MAN 390.5: Seminar in Organizational Theory and Design

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Wednesday 2p – 5p CBA 4.204

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Course Description

The primary objective of this doctoral seminar is to survey the major theoretical perspectives and issues studied in organizational theory (OT) research. Formal organizations and organizing processes are ubiquitous in modern society. They dominate most facets of modern social life; education, employment, family, recreation, religion, and politics. Organization theory provides a set of theoretical approaches explain how organizations form, survive, grow, change, compete, interact, influence, and generally manage problems internal and external to their boundaries. The field of organizational theory has a rich history and tradition but is also constantly changing as new developments in markets and societies challenge our understanding about how organizations work. Each session in this course provides students with an introductory exposure to classical, neoclassical, and modern theories of organizational theory covering both theoretical and empirical work.

The course is organized as a seminar. Students will be responsible for completing all of the assigned readings and being prepared for general discussions about the session topic as well as in-depth discussion about assigned articles. Students will be required to submit summarized discussion questions in advance of each class. To facilitate adequate preparation, the number of readings for each session have purposely been kept small.

Course Schedule

Session	Subject
1	Introduction to Organization Theory
2	Rational System Approach
3	Natural Systems Approach
4	Open Systems Perspective
5	Contingency Theory
6	Carnegie School Approach
7	Neo-Institutional Theory
8	Institutional Change & Social Movements
9	Organizational Ecology and Evolutionary Perspectives
10	Power and Politics
11	Structure of Markets: Organizational Economics
12	Economic Action and Social Structure
13	Social Construction of Markets
14	Legitimacy, Status and Reputation
15	Organizational Learning

Course Prerequisites
This course is open to Ph.D. students from all department in the University. Master's students who want to take the course must obtain the instructor's permission.

Course Materials
Articles and book selections not available online through the University Library will be included in the course packet.

Assignments
A central aspect of this course will be to socialize students to the journal submission and review process. Approximately two-thirds through the semester, each student will submit a research manuscript for double-blind peer review where each student serves as a reviewer for a fellow classmate's paper. Students will be graded on the quality of the review they write as well as the quality of their own revised manuscript with accompanied response letter. Each student will also be required to hand in one short (2 page single-spaced) article critique on or before the 7th class session. The overall course grade will be based on the following rubric:

Article Critique (10%) - One short critique of an empirical article assigned for class discussion. Two page single-space maximum. The critique should:

(1) Summarize the question the author is trying to answer
(2) Briefly describe the model the author uses to answer the research question
(3) Discuss appropriateness of author's methodology
(4) Evaluate author's conclusions
(5) Provide suggestions for improvement of manuscript

Individual Paper and Response Letter (40%) – Students will be required to write a research paper related to one or more of the topics covered in class. Students are encouraged to tailor this assignment to their own research interests. To this end, I am flexible regarding the format of this paper. It can be the "front end" of a full research paper (i.e. introduction, literature review, hypothesis development, proposed methodology), it can be a full research paper with analysis and conclusions, or it can be a theory paper. Regardless of format, the paper **should not exceed 20 pages** double-spaced (excluding title page, references, tables, and figures), and be should be formatted based on the *Academy of Management Journal* style guidelines (see: http://www.aom.pace.edu/amj/style_guide.pdf). The initial paper submission will not be graded. Students will be graded on the quality of the revised version (which should incorporate reviewer comments), and the accompanying response letter detailing how you responded to each comment and/or why you elected not to adopt a particular suggestion.

Manuscript Review (20%) – Each student is responsible for providing a quality review of a term paper submitted to the blind review process. Each review is limited to two single-spaced pages.

Class preparation and participation (30%) – Since class discussion is a vital component to this course, each student is required to come prepared to class. Unexcused absences and unpreparedness are unacceptable. Preparation involves reading all of the assignments and preparing discussion questions for class. Discussion question should be e-mailed to the entire class, including me, 24 hours before class starts.

