

## **2023 CASBS Summer Institute**

### **Organizations and Their Effectiveness**

Bob Gibbons and Woody Powell, organizers

#### **Syllabus**

Week 1: July 17–21

*Version: May 15, 2023*

#### **Session 1 (Mon., Jul. 17): Visible Hands [Bob]**

##### ***Read (i.e., broad, introductory surveys):***

Gibbons, Robert. 2018. "Words to Remember (for one Organizational Economist)." Unpublished.

Gibbons, Robert and John Roberts. 2015. "Organizational Economics." In R. Scott and S. Kosslyn (eds.), *Emerging Trends in the Social and Behavioral Sciences*, Wiley.

Gibbons, Robert. 2020. "Visible Hands: Governance of Value Creation—Within Firms and Beyond." *American Economic Review Papers & Proceedings* 110: 172–6

##### ***Skim (i.e., classics worth skimming if not already known):***

March, James. 1962. "The Business Firm as a Political Coalition." *Journal of Politics* 24: 662–78.

Williamson, Oliver. 1971. "The Vertical Integration of Production: Market Failure Considerations." *American Economic Review*, 61: 112–23.

Milgrom, Paul and John Roberts. 1988. "An Economic Approach to Influence Activities in Organizations." *American Journal of Sociology* 94: S154–S179. **(only pp. S154–S162)**

##### ***Inspect (i.e., further reading for the truly obsessed):***

Gibbons, Robert. 2020. "March-ing Towards Organizational Economics." *Industrial and Corporate Change* 29: 89–94.

Gibbons, Robert. 2010. "Transaction-Cost Economics: Past, Present, and Future?" *Scandinavian Journal of Economics* 112: 263–88. **(only pp. 263–76)**

Gibbons, Robert. 2010. "Inside Organizations: Pricing, Politics, and Path-Dependence." *Annual Review of Economics* 2: 337–65. **(only pp. 340–52)**

**Session 2 (Tue., Jul. 18):**  
**Norms, Networks, and Neighborhoods [Woody]**

***Classics to be familiar with:***

Roy, Donald. 1952. "Quota Restriction and Goldbricking in a Machine Shop." *American Journal of Sociology* 57 (5): 427-42. (part on a remarkable issue on the sociological study of work)

Macaulay, Stewart. 1963. "Non-contractual Relations in Business." *American Sociological Review* 28: 55-67.

DiMaggio, Paul J. and Walter W. Powell. 1983. "The Iron Cage Revisited: Institutional Isomorphism and Collective Rationality in Organizational Fields." *American Sociological Review* 48(2):147-60.

Hannan, Michael T. and John Freeman. 1984. "Structural Inertia and Organizational Change." *American Sociological Review* 49(2): 149-64.

Powell, Walter W. 1990. "Neither Market Nor Hierarchy: Network forms of organization." *Research in Organization Behavior*, 12: 295-336, Barry M. Staw and L. L. Cummings, eds. **JAI. (Drafted while at CASBS)**

March, James G. 1991. "Exploration and Exploitation in Organizational Learning." *Organization Science* 2:71-87.

Zuckerman, Ezra. 1999. "The Categorical Imperative: Securities analysts and the legitimacy discount." *American Journal of Sociology* 104: 1398-1438.

**Session 3 (Tue., Jul. 18):**  
**How the Medieval Church Built the European State**  
**[Prof. Anna Grzymala-Busse, Stanford]**

***Read:***

Grzymala-Busse, Anna. 2023. *Sacred Foundations: The Religious and Medieval Roots of the European State*. Princeton: Princeton University Press. **(only Introduction & Ch. 3)**

**Dinner Speaker (Tue., Jul. 18):**  
**Mariano-Florentino Cuéllar, Carnegie Endowment**

***Read for background:***

2017. "Beyond Weber: Law and leadership in an institutionally fragile world." *Stanford Law Review* 69: 1781-93.

