Network Brokerage Cases:

Ilustrative Network Leadership and Success

- John Clendenin, network broker, has exceptional success growing his group
- Charlotte Beers leads a dramatic company turnaround in the advertising industry
- Alex Zafaroni makes network brokerage an operational key to his success in biotechnology
- John Browne operationalizes network brokerage as a successful company advantage

ChatGPT on John Clendenin:

John Clendenin is a distinguished professional with a multifaceted career spanning military service, academia, and business leadership.

Military Service: Clendenin served in the U.S. Marine Corps for 38 years, retiring in 2009 as a lieutenant colonel. His military career provided him with extensive experience in international mobilization and logistics.

Academic Background: He holds a bachelor's degree in education, a master's degree in psychology, a military-equivalent master's in communications engineering, and an MBA in international finance from Harvard Business School. From 1998 to 2002, Clendenin was a senior faculty member at Harvard Business School, contributing to the institution's academic community.

Professional Experience: Before his tenure at Harvard, Clendenin was an executive at Xerox Corporation, where he served as Director of the Xerox Multinational Development Center. His role involved enhancing the efficiency of Xerox's worldwide logistics and inventory management systems.

Entrepreneurial Ventures: Clendenin is the founder, president, and CEO of Inner Circle Logistics, Inc. (ICGroup), based in St. Croix, U.S. Virgin Islands. ICGroup specializes in global trade facilitation and logistics, offering net-centric solutions and complex systems of systems data and document interoperability.

Public Service: In 2014, Clendenin was appointed to the Public Services Commission of the U.S. Virgin Islands, reflecting his commitment to public service and community development.

Throughout his career, John Clendenin has demonstrated a strong dedication to leadership, education, and service across various sectors.

John Clendenin at Xerox

The case for discussion is Clendenin's management of the Multinational Distribution Center (MDC). After a stint in the Marine Corps and graduation from business school, Clendenin joined Xerox in 1984. A series of successful projects earned Clendenin promotion in December 1984 to administrative manager for the parts and supply area. He found, hidden away within his domain a small subunit, the Multinational Systems Development Center (MSDC), which was responsible for developing and maintaining systems to improve communication between the logistics and distribution operations within each of Xerox's worldwide operating units. Though not viewed as an important part of Xerox's operations, the MDSC was responsible for tracking the distribution of Xerox's $8 billion per year in copiers and spare parts from 23 manufacturing plants in 15 countries. Analyzing the existing system, Clendenin calculated that the MSDC had the potential to reduce operating costs by approximately $100 million per year.

Clendenin builds the social capital of the MDC and himself over the subsequent years. Managing through the self-interest of others, he nurtures subordinates in a lively, competitive work environment, and adds value to internal clients with cost reduction programs that coordinate across the structural holes between Xerox's regional logistic operations. The result is a quotable success story: The MDC grows from four to 42 people before Clendenin is rotated in 1989 into a new management position in logistics. The MDC's budget grows from $400K to $4.3M. Over Clendenin's tenure, his organization is credited with taking $700M in inventory costs out of Xerox's operating expenses, reducing the company's $2.6B supply-chain spend down to $1.9B.

Case Discussion Questions

1. Clendenin seems to be a master at creating resources where none existed (for example, the growth of the MDC). How does he do it?
2. Would you want to work for someone like Clendenin? What are the benefits? Disadvantages?
3. Would you hire someone like Clendenin to work for you in your organization? How would you manage this kind of talent?

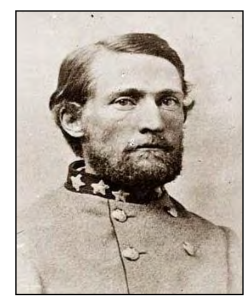

Photo is from the video shown during the session. More detail can be obtained from "Managing Xerox's Multinational Development Center" (Harvard Business School Press, case number 9-490-047).

(Q196) **Which of the below qualities emerged in the discussion of John Clendenin as most important for his success relative to peers within Xerox?**

A. Reasoning from the interest of others

B. Reasoning from value rather than cost

C. Network brokerage

D. Taking care of his people

E. Finding key projects

(Q197) **What emerged in the discussion of John Clendenin as the key factor in managing him?**

A. Trust

B. Reputation

C. Network status

D. Incentives

E. Loyalty

Life After


ICLogistics
Completing the last mile of supply chain integration™
Why ICLogistics?
About Us
Software Products
Consulting Services
Virtual Factory
ICHosting
MardiGras Portal
Beta Testing
Investors
Careers
Customer Support
Contact Us
US: (877) 554-4376
Web-Based Applications
Integrated Supply Chain Software
Productivity Tools
Increased Productivity!
Increased Revenues!
Reduced Costs!
ICLogistics Featured on Alexander Haig's World Business Review
Alexander Haig's World Business Review
The episode aired on public television stations, cable and PBS's Business and Technology Network. To view our segment of the program via Windows Media, select one of the following viewing options: 56k or 300k.
(View using Microsoft Explorer and Media Player)
more headlines >>
ICLogistics' Executives are Ready to Speak at Your Event
John Clendenin
Founder & CEO
A world-recognized expert in logistics and supply chain integration, John leads ICLogistics. He founded the company in 1998 while a senior faculty member at Harvard Business School. John conceived the core concept of web-based data management for the ICL-based supply chain optimization process.
Ben Pack
Leslie Malek
Art Kimbrough
Michelle Garcia
home | why iclogistics? | about us | software products | consulting services | virtual factory
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ChatGPT on Charlotte Beers:

Charlotte Beers is a distinguished American businesswoman renowned for her transformative leadership in the advertising industry and her subsequent role in public diplomacy.

Early Career and Advertising Leadership: Beers began her career as a market researcher and product manager for Uncle Ben's Rice. She then transitioned to advertising, joining J. Walter Thompson (JWT), where she became the first female senior vice president in the firm's history. In 1982, she took on the role of CEO at Tatham-Laird & Kudner, revitalizing the agency and significantly increasing its billings.

In 1992, Beers was appointed chairman and CEO of Ogilvy & Mather Worldwide, becoming the first outsider and woman to lead the agency. During her tenure, she introduced the concept of "brand stewardship," emphasizing long-term brand building. Under her leadership, Ogilvy & Mather secured the global account of IBM, marking one of the largest account shifts in advertising history.

Public Service: In October 2001, Beers was appointed Under Secretary of State for Public Diplomacy and Public Affairs by President George W. Bush. In this role, she led initiatives to improve the United States' image abroad, particularly in the Muslim world, following the events of September 11, 2001. One notable effort was the "Shared Values Initiative," a campaign aimed at showcasing the lives of Muslims in America to dispel misconceptions.

Beers' leadership and innovative approaches have left a lasting impact on the advertising industry and public diplomacy, exemplifying the power of strategic communication and brand management.

Charlotte Beers at Ogilvy & Mather

Charlotte Beers entered O&M at a time when the company was challenged by its organization and change in the advertising industry. The task here is to put yourself in Charlotte's position to think strategically about how you would move to restore the value of O&M.

August 5, 1996

" I was looking for the best man I could find, and it turned out to be a woman"
-Jerry Birn

The Steel Magnolia of Advertising: Charlotte Beers
by Dabney Oliver
University of Texas at Austin

Charlotte Beers
Ogilvy & Mather
Chairman and CEO
from 1992-1996,
then Chairman Emeritus

Shelly Lazarus
Ogilvy & Mather
Chairman and CEO from 1997

For more information on Charlotte Beers' activity as CEO, see
“Charlotte Beers at Ogilvy & Mather Worldwide” (2011 Harvard Business School Press, case number 9-495-031).

Biography

Charlotte Beers

advertising executive
Born: 7/26/1935
Birthplace: Beaumont, Tex.

Adept at combining her business acumen with a little Southern charm, Beers has paved the way for women to succeed in the extremely competitive milieu of advertising. Exceptionally hard working, she carved out successes for her company and herself at a string of jobs. First as a market researcher for Uncle Ben's, next as an account executive at J. Walter Thompson, where she became the first female vice president in the firm's 106-year history. Disappointed when she was denied further promotion, she left Thompson for Tatham-Laird & Kudner where she worked 100-hour weeks for two years to turn around the firms low employee morale and shaky financial status. She became CEO, and under her reign over the next decade increased profit margins to double the industry average, tripled billings to $325 million, and lured in major new business accounts. She resigned in 1992 and was heavily courted by several firms but decided to take on the challenges posed by the $5.4 billion, 8,000-employee multinational Ogilvy & Mather. She stayed for four years, increasing billings by $2 billion, before handing over the reins to Shelly Lazarus, a longtime Ogilvy employee. In Oct. 2001, she joined secretary of state Colin Powell as under secretary for public diplomacy and public affairs, a post she held until March 2003.

Context for the New Leader of Ogilvy & Mather

Group Directory
Member companies listed by category

Advertising
Asatsu-DK Inc
Batey
Brouillard
Dentsu, Young & Rubicam
Equus
J Walter Thompson
JWT Specialized Communications
Ogilvy & Mather Worldwide
Red Cell
VML
Y&R Advertising

Branding & identity
Addison
BDG McColl
BizEvents
BrownKSDP
Clever Media
Coley Porter Bell
Dovetail
Enterprise IG
Icon Brand Navigation
Lambie-Nairn
Landor
MCA Communicates
Tempus Partners
The Brand Union
The Partners
Tutssels
Warwicks

Toujours aussi ambitieux.

