

Sociology 632
Sociology of (Formal) Organizations

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This course is designed to introduce students to the social science literature on formal organizations, from its origins in the work of Weber through its more modern strains in sociology, business, and economics. During the semester, we will consider a number of issues in organization theory, including (but not limited to) the problem of authority and compliance in bureaucratized settings; the relation of organization to environment and the structure of the environment itself; the ways in which the organization and its managers try to adapt to and manage internal and external problems; why organizations work and why they fail; and how decisions are made and goals set in organizations. Although this is not a course in applied management, we will want to use conceptual and empirical material from the readings to begin to think about and analyze actual organizations.

Course Readings

Course readings can be downloaded from the course website on Learn@UW. Required readings for all students are in the "Readings" module/folder on the upper left-hand side of the main page under the "Content Browser". When you click on the file, it will allow you to download a zip folder with all readings. You have to unzip the file after it is downloaded to be able to read them! You can also download the zipped file of all readings from:

<https://uwmadison.box.com/s/jp0btuwm5m9h8027szf1kbfv6e8tz11>

If any students are interested in purchasing a course packet containing the readings, you can do so at the Social Science Copy Center (6th floor or William Sewell Hall, aka Social Science Building). However, the course packet will be created on demand only. (This means that you must pay them in advance, and then it will take 24 to 48 hours for them to make a copy.) The course packet does not include readings assigned only to grad students.

Course Requirements

Please note that this course is open to both undergraduate and graduate students. Requirements vary depending on whether you are an undergrad or a graduate student.

A. Attendance and Participation

All students must attend class and participate. This will be 10% of your grade, regardless of whether you are an undergrad or graduate. The course will be run primarily as a lecture. If there is a sufficiently large number of grad students, we may set up an additional discussion section for graduate students that will meet once a week in addition to scheduled course times.

B. Readings

All students must do the core readings before the class meets. On average, this is from 50-100 pages per week for undergraduates. Some of the readings are difficult. Don't let this worry you too much, as they should become clearer in lecture.

For most weeks, graduate students will have additional reading to do. Graduate student reading averages more like 125-150 pages per week. Such is the life of an intellectual (and/or the ideological portion of the ruling class, if you prefer Marx's categorizations).

C. Written Requirements

Undergraduates

There will be three written take-home assignments. The nature of the assignments will vary. The dates that the papers will be handed out and/or due are noted on the syllabus. Each paper constitutes 30% of your grade. The papers should be considered take-home exams. **It is extremely unlikely that you will be able to do a good job on the papers if you do not attend class.** For all papers, I require that you turn in both: a) a hard copy (typed) of the paper; b) a computer file version of the paper (preferably in Word RTF format). The latter can be emailed to me. **YOU WILL RECEIVE NEITHER CREDIT NOR A GRADE FOR THESE ASSIGNMENTS UNLESS AND UNTIL YOU TURN IN BOTH COPIES -- HARD COPY AND COMPUTER FILE!!!!**

Graduate students

The default requirement for graduate students is that you will submit three short (8-10 pp.) paper assignments each worth 30% of your grade. Each paper will involve critical reflection and engagement with issues raised in core readings and lecture. These papers must include discussion of at least some of the "graduate only" reading. The exact nature of the papers is up to you, but they should not be summaries of the readings. Rather, they should take critical issue with (some portion of) the readings, develop ideas, and engage the arguments/authors we are covering. To steal a sentence from Erik Wright, the paper "can be written as if it were designed to be a published 'commentary' in a journal, or a book review, or a substantive essay in its own right dealing with the issues in the reading."

Note, however, that if you have other ideas for what you would like to do as a written assignment, I am flexible. If you have specific things you want to achieve or that would be more useful to you we can discuss ways to make these part or all of the official writing assignment. However, if you plan to do something other than the default assignment, you **MUST** talk to me about this during the first three weeks of classes, i.e., prior to September 27.

Due dates for default paper assignments are as follows:

Paper #1 (Readings from Weeks 1-5): Thursday, October 8

Paper #2 (Readings from Weeks 6-10): Thursday, November 12

Paper #3: (Readings from Weeks 11-15): Thursday, December 20

Graduate students are also required to turn in both a hard copy and an electronic copy of paper assignments.

Statements of Symbolic Compliance to Institutional Rules

As befitting a course on formal organizations, points D-H cover a number of rules and directives promulgated by the university and higher-level institutions that regulate the classroom. (Except for point H, which is entirely mine.) For a discussion of the origins and functions of such rules, see Meyer and Rowan (1977). Note that their discussion of decoupling is sometimes apposite.

