

***Oxford Handbook of Sociological Theory and Organization Studies:  
Classical Foundation, edited by Paul S. Adler***

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Organizations have profound and pervasive effects on our lives both at work and beyond. Indeed, we live in a society of organizations. The field of organization studies is well established in both sociology departments and professional schools, most notably business schools. This field is inter-disciplinary, bringing together theoretical resources from sociology, psychology, economics, as well as political science, anthropology, and yet others. Among these disciplines, this volume focuses on sociology. Sociology was foundational in shaping the field in its earliest, post-WW2 years, and has continued to be an important influence. The sociological lens affords depth of insight into the technological, economic, cultural, and political forces that shape organizations both from within and without.

Notwithstanding this inter-disciplinary constitution, organization studies is suffering from increasing intellectual insularity. A recent paper by Augier, March, and Sullivan (2005) shows that publications in the organization studies field refer less and less to material outside that field. Many leaders in the field agree that this trend bodes badly for the intellectual development of organization studies. Organization studies is increasingly cut off not only from contemporary sociological theory, but also from sociology's "classics." This is particularly problematic because, as Jeffrey Alexander (1987) and Art Stinchcombe (1982) and others have argued, social sciences (as distinct from natural sciences) cannot do without the continual replenishment afforded by re-readings of their classics.

The premise of this edited volume is therefore that organization studies would benefit from renewed engagement with the classics sociological theory. Without minimizing the potential contribution of more recent theorists, we believe that these authors present unusually rich resources for research today. They were all deeply engaged with the practical social and political issues of their times, and in this way, they encourage us too to reconnect organization studies with the burning issues of our own time.

Alongside some thematic chapters, the volume includes one or more chapters on each of these classic authors, addressing in each case (a) the ideas and their context, (b) the impact of these ideas on the field of organization studies so far, and (c) the potential future research these ideas might inspire. The goal is not reverential exegesis, but rather to examine how the classics can energize organizational research -- to help us make better sense of the social changes underway, and perhaps equip us to act more intelligently in our efforts to participate in those changes.

TOPIC		CONTRIBUTOR
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	Commons	Andrew Van de Ven & Arik Lifschitz (Minnesota)
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	Marx	Paul Adler (USC)
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	Parsons	Charles Heckscher (Rutgers)
	Pragmatism	Michael Cohen (Michigan), Chris Ansell (Berkeley)
	Schumpeter	Thorbjørn Knudsen (Southern Denmark) & Markus Becker (Louis Pasteur Univ., Strasburg),
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	Merton/Selznick/Blau/Gouldner	Mike Reed (Cardiff) Heather Haveman (Columbia)
	Tocqueville	Richard Swedberg (Cornell)
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	Vygotsky/Leont'ev	Yjro Engestrom (Helsinki)
	Weber	Marshall Meyer (Wharton), Stewart Clegg (Univ. of Technology, Sydney) & Michael Lounsbury (Alberta), Paul du Gay (Open University)
<b>Thematic papers</b>	Dewey, Hayek, and Polanyi on corporations as a threat to liberal society	Lis Clemens (Chicago)
	The value of the classics in making compelling arguments	Pat Thornton (Duke)

	A cocitation analysis of the evolving place of the classics in organization studies	Paul Adler & Mark Kennedy (USC)
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Jeffrey C. Alexander, "The centrality of the classics," in Anthony Giddens and Jonathan Turner (eds.) *Social Theory Today*, Stanford, CA: Stanford UP, 1987, Pg. 11-57.

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## **APPENDIX:**

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- Nkomo, Stella M.: The Sociology of Race
- Reed, Mike: Bureaucratic Theory and the Renewal of Contemporary Organization Studies
- Scott, Alan: On Simmel
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- Tolbert, Pamela, and Shon Hiatt: On Michels
- Van de Ven, Andrew: On Commons
- Van Iterson, Ad: On Norbert Elias

## **CHAPTER ABSTRACTS**

### **Alfred Schutz and Organization Studies**

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Alfred Schutz is mostly known for his 1932 book and some insights has travelled via his students, Berger and Luckman into organization theory (Scott, 1995). While existing organization theory has focused mostly on Schutz's insights relevant to understanding institutionalization processes and institutionalized behavior, there are a number of other themes relevant in Schutz's work. This chapter will focus on the broader implications of Schutz's work for organization theory regarding decision making, rationality and the formation of beliefs in organization. I will draw parallels to modern work in the area and implications for further developing Schutzian lessons in the field of organization studies.

