

DRAFT SYLLABUS

November 20, 2017

MBA/EWMBA 257.1: Work, Wisdom, and Happiness

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N300 Chou

Barry Schwartz

Visiting Professor

Office: F545

Cell: 267-978-4661

Email: bschwar1@swarthmore.edu

Office hours: By appointment

Remember to Bring Your Name Cards with You to Class

Reader/Grader:

Course Overview

Sigmund Freud was wrong about many things, but one big thing he seemed to be right about was that love and work are the main determinants of human happiness. In this course, we will explore what it takes for work (and love) to be both satisfying and effective. We will begin by discussing “happiness”—what it is, what affects it and why it matters. We will also discuss how effective people are at making decisions that promote their happiness.

Next, we will focus on what Aristotle called “practical wisdom.” We will explore what wisdom is, why it is essential to most human activities, how it can be nurtured, and what forces suppress it. In this section, I will suggest that “good work” is typically “wise work.” I will also suggest that the modern work environment of accountability, metrics, big data, and incentives is, in effect, making war on wisdom, resulting in work that is less wise, less good, and less satisfying.

We will then move on to discussing how much of work is good, and why. What does it take to make work good? To what extent is good work the result of bringing the right attitude to the workplace, and to what extent is it the result of the way work is structured and organized?

The course will conclude by asking this question: Why is it that in the face of substantial evidence that good work is more profitable than bad work, employers consistently leave money on the table by creating workplaces in which employees are dissatisfied? As we discuss this question, I will suggest that an ideology that dominates the workplace has for centuries been an impediment to creating workplaces in which people care about what they do, do it well, and derive great satisfaction from their work.

I will also show how the parts of the course are related. The more one takes the opportunity for wisdom out of work, the more one takes the goodness out of it. And what is true of work is also true of love. The wisdom that is required for good work is also required for good relations with friends, lovers, and children. Thus, it might be said that practical wisdom is the key to happiness.

Books and Materials for Purchase

Seligman, M.E.P. (2011). *Flourish*. New York: Free Press.

Schwartz, B. & Sharpe, K. (2010). *Practical Wisdom: The Right Way to Do the Right Thing*. New York: Riverhead.

Schwartz, B. (2015). *Why We Work*. New York: Simon & Schuster.

Berg, J.M., Dutton, J.E., & Wrzesniewski, A. *Job Crafting Exercise*. University of Michigan. **[NB: You should order this yourself at www.jobcrafting.org. You'll need it for weeks 7-8. I think it costs about \$20 for MBA students.]**

How the Class Will Operate

Each session will be a mixture of lectures, small group discussions, and discussions among all of us. The lecture parts of the class will attempt to provide a systematic, structured way to think about the issues of concern to us: making work good and making work wise. But the answer to many of the questions that arise as we discuss the relevant issues, as you will see, begins with “it depends.” In other words, the world is gray, and black and white answers to gray questions are both reductive and misleading. What this means is that many issues will arise about which reasonable people will disagree, or about which different individual experiences lead to different views. Since you are all experienced, I assume, in both love and work, I hope and expect that you will bring your experiences with you to class, and offer views informed by your experience to enrich the conversation. I hope to learn as much from you as you do from me.

The assigned readings are a mix of popular books, somewhat scholarly pieces, popular articles that provide illustrative examples, and a few cases. I'm sure that every teacher you have ever had has told you this, but you should do the assigned reading before each class meeting. I'm happy for us to discuss points of contention raised by the readings in class, but I don't want to waste people's time explaining things in class that would have been obvious if you had done the reading. You should do the readings in the order in which they are listed. Most sections of the syllabus also have recommended readings, for those of you who want to go deeper on a particular topic.

