

Matching list of Harvard Business School Publishing cases for
Robbins/Coulter, *Management*, Seventh Edition (Prentice Hall, 2000)
Includes reprints from Harvard Business Review

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<i>Case Title</i>	<i>Institution, HBSP Product Number, Length, Teaching Note</i>	<i>Geographical and Industry Setting, Company Size, Time Frame</i>	<i>Abstract</i>
Chapter 1: Introduction to Management and Organizations			
N/A			
Chapter 2: Management Yesterday and Today			
Is Management Still a Science?	<i>HBR Reprint</i> #92603 8p	N/A	Frederick Taylor's traditional scientific approach to management promised to provide managers with the capacity to predict and control the behavior of the complex organizations they led. But the world most managers now inhabit often appears to be unpredictable and even uncontrollable. In the face of this more volatile business environment, the old-style mechanisms of "scientific management" seem positively counterproductive. Just as managers have become more preoccupied with the volatility of the business environment, scientists have also become preoccupied with the inherent volatility--the "chaos" and "complexity"--of nature. They are developing new rules for complex behavior in physical systems that have intriguing parallels to the kind of organizational behaviors today's companies are trying to encourage
Chapter 3: Organizational Culture and Environment			
JetBlue Airways: Starting from Scratch	HBS #801-354 20p TN #801-386	New York, NY, airlines, 950 employees, 2000	JetBlue Airways shows how an entrepreneurial venture can use human resource management, specifically a values-centered approach to managing people, as a source of competitive advantage. The major challenge faced by Ann Rhoades is to grow this people-centered organization at a rapid rate, while retaining high

			standards for employee selection and a small company culture. Considers the role of human resource management, leadership, and values in a start-up venture, and addresses the tension between a strong organizational culture and rapid growth.
The SAS Institute: A Different Approach to Incentives and People-Management Practices in the Software Industry	Stanford #HR6 17p	North Carolina; software; 5,000 employees; 1997	The SAS Institute is a large, growing software company headquartered in the Research Triangle in North Carolina. Founded more than 25 years ago, it has evolved a unique approach, given its industry, to developing and retaining talent including using no stock options or phantom stock and not paying its salespeople on commission. The CEO and Vice President of Human Resources must decide how well their current management practices will continue to serve them as the company gains greater visibility and faces an increasingly competitive labor market.
Ben & Jerry's Homemade Ice Cream, Inc.: Keeping the Mission(s) Alive	HBS #392-025 22p	Burlington, VT; ice cream; 330 employees; 1991	Ben & Jerry's is an anti-establishment, values-driven company that has become a successful venture. The dominant founder, Ben Cohen, is not an effective manager, but he brings creative marketing and product skills that have been important to the company's success. He also is controlling shareholder and the force behind the company's socially-minded culture. One of the many policies that have reflected Ben's values but which has created difficulty in managing the organization is the 5 to 1 compensation differential between the top and the bottom of the organization. Up to mid 1990, the company was operating in an explosive growth business with relatively weak competitors; this has changed by the time of the case in September 1990. The case opens as Chuck Lacy is taking over as president. He needs to decide what to do about the 5 to 1 rule and the related issues of Ben's role, and the value of the company's counterculture style. Students must consider the difficulty and importance of the general manager's responsibility in reconciling company values with commercial imperatives and to consider the effect of compensation policy on morale and organizational effectiveness.
A Question of Character	<i>HBR Reprint</i> #99511 10p	N/A	For the most part, Glamor-a-Go-Go's board has been thrilled with CEO Joe Ryan's performance. Ryan, after all, had transformed the private-label cosmetics company into a retail powerhouse with flashy outlets from New York to Los Angeles. In addition to saving the company from bankruptcy shortly after his arrival in 1992, Ryan had made Glamor-a-Go-Go a fun and exciting place to work, increasing workers' wages and creating boundless opportunities for anyone willing to work hard and think out of the box. He had also

			<p>brought more women and people of color on board. And he had made many employees wealthy, with generous stock giveaways and options for the most senior employees down to the most junior. Glamor-a-Go-Go's stock price had grown tenfold during Ryan's tenure. But Ryan's personal affairs were beginning to call into question his leadership abilities. The local paper's gossip column recently ran a photo of Ryan--a married man--leaving a gala event with a beautiful young woman from the company, with the headline "Who's That Girl?" Indeed, rumors about Ryan's philandering were starting to take on a harsher edge. Some people believed his secretary left because Ryan had sexually harassed her. Others believed a mailroom employee had been promoted to factory supervisor because of her affair with the CEO. Having warned Ryan several times about his alleged infidelities, the board is stuck. What should it do about Ryan's extracurricular behavior? Does Ryan's personal behavior even affect the company? Is what Ryan does outside the office the board's concern? Six commentators weigh in.</p>
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Chapter 4: Managing in a Global Environment			
Philips vs. Matsushita: A New Century, a New Round	HBS #302-049 20p	Global, Europe, Japan, consumer electronics, 270,000 employees, 1970-2001	<p>Describes the development of the international strategies and organizations of two major competitors in the global consumer electronics industry. The history of both companies is traced and their changing strategic postures and organizational capabilities are documented. Particular attention is given to the major restructuring each company is forced to undertake as its competitive position is eroded. Illustrates how global competitiveness depends on organizational capability, the difficulty of overcoming deeply embedded administrative heritage, and the limitations of both classic "multinational" and "global" models.</p>
The Daimler Chrysler Commercial Vehicles Division	Stanford #IB27 24p	Global, automobiles, 416,000 employees, 1998	<p>The day before Daimler-Benz would officially merge with Chrysler, Dr. Kurt Lauk, head of Daimler-Benz' commercial vehicles division (CVD) reflected on the organizational changes he had directed over the course of the previous two years to make CVD more competitive in an era of industry-wide globalization. To unite an extremely decentralized organizational structure at Daimler, Lauk initiated a worldwide reorganization and the integration of the company's manufacturing operations. He encouraged individual units within CVD to look for collaborative opportunities that would enable the division to realize global scale economies. Lauk was proud of his achievements but concerns overshadowed his satisfaction. Although the</p>

			CVD was profitable overall, its Power Train Unit continued to lose money. In addition, Lauk was concerned about Daimler's progress in building adequate distribution channels in the Asian region. Finally, Lauk considered the impact of the merger with Chrysler on CVD and the general uncertainty concerning how a more centralized organization would affect the CVD.
Eli Lilly – 1998 (B): Emerging Global Organization	HBS #399-174 15p	Global, pharmaceuticals, 10,000 employees, 1998	Examines major issues faced by Eli Lilly as it evaluates the appropriateness of a focused matrix organization with extensive use of cross-functional teams. Helps students appreciate the complexities of a global organization where product/functional/geographic knowledge must be optimized.
Acer America: Development of the Aspire	HBS #399-011 20p TN # 300-035	Global (United States, Taiwan), computers, \$1.1 billion revenues, 1995-98	Follows the development, national launch, and global rollout of the Aspire, Acer's first new product developed outside Taiwan. Implementing a very promising new PC concept proves challenging to Mike Culver and his U.S. team, who are plagued by coordination problem with experts and resource managers in Taiwan. Leading the global rollout proves equally difficult, with local managers wanting to make local adaptations. After 2.5 years of missed forecasts and unexpected losses, CEO Stan Shih must decide whether to abandon the Aspire. More profoundly, what changes does this failure suggest for his radical "fast food" business concept and his "client server" organization model? Teaching Purpose: To discuss the development and implementation of global strategy, to explore new models of global organization, and to examine the management of headquarter-subsidiary relations.
Avon Products (A)	HBS #301-059 22p (B) case #301-060	Global (Mexico/ New York, NY; beauty products; \$5 billion revenues; 1992-98	The general manager of Avon Mexico, Fernando Lezama, must decide whether to promote a woman to the position of vice president of sales. If appointed, the candidate would be the first female in all of Latin America to hold an executive position and one of the first women in Mexico to attain this level of responsibility. Lezama's all-male executive team has doubts about the candidate's readiness, but Lezama is also cognizant of Avon's global vision, which calls for the advancement of women at all levels. Earlier in the year, the Avon Mexico organization had completed an exercise called "appreciative inquiry" aimed at enhancing gender relations in the workforce. Teaching Purpose: To examine the cultural aspects of managing in Mexico and to illustrate the use of "appreciative inquiry" as part of a cultural change process.
BRL Hardy: Globalizing an Australian Wine	HBS #300-018 20p	Australia/U.K., wine, 1992-1998	Focuses on two new product launch decisions facing Christopher Carson, managing director of BRL Hardy, Europe. Responsible for the European