### **Chicago Sociology and organization studies**

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It is striking fact that the great works of the Chicago School of sociology said little about the social phenomena colligated under the term “organizations” after the Second World War. Moreover, the Chicago tradition had little influence on that later body of work. This paper will explore both the reasons for that lack of connection and the groundings for a Chicago-style theory of organizations in the future. Under the first heading, it will look at the place of the war and wartime experience in shaping disciplinary problematics after the war, as well as the emergence and establishment of industrial psychology and its descendant OB. Under the second heading, it will consider the potentiality of an organizational ecological theory unconstrained (as is population ecology) by methodological limits, as well as an organizations theory more grounded in interactional problematics. Classic works considered will include *The Polish Peasant in Europe and America* of Thomas and Znaniecki, *The City of Park*, Burgess, and McKenzie, and *Introduction to the Science of Sociology* by Park and Burgess.

### **The specter of Marx in organization studies**

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Marx has been an enduring point of reference for organizational studies, albeit a more important one in the UK than in the US. This chapter will (a) identify the distinctive features of Marx's theory relative to other sociologies, (b) review the organizational research that has taken inspiration from Marx, and (c) outline some ways in which renewed engagement with Marx could give organizational studies great depth and traction. I will address Marx's influence on: (a) analyses of class structure in contemporary society, (b) critiques of the market, (c) critiques of capitalist work organization and ideology, (d) analyses of workers' experience of work.

## **A bibliometric analysis of the evolving place of the sociology classics in organizational research**

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This chapter will act as foundation for the volume. It will present results of an analysis of the changing place of the sociology classics in the evolving co-citation network of articles published in major journals in sociology and management studies.

## **Pragmatist Institutionalism**

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In a highly influential and now classic essay, DiMaggio and Powell distinguished “new” institutionalism from “old” institutionalism in organizational sociology. In doing so, they used Philip Selznick as their archetype of an “old” institutionalist who viewed institutions normatively in terms of values and who thus emphasized socialization as the key mechanism of institutionalization. In doing this, DiMaggio and Powell were largely interpreting Selznick as a Parsonian structural-functionalist, while their “new” institutionalism would follow the lights of post-structuralists like Giddens and Bourdieu. However, if Selznick is interpreted as a Pragmatist (as he explicitly describes his work), then the epochal distinction between old and new institutionalism is far less sharply etched. We are then permitted to then to look for inspiration from Pragmatist-inspired institutionalists and organization theorists like Thorstein Veblen, Mary Parker Follett, Everett Hughes, John Commons, Anselm Strauss, and Selznick, as well as from the philosophy and social theory of classical and neo-pragmatism.

This paper will build on a tradition of Pragmatist institutionalism to argue that institutions can be thought of as “grounded conceptual systems.” This approach will be compared with an economic view of institutions as voluntarily-constructed rules and with a sociological view of institutions as taken-for-granted cognitive frames. These two approaches confront opposite dilemmas in understanding institutions. With an emphasis on strategic choice, the economic approach finds institutional genesis and change fairly easy to explain, but has a harder time explaining institutional stability. By contrast, the sociological approach finds it natural to explain institutional reproduction, but more challenging to explain institutional change. Drawing inspiration from Dewey’s models of experience and habit and Mead’s concepts of socialization and emergence, Pragmatism provides a framework for understanding how institutions can be both rooted in habit and intelligently designed. The paper will describe institutions as symbolic artifacts (concepts) grounded in habit and experience, but which also become part of the (enacted) environment and hence part of the “scaffolding” for action. In interacting in an evolutionary fashion with this environment, people create complex institutional ecologies

that hang together more or less cohesively as systems. Far from being merely “old” institutionalism, this Pragmatist institutionalism provides a useful framework for understanding how institutions are central to processes of distributed intelligence

### **Schumpeter and the Organization of Entrepreneurship**

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Among the most well-known and most cited ideas of Schumpeter’s are his notion of the entrepreneur as the driver of innovation, the perennial gale of creative destruction brought about by the entrepreneur’s acts, and the so-called ‘Schumpeterian hypothesis’. These are by far not the only contributions Schumpeter has to offer to the modern organization literature on entrepreneurship. Schumpeter spent much time on a set of problems that are still among the most important in the study of entrepreneurship in business organizations: how to incorporate social factors into economic theory and how to develop a truly dynamic theory.

In his extensive writings Schumpeter focused on achieving a detailed understanding of the role of entrepreneurship in the economy. This endeavour yielded insights on the influence of entrepreneurship on the evolution of technology, on entrepreneurship as a social factor in economic theory, and on the theoretical role of entrepreneurship for devising a dynamic theory of the economy. All these issues are still of great interest for the understanding of business organizations in today’s competitive environments.

