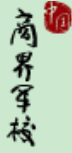




# PHBS

北京大学汇丰商学院



Course Code MGT 518

CHIEF EXECUTIVE OFFICER & TOP MANAGEMENT TEAM

Module 2, 2023-2024

## Course Information

---

### **Instructor: ZHU Hong, PhD**

Office: PHBS Building, Room 666

Phone: 86-755-2603-3781

Email: zhuhong@phbs.pku.edu.cn

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

### **Teaching Assistant: Tian Xu**

Phone: 18533579727

Email: 220212244@stu.pku.edu.cn

TA Office: PHBS Building, Room 213/214

TA Office Hours: 8:30-10:20am Wednesday

### **Classes:**

Lectures: 10:30am-12:20pm Tuesday & Friday

Venue: PHBS Building, Room XXX

Wechat Group: 2023NovM2-CEOTMT

Wechat QR code:

## 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.

#### Prerequisites

This course welcomes every student who has strong interests in learning CEOs and TMTs. At the same time, **before you register the course**, please pay close attention to the following prerequisites.

- 1. The key for you to succeed in this course is to actively participate in group case analyses and discussions in the classroom.**
- Students are generally required to have completed at least one management course at master/undergraduate level.

## 1.2 Textbooks 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 Holly Wan 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 (e-version) will be emailed to you one week before case discussion. Please use the cases only for this course. Please do not distribute the cases outside of the classroom.

### (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 (YES with details or NO)
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 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, 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	Sub-item Weighting	Submission (TBD)
I	Class Participation	10%		Each Lecture
II	In-Class Group Case Analyses: Two Group Reports	30%		
	(1) Report 1: Cases in Week 1-5		15%	5:30pm Dec 22
	(2) Report 2: Cases in Week 6-9		15%	5:30pm Jan 19
III	Midterm and Final Individual Reports	30%		
	(1) Midterm report – Lectures in Week 1-5		15%	5:30pm Dec 22
	(2) Final report – Lectures in Week 6-9		15%	5:30pm Jan 19
IV	Final Group Presentations	25%		
	(1) Final Groups			5:30pm Dec 15
	(2) PPT Drafts			5:30pm Jan 9
	(3) Finalized PPTs			5:30pm Jan 12
V	Effective Group Leaders	5%		
	Total		100%	
VI	Bonus (Active Participation)	5%		

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

Submission time is temporary and may change slightly according to the course progress.

### 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.

**Attendance.** 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). According to PHBS regulations, you can have one opportunity to ask for a leave due to business reasons; you can have unlimited times to ask for a leave due to emergencies; and six absences are equal to failure in the course. Please arrive at the classroom and scan your face on time. Your attendance and lateness are recorded accordingly

**Participation.** 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 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. I expect each of you will provide your quality opinion at least once during a week. As such, you will receive the full grade for participation.

Please fill in an online participation form uploaded to our wechat group right after each lecture. Participation refers to the number of times you provide quality opinions except simple answers such as yes/no during each lecture. There are attendance and lateness columns for you to fill in. Please fill in these columns as well.

## **II. In-Class Group Case Analyses: Two Group Reports (30%)**

**Two groups:** Group 1 and Group 2 will be formed. Group 1 will be responsible for cases discussed in Week 1-5 and Group 2 will be responsible for cases discussed in Week 6-9.

These two group information including group members along with the seating chart will be sent to you after add-drop and roughly in Week 5. Group leaders will be assigned to each case right before each case discussion.

**Group leaders:** Every student will have an opportunity to serve as a group leader. Each group leader is responsible for one case. If you have preferences such as the time to serve as a group leader, please inform TA asap.

Group leaders will be responsible for (a) taking a laptop to the classroom; (b) coordinating group discussion; (c) leading the group to discuss the case with other groups; and (d) submitting a written report on time.

**Group members:** Five students will form a group. To ensure students to experience sufficient interactions with each other and to experience group dynamics, group members will be different across two groups above.

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

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

**Two case report submissions:** Groups are required to submit group case reports. Group case report 1 includes cases discussed in Week 1-5; and group case report 2 includes cases in Week 6-9. So the submissions (Word and PDF format) are roughly around **5:30pm Dec 22 and Jan 19** respectively.

The group reports should include *the key take-away from each case. It is optional for you to include good aspects of your group discussions, where to improve or any issues regarding your group discussions, if any.*

A group report is no more than *single-spaced, 12 point Times New Roman, two-page* long excluding the cover page with a report title, group #, group leader name and group members' names, and reference page.

