**MACRO-ORGANIZATIONAL THEORY: ORGANIZATIONS IN SOCIAL CONTEXT**

**SOC 1315: SPRING SEMESTER 2014**

Meetings: January 22 – May 7, 2013: MWF 1:00 – 1:50

 ROOM = Metcalf Chem.Lab Auditorium

**INSTRUCTOR: Professor Mary Fennell**

INSTRUCTOR OFFICE HOURS: Thursday 10-12 noon

Contact Information: 211 Maxcy Hall; phone: 3-2527; email: mary\_fennell@brown.edu

**TEACHING ASSISTANTS:**

 **Aisalkyn Botoeva:**

OFFICE HOURS: by appointment

 CONTACT: email: aisalkyn\_botoeva@brown.edu

 LOCATION: Maxcy Hall 106

 **Karida Brown:**

OFFICE HOURS: by appointment

CONTACT: email: karida\_brown@brown.edu

LOCATION: by arrangement

**COURSE DESCRIPTION:**

Macro-Organizational Theory focuses on the organization and its social/economic environment. This class will explore various definitions of the organization’s environment, and the many types of macro-level organizational structures in which sets of organizations interact, function, compete, and cooperate. Important questions to be asked include the following:

* What is an organizational environment and how do organizations “deal” with what is outside of their boundaries?
* How are the boundaries of organizations defined/recognized/function?
* How do environments influence organizational strategy and performance?
* What are the major theories for assessing macro-level organizational phenomena?
* What are the many ways in which organizations relate to other organizations?

**Course Format**

The course is designed to help students develop theoretical knowledge, apply that knowledge to real organizations, and use the knowledge interactively by critically assessing their own experiences and observations in organizational settings. Thus, the course takes a three pronged approach to teaching about macro-level organizational dynamics, which includes: 1) classic and contemporary theoretical readings; 2) in-depth analysis of one particular macro-organizational situation throughout the semester (using McLean & Nocera’s telling of the financial crisis of 2007-10), and 3) opportunities to apply various theoretical approaches to case information about the recent financial crisis, which was and is (in many ways) a case of multiple types of financial and regulatory organizations behaving badly, and interacting in dysfunctional ways.

The theoretical readings in the course are organized around ten topical units, which comprise some of the core knowledge for analyzing macro-level organizational dynamics. Each topic will be addressed through a series of related readings, lectures, and discussions. The knowledge gained from the readings on each topic is synthesized and applied through a weekly or bi-weekly case analysis and discussion. The case analyses also provide the context for students to observe, assess and make recommendations about macro-level organizational dynamics through their own insights about the financial crisis, and the marshalling of additional materials and/or data about the crisis.

**TEXTBOOKS:**

REQUIRED FOR PURCHASE:

1. Organizations and Organizing: Rational, Natural and Open Systems Perspectives: W. Richard Scott & Gerald F. Davis. 2007; Pearson. (referred to as SCOTT & DAVIS)
2. Organizations & Environments: Howard E. Aldrich, 2008; Stanford University Press (referred to as ALDRICH)
3. All the Devils are Here: the Hidden History of the Financial Crisis: Bethany McLean & Joe Nocera. 2010: Portfolio/Penguin (referred to as DEVILS)

RECOMMENDED FOR PURCHASE:

1. The Sociology of Organizations: Classic, Contemporary & Critical Readings: Michael J. Handel (editor) 2003: Sage Publications (referred to as HANDEL)

All four of these books are available at the Brown University Bookstore. A number of readings will be used from the Handel reader, but most of these articles are also available through ejournals. Used copies of the three texts (Scott & Davis, Aldrich, Handel) should be available at the bookstore and through Amazon. The readings listed on the syllabus correspond to each topic being covered in a particular week. Each set of readings must be completed before the beginning of that unit.

