Organizations in Society

Socy 27
Fall 2020
Dartmouth College
T-Th, 10:20-12:10 (remote synchronous)

Professor Brooke Harrington
Office: Blunt Hall 301C
Phone: 646-3994
Brooke.Harrington@dartmouth.edu

We live our lives in an organizational environment. Most of us are born in hospitals, educated in schools, employed by companies, provided with services by our local and federal governments, pay taxes to those governments, and end our days in the hands of a church or a funeral home. Our dependence on organizations is one of the signal features of modernity.

In this course, we will analyze how organizations have become so prolific and so powerful. Themes of the class will include:

- How organizations evolved historically from the church and the military
- How organizations relate to and affect one another
- The ways organizations can be structured internally, and how this affects their outputs
- How public and private sector organizations differ and interact
- New organizational forms that fall into none of the established categories, but which are being used increasingly to accomplish some of society's most important tasks, such as technological innovation and grassroots movements for social change

The objective of the course will be to integrate a variety of organizational theories, presented through readings and lectures, to develop a toolkit for analyzing empirical evidence. Thus, class materials will include a balanced mix of theoretical works and case studies. The class format and performance measures will be geared toward these goals.

While the class will draw primarily on evidence and theories from the United States, about 25 percent of the material will involve international perspectives. At the end of the course, students should have a highly developed ability to understand and think critically about the variety of organizations that affect their lives and shape world events.

Course Requirements and Grading

The course has a fairly heavy reading load, roughly 100 to 150 pages per week. Many of the readings are uploaded to Canvas already; in addition to the required readings,

you'll find on Canvas a number of optional articles and book excerpts intended for those interested in pursuing topics in greater depth. Regarding the books: two of the required texts are on reserve at the library, but the others are not in the library's collection, **so please buy your books as soon as possible.** The books are:

- Perrow, Charles (1986), *Complex Organizations: A Critical Essay*, 3rd Edition, New York: McGraw-Hill
- Useem, Michael (1984), *The Inner Circle*, New York: Oxford University Press
- Piore, Michael and Charles Sabel (1984), *The Second Industrial Divide*, New York: Basic Books
- Ostrom, Elinor (1991), *Governing the Commons: The Evolution of Institutions for Collective Action*, Cambridge, England: Cambridge University Press

The syllabus is organized by general topic; the dates given are the *last* day by which you should have read the material. The lectures will not recapitulate the reading, but build upon it. It is essential to your success in this class that you keep up with the reading.

Your final course grade will be based on a simple 100-point scale, as shown below:

A = 94.00-100	C+ = 77.00-79.99
A- = 90.00-93.99	C = 74.00-76.99
B+ = 87.00-89.99	C- = 70.00-73.99
B = 84.00-86.99	D = 60.00-69.00
B- = 80.00-83.99	E = < 60.00

In keeping with the overall objectives of this course, your ability to integrate theory and applications will be measured in in the following ways, adjusted for the remote format:

Midterm Exam—30 points: Two short essay type questions, to be answered orally in a 10-minute, one-on-one Zoom session. Open book, open note. **8 October**.

Class Participation—30 points: Points for participation are awarded throughout the term based on attendance, *quality* of comments (not just quantity!), and quality of listening to/engaging with other students in dicussion. Your skill at engaging in evidence-based discussions and critical analysis is the focus here, and listening is a crucial component. Toward the end of the term, we will view two documentary films during lecture time; following each film, students will be expected to circulate a set of questions or other teaching materials to facilitate class discussion; more details to come. **Each of these submissions will count for 5 points toward your class participation score.**

During lectures, students are required to keep their video turned on; I will work with students before the term starts and afterwards to ensure that technical problems are addressed. This video-on requirement is based on recent experience with remote

learning: having everyone visible to each other is essential to facilitating discussion and engagement in the seminar. It's important in replicating the FTF class experience.

Final Exam—40 points: Two short essay type questions; to be answered orally in a 10-minute, one-on-one Zoom session. Open book, open note. More points assigned to the Final than to the Midterm because questions will be more challenging and cover the whole term's worth of material, rather than just the first half. **Date TBD**

Expectations and Policies

People come to elite liberal arts colleges with a variety of purposes, but everyone ought to leave smarter: meaning, equipped with a broad knowledge base and a suite of critical thinking skills that will enable them to cope with the vast range of challenges they must make in their future lives. With sociology in particular, the practical value of learning this material and mode of analysis is immense, and can make your life better.

