

Study guide: Organizations - Theory and Research (771a31)

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Course period: From 2019-10-28 to 2019-12-01

Course content

This course engages with research on organizations, with a specific focus on quantitative methods and computational models. Theories and empirical research in the study of organizations are discussed and compared, including organizational demography, organizational culture, internal labour markets, organizational decision making, and organizational ecology. Research papers on organizations are read and assessed, theoretical models of organizations are formulated, and empirical predictions from theoretical models are derived. Special attention will be paid to the use of statistical and computational methods in organization research.

Intended learning outcomes

After completion of the course, the student should at an advanced level be able to:

- describe, combine and apply models in organization theory to analyze research questions
- integrate knowledge of quantitative and computational methods into the study of organizations
- describe and evaluate applications of quantitative and computational methods in organizational scholarship
- evaluate the current state of quantitative empirical research on organizations
- formulate research questions of relevance to the contemporary study of organizations

Teaching and working methods

The teaching consists of lectures, readings, and seminars. Homework and independent studies are a necessary complement to the course.

Language of instruction: English.

Study Philosophy

771a31 is an advanced level course where participants are expected to build on knowledge from previous studies and gain knowledge of how to conduct organization theory. The course requires self-discipline and planning ability as well as coordination and collaboration in smaller working groups.

During the course, we will practice academic reading and writing, which will be useful for e.g. future thesis work, oral presentation techniques and how to improve presentation ability ('less is more', 'practice makes perfect'), discuss theories and methods for empirical research on organizations, as well as its practical implications. Discussions take place in weekly seminars.

Before seminars, it is important that everyone read the literature as you will be randomly asked to **present the basis of the readings for that seminar (commonly 24 hours in advance)**. This is followed by a discussion by the whole class, where students are expected to raise questions, objections, and try to decipher the strengths and weaknesses of each academic article, moderated by the seminar teacher. The course thus contains no traditional "come-listen-make notes" lectures but is in interactive discussion form to challenge the participants

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and raise the level of academic inquiry. There will be plenty of opportunities for questions on unclear aspects in the course readings.

All elements of the course are compulsory and graded. It is not possible to supplement any absence with residual information.

Reading instructions

All participants are expected to read all the literature (which you will be examined on the individual examination), but of course it is possible to divide the work of downloading literature. During the classes, pairs of students will be presenting one of the articles using powerpoint or keynote.

A large part of the course is based on "active reading" of academic articles. By "active reading" is meant that participants should be able to make use of (understand, compare, and intelligently discuss) and apply (use theories for analysis of organizational phenomena) these texts. It is not enough to memorize words, concepts, or author names, but one must strive for an understanding of the arguments highlighted, critically review them (what premises are the arguments based on, what are the consequences, and to what extent the arguments are subject to potential logical gaps or weaknesses). The aim of this is that you should increase your ability to use academic texts and will be important for your future thesis work.

To achieve this understanding, there are a number of strategies, many of which you have hopefully learned or developed during previous studies. If you do not have a specific strategy or want to try a new one, it is recommended that you first quickly skim the texts for upcoming seminars for about 5-10 minutes. After that, you use a highlighter and a pencil when reading each article in-depth, but not necessarily from start to finish. It is equally important to focus on parts of the texts where you think much of the key information or important reasoning seems to be presented, and first and foremost focus on these parts. If the seminar contains several articles, it may be advantageous to read / compare two or more articles in parallel to identify parallel reasoning or differences in reasoning. Try to think "what is the reason for this?" and "why to the author(s) argue this way?" rather than taking every reasoning as a truth. Academic statements tends to either be based on a deductive logic (knowledge comes from logical postulates such as $A \rightarrow B$, classifications, and law-like predictions) based on Aristotelian logic, or an inductive logic based on Francis Bacon's and other Enlightenment philosophies (knowledge comes from gathering observations from reality and abstracting them into patterns, facts, and constitutive relationships).¹

When reading each article, it can sometimes be advantageous to note whether the logic of the text seems to be deductive, inductive, or a mixture (abductive). It can help by comparing different articles that discuss the same or similar phenomenon but seem to reach different conclusions.

Prior to all seminars, students should prepare a number of questions for discussion. It is important that your thoughts on these questions extend beyond the obvious, and that – whenever possible – you seek to build an informed opinion on the arguments provided in the articles. Are some arguments seemingly more valid than others in the article? Why? Are there logical gaps in one or more of the articles, and in what way(s)?

¹ For further details on the knowledge foundations in organization research, see e.g. Daft, R.L., 1983. "Learning the craft of organizational research". *Academy of Management Review* 8, 539-546.

