

Spring Quarter 2008

May 18

Joint WTO/Scancor seminar, Terman Building, rm 217, 12:00 noon Donald MacKenzie, Professor, University of Edinburgh **The Credit Crisis as a Problem in the Sociology of Knowledge** ABSTRACT The causes of the credit crisis that began in summer 2007 are multifaceted: macro-economic imbalances; organisational priorities & incentive structures; pressures to imitate; hypothetical but plausible biases in individuals' perception of risk; etc. But a particular set of financial instruments are at its heart: CDOs of ABSs (collateralised debt obligations based on asset-backed securities). This paper reports a 'social studies of finance' investigation of CDOs, especially CDOs of ABSs.

May 11

Neil Fligstein, Professor, University of California at Berkeley **The Rise and Fall of the Mortgage Securitization Industry** ABSTRACT At the core of the current financial crisis is the mortgage securitization industry. Organizational scholars have been surprisingly uninterested in the creation of what was one of the largest industries in the U.S. in the past 20 years. Indeed, the 10 largest banks (with the exception of Citibank and Bank of America) who participated in this industry would barely have made the list of the Fortune 500 in 1985. By 2007, they were all amongst the 100 largest firms in the U.S. My talk begins to examine how the industry emerged, and grew spectacularly. The federal government invented mortgage securitization and inadvertently forced the savings and loan industry into bankruptcy. From the ashes of that industry, the mortgage securitization industry took off. 10 banks completely dominated that industry and most of them went bankrupt, were forced into mergers, or are currently limping along. I take up the issue of what caused the crisis two years ago and demonstrate that ironically, the drive to grow bigger meant that the firms involved needed more and more mortgages. This drove them into the sub prime market. The rest is history. I consider what is being done and evaluate whether or not it might work. I also consider what sociologists might add to discussions of what is to be done to get us out of this situation.

May 4

Knut Sorensen, Professor, Norwegian University of Science and Technology **Interdisciplinarity and the Shaping of Knowledge Collectives** ABSTRACT with Vivian A. Lagesen, Norwegian University of Science and Technology The paper asks how we may characterize the making and application of knowledge in knowledge intensive companies, focusing on

the ICT industry. It introduces the Mode 2 model of Gibbons, Nowotny et al. as potentially providing some answers to this question, emphasizing an interest in the way companies may orchestrate knowledge work when traditional disciplinary boundaries are superseded. This means a focus on the performance of hybrid forms of knowledge, which in the Mode 2 model are accounted for as transdisciplinary. To explore this further, we build on Knorr Cetina's (1999) concept of epistemic cultures and Latour's (2005) ideas about assemblages and collectives to propose to conceptualize knowledge-making practices as related to what we will call knowledge collectives. In the analysis, we explore the anatomy of such collectives, identifying three main types. Further, we look into the actual performances related to transdisciplinary processes of knowledge-making and discuss issues related to how transdisciplinarity may work.

April 27

Witold Henisz, University of Pennsylvania/ UPS Visiting Associate Professor of Civil and Environmental Engineering Yang & Yamazaki Energy & Environment (Y2E2) Building **Preferences, Structure and Influence: The Engineering of Consent** ABSTRACT I present a formal model of influence strategy combining insights from agent-based dynamic utility and agent-based dynamic network models as well as a decision framework for stakeholder influence strategies. I subject the resulting model to simulation analysis that reveals the environmental and strategic determinants of the efficacy of various influence strategies. Preliminary simulation analysis highlights import effects from embedding actors within a policymaking network as compared to treating them as wholly autonomous agents. Subsequent analysis will allow for endogenous variation not only in preferences but also issue salience, beliefs, tie strength and tie affect.

April 20

Giuseppe Delmestri, Assoc Professor, University of Bergamo, Italy **Knotting institutional logics and institutional streams together. The case of retail pharmacy in the US, UK, Italy and Sweden** ABSTRACT with Davide Nicolini (Warwick Business School) Giuseppe Delmestri (University of Bergamo) Trish Reay (University of Alberta) Beth Goodrick (Florida Atlantic University) Petra Adolfsson (University of Gothenburg) Kajsa Lindberg (University of Gothenburg) Although ideas regarding the ownership of pharmacy diffused throughout the globe carried by emigrants, texts (laws, books, magazines) and armies, and although issues related to the practice of pharmacy were the same in all countries--preserving the pureness of medicines, controlling the production and diffusion of poisons to the public, defining and controlling charlatans, regulating the conflict of interests between prescribing and selling/dispensing remedies, and assuring pharmaceutical services also in rural

areas--, such ideas precipitated in highly specific organizational and institutional arrangements in the four countries we investigated. The institutional puzzle of the ownership of pharmacy has been resolved locally in view of the configuration of the field of discourses and material forces that presided over the translation of the traveling innovations. Local resolution was performed as a peculiar kind of institutional work, what we call 'institutional knot work', where the threads of local logics and transnational institutional streams are made to be coherent but not hybridized—they remain visible as such. Moreover, ownership in pharmacy is an institutional hotspot, i.e. an issue very sensitive to slight changes in the field, so that institutional heterogeneity characterized not only the spatial cross-national but also the historical intra-national dimension.

