

NANO TOOLS FOR LEADERS®

YOUR ORGANIZATION'S UNWRITTEN RULES—HOW TO FIX THEM

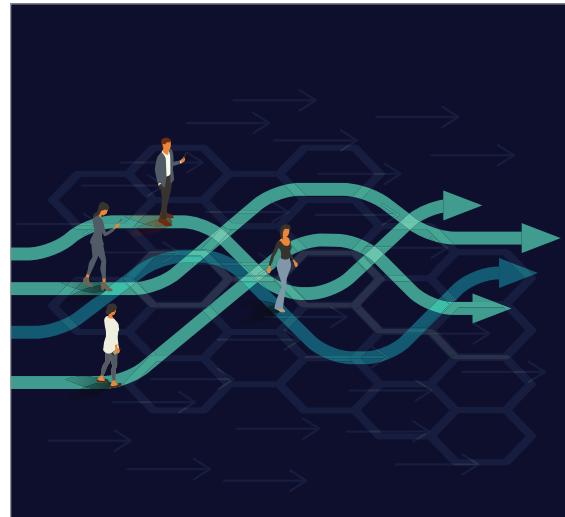
Nano Tools for Leaders® are fast, effective leadership tools that you can learn and start using in less than 15 minutes—with the potential to significantly impact your success as a leader and the engagement and productivity of the people you lead.

GOAL

Apply the Three Es—Efficiency, Equity, and Ease—to redesign the hidden markets that shape opportunity in your organization.

NANO TOOL

Every organization operates hidden markets: systems that decide who gets what—access to resources, visibility, promotions, or time. These systems are often relics of history or convenience rather than deliberate design. Instead of accepting them as settled matters, leaders can act as *market designers* by examining and improving these systems using the Three Es: efficiency, equity, and ease.



ACTION STEPS

1. Identify the Hidden Market.

Look for any process where scarce organizational resources are distributed without pricing, such as access to your calendar, project assignments, or leadership attention. Ask: *Who benefits most from the current rules, and why?*

2. Assess for Efficiency.

Determine whether your system allocates resources where they have the greatest impact. Are projects staffed by those best equipped to succeed, or by those who volunteer first? Are meetings filling your calendar because of real value, or because of inertia?

3. Evaluate for Equity.

Consider whether opportunities are fairly accessible. Does everyone understand how to earn visibility, advancement, or funding? If only insiders know how to "play," you've built a system that rewards familiarity over merit.

4. Simplify for Ease.

A well-designed system should be transparent and simple enough that everyone can use it without gaming it. If people spend more time navigating bureaucracy than doing their jobs, redesign the rules for clarity and usability.

5. Redesign and Communicate.

Replace unspoken, inherited rules with explicit, intentional ones. Make access criteria visible. As Judd Kessler notes in discussing his book *Lucky by Design*, "When rules are hidden, those who figure them out first always have an advantage. That's inherently unfair." Transparency is the foundation of both trust and performance.

HOW ORGANIZATIONS USE IT

Wharton's **Course Match** system—co-designed by Kessler—illustrates the Three Es in action. MBA students once bid points in a complex multi-round auction for classes, which often rewarded those who best understood the game, were willing to speculate, and who were strategic in how they bid, rather than those with the strongest preferences. Course Match replaced that system and uses an algorithm that allows students to value courses honestly and identify substitutes or complements (for example, choosing between accounting classes or combining accounting and entrepreneurship). The result: higher satisfaction, fairer outcomes, and dramatically fewer complaints about gaming the system. The tool now powers course selection at Wharton and more than a dozen other professional schools.

The same market-design logic underpins large-scale systems such as the **National Resident Matching Program**, which pairs new doctors with hospitals, and the **New York City public-school admissions process**. Both use mechanisms that let participants state their true preferences without needing insider knowledge to succeed. In each case, transparency replaces confusion, and equitable outcomes replace luck or favoritism.

Unilever uses InnerMobility, an internal talent marketplace that matches employees to internal roles and projects based on skills, interests, and career goals. The idea is to let people "bid" or signal interest in opportunities across the organization rather than relying on manager referrals or hierarchy. InnerMobility helps break down silos, increase internal mobility, and allocate human capital more efficiently. It helped Unilever unlock more than 60,000 hours of work and saw increased employee development, engagement, and satisfaction. The marketplace has now been rolled out to 30,000 Unilever employees across 90+ countries.

KNOWLEDGE IN ACTION: RELATED EXECUTIVE EDUCATION PROGRAMS

[Becoming a Leader of Leaders: Pathways for Success](#)

[Leading and Managing People: Strategies for a Changing Workforce](#)

[Executive Development Program](#)

CONTRIBUTOR

Judd Kessler, PhD, Professor of Business Economics and Public Policy, The Wharton School; author of *Lucky by Design: The Hidden Economics You Need to Get More of What You Want* (Little Brown Spark, 2025), on which this Nano Tool is based.

ABOUT NANO TOOLS

Nano Tools for Leaders® was conceived and developed by Deb Giffen, MCC, Director of Innovative Learning Solutions at Wharton Executive Education. It is jointly sponsored by Wharton Executive Education and Wharton's Center for Leadership and Change Management, Michael Useem, Director. Nano Tools Academic Director is Professor John Paul MacDuffie, Professor of Management at the Wharton School and Director of the Program on Vehicle and Mobility Innovation (PVTI) at Wharton's Mack Institute for Innovation Management.