2023. "Reimagining Political Economy Without 'Yanking on a Thread before It's Ready.'" *Daedalus* 152 (1): 25-30.

#### Session 4 (Wed., Jul. 19):

#### A Frontier of Organizational Economics—Organizational Performance [Bob]

##### Read:

Syverson, Chad. 2011. "What determines productivity?" *Journal of Economic Literature* 49: 326-65. (only pp. 326-47)

Bloom, Nicholas, Erik Brynjolfsson, Lucia Foster, Ron S. Jarmin, Megha Patnaik, Itay Saporta-Eksten, and John Van Reenen. 2019. "What Drives Differences in Management Practices?" *American Economic Review*, 109(5): 1648-83. (only pp. 1648-66)

Gibbons, Robert and Rebecca Henderson. 2012. "Relational Contracts and Organizational Capabilities." *Organization Science* 23: 1350-64. (only Secs. 1-3)

##### Skim:

Ichniowski, Casey, Kathryn Shaw, and Giovanna Prennushi. 1997. "The Effects of Human Resource Management Practices on Productivity: A Study of Steel Finishing Lines." *American Economic Review* 87: 291-313. (only pp. 291-302)

Bloom, Nicholas, Raffaella Sadun and John Van Reenen. 2012. "The organization of firms across countries." *Quarterly Journal of Economics* 127: 1663-705. (only pp. 1674-97)

##### Inspect:

Blader, Steven, Claudine Gartenberg, and Andrea Prat. 2020. "The Contingent Effect of Management Practices." *Review of Economic Studies* 87: 721-49. (only Intro)

#### Session 5 (Wed., Jul. 19):

#### A Frontier of Organizational Sociology: Multiple Networks and Emergence [Woody]

##### Read:

Padgett, John F. and W. W. Powell. 2012. "The Problem of Emergence," Ch. 1 in *The Emergence of Organizations and Markets*. Princeton University Press. For empirical cases, read chapters 6 and 14. (Chapter 14 written at CASBS.)

Reynolds, Celene. 2022. "Repurposing Title IX: How Sexual Harassment Became Sex Discrimination in American Higher Education." *American Journal of Sociology* 128(2): 462-514.

## Session 6 (Thu., Jul. 20):

### A Frontier of Organizational Sociology: Rethinking Exit, Voice, and Loyalty [Woody]

#### Read:

Turco, Catherine. 2016. *The Conversational Firm*, Columbia University Press. Chapters 2-5. A copy of the book is also available in the CASBS library. Don't run off with it.

Lifshitz-Assaf, Hila. 2018. "Dismantling Knowledge Boundaries at NASA." *Administrative Science Quarterly* 63(4): 746-82.

Horvath, Aaron. 2023. "Organizational Supererogation and the Transformation of Nonprofit Accountability." *American Journal of Sociology* 126 (4): 1031-76.

#### I am assuming familiarity with:

March, James and Herbert Simon. 1958. *Organizations*. New York, NY: John Wiley & Sons. Chapter 4: "Motivation: The Decision to Participate."

Hirschman, Albert. 1970. *Exit, Voice and Loyalty*. Harvard University Press, esp. chapters 1-3. **(Written while at CASBS.)**

## Session 7A (Thu. Jul. 20):

### A Frontier of Organizational Economics—Equilibrium as (Part of) Culture? [Bob]

#### Read:

Kreps, David. 1990. "Corporate Culture and Economic Theory." Chapter 4 in J. Alt and K. Shepsle, eds. *Perspectives on Positive Political Economy*. Cambridge University Press. **(only pp. 124–31)**

Gibbons, Robert and Rebecca Henderson. 2012. "Relational Contracts and Organizational Capabilities." *Organization Science* 23: 1350-64. **(only Secs. 4–5)**

#### Skim:

Martinez, Elizabeth, Nancy Beaulieu, Robert Gibbons, Peter Pronovost, and Thomas Wang. 2015. "Organizational Culture and Performance." *American Economic Review Papers & Proceedings* 105: 331-5.