Company	TN #300-128		<p>operations of a major Australian wine company, Carson has begun to globalize his strategy beyond selling the parent company's wines. After a difficult joint venture with a Chilean wine source, he is proposing to launch an Italian line of wines. His local team has also developed a new Australian brand that would compete directly with a parent company's global brand rollout. Focuses on global strategy choices being made through headquarter-subsidiary negotiations that define the roles of country managers and global product managers.</p>
Euro Disney: The First 100 Days	HBS #693-013 23p TN #693-082	Paris, entertainment, 16,000 employees, 1992	<p>The Walt Disney Co. theme parks historically have thrived on the basis of a formula stressing excellent customer service and a magnificent physical environment. The formula has proven successful in Japan as well as the United States. With the controversial opening of Euro Disney in France, however, there has become reason to doubt the international appeal of the formula. The case documents issues involved with Euro Disney. Examines the transferability of a successful service concept across international boundaries.</p>
Lincoln Electric's Harsh Lessons from International Expansion	<i>HBR Reprint</i> #99305 10p	N/A	<p>Less than half an hour after Donald Hastings became chairman and CEO of the Lincoln Electric Company in July 1992, he got the shocking news: losses from the company's European operations were so steep that Lincoln was at risk of defaulting on its loans and being unable to pay its employees their year-end bonus. Since the bonus was the foundation of the company's unusually successful manufacturing operations, Hastings knew that failure to pay it could lead to the company's unraveling. How had Lincoln gotten into this predicament? By a program of rapid foreign expansion. Lincoln was primarily a U.S. company until the mid-1980s, but recession at home and competition from abroad led executives to dream that the company could become a global power. Between 1986 and 1991, Lincoln took on unprecedented debt in order to finance foreign acquisitions, mostly in Europe. A number of factors doomed the venture: recession in Europe, unfamiliarity with Europe's labor culture, lack of international expertise at the top. But the root cause, Hastings admits, was overconfidence on the part of Lincoln's leaders in the company's manufacturing abilities and systems. Hastings, now chairman emeritus, recounts how the company suffered through the early 1990s and then returned to prosperity. It wrote off most of its European operations, ramped up domestic production and sales, and hired top managers and board members with international experience. As a result of strenuous efforts at all levels of the company, it managed to keep paying the bonus</p>

			and to largely regain the trust of its people.
Chapter 5: Social Responsibility and Managerial Ethics			
Corruption in International Business (A)	HB #701-128 10p		Explores various aspects of corruption in international business. The first section provides a broad discussion of the ethical, business, and legal aspects of corruption. The second section provides a series of "caselets" that are designed to promote discussion of how students would act in particular situations, as well as the potential costs and benefits of these actions.
Sustainable Development and Socially Responsible Investing: ABB in 2000	HBS #701-082 37p	Switzerland, electrical equipment, 161,000 employees, 1998-2000	Several investment firms and mutual funds position themselves as providers or facilitators of opportunities for socially responsible investment. This case addresses the impact of these firms on publicly traded companies. Focuses on managers at ABB, a large multinational based in Switzerland that has tried to be a leader in integrating principles of sustainable development into its business strategies. ABB's managers now need to decide what sorts of relationships they would like to have with the firms in the socially responsible investment community, and the extent to which they ought to take the preferences of these firms into account in tailoring their business strategies.
Tim Hertach at GL Consulting (A)	HBS #800-153 12p TN #801-029	New Jersey, consulting, 1,000 employees, 1999	Ten years into his career after graduating from business school, Tim Hertach discovers billing irregularities at his consulting firm. He must decide whether (and how) to challenge senior management or to stay quiet and protect his career.
Becton Dickinson: Ethics and Business Practices (A)	HBS #399-055 27p	U.S., Asia, Latin American, Middle East, medical and diagnostic services, 19,000 employees, 1997	Becton Dickinson's Global One-Company Operations Group must decide on the company's global policy on gifts, gratuities, and business entertainment. A key issue is whether the policy should be established centrally and made uniform worldwide or whether it should be decided locally, depending on local circumstances and practices. The case contains numerous examples of troubling situations drawn from different regions of the world, as well as background information on growing anticorruption efforts worldwide.
A Brush with AIDS (A)	HBS #394-058 8p TN #394-180	Health care products, 1989	A product manager at a health products company is responsible for marketing sharps containers, which hospitals use to store used needles in order to protect medical workers from being pricked with AIDS-contaminated needles. After hospitals report repeated instances of needles penetrating the container walls, she realizes the defective product poses a health hazard for medical workers. The product manager must decide whether or not to fix the containers when doing so would significantly decrease her profit performance for the year. The company mission statement stresses quality commitment to customers, but all compensation and advancement incentives are geared solely toward profit objectives. Gives students a chance

			to think about ethical dilemmas they are likely to face in the business world. Is a manager morally delegated to take active steps to protect the safety of his or her customer when neither the law nor the company is compelling him or her to do so?
I Was Greedy, Too	<i>HBR Reprint</i> #r0302b 5p	N/A	Americans are outraged at the greediness of Wall Street analysts, dot-com entrepreneurs and, most of all, chief executive officers. How could Tyco's Dennis Kozlowski use company funds to throw his wife a million-dollar birthday bash on an Italian island? How could Enron's Ken Lay sell thousands of shares of his company's once high-flying stock just before it crashed, leaving employees with nothing? Even America's most popular domestic guru, Martha Stewart, is suspected of having her hand in the cookie jar. To some extent, our outrage may be justified, writes HBR senior editor Diane Coutu. And yet, it's easy to forget that just a couple years ago these same people were lauded as heroes. It could easily be argued that it was public indulgence in corporate money lust that largely created the mess we're now in. It's time to take a hard look at greed, both in its general form and in its peculiarly American incarnation, says Coutu. If Federal Reserve Board Chairman Alan Greenspan was correct in telling Congress that "infectious greed" contaminated U.S. business, then we need to try to understand its causes--and how the average American may have contributed to it. Why did so many of us fall prey to greed? Can we be sure it won't happen again?
Chapter 6: Decision Making			
Alaska Airlines and Flight 261 (A)	HBS #801-113 16p	Seattle, WA, airline, 14,000 employees, 2000	Weeks after the crash of Alaska Airlines Flight 261, 64 mechanics claim that they have been "pressured, threatened, and intimidated" into taking shortcuts. After briefly describing Alaska Airlines' history and CEO John Kelly, the case details how the airline responded to the crash and the resulting investigations. Also describes labor relations between management and its largest unions. At the end of the case CEO Kelly prepares for a news conference to respond to the mechanics' allegations. The case addresses crisis management, corporate diplomacy, labor relations, public relations, and transportation safety.
Victory Supermarkets: Expansion Strategy?	HBS #599054 20p	Massachusetts, grocery, \$250 million revenues, 1750 employees, 1998	Jay DiGeronimo, president of a 16-store supermarket chain, is trying to decide the timing and method for expanding his chain. The family-owned company could continue in a maintenance mode, with each family member running one store. It could expand slowly using a new Market Square concept. Or it could try to double its size in the next ten years. What are the costs and benefits of each approach? Should the company continue opening Market Squares, even though that format

			has higher opening and operating expenses than more conventional operations? Teaching Purpose: The financial data allow students to understand how supermarkets make money. The investment questions, from a financial as well as a merchandising point of view, create interesting tensions: Can a small operator compete against the national and international supermarket chains by offering higher-end differentiation?
Business Teams at Rubbermaid, Inc.	HBS #897-165 26p	Wooster, OH, consumer products/plastics, 14,500 employees, 1996	Rubbermaid, a consumer products company widely praised for its innovation, has instituted a company-wide experiment to stimulate innovation even further. The experiment consists of creating small cross-functional business teams within each division, with each team being responsible for the creation, management, and profitability of a particular product line. The staffing, reporting structure, and management of the business teams vary across divisions, and clear differences emerge in the performance of four highlighted teams. The case explores the possibility of using cross-functional teams within established firms to simulate entrepreneurial ventures and accelerate innovation.
Corporate New Ventures at Procter & Gamble	HBS #897-088 24p	Cincinnati, OH, consumer products, 103,000 employees, 1996	Consumer products giant Procter & Gamble is faced with an urgent need to revitalize new product innovation, given its recent focus on incremental product improvements and its aggressive growth goals. As part of this effort, the company's top executives form a small, autonomous, cross-functional Corporate New Ventures team led by a young former brand manager. The team invents a systematic approach to gathering information and producing creative ideas for radically new product categories. Illustrates approaches to creativity and innovation in a large, successful, well-established firm; analyzes the feasibility of systematic methods for creative thinking; considers the role of the work environment in fostering creativity; and examines the possibility of entrepreneurial activity within a large, well-established firm.
What You Don't Know About Making Decisions	<i>HBR Reprint</i> #r0108g 9p	N/A	Most executives think of decision making as a singular event that occurs at a particular point in time. In reality, though, decision making is a process fraught with power plays, politics, personal nuances, and institutional history. Leaders who recognize this make far better decisions than those who persevere in the fantasy that decisions are events they alone control. That said, some decision-making processes are far more effective than others. Most often, participants use an advocacy process, possibly the least productive way to get things done. They view decision making as a contest, arguing passionately for their preferred solutions, presenting information