Reading List

Students are responsible for getting hold of the required reading journal articles. They should be available via online databases (e.g. JStor) through the UT library. All the required readings that come from books are available as part of the course packet at the Co-op.

There are no required books for the course but there are two that I would suggest for any serious students of organizational theory. Several of the course readings come from these books:

Scott, W. and G. Davis (2007). Organizations and organizing: Rational, natural, and open system perspectives, Pearson Prentice Hall.

Perrow, C. (1986). Complex Organizations: A Critical Essay. New York, Random House.

Readings with an * are required, all others are optional

1. Introduction to Organizational Theory

*Astley, W. G. & Van de Ven, A. H. 1983. Central perspectives and debates in organization theory. Administrative Science Quarterly, 28: 245-273.

*Davis, G. F. & Marquis, C. 2005. Prospects for organization theory in the early twenty-first century: Institutional fields and mechanisms. Organization Science, 16(4): 332-343.

*Hinings, C. R. & Greenwood, R. 2002. ASQ Forum: Disconnects and consequences in organizational theory? Administrative Science Quarterly, 47(3): 411.

*Huber, G. P. 2010. Organizations: Theory, Design, Future. In S. Zedeck (Ed.), APA Handbook of Industrial and Organizational Psychology, Vol. 1: 117-160: American Psychological Association.

Astley, W. G. 1985. Administrative Science as Socially Constructed Truth. Administrative Science Quarterly, 30(4): 497-513.

Stinchcombe, A. L. 1982. Should Sociologists Forget Their Mothers and Fathers. The American Sociologist, 17(1): 2-11.

2. Rational Systems Perspective

*Scott, W. & Davis, G. 2007. Organizations as Rational Systems, Organizations and organizing: Rational, natural, and open system perspectives: 35-58. Upper Saddle River: Pearson Prentice Hall.

*Stinchcombe, A. L. 1959. Bureaucratic and craft administrations of production: A comparative study. Administrative Science Quarterly, 4(2): 168-187.

*Miner, J. B. 2006. The Theory of Bureaucracy, Organizational behavior 2. Essential theories of process and structure: 255-266. Armonk, N.Y.: M.E. Sharpe.

Udy, S. 1959. Bureaucracy and rationality in Weber's organizational theory. American Sociological Review, 8: 591-595.

Perrow, C. 1986. Why Bureacracy?, Complex Organizations: A Critical Essay: 1-48. New York: Random House.

3. Natural Systems Perspective

*Scott, W. & Davis, G. 2007. Organizations as Natural Systems, Organizations and organizing: Rational, natural, and open system perspectives: 59-86. Upper Saddle River: Pearson Prentice Hall.

*Barnard, C. I. 1938. The theory and structure of formal organizations, The functions of the executive: 65-114. Cambridge,: Harvard University Press.

*Gouldner, A. W. 1954. Patterns of industrial bureaucracy: Chapters 1-3. Glencoe, Ill.,: Free Press.

Selznick, P. 1957. Leadership in administration; a sociological interpretation: 1-100. Evanston, Ill.,: Row Peterson.

4. Open Systems Perspective

*Aldrich, H. E. & Pfeffer, J. 1976. Environments of Organizations. Annual Review of Sociology, 2: 79-105.

*Scott, W. & Davis, G. 2007. Organizations as Open Systems, Organizations and organizing: Rational, natural, and open system perspectives: 87-106. Upper Saddle River: Pearson Prentice Hall.

*Thompson, J. D. 1967. Organizations in action; social science bases of administrative theory: 1-98. New York: McGraw-Hill.

Baron, J. N., Dobbin, F. R., & Jennings, P. D. 1986. War and peace: the evolution of modern personnel administration in U.S. industry. American Journal of Sociology, 92: 350-383.

Stern, R. N. & Barley, S. R. 1996. Organizations and Social Systems: Organization Theory's Neglected Mandate. Administrative science quarterly, 41(1): 17.

5. Contingency Theory

*Child, J. 1972. Organizational Structure, Environment and Performance: The Role of Strategic Choice. Sociology, 6(1): 1-22.

