ORGANIZATION THEORY
Winter 2022
Professor Massimo Maoret

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Introduction

In the last 50 years, the field of Organization Theory has contributed to the enrichment of our understanding of economic and management action, providing novel approaches, theories and methodological tools to management inquiry. This doctoral course provides a broad overview of the major theoretical debates within organization theory, and how they have influenced research in more applied fields. We will read and discuss theoretical and empirical papers, both classic and contemporary, and identify the current frontier of the field. Learning more about how organizations are structured and work can help us to improve organizational processes and their outcomes.

Objectives

By the end of the course the students will be able to frame a scientific research question from a theoretical point of view, and develop original scientific research ideas to advance scholarship in organizational theory. The goals are to provide students with the theoretical groundings that explain why organizations exist, how they operate, change and perform – and how to further our understanding of organizations from a scientific perspective.

Learning outcomes

1. Evaluate the relevance of the theoretical advancements of scientific publications in organization theory
2. Evaluate the scientific standards and quality of the methodologies of scientific publications in organization theory
3. Write a literature review of a sub-stream of research of organization theory, integrating several scientific contribution
4. Generate new theory that advances our current understanding of organizations
5. Lead a dialectic discussion that integrates several scientific contributions
6. Communicate and debate the merits of one’s scientific ideas

General competences

- Acquire knowledge, skills, abilities and attitudes required to conduct research on a global basis in the field of business management.
• Conduct a critical analysis, evaluation and synthesis of new and complex ideas with the objective to produce general principles applicable to business situations.
• Demonstrate knowledge and understanding that provide a basis or opportunity for originality in developing and / or application of ideas, often related to a research context.
• Students should be able to communicate clearly and concisely their conclusions, underlying knowledge and reasons to a specialized and non-specialized audience.

Specific competences

• Understand the concepts of social and human sciences relevant and necessary to carry out research projects of international level in the area of business management.
• Organization, planning and implementation of a research project related to social sciences.
• Ability to understand state-of-the-art research in organization theory published in the top academic journals (Administrative Science Quarterly, Academy of Management Journal, Organization Science, American Journal of Sociology, etc.) and compare and contrast the arguments developed in the papers from a logical and empirical point of view.
• Ability to take current management and organizational problems and identify how different theories of organizations can help us understand them.
• Ability to design research programs in the area of Business Management.
• Analyze business phenomena formal analysis tools (logic and mathematics) in order to develop consistent structural theories.

Content

The content of the class will cover all the major streams of organizational theory. Each week a new theoretical perspective will be explored, and compared to the previous ones. Every perspective relies on different assumptions about a) why organizations exist and b) how organizations work. We will thus cover:

1. Intro to organizational theory
2. Social embeddedness and inter-organizational networks
3. Status-based models of competition
4. Intra-organizational networks
5. Carnegie school and the neo-behavioral theory of the firm
6. Institutional logics and complexity
7. Institutional entrepreneurship and change
8. Categories and evaluation processes
9. Identity and authenticity

Methodology

The course will be run in a doctoral seminar format. For each doctoral-style session, students are expected to read all the required readings, provide a written answer for the assigned memo questions in advanced (see section on weekly memos), and be prepared to discuss the material in class on the schedule indicated in the syllabus. All students should come to class with questions, topics, and issues to be raised for discussion. The professor’s role is to facilitate
and direct the discussion. The students’ role is to engage each other in developing the best critical understanding of each paper.

As you do the readings, think about the following questions:

1) What is the basic argument made by the author(s)? What are its strengths?
2) What are the weaknesses of the argument?
3) If you disagree with an argument, what would it take to convince you?
4) Are there critical differences between these authors’ arguments and those of others we have read?
5) Can these differences be resolved through an empirical test? How would you design a test to resolve these differences?
6) If an empirical paper, what alternative explanations can account for the findings of the authors?
7) Important: BE CRITICAL!

In addition to preparing the papers for discussion, each student will lead the discussion once during the course. We will assign the topics on the first day of class. Discussion leaders are required to read all the memos in advance, and be prepared to open the general discussion by identifying some key debate issues and questions.

**Evaluation**

<table>
<thead>
<tr>
<th>Grading type</th>
<th>Weight</th>
<th>Evaluation elements and learning outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class participation</td>
<td>33%</td>
<td>- effectively communicate the analysis of the underlying theoretical logic of the assigned readings, and effectively compare them to the previous weeks (LO 1, 5) &lt;br&gt;- engage in an open constructive dialectic process to expose the contributions and limitations of the assigned readings (LO 2, 6)</td>
</tr>
<tr>
<td>Weekly memo</td>
<td>33%</td>
<td>- the evaluation is based on the ability of each students to grasp, summarize and criticize the theoretical perspective of the week, applying scientific standards in a written formal (LO 1, 2, 3)</td>
</tr>
<tr>
<td>Final paper</td>
<td>24%</td>
<td>- the final paper will be used to evaluate the students’ written ability to answer a theoretical question integrated in an existing stream of research using publishable standards. (LO 2, 3, 4, 6)</td>
</tr>
<tr>
<td>Final presentation</td>
<td>10%</td>
<td>- the final presentation will be used to evaluate the students’ ability to answer a theoretical question integrated in an existing stream of research using publishable standards. (LO 2, 3, 4, 6)</td>
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**Class participation**

Performance will be a function of both quantity and quality. In order for the class to succeed, students must have read the readings and be prepared to talk critically about them.