			selectively, withholding relevant conflicting data so they can make a convincing case, and standing firm against opposition. Much more powerful is an inquiry process, in which people consider a variety of options and work together to discover the best solution. Moving from advocacy to inquiry requires careful attention to three critical factors: fostering constructive, rather than personal, conflict; making sure everyone knows that their viewpoints are given serious consideration even if they are not ultimately accepted; and knowing when to bring deliberations to a close. The authors discuss in detail strategies for moving from an advocacy to an inquiry process, as well as for fostering productive conflict, true consideration, and timely closure. And they offer a framework for assessing the effectiveness of your process while you're still in the middle of it. Decision making is a job that lies at the very heart of leadership and one that requires a genius for balance: the ability to embrace the divergence that may characterize early discussions and to forge the unity needed for effective implementation.
Chapter 7: Foundations of Planning			
Strategic Planning at Sun Life	HBS #301-084 21p	Toronto, Canada, financial services, 1,300 employees, 2000	Describes the firm's strategic planning activities and focuses on the challenge of developing processes that enable the firm to improve the core business as well as processes that foster the creation of promising new business opportunities. Teaches students about how to design different types of strategy formulation to accomplish different objectives.
Blinds To Go: Invading the Sunshine State	Ivey School, UWO #901D04 21p	Canada, window coverings, small, 2000	Blinds To Go (BTG), a Montreal headquartered producer of made-to-order window coverings, had made the decision to enter the Florida market by opening eight retail stores. As a result of this decision, the senior vice president of operations for BTG was faced with the dilemma of deciding if and when an assembly plant should be built to support these and future Florida retail stores. The most recent plant, built in Lakewood, NJ, had experienced operational problems during its start-up, resulting in the eventual replacement of most of the supervisory staff and a significant portion of the plant employees. This led to additional start-up costs and customer service problems. Faced with this expansion into Florida, the senior vice president set about devising an operating plan that would achieve the goals of the Florida expansion without the growing pains of past efforts. As the stores were to be opened in six months, a plan would have to be finalized soon.
Maureen Frye at Quaker Steel and Alloy Corp.	HBS #496-024 12p	Pennsylvania, metals, large, 1995	Maureen Frye, assistant product manager at Quaker Steel and Alloy Corp., is asked to implement an action plan for changing the call

			<p>pattern of the salesforce. Currently the salesforce is spending too much time on small accounts. Earlier Frye attempted to change their call patterns without success. Now with the express call mandate of top management she has to present a plan that will work.</p>
Vina San Pedro	Babson College #BAB017 26p	Chile, wine, \$81 million revenues, 1999	<p>Vina San Pedro (VSP) is the third largest vineyard in Chile and has recently expanded its capacity. The new president is considering how fast to push into both foreign and domestic markets, where efforts should be focused, and how to balance capacity within the context of uncertain, volatile markets and the vagaries of foreign exchange. Meanwhile he has to position growth in the context of new return-on-capital-employed objectives. Teaching Purpose: To understand the complexity of balancing production, marketing, and uncertainty within the context of international trade.</p>
Software Associates	HBS #101-038 5p	United States, software, \$3 million revenues, 113 employees, 1990-99	<p>The president of a small consulting firm has just seen his second-quarter profit and loss statement, showing an increase in revenues but a substantial decline in profits. He asks his chief financial officer to explain the results in a meeting the next day. The CFO works hard to accumulate information so she can explain the impact of the quantity of billed hours, billing rates, consultant expenses, operating expenses, and the shifting mix of business between the two principal product lines. The situation provides an excellent opportunity for students to learn the fundamentals of variance analysis and flexible budgeting in the context of a professional service firm, without the complications that arise in manufacturing firms of overhead absorption and fixed-cost volume variances. Teaching Purpose: Uses a professional service firm as the context for introducing students to variance analysis. This setting simplifies and focuses the analysis on the essential contribution and use of variance analysis.</p>
Creating Project Plans to Focus Product Development	<i>HBR Reprint</i> #92210 13p	N/A	<p>The long-term competitiveness of most manufacturers depends on their product development capabilities. Yet most companies' development process is unruly and unfocused, with a collection of projects that do not match business objectives and consume far more development resources than are available. An "aggregate project plan" can help managers to focus on a set of projects, rather than individual ones. A central element of the plan is the project map, which categorizes projects into five types: breakthrough, platform, derivative, R&D, and partnerships. With the plan, managers can improve resource allocation, project sequencing, and critical development capabilities.</p>

Chapter 8: Strategic Management			
Strategic Planning at Sun Life	HBS # 301-084 21p	Toronto, Canada; financial services; \$1.3 billion revenues; 1300 employees; 2000	Describes the firm's strategic planning activities and focuses on the challenge of developing processes that enable the firm to improve the core business as well as processes that foster the creation of promising new business opportunities. Teaching Purpose: To teach students about how to design different types of strategy formulation to accomplish different objectives.
Newell Company: Corporate Strategy	HBS #799-139 22p TN #702-401	Illinois, consumer products, \$3.3 billion revenues, 32,000 employees, 1998	In 1998, Newell Co., a manufacturer of low-tech, high-volume consumer goods, acquired Calphalon Corp., a high-end cookware company, and Rubbermaid, a \$2 billion manufacturer of consumer and commercial plastic products. The case focuses on Newell's strategy and its elaboration throughout the organization, as well as the importance of selecting appropriate acquisitions to grow the company. Do Calphalon and Rubbermaid fit with the company's long-term strategy of growth through acquisition and superior service to volume customers? A rewritten version of an earlier case.
Edmunds.com (A)	HBS #701-025 23p	Santa Monica, CA, Internet, 1997-2000	Edmund's began in 1966 as a publisher of new and used vehicle guides and grew into one of the leading third-party automotive Web sites of today. This case explores how Edmunds.com gained a competitive edge using strategic partnerships and alliances, as well as careful product positioning and strategy implementation.
The Walt Disney Co.: The Entertainment King	HBS # 701-035 27p	United States, entertainment, \$25.4 billion revenues, 110,000 employees, 1923-2000	The first ten pages of this case are comprised of the company's history, from 1923 to 2001. The Walt years are described, as is the company's decline after his death and its resurgence under Eisner. The last five pages are devoted to Eisner's strategic challenges in 2001: managing synergy, managing the brand, and managing creativity. Students are asked to think about the keys to Disney's mid-1980s turnaround, about the proper boundaries of the firm, and about what Disney's strategy should be beyond 2001.
Matching Dell	HBS #799-158 31p TN #700-084	Global, personal computers, 1998	After years of success with its vaunted "Direct Model" for computer manufacturing, marketing, and distribution, Dell Computer Corp. faces efforts by competitors to match its strategy. This case describes the evolution of the personal computer industry, Dell's strategy, and efforts by Compaq, IBM, Hewlett-Packard, and Gateway 2000 to capture the benefits of Dell's approach. Students are called on to formulate strategic plans of action for Dell and its various rivals. Permits an especially detailed examination of imitation; illustrates how fit among activities and incompatibilities between competitive positions can pose particularly high barriers to imitation.

			Can also be employed to illustrate competitor analysis, the evolution of industry structure, and relative cost analysis.
Why Good Companies Go Bad	<i>HBR Reprint</i> #99410 9p	N/A	One of the most common business phenomena is also one of the most perplexing: when successful companies face big changes, they often fail to respond effectively. Many assume that the problem is paralysis, but the real problem, according to Donald Sull, is active inertia--an organization's tendency to persist in established patterns of behavior. Most leading businesses owe their prosperity to a fresh competitive formula--a distinctive combination of strategies, relationships, processes, and values that sets them apart from the crowd. But when changes occur in a company's markets, the formula that brought success instead brings failure. Stuck in the modes of thinking and working that have been successful in the past, market leaders simply accelerate all their tried-and-true activities. In attempting to dig themselves out of a hole, they just deepen it. In particular, four things happen: strategic frames become blinders; processes harden into routines; relationships become shackles; and values turn into dogmas. To illustrate his point, the author draws on examples of pairs of industry leaders, like Goodyear and Firestone, whose fates diverged when they were forced to respond to dramatic changes in the tire industry. In addition to diagnosing the problem, Sull offers practical advice for avoiding active inertia. Rather than rushing to ask, "What should we do?" managers should pause to ask, "What hinders us?" That question focuses attention on the proper things: the strategic frames, processes, relationships, and values that can subvert action by channeling it in the wrong direction.
Chapter 9: Planning Tools and Techniques			
Merchandising at Nine West Retail Stores	HBS #698-098 17p TN #601-148	United States, footwear retailing, \$1.8 billion revenues, 1998	Describes the merchandising decision process (organization, structure, and incentives) at Nine West retail stores, a large footwear retailer in the United States. Also describes changes currently occurring at Nine West and thus provides a context in which students can recommend changes to the merchandising process and the structure of the merchandising organization. Teaching Purpose: To explain how merchandising decisions are made at a fashion retailer and to explore how changes in the environment will impact the merchandising organization.
CompUSA	HBS #197-101 24p	United States, computer retailing, \$3.8 billion revenues, 1980-1996	CompUSA was performing poorly until new management reorganized and redirected the business. CompUSA became the #1 retailer in its industry. Management lays out its future plans. Teaching Purpose: Is CompUSA's new business strategy manageable? Is the old one sustainable?