Specific Objectives

I hope you will be able to think and speak intelligently about the following questions after our time together:

1. What are the key determinants of happiness?

2. How good are people at making decisions that promote happiness?
3. What is practical wisdom? How is it different from practical intelligence?
4. What psychological abilities does practical wisdom require?
5. What aspects of work and personal life require practical wisdom?
6. What aspects of the work of your colleagues require wisdom?
7. What would you do to your organization to make it a “wise organization”?
8. What is the Aristotelian “mean” and why is it so important to find the mean in your own work and in your organization’s work?
9. Does it make sense to talk about “wise people,” or should we instead be talking about “wise doctors,” “wise teachers,” “wise parents,” “wise lovers,” etc.?
10. How does excessive standardization undermine the “skill” component of practical wisdom? How can one have standards without standardization?
11. What role(s) do incentives play in shaping the dynamics of work?
12. In light of some of the perverse effects of incentives, what role should “metrics” play in determining compensation?
13. What is the difference between a job, a career, and a calling?
14. What does it mean to “craft” a job and what does job crafting entail?
15. What is “ideology”?
16. What are the mechanisms by which ideology operates?
17. In light of our discussion of ideology, what stance should we take when it comes to creating a “data-driven” organization? Is there a way to determine where ideology may be operating and where “data” can be taken at face value?
18. What makes work good?
19. What can you do to make your work “good work”?
20. What can you do to make the work of people you supervise “good work”?

Week 1 and 2. Happiness

In Week 1, I will give you an overview of what is to come. We will try to get to know one another a little, and we will do a couple of exercises, one aimed at assessing what matters most to you in your work, and one designed to trigger a conversation about compensation. We will then focus on what happiness is, what influences it, and what it influences. We will emphasize workplace related issues, but other aspects of life will enter the discussion as well. In Week 2, we will finish our discussion of happiness and then discuss research on decision making and its implications for happiness.

Though the main reading assignment, *Flourish*, by Seligman, will be our emphasis in Week 1, you are assigned to read it over Weeks 1 and 2. Do the assigned readings in preparation for class, and come to class with your Omega Consulting compensation work sheet filled out.

Readings

- Sowell, (1988). *A Conflict of Visions*. New York: Morrow. Ch. 2 (18-39).
 Case: Omega Consulting
 Seligman, M.E.P. (2011). *Flourish*. New York: Free Press. [Focus on Chapters 1-6 &10]
 Rosso, B.D., Dekas, K.H., & Wrzesniewski, A. (2010) On the meaning of work:

A theoretical integration and review. *Research in Organizational Behavior*, 30, 91-127.

Diener, E. Tay, L., & Oishi, S. (2012). Rising income and subjective well-being of nations. *Journal of Personality and Social Psychology*, 104, 267-276.

Kahneman, D. & Deaton, A. (2010). High income improves evaluation of life but not emotional well-being. *PNAS*, 107, 16489-16493.

Schwartz, B. & Sommers, R. (2013). Affective forecasting and well being. In D. Reisberg (Ed.), *Oxford Handbook of Cognitive Psychology* (pp. 704-716). New York: Oxford University Press.

Popular Articles

Lewis, M. (2014). Extreme wealth is bad for everyone—especially the wealthy. *New Republic*, November 12.

Nillson, L. (2015). How to attract female engineers. *New York Times*, April 27.

Dominus, S. (2016). Rethinking the work-life equation. *New York Times*, February 25.

Zimmerman, E. (2017). The lawyer, the addict. *New York Times*, July 16.

Recommended Reading

Larsen, J.T. & McKibban, R. R. (2008). Is happiness having what you want, wanting what you have, or both? *Psychological Science*, 19, 371-377.

Oishi, S., Graham, J., Kesibir, S. & Costa Calinha, I. (2013). Concepts of happiness across time and cultures. *Personality and Social Psychology Bulletin*, 39, 559-577.

Recommended

Lyubomirsky, Sonja (2007). *The How of Happiness*. New York: Penguin.

McMahon, Darrin (2006). *Happiness: A History*. New York: Atlantic Monthly Press.

Diener, E. & Biswas-Diener, R (2008). *Happiness*. New York: Blackwell.

Gilbert, D. (2006). *Stumbling on Happiness*. New York: Knopf.

Duckworth, A. (2016). *Grit*. New York: Scribner.