How do you acquire those skills? They aren't delivered purely by faculty. We can model them, but the skills are learned primarily by doing, in interaction with others. It's kind of like a team sport, and as with a team sport, you can't learn unless you show up and engage fully. The following three expectations stem from this proposition:

1. Please be punctual: Regular on-time attendance is expected, and it's particularly important to sustaining the learning experience in a seminar.

Lectures will be delivered via Zoom at the regularly scheduled class times. I will work with students prior to the start of the term to iron out any technical problems that would make two-way live video participation difficult; I can also refer students to College resources for help on technical issues that might affect class participation.

If students miss a class, they are responsible for getting notes from another student. **Note:** Excused absences include illness, religious observance (please let me know about this within the first week of class), or a catastrophic event (such as loss of housing, death of a family member—probably best to connect with your Dean in such cases, and have him or her contact me). There will be no make-up dates for the midterm and final, except in case of an excused absence, documented by a physician or a Dean and subject to the Dartmouth Academic Honor Principle.

2. Be prepared for class: At a minimum, you must do the assigned reading no later than the date shown in the syllabus. In a small class where participation counts for a lot, it tends to be clear who has or hasn't prepared.

3. Be engaged and help others engage: At a minimum, engagement means immersing yourself in the readings, and thinking through their implications; being a good listener in class discussions; and grounding your own claims in evidence.

A word about grading: I don't "round up" grades: that means if you earn a 79.8 as your final class grade, it won't be rounded up to an 80. If you believe I have made a mistake

in grading your work, please write a short, well-reasoned explanation (no longer than one page) articulating your rationale. Please keep in mind that grading is based on the information you make available and its relationship to the question(s) you were asked; thus, comments such as "but I know the material" or "I worked really hard" are not compelling rationales. Whenever you request re-grading, that work may be given a lower grade than was originally assigned; the grade might also go up, or stay the same. **You have one week from the time you receive a grade to request re-grading.**

About correspondence and questions: If you have a question about the class, please consult the syllabus first—it's highly detailed. Only if you're unable to find an answer there should you contact me. I'd be very pleased if it contained a salutation ("Dear Professor Harrington," as opposed to "Hi") followed by words assembled into sentences. Also, reading SMS shorthand ("r" for "are," "u" for "you," etc.) causes existential pain to those of us born in the previous century.

Disability-Related Accommodations: Students who require accommodations must register with SAS—the Student Accessibility Services office. This includes not only learning disabilities, but chronic diseases and psychiatric issues. Once SAS has authorized accommodations, the student must show the original, signed SAS Services and Consent form and/or a letter on SAS to the professor. All inquiries and discussions about accommodations will remain confidential. Call 603-646-9900 to start the SAS process. **If you require extra time on exams or any other accommodations, please let me know before the third class meeting so that I can make the necessary preparations.**

Office Hours: I will hold virtual office hours via Zoom on M/W/F from 11:30am to 12:10pm. For each meeting, I'll need to send you a personal Zoom link; and because I am teaching two courses this term, there may be high demand for meeting times. **So you'll need to contact me via email a minimum of 24 hours in advance of the meeting time you're requesting.**

Study Skills: This *Vox* article listing effective study habits may be helpful in preparing for exams. I recommend items #2 and #3; you'll find me doing a lot of #7 in lectures.

Part I—Organizations: The Big Picture

The readings in this section respond to three implicit questions underlying the study of organizations: what are organizations?; where do they come from?; and why should we care? Each author addresses this question from a somewhat different standpoint; some discuss all kinds of organizations, while others address only the private or public sector. While none of these readings offers a complete answer to the basic questions, together they form a bigger picture—a mosaic of perspectives that will be useful in situating subsequent readings in a larger context.

September 15:

- Pfeffer, Jeffrey (1998), "Understanding Organizations: Concepts and Controversies," in D. Gilbert, S. Fiske, and G. Lindzey (Eds.), *Handbook of Social Psychology, Vol. 2*, New York: McGraw-Hill, 733-777.
  A basic introduction to organization theory by one of the elder statesmen of the field.
- Stinchcombe, Arthur (1965), "Social Structure and Organizations," in James March (Ed.) *Handbook of Organizations*, Chicago: Rand-McNally.
  Stinchcombe argues that organizations arise from historically-specific opportunity structures, including inventions, demographic changes, and other "social technologies" that permit of new ways of solving problems.