			Evaluates financial performance.
Clarkson Lumber Co.	HBS #297-028 6p TN #297-076	United States, retail lumber, \$3million revenues, 11 employees, 1991	The owner of a rapidly growing retail lumber company is considering the financial implications of continued rapid growth. The magnitude of the company's future financing requirements must be assessed in the context of the company's access to bank finance and/or equity finance. Teaching Purpose: Development of skills in financial analysis, financial forecasting, and financial planning. A rewritten version of an earlier case.
Case of the Colored Post-It Notes	HBS #897-069 3p	Cambridge, MA; education	Shows an example of how policies about budgeting and resource decisions are commonly misallocated. Teaching Purpose: To discuss the common types of policies and control systems that are not set up efficiently.
Prestige Telephone Co.	HBS #197-097 4p TN #197-098	United States, telecommunications, 1997	An independent regulated telephone company has established a computer services subsidiary that seems to remain unprofitable. Managers must determine whether it is profitable or not and consider changes in pricing or promotion that might improve profitability. Teaching Purpose: To introduce concepts of relevant costs, contribution, and breakeven analysis. A rewritten version of an earlier case
Pioneer Hi-Bred International, Inc.: Supply Management	HBS #898-238 15p (B) case #898-239 TN #899-208	Des Moines, IA; agribusiness; \$1.7 billion revenues; 1997	Depicts the supply-management practices--including planning, production, and distribution--at Pioneer Hi-Bred International, the world's leader in the genetically engineered hybrid crop seed industry. Set in the context of a supply-management planning meeting, it reveals conflicting considerations in setting policies for production (what, how much, and where to plant) and distribution. These considerations include costs, customer service, the vicissitudes of farm production, market uncertainties, and corporate culture. Since the issues are viewed from three independent perspectives--planning, production, and distribution--the case lends itself to role playing. The principal focus for discussion is to determine what bears on the key issues--the size of the safety stock inventory and the level of overseas products--and to specify the information that would be needed to arrive at a decision. Also permits consideration of the forces that could change supply management at Pioneer in years to come. Teaching Purpose: 1) To consider the challenges in managing the production, inventory, and distribution functions in a large, complex agribusiness firm. 2) To demonstrate the role of inventory management in supply management, and its relationship with production, marketing, and customer service.
Charting Your Company's Future	<i>HBR Reprint</i> #r0206d 7p	N/A	Few companies have a clear strategic vision. The problem, say the authors, stems from the strategic- planning process itself, which usually involves preparing a large document, culled from a

			<p>mishmash of data provided by people with conflicting agendas. That kind of process almost guarantees an unfocused strategy. Instead, companies should design the strategic-planning process by drawing a picture: a strategy canvas. A strategy canvas shows the strategic profile of your industry by depicting the various factors that affect competition. And it shows the strategic profiles of your current and potential competitors as well as your own company's strategic profile--how it invests in the factors of competition and how it might in the future. The basic component of a strategy canvas--the value curve--is a tool the authors created in their consulting work and have written about in previous HBR articles. This article introduces a four-step process for actually drawing and discussing a strategy canvas. Readers will learn how one European financial services company used this process to create a distinct and easily communicable strategy. The process begins with a visual awakening. Managers compare their business's value curve with competitors' to discover where their strategy needs to change. In the next step--visual exploration--managers do field research on customers and alternative products. At the visual strategy fair, the third step, managers draw new strategic profiles based on field observations and get feedback from customers and peers about these new proposals. Once the best strategy is created from that feedback, it's time for the last step--visual communication. Executives distribute "before" and "after" strategic profiles to the whole company, and only projects that will help move the company closer to the "after" profile are supported.</p>
Chapter 10: Organizational Structure and Design			
Novartis Pharma: The Business Unit Model	HBS #101-030 20p	Switzerland, pharmaceuticals, \$21 billion revenues, 70,000 employees, 2000	In June 2000, Novartis reorganized its pharmaceutical business to form global business units in oncology, transplantation, ophthalmology, and mature products. The remaining products (primary care products) were managed as before within global functions (R&D, marketing, etc.) The new organization created a matrix structure and new roles for heads of business functions, CEOs of new business units, and country managers. Teaching Purpose: To explore the reasons for Novartis's reorganizing into the new matrix structure, the tensions and challenges the new structure creates, and the culture and accountability needed to make the new structure work.
Polycom, Inc.: Visualizing Culture	HBS #601-073 16p	United States, telecommunications, \$500 million revenues, 2000	Polycom is a rapidly growing maker of video conferencing and teleconferencing equipment. Management is attempting to use "natural work groups" as an organizing mechanism, and to build

			into the culture implicit rules that will cause desired behaviors to be self-policing. Teaching Purpose: To explore organizational forms that might robustly handle continued growth.
Crunch	HBS #899-233 23p TN #800-146	New York, NY; fitness; \$20 million revenues; 1997-99	Entrepreneur Doug Levine runs a fitness company with an incredibly powerful brand. His company leverages the brand to expand, both in terms of facilities and lines of business. But he may need to make significant organizational changes in order to continue the growth. Teaching Purpose: To illustrate the steps necessary to transition from an entrepreneurial, small company to a professionally managed, medium-sized one.
SMA: Micro-Electronic Products Division	HBS #400-034 19p	Switzerland, electronic manufacturing, 1200 employees, 1990	Describes a division of SMA with financial and organizational problems. Conflict and lack of coordination exist between functional groups. Employees lack a sense of direction and morale is low. The cause of these problems is found in a change in business environment followed by change in organization and management. Teaching Purpose: Can be used for analysis of organization-environment relationships and action planning for change and environment. A rewritten version of an earlier case.
USA TODAY: Pursuing the Network Strategy (A)	HBS #402-010 18p (B) case #402-011	Virginia, newspaper, \$700 million revenues, 3000 employees, 2000	Describes the evolution of USA TODAY Online, the electronic version of the newspaper, within the organizational structure of the newspaper. Describes the tensions and issues that develop and the pressure from the Online division to be spun off. At the same time, CEO Tom Curley sees a greater strategic need for integration. Poses the question of what degree/type of strategic integration is required, what degree of organizational integration this implies, and how it can be achieved. Teaching Purpose: Exposes students to difficult issues surrounding integration when two organizational units are so different and explores the ambidextrous organization.
The Superefficient Company	<i>HBR Reprint</i> #r0108e 10p	N/A	Most companies do a great job promoting efficiency within their own walls, streamlining internal processes wherever possible. But they have less success coordinating cross-company business interactions. When data pass between companies, inconsistencies, errors, and misunderstandings routinely arise, leading to wasted work--for instance, the same sales, order entry, and customer data may be entered repeatedly into different systems. Typically, scores of employees at each company manage these cumbersome interactions. The costs of such inefficiencies are very real and very large. In this article, Michael Hammer outlines the activities and goals used in streamlining cross-company processes. He breaks down the approach into four

			<p>stages: scoping--identifying the business process for redesign and selecting a partner; organizing--establishing a joint committee to oversee the redesign and convening a design team to implement it; redesigning--taking apart and reassembling the process, with performance goals in mind; and implementing--rolling out the new process and communicating it across the collaborating companies. The author describes how several companies have streamlined their supply-chain and product development processes. Plastics compounder Geon integrated its forecasting and fulfillment processes with those of its main supplier after watching inventories, working capital, and shipping times creep up. General Mills coordinated the delivery of its yogurt with Land O'Lakes; butter and yogurt travel cost effectively in the same trucks to the same stores. Hammer says this new kind of collaboration promises to change the traditional vocabulary of corporate relationships. What if you and I sell different products to the same customer? We're not competitors, but what are we? In the past, we didn't care. Now, we should, the author says.</p>
<p>Chapter 11: Managerial Communication and Information Technology</p>			
<p>Jack Welch: General Electric's Revolutionary</p>	<p>HBS #394-065 22p TN #395-232</p>	<p>United States, conglomerate</p>	<p>Describes the work of Jack Welch as CEO of General Electric from 1981 to 1992, focusing particularly on his transformation of the company's portfolio through extensive dispositions and acquisitions and the company's culture through a mandated process called "work out."</p>
<p>Jack Thomas</p>	<p>HBS #494-062 13p</p>	<p>New York, publishing, 1990</p>	<p>This redigued version of an earlier case, Tom Levick, provides an updated setting but does not change the teaching objectives. Chronicles the first six weeks of experience on the job for a recent business school graduate. Emphasis is on managing upwards--particularly with respect to errors discovered by the protagonist for which his boss was responsible.</p>
<p>Jensen Shoes: Lyndon Twitchell's Story</p>	<p>HBS #395-121 8p TN #396-017</p>	<p>United States, shoes, \$65 million revenues, 4500 employees, 1994</p>	<p>Details the experiences of Jane Kravitz (Caucasian female), strategic product manager, and Lyndon Twitchell (African American male), a member of her staff at Jensen Shoes, a successful producer and marketer of casual, athletic, and children's footwear. They are assigned to new positions and to each other at the start of the story. Presents their very different points of view on their first couple of months working together. Teaching Purpose: Raises how stereotypes and self-fulfilling prophesies influence performance feedback. Can be taught in a variety of ways: with all students receiving both cases; half receiving one and half receiving the</p>