*Lawrence, P. R. & Lorsch, J. W. 1967. Differentiation and integration in complex organizations. Administrative Science Quarterly: 1-47.

*Zajac, E. J. & Kraatz, M. S. 2000. Modeling the Dynamics of Strategic Fit: A Normative Approach to Strategic Change. Strategic Management Journal, 21(4): 429.

*Miner, J. B. 2006. Contingency Theory of Organizations - Differentiation and Integration, Organizational behavior 2. Essential theories of process and structure: 226-251. Armonk, N.Y.: M.E. Sharpe.

Birkinshaw, J., Nobel, R., & Ridderstrale, J. 2002. Knowledge as a contingency variable: Do the characteristics of knowledge predict organization structure? Organization Science, 13(3): 274-289.

Donaldson, L. 1995. Structural contingency theory of organizational adaptation, American anti-management theories of organization : a critique of paradigm proliferation: 32-41. Cambridge ; New York: Cambridge University Press.

6. Carnegie School Approach

*March, J. G. & Simon, H. A. 1958. Cognitive limits on rationality, Organizations: 157-192. Cambridge, Mass: Blackwell.

*Cyert, R. M. & March, J. G. 1963. A Summary of Basic Concepts in the Behavioral Theory of the Firm, A behavioral theory of the firm: 161-176. Englewood Cliffs: Prentice-Hall.

*Cohen, M. D., March, J. G., & Olsen, J. P. 1972. A Garbage Can Model of Organizational Choice. Administrative Science Quarterly, 17(1): 1-25.

*Gavetti, G., Levinthal, D., & Ocasio, W. 2007. Perspective - Neo-Carnegie: The Carnegie School's Past, Present, and Reconstructing for the Future. Organization Science, 18(3): 523-536.

*Simon, H. A. 1947. Administrative behavior : a study of decision-making processes in administrative organization: Chapters 4-5. New York: Macmillan.

7. Neo-Institutional Theory

*Meyer, J. W. & Rowan, B. 1977. Institutionalized Organizations: Formal Structure as Myth and Ceremony. American Journal of Sociology, 83(2): 340-363.

*DiMaggio, P. & Powell, W. W. 1983. The iron cage revisited: institutional isomorphism and collective rationality in organizational fields. American Sociological Review, 48: 147-160.

*DiMaggio, P. & Powell, W. W. 1991. Introduction. In W. W. Powell & P. DiMaggio (Eds.), The New Institutionalism in Organizational Analysis: 1-38. Chicago: University of Chicago Press.

*Kraatz, M. S. & Zajac, E. J. 1996. Exploring the limits of the new institutionalism: the causes and consequences of illegitimate organizational change. American Sociological Review, 61: 812-836.

*Tolbert, P. S. & Zucker, L. G. 1983. Institutional Sources of Change in the Formal Structure of Organizations: The Diffusion of Civil Service Reform, 1880-1935. Administrative Science Quarterly, 28(1): 22.

Lawrence, T. & Suddaby, R. 2006. Institutions and institutional work. Handbook of organization studies, 2: 215-254.

Hirsch, P. M. & Lounsbury, M. 1997. Ending the family quarrel: toward a reconciliation of "old" and "new" institutionalisms. The American Behavioral Scientist, 40: 406-418.

Scott, W. R. 1987. The Adolescence of Institutional Theory. Administrative Science Quarterly, 32(4): 493-511.

8. Institutional Change & Social Movements

*Brint, S. & Karabel, J. 1991. Institutional Origins and Transformations: The Case of American Community Colleges. In P. DiMaggio & W. W. Powell (Eds.), The New institutionalism in organizational analysis: 337-360. Chicago: University of Chicago Press.

*Hirsch, P. M. 1986. From Ambushes to Golden Parachutes: Corporate Takeovers as an Instance of Cultural Framing and Institutional Integration. American Journal of Sociology, 91(4): 800-837.

