

Professor Peter Cappelli
2205 SH/DH Management Department
215-898-2722

TA: Minseo Baek
bmin@wharton.upenn.edu

**How to Be the Boss
Management 748x
Fall 2022
ROOM 265 3:30 Tues/Thurs**

Overview of the Course:

Despite the press accounts about the “gig” economy, the Bureau of Labor Statistics calculates that about 92 percent of the people working in the US are employees who are supervised by someone. That figure has remained roughly the same for decades.

The term “supervisor” is sometimes used for the first-level of supervision in an organization, but in fact that role – and indeed the title – goes all the way up to the very top of any employer organization. Even CEO’s are the supervisor of their direct reports. When people talk about their “boss,” they are almost always referring to the person who supervises them.

Supervisors are the central actors in accomplishing work tasks, especially in projects where they also have autonomy over what is done and how it is done. They have an extraordinary amount of power and influence over their direct reports and considerable responsibility toward them.

There is considerable truth to the aphorism that people quit bosses, not organizations, as employee dissatisfaction with supervisors rates as one of the leading causes of turnover. There is little doubt that a bad boss can make the life of a subordinate miserable, while a good boss can do the opposite, i.e. improving job design to make work more motivating, providing support during difficult periods of learning new tasks and facing performance pressures, helping chart a career path, and mentoring in organizational realities.

Being a supervisor is not the same as leading a team of peers. Supervisors have formal authority over subordinates that we never have with peers. Supervisors also have decisions they cannot delegate, and are personally accountable for them.

Stepping into a supervisor position is challenging, especially so when it comes with a promotion in the same organization having to manage direct reports who were peers. In this class, we examine the role of the supervisor and the unique tasks associated with performing that role.

Supervisors have authority, both given to them by the organization and by law. They also have obligations to subordinates backed by law. Legal obligations differ across countries although most of them are similar across common law countries. The important tasks they must perform include:

- Hiring their subordinates

- Assigning work to them
- Directing that work (telling them how to do it)
- Assessing that performance and rewarding it with merit pay and other compensation
- Improve performance and deal with struggling workers
- Dealing with disruptive and problem employees
- Develop subordinate's skills and help manage their career
- Helping subordinates "fight fires", i.e. deal with day-to-day problems that subordinates confront in their own work.

In contrast to earlier periods, individuals are now likely to move into supervisory roles without any training from their employer. This class fills that practical concern as well as addresses the unique conceptual issues associated with having formal authority.

The Contemporary Scene:

Being a boss was never an easy role, but it is arguably more difficult now. One reason is that the span of control - the number of subordinates for which each supervisor is responsible - has increased. The rise of alternative forms of hierarchy, such as matrix management where subordinates report to more than one supervisor or where the supervisor is responsible for workers who are organized into teams, further complicates what was already a challenging role.

Even though the reality of "gig" work remains rare, the array of arrangements for getting work done - temps, contractors, electronic platforms, and so forth - also represents a new challenge: because such workers are not employees, none of the traditional tools of supervision can be used with them. The rise of remote work in many organizations adds to the challenge of supervising subordinates.

As many observers have noted, the relationship between employees and supervisors is at the center of modern organizations. It is where the work of organizations gets done. The supervisor represents the organization for subordinates: if that relationship is good, the work goes well; if it is bad, the whole organization suffers.

Course Requirements:

We examine the tasks that supervisors have to perform and the evidence on how best to perform them. We practice those approaches in every class. That includes role-play exercises, computer-based simulations, and more traditional cases to not only identify problems and solutions but to practice addressing them correctly.

The class meets in a three-hour block so that we have time to both discuss concepts and practice them in class. We use a mix of guest speakers, computer-based simulations, and in-class role plays each week to illustrate and reinforce concepts.

In addition to a course pack, we have a required book:

The First-Time Manager. Loren B. Belker, Jim McCormick, and Gary S. Topchik. Available in the bookstore or from any online book dealer.

Assignments:

Class participation: The class involves not only discussion but also active participation in exercises. 20% of grade.