Questions for Discussion

1. What are the “constrained” and “unconstrained” visions of human nature that Sowell discusses?
2. Which vision fits the workplaces you know, and in what way(s)?
3. Which vision fits the workplace you want?
4. “What does the economist economize on? The economist economizes on love.” What does this mean, and how does it relate to the two visions?
5. Which vision is true?
6. On what basis should compensation be awarded to employees? Market competition? Value added? Employee need? Employee character?
7. What is PERMA?
8. How do we weight the different components of PERMA?
9. Which aspects of PERMA should we expect to get from work?

10. Consider, especially the M in PERMA—meaning. What do we know about what “meaning” means? What does it take to make work meaningful?
11. Can well being be taught?
12. What is grit? How can it be measured? How important is it to the workplace? Can it be enhanced?
13. What are the effects of well being?
14. How do we resolve the tension between optimism and realism?
15. “Money can’t buy happiness.” What is the evidence?
16. From what we know about how people make decisions and evaluate the results of those decisions, to what extent do people’s decision-making patterns contribute to or impede their pursuit of happiness?
17. How important is happiness? Should we strive, as individuals and as societies, to enhance it? Does its importance depend on what we think it is?

Weeks 3, 4, and 5. Practical Wisdom

In these sessions, we will discuss practical wisdom: what it is, why we need it, and what threatens it. Week 3 will focus on elucidating practical wisdom and presenting some examples. Week 5 will focus on threats to wisdom. **In Week 4 (February 7), we will be visited by Adam Grant, Professor of Management at Wharton.**

Readings

Schwartz, B. & Sharpe, K. (2010). *Practical Wisdom: The Right Way to Do the Right Thing*. New York: Riverhead. Read Chapters 1-5 for Week 3 and Chapters 7-11 for Week 5.

Grant, A. & Schwartz, B. (2011). Too much of a good thing: The challenge and opportunity of the inverted-U. *Perspectives on Psychological Science*, 6, 61-76.

Harrington, J.R., Boski, P. & Gelfand, M. (2015). Culture and national well-being: Should societies emphasize freedom or constraint. *PLOS One*, 10. DOI:10.1371/journal.pone.0127173.

Gawande, A. The hot spotters. *New Yorker*, 2011.

Groopman, J. Dying words. *New Yorker*, 2002.

Rose, M. (2005) *The Mind at Work*. New York: Penguin. Ch. 2 (pp. 31-55).

Shanafelt, T.D., Dyrbye, L.N., & West, C.P. (2017). Addressing physician burnout: The way forward. *Journal of the American Medical Association*, February 9, 2017. doi:[10.1001/jama.2017.0076](https://doi.org/10.1001/jama.2017.0076)

Sloman, S. & Fernbach, P. (2017). *The Knowledge Illusion*. New York: Riverhead. Introduction and Chapters 1, 9,10,11. [For Week 4]

Popular Articles

Davidson, A. (2016). Managed by Q’s ‘Good Jobs’ gamble. *New York Times*, February 25.

Duhigg, C. (2016). What Google learned from its quest to build the perfect team. *New York Times*, February 25.

Questions for Discussion

1. What is practical wisdom and what are its component skills?
2. When and why is it essential?
3. What is the Aristotelian “mean”? What is the evidence that practical wisdom is needed to find the mean?
4. Grant and Schwartz argue that as a general matter, for many positive attributes, there can be too much of a good thing? What are some of their examples? What are the mechanisms they propose for causes of the inverted-U?
5. Is the relation between freedom/constraint and well-being also an inverted U? Where is the modern U.S. on this curve?
6. Is Jerome Groopman wise in his conversation with his patient? What are the signs of his wisdom and how does he do it?
7. How does practical wisdom contribute to the effectiveness of the practitioners in Gawande’s article?
8. What role does wisdom play in cutting and styling hair.
9. What is the “illusion of explanatory depth”?
10. What is the difference between a “known unknown” and an “unknown unknown”? How do we deal with the latter?
11. Why is it that “the less you know, the more you think you know”?
12. Sloman and Fernbach are arguing that the notion of individual genius, expertise and achievement is largely a myth? Do you buy their argument? If it is true, then what makes a good manager, a good team, a good organization?
13. Based on the Slomin and Fernbach arguments, why is modern politics such a knowledge disaster? Why are knowledge or belief “cocoon” so dangerous when it comes to developing real understanding?
14. “The best way to create good teams is to study teams and measure their performance, as teams.” What do you think of this idea? Is it ever implemented in practice? How does the Duhigg article about Google speak to this issue?
15. How does the Slomin and Fernbach article relate to what we’ve said, and what you’ve read about practical wisdom?
16. Too many rules are the enemy of moral skill. Be prepared to discuss.
17. Incentives are the enemy of moral will. Be prepared to discuss.
18. Consider your own profession. Does practical wisdom play a role in the work that you or others in your organization do? What role? How is it trained, or nurtured, or valued? What stands in its way?
19. “Practical wisdom is the key to happiness.” In light of our discussions at the beginning of the course, be prepared to discuss the relation between wisdom and happiness. Can you be happy without being wise?