Entrepreneurship is a topic of crucial importance both for the contemporary economy, and for neo-Schumpeterian theories of technological, institutional and economic evolution. Drawing on writings by Schumpeter, which have become accessible only recently, but contain substantial new material on his thinking on entrepreneurship, we highlight the relevance of Schumpeter’s concept of entrepreneurship for contemporary theories of technological, institutional and economic evolution.

### **Weber as a cultural theorist of domination**

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Max Weber’s writings have arguably been the most influential in the development of organization studies. His work has underpinned a wide range of scholarship from the intraorganizational dynamics of bureaucracy to the broader historical analyses of inter-organizational fields and wider institutional processes. Despite Weber’s important influence on the field, most contemporary research fails to engage with some of the most crucial aspects of his theoretical corpus. In fact, much of the current research in organization studies cites Weber in ceremonial ways if at all. Given the growing interest in cultural approaches to organizational theory, we revisit the relevance of Weber as, first and foremost, a cultural theorist. While his focus on power and domination are well

known, it is important to recall that all systems of power and domination are contextually situated and culturally constructed. In fact, Weber was rather less a classical management theorist and rather more a student of culture; indeed he practiced what today we might call ‘cultural studies’. He concentrated on subjectivity, the relation of culture to the individual, and its historical genealogy. From his writings on the Protestant Ethic to his discussions of cultural forms of rationality in *Economy and Society*, we highlight how Weber’s approach to culture and power can usefully provide an important basis and inspiration for the further development of organization studies.

### **The Problem of the Corporation: Liberalism and the Large Organization**

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Liberal political theory is populated by individuals: they have natural rights, enter into social contracts, and retain the right of revolution against sovereign power. Yet at the same time that this liberal vision informed the political organization of what would come to be the industrial democracies, these same societies saw the multiplication of large organizations. Once granted charters, these corporations became actors in a polity that was understood to be constituted by natural persons. While this transmutation solved legal issues, allowing corporations to own property as well as to sue and be sued, it created a durable problem for political and social theory. As challenges to liberalism mounted during the twentieth century, theorists such as Dewey, Polanyi and Hayek confronted the place of the large corporation (and, specifically, the monopoly) in a liberal democracy and reflected on whether a “society of organizations” could be meaningfully democratic. By reflecting on this tradition of liberal theory and critique, this chapter will explore how organizational analysis might reengage with fundamental questions of democratic governance and political order.

### **What we can learn from John Dewey.**

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Revisiting the work of John Dewey can help us out of a box we have gotten into our studies of crucial forms of patterned organizational action, including routines. In particular, the existing literature on routines, built up since World War II, tends to see them as rigid, mundane, mindless, and explicitly-stored.

By saying that we may take routines to be *rigid* I mean that we often suppose the routine consisting of some particular pattern of actions, say for closing the shop at day’s end, is the same on the multiple occasions of its execution. After all, the very reference to it as *the* routine implies that it is the same thing over time, like the desk, or the company logo.

By saying that we may take routines to be *mundane*, I mean that we often suppose the actions we refer to as routine are likely not of major importance. So less skilled workers carry out the parts of a process that are “merely routine”, such as filing or cleaning.

By saying that we may take routines to be *mindless*, I mean that we often presume that routine actions are not tightly integrated with deliberation, reflection or feelings. “It’s a routine matter” can be taken as indicating that not much expertise, commitment, or attention is required.

And finally, by saying that we may take routines to be *explicitly stored*, I mean that we often suppose that the “recipe” for a routine action is recorded somewhere, such as in formalized standard operating procedures, in training manual descriptions, in memorized rules of behavior, or encoded in artifacts such as production machinery and blueprints.

I am not saying that the modern research literature fails to rebut these presumptions. On the contrary, there are quite a large number of good studies pointing out that routine activities are very often neither rigid, mundane, mindless, nor explicitly stored. (Feldman, Suchman, Szulanski, Pentland, Tsoukas, Prencipe, Orlikowski, Cacciatorri, Winter, ... and many many more.)

But the very existence of these studies shows that the presumptions needed rebutting. It has been hard for us to keep clear in our minds that routines are not: rigid, mundane, mindless, and explicitly stored. Our thought processes keep back-sliding because we hold a basic model of organized human action in social settings that is seriously incomplete.

To put the matter too baldly, our established discourse carries forward a presumption that decision-making (whether outcome-optimizing or boundedly rational) determines most of the significant events in organizational settings. This distorts organizational realities, which are structured heavily by forces such as habit and emotion that lead in very different directions. The distortions are sometimes minor enough to be ignored, but in many cases they are grotesque, leaving us with a research-based conceptual apparatus that has little bearing on what is taking place before us.