April 6

Lars Lindkvist, Professor, Linköping University **Extending Nonaka's Knowledge Creation Theory: How We Know More Than We Can Tell & Tell More Than We Can Know** (with Marie Bengtsson) **ABSTRACT** Nonaka and colleagues propose a theory of knowledge creation grounded in the epistemology of Michael Polanyi. However, both Nonaka (and colleagues) and Polanyi tend to leave part of the epistemology of collaborative knowledge creation unaccounted for. As a remedy we introduce the notion of knowledge as "unfathomable" (Bartley, 1987), rooted in the Popperian idea of "objective knowledge" (Popper, 1972). Once created, such knowledge has something of a life of its own, pregnant with possibilities for further development and use - to be explored collaboratively in market-like processes. In a sense we may thus "tell more than we can know" (Lindkvist, 2005). While the Polanyi (1966) maxim "we know more than we can tell" has intrigued Nonaka to consider how we could convert tacit knowledge into explicit knowledge, this complementary maxim points more clearly to the potential for future use that follow from knowledge's own unfathomable dynamic. Finally, we outline how the epistemological maxims of saying 'less' and 'more' than we can know, complement each other and suggest a summarizing 'knowledge generator' model. Key words: knowledge creation, epistemology, Polanyi

Winter Quater 2008

March 16

William Barnett, Professor, Stanford University **Organizational Identity and First Mover Advantage** with Mi Feng and Xaioqu Luo. Thanks to Jesper Sorensen for helpful comments, and the Stanford Graduate School of Business for support. **ABSTRACT** The "first-mover advantage" is among the most

widely known ideas in the area of strategy. The business press often identifies being first-to-market as a reason for continued success, an important claim because it implies that the risks involved with moving fast are likely to be worthwhile. Yet the scholarly literature is more circumspect in its treatment of the first mover advantage. It is not unusual to see academic papers that regard first-mover advantage to be a myth, or at least to be less evident than popular treatments would suggest. And in their thorough reviews of the theory and evidence on the subject, Montgomery and Lieberman (1988, 1998) find that the theoretical conditions for a first-mover advantage are not universal, and that evidence of a first-mover advantage also is limited to certain contexts or other qualifications. The research notwithstanding, the idea of first-mover advantage remains popular in management circles.

March 9

Howard Aldrich, Professor, University of North Carolina **Lost in space, out of time: Framing organizational research in comparative terms** ABSTRACT Draft prepared for a book edited by David Whetten, Brayden King, and Teppo Felin, *Research in the Sociology of Organizations*, forthcoming. Acknowledgements: I wish to thank Susan Cohen, Frank Dobbin, Teppo Felin, Joseph Galaskiewicz, Phillip Kim, Brayden King, Steve Lippmann, Russell Nichols, Steve Vaisey, Dave Whetten, and several anonymous reviewers for their help in sharpening the arguments in this paper. Nekia Pridgen provided excellent research assistance in the preparation of this chapter. Over the past few decades, there have been many calls for more "comparative research" in organization studies, and those calls have been answered so frequently that they have made possible this edited volume (Dobbin 1994; Scott 2001). I like to think of comparative research in terms of paying more attention to context, following Tsui's (2006) definition of contextualization as meaning the incorporation of context "in describing, understanding, and theorizing about the phenomenon within it." Indeed, scholars have offered so many possible dimensions of "context" that Von Glinow, Shapiro, and Brett (2004) proposed the term "polycontextualization" to cover all possible bases. In this paper, I argue that "organizations" constitute a very heterogeneous set and that understanding the contextual effects of time and place gives us some leverage in explaining such heterogeneity. I focus on just two dimensions of context, albeit big ones: time and space. I chose these two because of the substantial progress that's already been made in incorporating them into organization studies and because there is still so much that can be accomplished. I begin with a critique that McKelvey and I offered 25 years ago of the field's inattention to context, especially the scope conditions surrounding research findings. I note that our critique fell short because it devoted insufficient attention to time and space as critical aspects of organizational environments. Despite considerable progress in the ensuing 25 years, the problem we pointed out persists, with many investigators still indifferent to reporting important contextual information about their projects.

