

Assignment:
Common MGT 360 Management Analysis Report
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Course: MGT 360
Title: Management and Organizational Behavior (3 units)

“Theory is about the connections among phenomena, a story about why acts, events, structure, and thoughts occur. Theory emphasizes the nature of causal relationships, identifying what comes first as well as the timing of such events.”
--R. Sutton and B. Staw

Goal:

The Department of Management strives to ensure that all students enrolled in MGT 360 are critical thinkers and strong writers. In essence, the Department wants all students to be able to demonstrate competency and efficacy in applying the principles of management and organizational behavior to the issues of a contemporary organization and its broader environment.

Objective:

In narrative essay format, I want you to address a business/organization case study using the concepts from class. The case text begins on page 3 of this document.

Building upon your knowledge from MGT 360, students should demonstrate their best understanding of management theory and the application of those ideas to improve the understanding of various issues. Building upon your skills from general education and lower-division core courses, students should demonstrate their best composition and technical writing skills.

Length:

This essay is to be no less than three full pages and in length and no more than four full pages in length. Other relevant formatting requirements (“style guide”) are linked from the course web page.

Deliverable:

This assignment is due on the date specified on the course outline.

Performance Measurement:

There will be two different scores for this assignment.

The *first* score will be for content, and will also be scored from 1 (weak) to 6 (strong). The details for earning strong scores are enumerated below:

- *Don't* just describe. *Do* lead the reader through the process of inference. That is, apply the general principles (theories, models, and frameworks) from this course to explain a phenomenon that occurred in the past or predict what phenomenon is likely to occur in the future. Both explanations and predictions require a deep understanding of “why”. Support for “why” is evidenced primarily by the rigorous use of appropriate theories, models, and frameworks. Occasionally, additional support can be offered by the use of a relevant analogy between a fact from the case text and a fact from a course reading.
- *Don't* write haphazardly. *Do* balance breadth (broad coverage of multiple issues) with depth (sufficient, detailed analysis of each distinct issue). Identify no fewer than three distinct issues that you feel need to be addressed. These issues emerge from your reading of the article, your education and experience, and your understanding of what the firm needs to succeed. You'll write a better paper if you identify issues that resonate with you viscerally. This is the main body of the report. Additionally, the first paragraph of the report should be an introduction, and the last paragraph should be a conclusion. The last sentence of the introduction might be a summary of what is to come in the main body, while the conclusion might be a summary of what was said and final recommendations.
- *Don't* focus on principles, concepts, and materials from *other* business classes (lower-division or upper-division). *Do* focus on principles, concepts, and materials covered in *this* course—MGT 360. Take the perspective that the materials from this class on “Management and Organization Behavior” are unique and distinctive from other upper-division business courses. Here are two tips: 1), review the titles of the textbook chapters, HBR and supplemental readings, 2), review the organizational structure and details of the course outline.
- *Don't* just use concepts from the current part of the course, or materials just after the mid-term exam. *Do* use materials from the entire course, including from materials on leadership and change near the end of the course. Therefore, you need to review prior materials and you need to read ahead. This class doesn't have a cumulative final exam. However, this assignment is indeed a cumulative assignment.
- *Don't* ignore General Education courses. *Do* incorporate materials from one or more of G.E. courses if you feel those materials strengthen your thinking.
- *Don't* make crass, unsubstantiated arguments or ambiguous references. *Do* provide tangible support for your reasoning. For both MGT 360 and General Education course material, 1), cite your references, including specific page numbers, inline in the sentence in the narrative, and 2), provide a

“References” or “Works Cited” section at the end of the paper that lists the full citation for each reference. Cite the case text also as needed. Either APA or MLA style is acceptable for citations and references. You might wish to review, for example, the APA Style Guide summarized nicely by the CSUN Library:

<http://library.csun.edu/egarcia/documents/apacitationguide.pdf>

The *second* score will be for writing. The scoring criteria for the writing will be from 1 (weak) to 6 (strong), and will be similar to the scoring criteria used previously in this class.

Case Question:

Assume that you are a consultant to the Board of Directors at Ford (note: the Board hires the CEO). The Board of Directors at Ford has hired you to assist them in better understanding the leadership and management skills, knowledge, and abilities of the firm’s recent CEO. Write a brief management analysis report that informs the Board. That is, using the language of our class, explain why Mr. Mulally was successful.

(If you need to make any assumptions about the firm or the industry, or background regarding anything you might have read in the case text, simply state them as needed.)

Case Citation:

Boudette, N., Rogers, C., and Lublin, J (2014, Apr 22). “Mulally’s Legacy: Shifting Ford to Stronger Course” *Wall Street Journal*.

Case Text:

Alan Mulally arrived at Ford Motor Co. in 2006 with no experience in the auto industry. After eight years at the helm, the 68 year old Kansan is preparing to retire with a reputation as one of the best chief executives the industry has seen in a generation.

Ford is making more money than ever in its history -- \$42 billion in the past five years. Its market value is more than \$63 billion, an increase of \$48 billion since he arrived. The company's cars and trucks sell well around the world and Mr. Mulally's management style is widely studied and copied.

