



北京大學
汇丰商学院

Peking University HSBC Business School

Course Code MGT 518
CHIEF EXECUTIVE OFFICER & TOP MANAGEMENT TEAM
Module 3, 2018-2019

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: 13:30-15:20, Monday

Classes

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

Venue: PHBS Building, Room

Wechat Group: 2019 CEOTMT Course

1. Course Description

1.1 Context

Course overview

Chief Executive Officers (CEOs) and Top Management Teams (TMTs) are at the apex of a company. These officers are endowed with the power to run companies and to make key decisions. Their decisions exert profound influences on companies such as company performance and strategic directions, and on every employee including pay packages, career development, working environments and well-beings. Clearly this group of people in companies exerts strong influences on their companies and every employee including you.

Therefore, **it is imperative** for every student in particular in our business school to understand CEOs and TMTs - the key decision makers in companies. *I assume you - a graduate student in our business school in Peking University - have a desire to move up to the middle and top ladders of companies step by step in the coming years.* Only once you understand these key persons including their mindsets, personalities, behaviors and decision making processes (See schedule on page 8-9), you will have good understandings of why some companies such as Alibaba and Tencent could be the top companies in the world in merely 20 years; why other companies suffer from low performance and even disappear from the market; and how to be a successful CEO and/or a top executive.

Target audience

Every student is warmly welcome to take this course.

For Fintech students, I strongly recommend you all to take the course titled “strategic leadership” specially oriented toward Fintech program.

Prerequisites

Students are required to have completed at least one management course at master/undergraduate level. If students do not meet the prerequisite requirement, you must show the evidence that you have adequate academic backgrounds to the instructor for the approval.

1.2 References and Reading Materials

Course materials will consist of four areas: (1) References; (2) Harvard cases; (3) Powerpoint slides and related academic papers.

(1) Course references

One set of the following two references is available at Office 114. Please contact Jane (Qinzhen Liu) at office 114 to borrow these 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) Harvard Cases

Harvard cases (Hardcopies) will be distributed one week before case discussions.

(3) Powerpoint (PPT) slides and related academic papers

PPT slides without answers and related academic papers will be emailed to you one week before the lectures. PPT slides with answers will be emailed to you in the weekend after the lectures.

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 leadership.	2.1. Students will be able to lead and participate in group for projects, discussion, and presentation.	Yes
	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	Yes

	problems and identify the ethical aspects, provide a solution and defend it.	
	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, and the analyses of classic and latest cases related to CEOs & TMTs 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; (2) offer students fine-grained analyses of decision making processes of CEOs& TMTs. Armed with such in-depth understandings of CEOs & TMTs, students are more capable of shouldering key responsibilities in organizations competing in the dynamic global market.

2.3 Assessment/Grading Details

	Assessment Task	Weighting
I	Class Participation	10%
II-1	In-Class Group Case Analyses: Oral Discussions and Written Reports	20%
II-2	In-Class Group Case Analyses: Peer Evaluation	8%
III	Final Individual Report	25%
IV-1	Final Group Project: Presentation	25%
IV-2	Final Group Project: Peer Evaluation	8%
V	Effective Group Leaders	4%
	Total	100%

*# of members in each group (case discussions and final projects) will be decided in Week 2.

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

I.Class Participation (10%)

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.

***Note: THE MA OFFICE WILL RANDOMLY CHECK YOUR ATTENDANCE.**

*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.

II-1. In-Class Group Case Analyses: Oral Discussions and Written Reports (20%)

Group members: 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. To ensure students to experience sufficient interactions with each other and to experience group dynamics, group members will be different across six group case discussions.

Group leaders: (1) You are encouraged to volunteer be a group leader. Please email TA your preference for being a group leader one week before the case discussion. If TA does not receive such preferences, TA will assign a group leader. (2) Group leaders will be responsible for (a) taking a laptop to the class; (b) coordinating group discussions; (c) leading the group to discuss the case with other groups. You can agree or disagree with other groups' opinions. If you disagree, you need to tell the rationales. You are welcome to provide different insights; and (d) submitting a written report to case discussion questions with * before 10:00pm of the day when the case discussion ends.

