COURSE INFORMATION
Instructor: Thomas D’Aunno, Ph.D., Professor of Management
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Meeting days/times: Wednesdays, 4:55–6:35pm, March 22—May 3, 2017
Location: Global Ctr. Academic-Spiritual Life, 238 Thompson Street, Rm. 383
Credits: 1.5 points
Pre-requisites: CORE-GP 1020 Managing Public Service Organizations; HPAM-GP 1830 Introduction to Health Policy and Management; HPAM 4833
Office hours: On request (by email)

COURSE DESCRIPTION
The goal of this course is to prepare you to effectively design health care organizations to optimize their performance. Managers must ensure that their organizations are well-designed to deliver the results that their strategies promise. This entails developing knowledge and skills to analyze key issues in organizational structure, power and politics, culture, and, most importantly, to lead organizational change. The course selectively surveys ideas and models from the social sciences and explores their implications for leadership and managerial practice.

COMPETENCIES ADDRESSED IN THE COURSE
Assignments and participation in class and case study discussions in this course will be used to assess progress against the competencies listed below. No student will receive a B or higher without demonstrating satisfactory progress toward mastery of each competency. The level of competency expected to be achieved is denoted in brackets according to the following key:

[1] = Basic: Foundational understanding of knowledge/skill/competency
[2] = Intermediate: Student demonstrates greater depth of understanding of this knowledge/skill/competency and can use this ability to analyze a problem
[3] = Advanced: Student demonstrates expertise in this knowledge/skill/competency and can use this ability to evaluate, judge, and synthesize information

- The ability to manage teams, projects and people; to work in change-oriented healthcare organizations; and mentor a diverse and changing work force (TP/CSD) [2]
• The ability to understand and apply legal and ethical principles to managerial and leadership decisions affecting healthcare organizations (IP/TP/CSD) [3]
• The ability to align human resource capacity and practices and processes with strategic organizational goals (TP) [2]
• The ability to hold people accountable to standards of performance and assure organizational, professional and ethical compliance (IP/CSD) [3]
• The ability to measure, monitor and improve safety, quality, access and system care delivery processes in healthcare organizations (IP) [2]
• The ability to assess population and community health needs from a public service perspective (IP/TP/CSD) [1]
• The ability to draw implications and conclusions to develop an evolving vision that leads to organizational viability (IP/TP/CSD/CP) [2]
• The ability to use information systems and evidence-based management principles for problem-solving, strategic planning and decision-making, and measuring change (IP/TP/CSD) [3]
• The ability to synthesize evidence, and apply statistical, financial, economic and cost effectiveness methods in organizational analysis (IP/TP) [2]
• The ability to communicate and interact productively in a diverse and changing industry, workforce and citizenry (IP/TP/CSD) [3]
• The ability to present convincingly to individuals and groups the evidence to support a point of view, position or recommendation (IP/TP) [3]
• The ability to engage in continuous learning; to reflect on and assess one’s strengths and developmental needs; to seek feedback from others; and establish and sustain a professional development network (IP/TP) (3)

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COURSE OBJECTIVES
The two primary objectives of the course are to (1) introduce and apply analytic models to promote participants’ ability to design organizations for optimal performance and to implement strategies and (2) integrate managerial and leadership skills acquired in other courses and through personal experience. Thus, students who successfully complete this course will:

• Increase skills in diagnosis to enable you to analyze organizational structures, power and politics, and culture, with a focus on the interplay of rules, resources, and relationships
• Identify critical sources of tension in organizations, and learn to harness them to produce beneficial outcomes for you and your organization
• Build a repertoire of strategies and tactics to increase your effectiveness in leading
organizational change and performance improvement initiatives and in implementing
new strategies

READINGS
Students are expected to be prepared for class discussions and participate fully. They will be
encouraged to share their own experiences relevant to the topics and cases being explored. All
readings for the course are available on the course Classes site.