*Leblebici, H., Salancik, G. R., Copay, A., & King, T. 1991. Institutional change and the transformation of interorganizational fields: An organizational history of the U.S. radio broadcasting industry. Administrative Science Quarterly, 36(3): 333.

*Hargadon, A. B. & Douglas, Y. 2001. When Innovations Meet Institutions: Edison and the Design of the Electric Light. Administrative Science Quarterly, 46(3): 476.

*Clemens, E. S. 1993. Organizational Repertoires and Institutional Change: Women's Groups and the Transformation of U.S. Politics, 1890-1920. American Journal of Sociology, 98(4): 755-798.

Greenwood, R. & Suddaby, R. 2006. Institutional Entrepreneurship in Mature Fields: The Big Five Accounting Firms. Academy of Management Journal, 49(1): 27-48.

Kellogg, K. C. 2009. Operating Room: Relational Spaces and Microinstitutional Change in Surgery. American Journal of Sociology, 115(3): 657-711.

9. Ecological and Evolutionary Perspectives

*Stinchcombe, A. L. 1965. Organizations and social structure. In J. G. March (Ed.), Handbook of Organizations: 153-193. Chicago: Rand McNally & Company.

*Hannan, M. T. & Freeman, J. 1977. The Population Ecology of Organizations. American Journal of Sociology, 82(5): 929-964.

*Carroll, G. R. & Swaminathan, A. 2000. Why the microbrewery movement? Organizational dynamics of resource partitioning in the US brewing industry. American Journal of Sociology, 106(3): 715-762.

*Aldrich, H. & Ruef, M. 2006. The Evolutionary Approach, Organizations Evolving, 2nd ed.: 16-33. London: Sage Publications.

*Murmann, J. P., Aldrich, H., Levinthal, D. A., & Winter, S. 2002. Evolutionary Thought in Management and Organization Theory at the Beginning of the New Millennium: A symposium about the state of the art and opportunities for future research. Journal of Management Inquiry, 12(1): 1-19.

Hannan, M. T. & Freeman, J. 1987. The Ecology of Organizational Founding: American Labor Unions, 1836-1985. American Journal of Sociology, 92(4): 910-943.

Astley, W. G. 1985. The Two Ecologies: Population and Community Perspectives on Organizational Evolution. Administrative Science Quarterly, 30(2): 224-241.

Freeman, J. H. & Audia, P. G. 2006. Community ecology and the sociology of organizations. Annual Review of Sociology, 32: 145-169.

Rao, H. & Neilsen, E. H. 1992. An Ecology of Agency Arrangements: Mortality of Savings and Loan Associations, 1960-1987. Administrative Science Quarterly, 37(3): 448-470.

10. Power and Politics in Organizations

*Emerson, R. M. 1962. Power-Dependence Relations. American Sociological Review, 27(1): 31-41.

*Pfeffer, J. & Salancik, G. 1978. The External Control of Organizations: 113-187. New York: Harper and Row.

*Fligstein, N. 1996. Markets as politics: a political-cultural approach to market institutions. American Sociological Review, 61: 656-673.

*Dacin, M. T. 1997. Isomorphism in Context: The Power and Prescription of Institutional Norms. Academy of Management Journal, 40(1): 46-81.

*Thornton, P. H. & Ocasio, W. 1999. Institutional logics and the historical contingency of power in organizations: executive succession in the higher education publishing industry, 1958-1990. American Journal of Sociology, 105(3): 801-843.

*Casciaro, T. & Piskorski, M. J. 2005. Power imbalance, mutual dependence, and constraint, absorption: A close look at resource dependence theory. Administrative Science Quarterly, 50(2): 167-199.

Morrill, C., Zald, M. N., & Rao, H. 2003. Covert Political Conflict in Organizations: Challenges from Below. Annual Review of Sociology, 29: 391-415.

Lachman, R. 1989. Power from What? A Reexamination of Its Relationships with Structural Conditions. Administrative Science Quarterly, 34(2): 231-251.