**Weekly memo**
Each week, students are asked to prepare a two-part memo (MAX 2000 words total, single-spaced) related to the readings of the class. Memos should be posted on Virtual Campus by:

- 9am (same day of class) if class is in the afternoon;
- 9pm (day before class) if class is in the morning;

Memos that are posted after the deadline will be reduced by a full grade for every hour they are late. Students are encouraged to share and read one another’s memo before class.

As mentioned, the memo should be divided in two parts. **The first part** (synthetic) requires you to answer the weekly “memo questions” listed in the syllabus. These questions usually require you to synthesize the focal readings into a coherent thought process, highlighting key assumptions behind a specific school of thought. This part is the most important part of the memo, so feel free to use more space if you need so (i.e. the overall length should be between 1000 and 1400 words).

**The second part** of the memo (critical review) should focus on a single reading for which you will provide a critical reading. In approaching the critical review, it is recommended that you organize your thoughts in terms of the following questions (some of which will be more or less relevant depending on the readings):

1. **Motivation**: Why do the authors think that their topic or question is important? What does the author (implicitly or explicitly) regard as incomplete in existing research such that his or her research constitutes a significant contribution? How is the motivation provided by the various others similar or different to each other?
2. **Theory**: What distinguishes the theoretical viewpoint of the authors under consideration? What causal mechanism or mechanisms do the authors focus on and why? What are the potential advantages of a given focus and what are the drawbacks?
3. **Evidence**: What types of evidence do the authors bring to bear to support their argument? Which sorts of analyses do you find most compelling and why
4. **Big Picture**: To what extent do you regard this reading as making a significant contribution to the larger questions that animate research in the “organizations and environments?” How could the work have made a bigger contribution?

You are required to write a minimum of 7 memos over the course of the term. If you submit n > 7 memos, your weakest n-7 memos will be dropped from your grade.

I highly recommend following this general guide when writing the second part of the memo:


**All memos must follow the AMJ style guide for authors and be in Word format:**
https://aom.org/docs/default-source/events/amjstyleguide.aspx

**Final paper**

More information about the final paper will be given in the first week of class. Please make sure to read these two notes before submitting the first draft of your paper idea:
Zuckerman, E. W. Tips to Article-Writers.  
(http://mitsloan.mit.edu/shared/ods/documents/?DocumentID=4448)

(https://www.dropbox.com/s/a3n1ux6lnu7wbpe/On%20Genre.pdf?dl=1)

On the final day of class, you will be asked to present a first version of your paper ideas.

**Course Material**

All the required readings will be in the course reader. An extended (but not exhaustive) bibliography is provided throughout this document, divided by topic covered (and not covered).
COURSE OUTLINE

Session 1. Introduction to Organization Theory

Note: For this first week, only submit the first part (synthetic) of the memo answering the memo question below. Instead of submitting the critical review part, please:

1. Submit a one-page introduction of yourself, explaining which research ideas excite you the most, and what idea you are planning to pursue for the class final paper (and why).
2. Choose your favorite empirical paper from Introduction to Organization and Management Theory. This should be a paper that you consider a role model. Prepare a five minutes presentation, explaining:
   a. Why you liked the paper;
   b. “Deconstructing” the article using the “required readings on theorizing”, particularly using Turco’s and Zuckerman’s notes as a guideline.

Some of you will be asked to present at random. Do not simply copy and paste a critical memo you wrote for the “Management and Organizations Classics” class.

Memo question(s):

1. We could easily imagine a society without organizations, where all transactions are regulated by a market. So why do organizations exist? Answer this question from the point of view of Zuckerman, Granovetter and Williamson, and then offer your opinion.

Required readings on organization theory (read in this order):


Required readings on theorizing:

AMJ style guide for authors: https://aom.org/docs/default-source/events/amjstyleguide.aspx
Background readings on the state of organizational theory:


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Additional (optional) readings on the current debate on organizational theory:


Additional (optional) readings on the theoretical foundations:


Session 2. Social embeddedness and inter-organizational networks

Memo question(s):

1. Compare how the authors use the term “embeddedness”. Do you think it’s a useful concept, and why? What kind of research questions does “embeddedness” help us to answer? Please provide three, concrete examples of potential research questions.

Required readings:


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Additional (optional) readings on diffusion and influence:


Additional readings on embeddedness and social capital:


**Additional readings on social exchange and resource dependence:**


**Additional readings on network governance:**


**Additional readings on network formation and evolution:**


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Session 3. Competing for status: Foundations

**Memo question(s):**

1. Compare and contrast Gould and Podolny’s theories, in terms of the questions they are trying to explain and how they go about addressing those questions.

