and changes (turnover and succession), and the incentives to these key people to create value for organizations, etc. This course provides an intensive and inspiring learning experience for graduate students (MA and MBA students) and practitioners (current or prospective executives) who are seeking career advancement and broader responsibilities in organizations.

This course will also cover the following topics in case discussions.

- (1) CEOs of established firms and founders/CEOs of start-ups
- (2) CEOs of Chinese firms and US firms
- (3) CEOs and TMTs in Mergers and Acquisitions (M&A) - one key major strategic decision of companies

Prerequisites

Students are required to have completed at least one management course at master/undergraduate level. If students do not meet the prerequisite requirement, but want to take this course, you must show the evidence that you have adequate academic backgrounds to the instructor. The instructor will approve whether you can take this course or not.

1.2 Textbooks and Reading Materials

Course materials will consist of four areas: (1) textbooks (2) Harvard Cases; (3) Academic papers ; (4) powerpoint slides.

(1) Course textbooks: one set of these two textbooks is available at Office 114. You can contact Allison at office 114 to borrow these textbooks. These textbooks are used as references.

Finkelstein, S., Hambrick, D. C., and Cannella, A. 2009. *Strategic Leadership: Theory and Research on Executives, Top Management Teams, and Boards*. Oxford: Oxford University Press (Finalist, Academy of Management Terry Book Award).

Larcker, D. & Tayan, B. 2011. Labor market for executives and CEO succession planning & Executive compensation and incentives. Chapter 7& 8. *Corporate Governance Matters: A Closer Look at Organizational Choices and Their Consequences*. New Jersey: Pearson Education, Inc.

(2) Cases

A list of Harvard cases will be distributed before case discussions. .

(3) Academic papers:

For a few topics, w few academic papers in Top Journals related to the topics will be discussed. These papers will be distributed before lectures.

(4) Powerpoint (PPT) slides

Please take your own notebook to class and make notes.

Only post-lecture PPT slides with answers (E-versions) will be emailed to you all after each lecture.

Recommended Readings: I recommend that you read (or browse) a major business newspaper (e.g., *the Wall Street Journal* or *Financial Times*) on a daily basis. You have heard the phrase “readers are leaders.” This is true assuming the reading is relevant. There is a lot to choose from so choose wisely. Most people do not read; this will be a habit that will set you apart.

2. Learning Outcomes

2.1 Intended Learning Outcomes

Learning Goals	Objectives	Assessment
1. Our graduates will be effective communicators.	1.1. Our students will produce quality business and research-oriented documents.	No
	1.2. Students are able to professionally present their ideas and also logically explain and defend their argument.	Yes
2. Our graduates will be skilled in team work and	2.1. Students will be able to lead and participate in group for projects, discussion,	Yes

leadership.	and presentation.	
	2.2. Students will be able to apply leadership theories and related skills.	Yes
3. Our graduates will be trained in ethics.	3.1. In a case setting, students will use appropriate techniques to analyze business problems and identify the ethical aspects, provide a solution and defend it.	Yes
	3.2. Our students will practice ethics in the duration of the program.	Yes
4. Our graduates will have a global perspective.	4.1. Students will have an international exposure.	Yes
5. Our graduates will be skilled in problem-solving and critical thinking.	5.1. Our students will have a good understanding of fundamental theories in their fields.	Yes
	5.2. Our students will be prepared to face problems in various business settings and find solutions.	Yes
	5.3. Our students will demonstrate competency in critical thinking.	Yes

2.2 Course specific objectives

This course contains the frontier academic research, numerical examples, the analyses of classic and latest cases, regarding CEO & TMT in the global business world. The goals of this course are to (1) facilitate students to develop a solid and comprehensive understanding of these key people – the importance of these key people to an organization, their differences in personalities, values, abilities, and experiences, perceptions, and changes (turnover and succession), and the incentives to these key people to create value for organizations, etc; (2) offer students fine-grained analyses of decision making processes of CEO & TMT through cases analyses. Armed with such in-depth understandings of CEO & TMT, students are more capable of shouldering key responsibilities in organizations increasingly competing in the global market.

