



15.386 – Managing in Adversity

Fall 2017, H2

Tuesday / Thursday, 10:00 – 11:30 am

E51-345 (6 credits)

Overview

“Sweet are the uses of adversity,” said Shakespeare. But then again, Shakespeare never had his company explode on him!

This course is unique: it will teach you top management perspective and a framework for managing in severe adversity. It assumes that you are the CEO of a growing company that is facing a sudden and severe adversity, a problem way out of the ordinary and one that takes a rapid determination of the issues and the available options, an evaluation of those options, and then a decision as to which is the best option. And that decision could well determine the fate of the company...and perhaps the CEO's career.

The methodology that will be used in this course is the case method. For each class, we will use a case written by and concerning our guest CEO's company. The case will describe an extreme adversity that the company and the CEO are facing and that requires immediate attention. And as with all severe adversities, the company will almost always have some limited resources---time, money, information, or talent.

You are going to be put into the shoes of the CEO. Your job is to identify the issues, outline the viable options, evaluate those options, and then select and be prepared to defend what you think is the best option.

At the beginning of each class one student will be selected to play the role of the CEO. That student will present his/her evaluation and recommendation to the class. The student “CEO” must then justify his/her solution to the rest of the class who will play the role of the board of directors.

The course will bring together all of the elements critical to the successful role of that executive by combining both the traits of “big thinking” on one hand and the practical concerns of overcoming often intractable and messy obstacles on the other. Because the conditions the CEO will face are frequently threatening to both the company's success and to his/her career ambitions, the issues studied will put the student into the crucible of management under fire. The student must learn to correctly identify problems and come up with effective solutions. This course will teach the students a framework for managing in adversity. Further it will seek to instill in the student the belief that he/she could someday become the CEO and hopefully provide the confidence that the belief is realistic.

Guest CEOs will be invited to each class to present their real life “managing in adversity” cases, to critique the students playing their CEO role, and then to relate how they in fact managed and led their companies out of the adverse situation.

Instructor

Peter Kurzina

Senior Lecturer

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Bio

Peter has thirty-two years of experience providing work-out, turn-around, interim, and crisis management to a wide variety of companies. He was President and Chief Operating Officer of Fanny Farmer Candy Shops, Interim President of Vermont Castings Stove Company, President of Westville Homes Corporation, and provided similar leadership roles to a number of other troubled companies in the manufacturing, distributing, textile, men's clothing, and service industries. For fifteen of those years, he was associated with Argus Management Corporation, the Massachusetts based provider of work-out, turn-around, crisis, and interim management to troubled companies. Peter joined the Sloan faculty in 2003. He teaches 15.386 Managing in Adversity and 15.398 Corporations at the Crossroads: The CEO Perspective. He is also a mentor in the China Lab Action Learning Program.

He has taught at SKOLKOVO, the Russian international business school outside of Moscow and been involved with the SKOLKLOVO MBA Program for several years, making frequent trips to Moscow.

He has taught in the Goldman Sachs funded *10,000 Women Program* at Yunnan University in Kunming, China, making frequent trips to China. He has lectured in Brazil and at the Kauffman Foundation.

He has also been a faculty advisor to student led treks and special courses which culminated in trips to Saudi Arabia, Vietnam, Malaysia, Singapore, Denmark, Spain, and China.

He earned his BA degree in economics at the University of Pennsylvania, his JD degree at Northwestern University, and his Masters in Management Science in the Sloan Fellows Program at the Sloan School, MIT.

General Expertise:

Work-out, turn around, crisis, and interim management

Teaching Assistant

Valerie Koo

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Class Attendance, Preparation & Participation

Class attendance, preparation, and participation are **required** for this course and make up **40%** of the course grade.

Included in your class participation is your attendance at at least **one CEO lunch**. After each class ends at 11:25 am, 10 - 15 students will have the opportunity for lunch and conversation (Recruiting opportunity!) with the guest CEO from that day. All efforts will be made to sign you up with the CEO of your interest. **If you are unable to attend a lunch session you are signed up for, it is your responsibility to find a replacement in order not to negatively affect your participation grade.**

Assignments and Grading

1. PowerPoint Assignments

For every class, there will be a case. All students are required to read the case and come to class prepared to discuss it with the guest CEO, including for the first class.

For the 2nd class, students whose last names begin with A-K will be required to prepare a PowerPoint analysis of the assigned case. This will be the case for all even-numbered classes.

For the 3rd class, students whose last names begin with L-Z will be required to prepare a PowerPoint analysis of the assigned case. This will be the case for all odd-numbered classes.

The context of these PowerPoint presentations is an emergency board meeting for which the board of directors has asked the CEO to present his/her game plan for solving the adversity. You are the CEO, and your fellow students are your board.

The assignments should **identify the issues** facing the CEO, **define and evaluate the possible options**, and then **pick and defend the best one**.

There is no final exam.

The PowerPoint assignments make up **50%** of the course grade. Each PowerPoint will consist of 5-6 pages outlining the issues, the options, evaluation of the options, and a choice as to the best option.

2. Submission of PowerPoints Assignments – Please read carefully!

- **Softcopy** via Stellar the night before class at **8:00 PM** – assignments submitted **after 8:00 PM** will be **marked as late and marked down one grade**.
 - Put your name and speaker name in the filename, e.g., “DoeJane_Class 01_AlanTrefler.ppt”
- **One hardcopy** to the TA **the day of class** (this is what Professor Kurzina will use to grade).
 - Print 2 slides per page front and back to conserve paper

- Make sure **your name is on the hardcopy!** (If there's no name we do not know who to assign the grades to!)

3. Submission of Guest CEO Evaluations

As we look to improve this class continually, we need to know your opinion of each speaker. A short three question survey on each speaker will be available on Stellar after each class. Each survey must be completed by midnight of the day of the class. Timely completion of all surveys makes up **10%** of the grade.

Class Structure

Each class will be broken into three parts:

- Introduction/review of lessons learned from the previous class by Peter with student input
- Student CEO presentation
- Guest CEO feedback on student presentation, discussion, and Q&A
- Lunch with the CEO speaker after class for those students who have been selected

It is imperative that all students read each case carefully. This will ensure that the “board”/student CEO discussion is interactive. Also, guest CEOs will be encouraged to “cold call” students during their presentations.

Registration Status

Pass/fail registration and listener status is not allowed. This is a graded course. All students are expected to come to class prepared and be full participants.

Special Notes

Some of the situations our guest speakers will describe are about highly sensitive topics. Please respect the confidentiality of these materials and refrain from discussing case situations outside class.