			other; or a third of the class receiving both, one third receiving one, and one third receiving the other (as is appropriate). Should be used with Jensen Shoes: Jane Kravitz's Story.
Jensen Shoes: Jane Kravitz's Story	HBS #395-120 7p TN #396-017	United States, shoes, \$65 million revenues, 4500 employees, 1994	Details the experiences of Jane Kravitz (Caucasian female), strategic product manager, and Lyndon Twitchell (African American male), a member of her staff at Jensen Shoes, a successful producer and marketer of casual, athletic, and children's footwear. They are assigned to new positions and to each other at the start of the story. Presents their very different points of view on their first couple of months working together. Teaching Purpose: Raises how stereotypes and self-fulfilling prophecies influence performance feedback. Can be taught in a variety of ways: with all students receiving both cases; half receiving one and half receiving the other; or a third of the class receiving both, one third receiving one, and one third receiving the other (as is appropriate). Should be used with Jensen Shoes: Lyndon Twitchell's Story.
Change the Way You Persuade	<i>HBR Reprint</i> #r0205d 9p	N/A	You call a meeting to try to convince your boss that your company needs to make an important move. Your argument is impassioned, your logic unassailable, your data bulletproof. Two weeks later, though, you learn that your brilliant proposal has been tabled. What went wrong? It's likely the proposal wasn't appropriately geared toward your boss's decision-making style, say consultants Gary Williams and Robert Miller. Over the course of several years' research, the authors have found that executives have a default style of decision making developed early in their careers. That style is reinforced through repeated successes or changed after several failures. Typically, the authors say, executives fall into one of five categories of decision-making styles: Charismatics are intrigued by new ideas, but experience has taught them to make decisions based on balanced information, not just on emotions. Thinkers are risk-averse and need as much data as possible before coming to decisions. Skeptics are suspicious of data that don't fit their worldview and, thus, make decisions based on their gut feelings. Followers make decisions based on how other trusted executives, or they themselves, have made similar decisions in the past. And controllers focus on the facts and analytics of decisions because of their own fears and uncertainties. But most business presentations aren't designed to acknowledge these different styles--to their detriment. In this article, the authors describe the various subtleties of the five decision-making styles and how best to persuade executives from each group.

			Knowing executives' preferences for hearing or seeing certain types of information at specific stages in their decision-making process can substantially improve your ability to tip the outcome in your favor, the authors conclude.
Chapter 12: Human Resource Management			
Wolfgang Keller at Konigsbrau-Hellas A.E. (A)	HBS #498-045 18p TN #400-069	Europe, brewery	Raises issues concerning performance evaluation, performance appraisal, managing ineffective performance, and conflicts in management style.
The Firmwide 360-degree Performance Evaluation Process at Morgan Stanley	HBS #498-053 16p TN #400-078	New York, NY, investment banking, 2,000 employees, 1993-1995	Describes Morgan Stanley's firmwide, 360-degree performance evaluation process. Evaluation forms are included as exhibits.
Southwest Airlines: Using Human Resources for Competitive Advantage (A)	Stanford #HR1A 24p TN #HR1T	United States, airlines, 12,000 employees, 1994	In 1994 both United Airlines and Continental Airlines launched low-cost airlines-within-an-airline to compete with Southwest Airlines. From 1991 until 1993 Southwest had increased its market share of the critical West Coast market from 26% to 45%. This case considers how Southwest had developed a sustainable competitive advantage and emphasizes the role of human resources as a lever for the successful implementation of strategy. Asks whether competitors can successfully imitate the Southwest approach.
Human Resources at Hewlett-Packard (A)	HBS #495-051 27p (B) case #495-052 TN#497-022	California, high tech, \$25 billion revenues, 90,000 employees, 1979-92	Provides an overview of the human resource policies and practices applied by Hewlett-Packard (HP). Discusses HP's reactions as an organization to changes in its business environment. As such, it is an opportunity to analyze HP's practices, and how they have been affected through the years in all four policy areas: stakeholder influence, flows, rewards, and work systems.
The SAS Institute: A Different Approach to Incentives and People Management Practices in the Software Industry	Stanford #HR6 17p	North Carolina, software, \$750 million revenues, 1997	The SAS Institute is a large, growing software company headquartered in the Research Triangle in North Carolina. Founded more than 25 years ago, it has evolved a unique approach, given its industry, to developing and retaining talent including using no stock options or phantom stock and not paying its salespeople on commission. The CEO and Vice President of Human Resources must decide how well their current management practices will continue to serve them as the company gains greater visibility and faces an increasingly competitive labor market.
They're Not Employees, They're People	<i>HBR Reprint</i> #r0202e 7p	N/A	In this essay, business thinker Peter Drucker examines the changing dynamics of the workforce--in particular, the need for organizations to take just as much care and responsibility when managing temporary and

			contract workers as they do with their traditional employees. Two fast-growing trends are demanding that business leaders pay more attention to employee relations, Drucker says. First is the rise of the temporary, or contract, worker; 8 million to 10 million temp workers are placed each day worldwide. And they're not just filling in at reception desks. Today, there are temp suppliers for every kind of job, all the way up to CEO. Second, a growing number of businesses are outsourcing their employee relations to professional employee organizations (PEOs)--third-party groups that handle the ever-mounting administrative tasks associated with managing a company's employees. Temps and PEOs free up leaders to focus on the business rather than on HR files and paperwork. But if organizations outsource those functions, they need to be careful not to damage relationships with their people in the process, Drucker concludes.
Chapter 13: Managing Change and Innovation			
Corning--1983-96: Transition at the Top	HBS #401-034 30p Follow-on case #401-035	Corning, NY; \$5 billion revenues; 20,000 employees; 1983-96	Focuses on Jamie Houghton's efforts to revitalize Corning from 1983-96, including the development of a very strong set of values and culture. The issue centers around Roger Ackerman's rise to president then chairman/CEO, and his drive to both change the business strategically/financially and develop a new culture to support this change. Teaching Purpose: Demonstrates importance of fit among senior team, culture, strategy, and organization, and how change in one requires change in others. Gets students to think through details of implementing culture change.
Andy Chew at Siemens Nixdorf: Change from the Middle	HBS #396-204 12p	Germany, computers, 1995	Andy Chew, a British manager reassigned to Germany by a large German computer company, is in the middle of carrying out a project as a designated "change agent" in a program to reshape the culture toward one that is more entrepreneurial for success as a nimble global competitor. He is still uncertain of his support.
What's the BIG Idea?	HBS #602-105 22p	Manchester, NH; kids/toys; \$200,000 revenues; 10 employees; 2001	CEO Michael Collins must decide if and how a process he developed to further innovation in the kids' industry could port over to other industries. The process was based on Collins' experiences as an inventor and as a venture capitalist, and it allowed his company to be an intermediary between inventors and innovation-seeking companies. The process seemed to be working quite well in the kids' industry and Collins had to decide what would "travel" to a different vertical. Teaching Purpose: Demonstrates how innovation that might not happen internal to a company can happen once it is removed from a company's