Pre-class preparations: Each group member has to read the case and think about case discussion questions INDEPENDENTLY before class.

In-class group case discussions: In class each group member will discuss your thoughts with your group members; and then groups will exchange and/or debate on ideas.

Post-class written report submissions: Each group needs to hand in written answers (no more than 2 pages, single-spaced) to discussion questions with * before 10:00pm of the day when the case discussion ends.

Grading criteria: In the end of the class, the professor will randomly pick up two cases among six cases; and grade your group performance in these two cases including class discussions (10%=5%*2 cases) and written reports (10%=5%*2 cases). The grade is based on your group's active and quality participation in class discussions and correct understandings of the concepts and theories, and the breadth and depth of your group's case analyses in written reports. Every group member receives the same grade.

II-2. In-Class Group Case Analyses: Peer Evaluation (8%)

In the end of each case discussion, each group member is required to evaluate every group member's contributions to this case's in-class oral discussion and written report. Please refer to Appendix A. In the end of the course, your peer evaluation grade is the average of the peer evaluation scores you receive for all six cases.

III. Final Individual Report (25%)

Contents: In the end of the class each student is required to submit an individual report. The final individual report is the reflection of what you have learned in the course. There are a number of topics/issues that can be addressed in your individual report. Several possible topics are provided below, though they need not be limited to these.

1. Please use concepts and theories in the course to provide your own analyses of one of the CEOs/top managers/top management teams we discuss in lectures and case analyses.
 - a) Why does the CEO achieve the success?
 - b) Why does the CEO fail?
 - c) What are the roles of CEOs/top managers in corporate strategies such as mergers and acquisitions?
 - d) What are the decision making processes of CEOs and their TMTs?
2. What have you learned in the course?
 - a) How to be an effective CEO?
 - b) How to coordinate with top managers?
 - c) Who are qualified to be a member of a TMT?

Grading criteria: The individual report is no more than *three-page* long excluding the cover page with your name, student ID number and individual report title, and references; and typed in *single-space and 12 point Times New Roman*. Please provide your references to the facts/data in your writing. *Please email your individual report to TA and copy the email to the Professor before the end of the last lecture (April 18)*. The Professor will grade your individual report based on the relevance and accuracy of your contents, the logics, rationales and depth of your analyses, the format and your diligence shown in the report.

IV-1. Final Group Project: Presentation (25%)

To facilitate students' awareness about, and sensitivity to CEOs and TMTs in the business world dynamics, as well as apply what is learned throughout the course, students are required to form groups and prepare a group case presentation in the last lecture (April 18).

Group members: Please email TA your group members (4-6 students) and the group leader before **March 18**. If TA does not receive your preference, TA will assign students into different groups with group leaders.

Group leaders will be responsible for (a) assigning tasks among group members; (b) calling for group meetings to discuss the final project; (c) coordinating among members and facilitating the completion of the final project before the deadline; and (d) submitting the PPTs on time and making sure the quality of the presentation.

Topics: The principle is "first come, first served." Please email TA the name of the CEO/TMT of your final presentation as soon as you could and copy the email to the Professor.

Contents: Your group presentation should include the following parts:

- (1) A brief introduction of a CEO/TMT; and the affiliated company.
 - a) The CEO/TMT in your final group project should not be discussed in lectures and case analyses.
 - b) You are encouraged to analyse a CEO/top manager that you admire most.
 - c) Groups should analyse different CEOs/TMTs. The principle is "first come, first served."
- (2) An analysis of several key aspects of the CEO/TMT. For example,
 - a. What contributes to their successes? What makes them fail?
 - b. How do CEOs/TMTs lead their companies?
 - c. How do CEOs/TMTs make strategic decisions?
 - d. What are the roles of CEOs/TMTs in mergers and acquisitions (M&As) or cross-border M&As?
 - e. Other topics such as CEO turnover and succession and executive compensation.
- (3) Conclusion

Submissions: Please email TA your PowerPoint slides before or on April 16 and copy the email to the Professor.

