

Friday 28 April

TIME **AFTERNOON SESSION**
CLASS **LEADING CHANGE WITHOUT AUTHORITY IN COMPLEX ORGANIZATIONS**
FACULTY **JON CHILINGERIAN**

Preparatory Reading:

- **Nestlé's GLOBE Program (A): The Early Months.** Killing, P. International Institute for Management, (2018).
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Key Learnings and Description of Session



Implementing complex information technologies, like electronic health records and obtaining *meaningful use* is a managerial and leadership challenge. Organizing on a global scale is among the most difficult managerial challenges. Different multi-national designs will lead to wide variations in the distribution of power. In the past, the design choices were either a) country- subsidiary structures, or b) business-unit structures. Today a simple either-or organization design seems impossible. How do we differentiate and integrate the activities that take place in different countries and subsidiary cultures?

Companies like Apollo Healthcare International, Toshiba, Merck, Nestlé, Nissan and GE not only find themselves in scores of countries, dealing with different languages, cultures, currencies, tax systems, and regulatory agencies, but they also find that their key customers have also globalized. To serve a Carrefour in Taiwan, Mexico or Brazil, requires Nestlé to undertake new initiatives: making purchases across business-units, common order-fulfilment processes, common supply-chain process, and coordinated buying. To deepen its global organizational capability, Nestlé has decided to put all of these new projects and initiatives in enterprise software from SAP. We will learn how Chris Johnson manages this GLOBE project. To succeed, Chris Johnson must not only understand strategic design, but also understand power & politics, and culture.

Study Questions:

1. On a scale from one to ten (ten being very difficult), how difficult will it be for Chris Johnson to make a success of his new job?
2. What and who will be the keys to success for Chris Johnson in his new job?
3. What would you advise Chris to prepare for his upcoming meeting to discuss staffing with Mario Corti? What should he ask for? On what issues should he be willing to compromise? Why? If he follows your advice, what will be the risks and ramifications for him, and how should he deal with them?

Optional Readings:

- ***Harnessing the Science of Persuasion.*** Cialdini, R. Harvard Business Review. (2021).
- ***Leading Change: Why Transformation Efforts Fail.*** Kotter, J. Harvard Business Review, (2012).