#### Inspect:

Chassang, Sylvain. 2010. "Building Routines: Learning, Cooperation, and the Dynamics of Incomplete Relational Contracts." *American Economic Review* 100: 448–465. **(only pp. 448-61)**

**Session 8 (Thu., Ju. 20)**  
**The Challenges of Utilizing Expertise in Organizations**  
**[Prof. Julia DiBenigno, Yale]**

**Read:**

DiBenigno, Julia. 2020. "Rapid Relationality: How Peripheral Experts Can Build a Foundation for Influence with Line Managers." *Administrative Science Quarterly*, 65(1), pp.20-60.

Dalton, Melville. 1950. "Conflicts between Staff and Line Managerial Officers." *American Sociological Review*, 15(3), pp.342-351.

**Skim:**

Huising, Ruthanne. 2015. "To hive or to hold? Producing professional authority through scut work." *Administrative Science Quarterly*, 60(2), pp.263-299.

**Inspect:**

Kellogg, Katherine. 2019. "Subordinate activation tactics: Semi-professionals and micro-level institutional change in professional organizations." *Administrative Science Quarterly*, 64(4), 928-975.

Cardador, M. T., Hill, P. L., & Salles, A. 2022. "Unpacking the status-leveling burden for women in male-dominated occupations." *Administrative Science Quarterly*, 67(1), 237-284.

**Dinner Speaker (Thu., Jul. 20):**  
**[Prof. Julia DiBenigno, Yale]**

**Read:**

DiBenigno, Julia. 2018. "Anchored Personalization in Managing Goal Conflict between Professional Groups: The case of US Army mental health care." *Administrative Science Quarterly*, 63(3), pp.526-569.

### Session 9 (Fri., Jul. 21)

#### Organizational and Occupational Control: Perspectives on Socialization [Prof. Julia DiBenigno, Yale]

##### **Read:**

DiBenigno, Julia. 2022. "How Idealized Professional Identities Can Persist through Client interactions." *Administrative Science Quarterly*, 67(3), 865-912.

Michel, Alexandra. 2011. "Transcending socialization: A Nine-year Ethnography of the Body's Role in Organizational Control and Knowledge Workers' Transformation." *Administrative Science Quarterly*, 56(3), 325-368.

##### **Skim:**

Van Maanen, John. 1973. "Observations on the Making of Policemen." *Human Organization*, 32(4), 407-418.

##### **Inspect:**

Pratt, Michael G., Kevin W. Rockmann, and Jeffrey B. Kaufmann. 2006. "Constructing professional identity: The role of work and identity learning cycles in the customization of identity among medical residents." *Academy of Management Journal*, 49, no. 2 (2006): 235-262.

### Session 7B (Fri., Jul. 21):

#### A Frontier of Organizational Economics—Building Equilibria? [Bob]

##### **Read:**

Gibbons, Robert. 2022. "Deals That Start When You Sign Them." *Journal of Institutional Economics* 18: 269-82. **(only Sections 1, 2, & 4)**

Gibbons, Robert, Manuel Grieder, Holger Herz, and Christian Zehnder. "Building an Equilibrium: Rules versus Principles in Relational Contracts." Forthcoming in *Organization Science*. **(only pp. 1-11)**

##### **Skim:**

Stewart, James. 1993. "Taking the Dare." *The New Yorker*, July 26: 34-39

Foss, Nicolai. 2003. "Selective Intervention and Internal Hybrids: Interpreting and Learning from the Rise and Decline of the Oticon Spaghetti Organization." *Organization Science* 14: 331-49. **(only pp. 333-43)**

##### **Inspect:**

Gibbons, Robert. 2023. "From Coase to culture: Visible Hands Build Equilibria." Forthcoming in *Economica*.