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Collecting articles

All articles can be downloaded via LiU's library databases. If you do not know how to do it, visit the library. This constitutes basic knowledge for your future thesis work. Sometimes you can easily find articles through Google scholar, but often not. It is important to be able to systematically search databases beyond using Google Scholar. *Hint:* to reduce the time to download articles for seminars, you may want to divide the work of downloading articles by working in pairs.

Examination

The course is examined in two parts:

1. Weekly assignments in pairs (33% of the overall grade)
2. Individual written examination - home exam (66% the overall grade)

Instructions for weekly assignments

The course content is examined continuously during the course through oral and written mini-assignments, conducted in pairs. During the first session, students will form study groups (in pairs) on their own and report these on a paper form to the instruction. The groups are collectively responsible for gathering knowledge and data, conducting analyses, preparing discussion questions, and submitting reports for the 4 exercises and preparing a short presentation the article being presented. It is not possible to blame failure for doing and submitting an exercise on a groupmate being ill or inaccessible, etc.

Exercise 0 (each pair present once during the course): Pair presentation of article. During the classes, individual students or pairs of students will be presenting one of the articles using powerpoint or keynote. Please use a maximum of 5 slides for your presentation, and focus on presenting (1) the core aspects of the article, (2) how it connects – if at all – to the other readings of the course, and (3) a final slide summarizing your perceived strengths/weaknesses of the article.

Exercise 1 (field study): Organizational demography. Before the session Thur 14/11 at 1pm:

1. Collect data (in pairs) on the demographic structure of any organization (formal or informal) or groups of organizations (industry, sector, etc.) in terms of a few select demographic variables suggested by Stewman. 2. Prepare two powerpoint slides showing the distribution of your chosen variables, submit to the course director by email before the session starts.

Exercise 2 (simulation): Lab session on Decision-making in organizations. Before the session Thur 7/11 at 1pm: Submit by email an assignment (in pairs, as a 3-5 page PDF document) where you try to replicate some or all of the results in March 1991. An easy starting point is this freely accessible R replication of the model:

https://github.com/Mac13kW/March_1991_Exploration_and_Exploitation

Your document should contain: 1. Short description of the model you run, 2. results of the model in figures/tables and text that explain those, and: 3. a short discussion which compares the result for your chosen analysis to March 1991.

Exercise 3 (workshop): Critical discussion on organizational culture. Before the session Thur 21/11 at 1pm: Read Schein in pairs and submit a one-page PDF by email that answer the following questions: 1. How does organizational psychology / ethnography differ in their treatment of culture compare to more formal models? 2. Could any of the ideas/propositions in Schein be examined through (simulation) modeling?

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Exercise 4 (replication study): Before the session on Thur 28th, try replicate in pairs the results from B&W using the data distributed (using e.g. R, STATA, SPSS or Matlab), report results in tables and short summary of results (as a PDF document, max 8 pages submitted by email), and answer the following questions: 1. Do your result differ anything from those reported in B&W? 2. Why could that be the case? 3. What key factors seem to be driving results? 4. *High grade question:* If you want to compare the different role of large/small firms for inequality from the S&S, C&S and B&W papers, suggest a way to test this using the B&W data, report and interpret the results.

Grading of weekly assignments: Each assignment gives 0-5 points, for a total of 0-25 points. A composite grade (ECTS (F-A)) is provided for all 5 weekly assignment (A: 25-21 points, B: 16-20 points, C: 11-15 points, D: 6-10 points, E: 1-5 points, F: 0 points). The grade is the same for both students in the group. If a submission is not timely, the grade is 0/F for that assignment. If a submission is deemed incomplete (Fx), the two group members have until December 1st to submit a revised assignment, otherwise the grade is 0/F for that assignment.

Instructions for individual written examination - home exam

The individual written examination consists of a home exam which should be submitted as a PDF document, max 5 pages of double-spaced text Times New Roman 12pt (plus cover page with name and email address, plus reference list in APA format). The topic of the examination is chosen freely by the student, but should contain:

1. A discussion of the academic literature on any chosen topic of the course,
2. Contain one research question derived from the literature that has not been answered in the literature,
3. The relevance of the research question for organization theory and organizational practice (societal, managerial, etc) should be explained,
4. Be written in one's own word, i.e. no copy pasting of text (urkund is used),
5. Be written in proper English and proofread before submission,
6. Proper citations and referencing using the APA style guide,

Deadline for submission (via email) is midnight (23:59) Sunday December 1st.