2.3 Assessment/Grading Details

Assessment task	Weighting
Class Participation	18%
In-Class Group Case Analyses	35%
An Effective Group Leader	2%
Peer Group Evaluations	15%
Final Individual Report and Presentation	30%
Total	100%

Assignments submitted after the due time will be penalized 10% of the base grade for each 24-hour late.

A. Class Participation (18%)

Please plan to treat this course as an opportunity to practice the professionalism that will serve you well during your career. You owe yourself and your fellow students your presence in the classroom. Meanwhile, please note that nonprofessional behavior (i.e. sleeping in class, chatting with your neighbors during the class time, showing up late to class, reading materials other than those assigned for this class, leaving class early, failing to turn cell phones off, passing notes, eating, rudeness, sarcasm, discrimination, etc.) that creates a distraction is likely to inhibit both your own and your peers classroom learning. As such you can expect that the demonstration of unprofessional behavior will negatively impact your grade in class participation.

Please also note that attendance is a necessary but insufficient condition for participation in a timely manner; this means that simply attending the class is not the same as participating. Participation will be graded on the basis of the quantity and quality of an individual's contribution to classroom discussion. In fact, we learn best when we are actively involved in the activity we are attempting to master (consider riding a bicycle, studying dentistry).

Being well prepared for class is a prerequisite for high quality involvement, which in turn better enables you to maximize your learning. Hence, it is virtually important and it is also your responsibility that you always have read in advance the materials that will be covered during the class. Your level of preparation for this class will determine your success. Please come to class prepared.

To facilitate the evaluation of class participation, the **first SEATING CHART** will be established **in LECTURE 3**. Students will be also graded high pass, low pass, just pass, and not pass according to the following criteria at the end of the semester. *Students will be assigned into different groups across five case discussions. So, seating charts will change across the class. TA will inform you the lists of groups and the seating charts through emails/wechats before each group case discussion.*

High Pass (A / A-)

- initiates information relative to topics discussed
- accurately exhibits knowledge of assignment content
- draws upon practical experience or personal opinion, as appropriate
- offers relevant/succinct and quality input to class consistently
- attends class regularly

Low Pass (B+ / B)

- regularly participates in discussions
- consistently demonstrates knowledge of reading assignments
- demonstrates ability to analyze/apply course material
- demonstrates willingness to attempt to answer questions
- attends class regularly

Just Pass (B- / C+)

- participates in discussion when solicited
- demonstrates knowledge of course material
- offers clear, concise information relative to class assignment
- offers input, but tends to reiterate the intuitive
- missing a few classes

Not Pass (C and below)

- occasional input, often irrelevant, unrelated to topic or fails to participate, even when specifically asked (in large/small group discussion)

reluctant to share information
drains energy from the class
behaves towards others in a disruptive fashion, for example: sarcastic comments aimed at others who are attempting to participate
does not attend class regularly

*Students with the University approved excuse (e.g., valid medical proof) will have his or her absence excused for that day. Besides, it is the responsibility of the absentees to consult their peers about what were covered in the class.

B. In-Class Group Case Analyses and Reports (35%)

To ensure students to experience sufficient interactions with each other and to experience group dynamics, group members will be different across five group case discussions. Group members (4-6 members) will be assigned by the Professor at least one week before each group case discussion. TA will send you the seating chart indicating groups through emails/wechats one week before each group case discussion.

In-Class Group Case Analyses and Reports Grades (35%)

In total there are five case analyses. I will grade each group's performance in in-class group discussions (20%=4%*5 cases) and written submissions (15%=3%*5 cases).

In-Class Group Case Discussions. Each group member has to read the case and think about case discussion questions INDEPENDENTLY before class. In class each group member will discuss your thoughts with your group members; and then groups will exchange ideas.

Written Reports. Each group needs to hand in written answers (1-page) to one or two discussion questions with * before the end of case discussion.

C. An Effective Group Leader (2%)

Each group is responsible for appointing one group leader. Each group's leader is responsible for (1) coordinating the group discussions to provide quality responses and to win the competition with other groups, (2) taking a laptop to the case discussion class, and (3) submitting the written answers to discussion questions before 6:00pm of the day when the case discussion ends. If you have been **an effective group leader, you will earn 2% in the final grade.** If a group leader's peer group evaluation in the case discussion is above average, this group leader is defined as an effective group leader.