Two short papers: Each paper is five pages double-spaced 12pt /1000 words, and each is worth 30% of the grade:

- The first is an assessment of your own experience being supervised, examining the pluses and minuses, due half way through the course. Pick any job you've ever had where you were an employee. (If you've never been an employee, let's discuss situations where you have been working under someone's direction.) The idea here is to describe in some detail how you were supervised, using illustrations where that is useful, and include what your responses or reactions to the experience were. It helps to discuss issues such as what kind of feedback you received, how tasks were assigned to you, what kind of direction you received, and so forth. **Due Before Class on November 15th.**
- It is useful at the end of the exercise to draw some conclusions about the experience: which aspects appeared to be helpful or useful, which ones not so much or even dysfunctional.
- The second paper due at the end of the class is a reflection exercise looking back over the course. The assignment is to consider two issues. The first is to identify the aspect of supervision (a specific task or a more general attribute of supervision) that you believe is the most difficult to accomplish. Explain why you think it is the most challenging, using content from the course, and then suggest ways to make it easier to do. The second issue is to do the reverse, identify what you think is or should be the easiest of the supervisory tasks we've discussed to executive. Again explain why that is using content from the course. **Due by December 12th.**

Quizzes before each class: 20% of grade. The reason for doing these quizzes is two-fold. The first is research shows that taking quizzes **before** discussing material actually helps prime us to learn (the "files" folder has a description of this research. The second is to nudge us to do the readings. The quizzes are designed to be easy: they should be simple if you've done the readings and impossible if not.

Absence Policy: The University excuses three types of absences – illness, family emergencies, and religious holidays. When your absence is excused, there are still things to make up, especially because you will quite likely miss a quiz, and creating make-up quizzes is really burdensome. So, if you have an excused absence, we require that you watch the video of the

class you missed and prepare a 500 word report that reflects on what you saw in the video and the readings for that class. It should be a good summary of that material.

If you have an excuse for any other reason, the policy is the same except that we require a 1000 word reflection paper as above. If you submit those papers, your class participation and quiz grades for the day you missed will be the average of your grades on those two aspects over the rest of the class. Our TA Minseo Baek (bmin@wharton.upenn.edu) handles the absences, so please be in touch with her.

Week-by-Week Guide

Week I Introduction – October 25th Tuesday

What is a Supervisor, and What Do They Do? Supervision is created by the common law construct of “employment,” which gives employers the formal authority to direct the work of their employees and influence their performance. (Contractors and “gig” workers are not employees and cannot be supervised.) Supervisors span the gap between what the organization wants and what employees do.

In this first class, we consider the nature and scope of the supervisor role and its relationship with subordinates as well as evidence as to how it matters. Especially when they first become supervisors, many people are pleased but also apprehensive about the formal authority they exercise. Over time, however, we learn that formal authority has clear limits and that other ways of managing are equally important.

Readings: Chapter 2: *The Employment Relationship* in ***Employment Law for Human Resource Practice***. David Walsh. Southwest Publishers 5e. (The link to this reading is on Canvas and the Course Materials@Penn Library Link.)

Chapters 1&2: *Starting Out* and *The Road to Management* in ***The First Time Manager***.

A Note on Obedience to Authority. Darden Publishing.

Sue Shellenberger. When a Promotion Means Losing Friends at Work, **Wall Street Journal**.

The Limits of Formal Authority October 27th Thursday

In this class, we consider the nature of formal authority and review the tasks that supervisors have to perform and all the informal problems with subordinates that they must address. We begin the discussion about how to get subordinates to do what needs to be done.

Readings:

Marcus Goble, Rick Vogel, and Christina Weber. *Management Research on Reciprocity*.

The Decision Lab, “*Leader-Member Exchange*.”

The Value of Bosses. 2015. Edward P. Lazear, Katheryn Shaw, and Christopher T. Stanton. **Journal of Labor Economics**, 33(4). (The idea here is simply to understand the evidence they provide and why it is persuasive.)