			processes. Also raises questions as to whether you can develop a process to identify good invention ideas or whether it is an "art."
Napster and MP3: Redefining the Music Industry	Ivey/UWO #901M02 TN #801M02	Global, internet/music, 2000	The music industry has changed dramatically as a result of technological and business innovations that have transformed how music is acquired, and how value is created and distributed. Napster, Inc. operated one of several Web sites that allowed Internet users free access to MP3 music files-- which eventually led to lawsuits around issues of the protection of intellectual capital. These issues lead to the examination of the forces at play in the transformation of the music industry, the strategic alternatives for players in the industry and the legal context underpinning the strategic alternatives, with a particular focus on the protection of intellectual capital.
Who's Bringing You Hot Ideas (and How Are You Responding)?	<i>HBR Reprint</i> #r0302d 6p	N/A	There's an unsung hero in your organization. It's the person who's bringing in new ideas from the outside about how to manage better. This is the manager who, for instance, first uttered the phrase "balanced scorecard" in your hallways, or "real options," or "intellectual capital." Managerial innovation is an increasingly important source of competitive advantage--especially given the speed with which product innovations are copied--but it doesn't happen automatically. It takes a certain kind of person to welcome new management ideas and usher them into an organization. The authors recently studied 100 such people to find out how they translate new ideas into action in their organizations. "Idea practitioners," as the authors call them, begin by scouting for ideas. All of them are avid readers of management literature and enthusiastic participants in business conferences; many are friendly with business gurus. Once they've identified an idea that seems to hold promise, they tailor it to fit their organizations' specific needs. Next, they actively sell the idea--to senior executives, to the rank and file, to middle managers. And finally, they get the ball rolling by participating in small-scale experiments. But when those take off, they get out of the way and let others execute. In this article, the authors identify the characteristics of idea practitioners and offer strategies for managing them wisely.
Chapter 14: Foundations of Behavior			
Merck Latin America (A)	HBS # 401-029 12p	Latin America, pharmaceuticals, \$33 billion revenues, 1999	Introduces Grey Warner, the vice president of Merck's Latin America region, and his efforts to improve the organizational effectiveness of the region and to introduce a more global business culture and values. Discusses Merck's ethics and values, its Latin American organization, the change methodologies used, and the political and economic conditions in the region. The change

			methodologies included Myers Briggs personality type assessment, 360 degree feedback management evaluations, a new strategic planning process, and especially, organizational fitness profiling to discover and overcome barriers to achieving the strategic vision. Teaching Purpose: Allows students to examine the management of foreign operations--especially the management of change and the cultural implications thereof.
Trisha Wilson of Wilson & Associates	HBS #800-001 24p	Dallas, TX; hospitality design; \$21 million revenues; 120 employees; 1975-1999	Texan entrepreneur Trisha Wilson has founded an interior design firm and watched it grow into one of the most successful firms in the hospitality design services industry. After 20 years of building a company that is truly a reflection of her own personality, Wilson grapples with changes in the firm's work environment during growth, and what will happen to the firm when it comes time for her to retire. Does she have the proper systems in place to ensure that the "Wilson way" of doing business can be replicated and scaled? Teaching Purpose: Examines how a company can be a reflection of the founder's personality, style, and individual creativity. Students will consider the work environment Wilson has developed with her team of principals, and which elements--if any--can be scaled up as she moves the firm beyond Dallas and takes on larger, more demanding projects. Students will analyze how the work gets done and contemplate how it might be accomplished without the presence of Wilson herself. In so doing, they will determine if there is a process for institutionalizing creativity.
Kronos (A)	HBS #393-050 25p (B) case # 393-075	Massachusetts, computerized time recording, \$33 million revenues, 1977-90	Describes Mark Ain's founding and management of Kronos, which has grown to a \$33 million dollar company in 13 years. Focuses on the issue of what Mark's role in the company should be. Presents data from a personality assessment of Mark and his senior management team as input to this decision. Teaching Purpose: To introduce the idea of personality and management style as key dimensions that influence a manager's behavior and skills.
Mark Twain Bancshares, Inc.	HBS #385-178 18p	St. Louis, MO; banking; \$750 million assets; 1984	Describes the history, management, and organization of an extremely successful bank holding company. The company has had a very charismatic chairman, has made MBAs bank presidents at very early ages, and has a long record of innovation. Now deregulation and a coming change of leadership may threaten the "system" that has made the bank so successful. The teaching objectives are to display the advantages and drawbacks of management based on a strong personality and strong values in the face of major market changes
Putting Your Company's	<i>HBR Reprint</i> #97407	N/A	Innovate or fall behind: The competitive imperative for virtually all businesses today is that

Whole Brain to Work	12p		simple. Responding to that command is difficult, however, because innovation takes place when different ideas, perceptions, and ways of processing and judging information collide. And it often requires collaboration among players who see the world differently. As a result, the conflict that should take place constructively among ideas all too often ends up taking place unproductively among people. Disputes become personal, and the creative process breaks down. The manager successful at fostering innovation figures out how to get different approaches to grate against one another in a productive process the authors call creative abrasion. Managers who want to encourage innovation need to examine what they do to promote or inhibit creative abrasion.
Chapter 15: Understanding Groups and Teams			
The Overhead Reduction Task Force	HBS #400-026 7p TN #400-027 Video #400-502	United States, household appliances, mid-size, 1977-99	A middle manager is about to meet with his boss to discuss her request that he head up a task force to determine how overhead can be reduced by 20%. He must decide what to address in that meeting and how the task force should be launched and led. The focus is on team leadership at four stages in a team's life cycle: 1) preparation, 2) initial meeting, 3) mid-course consultation, and 4) post-performance debriefing. Teaching Purpose: To learn about the effective leadership of work groups and teams . A rewritten version of an earlier case.
The Chattanooga Ice Cream Division	HBS #498-001 11p	United States, food products, 750 employees, 1996	Senior functional officers (marketing, manufacturing, research & development, control, and human resources) clash over alternative ideas for turning around a business in decline. The general manager is faced not only with choosing between competing ideas, but also managing conflict and determining whether his consensus-oriented style is appropriate to the needs of the situation.
Buck & Pulley's Team Management	HBS #497-007 9p	Rochester, NY; advertising; \$26 million revenues; 70 employees; 1996	In 1993, the firm began to move from a traditional hierarchical structure to client-focused teams. The case describes the process and some consequences of this restructuring. Performance seems to be improving, but some employees preferred the structure certainty and client variety of the old days. How does management deal with these issues? Teaching Purpose: Team management has become very popular, but transitions from traditional structures to teams are not easy. The discussion will center on how to deal with these issues.
Business Teams at Rubbermaid, Inc.	HBS #897-165 26p	Wooster, OH, consumer products/plastics, 14,500 employees, 1996	Rubbermaid, a consumer products company widely praised for its innovation, has instituted a company-wide experiment to stimulate innovation even further. The experiment consists of creating small cross-functional business teams within each

			<p>division, with each team being responsible for the creation, management, and profitability of a particular product line. The staffing, reporting structure, and management of the business teams vary across divisions, and clear differences emerge in the performance of four highlighted teams. The case explores the possibility of using cross-functional teams within established firms to simulate entrepreneurial ventures and accelerate innovation.</p>
<p>Rudi Gassner and the Executive Committee of BMG International (A)</p>	<p>HBS #494-055 21p TN #494-122</p>	<p>Global, entertainment, 1993</p>	<p>Explores the roles of CEO Rudi Gassner and the 9-person executive committee in leading BMG International. BMG International is the music subsidiary of Bertelsmann, the second-largest media conglomerate in the world. Describes a 1993 decision that Gassner and the executive committee must make about whether to change managers' business plans and bonus targets as a result of a newly negotiated reduced manufacturing cost. Allows for discussion of a number of timely and important issues: (1) the complexities of managing and growing a large global business; (2) the tensions between centralized corporate control and decentralized local management in a global organization; (3) the impact of leadership style on corporate culture and performance; (4) the challenges of leading a senior management team; and (5) the final decision by CEO Rudi Gassner and the subsequent actions taken by the members of the executive committee.</p>
<p>Should This Team Be Saved?</p>	<p><i>HBR Reprint</i> #r0107a 8p</p>	<p>N/A</p>	<p>As far as anyone could tell, Vigor Skin Care's star was rising, mostly on the strength of Ageless Vigor, its new line of enriched skin cleansers and cosmetics. In fact, this evening, the three employees responsible for developing the product line were slated to receive the parent company's highest award for performance. But CEO Peter Markles knew that despite the accolades, the business unit--and its "fearsome threesome"--had hit a rough patch in recent months. When Peter took the reins four years ago, Vigor Skin Care was the sleeping dog of the health-and-beauty industry; his challenge was to rejuvenate the maturing business. He knew a turnaround would require equal parts discipline, politics, and creativity--so he pulled together a team that could address those needs. Their all-consuming, intensely collaborative efforts resulted in the successful Ageless Vigor line. Then reality set in. The team found the day-to-day operations of manufacturing Ageless Vigor a bit tedious. Peter felt relegated to troubleshooting distribution problems. Another team member was meeting with executives from another division who were actively recruiting the wunderkind. Another member was simply on the verge of burnout. Tonight, at the award ceremony, there</p>