Dewey is helpful through many particular insights that can be culled from his work, but his value is even greater through the “model of man” that provides the consistent foundation for his vast body of work. Only if we can establish a different and coherent overview of the processes that generate human perception and action, a view in which decision-making remains, but takes a smaller and more contextualized role, will we be able to get beyond a literature heavily devoted to repeated unmaskings of erroneous “common sense”.

This essay tries to sketch that underlying model of how human action is generated, relying on material from about a dozen of Dewey’s major works. These are mostly from his so-called middle period (e.g., *Human Nature and Conduct*, *Art as Experience*, *Experience and Education*, *The Public and Its Problems*, *Experience and Nature*) but include also early work, such as “The Reflex Arc in Psychology” and late work, such his last *Logic*. One sub-theme of the discussion will be the possibilities of formalized representations of Dewey’s basic model. The difficulties and possibilities serve to highlight the differences between a view stressing decisions and a view stressing habit and emotion as equally powerful in the generation of human action.

### **Gabriel Tarde and organization studies**

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Gabriel Tarde (1843-1904) was in his life-time a competitor of Emile Durkheim and, judging from many contemporary accounts, a successful one. Translated into English and well known in social psychology and sociology of law, he became suddenly forgotten by the early 1960s. At present, there is a strong renewed interest in Tarde's work, to the point of some critics talking of a "Tardomania". Although this wave has not yet reached organization studies, in this chapter I shall claim that it should. In the text, I scrutinize three pairs of Tardean concepts – imitation and invention, identity and alterity, and custom and fashion, illustrating their relevance for understanding organizations.

### **Categorization and Identity in Durkheim**

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Durkheim's sociological analysis has shaped the thinking of organizational sociologists in several important, but underrecognized, ways. Durkheim's insights about categorization in *Elementary Forms* have helped to form the foundation of a more sociological view of organizational practices, a view that underlies both March and Simon's work on bounded rationality and the New Institutionalism in organizational sociology. Connected to his view of group attachment and categorization in *Elementary Forms* is his view of occupations, professions, and work in the Division of Labor. That work has shaped how we view modern identity in organizations, influencing thinking about organizational culture but also work on organizational fields more generally. Durkheim's ideas have been so thoroughly absorbed by organizational sociologists that they often neglect to cite him.

### **On Weber**

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I'd like to focus on bureaucracy as an ethos and vocation, highlighting the importance of an ethos of bureaucratic office to the production and reproduction of particular substantive values. In this way I hope to show the continued relevance of Weber's work to understanding the modus operandi of the public administration as an institution of government (and criticising) contemporary developments in politics, public

management and corporate governance that seek to transcend the ethos of office, and its spirit of 'formalistic impersonality'.

### **Vygotsk's legacy and organization studies**

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The Russian psychologist L. S. Vygotsky (1896-1934), together with his disciples and collaborators A. N. Leont'ev and A. R. Luria, founded the cultural-historical approach which today is commonly referred to as activity theory. Vygotsky's foundational insight was that human action must be understood as mediated by cultural artifacts and by social interaction with others. Intentionality and agency are not properties of the abstract individual but emergent potentials that require the re-mediation of action by new tools and signs. Leont'ev expanded Vygotsky's unit of analysis by proposing the concept of collective activity system.

Four themes in the legacy of Vygotsky and his collaborators are of particular importance for organizational studies: (1) object-oriented activity systems as potential units of analysis in the study of organizations, (2) historicity and contradictions as avenue to the understanding of collective agency in organizations, (3) the notion of the zone of proximal development as a lens for the analysis of organizational transformations, and (4) the method of 'double stimulation' as basis for organizational interventions.

### **Thorstein Veblen and the Organization of Demand-Driven Economies**

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Veblen's best known work, *The Theory of the Leisure Class* (1899), has always been read as a satire on the patterns of upper-class consumption during the first great wave of capitalism in America, known as the Gilded Age. Although Veblen certainly demonstrated his acerbic wit in this book, *The Theory of the Leisure Class* also should be read a serious study of how economies get organized. At the same time that he was writing *The Theory of the Leisure Class* Veblen was also writing long tracts critiquing Classical and Marxian Economics. As a core part of this critique, Veblen wrote that Marxian and Classical Economics were both dubious, one-sided theories of production that left out and sorely needed a theory of "pecuniary desire." Unlike all other economic theorists of his day, Veblen gave us a theory of the economy that was, in principle, organized backwards from demand. Although he disapproved of American pattern of consumption, Veblen saw clearly that the logic of conspicuous consumption was a critical factor leading to the success of capitalism in his day.