Ocasio, W. & Kim, H. 1999. The Circulation of Corporate Control: Selection of Functional Backgrounds of New CEOs in Large U.S. Manufacturing Firms, 1981-1992. Administrative Science Quarterly, 44(3): 532-562.

11. Organizational economics and market exchange

*Coase, R. H. 1937. Nature of the Firm. Economica, 4: 386-405.

*Alchian, A. A. & Demsetz, H. 1972. Production, Information Costs, and Economic Organization. The American Economic Review, 62(5): 777-795.

*Williamson, O. E. 1981. The Economics of Organization: The Transaction Cost Approach. American Journal of Sociology, 87(3): 548-577.

*Williamson, O. E. 1991. Comparative economic organization: The analysis of discrete structural alternatives. Administrative Science Quarterly, 36(2): 269.

*Ghoshal, S. & Moran, P. 1996. Bad for Practice: A Critique of the Transaction Cost Theory. Academy of Management Review, 21(1): 13-47.

*Hesterly, W. S., Liebeskind, J., & Zenger, T. R. 1990. Organizational Economics: An Impending Revolution in Organization Theory? The Academy of Management Review, 15(3): 402-420.

*David, R. J. & Han, S.-K. 2004. A Systematic Assessment of the Empirical Support for Transaction Cost Economics. Strategic Management Journal, 25(1): 39.

Lazerson, M. H. 1988. Organizational Growth of Small Firms: An Outcome of Markets and Hierarchies? American Sociological Review, 53(3): 330-342.

Langlois, R. N. 1992. Transaction-cost Economics in Real Time. Industrial & Corporate Change, 1(1): 99-127.
Zajac, E. J. & Olsen, C. P. 1993. From Transaction Cost to Transactional Value Analysis - Implications for the Study of Interorganizational Strategies. Journal of Management Studies, 30(1): 131-145.

12. Economic Action and Social Structure

*Burt, R. S. 1992. Structural holes : the social structure of competition: Chapters 1-3. Cambridge, Mass.: Harvard University Press.

*Granovetter, M. 1985. Economic action and social structure: the problem of embeddedness. American Journal of Sociology, 91: 481-510.

*Uzzi, B. 1997. Social structure and competition in interfirm networks: The Paradox of embeddedness. Administrative Science Quarterly, 42: 35-67.

*Lazerson, M. 1995. A new phoenix? Modern putting-out in the Modena knitwear industry. Administrative Science Quarterly, 40: 34-59.

*Westphal, J. D., Gulati, R., & Shortell, S. M. 1997. Customization or Conformity? An Institutional and Network Perspective on the Content and Consequences of TQM Adoption. Administrative Science Quarterly, 42(2): 366-394.

*Davis, G. F. 1991. Agents without principles? the spread of the poison pill through the intercorporate network. Administrative Science Quarterly, 36: 583-613.

Healy, K. 2000. Embedded Altruism: Blood Collection Regimes and the European Union's Donor Population. American Journal of Sociology, 105(6): 1633-1657.

Gulati, R. & Gargiulo, M. 1999. Where do interorganizational networks come from? American Journal of Sociology, 104(5): 1439-1493.

Gulati, R. 1998. Alliances and networks. Strategic Management Journal, 19(4): 293.

13. Symbolic Management and the Social Construction of Value in Markets

*Abolafia, M. Y. & Kilduff, M. 1988. Enacting Market Crisis: The Social Construction of a Speculative Bubble. Administrative Science Quarterly, 33(2): 177.

*Granovetter, M. 1992. Economic institutions as social constructions: a framework for analysis. Acta Sociologica, 35(1): 3-11.

*Pollock, T. G. & Rindova, V. P. 2003. Media legitimation effects in the market for initial public offerings. Academy of Management Journal, 46(5): 631-642.
*Zajac, E. J. & Westphal, J. D. 2004. The Social Construction of Market Value: Institutionalization and Learning Perspectives on Stock Market Reactions. American Sociological Review.