Week 6. Incentives and Metrics

Readings

Schwartz, B. & Wrzesniewski, A. (in press). Reconceptualizing intrinsic motivation. In K. A. Renninger & S.E. Hidi (Eds.) *Cambridge Handbook on Motivation and Learning*. New York: Cambridge.

Kerr, S. (1995). On the folly of rewarding A while hoping for B. *The Academy of Management Executive*, 9, 7-14. [Originally published in *Academy of Management Journal*, 1975.]

Pfeffer, J. & Sutton, R. I. (2006). Do incentives drive company performance? In J. Pfeffer & R.I. Sutton, *Hard Facts, Dangerous Half-Truths, and Utter Nonsense*. Cambridge, MA: Harvard Business School Press. [Published as a Harvard Business School Press Case in 2007 (ISBN-13: 978-1-4221-2565-62565BC)].

Kiviniemi, M.T., Snyder, M., & Omoto, A.M. (2012). Too many of a good thing? The effects of multiple motivations on stress, cost, fulfillment, and satisfaction. *Personality and Social Psychology Bulletin*, 28, 732-743.

DeVoe, S.E. & Iyengar, S.S. (2010). Medium of exchange matters: What's fair for goods is unfair for money. *Psychological Science*, 21, 159-162.

Stroebe, W. (2016). Why good teaching evaluations may reward bad teaching: On grade inflation and other unintended consequences of student evaluations. *Perspectives on Psychological Science*, 11, 800-816.

Popular Articles

Sorkin, A. (2014). Banks cash in on inversion deals intended to elude taxes. *New York Times*, July 28.

Cole, D. (2014). How corrupt are our politics? *New York Review of Books*, September 25.

Kolhatkar, S. (2017). Is socially responsible capitalism losing. *New Yorker*, June 5.

Brooks, D. (2015). The moral bucket list. *New York Times*, April 11.

Wachter, R.M. (2016). How measurement fails doctors and teachers. *New York Times*, January 17.

Foroohar, R (2017). How big banks became our masters. *New York Times*, September 27.

Questions for Discussion

1. Is it possible to measure too much?
2. What are the limits of measurement when it comes to assessing doctors and teachers?
3. Is it possible to have standards without standardization? What are the risks of relying on the judgment of evaluators rather than on objective metrics?
4. How should rewards for success be distributed among the members of a group? What's so special about money?
5. What are Pfeffer and Sutton's arguments about the problems with incentives? What is their evidence?
6. If you were running an organization, how would you try to motivate your employees to perform at a high standard?

7. Haas cares about teaching quality. Based on the Stroebe article, critique the way Haas goes about assessing quality. Can you think of a better way? How would adopting a different means of assessing teaching change the Haas experience?
8. What effects does reliance on incentives have on employee autonomy, self-respect, and feeling of being trusted.
9. Why should two disparate reasons for doing something be less effective than just a single reason? Must motivational systems always be in competition, or do you think that when they are in competition, it is the product of poor design of the incentive system?
10. Can the notion of “motivational competition” help us understand tax inversions by companies and corruption by politicians? Can either of these problems be addressed by creating smarter incentives?
11. Why is “socially responsible capitalism losing”?
12. Brooks distinguishes “resume virtues” from “eulogy virtues.” How does his distinction relate to the idea of motivational competition?