Veblen's insights have been vindicated during the last century. Today, with the help of modern information technology giving retailers point-of-sales information, capitalist economies are indeed organized backward from demand and final consumption. Despite the obviousness of this conclusion for economies in an age of global capitalism, an age when Wal-Mart alone accounts for nearly five percent of the entire world's retail sales (Deloitte 2005), economic sociologists and organization theorists still offer theories of production without seriously considering how final consumption and the organization of intermediary demand (meaning the demand created by retailers and merchandising in buying products that they will sell to final consumers) influence the organization of manufacturing and supply. In this chapter, I will describe how Veblen's theories can be updated for an understanding of economic organization in the 21st century.

### **On The Columbia School (Merton, Selznick, Gouldner, Clark, Blau, etc.)**

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This chapter will focus on an early strand of research on organizations that was conducted at Columbia University from the 1940s to the early 1970s under the guidance of Robert K. Merton. The research conducted by Merton's students was rooted in Weberian analysis of bureaucracies, but moved in directions that Weber might not have expected. Rather than focusing on the technical rationality inherent in bureaucracies as celebrated by Weber, these researchers highlighted the unanticipated consequences of organizational action (Merton, 1936) and the dysfunctions of bureaucracy that arise from goal displacement (Merton, 1940). Their work was centrally concerned with organizations' relationships with their environments; they investigated the conflict that ensued both within organizations and between organizations and the communities in which they were embedded, and they viewed this conflict as being shaped by the values, attitudes, and vested interests of participants. Studying organizations as disparate as the Tennessee Valley Authority (Selznick, 1949), a gypsum mine and factory (Gouldner, 1954), a government bureaucracy (Blau, 1955), the Townsend movement (Messinger, 1955), and Reed College (Clark, 1970), these scholars saw organizations as the crucible of institutionalization: organizations became valued in and of themselves, far beyond the technical merits of the tasks they performed (Selznick, 1957). A close reading of this body of work reveals many insights that can benefit organizational scholars today.

### **On Parsons**

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Parsons' two articles on the theory of organization in the 1950s focused on "breaks" in the continuous chain of command caused by differences in knowledge or expertise. This was in effect an early attempt to integrate his work on professions, derived

from the doctor-patient relationship, with Weber's formulation of bureaucracy. This line of thinking became the basis for Parsons' theory of the media of exchange, particularly the relation of power and influence, which were central to his later work. I will argue that Parsons' most important contribution to organization theory, actual and potential, is this exploration of professionalism, influence, and the cognitive complex as distinct from and interrelated with the exercise of power.

### **Durkheim and globalization**

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If the *Division of Labor* were updated, Durkheim might see that as the new *Gesellschaft*, with protests against it possibly resembling objections from today's *Gemeinschafts* (at least that is how it is presented by globalization's proponents). We will apply and extend that aspect of his work, and also add how we think other classical thinkers would address the same (limited) issue, Durkheim's interest in symbols and representations will also be extended. Interestingly, adventures of the sort Bush has been pursuing and his rhetoric about new crusades and spreading democracy world-wide would also scare and remains relevant to the work of our theory founders. We may also look for and note some connections there as well.

### **Leadership, Identity and Group Affiliations - Simmel's institutional perspective on organizational networks and interactions.**

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*abstract to come*

### **Weber and China**

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Does Weber's account of China hold today? Consider:

(1) A decentralized, fragmented state

. . the Chinese empire, too, despite the homogeneity of its officialdom, showed these features of a conglomeration of satrapies, in part nominally dependent, which were grouped around the directly administered central provinces. Just as did the Persian satrapies, the local authorities retained revenues from their provinces and used them first of all to cover costs of local administration; the central government received only its fixed tribute, which could legally be increased, but in fact only with great difficulties and against the passionate resistance of the provincial interests. (Roth and Wittich, p. 1052)

Check with a Chinese tax lawyer as I have. Little or nothing has changed.

(2) A blurring of boundaries between government and enterprise

The "capitalistic" orientation of profit-making activity . . can take a number of qualitatively different forms, each of which represents a different type . . .

It may be orientation to opportunities for predatory profit from political organizations or persons connected with politics . . .

It may be orientation to profit opportunities in unusual transactions with political bodies . . .

It is only in the modern Western World that rational capitalistic enterprises with fixed capital, free labor, the rational specialization and combination of functions, and the allocation of productive functions on the basis of capitalistic enterprises, bound together in a market economy, can be found. . .

Politically oriented events and processes which open up these profit opportunities exploited by political capitalism are irrational from an economic point of view--that is, from the point of view of orientation to market advantages and thus to the consumption needs of budgetary units. (Roth and Wittich, pp. 164-66)

(3) . . the designation "bureaucratic capitalists" is applicable to several groups [including]: officiating or nonofficiating members of such a bureaucracy, who on the strength of their political position engage in private enterprises . . .; private businessmen who do business for the ruling bureaucracy; and . . . private businessmen who attach themselves to individual members of the bureaucracy to insure the success of their transactions.