Echoing the arguments of others in this volume, I then offer a brief defense for paying more attention to time and space in studying organizations and suggest how we might study them. I offer an amendment to the argument that McKelvey and I made, with the benefit of hindsight. With regard to time, I suggest a life course perspective and an historical perspective. With regard to space, I suggest looking at regional and national differences. Let me be clear about my purposes. First, I am not making an argument for yet another taxonomy of organizations and organizational forms. Regardless of the taxonomy used, it must take account of time and space. Second, I am not making an argument for any radical changes in research designs. Instead, my arguments turn on making more effective use of the designs already available to us by explicitly taking account of time (clock time and constructed time) and space (local, regional, and national). Clearly, we have many examples of projects within the field of organizational studies that have emphasized "context." For example, the core idea of institutional theory is that cultural-institutional environments affect organizational practices and policies. Nonetheless, I believe that we haven't paid enough attention to the temporal and geographical conditions that may account for the observable differences in organizational practices and policies. Consequently, we may have put too much faith in generalizations from our research projects.

March 2

Kim Klyver, Scancor Postdoctoral Scholar at the Stanford Graduate School of Business **Women in Entrepreneurs' Social Networks** ABSTRACT This study investigates entrepreneurs' involvement of females in their social networks. It adds to previous research on social networks and gender by shifting the focus from the gender of 'ego' to the gender of 'alter'. Representative samples of entrepreneurs operating in various stages of the entrepreneurial process were surveyed. The data were statistically analysed. It was found that entrepreneurs' gender and education level influence the odds of involving females. It was further found that involved females often are family members and provide different resources from their male counterparts. Specifically, they have higher odds of providing entrepreneurs with emotional support. Females are most often involved in the early stages of the entrepreneurial process.

February 23

Debra Meyerson, Associate Professor, Stanford University **Elites as Agents of Institutional Change: The Case of Philanthropic Foundations in the California Charter School Movement** with Rand Quinn and Megan Tompkins, Stanford University ABSTRACT Despite the influence of powerful actors in institutional change processes, with a few exceptions, there have been relatively few studies that have focused on the processes engaged by

different types of elites in efforts to advance change. Our study focuses on the processes engaged by philanthropic organizations—a class of elite actors whose power stems from their capacity to deploy resources on which grantees depend as well as their status as arbiters of professional authority and cultural legitimacy. Our study suggests that, in addition to sponsoring and certifying emergent innovations, under certain conditions, philanthropic elites also effect change directly by bridging fields and recombining logics in ways that create and legitimate new organizational forms, ideologies, and classes of professionals. In this study, we examine the role of philanthropic elites in the charter school movement within the field of education—a field marked by ambiguous problems and solutions and overlapping institutional logics.

February 9

Dijana Tiplic, Scancor Postdoctoral Scholar at the Stanford School of Education

The Dynamics of Collective Sensemaking and Change:

A Process View ABSTRACT Sensemaking is a critical management activity (Weick 1995). While most of the sensemaking research focus on single stakeholders and small and homogeneous groups, little is known about the political nature of sensemaking. This longitudinal qualitative study investigates the political aspects of collective sensemaking during organizational transitions of two universities. Findings show that organizational transitions in periods of crisis will favor individuals that perceive a gap between a given authority and perceived responsibility. These individuals represent an 'elite of responsibility'. The findings identify four types of mechanisms and three kinds of outcomes of the sensemaking process

February 2

Stoyan V. Sgourev, ESSEC Business School. Paris, France

Wall-Street Meets Wagner: Harnessing Institutional Heterogeneity

ABSTRACT It is well-documented that institutional heterogeneity reduces survival chances, but there is also evidence that it may persist and be harnessed to good use. This source of ambiguity is the focus of this paper, which examines the evolutionary trajectory of institutional heterogeneity - how it emerges, develops and survives, through an inductive study of the archives of the Metropolitan Opera. Rooted in the grounded-theory tradition, this historical review suggests that what enables heterogeneity to survive and withstand the pressure for homogenization is the inherent potential for "multivocality". The analysis demonstrates how institutional discrepancies were bridged over through an opportunistic or "multivocal" action pattern, whereby the organization maneuvered between conflicting institutional demands, seeking to avoid firm commitments and dependence on any single constituency or principle of evaluation. Maintaining discretionary options in such manner is essential in multi-dimensional space, where ambiguity makes optimization impractical. We

document the trade-off involved in this action pattern, linked to a remarkable ability to shift across logics, but also to operational inefficiencies.