**Grading criteria:** The grade is based on your group's grasp of the keys of the cases, correct understandings of the concepts and theories, the breadth and depth of your group's case analyses, and your insights beyond the case discussion in written reports. Every group

member receives the same grade.

### III. Mid-term and Final Individual Reports (30%)

**Two individual reports:** Individual reports exclude cases covered in group case reports and should cover other major take-away discussed in classes. The mid-term report covers the contents of Week 1–5; and the final report covers the contents of Week 6–9.

**Grading criteria:** The relevance of your contents, the accuracy of the concepts and theories, the logics, breadth and depth of your analyses, the format, and the diligence shown in the reports.

**Submissions:** Each individual report is no more than *single-spaced, 12 point Times New Roman, two-page* long excluding the cover page with your name, student ID number and individual report title, and reference page. Please provide your references to the facts/data in your reports. Please email each report (Word and PDF format) to TA roughly around **5:30pm Dec 22 and Jan 19** respectively.

### IV. Final Group Presentations (25%)

To facilitate students' awareness about, and sensitivity to CEO and top management team in the business world dynamics, as well as application of what is learned throughout the course, students are required to form groups and prepare a group case presentation roughly in the last two lectures.

**Group members:** Please email TA your group information including group members (e.g., **five** students) and the group leader before **5:30pm Dec 15**. If TA does not receive your preference, TA will assign students into different groups.

**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. You are encouraged to analyse a CEO/top manager/TMT that you admire most. I also encourage you to identify the failure cases such as Adam Neumann of WeWork as well to identify the factors behind the failures. Further I do not expect you to write a case that has been analysed quite a lot.

**Contents:** Your group presentation should include the following parts:

- (1) A brief introduction of a CEO/TMT; and the affiliated company. For example,
  - a) S/he is the CEO or top executive in the company
  - b) The starting date when the CEO or executive takes the CEO or executive position in the company
  - c) Groups should analyze 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 causes them to 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 *shareholder and stakeholder orientations and behaviors*, etc.The above topics are examples. Your final presentations do not need to cover them all, and are not limited to these topics either. You can cover any topics we discuss in the class.
- (3) Conclusion

**Submissions:** Please email TA the draft of PowerPoint slides before or on **5:30 Jan 9** and copy the email to the Professor. Please email the finalized version of your PPT slides to the TA before or on **5:30pm Jan 12**.

**Presentation:** The sequence of the presentation will be based on the alphabetic order of the surname of each group leader. Every member is required to present. If any member could not present because of unexpected situations, you need to get the approval from the Professor. The presentation will last 15-20 minutes excluding 3-5 minutes Q&A session.

**Grading criteria** include the number of concepts and theories included in the analyses, accurate understandings of concepts and theories, the application of concepts and theories to analyze the case, the depth and quality of your analyses, critical thinking, quality of PPTs, presentation quality, professional dress, efforts in the final project, 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.

## **V. Effective Group leaders (5%)**

If you are a group leader of in-class case analyses, you will automatically receive 5% given your good efforts and contributions as a group leader.

## **VI. Bonus (5%)**

The number of your quality participation will be counted as described in "Attendance and Participation". In the past years I always have a few outstanding students in class participation. To reward these outstanding students, I set up this bonus. If you provide quality opinions far more than once a week, you will receive a bonus with the maximum 5%.

## **2.4 Academic Honesty and Plagiarism**

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.

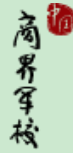
Where violation is suspected, penalties will be implemented. The penalties for academic misconduct may include: deduction of honour points, a mark of zero on the assessment, a fail grade for the whole course, and reference of the matter to the Peking University Registrar.

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



**PHBS**

北京大学汇丰商学院



### 3. Topics, Teaching and Assessment Schedule

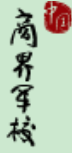
**Note: This is a temporary schedule and may be adjusted based on the class progress.**