Grading of individual take-home exam: ECTS (F-A). If a submission is not timely, the grade is F.

A re-examination for students that fail to receive a passing grade will be conducted in early January 2020.

Feedback

Feedback will be given in writing on all of the final individual examination, and shorter feedback will be provided for the weekly assignments.

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Course material

The mandatory course material consists of scientific articles which can be accessed and downloaded from the LiU library's databases. Articles for particular sessions are listed on the course's LISAM page.

Session 1 Introduction to organization research (Oct 28th):

Astley, W. G., & Van de Ven, A. H. (1983). Central perspectives and debates in organization theory. *Administrative Science Quarterly*, 28(2), 245-273.

Davis, G. F. (2010). Do Theories of Organizations Progress? *Organizational Research Methods*, 13(4), 690-709.

Harrison, J. R., Lin, Z., Carroll, G. R., & Carley, K. M. (2007). Simulation modeling in organizational and management research. *Academy of Management Review*, 32(4), 1229-1245.

Session 2 Behavioral mechanisms in organizations (Oct 30th):

“tie formation and persistence”

Powell, Walter W., White, Douglas R., Koput, Kenneth W. & Owen-Smith, Jason. 2005. Network dynamics and field evolution: the growth of interorganizational collaboration in the life sciences. *American Journal of Sociology*, 110(4): 1132-205.

“diffusion and imitation”

Jonsson, Stefan. 2009. Refraining from Imitation: Professional Resistance and Limited Diffusion in a Financial Market. *Organization Science*, 20(1): 172-186.

Session 3 Decision-making in organizations (Nov 5th):

March, J. G. (1991). Exploration and exploitation in organizational learning. *Organization Science*, 2(1), 71-87.

Chanda, S. S., & Miller, K. D. (2018). Replicating agent-based models: Revisiting March's exploration–exploitation study. *Strategic Organization*, in press.
<https://doi.org/10.1177/1476127018815295>.

O'Reilly III, C. A., & Tushman, M. L. (2013). Organizational ambidexterity: Past, present, and future. *Academy of Management Perspectives*, 27(4), 324-338.

Session 5 Organizational demography (Nov 12th):

“Demography within organizations”

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Stewman, S. (1988). Organizational demography. *Annual Review of Sociology*, 14(1), 173-202.

Lawrence, B. S. (1997). Perspective—The black box of organizational demography. *Organization Science*, 8(1), 1-22.

“Demography between organizations”

Carroll, G. R., & Hannan, M. T. (2000). Why corporate demography matters: Policy implications of organizational diversity. *California management Review*, 42(3), 148-163.

Session 7 Modeling (organizational) culture (Nov 19th):

Axelrod, R. (1997). The dissemination of culture: A model with local convergence and global polarization. *Journal of conflict resolution*, 41(2), 203-226.

Harrison, J. R., & Carroll, G. (1991). Keeping the faith: A model of cultural transmission in formal organizations. *Administrative Science Quarterly*, 36, 552-582.

Session 8 workshop: Organizational culture (Nov 21th):

Schein, E. H. (1988). *Organizational culture*. WP# 2088-88: MIT. Retrieved from <https://dspace.mit.edu/bitstream/handle/1721.1/2224/SWP-2088-24854366.pdf?sequenc..>

Session 9 workshop: Sorting and inequality (Nov 26th):

Hedström, P. (1992). Organizational vacancy chains and the attainment process. *Journal of mathematical sociology*, 17(1), 63-76.

Sorensen, J. B., & Sorenson, O. (2007). Corporate demography and income inequality. *American sociological review*, 72(5), 766-783.

Cobb, J. A., & Stevens, F. G. (2017). These Unequal States: Corporate Organization and Income Inequality in the United States. *Administrative Science Quarterly*, 62(2), 304-340.

Bomark, K. & Wennberg, W. (2019). Organizational diversity and income inequality revisited. Paper presented at the Academy of Management Conference, Boston, Aug 13th 2019.

Supplementary readings:

Starbuck, W. H. (2003). The origins of organization theory. In H. Tsoukas & C. Knudsen (Eds.), *The Oxford handbook of organization theory* (pp. 143-182). Oxford: Oxford University Press.