Weeks 7 and 8. Jobs, Careers, Callings, and Job Crafting

These two meetings will focus on what makes work good. There will be two central ideas. One is the distinction between work as a “job,” work as a “career,” and work as a “calling.” We will be exploring which sort of work we want, and which sort contributes most to well-being. A central question we will be asking is whether work orientation is about the work, or about the worker, which leads to the second central idea—“job crafting.” Wrzesniewski and various collaborators offer the view that many jobs offer the possibility for people to turn bad work into good work, by crafting what they do. As part of our discussion of job crafting, you will be doing the job-crafting exercise listed in the readings below.

We will spend a good part of Week 8 discussing two cases and working through the job-crafting exercise. You will do much of the job crafting exercise in class, but you should come to Week 8 having already completed the “before” part of the exercise. **In Week 7 (February 28), we will be visited by Amy Wrzesniewski, Yale School of Management, to hear about “job crafting” straight from the source.**

Readings

Wrzesniewski, A., McCauley, C.R., Rozin, P. & Schwartz, B. (1997). Jobs, careers, and callings: People's relations to their work. *Journal of Research in Personality*, 31, 21-33.

Bunderson, J.S. & Thompson, J.A. (2009). The call of the wild: Zookeepers, callings, and the double-edged sword of deeply meaningful work. *Administrative Science Quarterly*, 54, 32-57.

Wrzesniewski, A. & Dutton, J.E. (2001). Crafting a job: Revisioning employees as active crafters of their work. *The Academy of Management Review*, 26, 179-201.

Berg, J.M., Wrzesniewski, A., & Dutton, J.E. (2010). Perceiving and responding to challenges in job crafting at different ranks. *Journal of Organizational Behavior*, 31, 158-186.

Wrzesniewski, A., Berg, J.M., & Dutton, J. E. (2010). Turning the job you have into the job you want. *Harvard Business Review*, June, 114-117.

Schwartz, B. & Wrzesniewski, A. (in press). Reconceptualizing intrinsic motivation. In K. A. Renninger & S.E. Hidi (Eds.) *Cambridge Handbook on Motivation and Learning*. New York: Cambridge. [Reread]

Case: Job crafting at Burt's Bees

Case: Crafting a meaningful job

Berg, J.M., Dutton, J.E., & Wrzesniewski, A. *Job Crafting Exercise*.

Popular Articles

Marino, G. (2014). A life beyond “do what you love.” *New York Times*, May 17.

Feintzeig, R. (2015). I don't have a job. I have a higher calling. Some employees balk as many firms—from motorcycles to accounting—step up talk about changing the world. *Wall Street Journal* (Online), February 25.

Questions for Discussion

1. What is the difference between a job, a career, and a calling?
2. Is a career more like a job or more like a calling?
3. Are there drawbacks to having a calling? If so, what are they? What problems do the zookeepers have?
4. What is the difference between “intrinsic motivation” and “extrinsic motivation” on the one hand and “internal motivation” and “instrumental motivation” on the other? Do callings require intrinsic motivation, internal motivation, or neither?
5. What is a “practice”? What does it take to be a “practitioner”?
6. What is job crafting? What are the different ways that people can craft their jobs?
7. Can all jobs be “crafted”? If not, what are the necessary conditions for job crafting?
8. How is the manner in which people craft their jobs affected by their position in an organization?
9. Is it always good to have a calling? What are the drawbacks of being called to the work you do?
10. Some cynics argue that “meaning and purpose” are bandied about by companies as a way for them to get away with paying employees less and working them harder? What do you make of this argument? How do we avoid having these work aspirations get corrupted by self-serving company leaders?

Week 9 and 10. Why We Work: Ideology

Readings

Sowell, (1988). *A Conflict of Visions*. New York: Morrow. Ch. 2 (18-39).

[Reread]

Schwartz, B. (2015). *Why We Work*. New York: Simon & Schuster.