Demographic marketing
Kang & Lee
Mendoza, Dillon & Asociados
The Bravo Group
The Geppetto Group
The Market Segment Group

Direct, promotion & relationship marketing
A.Eicoff & Co
Black Cat
Brierley & Partners
Einson Freeman
EWA
Forward
KnowledgeBase Marketing
Mando Marketing
Maxx Marketing
Oakley Young
Octopus Communications Group
Ogilvy Primary Contact
OgilvyOne Worldwide
Promotional Campaigns Group
RMG International
RTCdirect
SpeechNet
The Grass Roots Group plc
ThompsonConnect Worldwide
UniWorld Group
Wunderman

Food Services
The Food Group

Healthcare
CommonHealth
Feinstein Kean Healthcare
Sudler & Hennessey
The Shire Hall Group

Information & consultancy
BMRB International
BPRI
Center Partners
Goldfarb Consultants
Indian Market Research Bureau (IMRB)
Jochems, Landendorf & Partners
Kantar Media Research
Millward Brown
Research International

Investor Relations
International Presentations

Media & technology services
Clockwork Capital Limited
Digireels Ltd
Metro Group
Savatar
Spafax
The Farm

Media investment management
CIA
Maximize
Media Insight
MindShare
Outrider
Portland Outdoor Advertising
The Media Edge

"The idea of being taken over by that odious little jerk really gives me the creeps."
(quoted from 1989 FT interview with David Ogilvy)

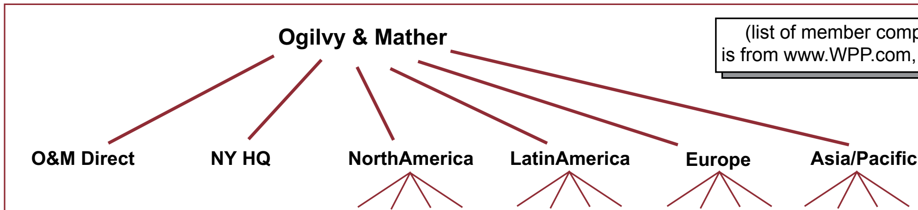
Public relations & public affairs
Alexander Ogilvy Public Relations
BKSH & Associates
Blanc & Otus Public Relations
Buchanan Communications
Burson-Marsteller
B|W|R
Carl Byoir & Associates
Chime
Cohn & Wolfe
Feinstein Kean Healthcare
Hill and Knowlton
IPAN (India Public Affairs Network)
Ogilvy Public Relations Worldwide
PRISM
Robinson Lerer & Montgomery
Showcase Entertainment Marketing
Showcase Placements
The Shire Hall Group
Timmons and Company
The Wexler Group

Real Estate
PACE

Retail
WalkerGroup/CNI

Strategic marketing consulting
Added Value
Glendinning Management Consultants
Management Ventures, Inc
Outside the Box
pFour
Planners Estrategias De Marca
Quadra Advisory
The Henley Centre
The Initiatives Group

Technology
Banner Corporation
Smith and Jones Communications



(list of member companies is from www.WPP.com, 2/28/02)

Organization chart is from Exhibit 3 and table from Exhibit 2 of the case. The 251 regional offices in the table sum with 19 central offices to the 270 O&M offices in the case.

Regional Offices Owned by O&M*	100%	over 50%	under 50%	0%	total # of Offices
North America	32	8	-	-	40
Latin America	12	3	10	23	48
Europe	61	23	8	5	97
Asia/Pacific	38	24	4	-	66
					251

Over the past 15 years, [Martin] Sorrell has created a collection of professional services firms that includes three of the largest ad agencies in the world — J. Walter Thompson, Ogilvy & Mather, and Young & Rubicam — as well as public relations, corporate identity, market research, and specialty ad firms. His goal: to provide soup-to-nuts marketing services to large clients. In the pursuit of that goal, somewhat counterintuitively, Sorrell's structural moves have created unrelated, freestanding divisions. . . . Most intriguing, perhaps, are WPP's "virtual companies." These organizations have essentially no staff — a CEO and an assistant at most — and no offices. One, the Common Health, became the world's biggest health care marketing services firm with just a single employee — the CEO. For each project, the CEO would assemble a team from an ever-shifting alliance of subsidiaries, selecting the right capabilities to respond to each client's needs.

(Raynor & Bower, "Lead from the center" (2001, *Harvard Busines Review*).

Ogilvy & Mather

www.ogilvy.com July 28, 2001

Agency of the year
Best integrated agency
PR agency of the year

WPP's Ogilvy & Mather Is Picked By AT&T Wireless as New Agency

By Suzanne Vranica
Staff Reporter of The Wall Street Journal

In the biggest ad-account change of the year, **AT&T Wireless** Corp. picked **WPP Group** PLC's Ogilvy & Mather to handle its estimated $400 million annual business.

AT&T Wireless was spun off from **AT&T** Corp. into a fully independent entity Monday. In early March, AT&T Wireless, based in Redmond, Wash., put the account into review.

An estimated 10 agencies were asked to contend for the business. By the time the winnowing-out process had ended, Ogilvy had triumphed over two well-known finalists: **Omnicom Group** Inc.'s TBWA\Chiat\Day and the four-year incumbent agency, **Interpublic Group** of Cos.'s FCB Worldwide.

The AT&T Wireless account was one of the most sought-after this year. The soft economy has forced many agencies to trim staff, and there has been relatively little new business. Last week, **Publicis Groupe** SA's Fallon shed 30 of 500 staffers from its corporate headquarters in Minneapolis after AT&T Wireless indicated it wouldn't win the account.

Ogilvy was strong on "strategic insight into the brand and category," said James Peterson, a spokesman for AT&T Wireless. Mr. Peterson noted his company also was impressed with Ogilvy's creative work for such clients as International Business Machines Corp. and Eastman Kodak Co.

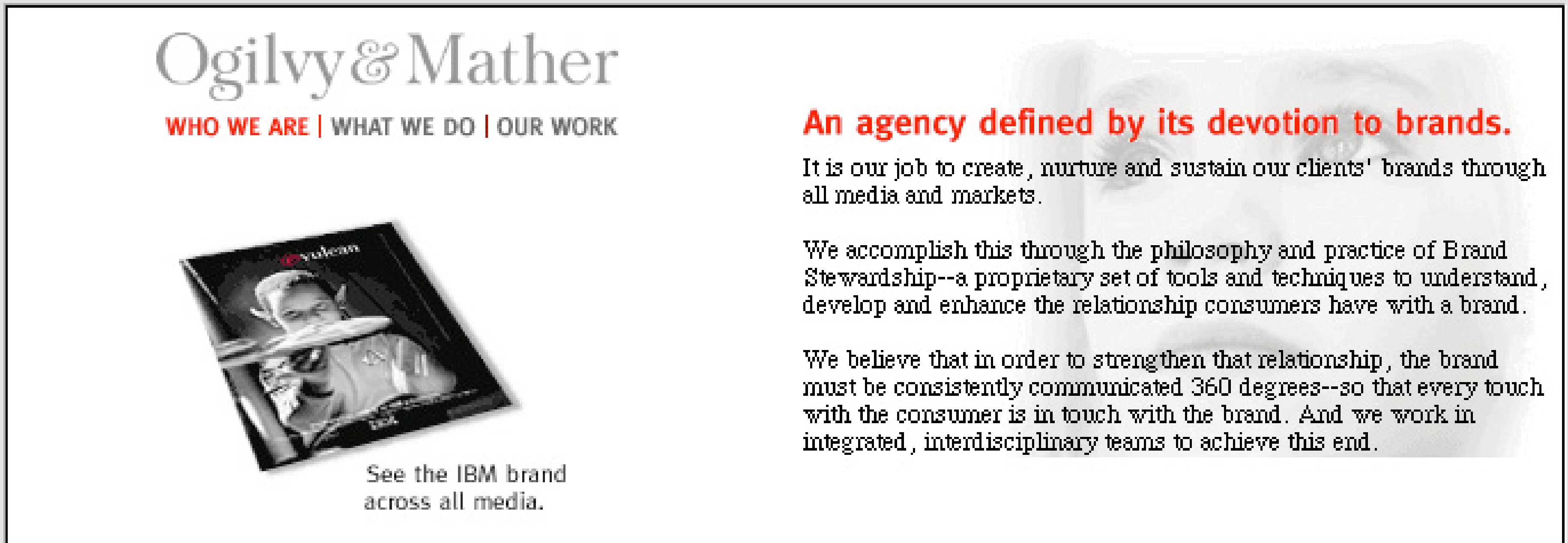
The loss is a blow to FCB, which has handled the account out of its San Francisco office since 1997. However, FCB will continue to handle consumer services, such as Double 0 Info and 800-Call-ATT, for AT&T Corp. A spokesman for FCB said the agency hasn't yet determined if there will be layoffs due to the business loss.