D. Peer Group Evaluations (15%)

In the end of each group case discussion each group will evaluate all groups' performance. Please refer to Appendix A. Each student's peer group evaluation equals to the average of five group evaluations.

E. Final Individual Report and Presentation (30%)

Final Individual Report and Presentation Submission and Grades

In the end of the class each student is required to submit an individual report and do a presentation based on this report in the last lecture.

An individual report is no more than two-page long excluding the cover page with your name, student ID number and individual report title, and references; and typed in double-space and 12 point Times New Roman. I will grade your individual report (20%) based on the accuracy of your contents, the logics and rationales of your analyses and the format.

Please prepare for a 5-min presentation with PPT slides based on your individual report in the last lecture. The sequence of the presentation will follow your surname alphabetically. I will grade your individual presentations (10%) based on your PPT slides, presentation quality and Q&As if any.

Please email your individual report and PPT sides to TA and copy the email to me before the end of the last lecture.

You are required to address one of the following questions in your final individual report and presentation. Please provide your references to the facts/data in your writing.

- (1) Among corporate CEOs, TMTs and other leaders such as political leaders, who do you admire most? These leaders could be in the history and outside of China. Why do you admire him/her or them most?
 - a) Please use the theories you learn in the class such as personality, experience and strategies.
 - b) You could provide other rationales based on what you read and observe.
- (2) Or how does the CEO and/or TMT affect mergers and acquisitions (M&As) or cross-border M&As?
 - a) Please base your arguments on the concepts and theories you learn in the class in your final report. .

Please bear these questions in mind since the first day of the class!

2.4 Communications

TA will be responsible for creating a wechat group for this course. Each student is required to join the wechat group. Each student should use his/her real name (Chinese & English names in this wechat group). Announcements will be posted through the wechat.

In the third lecture, each group leader will be responsible for submitting a group photo indicating each member's Chinese name and English name to TA and copy the email to me. The photo should clearly show each member's face and manner.

2.5 Academic Honesty and Plagiarism

Please refer to Handbook for PHBS students. It is important for a student's effort and credit to be recognized through class assessment. Credits earned for a student work due to efforts done by others are clearly unfair. Deliberate dishonesty is considered academic misconducts, which include plagiarism; cheating on assignments or examinations; engaging in unauthorized collaboration on academic work; taking, acquiring, or using test materials without faculty permission; submitting false or incomplete records of academic achievement; acting alone or in cooperation with another to falsify records or to obtain dishonestly grades, honors, awards, or professional endorsement; or altering, forging, or misusing a University academic record; or fabricating or falsifying of data, research procedures, or data analysis.

All assessments are subject to academic misconduct check. Misconduct check may include reproducing the assessment, providing a copy to another member of faculty, and/or communicate a copy of this assignment to the PHBS Discipline Committee. A suspected plagiarized document/assignment submitted to a plagiarism checking service may be kept in its database for future reference purpose.

Where violation is suspected, penalties will be implemented. The penalties for academic misconduct may include: deduction of honour points, a mark of zero on the assessment, a fail grade for the whole course, and reference of the matter to the Peking University Registrar.

For more information of plagiarism, please refer to *PHBS Student Handbook*.