**ATTENDANCE:**

Students are expected to attend ALL class sessions and ALL Discussion Sessions ON TIME. Frequent absence, lateness, or leaving class or discussion early will be reflected in your final grade (we will keep track of attendance and tardiness). You are allowed **three excused absences** in total, from class during the term. An excused absence will be granted for extenuating circumstances that MUST BE DISCUSSED IN ADVANCE WITH THE PROFESSOR AND/OR TA VIA E-MAIL. If you miss class due to illness, please email me before class meets, and then bring a note from Student Health Services (or your personal MD).

If you are an athlete with expected absences due to off-campus games/meets, **your coach or assistant coach must provide a complete list of expected away-dates that will cause you to miss class, as soon as possible at the beginning of the semester. I will need you to send that to me with the three dates you intend to use for your excused absences clearly specified**. You will still be responsible for material covered on those dates.

All quiz dates are listed in the syllabus; all quizzes are held during class time, usually on Fridays (except for the last quiz, which will be held during the schedule final exam period for this course. If you will miss a quiz date due to a team game/meet on that date or another pre-arranged excused absence, you must arrange in advance for an early makeup date. All students are expected to participate fully in cooperative class and discussion group activities. Attendance will be taken in class randomly throughout the term, and regularly in Discussion Sessions. A policy for attendance in Discussion Sessions will be provided before Sessions begin.

**GRADING:**

Your overall performance will be based on 100 possible points, assigned as follows:

1. **Class Participation** [20 pts]: Your participation will be judged based on your steady attendance and punctuality in class. The course TAs and I will be evaluating the extent to which you are prepared for class based on your ability to thoughtfully participate in class discussions and by asking and answering questions or posing insightful comments. Random attendance checks will be taken. I will use cold-calls about readings and issues in lectures frequently. If you are called upon and are not present, your absence will be noted.
2. **Discussion Section Participation** (20 points): Your participation in Discussion Sections will be judged on the basis of your steady attendance and punctuality. The weekly discussion sections provide the opportunity to synthesize and apply your knowledge about organizational environments and inter-organizational dynamics to the case of the financial crisis of 2007-2012. The course TA(s) will evaluate the extent to which you are prepared for Discussion based on your ability to discuss the term case (All the Devils Are Here), and by asking and answering thoughtful questions or making insightful comments. The TA(s) will all use a specific rubric for analyzing case materials and structuring case discussions. Student discussion co-leaders will be assigned for each Discussion Section, and your performance as a Discussion Co-Leader will factor into your grade.

**Discussion Sections will begin by the 3rd week of classes. Assignment to specific Sections will occur during the 1st two weeks of the term. The TAs will be sending everyone a Doodle poll with options listed for discussion section dates/times. Information about Discussion Section sign-ups will be provided during Week 1, and will be posted on Canvas. DO NOT FAIL TO SIGN UP FOR A DISCUSSION SECTION!**

**3. Four Quizzes** [60 pts – 15 pts each]: As reflected on the schedule of instruction below, there are four in-class, independent, closed-book quizzes related to recent course material and analysis of the term case. The quizzes are designed to assess your knowledge of the readings and ability to synthesize knowledge from the readings with content covered in lectures and information about the case. Quiz questions are generally 5 long-form multiple choice questions. Quizzes will always be held on Fridays, and the fourth quiz will be held during the final exam period for this course.

NOTE: THERE IS NO COMPREHENSIVE FINAL EXAM IN THIS CLASS.

 THERE IS NO EXTRA CREDIT.

For students taking the course for a grade, as a general rule I consider 90-100 points roughly equivalent to an A, 80-89 points, roughly equivalent to a B, and 70-79 points roughly equivalent to a C. For students taking the course satisfactory/no credit you must earn at least 75 points to receive credit.