Lomi, A., & Larsen, E. R. (2001). *Dynamics of organizations: computational modeling and organization theories*. Cambridge. MIT Press. ISBN: 9780262621526

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Session / topic	Date	Readings	Assignment
<i>Introduction to organization research</i>	Mon 28/10 13.00-16.00	Ashley and van de Ven (1983) Davis (2010) Harrison et al. (2007)	
<i>Network tie formation / persistence Diffusion and imitation of practices</i>	Wed 30/10 10-00-12.00	Powell et al. (2005) Jonsson (2009)	
<i>Organizational demography</i>	Tues 5/11 13.00-16.00	Stewman (1988) Lawrence (1997) Carroll & Hannan (2000)	Pair presentation of each article. Prepare to discuss: 1. What type of central demographic variables are discussed in Stewman's (1998) review of research to that date? 2. What are the central implications of Lawrence's (1997) critical review of the field for the type of research described in Stewman? 3. What are the key differences in level of analysis, processes attended to, and outcomes discussed in Carroll & Hannan (2000) compared to the other two articles? 4...Other key questions, confusing aspects or insights you may have?
<i>Field study: Organizational demography</i>	Thur 7/11 13.00-16.00		<i>Exercise 1: Before the session:</i> 1. Collect data (in pairs) on the demographic structure of any organization (formal or informal) or groups of organizations (industry, sector, etc.) in terms of <u>a few select demographic variables</u> suggested by Stewman. 2. Prepare <u>two</u> powerpoint slides showing the distribution of your chosen variables, submit to the course director by email <u>before</u> the session starts.
<i>Decision-making in organizations</i>	Tues 12/11 13.00-16.00	March (1991) Chanda & Miller (2019) O'Reilly & Tushman (2013)	Pair presentation of each article. Prepare to discuss: 1. The core theoretical mechanisms in March (1991) 2. Key findings in in March (1991) – surprising or obvious? 3. Insights from Chanda & Miller's replication. 4. Does the concept discussed by O'Reilly & Tushman (2013) “solve” the trade-off in (march (1991) – why or why not? 5...Other key questions, confusing aspects or insights you may have?
<i>Lab: Decision-making in organizations</i>	Thur 14/11 13.00-16.00		<i>Exercise 2: Before the session:</i> Submit by email an assignment (in pairs, as a 3-5 page PDF document) where you try to replicate some or all of the results in March 1991. 1. Shortly describe the model you run, 2. show results in figures/tables, and: 3. compare the result for your chosen analysis to March 1991.
<i>Modeling (organizational) culture</i>	Tues 19/11 13.00-16.00	Axelrod (1997) Carroll and Harrison (1991) Harrison et al. (2007) (<i>again</i>)	Pair presentation of each article. Prepare to discuss: 1. To what extent does Axelrod's model of societal culture differ from Carroll and Harrison's model of organizational culture?

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			<p>2. What are the key mechanisms for cultural change in each of the two articles?</p> <p>3. <i>High grade question:</i> Axelrod's model has been scrutinized in many subsequent articles. Search a bit and try identify two key limitations of the model, and explain these.</p> <p>4...Other key questions, confusing aspects or insights you may have?</p>
<i>Class workshop: Organizational culture</i>	Thur 21/11 13.00-16.00	Schein (1988)	<p><i>Exercise 3: Before the session:</i> Read Schein in pairs and submit a one-page PDF by email that answer the following questions:</p> <ol style="list-style-type: none"> 1. How does organizational psychology / ethnography differ in their treatment of culture compare to more formal models? 2. Could any of the ideas/propositions in Schein be examined through (simulation) modeling?
<i>Sorting and inequality</i>	Tues 26/11 13.00-16.00	Hedström (1992) Sorenson & Sorensen (2007) Cobb & Stevens (2017) Bomark & Wennberg (2019)	<p>Pair presentation of each article.</p> <p>1. Discuss <u>assumptions</u>, <u>compare RQs</u>, <u>models</u>, and <u>key conclusions</u> across the four papers.</p> <p>-What differ? -What is similar?</p> <p>2...Other key questions, confusing aspects or insights you may have?</p>
<i>Lab: Sorting and inequality</i>	Thur 28/11 13.00-16.00		<p><i>Exercise 4: Before the lab:</i> Try replicate in pairs the results from B&W using the data distributed (using e.g. R, STATA, SPSS or Matlab), report results in tables and short summary of results (as a PDF document, max 8 pages submitted by email), and answer the following questions:</p> <ol style="list-style-type: none"> 1. Do your result differ anything from those reported in B&W? 2. Why could that be the case? 3. What key factors seem to be driving results? 4. <i>High grade question:</i> If you want to compare the different role of large/small firms for inequality from S&S, C&S and B&W papers, suggest a way to test this using the B&W data, report and try interpret the results?
Individual Take-home exam:	Deadline for submission (via email) midnight (23:59) Sunday December 1st . No extensions allowed.		