September 17:

- Williamson, Oliver (1981), "The Economics of Organization: The Transaction Cost Approach," *American Journal of Sociology* 87: 548-577
  This classic article advances the transaction costs thesis: that organizations exist because markets fail. Typically, this framework has been applied to explaining the genesis of private sector organizations; in fact, this article uses General Motors' "vertical integration" with Fisher Body as its primary empirical example.
- Downs, Anthony (1967), "Why Bureaus Are Necessary," Chapter 4 of *Inside Bureaucracy*, Boston: Little, Brown.
  Like Williamson, Downs argues that organizations arise because markets fail. But while Williamson is focussed on transaction costs, Downs claims that there are certain functions that markets are inherently unable to perform (like regulation of monopolies) and that specifically necessitate public organizations.

- Berry, Jeffrey (1989), "Madison's Dilemma" and "The Advocacy Explosion," Selections from Chapters 1 and 2 of *The Interest Group Society*, 2nd Edition, Glenview, Illinois and Boston: Scott, Foresman/Little, Brown.
  These chapters advance the thesis that organizations proliferate to promote the interests of individuals and collectives.

Part II—Organizations and Their Environments

This segment of the course is dedicated to exploring the key external relationships that shape organizations in form and function.

September 22:

- Pfeffer, Jeffrey (1990), "Resources, Allies and the New Golden Rule,"from *Managing With Power,* Boston: Harvard Business School Press.
  This is Pfeffer's most user-friendly account of the theory for which he is best known: resource dependency.
- Scott, W. Richard (1998), Excerpts from Chapters 1 and 5, "The Subject is Organizations" and "Combining the Perspectives," in *Organizations: Rational, Natural and Open Systems*, 4th Edition, Englewood Cliffs, NJ: Prentice-Hall. Pp. 19-26 and 127-132.
  These brief selections from a classic book on organizational sociology delineate basic concepts in the field, with particularly reference to scholars' changing understanding over the past century of organizations' relationships to their environments.
- Downs, Anthony (1967), "Relating Bureaus to Their Environments," Chapter 5 of *Inside Bureaucracy*, Boston: Little, Brown.
  This short chapter concretizes and maps out the "organization set" relationships discussed in more abstract form in Pfeffer and Scott.

September 24:

- Jepperson, Ronald (1991), "Institutions, Institutional Effects, and Institutionalism," in Walter Powell and Paul DiMaggio (Eds.), *The New Institutionalism in Organizational Analysis*, Chicago: University of Chicago Press. Pp. 143-163.
  This short article lays out the basics of institutional theory—perhaps the dominant theory of organizations in use by scholars today.
- Baron, James, Frank Dobbin and P. Devereaux Jennings (1986), "War and Peace: The Evolution of Modern Personnel Administration in U.S. Industry," *American Journal of Sociology* 92: 350-383.
  This is one of the most celebrated empirical research articles ever published in the

sociology of organizations, and for good reason: it follows a compelling real-life case of institutional "isomorphism" in action.

Part III—Organizational Form: Or, Bureaucracy and Its Discontents

Theorists of all stripes agree that organizations exist to accomplish a task. These readings explore *how* organizations are designed to accomplish such objectives, with special reference to bureaucracy. This section will move us from a focus on external conditions surrounding organizations to issues of internal structure and its consequences.

September 29:

- Weber, M. (1911/2009) "Bureaucracy" in H.H. Geertz and C. W. Mills (eds) 2009: *From Max Weber. Essays in Sociology*. NY, Routledge. Pp. 196-244.
  This is the classic sociological statement about organizational function and form. Weber's well-known point is that bureaucratic structure is the most efficient and effective means of organizing to accomplish a task.
- Ouchi, William (1980), "Markets, Bureaucracies and Clans," *Administrative Science Quarterly* 25: 129-140.
  Organizational theory comes full circle from Weber in this article, in which Ouchi argues that the ultimate "efficient" organization (at least under some conditions—which strongly resemble the modern global info-tech economy) is the family, also known as the "clan." His claims are in fact well-supported by the evidence: organizations are increasingly replacing the family as the atom of social structure—whether through public school systems replacing parents, or corporations offering on-site daycare.
- Perrow, Charles (1986), Chapter 1 "Why Bureaucracy?" in *Complex Organizations: A Critical Essay*, 3rd Edition, New York: McGraw-Hill. Pp. 1-48.
  This book is an extended response to Weber, noting the flaws in the efficiency perspective while at the same time mounting a rousing defense of bureaucracy as an organizational form. Particularly important, Perrow thoroughly reviews the key post-Weberian literatures, including human relations, decision theory and the power perspective.