Topics, Teaching and Assessment Schedule (The temporary ones

Schedule on Topics

Week		Lecture	Date	Contents
1	Monday	1	20-Feb	Introduction
				Course Introduction
	Thursday	2	23-Feb	The Importance of CEO & TMT's Perceptions
				Part I: Golden Mine Case A
				Part II: Decision making framework in real business worlds
		Mini-case: the rise of wechat		
			Minicase: Google acquires YouTube for 1.65 billion in stock	
2	Monday	3	27-Feb	CEO & TMT: Team Dynamics and Get Things Done Through Others
				Golden Mine Case B
	Thursday	4	2-Mar	Introduction of CEO & TMT
				An Important Photo
			Video: The Secret to Alibaba's Culture Is Jack Ma's Apartment	
			Case 1 title: HKU-Harvard Business Publishing Case: Alibaba's Jack Ma: Rise of the new Chinese entrepreneur	
3	Monday	5	6-Mar	The Key Challenge that CEO Always Faces
				Mini-case: Jack Ma's crisis management: a leaked email to employees regarding share price performance
				Mini-case: Harvard Business Review Google & Alphabet (G&A) -how to tackle challenges
	Thursday	6	9-Mar	CEO: Bounded Rationality
				Case 2: The Entrepreneur/CEO's Chinese traditional Confucianism value: his startup decision and leadership style
			Case 2 title: Tsinghua SEM-Harvard Business Publishing Case: The late bloomer: ZPMC CEO Guan Tongxian	
4	Monday	7	13-Mar	Bounded rationality: Executive personality
				Zhu, D. H., & Chen, G. L. 2015. CEO narcissism and the impact of prior board experience on corporate strategy. ASQ, 60(1): 31-65.
	Thursday	8	16-Mar	Bounded rationality: executive experience
				Cohen, Wesley, M. & Levinthal, Daniel A. Absorptive Capacity: A New Perspective on Learning and Innovation, ASQ, 35 (1990), 128-152.

Schedule on Topics (Cont'd)

5	Monday	9	20-Mar	CEO in Mergers and Acquisitions
				Case 3 NSEAD-Harvard Business Publishing Case: Sunac's Acquisition of Greentown in the Chinese Real Estate Market (A)
				Game: Power distance cultural value of CEOs and post-acquisition integration of cross-border M&As
				Huang, Zhi., Zhu, Hong., & Brass, Daneil. 2016. Cross-border acquisitions and the asymmetric effect of Power Distance value difference on long-term post-acquisition performance. <i>Strategic Management Journal</i> , forthcoming.
			Zhu, Hong., & Zhu, Qi. 2016. Merger and acquisition by Chinese firms: A review and comparison with other merger and acquisition research in the leading journals. <i>Asia Pacific Journal of Management</i> , 33 (4): 1107–1149.	
	Thursday	10	23-Mar	Top Management Team
				Case 4: Harvard Business School case Decision making at the Top: The all-star sports ebusiness division I
6	Monday	11	27-Mar	Case 4: Harvard Business School case Decision making at the Top: The all-star sports ebusiness division II
	Thursday	12	30-Mar	TMT - Intro, composition and decision making
				Reference: Journey to the west
7	Monday	13	3-Apr	Executive Turnover and Succession
				Case 5 : Harvard Business School case: Founder-CEO succession at Whily Technology I
	Thursday	14	6-Apr	Case 5: Harvard Business School case: Founder-CEO succession at Whily Technology II
8	Monday	15	10-Apr	CEO turnover and succession
				Shen, W., & Cannella, A. A., Jr. 2002. Revisiting the performance consequences of CEO succession: The impacts of successor type, postsuccession senior executive turnover, and departing CEO tenure. <i>Academy of Management Journal</i> , 45(4): 717-733.
	Thursday	16	13-Apr	Executive compensation
			Harvard Business School case: Executive Compensation at General Electric (A)	
9	Monday	17	17-Apr	Executive compensation and incentives & Wrap-up
	Thursday	18	20-Apr	Final Individual Presentations

Miscellaneous

APPENDIX A

**PHBS 2016-2017 Academic Year
Third Module**

**CEO & TMT MA Course
GROUP PERFORMANCE EVALUATION**

Case Name: _____

Group Leader: _____

Group Members _____

Date: _____

	The GROUP NUMBER (INCLUDING your GROUP)	For each group, the full grade of this group's performance in class discussion is 100% and the lowest grade is 0%. Please grade this group's performance.
1	Group A (Group Leader Linda Hu)	90
2	Group B (Group Leader Brian Yu)	100
3	Group C (Group Leader Yi Luo)	75
4	...	

Comments

1) Did any group make exceptionally strong contributions? Describe.

Group B provided insightful comments that add value and/or that we have not thought of.

2) Did any group fail to make appropriate contributions? Describe.

Group C did not make efforts and did not provide quality answers.