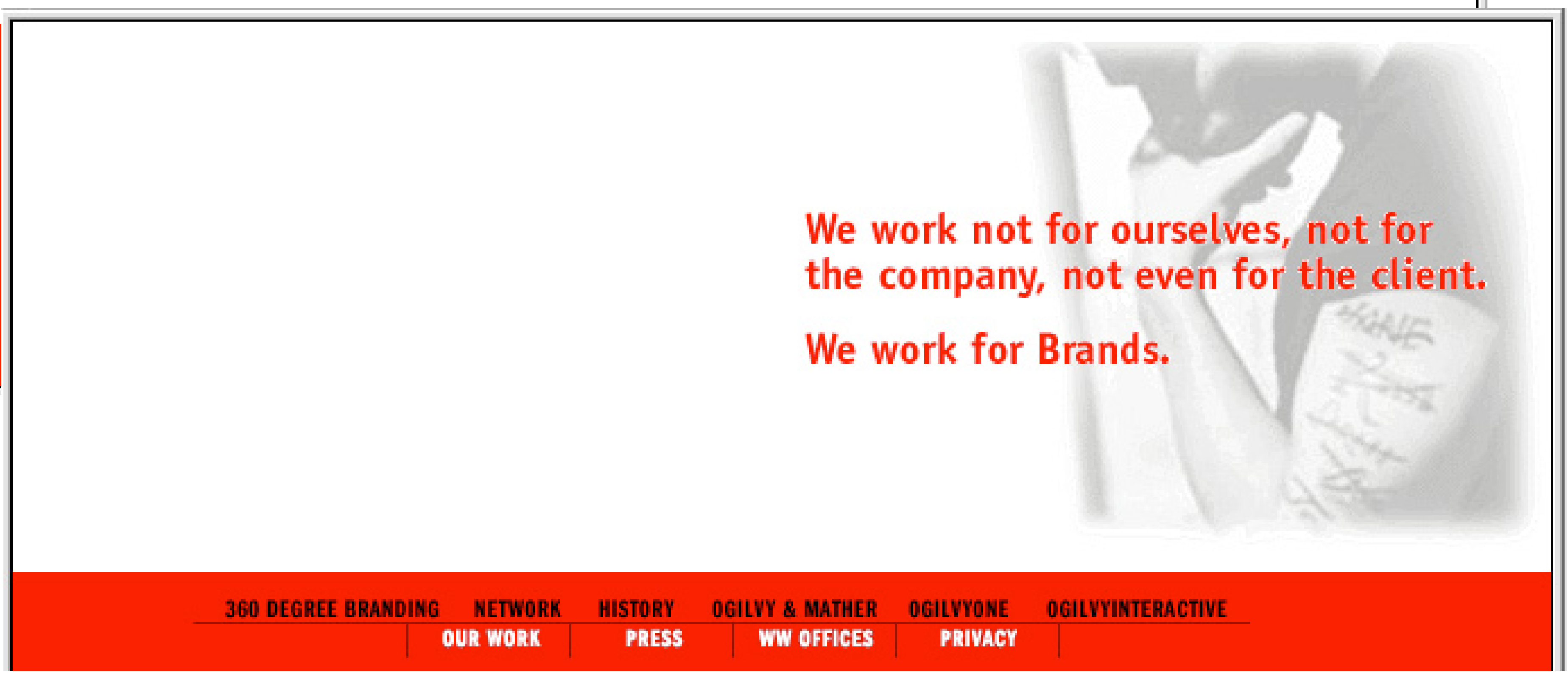
Separately, AT&T Broadband, a separate unit of AT&T, is searching for a new ad agency to handle a special project. **Havas Advertising**'s Jordan McGrath Case & Partners and WPP's Wunderman Cato Johnson currently create ads for AT&T Broadband. A spokeswoman for the cable concern said the company "wants to review our position and marketing strategy." AT&T spent about $47.2 million on ads highlighting its cable and broadband capabilities last year, according to CMR, a New York research company owned by Taylor Nelson Sofres.

AT&T Wireless is the third-largest wireless concern behind Verizon Wireless, a unit of **Verizon Communications** Inc., and Cingular Wireless, a joint venture between **SBC Communications** Inc. and **BellSouth** Corp. AT&T spent about $345 million on wireless ads last year, according to CMR.

AT&T Wireless now must carve out its own identity, said Keith Mallinson, an analyst with Yankee Group, a Boston consulting firm. "AT&T has a tradition of being all things to all people, which creates confusion with consumers." He said choosing a new agency is a step in the right direction.

To celebrate its new independence, AT&T Wireless yesterday launched a marketing campaign created by the New York office of FCB. FCB will continue to work on the account for another 90 days.


Ogilvy & Mather
WHO WE ARE | WHAT WE DO | OUR WORK
An agency defined by its devotion to brands.
It is our job to create, nurture and sustain our clients' brands through all media and markets.
We accomplish this through the philosophy and practice of Brand Stewardship--a proprietary set of tools and techniques to understand, develop and enhance the relationship consumers have with a brand.
We believe that in order to strengthen that relationship, the brand must be consistently communicated 360 degrees--so that every touch with the consumer is in touch with the brand. And we work in integrated, interdisciplinary teams to achieve this end.
See the IBM brand across all media.


We work not for ourselves, not for the company, not even for the client.
We work for Brands.
360 DEGREE BRANDING
NETWORK
HISTORY
OGILVY & MATHER
OGILVYONE
OGILVYINTERACTIVE
OUR WORK
PRESS
WW OFFICES
PRIVACY

Brand Probe: Formal research designed to unveil how consumers really feel about a brand.

Brand Audit: An effort to set down the intangible cluster of feelings, impressions, connections, and opinions that blend together to form the consumer's perceptions of the brand. Together, the brand team and client attempt to answer a series of questions from consumer's point of view.

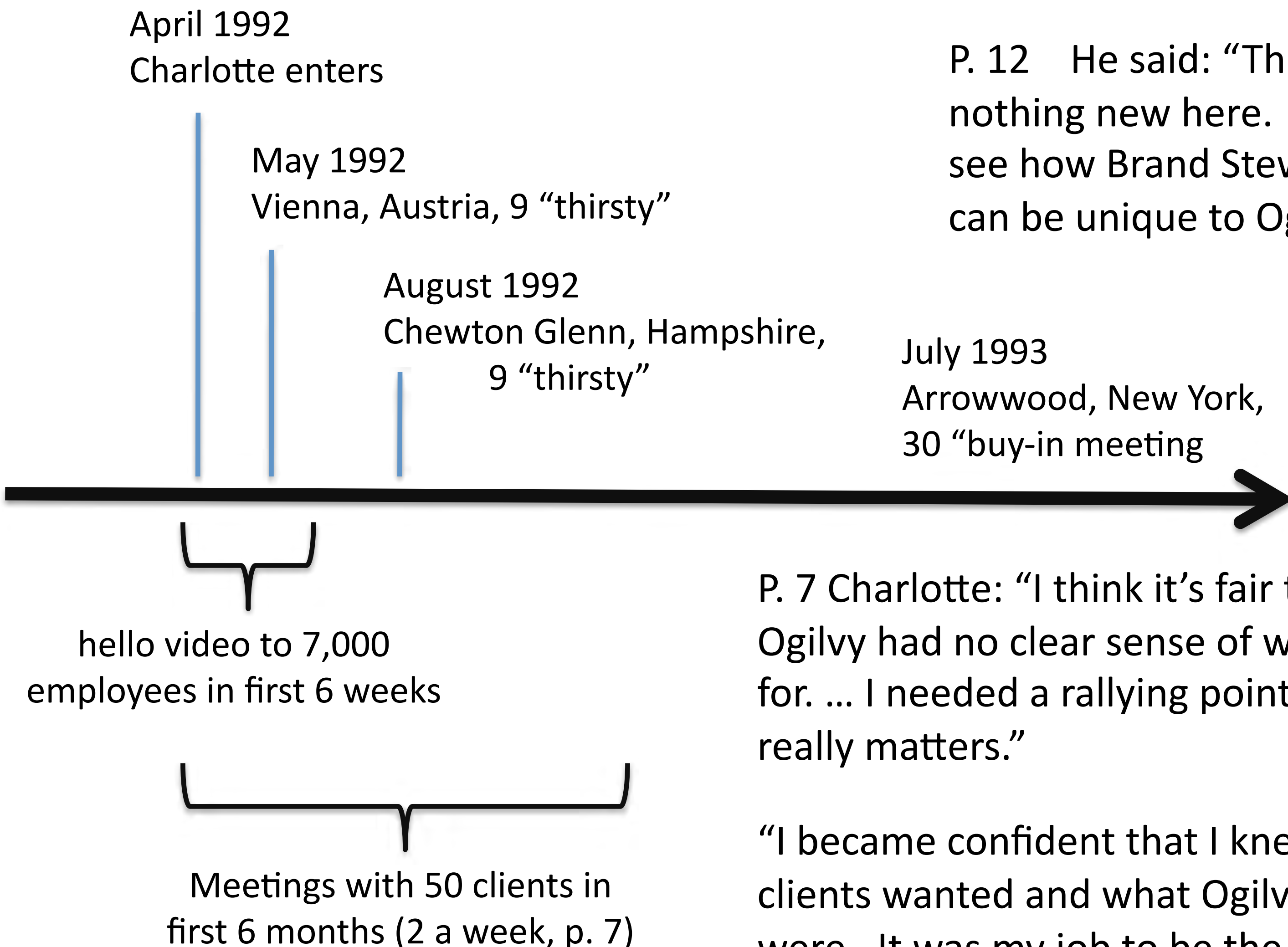
BrandPrint™: A succinctly written articulation of the relationship between the consumer and the brand. The BrandPrint becomes the basis for all Ogilvy's future work for the brand — positioning, communication and creative strategies.

Winning the IBM account in 1994 created excitement throughout the agency and drew industry attention to Brand Stewardship.

One industry observer commented:

"All the major agencies focus on brands. What is amazing is that no one had staked out this territory before. Beers came up with the term and put all the muscle of the organization behind it. She preempted other agencies by stating the obvious . . . in a way that resonates well with clients."

Implementation Timeline



P. 12 He said: “There’s nothing new here. I don’t see how Brand Stewardship can be unique to Ogilvy.”

P. 7 Charlotte: “I think it’s fair to say that Ogilvy had no clear sense of what it stood for. … I needed a rallying point on what really matters.”

“I became confident that I knew what clients wanted and what Ogilvy’s strengths were. It was my job to be the bridge.”

P. 11 “We had to reinvent ourselves in the client’s footprint.”

Page references are to the Beers HBS case cited above.

