

# STANFORD EXECUTIVE PROGRAM

## Course Descriptions

### CORE COURSES

#### STRATEGIC LEADERSHIP IN DYNAMIC ENVIRONMENTS



**Robert A. Burgelman**

*Edmund W. Littlefield Professor of Management;  
Executive Director of the Stanford Executive Program*

This course takes the perspective of the general manager and explores two key facets of strategic leadership: setting strategic direction and managing the strategy-making process in established firms. You will discuss the key challenges associated with creating and maintaining long-term vision and profitable growth in established firms, and then analyze the interplays between business, corporate, divisional, and personal levels of strategy making.

#### ACCOUNTING FOR VALUATION AND CONTROL



**Madhav V. Rajan**

*Robert K. Jaedicke Professor of Accounting; Senior Associate Dean for Academic Affairs; Professor of Law (by courtesy), Stanford Law School*

This course investigates broad principles and topics of current interest related to financial reporting and management control. You will spend the first half of the course reviewing and critiquing elements of financial reporting and the second half discussing approaches to management control—the process whereby managers ensure that resources are obtained and used efficiently to accomplish an organization’s objectives.

#### FINANCIAL MANAGEMENT AND THE CREATION OF VALUE



**George G. C. Parker**

*Dean Witter Distinguished Professor of Finance,  
Emeritus; Faculty Director of the Stanford MSx Program*

This course provides a broad overview of corporate finance, financial policy, and the capital markets and is designed to apply to both finance novices and advanced practitioners. Topics covered include financial analysis, financing requirements, financial strategy, valuation concepts, required rates of return, capital structure, financial distress, and restructuring.

#### PUBLIC POLICY AND THE ECONOMY



**Edward P. Lazear**

*Jack Steele Parker Professor of Human Resources Management and Economics; Morris Arnold Cox Senior Fellow, Hoover Institution; Senior Fellow (by courtesy), Stanford Institute for Economic Policy Research; Professor of Economics (by courtesy), School of Humanities and Sciences*

The goal of this course is to discuss important public policy issues and how they affect the macroeconomy. You will be given the tools to understand public policy, its impact on society, and how policy can affect businesses. A mix of past and current public policy issues will be reviewed, followed by discussion of which industries or firms see gains or losses and why.

## MICROECONOMICS WITH NAMES



**David M. Kreps**

*Adams Distinguished Professor of Management; Professor of Economics (by courtesy), School of Humanities and Sciences*

This course explores recent microeconomic research that concerns the economics of interactions between small numbers of individuals and organizations. The “Names” in the course title refers to the identities of corporate trading partners—not large and anonymous markets. After discussing concepts such as reciprocity and reputations, you will examine applications of the “new” microeconomics to competitive analysis, human resource management, and other areas of business.

## CORPORATE GOVERNANCE AND EXECUTIVE COMPENSATION



**David F. Larcker**

*James Irvin Miller Professor of Accounting; Professor of Law (by courtesy), Stanford Law School; Senior Faculty of the Arthur and Toni Rembe Rock Center for Corporate Governance at Stanford*

The choice of how to govern the corporate enterprise is one of the most controversial and highly debated topics in management practice. One especially problematic aspect of corporate governance is the level of compensation paid to senior-level executives. This course will analyze these debates and develop a framework for understanding observed corporate governance and executive compensation. In addition to short case studies, the course will draw upon economic and behavioral foundations, as well as rigorous data analysis, to provide practical insights into corporate governance.

## DECISION MAKING, MOTIVATION, AND COMMUNICATION



**Francis J. Flynn**

*Paul E. Holden Professor of Organizational Behavior*

The goal of this course is to help you improve and enhance the impact of everyday communication, particularly in the context of work collaboration. Beyond intelligence and technical skills, what separates leaders from average managers is the ability to move people toward a common goal—to persuade them, to cajole them, and to convince them that yours is the right course of action. This course will focus on identifying these critical communication skills and providing ideas and tools for strengthening them.

## STRATEGY BEYOND MARKETS



**Kenneth W. Shotts**

*David S. and Ann M. Barlow Professor of Political Economy; Professor of Political Science (by courtesy), School of Humanities and Sciences*

Management of a company’s interactions with the public and with governments is critical, both for value creation and for social responsibility and accountability. The objectives of this course are to examine the broad, nonmarket environment in which organizations conduct business, to formulate effective strategies for this environment, and to consider standards of responsibility and accountability for these nonmarket strategies.

