

IB9LT-10 Leading Organisations: Performance, Stakeholders and Governance

25/26

Department

Warwick Business School

Level

Taught Postgraduate Level

Module leader

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Credit value

10

Assessment

100% coursework

Study location

WBS in London (The Shard)

Description

Introductory description

In today's complex business environment, leading organizations and understanding the relationships between performance, sustainability and governance is crucial to business success. This module will dismantle preconceptions about "corporate governance" (i.e., the module isn't about bureaucracy, but about leading organisations, navigating the relationships with people and stakeholders, reconciling the interests of different stakeholders, designing risk management, evaluating the consequences of incentive structures, appreciating the impact of national systems of corporate governance on decision making, etc.).

The nature and implementation of governance is essential for the CEOs and business leaders of tomorrow and for MBA students alike:

Business leaders and decision-makers at all levels of the organization (including project teams, management teams, committees, and the board of directors) need the skill to engage with shareholders and other stakeholders, understand their performance criteria, and create 'win-win' situations ensuring that the company succeeds financially and related to sustainability. Navigating these stakeholder relationships and ensuring the human sustainability (beyond the environmental impacts) of the business is a hugely important subject.

These skills are particularly important for implementing a company's strategy. Often companies have well-developed strategies that remain on paper, because the stakeholders haven't bought into them, or because their interests are conflicting. Overcoming these obstacles is crucial for putting strategies into practice, and for managing related risks.

Taking positions in organizational leadership (e.g., on the board or top management of a small- or medium-sized private company, or a charity, as an entry point) boosts your career during and after your MBA. Crucially, it will (a) expose you to the entire set of company stakeholders, including shareholders, customers, suppliers, pressure groups, employees, government and communities; and (b) enable you to own the company's strategy, rather than developing it for someone else.

This exposure will help you develop valuable skills for your career progression; see, for example, <https://www.linkedin.com/pulse/you-never-too-young-know-boardroom-fiona-hathorn/>

Even if you are not planning to take such a leading position in the near future, understanding the dynamics of these decision-making teams will be important for you. You will need to engage with, and present to, such bodies in your career. Understanding the broader agenda beyond self, profits, and power — and how to make such teams work effectively — is essential.

Understanding the nature and implementation of governance, incentives, and performance is equally important in for-profit companies, non-profit organizations, governmental and non-governmental organizations.

Thus, the module's topics are relevant to business performance in multiple ways:

(1) Key company stakeholders include shareholders, employees, suppliers, customers, and local communities (among others). Managers need to prioritize stakeholders and elicit their participation. Stakeholders often have conflicting demands, and managers need to find ways of balancing their interests. Done successfully, managers will achieve superior performance and sustainability.

(2) A well-considered system of organizational governance needs to align the actions of managers and employees toward common goals. Such alignment requires different mechanisms, such as monitoring, support, incentives, whistleblowing, fostering intrinsic motivation, and so on. Where such alignment is missing, companies can deteriorate and in extreme cases fail. There are many well-known examples of such deterioration (such as Enron or Theranos). Teams at all levels of the hierarchy need to develop a mix of measures to steer clear from scandals and keep the business successful and sustainable.

(3) Relatedly, we need to explore the relationship between ownership structures (e.g., private equity, shareholder activism, family businesses), incentives and business performance. To which degree are accepted structures effective?

(4) Decision-making teams must ensure that the company retains its "licence to operate". Many companies fail because they focus only on legal compliance and neglect the unwritten rules that society imposes on them. These unwritten rules include how to deal with ethical dilemmas, sustainability, and risk. Following society's unwritten rules enhances business performance by attracting talented employees, getting approval for projects, and generating public goodwill in a crisis.

[Module web page](#)

Module aims

Understand how business leaders and decision-making teams (at all levels of the organization, including project teams, management teams, committees, and the board of directors) engage with shareholders and other stakeholders and their performance criteria to ensure that the business succeeds and is sustainable

Apply tools for analysing, prioritizing and engaging with stakeholders, and for managing risks

Discuss the relationship between the nature and implementation of governance and incentives to achieve performance and sustainability

Learn and debate theoretical perspectives on ownership and governing organizations

Appreciate mechanisms to align managers' and employees' actions toward common goals

Consider how business leaders and decision-making teams reconcile stakeholder conflicts and manage ethical dilemmas under pressure

Critically examine national differences in ownership structures and how they impact the success of important business decisions, such as mergers and acquisitions

Discuss specific topics, such as shareholder activism, private equity, family businesses and diversity

Outline syllabus

This is an indicative module outline only to give an indication of the sort of topics that may be covered. Actual sessions held may differ.

Day 1

Leading and engaging with stakeholders as a foundation for performance and sustainability

Analysing stakeholders: implications for strategic management

Theoretical perspectives on the nature and implementation of governance, incentives and mechanisms for aligning behaviour

Day 2

Managing stakeholders under pressure

How business leaders and decision-making teams reconcile stakeholder conflicts and manage ethical dilemmas

Society's unwritten rules and the "licence to operate"

Day 3

Private equity, shareholder activism, family businesses and performance

Group project presentations

Managing risks

Day 4

National differences in ownership and their impact on performance and sustainability

Eliciting stakeholder participation

Diversity in decision-making teams and its consequences

Learning outcomes

By the end of the module, students should be able to:

- Demonstrate a broad knowledge and understanding of organisations, the external context in

which they operate and how they are managed.

- Demonstrate knowledge and understanding of the development of appropriate policies and strategies within a changing environment, to meet stakeholder interests.
- Demonstrate an understanding of pervasive issues, such as sustainability, globalisation, corporate social responsibility, diversity, business innovation, creativity, enterprise development, knowledge management and risk management.
- Ground new knowledge within the base of professional experience challenge preconceptions and remove subject and functional boundaries so as to handle complex situations holistically.
- Reflect on and learn from prior experience and be able to integrate new knowledge with past experience and apply it to new situations.
- Demonstrate strengths in analysing, synthesising and solving complex unstructured business problems.
- Demonstrate creativity, critical evaluation and decisionmaking skills.

Indicative reading list

[Reading lists can be found in Talis](#)

Research element

Examining cases, collecting additional information, analysing and synthesising the conclusions.

Interdisciplinary

Very interdisciplinary, joining psychology, economics, sociology, and political science.

International

International case studies, and often international guest speakers.

Subject specific skills

Demonstrate intellectual breadth by making integrative links across the various areas of organisations.

Transferable skills

Written communication.

High personal effectiveness: critical self awareness, self-reflection and self management; time management.

Sensitivity to diversity in people and different situations and the ability to continue to learn through reflection on practice and experience.

Study

Study time

Type	Required
Lectures	27 sessions of 1 hour (100%)
Total	27 hours

Private study description

Private Study and preparation for lectures

Costs

No further costs have been identified for this module.

Assessment

You do not need to pass all assessment components to pass the module.

Assessment group A2

Assessment component	Weighting	Study time	Eligible for self-certification
Individual Assignment	100%	44 hours	Yes (extension)

Reassessment component is the same

Feedback on assessment

Standard essay feedback as per WBS requirements via my.wbs.

Availability

There is currently no information about the courses for which this module is core or optional.