Two Videos with Case Questions

1. Is integrating company operations a primary, or secondary, concern for Charlotte? What pressures are on her?

2. Why is the O&M focus on brands so wildly successful? Are brands a new idea?

4. Charlotte Beers is the CEO of Ogilvy & Mather. Does she need a strategic partner? Why?

5. Who was, or were, Beers' strategic partners? Were the partner interests served?

6. Could Beers have succeeded without strategic partners?

Photos are from videos shown during the session.

Some legends about brand slogans translating poorly into the China market:

The names Coca-Cola and Coke are so well known in the US that they are often used as a generic term for any soft drink. But when the Coca-Cola Company began exporting to China, there was no existing Chinese word for Coke. So the company made up a name that sounded like Coca-Cola when spoken: “Ke-kou-ke-la.” Unfortunately, the literal translation is “bite the wax tadpole” or “female stuffed with wax,” depending on dialect. The company quickly changed to a set of characters than translated into “happiness in the mouth.”

When Pepsi cola tried to expand their market into China, they too had slogan issues. In the ‘60s, Pepsi’s slogan was, “Now it’s Pepsi for those who think young.” That was translated as, “New Pepsi is for people with the minds of children.” Pepsi hurriedly changed its marketing once again, but the new “Come alive with Pepsi!” slogan became “Pepsi brings your ancestors back from the dead.” Noting the problem, Pepsi switched to “Come alive! You’re in the Pepsi generation,” but this was translated as “Resurrect! Your body will be made of Pepsi!”

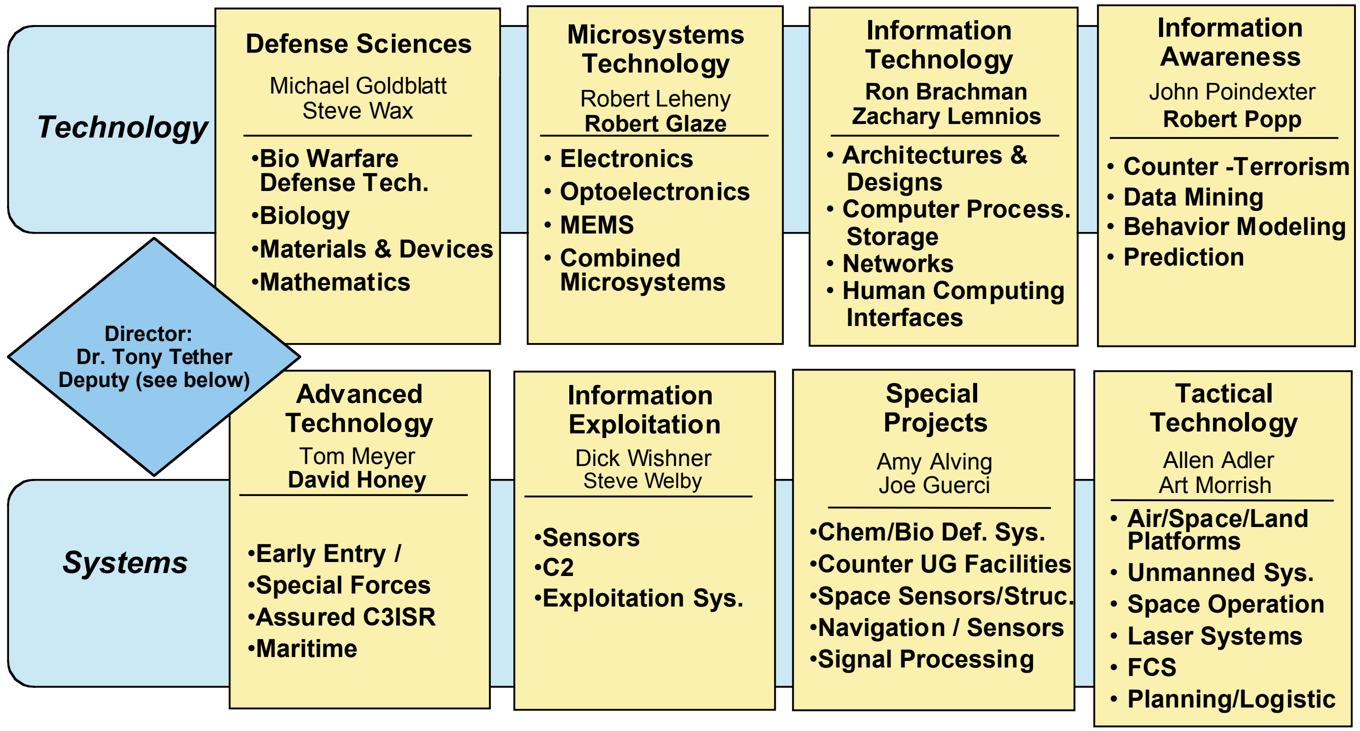
Company/Product	Slogan	Chinese Translation
A&W Rootbeer	That frosty mug sensation	Feel like your face is frozen
American Express	Don’t leave home without it	Stay home with it
AT&T	Reach out and touch someone	Violate a stranger
Apple computers	Think different	Go insane
Budweiser	When you say Budweiser, you’ve said it all	After Budweiser, you will not be able to speak
Campbell’s soup	Soup is good food	Soup is morally superior to your food
Florida orange juice	A day without orange juice is like a day without sunshine	Drink orange juice or go blind
Kentucky Fried Chicken	Finger-lickin’ good	Tastes like human fingers
Maytag	Our repairmen are the loneliest guys in town	Nobody likes our repair workers
McDonalds	You deserve a break today	You deserve to be beaten
Nike	Just do it!	Have sex!
Sara Lee	Nobody doesn’t like Sara Lee	Sara Lee is a woman of easy virtue

If Not China, Try Making Sense of Reactions in England:

What Brits say	What you think they mean	What they actually mean
I hear what you say	They accept my point of view	I totally disagree and do not want to discuss this further
With the greatest respect	They're listening to me	This is stupid
I almost agree	They're not far from agreement	I do not agree at all
That's not bad	That's poor	That's good
Quite good	Very good	Not very good
Very interesting	Wow, they're impressed with what I'm saying	Boy, this person is boring and talking nonsense
Incidentally/by the way	That's not important	That's the main point
I'm sure it's my fault	They think it's their fault	This is your fault
I only have a few minor comments	There's no major issue	Please redo the whole thing
You must come to dinner	They want me to come	This is not an invitation; I'm just being polite

Spotlight on Management Network in the Client Organization:

DARPA, September 2002



Defense Sciences	10	1							
Microsystems Tech	80	-	32						
Information Technology	8	-	-	5					
Information Awareness	7	-	-	-	5				
Advanced Technology	49	-	10	-	-	19			
Information Exploitation	62	-	-	1	2	3	30		
Special Projects	29	-	4	-	-	2	7	10	
Tactical Technology	24	-	4	-	-	2	14	1	5
TOTAL	952	15	141	17	21	95	125	60	58

(641 within our organization)

Density of Perceived Discussion Ties within & across DARPA offices

Overview of Charlotte Beers at Ogilvy & Mather

Ogilvy & Mather provides an impressive come-back story

Beers enters a company "beleaguered" in a changing industry

- Client and technology changes have altered cash flow, moved value upstream
- Company operations are disintegrated; Firm is losing creatives, execs, accounts

Success can be traced to two items:

- O & M core competence moved higher in value chain (message versus delivery)
- Operations integrated across O & M on competencies valued by customers define, implement, and institutionalize strategy

WPP tactics to develop flexible integration among its assets:

- HR bias toward integration (bonus "less wonderful," training)
- practice development (target lucrative sites for integrative effort; media buying, joint pitches)
- virtual companies (focus on customer solutions rather than WPP components; compensation and profit negotiated with each deal; create cross-company communication [cf. BP's peer assists])

Learning Points:

- Target strategy on a structural hole in the market, and work your way back to figure how best to organize to provide solutions to bridge the market gap (organizing from the market back vs production forward).
- Leadership is essential to strategy, especially if the strategy requires coordination across businesses in terms of core competencies/capabilities/resources. Can you have a strategy without a leader? (Is Beers correct in saying that Martin Sorell should step up and take a position?)
- Customers and investors can be a powerful ally in rapid strategic action, especially when change in the market or corporation has obscured the value chain (so people cling tighter to the old and are suspicious of the new), or people necessary to the strategy are not comfortable with you who they see as "outsider."

(Q280) **The critical structural holes that Charlotte Beers brokered in performing her successful renovation of Ogilvy & Mathers were:**

A. between heads of WPP companies that provided services to O&M.

B. between heads of other large advertising companies within WPP.

C. between heads of business and brand managers within O&M.

D. between CEOs and brand managers in client organizations.

E. between heads of O&M regional offices.

(Q281) **Who were Charlotte Beers' key strategic partners in her successful renovation of Ogilvy & Mathers?**

A. The head of the WPP parent company, Martin Sorrell.

B. Peers leading other large advertising companies within WPP.

C. Colleagues on her team such as the future CEO, Shelly Lazarus.

D. Regional heads of business within O&M.

E. Client companies who purchased services from O&M.

[Print Friendly Version]

Life After

BIOGRAPHY

Charlotte Beers
Under Secretary, Public Diplomacy and Public Affairs
Term of Appointment: 10/02/2001 to present

Charlotte Beers was sworn in as the Under Secretary of State for Public Diplomacy and Public Affairs on October 2, 2001.

Charlotte Beers is the only executive in the advertising industry to have served as Chairman of two of the top 10 worldwide advertising agenci Thompson and Ogilvy & Mather. Prior to this appointment, Ms. Beers was Chairman of J. Walter Thompson Worldwide, having returned to the which she started her advertising career. She was Chairman and CEO of Ogilvy & Mather from 1992-97.

Ms. Beers has been a pioneer in almost every career step. Starting in Houston, Texas, she was the first female Product Manager for Uncle B then became the first female Senior Vice President for J. Walter Thompson when she moved to the advertising business in Chicago in the sev she was the first woman in the 99 years of the American Association of Advertising Agencies to be named Chairman.