2. Considering at least three of the readings, to what extent do the authors have a similar conception of what it means to compete for/with status? Put more concretely, imagine you “lived” in these status structures. Would you compete in a similar or different way? What does your answer imply?

**Required readings:**


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**Additional readings on status:**


Session 4. Intra-organizational networks: Tie formation, content and performance

Memo question(s):

1. Compare how this week’s authors conceptualize social networks in terms of: a) the nature of ties b) mechanisms of tie generation c) mechanisms that link networks to individual advantage.
2. Compare and contrast the pros and cons of the different methods to measure social networks. Which persuades you the most, and why?

Required readings:


Additional readings on network brokerage:

Symposium on Structural Holes, including Reagans & Zuckerman, Why Knowledge Does Not Equal Power: The Network Redundancy Tradeoff; comments by Burt, Podolny, van
de Rijt et al., and reply (“All in the Family”) by Reagans and Zuckerman. Industrial and Corporate Change 17: 903-999.


Additional readings on homophily:


Additional readings on tie dynamics:


Additional readings on knowledge transfer and innovation:


Hansen, M. T. 1999. The search-transfer problem: The role of weak ties in sharing knowledge across organization subunits. Administrative Science Quarterly 44: p. 82-


Additional readings on network perception and cognition:


Additional readings on core/periphery structures:


Additional readings on affect in networks:


Additional readings:

Session 5. The Carnegie School: Towards a Neo-Behavioral Theory of the Firm

Memo question(s):

1. Identify the key constructs of the Carnegie school. What theoretical mechanisms link these constructs into a school? Looking back at past readings, which mechanisms relate to embeddedness, institutional theory and/or population ecology? Make explicit references.
2. How can a neo-behavioral theory of the firm help explain current, modern-day issues in management? Please provide a research question and sketch a research design to answer it.

Background reading (skim):


Required readings:


Additional reviews on the Carnegie School:


Additional readings on organizational adaptation, search, feedback and learning:


Additional readings on organizational attention:


Additional readings on organizational politics:


Additional readings on organizational routines and capabilities:


Additional readings on practice theory:


Additional readings on the garbage can model:


Session 6. Institutional logics and hybrids

Memo question(s):

1. What is institutional complexity, and how can firms respond to it?
2. Under what conditions should we expect to see an institutional logic dominate versus seeing a co-existence of a plurality of logics?

Required readings:


Additional readings on institutional complexity and hybrid organizations:

Additional readings on institutional logics:


Additional readings on legitimacy:


Additional readings on institutional theories of diffusion:


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Session 7. Institutional change

Memo question(s):

1. When and how does institutional change happen? Compare this week’s articles.
2. Then integrate insights from this week into a theoretical model that predicts the stability and change of an institutional field.

Required readings:


Additional readings on institutional work and change:


Additional readings on de-institutionalization:


Additional readings on social construction of markets:


Additional readings on organizational sense-making:


Additional readings on social construction of technology:


Additional readings on framing and symbolic management:


*Additional readings on naming:*


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**Session 8. Categories and evaluation processes**

**Memo question(s):**

1. How does the concept of “category” vary across the various readings? Which one do you find most compelling, and why?

2. This week’s articles contribute to a general sociological theory of evaluation. Please propose a theoretical model that integrates the various readings.

**Required readings:**


Additional readings on categories and valuation:


Session 9. Organizational identity and authenticity

Memo question(s):

1. Please provide a theoretical framework that a) defines the concept of “organizational identity” and b) reconciles the readings for this week.

2. How does your framework help us better explain reality? Provide examples.

Required readings:


Additional readings on authenticity:


Additional readings on identity:


Session 10. Final presentations

There are no required readings for this class – you will present your ideas for the final paper. However, here’s a few cool recent papers that I was not able to fit into the syllabus. You should at least skim them, they are great articles!


**Selected readings on other topics not covered in this course**

**Organizational culture**


Social movements and organizations


The population ecology of organizations

Additional readings on population ecology foundations:


Additional readings on niche theory:


Additional readings on inertia and age-dependence:


Additional readings on theoretical extensions:


**Boundaries of the firm and TCE:**


**Evolutionary theory, technology and innovation**


**Entrepreneurship and organizational founding**


Organizational demography


**Jobs and careers**


**Professions**


**Gender and organizations**


Massimo Maoret is an Associate Professor in the Strategic Management Department at IESE Business School, and a European Commission Marie Curie Fellow. He received a Ph.D. in Management from Boston College in 2013; he is an active member of the Academy of Management and was also part of the Economic Sociology Work Group at the MIT Sloan School of Management between 2010 and 2013.


At IESE, Massimo teaches Strategy Execution, Organizational Theory and Organizational Change, and Competitive Strategy (with a focus on the energy sector). He also teaches modules on Managing your Network and Getting Things Done at the Executive level, where he has offered customized modules for the Adecco Group, Boehringer Ingelheim, DOW Chemical, DSM, ERSTE, Faurecia, HARMAN, Henkel, Shiseido, UNICEF, UPS, WebSummit and XING.

Link to complete CV:
https://www.iese.edu/faculty-research/faculty/massimo-maoret/