Presentation: The sequence of the presentation follows the alphabetical sequence of each group leader's surname. Not every member is required to present and you could send the best presenters. The presentation will last 15-20 minutes excluding 3-5 minutes Q&A session.

Grading criteria include: relevancy to the course, accurate understandings of concepts and theories, quality of your analyses, critical thinking, quality of PPTs, presentation quality, professional dress, the quality of your answers to the questions, and completion of the presentation within time limit. Marks will be deducted if the time limit is exceeded.

IV-2. Final Group Project: Peer Evaluation (9%)

On April 18 each group member is required to evaluate each group member's contributions to the final group project. Please refer to Appendix B.

V. Effective Group leaders (3%)

On April 18 each student is required to provide a list of names of students whom you consider as effective group leaders in SIX case discussions and final group projects. If the student is nominated, the student will receive 3% in the final grade.

2.4 Communications

TA will be responsible for creating a wechat group (2019 CEOTMT Course) 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 week 2, each group leader of warm-up case 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

Course materials and assignments

1. Please do not share course materials with students who do not register for the course.
2. Please complete your assignments by yourself.

If you violate the above regulations, please refer to Handbook for PHBS students for relevant punishments as shown below.

Handbook for PHBS students

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 one)

Week		Date	Lecture	Contents
1	Monday	18-Feb	1	Introduction
				(1a) Course Introduction (1b) Related Reading Materials: Quigley, T.J. & Graffin, S.D. 2017. Reaffirming the CEO effect is significant and much larger than chance: A comment on Fitza (2014) <i>Strategic Management Journal</i> , 38: 793-801.
	Thursday	21-Feb	2	CEO and Top Management Team: Concepts
				(1) CEO & Top Management Team: Concepts (2) An important phone - 2018-06-21 (3) Exercise 1: The world's billionaires: Where does their wealth come from? Being a founder/CEO/TMT member
2	Monday	25-Feb	3	CEO: Strategic Decision Making and its Profound Effects I
				(1) Mini-case 1: Golden Mine Case A (2) Theoretical framework: Decision making framework in real business worlds (3) Mini-case 2: The rise of wechat (4) Mini-case 3: Google acquires YouTube for 1.65 billion in stock
	Thursday	28-Feb	4	CEO: Strategic Decision Making and its Profound Effects II
				(1) Video: The Secret to Alibaba's Culture Is Jack Ma's Apartment (2) Warm-up Case: Alibaba's Jack Ma: Rise of the new Chinese entrepreneur (HKU-Harvard Business Publishing Case)
3	Monday	4-Mar	5	Top Management Team: Strategic Decision Making with Team Dynamics and Implementation I
	Thursday	7-Mar	6	(1) Mini-case 4: Golden Mine Case B Top Management Team: Strategic Decision Making with Team Dynamics and Implementation II
				(1) Mini-case of TMT: Journey to the west (2) Top Management Team: composition, size and dynamics
4	Monday	11-Mar	7	Top Management Team: Strategic Decision Making with Team Dynamics and Implementation III
	Thursday	14-Mar	8	(1) Case 1: Decision making at the Top: The all-star sports ebusiness division (Harvard Business School case) Top Management Team: Strategic Decision Making with Team Dynamics and Implementation IV
5	Monday	18-Mar	9	CEO and Top Executives: Bounded Rationality in Strategic Decision Making I
	Thursday	21-Mar	10	(1) Case 3* The late bloomer: ZPMC CEO Guan Tongxian (Tsinghua SEM-Harvard Business Publishing Case) *Case 3's key theme: The Entrepreneur/CEO's Chinese traditional Confucianism value: his startup decision and leadership style CEO and Top Executives: Bounded Rationality in Strategic Decision Making II
(1a) Bounded rationality concept: Executive personality (1b) Related reading material: Zhu, D. H., & Chen, G. L. 2015. CEO narcissism and the impact of prior board experience on corporate strategy. <i>Administrative Science Quarterly</i> , 60: 31-65.				
6	Monday	25-Mar	11	CEO and Top Executives: Bounded Rationality in Strategic Decision Making III