Week		Date	Lecture	Contents
1	Tuesday	14-Nov	1	<b>Introduction</b>
				(1a) Course Introduction
	Friday	17-Nov	2	<b>CEO &amp; Top Management Team (TMT): Importance</b>
				(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.
				<b>CEO and TMT: Concepts</b>
(1) CEO & Top Management Team: Concepts				
			<b>CEO and TMT: Strategic Decision Making</b>	
			(2) Mini-case 1: Golden Mine Case Part I	
2	Tuesday	21-Nov	3	1. Theoretical framework: Decision making framework in real business worlds
				(a) Mini-case 2: The rise of wechat
				(b) Mini-case 3: Google acquires YouTube for 1.65 billion in stock
				2. Vision, mission and values in strategic decision making framework
	Friday	24-Nov	4	<b>CEO and Executive: Bounded Rationality I - Personality</b>
			1. Bounded rationality concept: Executive personality Part I Risk taking	
3	Tuesday	28-Nov	5	1. Bounded Rationality concept: Executive personality Part II
				(1a) Internal control and culture research
				(1b) CEO Narcissism and hubris research
	Friday	1-Dec	6	<b>CEO and Executive: Bounded Rationality II - Value</b>
			Case 1: The late bloomer: ZPMC CEO Guan Tongxian (Tsinghua SEM-Harvard Business Publishing Case) Part I	
4	Tuesday	5-Dec	7	Case 1: The late bloomer: ZPMC CEO Guan Tongxian (Tsinghua SEM-Harvard Business Publishing Case) Part II
				<b>CEO and Executive: Bounded Rationality III - Experience</b>
				1. Bounded rationality concept: executive experience

				(1a) Related reading material: Cohen, Wesley, M. & Levinthal, Daniel A. 1990. Absorptive Capacity: A New Perspective on Learning and Innovation, Administrative Science Quarterly, 35, 128-152.
	Friday	8-Dec	8	(1b) Acquisition experience and performance research
				Case 2 Sunac's Acquisition of Greentown in the Chinese Real Estate Market (A) (NSEAD-Harvard Business Publishing Case) Part I
5	Tuesday	12-Dec	9	Case 2 Sunac's Acquisition of Greentown in the Chinese Real Estate Market (A) (NSEAD-Harvard Business Publishing Case) Part II
	Friday	15-Dec	10	Case 3: Decision making at the Top: The all-star sports ebusiness division (Harvard Business School case) Part I
6	Tuesday	19-Dec	11	Case 3: Decision making at the Top: The all-star sports ebusiness division (Harvard Business School case) Part II
				<b>TMT</b>
				1. Mini-case of TMT: Journey to the west 2. Concepts TMT composition, size and dynamics
	Friday	22-Dec	12	Case 4 Blake Sports Apparel and Switch Activewear: Bringing the Executive Team Together (Harvard Business School case) Part I
7	Tuesday	26-Dec	13	Case 4 Blake Sports Apparel and Switch Activewear: Bringing the Executive Team Together (Harvard Business School case) Part II
				<b>CEO and Executive: Compensations</b>
	Friday	29-Dec	14	Case 5: Executive Compensation at General Electric (A) (Harvard Business School case) I Case 5: Executive Compensation at General Electric (A) (Harvard Business School case) II Concepts: CEO and Executive compensations and incentives Part I
8	Tuesday	2-Jan	15	Concepts: CEO and Executive compensations and incentives Part II
				<b>Shareholder Theory and Stakeholder Theory</b>
				Shareholder Theory: CEO and share price Shareholder Theory: Mini-case Google's restructurings
	Friday	5-Jan	16	Stakeholder Theory: Mini-case Golden Mine Case - Part II
9	Tuesday	9-Jan	17	Stakeholder Theory: Corporate Social Responsibilities
	Friday	12-Jan	18	Wrap up Final Group Project Presentations



**PHBS**  
北京大学汇丰商学院



#### 4. Miscellaneous

##### **Wechat group:**

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.

##### **A group photo:**

*In Lecture 3, case 1 group leaders* will be responsible for submitting *a group photo* indicating each member's Chinese name and English name to TA. The photo should clearly show each member's face and manner.

##### **Laptop:**

1. You can use the laptop **only during group case discussions**.
2. Please bring notepad or paper to take notes in lectures.

##### **Homework Submission:**

1. Please submit them (Word and PDF format for reports; and PPT format for the final presentation) to TA on time.
2. After due time, TA will upload an excel to indicate your submission status e.g., submission on time.

##### **Notes:**

1. The number of groups, the number of students in each group, and final project presentation will be announced based on the number of registered students after the add-drop period.
2. The number of cases we will discuss will depend on our progress in the module.
3. If there is a **free rider** issue in your group, please contact the Professor asap. The free rider will be asked to fulfil the responsibilities asap, to reduce their scores or to drop from the course.