

15.394

**Designing and Leading the
Entrepreneurial Organization**



MIT Sloan School of Management

Agenda



- ❖ Project Proposals
- ❖ HUMAX Assessment
- ❖ Jerry Sanders Case
 - ❖ Medical Device Industry Context
 - ❖ X-Cardia
 - ❖ Networks
 - ❖ Influence Tactics
 - ❖ San Francisco Science

Social Networks



- ❖ Cultivating and maintaining networks
- ❖ Using networks to create entrepreneurial opportunity
- ❖ Analyzing your network

QUESTION:

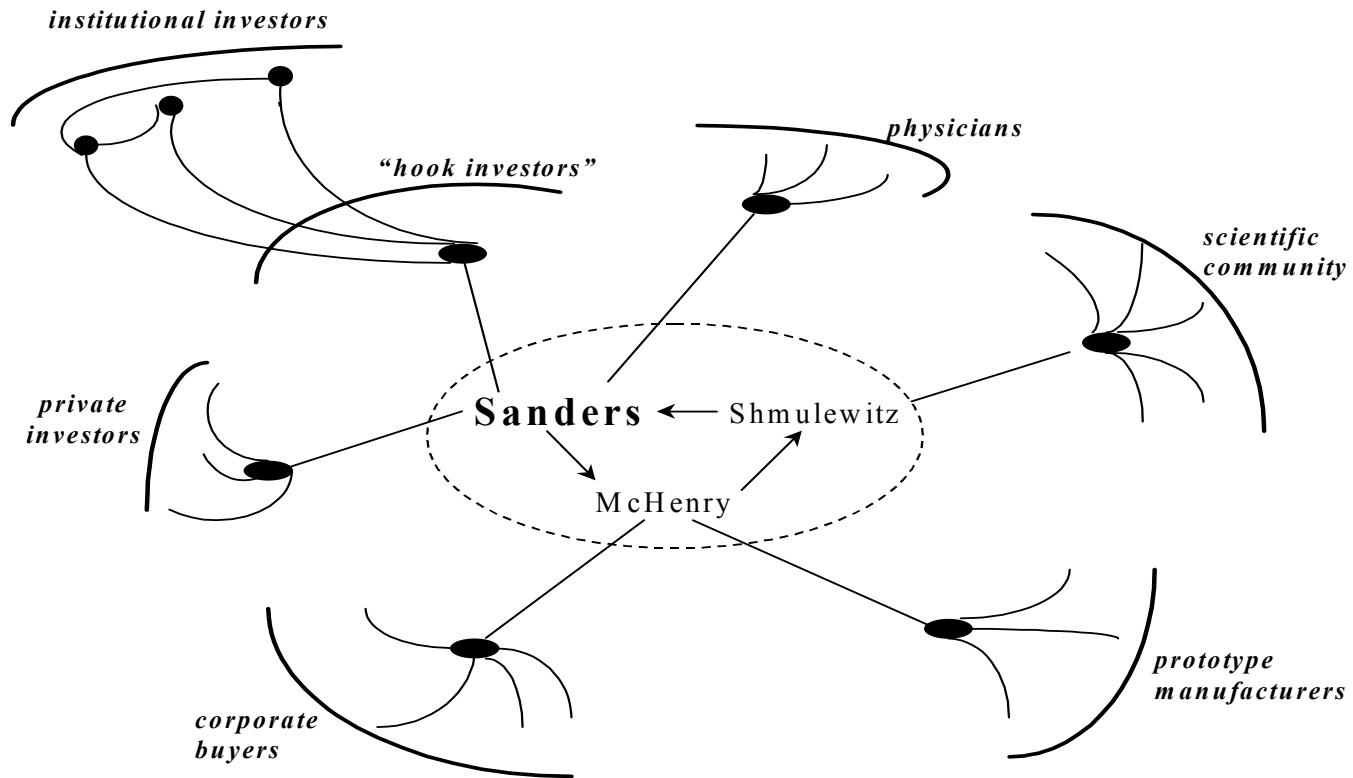
Are “social networks” and “social capital” the same thing?

Case Discussion



Jerry Sanders

Network Structure



Sources of Power



Positional Power

- ✦ Information
- ✦ Access
- ✦ Resources
- ✦ Brokerage
- ✦ Niche

Personal Power

- ✦ Attractive
- ✦ Energetic
- ✦ Socially skilled
- ✦ Articulate
- ✦ Astute
- ✦ Effective

Six Principles of Influence

Robert Cialdini



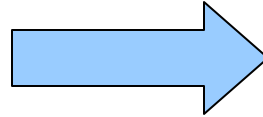
- ❖ Friendship
- ❖ Reciprocity
- ❖ Authority
- ❖ Social Validation
- ❖ Commitment
- ❖ Scarcity

Robert B. Cialdini
Influence: Science and Practice, 4th Edition.
(2001) Allyn and Bacon

Six Principles of Influence

Robert Cialdini

❖ **Friendship**



Similarity

❖ Reciprocity

Attractiveness

❖ Authority

❖ Social Validation

❖ Commitment

❖ Scarcity

Tupperware Parties

Six Principles of Influence

Robert Cialdini

❖ Friendship

❖ **Reciprocity**



Exchange
Obligation

❖ Authority

❖ Social Validation

❖ Commitment

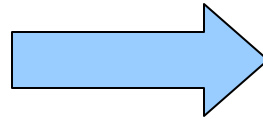
❖ Scarcity

Spare Change

Six Principles of Influence

Robert Cialdini

- ❖ Friendship
- ❖ Reciprocity
- ❖ **Authority**
- ❖ Social Validation
- ❖ Commitment
- ❖ Scarcity



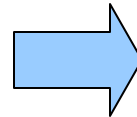
Obedience
Deference

Milgram

Six Principles of Influence

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- ❖ Friendship
- ❖ Reciprocity
- ❖ Authority
- ❖ **Social Validation**
- ❖ Commitment
- ❖ Scarcity



Contagion
Uncertainty

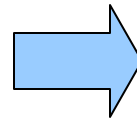
Good Samaritan

Six Principles of Influence

Robert Cialdini



- ❖ Friendship
- ❖ Reciprocity
- ❖ Authority
- ❖ Social Validation
- ❖ **Commitment**
- ❖ Scarcity



Consistency
Identity

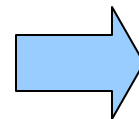
Fraternity Hazing

Six Principles of Influence

Robert Cialdini



- ❖ Friendship
- ❖ Reciprocity
- ❖ Authority
- ❖ Social Validation
- ❖ Commitment
- ❖ **Scarcity**



Rare = Valuable

Limited Editions