				(1a) Bounded rationality concept: executive experience
				(1b) Related reading material: Cohen, Wesley, M. & Levinthal, Daniel A. 1990. Absorptive Capacity: A New Perspective on Learning and Innovation, <i>Administrative Science Quarterly</i> , 35, 128-152.
	Thursday	28-Mar	12	CEO and Top Executives: Bounded Rationality in Mergers and Acquisitions
				(1) Case 4 Sunac's Acquisition of Greentown in the Chinese Real Estate Market (A) (NSEAD-Harvard Business Publishing Case)
7	Monday	1-Apr	13	CEO and Top Executives: Bounded Rationality in Cross-border Strategies
				(1a) Game 1: Power distance cultural value of CEOs and post-acquisition integration of cross-border M&As
				(1b) Related reading materials: Huang, Zhi., Zhu, Hong., & Brass, Daneil. 2017. Cross-border acquisitions and the asymmetric effect of Power Distance value difference on long-term post-acquisition performance. <i>Strategic Management Journal</i> , 38 (4): 972-991
				(1c) Related reading materials: 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.
				(2) Game 2: Blue chip game
	Thursday	4-Apr	14	CEO and Top Management Team: Key Challenges
				(1) Mini-case 5: Jack Ma's crisis management: a leaked email to employees regarding share price performance
				(2) Mini-case 6 :Google & Alphabet (G&A) -how to tackle challenges (Harvard Business Review)
8	Monday	8-Apr	15	CEO and Top Executives: Compensation and Incentives
				(1) Case 5: Executive Compensation at General Electric (A) (Harvard Business School)
				(2) CEO and top executives' compensation and incentives: concept and theory
	Thursday	11-Apr	16	CEO and Top Executives: Turnover and Succession I
				(1) Case 6 : Founder-CEO succession at Whily Technology (Harvard Business School case)
				CEO and Top Executives: Turnover and Succession II
9	Monday	15-Apr	17	(1a) CEO turnover and succession: concept and theory
				(1b) Related reading materials: 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.
				(1c) Related reading materials: Harvard Business Review Spotlight: The Best-performing CEOs in the world 2018
	Thursday	18-Apr	18	Final Group Presentations

Miscellaneous

**CHIEF EXECUTIVE OFFICER & TOP MANAGEMENT TEAM
MODULE 3, 2018-2019**

**Appendix A
In-Class Group Case Analyses: Peer Evaluation**

Case Title : _____

Student Name: _____

Student ID: _____

	Group Members' Names	Each member's full contribution is 100.
1	Member 1 (Your name)	100
2	Member 2	95
3	Member 3	60* (Please see comments below)
4	Member 4	120*(Please see comments below)

Comments

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

Group member 4 (120): provided insightful comments that add value and/or that we have not thought of.

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

Group member 3 (60) did not make efforts and did not provide quality answers.

**CHIEF EXECUTIVE OFFICER & TOP MANAGEMENT TEAM
MODULE 3, 2018-2019**

**Appendix B
Final Group Project: Peer Evaluation**

Final Project Title : _____

Student Name: _____

Student ID: _____

	Group Members' Names	Each member's full contribution is 100.
1	Member 1 (Your name)	100
2	Member 2	95
3	Member 3	60* (Please see comments below)
4	Member 4	120*(Please see comments below)

Comments

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

Group member 4 (120): provided insightful comments that add value and/or that we have not thought of.

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

Group member 3 (60) did not make efforts and did not provide quality answers.