COURSE REQUIREMENTS
There are three basic requirements for the course:

Class participation (20%): Your active participation is critical. Productive discussion depends
on students reading and analyzing the materials beforehand and coming to class ready to present
a diagnosis of the problems presented and possible solutions. Students are expected to attend all
classes, have thoroughly prepared the assigned cases and readings, participate fully in small
group and class discussions, and act as group spokesperson for case presentations.

Written case analyses (40%): each student will complete two individual, written case memos
that analyze a case and provides recommendations for dealing with issues presented in the case. The requirements for the case analysis are described below as Assignments 1 and 2.

Team project (40%): students will be assigned to work in teams and do a strategic analysis of
an organization. Each team will submit a comprehensive analysis with strategic
recommendations; teams will present their projects and recommendations in class on the last day
of the term. The requirements for the team project are described below in Assignments 3.

All submitted papers, whether individual or group, are to be original work with full and complete
citations of any materials drawn from other sources [articles, books, interviews, etc.].

All assignments must be submitted on the stated due dates unless I grant an extension prior to the
due date.

COURSE POLICIES
Attendance. You should arrive to class on time. Any absence must be explained and justified
beforehand.

Late assignments. Extensions will be granted only in case of an emergency, out of
respect for those who abide by deadlines despite hectic schedules. Late submissions
without prior permission will be penalized by ½ a letter grade per day (e.g., B+ to B).

Students with disabilities. Any students requiring accommodation should contact me to make
proper arrangements. Please be prepared to share your documentation from the NYU disabilities
office.

NYU/Wagner grading policy: http://wagner.nyu.edu/current/policies/grading.php
NYU/Wagner academic integrity policy: http://wagner.nyu.edu/current/policies/

Course Session Calendar
1. Reward and incentive systems 3/22/17
2. Formal structure 3/29/17
3. Performance management systems 4/5/17
4. Organizational culture 4/12/17
5. Emerging organizations: Accountable Care Organizations and Patient-Centered Medical Homes (primary care initiatives) 4/19/17
6. Leading organizational change 4/26/17
7. Final project presentations 5/3/17

COURSE SCHEDULE AND ASSIGNMENTS

Class 1: Reward and incentive systems (March 22)
Learning Objectives
- Understand the strengths and weaknesses of financial and non-financial incentives and reward systems
- Understand the issues involved in current pay-for-performance plans in health care
- Understand the relationship of incentive and reward systems to other key aspects of organizational design

Readings
- Case: Lincoln Electric in China.
- McKethan & Jha, Designing Smarter Pay-for-Performance Programs JAMA. Published online November 06, 2014.

Introduction. Lincoln Electric is perhaps the most famous case of incentive structures. It makes a sharp argument in favor of some controversial ways of designing compensation systems and motivating employees. As we shall see, Lincoln and others have long-used such reward systems with some interesting results. Be prepared to take a position on the reward system.

Study Questions
1. How do you explain Lincoln Electric’s success? In particular, think about their operating environment, their strategy, and the nature of their work. Consider how their reward structure complements each of these.

Class 2: Formal structure (March 29)
Learning objectives
- Know major structural approaches to coordination and control in organizations
- Understand the strengths and weaknesses of formal structures
• Be able to recommend alternative formal structures to deal with common coordination and control problems

Readings
• Case: Intermountain Health Care. R. Bohmer, A.C. Edmondson & L.R. Feldman, Harvard Business Publishing, 2002 (revised 2006); case number 603066. Study Questions: What are the main formal structures that Intermountain is using to organize its services? What are the strengths and weaknesses of these structures?

Introduction. Formal organizational structures are not just descriptions of information flows and reporting relationships. They are tools for achieving coordination of activities. Hence many organizations undertake frequent reorganizations to improve their effectiveness. Today we will look at formal ways of coordinating organizational activities for accomplishing work tasks. In particular, we will focus on some basic dimensions of organizational design, as well as on strengths and weaknesses of the most common formal structures.