## ETHICS AND MANAGEMENT



**Neil Malhotra**

*Professor of Political Economy*

With leadership comes responsibility. These sessions explore the numerous ethical issues faced by managers and organizations, and provide analytical frameworks as well as the latest findings on human behavior to inform ethical decisions and strategies. Readings involve controversial case studies, insights from experimental psychology and economics, and a brief introduction to some relevant philosophy. Through class exercises, rigorous discussion, and directed personal reflection, you will clarify your own ethical stance, think through ethical dilemmas, practice articulating recommendations compellingly, discover the diversity of ethical viewpoints, and find out how to avoid the social and cognitive pitfalls that get in the way of ethical leadership.

## DELIVERING CUSTOMER VALUE THROUGH MARKETING



**James M. Lattin**

*Robert A. Magowan Professor of Marketing*

To ensure that their firm offers something of value to customers, marketers must understand how customers decide upon and acquire the products and services that satisfy them. During this course, you will discuss how to create and deliver value to customers, position and market new products, sustain competitive advantage over product life cycles, enhance customer intimacy and relationships, build and manage brand equity, and design and manage channels of distribution.

## ACTING WITH POWER



**Deborah H. Gruenfeld**

*Moghadam Family Professor of Leadership and Organizational Behavior*

The ability to function effectively within a hierarchy is a crucial determinant of managerial and personal success, yet many people struggle with “authority issues” that make certain hierarchical roles and positions difficult for them. This course draws on the art of acting and the science of psychology to show you how nonverbal behavior affects status and power, and the ability to move flexibly among different hierarchical roles.

## SCALING ORGANIZATIONAL CHANGE



**Hayagreeva Rao**

*Atholl McBean Professor of Organizational Behavior and Human Resources; Professor of Sociology (by courtesy), School of Humanities and Sciences; Academic Director, Stanford Innovation and Entrepreneurship Certificate*

This course provides successful skills and strategies that you can use to appropriately scale behavioral change within an organization. It addresses the need to both encourage and grow the good behaviors required of employees while, at the same time, effectively reducing instances of the bad behaviors that can inhibit growth and organizational change.

## WINNING THROUGH INNOVATION



**Charles A. O'Reilly III**

*Frank E. Buck Professor of Management*

Successful companies have all the resources and capabilities necessary to stay on top: financial, intellectual, and technological. Yet the puzzling evidence is that these organizations often lose their competitive edge. This course explores the strategies and processes of leading ambidextrous organizations—companies that are able to compete successfully in mature markets and industries while simultaneously capitalizing on emerging markets and technologies.

## STRATEGICALLY REASONING IN GAMES



**Yossi Feinberg**

*John G. McCoy-Banc One Corporation Professor of Economics*

Game theory allows us to incorporate the preferences and actions of others into our decision process. However, it also requires that we consider the reasoning process that the other players may employ, as well as how they reason about us. In this session we will examine the main issues that arise in analyzing reasoning and the tools we can use to address them.

# ELECTIVE COURSES

## BUILDING NEW VENTURE GROWTH OPPORTUNITIES



**George Foster**

*Konosuke Matsushita Professor of Management*

This course examines the various growth avenues available to build a new, sustainable, high-growth venture whether in the form of a new company or a new unit within an existing company. Four case studies will be used to delve deeper into planning and implementation during the start-up phase of a venture and to illustrate the sizable shifts companies must make over time to keep the growth engine going.

## INNOVATION AND DESIGN THINKING



**Stefanos Zenios**

*Charles A. Holloway Professor of Operations, Information and Technology; Director, Center for Entrepreneurial Studies*

Design and Innovation Thinking empowers multidisciplinary teams to apply design, engineering, and business skills to create comprehensive service-based solutions to address the needs of underserved populations. In this course, teams will learn how to apply the design innovation process to identify unmet user needs, ideate new products and services, and develop viable implementation plans. The purpose of this course is to empower you with design methodology, tools, and resources to understand and satisfy an important need faced by users of the organization's products or services.

## CREATING A HAPPIER AND MORE MEANINGFUL LIFE



**Roderick M. Kramer**

*William R. Kimball Professor of Organizational Behavior*

Is it possible to increase your happiness? Can you intentionally create a deeper, richer, more meaningful life for yourself—above and beyond what you currently experience? In this elective, we will explore these provocative and vital questions. We will approach them from the standpoint of new scientific research on the psychology of happiness and meaning. Drawing on this

research, we will examine how the way you think about yourself and your life can influence both your overall happiness and the feeling that your life is meaningful. In particular, we will discuss how the choices you make about the work you do, the relationships you create, and the kinds of experiences you engage in outside of work can enhance your overall sense of fulfillment. We will also examine some of the erroneous beliefs and mistaken assumptions people entertain about the determinants of human happiness and fulfillment. It turns out that people often “stumble” when pursuing happiness or meaning because they are looking in the wrong places, coveting the wrong things, or pursuing the wrong paths.

