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11.958 Getting Things Implemented: Strategy, People, Performance, and Leadership
IAP 2009

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Reading Tips and Study Questions DAY FOUR—JANUARY 8TH

Required reading

1. **(Case: Discussion A)** Managing the Underground City: The NYC Transit Authority Reclaims its Subway Stations
2. **Viewing the brief video case is optional: See Stellar** [Video not available on MIT OpenCourseWare.]
3. Henry Mintzberg, *Structure in Fives: Designing Effective Organizations*, Englewood Cliffs, NJ: Prentice-Hall, 1983, pp. 1-9, 46-52.
4. Frank Ostroff, *The Horizontal Organization: What the Organization of the Future Actually Looks Like and How it Delivers Value to Customers*. New York: Oxford, 1999, pp. 2-11, 102-114.
5. **(Case: Discussion B)** California Franchise Tax Board: Strategies for a Changing Workforce
6. Arnolando C. Hax and Nicolas S. Maljuf, "Human Resources Management of Key Personnel," *The Strategy Concept and Process: A Pragmatic Approach*, Englewood Cliffs, New Jersey: Prentice Hall, 1991, pp. 273-285.
7. Robert Simons, "Control in an Age of Empowerment," *Harvard Business Review*, March 1995.

Overview

Yesterday, we rounded out our work on strategy by considering alliances or partnerships as increasingly popular vehicles—promising but also risky. Then we explored ways to link broad strategic ideas about implementation to systems for measuring performance and managing (operationally) toward the measures. These are more and more in use, but often confusingly and ineffectively, around the world.

Today, we will consider two vital elements of capacity to implement: (a) how work gets structured through smart (or dumb) designs for organizations and operational processes; and (b) how to effectively manage human resources, which includes recruiting, developing, motivating, and also "regulating" talent.

These topics—including our closest attention so far to what some call "managing people"—directly set up our final class meeting (Friday), which will examine leadership as a motivational activity focused on producing useful change in what gets done. Leadership is people management on steroids.

Questions + tips for preparing Case “A”:

Read through the questions below, then complete reading #3 first, then the case, then reading #4. If you can view the video properly—the file format is tricky, and we haven’t been able to make it foolproof so far—that’s great. It’s brief and will give you a vivid sense of the station manager’s viewpoint in the transit system.

1. Considering **Mitzberg’s** writing on organizational design, why do “stovepipes” or “silos” arise within organizations, and in what ways are they problematic?
2. Thinking about the case, Should Alan Kiepper re-organize the Transit Authority? If so, how? Consider the alternatives in the case and any other possibilities you wish. Identify the strengths of your “re-org” ideas but also the potential weaknesses or risks that Kiepper would need to consider.
3. How likely is it that a re-org of the Transit Authority would secure the benefits that **Ostroff** promises if organizations structure their work “horizontally,” around teams that handle core operational processes? Which of the re-org alternatives in the case, if any, are most likely to have that effect?

Questions + tips for preparing Case “B”:

This main case is a short video, then there’s the very brief text supplement to the video and the two supplementary readings (#6 and 7 on the required list above).

Read item #6, by Hax and Maljuf, first, as background to get a sense of the range of human resource policy tools available to implementers. Then read the case, which portrays a large state tax collection agency facing many of the workforce challenges that confront organizations large and small today.

1. What distinct human resource problems is the Franchise Tax Board facing? Think about every dimension mentioned in the case, from external labor markets to internal staff relations to skill needs and more.
2. Now consider the **Simons** reading. Why is the idea of “empowerment” so powerful, and why is “exercising control” nevertheless important, according to the author? Which of the levers” in the article seem most useful for the managers in the case and why?
3. How effectively do you think decision-makers responded to the Tax Board’s varied workforce challenges given the human resource strategies indicated in the case? Is there, for example, a trade-off between promoting loyalty and stability (on one hand) and promoting productivity and attracting the best talent? What other actions might have been effective?