Her achievements have been well recognized in the business community. In 1992, Glamour magazine recognized her as one of their "Women the distinction of "cracking the glass ceiling in advertising." In 1995, she received one of the Sara Lee Frontrunner Awards for being the only

Life After

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Bush's Muslim propaganda chief quits

U.S. official: 'She didn't do anything that worked'

Tuesday, March 4, 2003 Posted: 9:29 AM EST (1429 GMT)

WASHINGTON (CNN) -- The mastermind of U.S. public diplomacy efforts in the wake of the terrorist attacks of September 11, 2001, resigned from her State Department post Monday.

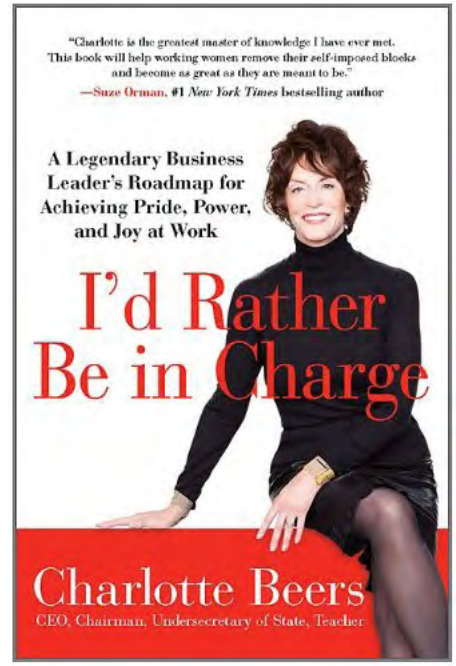
Charlotte Beers joined the State Department shortly after September 11, 2001.

Charlotte Beers, a former top advertising executive who joined the department shortly after September 11, is leaving shortly "for health reasons," Secretary of State Colin Powell said in a written statement.

Another U.S. official told CNN her departure was connected to problems she encountered in the job.

Beers, 67, took office to spearhead a public diplomacy campaign aimed at winning the hearts and minds of the Muslim world. But she attracted little praise for her efforts, and was attacked in the media, by various think tanks and by members of Congress.

U.S. officials also complained privately that though Beers spent a lot of money on slickly produced media ads, she did not understand her target audience: Muslim-majority countries where anti-American



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ChatGPT on Alex Zaffaroni:

Alejandro Zaffaroni (1923–2014) was a pioneering biochemist and entrepreneur whose work significantly advanced biotechnology and drug delivery systems. Born in Montevideo, Uruguay, he earned his bachelor's degree from the University of Montevideo in 1941 and a Ph.D. in biochemistry at the University of Rochester, graduating in 1949. **Career Highlights:**

Syntex Corporation: In 1951, Zaffaroni joined Syntex, a small chemical company in Mexico known for its steroid research. He played a crucial role in transforming Syntex into a major pharmaceutical company, eventually becoming president of Syntex Laboratories and Syntex Research Institute.

ALZA Corporation: In 1968, he founded ALZA Corporation (an acronym of his name) to develop medical treatments through controlled drug delivery. ALZA's innovations included products like NicoDerm CQ for smoking cessation and Transderm Scōp to prevent motion sickness. Johnson & Johnson acquired ALZA in 2001.

Affymax: In 1988, Zaffaroni co-founded Affymax, focusing on combinatorial chemistry to expedite drug discovery. Affymax was acquired by Glaxo in 1995.

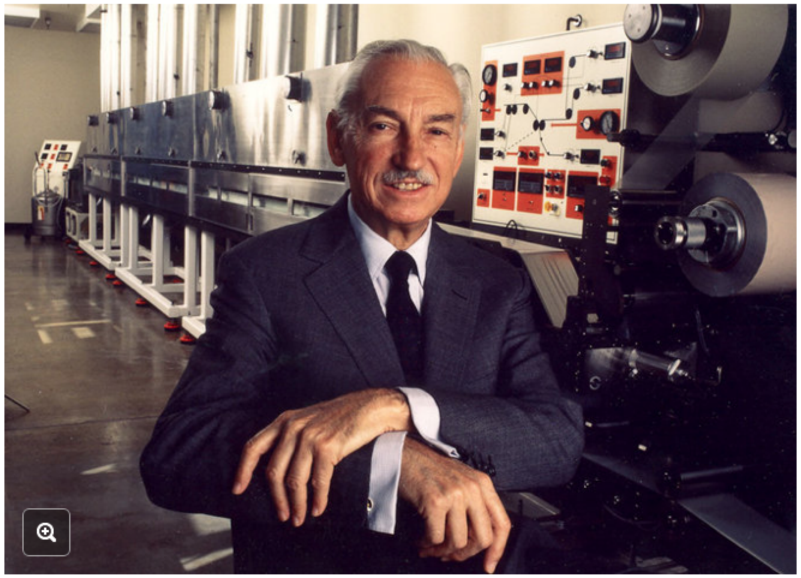
Affymetrix: In 1991, he co-founded Affymetrix, specializing in DNA microarray technology, which revolutionized genetic research. Affymetrix was acquired by Thermo Fisher Scientific in 2016.

Other Ventures: Zaffaroni also founded or co-founded several other biotechnology companies, including DNAX, Symyx Technologies, Maxygen, SurroMed, and Alexza Pharmaceuticals, contributing to advancements in drug delivery and biotechnology.

Alejandro Zaffaroni's visionary leadership and innovative approaches left a lasting impact on the biotech industry, exemplifying the power of scientific creativity and entrepreneuial insight.

Alejandro Zaffaroni, Entrepreneur on Biotech Frontier, Dies at 91

By ANDREW POLLACK, *New York Times*, March 6, 2014



Alejandro Zaffaroni's companies included Alza and Affymax. Zaffaroni Foundation

Alejandro Zaffaroni, a prolific biotechnology entrepreneur and Silicon Valley legend who played a significant role in the development of the birth control pill, the nicotine patch, the DNA chip and corticosteroids, died on Saturday at his home in Atherton, Calif. He was 91. The cause was complications of dementia, Ana Leech, his longtime assistant, said.

Dr. Zaffaroni, a Uruguayan-born biochemist, started at least 10 companies in Silicon Valley and nurtured other entrepreneurs who started companies. Colleagues recalled him as a beloved mentor, as unfailingly polite as he was immaculately dressed.

"I can't imagine anybody in modern biotech history who's been responsible directly or indirectly for more companies than Alex," said Peter G. Schultz, a professor at the Scripps Research Institute in San Diego, who founded two companies with Dr. Zaffaroni.

Dr. Zaffaroni was most closely associated with Alza, which developed new ways to administer medicines to increase their effectiveness, reduce side effects and allow people to take pills less frequently. These advances include extended-release tablets, implantable devices and skin patches, like the NicoDerm CQ nicotine patch. Founded in 1968, Alza was acquired by Johnson & Johnson for about $12 billion in 2001.

Dr. Zaffaroni was awarded the National Medal of Technology and Innovation in 1995. He was born on Feb. 27, 1923, in Montevideo, Uruguay, the son of a banker. His mother died when he was 13, and his father died shortly before he turned 18, factors that Dr. Zaffaroni said made him more willing to leave his native country.

After graduating from the University of Montevideo and receiving a Fulbright scholarship to study in the United States, he took a cargo ship to New York in the waning days of World War II. Accepted by Harvard and the University of Rochester, he chose Rochester because it offered him more freedom to choose his research topic. The research that earned him his doctorate in biochemistry focused on how to synthesize, isolate and measure corticosteroids, which were about to become the new wonder drugs.

In 1951 Dr. Zaffaroni went to work for Syntex, a small Mexican company that was isolating a raw material to make steroids from yams. After rising in the organization to become head of research, he helped set up an operation in Palo Alto, Calif., and transform it into a successful pharmaceutical company. It became most known for contributing to the development of the birth control pill. (Syntex was acquired by Roche in 1994.)

Dr. Alejandro Zaffaroni (a.k.a. "Alex," born 1923, Ph.D. biochemistry 1949) is a serial entrepreneur responsible for founding several successful biotechnology companies in Silicon Valley.

In 1951, Alex joined Syntex, a small chemical company in Mexico. He played a key role in growing Syntex into a major multinational pharma based in Palo Alto, CA.

Among his start-ups are Alza, DNAX, Affymax, Symyx Technologies, Maxygen, and Alexza. In 1995, Alex received the National Medal of Technology. Died 2014.

Assessing the Value of Affymax

1988	Affymax Research Institute founded by Alejandro Zaffaroni to accelerate the drug discovery process.
1991	Affymax IPO as leader in the field of combinatorial chemistry
1995	Affymax and its holdings in spin-offs acquired by Glaxo-Wellcome in a buy-out valued at $485 million.
2000	Glaxo-Wellcome receives $500 million for reducing its 65% interest in spin-off Affymetrix to 16%.
2001	Affymax Research Institute re-emerges as an independent company when a syndicate of venture capital firms led by Patricof & Co. Ventures purchases GlaxoSmithKline's interest in Affymax.

What structure?

What value added?

How controlled?

Photos are from the video shown in class.

The Affymax Acquisition

Glaxo Wellcome (a.k.a. GlaxoSmithKline, GSK) purchased Affymax in 1995, in an act of leveraged competitive advantage.

The goal was to transfer knowledge — GW purchases Affymax to dramatically increase rate of GW innovation. Affymax is known for creating value with "holy trinity" of engineers, biologists, and chemists working together. GW assumes “arm’s length” relationship to ensure continuing integrity of Affymax operations.

