

CRITICAL MANAGEMENT THINKING

AREA: HUMANITIES

INTERNATIONAL MBA

Nº OF SESSIONS: 10

Professor: **ROLF STROM-OLSEN**

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- Doctor of Philosophy (PhD), Northwestern University.
- Masters of Arts in History, McGill University.
- Bachelor of Arts in intellectual History, University of Pennsylvania.

OBJECTIVES

Effective management and inspired leadership need more than rules and knowledge: imagination, creativity and lateral thinking are also integral. This class offers students the opportunity to expand beyond the traditional management curriculum to consider different ways to ask questions, ponder problems, discover opportunities and explore key concepts. Built around a set of core themes, the course will encourage participants to develop an individual and creative approach to how they think about the challenges they will encounter over their career and to bring imagination and inspiration to their own management brand.

METHODOLOGY

How does the fall of the Roman Empire help us evaluate growth strategies? How can housing bubbles illuminate problems with management decision making? How can the show Mad Men help us evaluate the shareholder value paradigm? The answers to such questions come from seeing different inflections in conceptual relationships. This class will challenge students to test their preconceptions and consider different and sometimes counter-intuitive ways of rethinking core ideas, built around critical concepts of the modern business environment: incentivisation, globalisation, innovation, strategy and leadership. Each theme will be explored using diverse material. Ultimately the class aims less to provide answers to specific problems than to diversify the way in which we face, understand and respond to the challenges of doing business in the modern world.

PROGRAM

SESSIONS 1 & 2

MARKETS AND FIRMS FROM ROMANITAS TO TODAY

The grain trade was critical to the success of the Roman empire, and its organisation was astonishingly complex. What can we glean about the meaning of the firm, managerial agency, the role of trust and the value of information by looking back two millennia at the Roman experience? We will use this example as the basis for a discussion of issues central to how we understand markets, contracting, and the firm itself. What does the experience of the Roman world tell us about how firms today should approach the central problem of managing agency costs?

B.C.: The Roman Grain Trade and the Modern Firm (S-C)

SESSIONS 3 & 4

RETHINKING INNOVATION

Innovation is one of the most-used words in the business environment. But what does innovation really mean as a concept and as an experience? And how can we recognise it? From the Latin word for new – 'novus' – must innovation always be about something different, unknown, new? And is it necessarily a good thing? We will unpack the concept from multiple angles to explore what is really meant by innovation.

B.C.: The box: how the Shipping Container Made the world Smaller and the World Economy Bigger, Chapters 1-3
B.C.: The Innovation Paradox

SESSIONS 5 & 6

BEYOND NARRATIVE

Although we are usually not aware of it, strategies and behaviours are typically built from narratives, often with disastrous consequences. We consider what narrative means, how we can recognise it, how we can test its validity and will discover why so many strategic management decisions are built from pre-packaged narrative structures.

B.C.: Sapiens: A Brief History of Humankind. Ch. 6
R.A.: "Is There a Bubble in the Housing Market?" in Brookings Papers on Economic Activity, Vol. 2003, No. 2 (2003), 299-342. Excerpt. (pages 314-332)

SESSIONS 7 & 8

SHAREHOLDERS V. STAKEHOLDERS

What is a corporation and who does it serve? Over the last four decades, the answer to these basic questions have been driven by the shareholder value paradigm of corporate governance. We will look at the origins of the shareholder value idea, how it took hold, and the changes it has introduced into the way we think of the firm, from its senior management to other stakeholders. We will also look at how the idea of shareholding has changed, ask whether shareholder value offers effective oversight, and explore some of the consequences of this major shift in how we understand corporate governance.

R.A.: "The Age of Customer Capitalism", Harvard Business Review, Jan/Feb 2010, Vol. 88, Issue 1/2, pp. 58-65 (HBR R1001B)
B.C.: The Shareholder Value Myth: how putting shareholders first harms investors, corporations, and the public. Chs. 1 & 5

SESSIONS 9 & 10

THE CASE STUDY & CONCLUSIONS

Using the example of Nokia, we explore the different themes of the class through the lens of a specific case and show how these ideas fit into the framework of managerial strategy and decision-making.

Finally, having suffered through nine sessions of the professor's tedious droning, we will conclude the class with an opportunity to expostulate, question, challenge, or even possibly approve of what we have covered in the class.

We will conclude the course by listening to a little Beethoven.

LISTENING ASSIGNMENT

Listen to the following:

1) Ludwig v. Beethoven, 1st movement, Symphony No. 5 in C Minor. Carlos Kleiber, cond., Vienna Philharmonic.

2) Joseph Haydn, 1st movement of any symphony between nos. 82 and 104.

OR

W.A. Mozart, 1st movement of any symphony between nos. 38 and 41.

(all available on Youtube)

W.P.: The Extraordinary Rise and Rather Undistinguished Fall of Nokia

EVALUATION METHOD

The final grade will be determined on the basis of the following criteria:

Criteria	Score %
Class Participation	20%
Midterm Exam	20%
Final Exam	60%

Participation will be evaluated based on your involvement in our in-class discussion.

The midterm and final exam are comprised of multiple choice questions that will be taken outside of the class via computer at a pre-specified time.

The midterm will cover the first two classes (sessions 1 - 4) while the final exam will cover the entire course (sessions 1 - 10). Exams will be based on both the reading and lecture material. Further details about the examination and participation policy will be provided in class.