The records of ancient China are not clear on the subject of trading officials, although . . . functionaries of the early territorial states fulfilled commercial tasks. (Karl Wittfogel [a student of Weber's], *Oriental Despotism*, 255-56)

(3) `A blurring of boundaries between enterprises and persons and between the law and persons.

[Lots of passages.]

We need to return to the conversation began by Vernon Dibble in his chapter in the old March Handbook of Organizations: Dibble discusses traditional authority systems – we need to understand how they play out in the modern world.

### **The Sociology of Race**

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The limited attention organization scholars have given to the study of race in organisation has largely treated race as a demographic variable with an emphasis on individual level effects. Scholars have made little use of classical works by sociologists on race. There is a significant body of sociological work on race relations that can be used to expand the theoretical lens for understanding race in organisations. The purpose of this chapter is to discuss the classic writings on race and ethnicity and their relevance to the field of organisation studies.

Some of these important scholars do not feature in contemporary writings about race in organisations and an understanding of these authors' contributions can be a valuable resource for a deeper, broader understanding of the social relations of race in organisations. Prominent among these scholars are W E DuBois, described as one of the most influential African Americans before the Civil Rights Movement of the 1960s. A Harvard trained sociologist, DuBois' seminal work, *'The Soul of Black Folks'* identified the color line as the twentieth century's central problem. W E Dubois who called his life story "the autobiography of the race concept—spent his life in the words of philosopher, Anthony Appiah "publicly engaging the meaning of race in society."<sup>1</sup>

The classic work(s) of two other sociologists may also inform the study of race in organisations. John Rex has been described as one of the influential voices of 20<sup>th</sup> century British Sociology who has made particularly compelling contributions to the development of sociological theory and the emergence of a genuinely sociological account of race relations.<sup>2</sup> His ideas appear in three texts: *Race Relations in Sociological Theory; Race and Ethnicity, and Ethnic Minorities in the Modern Nation State*. Gunnar Myrdal classic contribution, *An American Dilemma: The Negro Problem and Modern Democracy* provides a structural-functional study of discrimination and effects on blacks in pre-World War II America. Other sociological works including those of John Dollard, Robert Hughes, Oliver C. Cox, and Michael Banton will also be discussed.

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<sup>1</sup> Appiah, A. (1985 ). The uncompleted argument: DuBois and the Illusion of Race. In Gates, H. Jr. (ed) "Race," Writing and Difference, 21-37. Chicago: The University of Chicago Press.

<sup>2</sup> Jenkins, R. (2005). The place of theory: John Rex's contribution to the sociological study of ethnicity and race. Ethnic and Racial Studies, 28 (2): 201-211.

## **Bureaucratic Theory and the Renewal of Contemporary Organization Studies**

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Between the 1940's and 1960's a number of theoretical analyses and empirical studies focused on the dynamics of bureaucratic change were published that came to be identified as 'classical contributions' to the study of organization. This body of theoretical and empirical work was conventionally reflected through the prism of the 'dysfunctional school of bureaucracy' and the contribution it made to our understanding of the complex processes through which organization structures come to be determined by various environmental imperatives and forces. In time, this body of work was incorporated into a structural-functionalist theoretical orthodoxy that came to dominate organization studies until the mid 1980's.

However, this 'incorporation' was never quite complete or unchallenged. The classical studies of bureaucratic change and innovation continued to be re-interpreted and re-appropriated by those who rejected structural-functionalist orthodoxy and were determined to revisit and revitalize the much broader political and theoretical agenda that these studies had generated (Meyer 1964, Silverman 1968, Mouzelis 1975, Perry 1979, Reed 1985). Indeed, by the mid 1980's this body of work had become a vital intellectual and ideological resource for those who wished to challenge the 'positivist/functionalist hegemony' in organization studies and to develop new philosophical frameworks and theoretical approaches - such as structuration theory, labour process theory and neo-institutionalist theory - that fundamentally redefined the field's core intellectual rationale and practices.