Class 3: Performance Measurement (April 5)
Learning objectives
• To examine the ‘stepdown’ process from mission to operations and to be able to develop key performance indicators
• To be able to understand and use the balanced scorecard as a performance management tool for monitoring the effective implementation of vision and strategy

Readings
• **Case:** Montefiore Medical Center

Class 4: Organizational culture (April 12)
Learning objectives
• Know what organizational culture is and is not, including the major elements of culture
• Know how organizational culture can affect organizational performance
• Understand how to change organizational culture

Reading
What are the major strengths and weaknesses of the approaches used to change the culture


**Introduction**

There are probably more definitions of culture than there are people studying it. Culture is an elusive concept, but one with tremendous face validity—everyone understands what culture is, but that understanding is often vague and fuzzy. Today we will discuss one useful model of culture and see how it helps us understand key challenges facing a major children’s hospital.

**Class 5: Emerging organizations: Accountable Care Organizations and Patient-Centered Medical Homes (April 19)**

**Learning objectives**

- Know current approaches to re-organize primary and acute care
- Know strengths and weaknesses of current designs, including outcomes

**Readings**


**Class 6: Leading organizational change (April 26)**

**Learning objectives**

- Know key principles and practices for leading organizational change
- Understand the strengths and weaknesses of major approaches to organizational change
- Understand sources of resistance to change and how to address them
- Understand how successful organizational change rests on an effective diagnosis of an organization, drawing on key concepts from the course
Readings
- Deborah Jamieson and the University College London Hospitals. Battilana, J., Cagna, A-M., Gilmartin, M.J. & D’Aunno, T. INSEAD. 2006. Study questions: What are the strengths and weaknesses of these change efforts? What are the key lessons for you?

Class 7: Final Project Presentations (May 3)

Assignments 1 and 2: Case Analysis Memo

Purpose and requirements
You will complete an individual case analysis that provides an opportunity to develop your skills in assessing an organizational situation and providing support for a particular course of recommended action. This assignment will be in the form of a memo addressed to the executive director of the focal organization, not to exceed 2 single spaced pages. The memo must identify the problem as you see it, recommend solutions, and provide support for your perspective.

State one problem presented by the case and briefly explain the context in which key decisions must be made. Next, describe and assess proposed solutions to the problem, which you believe is the best course of action, and your reasons. Identify the next steps if your proposed solution is adopted and outline a “Plan B” in the event that your proposed solution fails. Show how the readings informed your understanding of the case and influenced your decision-making.

Do not attempt to address every issue in the case, focus on your analysis of the problem and propose a potentially viable solution.

The case for analysis will be assigned in the weeks prior to the scheduled due date.

Please use a simple and direct style, putting your conclusion or recommendation in the first paragraph. List references, if necessary, on a concluding page.

Requirements
Page and format requirements: 2 pages, single spaced including all graphics. Use Times New Roman font with reasonable margins (looks count) and a 12 pt font size. References should be included on a separate, final page of the document.

Mechanics
Format, grammar, punctuation, spelling, and citation accuracy all count.

Assignment 3 (Final Project): Team Case Analysis
This project will provide an opportunity to apply what you have learned to a case. Your team will be “hired” as a consultant to tackle a strategic problem or address an opportunity to improve the work of the organization featured in the case. Using the tools and concepts introduced in the course you will provide the organization’s management team with a 5-page (single-spaced) report that analyzes the situation and recommendations on how to move forward.

Deliverables
• The team will present its analysis and recommendations, supported by a PowerPoint presentation, to the class (NB: we will meet for these presentations during exam week). Be prepared to conduct a discussion of your analysis and, most importantly, your recommendations.

• The group will also submit a paper presenting its analysis and recommendations in detail along with its PowerPoint. Papers should be no more than 5 pages single-spaced [plus exhibits] in length (typed, double-spaced, minimum 12 point font). Papers are due at the close of class on the day on which the case is presented.

• Be certain to draw upon and make reference to course frameworks and materials in your presentation and in your paper.