## OPTIONS AND DERIVATIVES IN MODERN CORPORATE FINANCE



**Paul C. Pfleiderer**

*C. O. G. Miller Distinguished Professor of Finance; Senior Associate Dean for Academic Affairs; Professor of Law (by courtesy), Stanford Law School*

An understanding of derivatives (and particularly options) is absolutely essential for understanding the practice of finance in the modern corporation. In this course, you will cover the fundamentals of derivatives and derivative pricing and then explore a number of applications to corporate finance including capital structure, executive stock options, risk management, and using real options to evaluate strategic decisions and investment opportunities.

## BUSINESS MODELS IN RETAILING



**Haim Mendelson**

*Kleiner Perkins Caufield & Byers Professor of Electronic Business and Commerce, and Management; Codirector of the Value Chain Innovation Initiative*

This short course examines the structure and evolution of business models in retailing. The course uses retailing as the context for thinking more broadly about alternative business models and, as such, it places more emphasis on business models than on retailing *per se*. The reason for choosing the retailing context is that this is a large, important and diverse sector of the economy with a long history of change, and even more change yet to come.

## INFLUENCE AND EFFECTIVENESS IN DECISION GROUPS



**Deborah H. Gruenfeld**

*Moghadam Family Professor of Leadership and Organizational Behavior*

When do groups make better decisions than individuals working alone, and where does team synergy come from? In these sessions, you will work on a team-problem-solving task and compare your solutions against an expert solution. Different routes to team results will be examined and discussed, and you will use the data to identify the key factors that differentiate teams that are optimally designed from those that are not. A research-based framework will be discussed and used to provide team-design principles for individuals who wish to act in ways that improve the effectiveness of their teams. You will discuss how one person can take charge of a dysfunctional group process, and what kinds of actions are most likely to be effective for improving process and outcomes.

## INNOVATIVE LEADERSHIP



**William P. Barnett**

*Thomas M. Siebel Professor of Business Leadership, Strategy, and Organizations; Affiliated Faculty, Stanford Woods Institute for the Environment*

Innovation is useful for any organization, even if that organization operates outside the high-tech industry. This course will focus on how to lead innovation and will utilize Stanford's dynamic location in the heart of Silicon Valley. During the four sessions you will develop leadership skills and tools to change the trajectory of your organization and career—an adjustment that can lead to very significant changes in the long run.

## BUILDING STAR PERFORMERS AND TRANSFORMING ORGANIZATIONS



**Kathryn Shaw**

*Ernest C. Arbuckle Professor of Economics; Director of the Summer Institute for General Management*

The goal of this course is to make the time spent managing people more productive by increasing the rate of return on the hiring and development of star talent. The course begins by focusing on those at the top of the talent distribution, asking when and how firms should acquire stars and when they should build stars. The course then looks at how firms develop stars among typical employees, and then finally asks: If you've got it wrong, how do you change before you fail? The emphasis is on aligning the firm's strategic focus with its culture and the mechanisms it uses for developing talent.

## ORGANIZATIONAL DESIGN FOR THE 21st CENTURY



**Sarah A. Soule**

*Morgridge Professor of Organizational Behavior; Professor of Sociology (by courtesy), School of Humanities and Sciences*

Over the past few years, research on the "Millennial Generation" has shown that "millennials" have quite different priorities and values than did members of earlier generations. For example, a Pew Research Center study found that 52% of surveyed millennials value being a good parent, while only 15% of them value having a high-paying career. Another study, published in the *Harvard Business Review*, found that millennials want autonomy, flexible schedules, and work-life control. This study also found that millennials want to work for companies with strong values that will allow them to be creative and innovative. Given this research, it seems that there is something of a structural mismatch between what this new generation of workers want and value, and the design of many of our organizations. The purpose of this module (four sessions) is to explore how leaders in several firms have redesigned their organizations to better appeal to what millennials value. You will explore organizational designs that promote innovation, creativity, engagement, and work-life control.

## FINDING THE RIGHT MATCH



**Paul Oyer**

*Fred H. Merrill Professor of Economics*

We will analyze markets that match people to other parties. We will spend one session each on the job market, higher education, and life partners. The final session will cover multiple other markets and, hopefully, specific markets of interest to class participants.

## THE ECONOMICS OF DIGITAL PLATFORM MARKETS



**Susan Athey**

*The Economics of Technology Professor; Professor of Economics (by courtesy), School of Humanities and Sciences; Senior Fellow, Stanford Institute for Economic Policy Research*

This class will analyze the economics of digital platforms markets. We will examine the role of scale economies and network effects in determining the dynamics of platform competition and long-run industry structure. We will consider key strategic decisions for firms, including vertical integration and exclusive deals, and we will touch on antitrust considerations. Finally, we will emphasize issues that arise when taking a data-driven approach to management and decision making at a platform business.



