



LEARNING TO LEAD PEOPLE EFFECTIVELY: A COURSE GUIDE FOR MIT SLOAN MBA STUDENTS

Two recent graduates of MIT Sloan want to let current students in on one of the school's best-kept secrets: MIT Sloan is a great business school to learn about managing people wisely.

COMPILED BY JENNY WEISSBOURD AND MEGAN LARCOM



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Institute for Work & Employment Research



GOOD COMPANIES,
GOOD JOBS
INITIATIVE AT MIT SLOAN





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PEOPLE MATTER TO FIRM SUCCESS.

As you move through business school, it can be easy to forget the workers powering firms. In marketing courses, you will learn how to promote a product. In finance and accounting classes, you will learn to fund its production and track financial outcomes. Even in leadership and communications courses, you may focus on personal reflection and development. But always keep in mind that business leaders don't achieve success alone; they both depend on and have responsibilities to all the people who work for their organizations.

WHAT WILL IT TAKE TO BE AN EFFECTIVE 21ST CENTURY BUSINESS LEADER?

When you graduate from MIT Sloan, you'll enter a world characterized by complexity, uncertainty, and unprecedented change. As a future manager, consultant, investor, or entrepreneur, you will play a critical role in shaping the future of work and face tough choices at the intersection of people and profit. What combination of people skills will enable business success? When does it make sense to cultivate your own workers, when does it make sense to contract out, and how can you effectively manage multiple approaches? What functions will you automate, and how will you ensure that technological transitions are good for both people and the bottom line? How will introducing a disruptive technology impact communities and the economy? How will you engender a culture of innovation? How will your start-up organize to compete on quality, reliability, and price? What are the operational strategies and institutional arrangements that underpin high engagement and strong performance in the

workplace? What are the means for ensuring equity, fairness, and worker voice? How is work changing across the economy and around the globe, and how will you keep up? Your success as a leader will depend on your ability to effectively navigate these questions — and the questions that we can't yet imagine.

IT'S UP TO YOU.

The MIT Sloan School of Management gives you the power to design much of your own curriculum. With only one semester of "core" required courses and certificate options that have flexible requirements, you have three semesters to define not just what you learn, but who you become. It's up to you to find ways to learn new skills, question your default perspective, and set bold professional goals. What will you do?

WE WANT TO LET YOU IN ON ONE OF MIT SLOAN'S BEST-KEPT SECRETS.

The good news is: MIT Sloan is a great business school to learn about managing both profits and people. Academics and corporations alike turn to MIT Sloan faculty and their research for guidance on fostering good jobs and well-run firms. This focus on good work cuts across programs, from the Institute for Work and Employment Research, the Good Companies, Good Jobs Initiative, and the Sustainability Initiative, to Operations Management and Finance. MIT Sloan offers exceptional courses that help you develop a *personal leadership style* through reflection and practice, teach you *practical people management tools* that leverage analytics and operations, and provide *systemic context* through education on the structure of the economy and labor market.

The economy is undergoing rapid transformation...

About 50% of current work activities are technically automatable.¹

As many as 375 million workers may need to switch occupational categories and learn new skills by 2030.²

And workers are seeing a decline in their share of the gains...

In the U.S. economy, labor's share of corporate income fell from 82 percent to 75 percent between 1980 and 2014.³

Since the mid-20th century, the top 1% of America's earners have more than doubled their share of the nation's income.⁴

1. McKinsey Global Institute, "Jobs Lost, Jobs Gained: Workforce Transitions in a Time of Automation," December 2017, <https://www.mckinsey.com>.

2. Ibid.

3. T. Kochan, "Building the Institutions Needed to Strengthen Worker Voice," August 7, 2018, The Aspen Institute, <https://www.aspeninstitute.org>.

4. E. Saez, UC Berkeley, cited at <https://inequality.org/facts/income-inequality>.

Here are a few of many classes to consider.