The purpose of this chapter is to revisit this classical body of theoretical and empirical work on the dynamics of bureaucracy and to re-assess its significance for the intellectual renewal and regeneration of contemporary organization studies at a time when philosophical and theoretical pluralism may be at greater risk than it has been for several decades. This will entail a focus on the following themes:

- (a) the abiding concern with the endemic dynamic tensions between 'structure' and 'agency' and their implications for explaining institutional and organizational change
- (b) the philosophical and theoretical tension between a manifest commitment to structural-functionalist theorizations of 'organization' and a latent, if embryonic, attachment to neo-Weberian theoretical formulations with strong 'realist undertones'
- (c) the consistent emphasis on understanding the political economy of changing organizational forms and practices
- (d) the focus on the rise of the 'coporatist/managerialist state' and its specific inflections in particular socio-historical contexts
- (e) the concern with the emergence of new, hybrid organizational logics and forms that challenged orthodox assumptions about the functional separation of 'hierarchy', 'market' and 'network'
- (f) the pervasive impact of macro-level institutional cultures and histories on established organizational logics and forms

- (g) the centrality of power struggles and political conflicts to any understanding and explanation of institutional and organizational change
- (h) the emergence of new forms of organizational governance in which a range of power and control mechanisms are combined in an attempt to establish and maintain the institutional status quo.

### **On Simmel**

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Simmel has contributed, or has the potential to contribute, to an analysis of organizations in two quite distinct ways. First, there is much in his analysis of forms of human sociation (*Vergesellschaftung*) that has direct implications for understanding (formal and informal) organizations. This is particularly true of the long essay on secret societies (Eng trans 1950), but also of remarks on related topics such as socialism and religious sects. The secret society essay offers an account of the emergence, development and decline of an organization founded on the principle of the secret. Simmel shows how the logic of that basic principle unfolds, drawing the organization in a particular direction; the 'secret' is itself a germ (a common Simmel metaphor) in which the possible futures of the organization is already encoded. The essay also contains an analysis of the interactions (and potential conflicts) between the inner life of the organization and its external environment, and of the demands a social group makes of its members. There is much here that appears to anticipate influential arguments within neo-institutionalism (e.g. in the work of Di Maggio and Powell), and the chapter will trace these influences, but also ask what there still might be in Simmel's sociology that should be taken up and integrated. Another link to be made is that to further classic text, namely Goffman's *Asylums*, which bears an almost uncanny similarity to the Simmel's analysis. Both Simmel and Goffman are using an extreme example as a kind of 'living ideal type' in order to deduce an analysis that then throws light on 'normal' organizational types.

However, I shall also note the potential dangers in such a strategy of picking up on classical texts in this way. It was not Simmel's intent, any more that it was Weber's, to contribute to the emergence of something like 'organization studies,' nor was understanding organizations an end in itself, but rather one means to a wider end: understanding modernity. This too he shares with Weber, but whereas the latter is above all interested in the issues of domination/rule (for which an account of organizational types is a necessary component), Simmel's prime concern is with the relationship between the individual and collective phenomena. This, in turn, I shall argue, needs to be understood in the context of Simmel's 'sociological liberalism.' In brief, we have to walk a delicate line which avoids a strictly scholarly approach for which any attempted application smacks of the sin of 'presentism' on the one hand, and merely treating classical texts as a treasure trove of ideas that can be plundered at will, and without understanding of the theorists broader project on the other.

The second area in which Simmel's work is of potential continuing relevance to understanding organizations is with respect to his formal sociology. Here again, Simmel can be ascribed a precursor or pioneering role. Network approaches – influential not merely in organizations studies, but also in such areas as social movement analysis – likewise owe him a debt. The second part of this paper will thus shift attention away from the substantive implications of Simmel's analysis and towards the lasting influence of his methodology for understanding organizational networks and social capital by looking at contemporary debates in journals such as *Organization Studies*. Here there is a broader recognition of Simmel's importance, but part of the function of this chapter will again be to show how the methodology cannot be as neatly divided from the substantive concerns as my first paragraph perhaps implied.

Goffman, E. (1961) *Asylums*. London: Penguin.

Simmel, G. (1950) 'The Secret Society.' In K.H. Wolff (ed.) *The Sociology of Georg Simmel*, New York: The Free Press.

### **On Tocqueville.**

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Through his important analysis of the role of organizations, in "Democracy in America" as well as in "The Old Regime and the French Revolution", Tocqueville (1805-1859) deserves to become known as one of the founding fathers of organization theory. Tocqueville was primarily interested in the role that organizations play in offsetting dictatorship and keeping liberty alive, but his work also contains important and inspiring analyses of the more general role of voluntary organizations and corporations in modern society.