D. Academic honesty. As with all courses at the University of Wisconsin, you are expected to follow the University's rules and regulations pertaining to academic honesty and integrity. The standards are outlined by the [Office of the Dean of Students](http://www.students.wisc.edu/doso/academic-integrity/) at <http://www.students.wisc.edu/doso/academic-integrity/>

According to UWS 14, academic misconduct is defined as:

- seeks to claim credit for the work or efforts of another without authorization or citation;
- uses unauthorized materials or fabricated data in any academic exercise;
- forges or falsifies academic documents or records;

- intentionally impedes or damages the academic work of others;
- engages in conduct aimed at making false representation of a student's academic performance;
- assists other students in any of these acts.

For a complete description of behaviors that violate the University's standards as well the disciplinary penalties and procedures, please see the Dean of Students [website](#). If you have questions about the rules for any of the assignments or exams, please ask your instructor or one of the TAs.

I take plagiarism and academic misconduct very seriously, and it is not uncommon for me to refer cases to the dean's office, so please don't do it!!

E. Accommodations. Please send the instructor an email by the end of the second week of the course if you are eligible for special arrangements or accommodations for testing, assignments, or other aspects of the course. This may be the case if English is your second language or you experience a physical or psychological condition that makes it difficult for you to complete assignments and/or exams without some modification of those tasks. Accommodations are provided for students who qualify for disability services through the [McBurney Center](#). Their website has detailed instructions about how to qualify: <http://www.mcburney.wisc.edu/>. Provide a copy of your accommodations request (VISA) to the instructor by the end of the second week of class. We try to reserve rooms and proctors by the third week in class, so we must know of all accommodations by then.

If you wish to request a scheduling accommodation for religious observances, send an email by the end of the second week of the course stating the specific date(s) for which you request accommodation; campus policy requires that religious observances be accommodated if you make a timely request early in the term. See the university's [web page](#) for details: <https://kb.wisc.edu/page.php?id=21698>

F. Departmental notice of grievance and appeal rights. The Department of Sociology regularly conducts student evaluations of all professors and teaching assistants near the end of the semester. Students who have more immediate concerns about this course should report them to the instructor or to the chair, 8128 Social Science (Pamela.oliver@wisc.edu).

G. Department learning objectives. Beyond the specific substantive and methodological content covered in this course, it has been designed to achieve the following instructional objectives designated as priorities by the Department of sociology:

- *Critically Evaluate Published Research.* Sociology graduates will be able to read and evaluate published research as it appears in academic journals and popular or policy publications.
- *Communicate Skillfully:* Sociology majors write papers that build arguments and assess evidence in a clear and effective manner.
- *Critical Thinking about Society and Social Processes:* Sociology graduates can look beyond the surface of issues to discover the "why" and "how" of social order and structure and consider the underlying social mechanisms that may be creating a situation, identify evidence that may adjudicate between alternate explanations for phenomena, and develop proposed policies or action plans in light of theory and data.
- *Prepare for Graduate School and the Job Market:* Students use their social research skills to identify opportunities for employment or further study, assess their qualifications for these opportunities, and identify strategies for gaining the necessary knowledge and experience to improve their qualifications. Students are encouraged to develop and maintain portfolios of their written work and educational experiences to aid them in preparing applications and to learn how to present their.

H. Electronics:

I do not allow audio or video taping of lectures or discussions without express, written permission. Under no circumstances are students allowed to post audio or video recordings on the internet or third party websites.

Course Topics and Readings

September 3 – Course Overview & a little bit of Weber

Week of September 8-10 – Organizations as Rational Systems

Charles Perrow. 1986. "Why Bureaucracy?" from *Complex Organizations*, New York: McGraw-Hill, pp. 1-48.

Harry Braverman. 1974. "Scientific Management," from *Labor and Monopoly Capital*, pp. 85-123.

Additional Reading for Graduate Students:

Max Weber. "Bureaucracy," from *From Max Weber*, ed. Gerth and Mills.

Week of September 15-17 – Organizations as Natural Systems

Alvin Gouldner. 1954. excerpt from *Patterns of Industrial Bureaucracy*, pp. 59-85.

Michael Burawoy. 1979. "Thirty Years of Making Out," from *Manufacturing Consent*, pp. 46-73.

Ethan Mollick and Nancy Rothbard. 2014. "Mandatory Fun: Consent, Gamification and the Impact of Games at Work." Wharton School Research Paper Series.