			would be speeches and applause and toasts. But tomorrow, Peter would have to face the question: Should he try to salvage the Ageless Vigor team? Four commentators offer their advice in this fictional case study.
Chapter 16: Motivating Employees			
Microsoft's Vega Project: Developing People and Products	HBS #300-004 19p	Redmond, WA, computer software, 31,000 employees, 1975-1998	Describes Microsoft's human resource philosophies and policies and illustrates how they work in practice to provide the company with a major source of competitive advantage. Describes employee development, motivation, and retention efforts in one of Microsoft's product groups. Focuses on Matt MacLellan, a 26-year-old, 5-year Microsoft veteran, particularly on his careful development as a project manager under Jim Kaplan, his boss and mentor. Dissatisfied with his project management role, MacLellan decides to become a developer despite the fact that he had never written code professionally. Kaplan is faced with a difficult decision of whether to support his protegee's radical career shift, and how to do it not only to MacLellan's satisfaction but also in the organization's best interest. Illustrates the role of senior management as developer and coach of scarce human assets and the role of human resource policy in supporting an organization's development of competitive advantage.
Mary Kay Cosmetics, Inc.: Sales Force Incentives (A)	HBS #190-103 16p (B) case #190-122 TN #191-198	Dallas, TX; cosmetics; \$400 million revenues; 1989	Describes the incentive system by which Mary Kay Cosmetics motivates the sales force of 200,000 independent agents who comprise the firm's only distribution channel. Illustrates the powerful effect on sales-force behavior that results when creative types of employee recognition are combined with financial incentives. Focuses on the challenges that managers face when they try to reduce program costs by modifying the VIP automobile program that awards the use of pink Cadillacs and other cars to successful sales agents. A detailed description of the parameters and formulas that drive the recognition and reward programs is provided.
Nordstrom: Dissension in the Ranks? (A)	HBS #191-002 24p (B) case #192-027 TN #692-085	United States; retailing; 1989	In 1989, the performance measurement systems and compensation policies of Nordstrom Department Stores unexpectedly came under attack by employees, unions, and government regulators. The case describes the "sales-per-hour" monitoring and compensation system which many believed to be instrumental in Nordstrom's phenomenal success. Illustrates how rapid company growth, decentralized management, and unrelenting pressure to perform can distort performance measurement systems and lead to undesirable consequences.
Visionary Design	HBS	Silicon Valley, CA,	A compensation case about a small, high-tech firm

Systems: Are Incentives Enough?	#495-011 20p TN #495-050	1994	based in Silicon Valley. Visionary Design Systems (VDS) began as a sales company and grew rapidly into a full-service systems integrator. All employees, including engineers, administrators, and receptionists, received a significant portion of their income from commissions and bonuses, and all were shareholders. The company espoused a philosophy of empowerment, under which all employees were given substantial decision-making authority, and were expected to act in the interests of the firm. Examines one group that, although it had both the authority and the incentives to exploit a new market opportunity, continued to wait for top management's instructions and approval before making decisions or taking action. Explores the costs and benefits of decentralized decision rights and the creative use of incentives. Also illustrates the potential problems with compensation systems that assume that well-informed employees faced with the right incentives will make the right decisions.
Power Is the Great Motivator (Classic)	<i>HBR Reprint</i> #r0301j 9p	N/A	Nowadays, with organizations growing ever flatter and responsibility being pushed further down the ranks, admitting to a desire for power is a little out of fashion. But as the research in this 1976 classic HBR article shows, power is essential to good management. In fact, when it comes to managing big companies, the desire for power--that is, a manager's desire to have an impact, to be strong and influential--is more important than the need to get things done or the wish to be liked. The need to achieve, while important in small companies, actually becomes counterproductive in large, complex organizations, leading managers to try to do things themselves rather than spread tasks among many people. And managers who need to be liked tend to make exceptions for particular subordinates' needs, undermining morale. But seeking power is not the same as seeking glory. People who want power only to further their own careers, rather than the goals of the organization, tend to have subordinates who are loyal to them but not to the company, making them less effective on the whole. And wanting power is not the same as throwing it around. Correlations between employee morale and sales figures show that individuals who manage by fiat are less effective than those whose style is more democratic. As the many examples show, top executives can learn to tell who the good managers are likely to be and to train existing ones to be more effective. McKinsey Award Winner
Chapter 17: Leadership			
Meg Whitman at eBay, Inc. (A)	HBS #401-024	San Jose, CA, Internet, 1999	Meg Whitman takes over as CEO of eBay from the founder. She must figure out how to lead the

	32p		company through a stage of phenomenal growth without compromising eBay's unique external customer culture and internal culture--its key success factors.
Jack Welch: General Electric's Revolutionary	HBS #394-065 22p TN #395-232	United States, conglomerate	Describes the work of Jack Welch as CEO of General Electric from 1981 to 1992, focusing particularly on his transformation of the company's portfolio through extensive dispositions and acquisitions and the company's culture through a mandated process called "work out."
Chrysler: Iacocca's Legacy	HBS #493-017 19p TN #496-059	United States, automobiles, 140,000 employees, 1978-92	Describes the changes fashioned by Iacocca during his tenure as CEO of the Chrysler Corp. Pays particular attention to the rhetoric he employed in mobilizing change and the actions he took to implement change.
Bill Gates and the Management of Microsoft	HBS #392-019 19p	United States, computer software, \$1.8 billion revenues, 1991	In July 1991, Microsoft has achieved record growth and profitability in the PC software industry. The case focuses on Microsoft's founder and CEO, Bill Gates, and his top management team, as they seek to retain the innovation and spirit of a small company in a rapidly growing and changing environment. Specific issues include the management of organizational complexity, cultural change, CEO and COO interaction, compensation, and leadership.
Mary Kay Cosmetics, Inc.: Sales Force Incentives (A)	HBS #190-103 16p (B) case #190-122 TN #191-198	Dallas, TX; cosmetics; \$400 million revenues; 1989	Describes the incentive system by which Mary Kay Cosmetics motivates the sales force of 200,000 independent agents who comprise the firm's only distribution channel. Illustrates the powerful effect on sales-force behavior that results when creative types of employee recognition are combined with financial incentives. Focuses on the challenges that managers face when they try to reduce program costs by modifying the VIP automobile program that awards the use of pink Cadillacs and other cars to successful sales agents. A detailed description of the parameters and formulas that drive the recognition and reward programs is provided.
Albert Dunlap and Corporate Transformation (A)	Babson College #BAB032 17p (B) case #BAB033 TN #BAB532	United States; paper products, home appliances; 1994-2000	After restructuring Scott Paper with a 34% reduction in head count and successfully selling the company to Kimberly Clark, Al Dunlap is hired as CEO by Sunbeam. This case describes the management principles of this corporate turnaround expert and his actions at Sunbeam.
Why Should Anyone Be Led by You?	<i>HBR Reprint</i> #r00506 9p	N/A	We all know that leaders need vision and energy, but after an exhaustive review of the most influential theories on leadership--as well as workshops with thousands of leaders and aspiring leaders--the authors learned that great leaders also share four unexpected qualities: 1) They selectively reveal their weaknesses; 2) They rely heavily on intuition to gauge the appropriate timing and course of their actions; 3) They

			manage employees with "tough empathy"; and 4) They capitalize on their differences. All four qualities are necessary for inspirational leadership, but they cannot be used mechanically; they must be mixed and matched to meet the demands of particular situations. Most important, however, is that the qualities encourage authenticity among leaders. To be a true leader, the authors advise, "Be yourself--more--with skill."
Chapter 18: Foundations of Control			
Verizon Communications, Inc.: Implementing a Human Resources Balanced Scorecard	HBS #101-102 23p	United , telecommunications, \$60 billion revenues, 1996-2000	In early 2000, Verizon Communications implemented a Human Resources Balanced Scorecard to evaluate the effectiveness of and payoffs from human resource management. This case describes the benefits of the scorecard and the challenges of measurement and implementation. Teaching Purpose: To help students understand: 1) how to implement a Balanced Scorecard, 2) how to measure and improve the effectiveness of support functions, and 3) how to link nonfinancial measures to financial measures of support functions when financial benefits are difficult to quantify.
Bausch & Lomb, Inc.: Pressure to Perform	HBS #198-009 20p	United States, optics, 1995	Bausch & Lomb is the subject of press attacks and experiences a sharp fall in stock price when management practices are exposed. Aggressive goal setting, supported by financial market expectations, is discussed as a precursor to a series of events that results in misstated financial results and angry customers. A defiant CEO stands his ground as shareholders demand his resignation. Industry and competitive data allow students to calibrate performance pressures.
The Classic Pen Co.: Developing an ABC Model	HBS #198-117 4p TN # 199-029	Unspecified	A simple numerical exercise, based on the Cooper/Kaplan pen factory example, to illustrate the rationale for activity-based costing (ABC). Classic Pen has diversified from its core blue and black pen business by introducing new specialized colors. But costs have risen and margins on blue and black pens are decreasing. The controller turns to ABC for an explanation. Teaching Purpose: Illustrates application of ABC.
Who Needs Budgets?	<i>HBR Reprint</i> #r0302j 7p	N/A	Budgeting, as most corporations practice it, should be abolished. That may sound radical, but doing so would further companies' long-running efforts to transform themselves into devolved networks that can nimbly adjust to market conditions. Most other building blocks are in place, but companies continue to restrict themselves by relying on inflexible budget processes and the command-and-control culture that budgeting entails. A number of companies have rejected the foregone conclusions embedded in budgets, and they've given up the self-interested wrangling over what the data