Heath, C. (1999). On the social psychology of agency relationships: Lay theories of motivation overemphasize extrinsic incentives. *Organizational Behavior and Human Decision Processes*, 78, 25-62.

DeVoe, S.E. & Pfeffer, J. (2007). When time is money: The effect of hourly payment on the evaluation of time. *Organizational Behavior and Human Decision Processes*, 104, 1-13.

Kirchler, E., Kogler, C. & Muchlbacher, S. (2014). Cooperative tax compliance: From deterrence to deference. *Current Directions on Psychological Science*, 23, 87-92.

Adams, S. (2013). Unhappy employees outnumber happy ones by two To one worldwide. *Forbes*, October 10.

Meyer, D. (2006). *Setting the Table*. New York: HarperCollins. Chapters 7, 9, 11 (though I recommend the whole book, especially if you like food).

Popular Articles

Kuttner, R. (2014). Why work is more and more debased. *New York Review of Books*, October 23.

Irwin, N. (2014). A big safety net and strong job market can coexist. Just ask Scandinavia. *New York Times*, December 17.

Hagarty, B. (2016). Quit your job. *The Atlantic*, April.

Recommended Readings

Barley, S.R. & Kunda, G. (1999). Design and devotion: Surges in rational and normative ideologies of control in managerial discourse. *Administrative Science Quarterly*, 37, 363-399.

Petriglieri, G. & Petriglieri, J. (2015). Can business schools humanize leadership. Insead Working Paper, 2015/18/OBH.

Heslin, P.A., Latham, G.P., & VandeWalle, D. (2005). The effect of implicit person theories on performance appraisals. *Journal of Applied Psychology*, 90, 842-856.

Kohn, M.L. & Schooler, C. (1982). Job conditions and personality: A longitudinal assessment of their reciprocal effects. *American Journal of Sociology*, 87, 1257-1286.

DeVoe, S.E. & Pfeffer, J. (2010). The stingy hour: How accounting for time affects volunteering. *Personality and Social Psychology Bulletin*, 36, 470-483.

DeVoe, S.E., Lee, B.Y., & Pfeffer, J. (2010). Hourly versus salaried payment and decisions about trading time and money over time. *Industrial and Labor Relations Review*, 63, 627-640.

Gallup (2013). State of the Global Workplace.

Questions for Discussion

1. What is Sowell's distinction between "constrained" and "unconstrained" visions and how might it apply to the structuring of work?
2. What makes work good?
3. What are the obstacles to creating good work? Can any work be good work?
4. Jeffrey Pfeffer has said that wise employers should "hire for what they don't know how to train and then train what they do know how to train." How is this recommendation embodied by Danny Meyer? What do you think of the recommendation? What are the costs associated with following it?
5. What is ideology, as the term is used by Schwartz?

6. How is ideology reflected in the incentive structure and task structure that characterizes most work places?
7. DeVoe and Pfeffer suggest that the way in which people are paid shapes much more than just their attitude at work. What is their evidence? Those of you who have worked as consultants or in any occupation with “billable hours,” may have experienced what DeVoe and Pfeffer write about. Have you? How has it shaped or influenced your non-work life? Is it true that “time is money”?
8. What is Kuttner’s argument for why work gets worse and worse, and companies get more and more irresponsible? What could be done to reverse this trend?
9. What are the best and worst ways to get people and companies to pay their taxes?
10. Relate Heath’s findings to the concept of ideology? Why do you think most people overweight the significance of material incentives?
11. What are the mechanisms through which ideology exerts its effects?
12. The concept of ideology, construed most broadly, implies that there are real limits to what social science, as science, can discover. What are those limits and where do they operate? If you accept the concept of ideology, and that people are “unfinished animals,” what role remains for empirical social science to play in our efforts to understand human behavior and human organizations?

Written Assignments

There will be three written assignments. All should be submitted on bcourses.

Assignment 1 [Due February 5]. Write a four-page (double-spaced, 12-point) essay in response to *one* of the following prompts. Your essay should give evidence that you have done the reading.