Additional Reading for Graduate Students:

Steven Vallas. 2006. "Empowerment Redux: Structure, Agency, and the Remaking of Managerial Authority." *American Journal of Sociology*. 111,6: 1677-1717.

Week of September 22 – September 24 – The Carnegie School/Bounded Rationality

Charles Perrow. 1986. Excerpt from "The Neo-Weberian Model: Decision-Making, Conflict, and Technology." Chapter 4 from *Complex Organizations*, 3rd ed., 119-131.

James March and Herbert Simon. 1993 [1958]. "Cognitive Limits on Rationality," from March and Simon. *Organizations*. London: Blackwell, pp. 157-192.

Additional Reading for Graduate Students:

Amos Tversky and Daniel Kahneman. 1986. "Rational Choice and the Framing of Decisions." *Journal of Business*. 59:S251-S278.

Herbert Simon. 1976 [1945]. "The Psychology of Administrative Decisions." Chapter 5 (pp. 79-109) from *Administrative Behavior*. New York: Free Press. (recommended but not required)

Week of September 29 - October 1 - Contingency Theory - The Core Rational Adaptation Paradigm

Paul Lawrence and Jay Lorsch. 1967. excerpts from *Organization and Environment*. Cambridge: Harvard Business School, pp. 1-20; 23-53; 84-108.

Additional Reading for Graduate Students:

James D. Thompson. 1966. *Organizations in Action*, New York: Holt, Rineheart, and Winston, pp. 3-65.

FIRST ASSIGNMENT HANDED OUT IN CLASS THURSDAY 10/1, DUE THURSDAY 10/8

Week of October 6-8 – Power and Resource Dependence

Jeffrey Pfeffer. 1980. "Conditions for the Use of Power," excerpt from *Power in Organizations*, pp. 67-93.

David Hickson et al. 1971. "A Strategic Contingencies' Theory of Intraorganizational Power," *Administrative Science Quarterly*, 16, pp. 216-229.

Case: New Balloon Pumps for the Brigham. Kennedy School of Government Case.

Additional Reading for Graduate Students:

Jeffrey Pfeffer and Gerald Salancik. 1978. *The External Control of Organizations*. New York: Harper and Row, pp. 39-54; 62-78.

Michel Crozier. 1964. "Power and Uncertainty." Chapter 6 from *The Bureaucratic Phenomenon*. Chicago: University of Chicago, pp. 145-164. (recommended but not required)

Week of October 13-15 – Macro Organizational Structure

Alfred D. Chandler, Jr. 1984. "The Emergence of Managerial Capitalism." *Business History Review*. 58,4:473-507.

Additional Reading for Graduate Students

Art Stinchcombe. 1990. "Market Uncertainty and Divisionalization: Alfred D. Chandler's *Strategy and Structure*." from *Information and Organizations*. UC Press, pp. 100-151.

Mark Granovetter. 2010. "Business Groups and Social Organization." Chapter 19 in Neil Smelser and Richard Swedberg. *Handbook of Economic Sociology, 2d ed.* Princeton: Princeton University Press.

Week of October 20-22 – Transaction Cost Economics and the Economic Theory of the Firm

Herbert Simon. 1991. "Organizations and Markets." *Journal of Economic Perspectives*, v. 5, pp. 23-29. (7 pp.) **NOTE: Undergraduates are only required to read pp. 23-29; grad students are required to read the entire article.**

Oliver Williamson. 1981. "The Economics of Organization: The Transaction Cost Approach." *American Journal of Sociology*. 87,3:548-577.

Oliver Williamson. 1975. "The Multidivisional Structure." from *Markets and Hierarchies*. New York: Free Press, pp. 132-154.

Additional Reading for Graduate Students

Benjamin Klein. "Vertical Integration as Organizational Ownership: The Fisher Body - General Motors Relationship Revisited." *Journal of Law, Economics, and Organization*, v. 4 (1988), pp. 199-213. (not required)

Robert F. Freeland. 2000. "Creating Holdup Through Vertical Integration: Fisher Body Revisited." *Journal of Law and Economics*. 43: 33-66. (not required)

Week of October 27-29 – Networks and Embeddedness

Mark Granovetter. 1985. "Economic Action and Social Structure: The Problem of Embeddedness." *American Journal of Sociology*, 91:481-510.

Brian Uzzi. 1997. "Social Structure and Competition." *Administrative Science Quarterly*, 42,1:35-67.