GW is a traditional bureaucracy based on normal science. Affymax does exploratory project-based research (akin to what we saw in the design firm, IDEO). How to make the elephant dance?

They rotate scientists between California and Europe to to create an Affymax clone inside GW (cf. project workshops within Affymax; INTEL “copy exact” strategy).

Results: Affymax is financially sound. GW has its combinatorial lab, and recovers investment with proceeds from spinoffs. Affymax is returned to the market in 2001 improved for its affiliation with GW.

For more, see www.alza.com, www.affymax.com, www.gsk.com; Also see European Case Clearing House website for case material on Ciba-Geigy and Glaxo Wellcome (www.ecch.com).

(Q20) The social boundary around Affymax colleagues was porous to ideas outside the company. **True or False**

A. True
B. False

(Q28) Affymax's R&D brokerage across disciplines based on wide-bandwidth, short-cycle communication made the company particularly valuable to Glaxo. **True or False?**

A. True
B. False

(Q31) Alex Zaffaroni discouraged collateral brokerage within Affymax. **True or False?**

A. True
B. False

from “Harvesting” handout

Don’t Be Greedy:

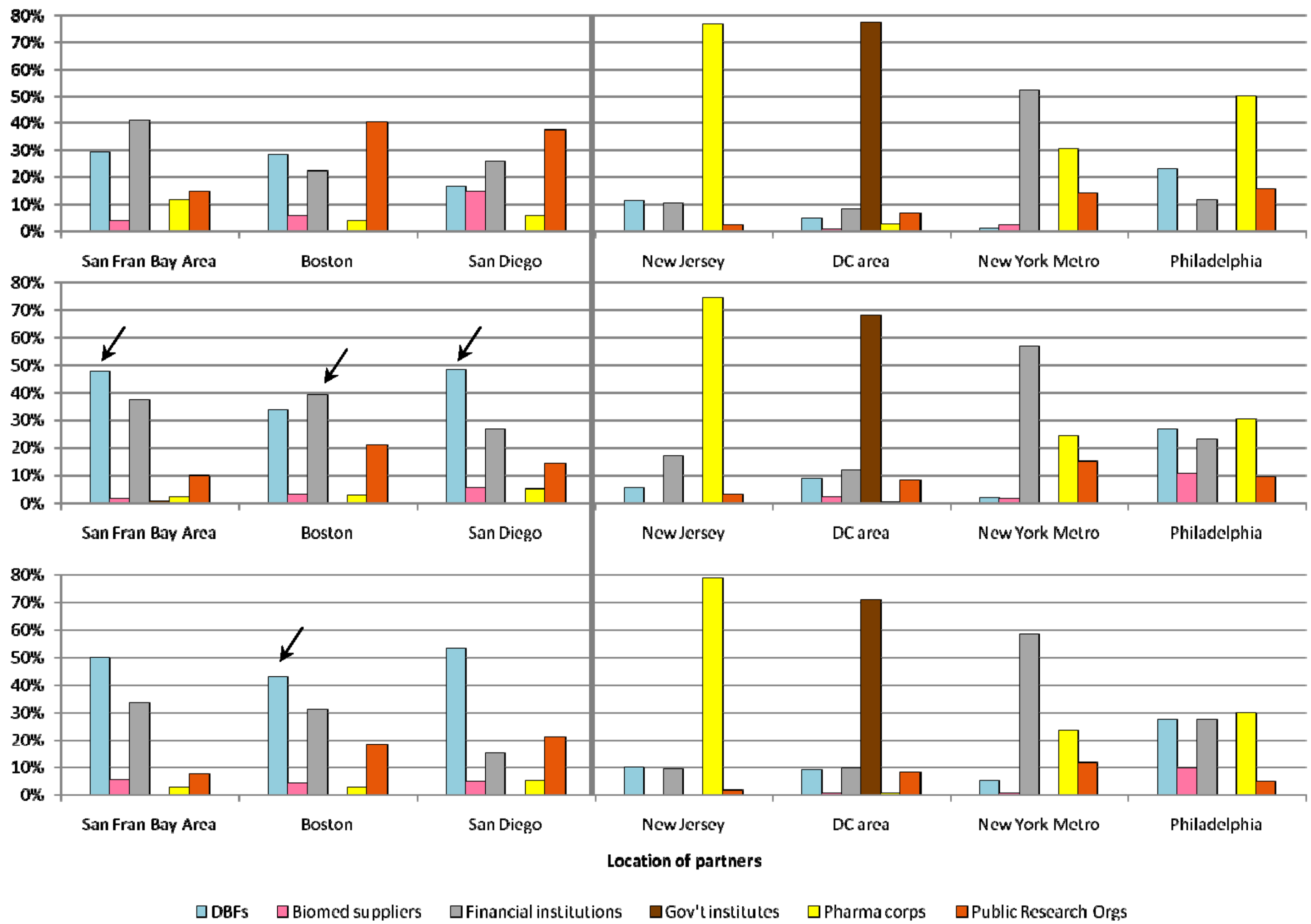
Collateral brokerage is brokers facilitating the brokerage of others

Bars measure the extent to which a kind of organization is central in the local network of biotech alliances. Where a biotech cluster emerges (three cities to the left; based on patent activity and 50% of firms) you see collateral brokerage: central broker organizations foster the new brokers. Initial brokers facilitate project diversity and exchange across projects, which results in spin-off broker organizations.

Where a cluster does not emerge (four cities to the right) you see the initially central organizations maintain their dominant position in the network. Nothing new develops.

Genentech | Harvard, MIT | Hybritech, UCSD, Eli Lilly | pharmas | NIH | finance and pharmas | pharmas

Figure 10: Anchor tenants vs. 800 lb. gorillas: % of ties by organizational form (1990, 1996, 2002)



DBF = Dedicated Biotech Firm. Figure is from Woody Powell, “Organizational and institutional genesis and change: the emergence and transformation of the commercial life sciences,” presented at Nobel Symposium, “Foundations of Organizations,” Stockholm, August 2008 (more detailed version published as Powell, Packalen, Whittington, "Organizational and institutional genesis," Pp. 435-465 in *The Emergence of Organizations and Markets*, edited by Padgett and Powell, Princeton University Press, 2012).

(Q81) Alex Zaffaroni and John Clendenin both created high-performance teams in their respective lines of work. **Would you say that the social boundary around Clendenin's team was more or less porous to ideas from outside the team?**

A. Less porous.

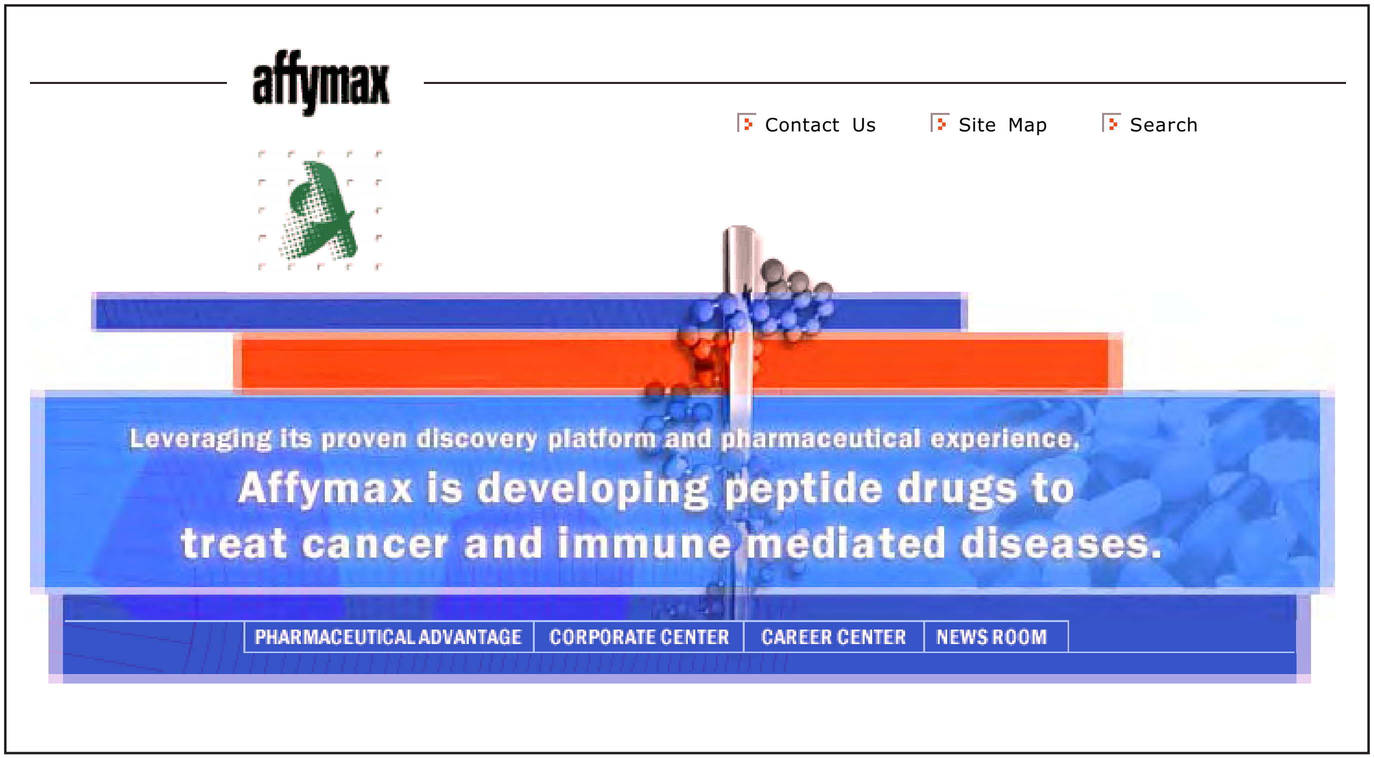
B. About the same.