1A. The best strategy for living a happy, satisfied life is to pursue wealth. Money is a proxy for just about everything else we want in life, and we can use it to purchase the things we care about.

1B. As the theory of rational choice assumes, people know what they want in life and how to get it. The best way to raise a society's "gross national happiness" is to maximize individual freedom of choice so that people can pursue what matters to them.

1C. Explicate the implications of PERMA for what kind of work one chooses, how one does it, and how it should be organized. What aspects of work satisfaction can the individual control and what aspects depend on the way work is structured.

1D. Organizational theorist Jeffrey Pfeffer has said that smart employers should hire for attributes that they don't know how to train and then train what they do know how to train even if it means that workers will not contribute much to the organization in the short run. Discuss this view in relation to what we now seem to know about happiness and its determinants.

Assignment 2 [Due March 5]. Write three-page essays in response to each of *two* of the following prompts. Your answers should make specific reference to relevant material in the reading. If you discuss materials from outside the syllabus, cite the references.

2A. Consider your own workplace, or if you don't have a workplace, your own industry, and answer the following questions about it: What aspects of successful performance require wisdom (be specific)? What aspects of structure and standard operating procedure impede the development and display of wisdom? How can those elements be changed? What are the obstacles to change?

2B. Can people be too smart, too motivated, too collaborative, too creative, too experienced, too principled? Grant & Schwartz make an argument for an "inverted-U" that describes the relation between many (most?) human attributes and successful performance. Explain their argument and then apply it to a workplace or an industry that you know well. What steps can be taken to keep yourself and your colleagues in the "sweet spot" of the inverted-U? Be specific.

2C. Excessive standardization is the enemy of wisdom. Consider your own workplace or industry. Can you create "standards without standardization"? If so, what would they be

like? How would you handle concerns among employees that standards are not being fairly or uniformly applied?

2D. What is the “knowledge illusion”? How can we overcome it, according to Sloman and Fernbach? What role might practical wisdom play in overcoming the knowledge illusion?

Assignment 3 [Due April 2]. Write three-page essays in response to each of *two* of the following prompts. Your answers should make specific reference to relevant material in the reading. If you discuss materials from outside the syllabus, cite the references.

3A. What is motivational competition? What is the evidence that it can occur? How does it relate to the distinction between intrinsic motivation and extrinsic motivation?

3B. “The way to turn bad work into good work is to change people’s attitudes toward the work that they do.” Critically evaluate this claim.

3C. “Incentives sometimes have perverse effects but this is not in the nature of incentive systems. It just shows that people create dumb incentives. Smart incentives will enable you to motivate people to do the kind of work you want them to do.” Critically evaluate this claim.

3D. “Science progresses by stating bold hypotheses and then testing and revising them by collecting the relevant data. On any scientific question, the data ultimately decide.” Evaluate this claim. Is it applicable to the sciences of human nature? If not, why not? If not, what standards should we use to evaluate claims about human nature?

3E. Our discussion of both “good work” and “wise work” reserves a central place for the meaning and purpose of the work people do—for what Aristotle would call the *telos* of the work. Consider your own workplace or industry. What is its *telos*? What should be its *telos*? What obstacles stand in the way of pursuing the proper *telos*? How might those obstacles be overcome?

3F. “It is in the inherent interest of every man to live as much at his ease as he can; and if his emoluments are to be precisely the same whether he does or does not perform some very laborious duty, to perform it in as careless and slovenly a manner that authority will permit.”
— Adam Smith (1776)

Comment. Where was Smith right and where was he wrong?

Grading

Assignment 1: 30%

Assignment 2: 35%

Assignment 3: 35%

*Note: **Class participation is not a part of your grade.** For reasons that I hope will become clear in class, I think required class participation is bad pedagogy (despite it being a commonplace at Haas and at business schools more generally). That said, the class will very much depend on your participation. You have an obligation to your fellow students, to me, and most of all to yourself to bring your mind as well as your body to class. Each of us has plenty to learn from other people, and each of us has plenty to teach other people. I will not “cold call” on people, but I’m counting on you to be active participants throughout each class meeting.*