It wasn't immediately clear where Mr. Mulally might land next, but recently he has been looking West -- away from gears and metal and toward the technology industry.

He was a candidate to become the next CEO of Microsoft Corp., people familiar with the matter said.

And as long ago as late 2012, he told an acquaintance that Microsoft and Google Inc. were the only companies he would be interested in leading after eventually retiring from Ford, a person familiar with the matter said.

Mr. Mulally will likely retire before the end of the year and be replaced by Chief Operating Officer Mark Fields, said another person familiar with the matter.

Ford declined to comment. Asked over the weekend, during a trip to Beijing, about succession planning, Mr. Mulally said the company hadn't set a date.

When he arrived at Ford after 37 years at Boeing Co., Mr. Mulally broke down regional rivalries that had divided the company for decades, quietly demanding and rewarding accountability from his lieutenants. Most famously, he pulled Ford back from the brink of collapse in 2008 and steered the company clear of the government-funded bankruptcy restructurings that were needed to turn around crosstown rivals General Motors Co. and Chrysler Group LLC, now part of Fiat Chrysler Automobiles NV.

"The American auto industry should pass the hat and build a statue to Alan," said Michael J. Jackson, chief executive of AutoNation Inc., a large dealership chain that operates 40 Ford franchises.

Few would have expected that result. Although he had run Boeing's aircraft division, Mr. Mulally had failed to impress the company's board enough to give him the CEO job in 2005, when directors instead went with an outsider, Jim McNerney.

A year later, Ford CEO William C. Ford Jr., a great-grandson of Henry Ford, concluded it would be best if his company, too, handed the reins to an outsider.

The auto maker was losing billions of dollars at the time and burning through cash. It was burdened by huge costs, a bloated bureaucracy and a collection of poorly performing brands, such as Jaguar, Mercury and Land Rover.

The company's regional arms were so out of sync that Ford made one Focus compact car in Europe, while the North American unit made its own small car with the same name out of a different set of parts.

During Mr. Mulally's first month on the job, Ford dramatically mortgaged most of its assets, including its blue oval logo, to borrow \$23.5 billion. That cash helped keep the company afloat during the financial crisis.

Mr. Mulally also changed the way Ford's management team operated. He instituted a weekly meeting where each manager presenting a report on his areas, coded in green, yellow or red, to show whether business was on target.

After a few months, Mark Fields -- now Mr. Mulally's designated successor -- confessed that a vehicle program for a new sport-utility vehicle was "red." Mr. Mulally clapped in response, setting an atmosphere where Ford executives felt encouraged to air bad news, rather than let problems fester.

Eventually Mr. Mulally formulated a "One Ford" strategy that called for the company to stop producing more vehicles that it could sell, focus on the Ford brand and make its vehicles more attractive by offering new technology, adding safety features and improving gas mileage.

Mr. Mulally said in a recent interview that he wasn't worried about the auto maker going back to its old ways. Rather, he said, he was "excited about the institutionalizing of our management systems inside Ford."

When the financial crisis hit in late 2008, Ford was again suffering big losses, and Mr. Mulally appeared before Congress with GM's Rick Wagoner and Chrysler's Bob Nardelli to ask for a bailout.

The three CEOs came under withering criticism. After the meeting, Mr. Mulally decided Ford had to do anything it could to avoid government help. American consumers liked that Ford didn't turn to taxpayers. As sales improved and cost cuts kicked in, the company surprised the industry by making money in 2009.

Soon, the company began rolling out new models that it had designed to be sold around the world to leverage economies of scale. In 2011, Ford produced began selling the same Focus in Europe, North America and Asia.

Mr. Mulally's tenure hasn't been perfect. One move that has caused trouble on his watch was Ford's early adoption of advanced in-car electronics. Ford's system, called My Ford Touch, has proved buggy and frustrating for some customers and caused Ford's rankings to drop in quality surveys.

In addition, Mr. Mulally's decision to keep the Lincoln brand and stock it with cars made from many of the same components as less expensive Fords has yet to pay off.

Now, with Mr. Mulally nearing the end of his tenure, Ford is making one of the biggest bets in its history on the vehicle that drives most of its profit -- the F-150 pickup truck, the top-selling light vehicle in the U.S.

The 2015 model will be made largely of aluminum, the first time a high-volume auto maker has used aluminum for more than just a small number of parts.

The aluminum alloys do cost more, Mr. Mulally said in the interview, but he said Ford knew over time the cost would come down. He said the only reason Ford wasn't using the alloys before was that it didn't have enough volume to justify the extra cost.

Jeff Carlson, owner and president of Glenwood Springs Ford in Colorado, said he met Mr. Mulally shortly after the executive took over as CEO. At the time, Mr. Carlson was on a dealer group industry-relations committee.

"He had a plan and laid it out for the five of us at the meeting," Mr. Carlson said. "He came with one plan and stayed with one plan, and that continuity of leadership allowed him to manage the company out of dire straits."