# OPTIONAL LECTURES AND WORKSHOPS

## GETTING MORE OF WHAT YOU WANT: NEGOTIATION STRATEGIES AND TACTICS



**Margaret A. Neale**

*Adams Distinguished Professor of Management*

You will gain an intellectual and experiential understanding of the process of negotiation—an understanding that spans not only different types of negotiations but also alternative strategies for maximizing individual and joint outcomes in various situations. While engaging in live negotiation exercises, you will also be introduced to a strategic framework for creating and claiming value in negotiation settings.

## WHAT IS WRONG WITH THE EURO?



**Roberto D'Alimonte**

*Professor of Political Science, LUISS-Guido, Carli, Italy*

In these two sessions, Professor D'Alimonte discusses what the European Union is today, what its prospects are in the near term, and to what extent it can contribute to the solution of the economic puzzle. Additionally, this session confronts the major economic issues facing the European Union today with particular regard to low growth, high unemployment, bad demographics, and uneasy immigration.

## WHAT INDIANA JONES TAUGHT ME ABOUT DOING BUSINESS IN CHINA

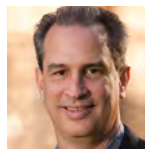


**Frank Hawke**

*Director, Beijing Program, Stanford Center at Peking University*

Frank Hawke discusses what Indiana Jones did right, and did wrong, when doing business with China, in this engaging session based on Hawke's decades of studying and doing business in China and with Chinese organizations.

## LATIN AMERICA'S QUIET REVOLUTION

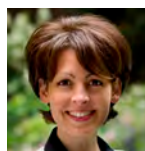


**Stephen H. Haber**

*Professor of Political Science, History, and Economics (by courtesy); Senior Fellow, Hoover Institution*

Over the past two decades a quiet revolution has taken place in the largest economies of Latin America, in which governments have become more limited in their authority and discretion, trade and investment barriers have been knocked down, property rights made stronger, and credit made more widely available to enterprises and households. This quiet revolution has not, however, garnered the attention of the U.S. news media—or even of U.S. administrations—which have tended to focus on countries led by populists. The purpose of this lecture is to focus on the countries that have been undergoing this quiet revolution, most particularly Brazil, Mexico, and Chile.

## IMPACT OF A HEALTHY LIFESTYLE



**Dr. Jennifer Tremmel**

*Assistant Professor of Medicine, Stanford University Medical Center*

Despite huge scientific and medical advances in the understanding of the molecular biology, genetics, and pharmacotherapy of disease, the most important modifiable factor in health and longevity remains lifestyle. Informed and healthy choices lead to good health, not only in the immediate future, but even more importantly, as one ages. Positive health-related behaviors can also significantly impact one's career and bring substantial benefits to organizations. This lecture is intended to challenge the ways lifestyle either promotes or inhibits good health with a focus on behaviors to enhance wellness and quality of life. You will learn about opportunities to create a healthy, positive, and productive environment while on campus and develop a personal plan to achieve optimal health.

## WHY THE WEST RULES—FOR NOW



**Ian Morris**

*Jean and Rebecca Willard Professor of Classics,  
Professor of History*

Why has a small group of nations around the shores of the North Atlantic dominated the world for the past 200 years? And will this last? This talk looks at both the long-term forces that have shaped the patterns of history and the counter-forces that have sometimes derailed them, and asks what the 21st century might hold.

## AFRICA EMERGING: THE DECADE AHEAD



**Jeremy Weinstein**

*Associate Professor of Political Science; Senior Fellow  
at the Freeman Spogli Institute for International Studies;  
Director of the Center for African Studies*

Six of the ten fastest growing economies in the past decade were on the African continent. This represents a stunning reversal of fortune after four decades of economic stagnation, political decline, and violence. What brought this transformation about? And is it sustainable? This lecture explores Africa's past and present, with an eye toward the implications of Africa's emergence in the decade ahead.

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## DELIVERING 21ST CENTURY HEALTH CARE



**Robert Pearl**

*Chief Executive Officer, The Permanente Medical Group;  
Lecturer in Organizational Behavior, Stanford Graduate  
School of Business*

The cost of health care is rising more rapidly than the ability of countries, companies, and people to pay. The United States is grappling with how best to implement health care reform, expand coverage to 50 million uninsured, and slow the rate of medical inflation. The solution will require restructuring the health care delivery system. Across most of the nation, medical practice remains a fragmented, fee-for-service model. Twenty-first century health care requires integration, advanced IT systems, and leadership. It offers the potential to provide higher quality, more convenient care, and increased affordability. The opportunities of today are greater than at any time in history. At the same time, the failure to act will create negative consequences for decades. In this session, Dr. Pearl will present his perspectives based on the Kaiser Permanente experience and his interactions with health care leaders from across the globe.