### **The Classics Generate Hit Papers**

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Recent examination and reflection on the field of organization studies indicates that papers submitted for presentation and publication are increasingly problem, not theory driven (Davis and Marquis 2005). If this is a bellwether it could signal that the field is not systematically building upon and developing new theory at commensurate rates to previous eras of research. Scholars have argued that such conditions place areas of study at risk of languishing because systematic theoretical development also creates the social cement and productive energy that define viable scholarly communities (Pfeffer 1993). Kuhn (1962) in examining the philosophy of science argues that an important factor causing paradigms to catch hold and create traction to successfully define scientific fields is that they have theory that is general and abstract -- that is meta-theory. The classics are meta-theory. In this paper I will discuss the importance of the classics in the development of contemporary research within the context of a sampling of publications and hit papers that are based upon the classics; for example, Tushman and Anderson's (1986) transposition of Schumpeter's punctuated equilibrium to show how technology change affects market structure, Podolny's (1993) integration of Merton and Simmel to show how the status order of firms in a market affects their pricing behavior, and Ocasio's (1994) use of Michel's theory of the circulation of power to enlighten the problem of executive succession, among others. I will use numerous examples from high quality papers in the literature to support my overall argument that drawing upon the classics is central to framing and developing hit papers and to creating better scholarship within the field of organization studies.

### **On Michels**

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Michels' analysis (*Political Parties*, 1915) of the processes and conditions that allow top level organizational members to maintain positions and control of resources remains one of the most fully articulated expositions of the nature of power in organizations. Although an array of contemporary issues of corporate governance – from extraordinary levels of CEO compensation to corporate boards' failure to effectively check corporate mismanagement – appear consistent with Michels' arguments, their applicability to such phenomena have not been systematically examined. This chapter will provide a recapitulation of the key elements of Michels' analysis, examine its extension through Dahrendorf's (*Class and class conflict in industrial society*, 1959) analysis of the nature of class divisions in contemporary society, and consider the implications of these combined works for understanding current functioning of large corporations.

### **On Commons**

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With the resurgence of interest in the design and creation of institutions (as opposed to the adoption and diffusion of institutions by neo-institutional organizational scholars), the institutional theory of John R. Commons is becoming increasingly important. Recognized as a founder of both institutional economics and industrial relations, the pioneering ideas of John R. Commons merit serious consideration by institutional scholars. Commons contributed original ideas for developing a pragmatic and volitional theory of institutions that addresses (1) the process of creating and changing institutions, (2) the micro-macro link of how the purposes and actions of individuals construct and are constrained by collective action, and (3) how institutional change emerges not from environmental forces, nor simply for efficiency considerations, but from resolutions to strategic problems in social relationships between willful and conflicting individuals. This chapter focuses on a review of *The Economics of Collective Action* (first published posthumously in 1950 with the editorial assistance of Kenneth H. Parsons). It is logically the first book in understanding Commons's thought, for in it Commons attempted a simplified statement of issues that he had argued more fully in *Legal Foundations of Capitalism* (1924) and *Institutional Economics* (1934). The three books, as well as Commons autobiography, *Myself* (1934), as published originally by MacMillan, have been reprinted by the University of Wisconsin Press. Although complex and difficult to comprehend in a single reading, the work of Commons provides a

treasury of suggestions for those who seek insight and inspiration in dealing with these and related issues of institutional innovation and change. This chapter presents my interpretation of the work of John R. Commons and its relevance for current developments in institutional theory. The main body of the chapter summarizes Commons's pioneering perspective on institutions and institutional change, as I understand it. The chapter concludes with a discussion of some implications of Commons's ideas for advancing institutional theory.

### **On Norbert Elias**

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The central concept in the sociology of Norbert Elias (1887-1990) is the "civilizing process". This may sound sweeping and while most of his work is indeed characterized by macro-historical, long-term analyses, Elias has succeeded in creating linkages with micro-behavior. One can distinguish three levels of analysis in his civilizing theory: (1) state formation and monopolization of violence and taxation, (2) changing standards of manners and morality, and 3) conscience formation and personality structure. These levels are interrelated and should be studied as such, applying a long-range time perspective, covering not a few years or decades, but centuries.

As a wider context of the evolution of (post) modern organizations, organizational behavior and identities, the civilizing process has unique explanatory value. More specifically, the contribution of Elias to organization studies may involve a better understanding of the processes of (i) the formation of productive organizations based on labor division, spacial concentration and authoritative relations, (ii) learning 'befitting' organizational behavior, and (iii) development of managerial, craft, worker and professional personalities and identities.

Methodologically, Elias's work is marked by the study of varied (literary) sources, which adds up to the widespread opinion that this classical sociologist offers a fruitful conjunction between the humanities and social sciences.

Thus, Norbert Elias is particularly significant for organization studies because of (1) his explicit long-term study of social processes and (2) his persisting attempt to show the intricate connection between macro-societal developments and changes in manners, morals and mentalities at the micro-level.

The chapter illustrates the relevance of the Eliasian perspective in several ways. One vital discussion revolves around the seemingly opposing civilizing trends of increasing self-constraint and informalisation. Informalization comprises a further differentiation of 'civilized behavior' rather than a counter-movement. We will look at the effects of both developments for contemporary organizational design and emotion codes at work.