October 1:

- Perrow, Charles (1986), Chapter 4 "The Neo-Weberian Model," Chapter 7 "Economic Theories of Organization" and Chapter 8 "Power in Organizational Analysis," in *Complex Organizations: A Critical Essay*, 3rd Edition, New York: McGraw-Hill. Pp. 119-156, 219-257 and 258-278.
  These chapters from Perrow put the debate over organizational form into a wider

historical context, giving us occasion to review how organization theory has developed over time. Perrow argues that Weber and his followers have overlooked the single most important and obvious thing about organizational structure: its use as a tool for consolidating and exercising power.

October 6:

Case Study—Varieties of Organizational Forms in Asia
Whereas the Perrow readings offer a conceptual challenge to Weber, this set of readings offers an empirical challenge: successful Asian firms which do not conform to the bureaucratic efficiency model. The ways in which these organizations deviate from Weber's predictions shine light on interesting limitations and new directions for organization theory.

- Orru, Marco, Nicole Woolsey Biggart and Gary Hamilton (1991), "Organizational Isomorphism in East Asia," in Walter Powell and Paul DiMaggio (Eds.), *The New Institutionalism in Organizational Analysis*, Chicago: University of Chicago Press. Pp. 361-389.
  The authors examine data on organizations in Taiwan, South Korea and Japan to show that the conception of efficiency in business organizations is culturally-specific. The forms and procedures necessary to get things done in East Asia are quite different from the requirements facing organizations in the U.S. and Europe.

- Dore, Ronald (1973), "Four Factories: A First Look" and "Two Employment Systems," Chapters 1 and 10 of *British Factory, Japanese Factory*, Berkeley: University of California Press.
  These two short chapters show how the legendary quality and efficiency of Japanese production is actually based on the family model of organizing. That this work was conducted on factory floors—the traditional "turf" of the rational bureaucracy school—makes the findings even more remarkable.

October 8:

- MIDTERM EXAMINATION

Part IV: Public and Private Sector Organizations
With a grounding in organizational theories of form, function and environment, this section of the class moves on to a taxonomy of organization types. We begin with the basic categories of public and private sector, then move into the "cutting edge" of organization theory, including the growing trend toward hybridization of public and

private, and informal organization in the form of organizational networks and social movements—a perennially important public policy issue.

October 13:

The Public Sector

- Rainey, H. G. (1991), "What Makes Public Organizations Distinctive?", Chapter 1 in W. Richard Scott (Ed.), *Understanding and Managing Public Organizations,* San Francisco: Jossey-Bass.
  Rainey offers an excellent taxonomy for sorting out the many different types of organizations, including public and private sector forms, as well as hybrids. He provides a context for the other readings in this section.
- Moe, Terry (1989), "The Politics of Bureaucratic Structure," in J. Chubb and P. Peterson (Eds.), *Can the Government Govern?*, Washington, DC: Brookings.
  Moe argues against Weber that public administration is anything but efficient; in fact, he uses examples such as that of the Environmental Protection Agency and the Consumer Product Safety Commission to show that bureaucratic structure is extremely vulnerable to manipulation by rival interest groups. As a result, bureaus are often bogged down in "protective" structures that prohibit them from performing their functions efficiently, and often cause them to fail in their missions entirely.
- Gortner, H.F., J. Mahler and J. Nicholson (1987), "Bureaus Are Different," Chapter 14 in *Organization Theory: A Public Perspective*, Homewood, IL: Dorsey.
  Gortner and colleagues summarize the essential traits that make public sector organizations distinct from those in the private sector.
- Ripley, Randall and Grace Franklin (1980), "The Nature of Policy and Policymaking in the United States" and "Congress, the Bureaucracy, and the Nature of American Public Policy," selections from Chapters 1 and 8, *Congress, the Bureaucracy and Public Policy*, Homewood, IL: Dorsey.
  These selections examine how public policy is made through the interaction of whole organization sets. Different types of policy (i.e., regulatory versus redistributive) involve different types of organizational coalitions. The authors provide extremely useful diagrams of the process relationships.