C. More porous.

Transition Back to Independence

Affymax Re-Emerges, July 2001

GlaxoSmithKline today announced an agreement for the sale of the Affymax business to a syndicate of venture capital firms led by Patricof & Co. Ventures. Affymax Research Institute is re-emerging from GlaxoSmithKline as an independent company. “The Affymax business has moved on to become a drug discovery company,” GSK explained. The Affymax acquisition was valued at about $485 million in 1995, with Glaxo paying $30 per share to buy-out the company. Glaxo had already recouped its cash investment in Affymax. As part of the acquisition, Glaxo acquired a 65% interest in Affymetrix. The company reduced its stake to 16% in 2000 during a hot market for biotech, recording nearly $500 million in proceeds. GSK is not severing ties to the company: GSK will hold 22% of non-voting preferred stock in Affymax, Inc. with an option to convert to common shares when the company goes public. (Affymax went public in 2006.).



Backed by DARPA funding, Maxygen CEO Russell Howard is hunting for vaccines with a technique known as “directed molecular evolution.” Maxygen (spun off from Affymax in 1997) is selectively “mating” viral genes to create vaccines to combat AIDS, dengue, hepatitis B, and other diseases. The approach mimics natural selection, but on a minuscule scale and with a focused purpose. Genes are modified by chemically damaging them or copying them into systems that introduce errors, which create libraries of mutuant genes, which are screened for proteins with a particular feature. The most attractive are selected, combined, and the process repeated. The idea is to systematically create and pursue genetic accidents. The traditional strategy is to work everything out and design a desired change in the protein. “Here, you just randomize and select. And that’s what nature does.   It doesn’t design.”

AFFYMAX

Home Documents Contact

Welcome

Affymax, Inc. is a biopharmaceutical company previously committed to developing novel drugs to improve the treatment of serious and often life-threatening conditions. Our vision was to become a leader in the nephrology and specialty care space by delivering innovative therapeutic offerings to patients and healthcare providers before a nationwide voluntary recall of OMONTYS® (peginesatide) Injection in February 2013. In March 2013 Affymax commenced a review of strategic alternatives.

Affymax, once a promising biotech, is dissolving

Life After

by *Eric Palmer* | Jun 24, 2014 5:40pm

Affymax ($AFFY), which 18 months ago appeared poised for big things, is dissolving the company and will pay shareholders pennies for the shares that traded at $27 a share before patient deaths led it to pull its Omontys anemia drug from the market.

The news comes two weeks after Affymax and Japan's Takeda, its partner on Omontys, announced they would dissolve their licensing agreement in September. Takeda said that an extensive investigation found no quality or manufacturing issues for the treatment used during dialysis but neither could it find the root cause of serious hypersensitivity reactions in some patients.

"In light of these findings, Omontys would not be permitted to be returned to the market, and Takeda is working with the FDA to withdraw approval," Affymax said today. "Based on this outcome, the board has determined it to be in the best interests of the stockholders to dissolve the company." It said it has about $4 million cash on hand.

The companies in February 2013 voluntarily recalled all lots of the drug after the FDA reported receiving reports of 19 serious reactions; three of those patients died. The news eviscerated Affymax's share price, which plunged 85% that day and swept away about a half billion dollars in the biotech's market cap. Ten days earlier, the dialysis provider Fresenius said it was stopping an Omontys pilot program, after seeing "infrequent" allergic reactions in patients after their first dose, a "small number" of those serious. The overall reaction rate was about 0.2%, with about one-third of those requiring "prompt medical attention and in some cases hospitalization," the companies said at the time. But those reactions raised serious concerns and the drug was pulled.

Omontys had been seen as the first competitor to Amgen's ($AMGN) longtime blockbuster Epogen. Omontys had to be injected only once a month, compared to three times a month for Epogen.

Affymax said Tuesday it expects an orderly dissolution of the company but could abandon that plan if it "receives an offer for a transaction that will, in the view of the board, provide superior value to stockholders."

posted on "FiercePharma," June 24, 2014

Learning Organization, John Browne at BP

from "Unleashing the power of learning: an interview with British Petroleum's John Browne" HBR 1997

BP is a radically different company today than a decade ago, when it was an unfocused mediocre performer whose businesses extended to minerals, coal, animal feed, and chicks. The vast majority of its oil and gas output came from large fields in the North Sea and in Alaska's North Slope whose production was beginning to decline. BP's reserves were shrinking, and its finding and development costs were so high — three times higher than those of its major competitors — that it had difficulty making any money on new fields.

Today BP is the most profitable of the major oil companies. Its debt, which had grown as a result of acquisitions, unrestrained capital spending, and the buyback of a big block of shares from the Kuwaiti government, has been slashed to $7 billion from a 1992 peak of $16 billion. BP now has strong positions in such important oil and gas regions as the Gulf of Mexico, South America, western Africa, the Caspian Sea, the Middle East, and the Atlantic Ocean west of the Shetland Islands. BP's finding and development costs are now among the lowest in its industry. Its output is growing at about 5% per year. And even without additional discoveries, the company has the wherewithal to maintain its reserves for at least ten years.

Exxon Mobil

2003	$213,199	10.1%	88,300
2002	$178,909	6.4%	92,500
2001	$187,510	8.2%	97,900
2000	$206,083	8.6%	123,000
1999	$160,883	4.9%	123,000
1998	$100,697	6.4%	79,000
1997	$120,297	7.0%	80,000

Royal Dutch Shell

2003	$201,728	6.2%	119,000
2002	$179,431	5.2%	111,000
2001	$135,211	8.0%	91,000
2000	$149,146	8.5%	90,000
1999	$105,366	8.1%	96,000
1998	$93,692	0.4%	102,000
1997	$128,115	6.1%	105,000

Sector: Energy > Industry: Energy - Integrated Oil & Gas

BP p.l.c.

Report Builder

Company Capsule | Company Profile | **Financials** | News & Analysis | Industry

Premium: Market Data | Comparison Data | Detailed Annual Financials | Detailed Quarterly Financials | Historical

Free: Annual Financials | Quarterly Financials | Detailed Quote | Interactive Chart | Earnings Estimates

NYSE: BP (full quote) (ADR) **Fiscal Year-End** December

Historical Financials & Employees

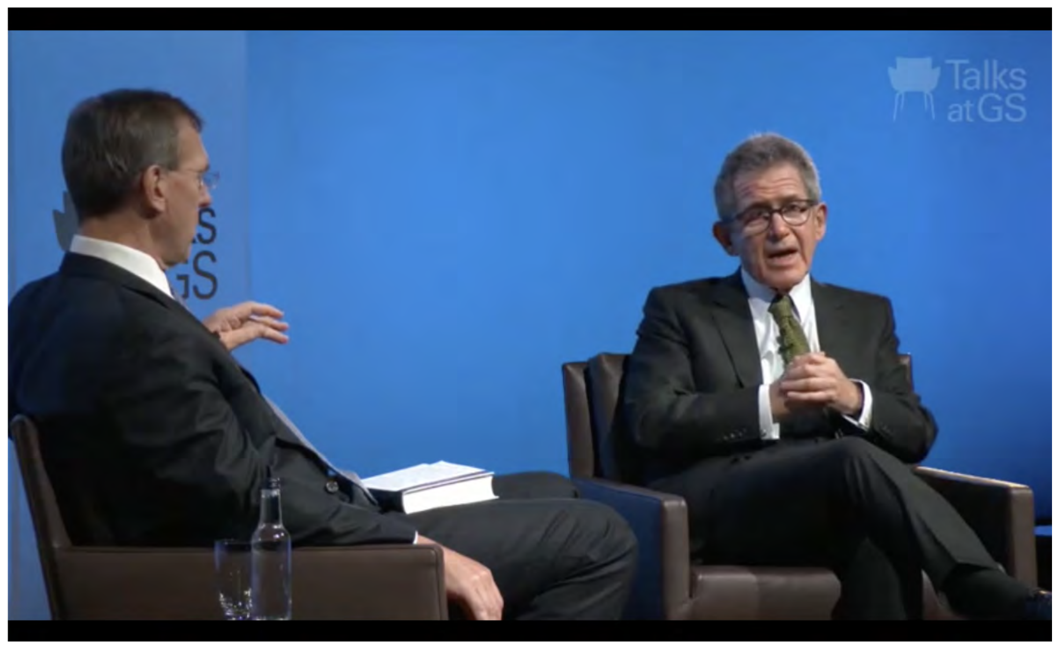
Income Statement

	Year	Revenue ($ mil.)	Net Income ($ mil.)	Net Profit Margin	Employees
		232,571.0	10,267.0	4.4%	103,700
	Dec 02	178,721.0	6,845.0	3.8%	115,250
	Dec 01	174,218.0	8,010.0	4.6%	110,150
purchase ARCO	Dec 00	148,062.0	11,870.0	8.0%	107,200
	Dec 99	83,566.0	4,686.0	5.6%	80,400
merge AMOCO	Dec 98	68,304.0	3,260.0	4.8%	96,650
	Dec 97	71,782.9	4,079.7	5.7%	56,450
	Dec 96	76,601.8	4,370.3	5.7%	53,150
	Dec 95	56,000.4	1,740.2	3.1%	56,650
	Dec 94	51,826.5	2,468.0	4.8%	60,000
	Dec 93	51,708.5	909.9	1.8%	84,000
	Dec 92	50,357.1	(693.6)	–	97,650

http://www.hoovers.com/premium/fin_tables/2/0,2152,58872,00.htm

Interviewed as CEO of British Petroleum, 2005

Interviewed on new book as former CEO of British Petroleum, 2019



our company our businesses in your area

using what we know

print version

Company overview
An overview of BP
Our profile
Welcome to our world
Introducing BP
Energy from six continents
Reaching out
Moving our products
Refining and transport
Serving our customers
A petrochemicals major
Leading-edge technology
Using what we know
A good citizen
Our history
Review of 2001
Our objectives
Committee structures
Board composition
Business policies
Corporate governance
Technology
BP initiatives

Over the last few years BP has grown, organically and through mergers and combinations, and is now one of the largest companies in the oil and gas industry. Size alone, of course, means nothing. The potential value of size, which is there for us to capture, is the knowledge held by 100,000 of the world's brightest people. This could be knowledge of a particular technology, a relationship, or a way of doing business which has been proved successful. The value comes from sharing that knowledge and applying it in different places and different situations.