*Zuckerman, E. W. 2004. Towards the Social Reconstruction of an Interdisciplinary Turf War. American Sociological Review, 69(3): 458-465.

*Zajac, E. J. & Westphal, J. D. 2004. Should Sociological Theories Venture into "Economic Territory?" Yes! American Sociological Review, 69(3): 466-471.

Khaire, M. & Wadhwani, R. D. 2010. Changing landscapes: The construction of meaning and value in a new market category—Modern Indian art. Academy of Management Journal, 53(6): 1281-1304.

Mortorana, P. & Hirsch, P. M. 2001. The Social Construction of Overtime. In S. Vallas (Ed.), Transformations of Work: 165-187. New York: JAI Press.

Rindova, V. P. & Fombrun, C. J. 1999. Constructing competitive advantage: The role of firm-constituent interactions. Strategic Management Journal, 20(8): 691-710.

14. Organizational Legitimacy, Status & Reputation

*Suchman, M. C. 1995. Managing Legitimacy: Strategic and Institutional Approaches. Academy of Management Review, 20(3): 571-610.

*Podolny, J. M. 1993. A status-based model of market competition. American Journal of Sociology, 98: 829-872.

*Podolny, J. M. 1994. Market uncertainty and the social character of economic exchange. Administrative Science Quarterly, 39(3): 458.

*Han, S. K. 1994. Mimetic Isomorphism and Its Effect on the Audit Services Market. Social Forces, 73(2): 637-663.

*Rao, H. 1994. The social construction of reputation: Certification contests, legitimation, and the survival. Strategic Management Journal, 15(8): 29.

*Phillips, D. J. & Zuckerman, E. W. 2001. Middle-Status Conformity: Theoretical Restatement and Empirical Demonstration in Two Markets. American Journal of Sociology, 107(2): 379-429.

*Rindova, V., Williamson, I., Petkova, A., & Sever, J. 2005. Being good or being known: An empirical examination of the dimensions, antecedents, and consequences of organizational reputation. Academy of Management Journal, 48(6): 1033.

*Washington, M. & Zajac, E. J. 2005. Status Evolution and Competition: Theory and Evidence. Academy of Management Journal, 48(2): 281-296.

Suddaby, R. & Greenwood, R. 2005. Rhetorical strategies of legitimacy. Administrative Science Quarterly, 50(1): 35-67.

Gould, R. V. 2002. The Origins of Status Hierarchies: A Formal Theory and Empirical Test. American Journal of Sociology, 107(5): 1143-1178.

Lounsbury, M. 2002. Institutional Transformation and Status Mobility: The Professionalization of the Field of Finance. The Academy of Management Journal, 45(1): 255-266.

15. Organizational Learning

*Cohen, W. M. & Levinthal, D. A. 1990. Absorptive capacity: A new perspective on learning and innovation. Administrative Science Quarterly, 35(1): 128.

*Darr, E. D. & Argote, L. 1995. The acquisition, transfer, and depreciation of knowledge. Management Science, 41(11): 1750.

*Haunschild, P. R. & Sullivan, B. N. 2002. Learning from Complexity: Effects of Prior Accidents and Incidents on Airlines' Learning. Administrative Science Quarterly, 47(4): 609-643.

*Henderson, A. D. & Stern, I. 2004. Selection-based learning: The coevolution of internal and external selection in high-velocity environments. Administrative Science Quarterly, 49(1): 39-75.

*March, J. G. 1991. Exploration and Exploitation in Organizational Learning. Organization Science, 2(1): 71.

*Simon, H. A. 1991. Bounded Rationality and Organizational Learning. Organization Science, 2(1): 125.

Abrahamson, E. & Fairchild, G. 1999. Management Fashion: Lifecycles, Triggers, and Collective Learning Processes. Administrative Science Quarterly, 44(4): 708.

Henderson, R. M. & Clark, K. B. 1990. Architectural Innovation: The Reconfiguration of Existing Product Technologies and the Failure of Established Firms. Administrative Science Quarterly, 35(1): 9.