**LECTURE AND DISCUSSION SECTION ETIQUETTE:**

You need to come to class **on time**, and give lectures and Discussion Sections your full attention. Please **turn off your cell phones** and **do NOT open laptops** during either lectures or Discussion Sections. It would be far better to LISTEN to the lecture, take part in the Discussion, and take notes the old fashioned way. We will provide copies of the PowerPoint lectures a day or two after the lecture is given, so you will have the complete outline for each lecture. However, interpreting and retaining the material will be much easier if you have listened to the additional comments made each day (which are not usually on the PowerPoint) and the questions that arise during each lecture.

**HONOR CODE POLICY:**

I will assume that all students in this course have carefully read the **Codes for Academic and Student Conduct. Cheating – in any form – will not be tolerated. This applies to all aspects of student work in this course, including quizzes and daily attendance sign-in.**

**SOC 1315: MACRO-ORGANIZATIONAL THEORY**

**SPRING 2014**

**TOPICS AND READING ASSIGNMENTS:**

**NOTE:** Discussion Sections will begin Week 3. Before then, please scan the entire case study of All the Devils are Here. It will be important for you to get a sense of how events unfolded involving a complex set of organizations (financial, rating agencies, mortgage brokers, regulatory agencies, other federal agencies); thus, first read the book quickly from start to finish. We will then be breaking up the chapters by substantive topics throughout the term (see below).

**WEEK 1:** JANUARY 22 & 24: INTRODUCTIONS

 Review of the syllabus and course requirements;

 The Macro-Level in Organizational Analysis;

 Brief Review of the Three Major Theoretical Frameworks;

 Focus on the Ecological Level: Organizations as Open Systems

 READINGS: Scott & Davis Chapters 1 through 4 (scan/review)

 Aldrich Chapter 1

 Devils: Prologue, Chapters 1 and 2

**WEEK 2:** JANUARY 27, 29, 31: OPEN SYSTEMS CONTINUED…

 Brief Review of Three Frameworks: Continued

Combined Theories: Organizational Fields

 READINGS: Scott & Davis Chapters 4 and 5: close read

 Aldrich: Chapter 1 continued…

 Devils: Chapters 3 and 4

**WEEK 3:** FEBRUARY 3, 5, 7: THE BOUNDARIES OF ORGANIZATIONS;

**BEGIN MEETING WITH DISCUSSION SECTIONS THIS WEEK: Introduction to the case book: All the Devils are Here.**

READINGS: Scott & Davis: Chapters 7, 9

 Aldrich: Chapters 9, 10

 Devils: Chapters 5 and 6

**WEEK 4:** FEBRUARY 10, 12: ORGANIZATIONS AND THEIR INTERACTIONS WITH OTHER ORGANIZATIONS

 READINGS: Scott & Davis: Chapter 9 (review)

 Aldrich: Chapters 11 and 12

 Devils: Chapters 7 and 8

**QUIZ NUMBER 1: FRIDAY FEB.14**

**NO CLASS: LONG WEEKEND: MONDAY FEB 17**

**WEEK 5:** FEBRUARY 19, 21: CONSIDERING THE ENVIRONMENT

 READINGS: Scott & Davis: Chapters 10

 Aldrich: pages 106-135

 Devils: Chapters 9 & 10

**WEEK 6:** FEBRUARY 24, 26, 28: FOUR TAKES ON MAJOR MACRO-LEVEL THEORIES:

(1) POPULATION ECOLOGY

 READINGS: Scott & Davis: Chapter 10 (review)

 Aldrich: Chapter 2

 Handel: pages 254-261:

 Reading by Carroll & Hannan: “Density-Dependent Processes,”

 From book (2000) by Carroll & Hannan: The Demography of

 Corporations and Industries

 Devils: Chapters 11 and 12

**WEEK 7:** MARCH 3, 5: FOUR TAKES ON MAJOR MACRO-LEVEL THEORIES:

(2) RESOURCE DEPENDENCE

 READINGS: Scott & Davis: Chapter 9 (review)

 Aldrich: Chapter 5

 Handel: pages 225-242:

 Reading from Pfeffer & Salancik: “The External Control of

 Organizations,” from book by Pfeffer & Salancik (1978), of

 Same name.