			<p>indicate. In the absence of budgets, alternative goals and measures--some financial, such as cost-to-income ratios, and some nonfinancial, such as time to market--move to the foreground.</p> <p>Companies that have rejected budgets require employees to measure themselves against the performance of competitors and against internal peer groups. Because employees don't know whether they've succeeded until they can look back on the results of a given period, they must use every ounce of energy to ensure that they beat the competition. A key feature of many companies that have rejected budgets is the use of rolling forecasts, which are created every few months and typically cover five to eight quarters. Because the forecasts are regularly revised, they allow companies to adapt continuously to market conditions. The forecasting practices of two such companies, both based in Sweden, are examined in detail: the bank Svenska Handelsbanken and the wholesaler Ahlsell.</p>
Chapter 19: Operations and Value Chain Management			
Eli Lilly and Co.: The Flexible Facility Decision--1993	HBS #694-074 19p TN #696-041	Indianapolis, IN; pharmaceuticals; \$6.2 billion revenues, ; 1993	In 1993, Eli Lilly is preparing to build manufacturing capacity for three new pharmaceutical products that it expects to launch in 1996. Management wrestles with a decision of whether to add specialized manufacturing capacity or flexible capacity. This question touches off a broad debate within the company about which strategy to follow for future facilities decisions. This case presents two alternatives (flexible and specialized plants) and describes the benefits and costs associated with each. Teaching Purpose: Requires students to analyze the tradeoffs between the alternatives and consider if and how each would help Lilly accomplish its strategic goals. Students should consider the net present value of the alternative investments, as well as explore the value of flexibility in manufacturing and capital investment decisions.
Mattson Foods, Inc.: The Bardolini Division (Revised)	HBS #695-058 14p	United States, food processing, \$30 million revenues, 1988	The Bardolini Division of Mattson Foods, with plants in the northeast and midwest, wants to open up the western market for its pizza. Management must decide whether to build a new plant on the West Coast, and what type of technology to put in the plant if they decide to build it. The case addresses the issue of building a plant for marketing purposes and raises a number of logistical issues, including transportation and warehouse economics. A rewritten version of an earlier case.
GE: We Bring Good Things to Life (A)	HBS #988-162 23p (B) case	Global, diversified, \$80 billion revenues, 222,000 employees, 1995	Jack Welch and the Corporate Executive Council of GE are faced with a decision about whether and how to implement a six sigma quality improvement effort in the context of many other

	#899-163 TN #899-222		initiatives already undertaken at GE in recent years. Teaching Purpose: To illustrate the complexity of managing change and the momentum that related and integrated initiatives can provide.
Daewoo Shipbuilding and Heavy Machinery	HBS #695-001 18p TN #696-053	Korea, shipbuilding, 1994	Daewoo Shipbuilding and Heavy Machinery rescued its plant from the labor riots of 1987 to make it, by 1994, to be the fastest improving shipyard in the world. With its competition in Korea making huge investments in additional capacity in anticipation of the end of the recession, Daewoo instead has to decide if its strategy of continuous investment can provide the needed capacity. Teaching Purpose: Addresses manufacturing improvement strategies and plant management. In addition, it looks at the interaction between "step-change" improvement and continuous improvement.
EG&G Rotron Division	HBS #695-037 17p TN #697-100	New York, motors and electronics, \$20 million revenues, 200 employees, 1995	Rotron has recently entered the commercial motor market, after many years of servicing government military contracts. Faced with fierce commercial competition, Rotron has attacked its costs, and reduced its delivery times and its plants. A new crisis, however, is causing it to rethink its just-in-time production system and the plant manager must decide whether to re-introduce inventory for key production. Teaching Purpose: Addresses issues related to just-in-time production and strategic flexibility.
Johnson Controls, Automotive Systems Group: The Georgetown, Kentucky Plant	HBS # 693-086 23p TN #693-102	Georgetown, KY; automotive; \$5 billion revenues; 40,000 employees; 1993	Prior to the 1980s, auto makers purchased individual seat components and built the seats alongside their auto assembly lines. This case describes how Johnson Controls, Automotive Systems Group blossomed when auto makers turned to outsourcing the complete seat set. Closely examines one plant, in Georgetown, Kentucky, that switched from just-in-time (JIT) delivery of seat sets to JIT assembly to serve a nearby Toyota Camry assembly operation. Exposes the challenge of dealing with growing seat variation and an opportunity of doubling the plant floor space at a separate site. The specific case question is how the plant should use this new space. Teaching Purpose: Students who have been only exposed to the concept of JIT production will grasp not only how JIT is actually practiced but what it really entails.
Read a Plant-- Fast	<i>HBR Reprint</i> #r0205h 9p	N/A	In the early 1980s, visitors on an hour-long tour of a factory headed by Eugene Goodson reported surprisingly accurate details about the plant, its technology, and even its cost of sales. Meanwhile, the author's managers took part in short tours of a competitor's plants and learned next to nothing. With that, Goodson resolved to do better and, over time, developed a tool to assess a plant's strengths and weaknesses. The tool, the Rapid Plant

			<p>Assessment (RPA) process, allows small tour teams to gauge factory's leanness accurately solely from visual cues and conversations with employees. Since 1998, Goodson, his colleagues, and his students have used the tool hundreds of times to evaluate their own plants, their competitors', and those of possible acquisition targets. At the heart of the RPA process are two assessment tools: the rating sheet and the questionnaire. The first contains 11 categories--including safety, scheduling, inventory, teamwork, and supply chain--that determine a plant's leanness. The second features 20 yes-or-no questions that focus thinking within the categories. The article explains how to rate a plant's practices in each category and how to choose team members. It also outlines how to use the tool to assess cost of sales. Even with varying levels of manufacturing experience, different teams touring the same plants have produced consistent results with this tool. It's easy to learn, quick to put into practice, and it produces results in a day or less.</p>
Chapter 20: Controlling for Organizational Performance			
GE: We Bring Good Things to Life (A)	HBS #899-162 23p TN #899-222	Global, diversified, 222,000 employees, 1995	Jack Welch and the Corporate Executive Council of GE are faced with a decision about whether and how to implement a six sigma quality improvement effort in the context of many other initiatives already undertaken at GE in recent years. Illustrates the complexity of managing change and the momentum that related and integrated initiatives can provide.
Codman & Shurtleff, Inc.: Planning and Control System	HBS #187-081 17p TN #188-029	Massachusetts, New Jersey, health care, 75,000 employees, 1986	Detailed description of the planning and control systems in use at Johnson & Johnson. Focuses on the actions of managers in one subsidiary in revising budget targets. Illustrates intensive strategic planning and financial planning process in a large, decentralized company. Includes interviews with the president and senior executives concerning benefits of the system. Raises issue of the role of formal control systems in decentralized organizations.
The Classic Pen Co.: Developing an ABC Model	HBS #198-117 4p TN # 199-029	Unspecified	A simple numerical exercise, based on the Cooper/Kaplan pen factory example, to illustrate the rationale for activity-based costing (ABC). Classic Pen has diversified from its core blue and black pen business by introducing new specialized colors. But costs have risen and margins on blue and black pens are decreasing. The controller turns to ABC for an explanation. Teaching Purpose: Illustrates application of ABC.
Verizon Communications, Inc.: Implementing a	HBS #101-102 23p	United , telecommunications, \$60 billion revenues, 1996-2000	In early 2000, Verizon Communications implemented a Human Resources Balanced Scorecard to evaluate the effectiveness of and payoffs from human resource management. This

Human Resources Balanced Scorecard			case describes the benefits of the scorecard and the challenges of measurement and implementation. Teaching Purpose: To help students understand: 1) how to implement a Balanced Scorecard, 2) how to measure and improve the effectiveness of support functions, and 3) how to link nonfinancial measures to financial measures of support functions when financial benefits are difficult to quantify.
Wolfgang Keller at Konigsbrau-Hellas A.E. (A)	HBS #498-045 18p TN #400-069	Europe, brewery	Raises issues concerning performance evaluation, performance appraisal, managing ineffective performance, and conflicts in management style.
The Firmwide 360-degree Performance Evaluation Process at Morgan Stanley	HBS #498-053 16p TN #400-078	New York, NY, investment banking, 2,000 employees, 1993-1995	Describes Morgan Stanley's firmwide, 360-degree performance evaluation process. Evaluation forms are included as exhibits.
The Balanced Scorecard: Measures That Drive Performance	<i>HBR Reprint</i> #92105 9p	N/A	During a year-long research project, the authors developed a "balanced scorecard" performance measurement system that allows executives to view a company from several perspectives simultaneously. The scorecard includes financial measures that reveal the results of actions already taken, as well as three sets of operational measures that show customer satisfaction, internal processes, and the organization's ability to learn and improve. Creating a balanced scorecard requires translating a company's strategy and mission statement into specific goals and measures. Managers then track those measures as they work toward their goals. Putting the Balanced Scorecard to Work, Reprint #93505, presents the implementation of this concept.