Motivation and Managing Performance November 1st

One of the most important tasks of supervision is to manage the performance of subordinates. That includes setting expectations about what they are supposed to do, how they should do it, and what results to expect at the end. Assessing how well employees have performed their assignments, manifested by performance appraisals, is typically a very challenging task because lack of communication leads expectations to be out of alignment.

We describe the tasks associated with managing performance and outline how best to perform them. We focus on the role of the performance appraisal, which includes efforts to improve performance, reward performance, and help shape careers. We practice doing appraisals.

Readings: *Chapter 10. Managing Problem Employees and Chapter 20: Managing Problem Employees in **The First-Time Manager**.*

The Performance Revolution. Peter Cappelli and Anna Tavis. **Harvard Business Review**, 2016.

Manager's Choices of Performance Measures in Promotion Decisions: An Analysis of Alternative Job Assignments." Isabella Grabner and Frank Moers. *Journal of Accounting Research*, 2013.

The Paradox of Coordination and Control (Supervision at American and Southwest Airlines.) Jody Hoffer Gittel. **California Management Review**.

From Managing Performance to Interviewing November 3rd

We will finish up our discussion of performance issues and turn to the topic of interviewing to gain information and then using it in hiring. Our session will help us develop the unique skill of how to interview candidates, or indeed anyone.

Guest Speaker: Neil Bhatia, Operating Partner, Arcline Investment Management - Wharton MBA

What's Wrong with Hiring. Peter Cappelli. *Wall Street Journal*, February 2019

The Process of Hiring November 8th

Supervisors are not the only ones involved in hiring, but they are increasingly involved in the process and often make the final decision as to whom gets hired. Bringing new hires into the organization and keeping them are clearly related tasks, but they are different and require different practices.

This week, we consider what is required at the supervisor level to pick good candidates and to keep them. We practice making hiring decisions as well.

Readings: Chapter 6: *Employment Tests in Employment Law for Human Resource Practice* (on the Canvas site – Course Materials @ Penn Library Link)

Chapter 23: *Your Best Friend: Delegation* in *The First Time Manager*

What's Wrong with Hiring. Peter Cappelli. **Wall Street Journal**, February 2019

Promotions and the Peter Principle. Alan Benson, Danielle Li, and Kelly Shue. 2018. **NBER Working Paper 2434.**

A Market-Driven Approach to Retaining Talent. Peter Cappelli. **Harvard Business Review.**

Case: *Making a Hiring Decision.*

Counseling Employees November 10th

One of the trickiest topics in supervision is knowing when and how to intervene when employees may be struggling with problems they have that are in some ways outside the traditional workplace relationship – physical and mental health issues, for example.

Our guest speakers this day manage these issues for Penn's 20,000 employees:

Jeff Rowland, Executive Director, Staff and Labor Relations

Karin Sullenberg, Associate Director, Staff and Labor Relations

Karen Kille, Sr. Work-life Consultant, Quality of Work-life

Readings: Chapter 10 "Problem Employees" in *The First Time Manager.*

Jill Lapore **What's Wrong with the Way We Work?**

Herman Melville. **1856. Bartleby the Scrivener: A Story of Wall Street.**

Mid-Course Paper Due!

Retention and Developing Talent November 15th

This class focuses on key issues in the relationship, retaining or keeping them in the organization and developing their skills. There is an inherent tension in these two because developing employees means preparing them for another job. Developing and training are in something of a crisis in the US as employers seem unable or unwilling to do much of it, so we focus on what can be done by supervisors at little or no cost.

Readings: *A Market-Driven Approach to Retaining Talent*. Peter Cappelli. **Harvard Business Review**.

Chapter 23: *Your Best Friend: Delegation* in ***The First Time Manager***

Promotions and the Peter Principle. Alan Benson, Danielle Li, and Kelly Shue. 2018. **NBER Working Paper 2434**.