 Devils: Chapter 13, 14 and 15

**QUIZ NUMBER 2: FRIDAY, MARCH 7**

**WEEK 8:** MARCH 10, 12, 14: FOUR TAKES ON MAJOR MACRO-LEVEL THEORIES:

 (3) TRANSACTION COST ECONOMICS

 READINGS: Scott & Davis: Review Chapter 9

 Handel: Pages 263-294:

 Readings from Jensen & Meckling (1976)

 Williamson (1981)

 Perrow (1981)

 Devils: Chapters 16 and 17

**WEEK 9:** MARCH 17, 19, 21: FOUR TAKES ON MAJOR MACRO-LEVEL THEORIES:

(4) INSTITUTIONAL THEORY

 READINGS: Scott and Davis: Review Chapter 10

 Handel: pages 243-253: Reading from DiMaggio & Powell (1983):

 “The Iron Cage Revisited,” ASR Vol.48: pp 147-160

ADDITIONAL READINGS: AVAILABLE ON EJOURNALS or CANVAS:

1) Frumkin, Peter and Galaskiewicz, Joseph. 2004. Institutional Isomorphism and Public Sector Organizations. Journal of Public Administration Research and Theory, 14(3): 283-307.

2) Colyvas, Jeannette A. and Powell, Walter W. 2006. “Roads to Institutionalization: The Remaking of Boundaries between Public and Private Science.” Research in Organizational Behavior, 27: 305-353.

3) Scott, W. Richard. 2008. “Approaching Adulthood: the Maturing of Institutional Theory.” Theory and Society, 37(5): 427-42.

 Devils: Chapters 18 and 19

**SPRING BREAK: MARCH 22 – MARCH 30**

**WEEK 10:** MARCH 31, APRIL 2, 4: INSTITUTIONAL THEORY: CONTINUED….

 READINGS: Review readings from Week 9 on Institutional Theory

 Begin readings for Week 11

 Devils: Chapter 20 and 21

**WEEK 11:** APRIL 7, 9: NETWORKS OF ORGANIZATIONS

 READINGS: Scott & Davis: Chapter 11

 Aldrich: Chapter 13

 Handel: pages 315-346:

 Excerpt from Powell: “Neither Market Nor Hierarchy: Networks Forms of Organization” 1990 (from Research

 On Organizational Behavior, Vol.12, pp.295-336);

Excerpt from Bennett Harrison (1994): “Lean and Mean: The Changing Landscape of Corporate Power in the Age of Flexibility,” from book of the same name, Basic Books.

Devils: Chapter 22 and Epilogue, Afterward

**QUIZ #3: FRIDAY, APRIL 11**

**WEEK 12**: APRIL 14, 16, 18: STRATEGIES OF ORGANIZATIONS TO TAME THEIR ENVIRONMENTS AND IMPROVE PERFORMANCE

 READINGS: Scott & Davis: Chapter 12

 Aldrich: Chapter 6 and 7

 Handel: page 295-346: Excerpt by Chandler “The Emergence of

 Managerial Capitalism: 1984, from The Harvard Business Review

 Case # 384-081;

 Review Excerpt by Powell: “ Neither Market nor Hierarchy” 1990

**WEEK 13:** APRIL 21, 23 25: CHANGING CONTOURS OF ORGANIZATIONS AND ORGANIZATION THEORY

 READINGS: Scott & Davis: Chapter 13 & 15

 Handel: pages 457-496:

 Excerpt from Rothschild-Whitt (1979): “ The Collectivist Organization”

 Excerpt from Whyte, Blasi & Kruse (2002): “Worker Ownership,

 Participation & Control”

**WEEK 14**: APRIL 28, 31, MAY 2: READING PERIOD: NO CLASSES: EXTRA OFFICE HOURS

**QUIZ # 4: to be held during SCHEDULED FINAL EXAM PERIOD FOR THIS COURSE**