October 15:

The Private Sector

- Useem, Michael (1984), Chapters 1 and 2 of *The Inner Circle*, New York: Oxford University Press.
  Useem documents the structural arrangements linking the public and private sectors, including interlocking directorates, public lobbying groups and informal

ties. This work is particularly important for this class because it shows how the lines between public and private are blurred internationally.

October 20:

- Chapters 3-5 of Useem

October 22:

Public-Private Hybrids

- Osborne, David and Ted Gaebler (1992), "Catalytic Government: Steering Rather Than Rowing," Chapter 1 in *Reinventing Government: How the Entrepreneurial Spirit is Transforming the Public Sector*, Reading, MA: Addison-Wesley.
  This chapter argues that public sector is merging into the private sector, with more and more public administration being "run like a business," with the result that better services are being offered with greater efficiency.
- Bendick, Marc (1984), "Privatization of Public Services," Chapter 7 in H. Brooks, L. Liebman and C.S. Schelling (Eds.), *Public-Private Partnership*, Ballinger.
  Bendick examines the conditions under which privatization of public services works, or doesn't work. He cautions us that the idea of running all organizations "like a business" is highly problematic**.**
- Seidman, Harold (1975), "Government-Sponsored Enterprise in the United States," Chapter 4 in B.L. Smith (Ed.), *The New Political Economy*, New York: Wiley.
  Excellent tables provide numerous examples of the many forms of public-private partnerships in recent history.

October 27:

Innovation: Organizational Networks and Coalitions

- Powell, Walter (1990), "Neither Market Nor Hierarchy: Network Forms of Organization," in *Research in Organizational Behavior*, 12: 295-336
  Powell argues that when regulatory conditions permit, flexible organizational networks—informal, temporary coalitions such as "joint ventures"—are a more effective means of organizing than either markets or hierarchies.
- Powell, Walter, Kenneth Koput and Laurel Smith-Doerr (1996), "Interorganizational Collaboration and the Locus of Innovation," *Administrative Science Quarterly,* 41: 116-145.
  This paper examines the informal networks of interorganizational collaboration that constitute the biotechnology industry. The authors argue that the pace of change means that flexible networks are the only mode of organization suitable to the task of developing this technology. The industry is based not on formal alliances but on a

loose and ever-changing coalition of small and large private firms, venture capital, and public sector organizations such as research universities and regulatory agencies.

October 29:

- Piore, Michael and Charles Sabel (1984), Chapters 1, 2, 8 and 10 of *The Second Industrial Divide*, New York: Basic Books
  Piore and Sabel's innovative work charts the rise of a loose federation of Italian textile firms to industry dominance through "flexible specialization": a mode of organizing that is neither market nor hierarchy-based, yet provides huge economic efficiency and quality production. This work demands a reexamination of the public-private split in organizational theory.

November 3:

- Jenkins, J. Craig (1983), "Resource Mobilization Theory and the Study of Social Movements," *Annual Review of Sociology* 9: 527-553
  Jenkins reviews the extensive literature on resource mobilization, which argues that social movements depend critically on organizational structures and resources. This article sets the stage for the other readings in this section.
- Traugott, Mark (1980), "Determinants of Political Orientation: Class and Organization in the Parisian Insurrection of 1848," *American Journal of Sociology* 86: 32-49
  Traugott argues that the French workers' revolt of 1848, which toppled the monarchy, was not a phenomenon of class but of organization; the insurrection, he argues, was based on the workers' prior association through artisanal guilds.
- Morris, Aldon (1981), "Black Southern Sit-In Movement: An Analysis of Internal Organization," *American Sociological Review* 46: 744-767
  Morris argues that the civil rights movement was based not on spontaneous collective action but on prior networks established through the black church and college organizations.

November 5:

- Ostrom, Elinor (1991), Chapters 1 and 2 of *Governing the Commons: The Evolution of Institutions for Collective Action*, Cambridge, England: Cambridge University Press
  This fascinating international study looks at what happens when both markets and states fail to organize collective goods effectively. Ostrom provides case studies of grassroots organization in Spain, Switzerland, Japan and the Philippines to guide the use and protection of common-pool resources such as grazing land and water rights.

November 10:

- Chapters 3, 5 and 6 of Ostrom

November 12:

- Final exam review, student Q&A