Pierre Azoulay, Nelson Reppenning, and Ezra W. Zuckerman. 2010. "Nasty, Brutish, and Short: Embeddedness Failure in the Pharmaceutical Industry." *Administrative Science Quarterly*. 55:472-507.

Additional Reading for Graduate Students

Walter W. Powell. 1996. "Interorganizational Collaboration and the Locus of Innovation." *Administrative Science Quarterly*, 41,1:116-145.

November 3-5 - Power in Networks: Structural Holes and Brokerage

Ronald Burt. 1992. "The Social Structure of Competition." Chapter 1 from Ronald Burt. *Structural Holes: The Social Structure of Competition*. Boston: Harvard.

Joel M. Podolny. 2001. "Networks as the Pipes and Prisms of the Market." *American Journal of Sociology*. 107,1:33-60.

Additional Reading for Graduate Students

Mark Granovetter. 1973. "The Strength of Weak Ties." *American Journal of Sociology*. 78,6:1360-1380.

Obstfeld, D. 2005. "Social Networks, the *Tertius Iungens* Orientation, and Involvement in Innovation." *Administrative Science Quarterly* 50, 100-130.

SECOND ASSIGNMENT HANDED OUT IN CLASS Thursday, 11/5, due Thursday, 11/12**Week of November 10-12 - New Trends in Organizing: Post-Bureaucratic Organizations, Knowledge, Learning**

Paul Adler and Bryan Borys. 1996. "Two Types of Bureaucracy: Enabling and Coercive." *Administrative Science Quarterly*. 41,1:61-89.

OTHER READING(S) TBAAdditional Reading for Graduate Students

Charles Sabel. 1994. "Learning by Monitoring: the Institutions of Economic Development." Columbia University. Center for Law and Economic Studies. Working Paper #102.

Week of November 17-19 - The New Institutionalism

John Meyer and Brian Rowan. 1977. "Institutionalized Organizations: Formal Structure as Myth and Ceremony," *American Journal of Sociology*, v. 83 (1977), pp. 340-363.

Ezra W. Zuckerman. 1999. "The Categorical Imperative: Securities Analysts and the Illegitimacy Discount." *American Journal of Sociology*, v. 104 (1999), pp. 1398-1438.

Hargadon, A. and Douglas, Y. 2001. "When Innovations Meet Institutions: Edison and the Design of the Electric Light." *Administrative Science Quarterly* 46: 476-501.

Additional Reading for Graduate Students

Paul DiMaggio and Walter Powell. 1991. "Introduction" from *The New Institutionalism in Organizational Analysis*. Chicago, pp. 1-38.

John Meyer et al. 1994. "Ontology and Rationalization in the Western Cultural Account." Chapter 1 in W. Richard Scott and John Meyer. *Institutions, Environments, and Organizations*. Newbury Park: Sage. (highly recommended; not required)

November 24 - Catch up; no readings assigned

November 26 - Thanksgiving holiday, no class!

Week of December 1-3 - Carnegie Goes to California (apologies to Woody Powell for stealing his title)

James March and Johan Olsen. 1976. Chapters 1 & 4 of *Ambiguity and Choice in Organizations*, Bergen: Universitetsforlaget, pp. 10-24 & 54-68.

James G. March and Johan P. Olsen. 2009. "The Logic of Appropriateness." ARENA Working Paper WP 0409.

Additional Reading for Graduate Students

Michael D. Cohen, James G. March, and Johan P. Olsen. 1972. "A Garbage Can Model of Organizational Choice." *Administrative Science Quarterly*, 17: 1-25.

Week of December 8-10 - Complex Systems and Normal Accidents

Charles Perrow. "Complexity, Coupling, and Catastrophe," from Charles Perrow. *Normal Accidents: Living with High Risk Technologies*. New York: Basic, 1984.

Charles Perrow. "Normal Accident at Three Mile Island," from Charles Perrow. *Normal Accidents*. New York: Basic, 1984.

Karl Weick. "The Collapse of Sensemaking in Organizations: The Mann Gulch Disaster." *Administrative Science Quarterly*. 38,4:628-652.

See also, Scott Snook. *Friendly Fire: The Accidental Shootdown of U.S. Black Hawks Over Northern Iraq*. Princeton: Princeton University Press, 2000.

Diane Vaughan. *The Challenger Launch Decision: Risky Technology, Culture, and Deviance at NASA*. Chicago: University of Chicago Press, 1997.

December 15 - Catch up and Conclusion

THIRD PAPER ASSIGNMENT HANDED OUT IN CLASS 12/15 DUE 12/23 by 5 pm