So, in BP we view effective knowledge management as central to both the delivery of today's performance and to the future success of the company. Transforming "personal" or individual know-how into "organisational" or collective memory is a challenge which has always faced large organisations - and that is no less the case today. Whilst we make widespread use of digital solutions - such as databases, collaborative working tools, virtual team-working as important mechanisms for knowledge transfer, the real key to our success in being a knowledge-based company is in the way we organise

Related links

- How BP works
- Objectives

ourselves and the behaviours that our people exhibit.

Our experience has shown us that an organisation based on a federation of self-standing Business Units is very good for delivering financial performance, but is not ideal for transferring know-how around the Group. For this reason we have created a number of so-called Peer Processes:

Peer Groups share know-how amongst Senior Group Managers at the portfolio and resource allocation level;

Peer Reviews expose specific business activities to the challenge and scrutiny of senior professionals and leaders from similar business activities around the Group; and

Peer Assists are used at the professional specialist level to make sure the right know-how gets to the right place at the right time.

These processes help our people to integrate learning into their daily work - a individual commitment to learning before, during and after any significant activity lies at the heart of BP's ability to learn as an organisation. We also encourage all staff to become members of lateral networks across the organisation - where they belong to communities with similar interests. We believe outstanding business performance comes from liberating our people, creating a culture where they feel comfortable asking for and offering help. Ultimately, it is the energy and efforts of these people that delivers effective collaboration and creates the "bigger brain" that is BP.

A recently published book - "Learning to Fly" - written by two BP employees provides a detailed, practical description of the tools and processes that are in daily use in BP.

How does BP learning work?

With the learning such a successful strategy for BP exploration, should it be rolled out throughout the company?

VSR Model

Network Mechanism	**Variation** Know Alternatives (people are forced to engage variation; overcome fact that people don't know what they don't know)	**Selection** Adjudicate and Synthesize (process has to translate tacit across boundaries & avoid groupthink in adjudi-cation)	**Retention** Motivation (adopt & get full value from best practice)
	Brokerage: Connections across structural holes increase exposure to variation. Closure: Reputation pressure to alignment limits exposure.	Brokerage: Exposure to variation highlights differences, and so facilitates selection. Groupthink of Closure limits ability to compare, but gives focus to debate.	Brokerage: Conflicting affiliations allows people to escape change. Closure: Reputation pressure enforces conformity (nonadoption detected and sanctioned)
Peer Group			
Peer Assist			
Program Element 3			
Program Element 4			
and so on . . .			

See Aldrich and Ruef (2006), *Organizations Evolving*, for a widely-familiar book that develops the VSR theme as a framework for thinking about organizations. For specifics on the BP learning system, see "British Petroleum: Focus on Learning" (1998 Stanford case S-IB-16B, distributed by HBS).

John Browne at British Petroleum

BPX illustrates successfully leveraged competitive advantage. Success can be traced to two items:

- **Scale**: diversity of environments ensures knowledge diversity across company (is like a natural laboratory generating variation and experimentation)

- **Learning:** organization processes ensure porous boundaries between SBUs and around the company (facilitates knowledge acquisition and digestion; VSR)

  - Access provided by personnel transfers, culture of outside contact [best practice, PON, POSC] and IT search engines, yellow pages, virtual teams

  - Reputations defined by use of, and behavior in, Peer Assists, Peer/Federal Groups

Sustained value is a challenge:

- focus learning on high value (learning for its own sake vs. learning that creates value)

- downstream oil business is not as much of a natural laboratory for variation

Learning Points:

- It is difficult and expensive to make learning a core competence, requiring support for infrastructure, slack labor, and top management support of organization processes that promote collaboration on VSR.
  ask wise questions to get what you don't know you don't know (flexible human systems like BP)
  vs. provide smart answers to known questions (efficient passive systems like knowledge@wharton)

- The value of a great corporate strategy need not be the strategy so much as the fit of the strategy to the setting in which the strategy is applied.

For more, see Prokesch (2000) for an interview with CEO John Browne on learning, Hansen and von Oetinger (2001 HBR), “Introducing t-shaped managers,” for a look at managers in BPX, Hansen et al. (2001, HBR), "What's your strategy for managing knowledge?" on KM based on archives vs. people (e.g. Cooper vs. BPX).

(Q370) Peer Groups were one of the key elements in British Petroleum's rapid growth to the top of the oil industry. Peer Groups served the purpose of:

A. enforcing adoption of best practice.

B. exploring the environment to determine best practice.

C. ensuring HR implementation of best practice.

(Q371) Peer Assists were one of the key elements in British Petroleum's rapid growth to the top of the oil industry. Peer Assists served the purpose of:

A. enforcing adoption of best practice.

B. exploring the environment to determine best practice.

C. ensuring HR implementation of best practice.

(Q271) The 1990s rise of British Petroleum from least to most profitable of major oil companies is attributed to the knowledge management system they installed in their exploration organization. That system, we learned, facilitated and encouraged senior managers in the exploration organization becoming network brokers. **When CEO John Browne rolled the knowledge management system into refining operations, the result was:**

A. substantial benefits, but Shell and Exxon had learned the lesson and overtook BP.

B. negligible benefits because refining operations were similar across the company’s facilities.

C. negligible benefits because refining operations did not have the profit potential that exploration did.

D. substantial benefits, leading to the acquisition of Amoco.

E. John Brown was forced to resign.

(Q276) The learning system that BP so successfully implemented for its stunning profit improvement through the 1990s would be useful in any large organization hoping to improve profits. **True or false?**

A. True.

B. False.

(Q173) **For network brokerage to provide advantage, what is the most essential quality required in the surrounding organization or market?**

A. Exclusive access to people

B. Multiple social clusters

C. Information accuracy

D. Information variation

E. Large numbers of people

Life After

BusinessWeek

About Our New Look

EUROPE October 12, 2007, 1:05PM EST

BP Shakeup to Slash Costs, Jobs

In the face of delays and safety failures, the oil giant's new CEO comes out swinging with plans to reduce overhead and reorganize

by David Prosser

Tony Hayward, BP's new chief executive, has vowed to cut jobs and slash bureaucracy at the oil giant in a radical shake-up that will further tarnish the reputation of his predecessor Lord Browne.

Mr Hayward issued a blunt message to BP's 100,000-strong worldwide workforce yesterday, warning that the company's performance had "materially lagged our peer group in the past three years". He said while some of the underperformance could be blamed on refining and production problems, a significant chunk of the shortfall was a result of "our unacceptably high overhead costs".

BP will embark on a review of staffing that could take up to two years to complete, but the oil company warned yesterday that "redundancies would be inevitable". Mr Hayward refused to speculate on how many staff would lose their jobs, but since taking over from Lord Browne in May, he has become increasingly frustrated at the layers of middle management built into BP, especially since he believes many jobs are duplicated across different business units.

In some areas, Mr Hayward's review has identified up to 11 levels of decision making between senior management and frontline staff. BP believes it can reduce this to seven in many cases.

"Our problem is not about the strategy itself but our execution of it," Mr Hayward told staff. "BP's performance has materially lagged our peer group in the last three years. It has been poor because we are not consistent and our organisation is too complex."

BP Chief Quits Over Revelations About Sex Life

Peter Macdiarmid/Getty Images

John Browne said fear of embarrassment was a reason he lied about how he had met a man with whom he had a sexual relationship.

By ALAN COWELL
Published: May 2, 2007

John Browne, an aggressive but mannerly British magnate who transformed BP into one of the most successful global companies, resigned abruptly yesterday after losing a court battle with a London tabloid over details of his relationship with a younger man.

In one of the most humiliating come-downs in British business life, Mr. Browne acknowledged offering an "untruthful account" to a court about the circumstances under which he had met the man, a former companion.

His fall seemed all the more magnified after his rise to the top at BP, the company where he had worked since he was a university student. He had already been forced to announce an early retirement after the energy company suffered problems relating to its safety record, including an accident at its Texas refinery that killed 15 workers.

Now he said he would step down immediately, three months earlier than planned, in a resignation that could cost him more than $30 million in retirement and stock benefits. Perhaps just as damaging, he is haunted by

Moral of the stories: Behavior ≠ Value. No one leader behavior is valuable in all situations. These stories offer details on the open-closed-partner contrast.

IDEO: Oscilation is difficult for groups. Institutionalize shifts between brokerage and closure with rituals so people know what to do next.

CLENDENIN: Brokers are primarily controlled through reputation. Incentives can always be surpassed by a new opportunity. Weak bridges versus strong bridges. (Some brokers are always for sale?)

BEERS: To build a valuable product/organization, work backward coordinating across structural holes in client organizations (cf. Clendenin reasoning from the interests of others, IDEO reasoning from interests of multiple interviewed stakeholders).

AFFYMAX: Wide-bandwidth, short-cycle communication is essential to communicating across active structural holes (e.g., workshops across scientific disciplines).

BPX: Value of network brokerage is contingent on variation in information.