	COURSE	TERM(S)	DESCRIPTION
People and Operations Strategies	15.320 Strategic Organizational Design with Thomas Malone	SPRING 2019	This course focuses on effective organizational design, with a special emphasis on innovative organizational forms that can provide strategic advantage. Topics include when to use functional, divisional, or matrix organizations; how digital technologies create new organizational possibilities; examples of innovative organizational possibilities, such as democratic decision-making, crowd-based organizations, and other forms of collective intelligence. Team projects include inventing new possibilities for real organizations.
	15.662 Managing Sustainable Businesses for People and Profits with Thomas Kochan and Barbara Dyer	SPRING 2019	This course focuses on how we can shape a future that creates value for people and profits for the firm. In this course, we will delve into the larger economic and social context as you consider the role of business in shaping a society that works for multiple stakeholders. We will also dive deeply into successful approaches of firms old and new — across many sectors, sizes, and ownership forms.
	15.669 Strategies for People Analytics with Emilio Castilla	SPRING 2019	People analytics is a data-driven approach to improving people-related decisions for the purpose of advancing both individual and organizational success. While people have always been critical to the success of organizations, many business leaders still make key decisions about their workforce based on intuition, experience, advice, and guesswork. In this course, we explore a number of strategies used to attract and retain top talent.
	15.768 Management of Services: Concepts, Design, and Delivery with Zeynep Ton	SPRING 2019	The course takes an operations point of view to look at companies and industries in the service sector. It builds on conceptual frameworks and draws upon examples from a wide range of service operations: health care, hospitality, transportation, retailing, food service, and financial services, among others. The objective of the course is to design and manage operations to create value for customers, employees, and investors simultaneously.
	15.S03 Leading the Way: Individual and Organizational Perspectives on Advancing Equity and Inclusion with Kara Blackburn and Erin Kelly	SPRING 2019	This new elective will address both individual skills and organizational strategies for advancing equity and inclusion, and students will be asked to critically review relevant social science and behavioral research. As a result of this course, students will better understand how employees with diverse identities experience recruitment, evaluation, rewards, and development; analytically evaluate competing explanations about inequality within workplaces; consider timely topics such as sexual harassment in the workplace; and develop and practice skills for managing a professional identity, interacting effectively with diverse others, managing difficult conversations, exercising voice, and advocating thoughtfully for change.
Leading Work in Dynamic 21st Century Systems: Cultural, Economic, and Policy Context	15.014 Applied Macro- and International Economics II with Roberto Rigobon	SPRING 2019	This course has three parts. First, we study how standards of living can be improved in a sustainable manner through multiple dimensions: environment, politics, institutions, markets, organizations, etc. Second, we look at economic policy, and finally we study how technology is changing the macro economy.
	15.270 Ethical Practice: Leading Through Professionalism, Social Responsibility, and System Design with Leigh Hafrey	SPRING 2019	“Ethical Practice” walks us through three ever-wider circles of ethical complexity: (1) individual and professional commitments; (2) the rights and responsibilities of corporations; and (3) the social and ethical underpinnings of business as an activity. We seek to define terms central to each of these circles, culminating in a brief historical assessment of business and capital in the early 21st century.

	COURSE	TERM(S)	DESCRIPTION
Leading Work in Dynamic 21st Century Systems: Cultural, Economic, and Policy Context	15.364 Regional Entrepreneurial Acceleration Leaders with Phil Budden and Fiona Murray	SPRING 2019	This course helps us learn how to accelerate innovation-driven entrepreneurship and build vibrant regional economies. Based on research and oriented around action, the course helps us understand how to design programs for a variety of stakeholders to accelerate ecosystem development and drive regional innovation strategy.
	15.667 Urban Labor Markets and Employment Policy with Paul Osterman	SPRING 2019	This course combines an examination of how urban labor markets work and how employment patterns are shifting in the United States. The discussion-based seminar allows us to consider a variety of issues regarding job training, living wage campaigns, unions, and more.
	15.871 Introduction to System Dynamics with various faculty members	FALL 2018 SPRING 2019	Today's economy requires us to design and manage complex systems where dynamic complexity is unavoidable, thanks to multiple feedback effects, long time delays, and nonlinear responses to our decisions. System dynamics helps improve our understanding of the ways in which an organization's performance is related to its internal structure and operating policies as well as those of customers, competitors, suppliers, and other stakeholders.
	15.S02 Bridging the American Divides: Work, Community, and Culture (USA Lab) with Barbara Dyer, Leigh Hafrey, Christine Kelly, and Thomas Kochan	SPRING 2019	This experiential Action Learning Lab is focused on work, community, and culture in rural and urban regions of the United States. The Lab stems from concern about the economic, cultural, and geographic issues that are tearing at the fabric of America. Through this course we strive to foster deeper understanding and join with community leaders in the process of uncovering solutions. In addition to classroom discussions, student teams conduct fieldwork on-site in rural regions and urban centers in the U.S., working with dynamic local leaders determined to change the trajectory of their communities.
Work and Automation	15.S14 Global Business of Artificial Intelligence and Robotics with Simon Johnson and Jonathan Ruane	SPRING 2019	We analytically investigate where the opportunities and challenges lie for the commercialization of artificial intelligence (AI) and robotics in the near term. Transformative technologies inevitably create opportunities for great wealth creation — and destruction. Leaders empowered with knowledge of the underlying economic, business, and technological principles will be at an advantage in such an environment.
Leading in Global Supply Chains	15.765 Global Supply Chain Management with Bruce Arntzen	SPRING 2019	We gain insight into the planning, processes, and activities of supply chain management for companies involved in international commerce. We examine the challenges that managers deal with in managing global supply chains, from outsourcing to sustainability to risk and security management.
Social Impact Investing	15.499 Practice of Finance: Social Impact Investing with Gita Rao	SPRING 2019	The objectives of this course are: (a) to provide a solid analytical framework for evaluating the spectrum of social impact investments; (b) to have students gain experience in structuring different types of investments; (c) and to critically compare and contrast these investments with traditional mainstream investments, with a view to understanding structural constraints.
Self-Reflection and Career Planning	15.304 Being Effective: Power and Influence with Paul Osterman	SPRING 2019	If you are to be effective, both with respect to the goals of the organization and with respect to your personal goals, you need to be able to map these differences, understand your own interests and objectives, and understand how to operate in the organizational environment you are in. In addition to being able to think strategically you also need a set of skills that can be summarized via the words "power, persuasion, and influence."
	15.661 Building Successful Careers and Organizations with Emilio Castilla	SPRING 2019	This course is specifically designed to help us learn more about our strengths, and how we can utilize these strengths to manage careers. Through drawing on research, experiential exercises, case studies, and guest speakers, we cover the most important aspects of talent (and career) management — for ourselves and others.