Simulation – Running a Project Team November 17th

In this class, we break into teams for a computer-simulated exercise in running a project team. The exercise will take the entire class period – nothing to read in advance for this one. The teams will be generated as part of the simulation, and Wharton’s Learning Lab will run it. We will brief you on it before the class begins. No readings and no quiz for this session.

Managing Diversity and Related Issues – November 22nd

The relationship and the dynamics within teams are quite different from those between individuals. Understanding how to make them work is crucial. Along with that are concerns about the composition of teams and of organizations in general.

Readings: Frank Dobbin and Alexandra Kalev, **Why Diversity Programs Fail**

Chapter 9: *Building a Team Dynamic* in **First Time Manager**

Case Study: David S. Lee **What Does Diversity Mean in a Global Company?**

Organizing and Managing Projects - November 29th

In modern organizations, the most important tasks that managers perform is to run projects. Most of us have worked on projects, but organizing, initiating, and leading one requires quite different skills. In this section, we explore how to organize work into projects, how to set up and assign tasks within them, and how to manage the teams around which they are often organized.

There are many challenges in organizing projects, but the most important are the people aspects. Those include breaking the project down into component parts, assigning employees to those parts, managing the interdependence of component parts – therefore of employees – and considering what to do when things don’t go as planned.

Readings: *Note on Project Management Fundamentals*. Richard Ivey Publishing.

How to Be the Best Coach for Your Team, Judith Ross. Harvard Business School Publishing.

Agile at Scale. Darrell K. Rigby, Jeff Sutherland, and Andy Noble. ***Harvard Business Review***, May-June 2018.

December 1st Guest Speaker –

Jennifer Terry is EVP and Chief Human Resources Officer at Banc Corp. She will review her experiences with many of the issues we have covered to this point, from being a first-time supervisor to managing diversity programs to organizing projects.

There are no readings – and no quiz – for this session.

Challenging Situations – Older subordinates, dangerous employees, etc. December 6th -

This week, we consider some of the more difficult challenges that supervisors have to face. They include the increasingly common situation of having to supervise subordinates who are both older and more experienced at the job they perform than the supervisor is, dealing with employee misconduct – most pertinently sexual harassment – and ultimately the situation where subordinates have to be dismissed.

First-time supervisors are often struck first by the procedures required for disciplining and sometimes firing employees and second by the enormity of the consequences of doing so, not just for the employee but for the employees who remain. We focus on dismissals, or firing for cause, but we also consider the question of layoffs and how those should be conducted.

*Chapter 14: Disciplining the Employee in **The First Time Manager**.*

“Helping the Younger Supervisor,” in ***Managing the Older Worker***. Peter Cappelli and Bill Novelli.

“Getting Tough on Sexual Harassment.” Peter Cappelli and Dan O’Meara. *Human Resources Executive*.

Arienne Cohen. 2021. “Five Steps for Defusing Defensiveness in the Workplace.” *Bloomberg Businessweek*.

Looking ahead and Wrapping things up - December 8th

This week, we consider some of the more difficult challenges that supervisors have to face. They include the increasingly common situation of having to supervise subordinates who are both older and more experienced at the job they perform than the supervisor is, dealing with

employee misconduct – most pertinently sexual harassment – and ultimately the situation where subordinates have to be dismissed.

First-time supervisors are often struck first by the procedures required for disciplining and sometimes firing employees and second by the enormity of the consequences of doing so, not just for the employee but for the employees who remain. We focus on dismissals, or firing for cause, but we also consider the question of layoffs and how those should be conducted.

Readings:

“Note on Terminations.” Jim Ellis and Bethany Shaler Coates. Stanford Business School.

Artificial Intelligence in Human Resources: Challenges and a Path Forward. With Prasanna Tambe and Valery Yakubovich. ***California Management Review*. 2019.** (The question here is, if these techniques are used, what happens to the supervisor’s role?)

“After Covid, Should You Keep Working from Home? Here’s How to Decide.” Peter Cappelli and Rocio Bonet, ***Wall Street Journal***.

Reflection Paper Due December 12th