MIT Sloan offers exceptional courses in which you can learn about managing both profits and people.

Beyond classes, here are some creative paths MIT Sloan students can take.

DESIGN AN INDEPENDENT STUDY FOR CREDIT.

- Victoria Lee ('18) researched the impact of automation on the trucking industry, capturing and integrating perspectives from technology leaders and truck drivers. Victoria now works for McKinsey & Company, specializing in technology and digital solutions.
- Meredith Thurston ('18) designed an independent study to compare retailers' product density on shelves with employee and customer satisfaction. Initial results from her analysis indicated that the hypothesis was correct — stores with a lower "density" of products were those with more satisfied customers and happier employees. She now works on the Labor Innovation team at Nike.

- John Beatty ('18) designed the MIT-Deutsche Bank Community Finance Challenge, encouraging MBA students across the country to engage with the question of what a 21st century financial institution designed to help underserved communities would look like. Over 60 teams and 200 participants took on the task of analyzing which markets to serve, how to reach those markets, and what products need to be developed. He now works at Amazon.

- Jenny Weissbourd ('18) and Megan Larcom ('18) researched the future of worker voice in the 21st century, developing a framework to understand alternatives to traditional unions. They also wrote teaching cases to share atypical management stories, ranging from the establishment of a cooperative wholesale business by unionized lobstermen to the digital community building of workers at Starbucks. Jenny now works at The Aspen Institute and Megan works at McKinsey & Company.

SELECT ATYPICAL CLIENTS FOR ACTION LEARNING PROJECTS.

A first-year core team selected the Massachusetts Bay Transportation Authority (MBTA) as a client for the Organizational Processes course. They analyzed the process of privatizing a non-core MBTA function and the impact that it had on organization morale and the workforce. Clayton Pfannenstiel ('18) said of the project, "My core team had the opportunity to work with the MBTA on its efforts to privatize areas of its operations. Our work highlighted the conflicts and stresses inherent in any restructuring. Through the project, I learned how important it is for leaders making difficult decisions to communicate openly with those affected. In driving for a goal, it's important to remain cognizant of the impact decisions have on individuals, both those leaving the organization and those who remain."



Students in USA Lab conduct fieldwork on local economic development issues in U.S. communities. This student worked on a project related to the fishing industry in an Oregon community.

ATTEND DEPARTMENTAL SEMINARS.

- *Institute for Work and Employment Research (IWER) Seminar*
One of the longest-running seminar series at MIT, this Tuesday seminar draws faculty and students from across the Institute and the wider academic community.
<http://iwer.mit.edu/academics/seminars>
- *System Dynamics Seminar*
Every other Friday, industry and academic leaders discuss how System Dynamics can help us better understand complex challenges, shape policy, influence decision-making, and yield lasting benefits for businesses and society.
<http://mitsloan.mit.edu/faculty-and-research/academic-groups/system-dynamics/seminars>

VOLUNTEER WITH INITIATIVES ACROSS OR ASSOCIATED WITH MIT.

- *Good Companies, Good Jobs Initiative at MIT Sloan*, an effort that focuses on making work work for everyone in the 21st century.
<http://gcgj.mit.edu>
- *Good Jobs Institute*, a nonprofit with the mission to help companies thrive by creating good jobs.
<http://goodjobsinstitute.org>
- *Mens et Manus America*, an MIT-wide initiative to address economic and social divisions in the U.S.
<https://shass.mit.edu/news/mens-et-manus-america-initiative-site>
- *MIT Sustainability Summit*, a student-run conference that in 2018 brought people together to focus on good jobs for a thriving economy.
<http://sustainabilitysummit.mit.edu>



ABOUT THE AUTHORS

Jenny Weissbourd and **Megan Larcom** both received their MBA degrees from the MIT Sloan School of Management in 2018. Jenny now works at The Aspen Institute and Megan works at McKinsey & Company.



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