January 26

Heather Haveman, Professor, UC Berkeley, Department of Sociology & Haas School of Business **Going (More) Public: Ownership Reform among Chinese Firms** ABSTRACT Authors: Heather Haveman, UC Berkeley, and Yongxiang Wang, Columbia University In a fundamental and long-awaited reform, Chinese publicly-traded firms began to convert non-tradable shares, which constituted two-thirds of total shares outstanding and which were held largely by state bureaus, into shares that could trade on domestic exchanges. To facilitate this reform, tradable shareholders were compensated, usually with stock grants from non-tradable shareholders. State regulators impelled ownership reform but did not dictate the price of reform - the compensation paid to tradable shareholders. Compensation was negotiated between the two groups of owners. Non-tradable shareholders preferred to offer less compensation, tradable shareholders preferred to receive more compensation, and company executives, who brokered these deals, wanted the reform succeed at any price. Compensation was set closer to owners' preferences the more they were able to monitor company executives and other agents. Net of conflicts between shareholders and their agents, imitation of other firms strongly affected compensation. Our analysis contributes to research on China's economic transition by modelling the outcome of this complex and critical multi-party negotiation. It also enriches institutional research on field-level change and isomorphism by concretely incorporating the interests of all parties - regulators, owners, and owners' agents.

Autumn Quarter 2008

December 8

Mark Kriger, Professor, BI Norwegian School of Management **Towards a Theory of Being-Centered Leadership: Multiple Levels of Being as Context for Effective Leadership** ABSTRACT This paper develops a theory of leadership that utilizes five levels of being as context for effective leadership. The overall intention is to use the concept of being to integrate and extend a number of currently accepted and still-emerging leadership theories. The proposed being-centered theory of leadership incorporates not only trait and behavior-based theories, but also vision and values-based theories of leadership and the still-emerging areas of authentic, ethical, servant, and spiritual leadership. The paper first explores how each of the five levels of being provides a means for advancing leadership theory. Second, the paper

utilizes these five levels to create the foundation for a theory of leadership based on being that goes beyond current theory which emphasizes having and doing - either having appropriate traits and competencies or doing appropriate actions depending on the situation. Propositions for future research are presented as each of the five levels is discussed. The paper posits that leaders develop greater competence as their level of being develops and that anyone has the potential to be a leader in the appropriate situation or circumstances.

December 1

W Richard Scott, Professor, Stanford University **Professionals and Entrepreneurs**

November 3

Linus Dahlander, Scancor Postdoctoral Scholar, Stanford University **Progressing to the Center: The Antecedents and Consequences of Lateral Authority** (with S. O'Mahony) **ABSTRACT** Post-bureaucratic forms of organizing are theorized to rely upon lateral as opposed to vertical authority, but few have studied how lateral authority operates in practice. With a longitudinal, multi-network study of a mature open source project, we predict what leads individuals to gain lateral authority over collective work. While technical contributions are initially important, coordination work become more critical at a subsequent stage. After gaining authority, individuals significantly increase the effort spent coordinating project work. By specifying the antecedents and consequences of lateral authority, our research refines our theoretical conception of how knowledge work in project and communities is coordinated.

October 27

Johanna Mair, Associate Professor, IESE Business School **Institutional Voids and the Building of Markets: A Tale of Rural Bangladesh** (with Ignasi Marti and Marc Ventresca) **ABSTRACT** This paper problematizes and unpacks the concept of institutional voids. While current work starts by focusing on what business groups do when confronted with institutional voids in emerging economies, in this paper we argue that it is necessary to move one step back if we want to better understand why institutional voids come into existence in the first place. In doing so, we join efforts by economic sociologists, institutionalists, and political scientist to dig deeper into the institutional infrastructure of markets. In particular we complement and extend current uses of the term by studying how the co-existence of contending, shifting, colliding, institutions contributes to explain the presence of institutional voids

and, at the same, suggest potential ways to address them. To this end, we look at how existing political, cultural, economic, and social institutions of rural Bangladesh impact on four focal modern market institutions -i.e., property rights, matching mechanisms, autonomy, monetarization of exchanges.

October 20

Francisco O. Ramirez, Professor of Education, Stanford University **Accounting for Excellence: Transforming Universities into Organizational Actors** ABSTRACT Paper presented at EGOS conference in Amsterdam. Throughout the 19th century European universities crystallized as national institutions, linked to both territorially bounded nation-states and distinctively nationalizing cultures. Transcending their ironically more cosmopolitan medieval roots, universities became laboratories of nationalism, editing national histories, constructing national languages, and pursuing national agendas. The nation-state as a recipe for progress and the university as a core ingredient in that recipe diffused widely in the 19th and 20th centuries (Anderson, 1991). In new country after new country the university as national institution was adopted and this enactment of commitment to modernity clearly contributed to both the legitimacy of the new country as well as to the taken for granted character of the university as a national institution (Riddle, 1993) But the earlier cosmopolitanism and its universalistic aspirations have resurfaced. Interacting with widespread models emphasizing the virtue and feasibility of better organization and superior management, these universalistic standards have given rise to the rationalized university as an organizational ideal that now commands worldwide attention

October 13

Martin Ruef, Associate Professor of Sociology, Princeton University **Agrarian Origins of Management Ideology: The Roman and Antebellum Cases** Authors: Martin Ruef and Alona Harness ABSTRACT Drawing on archival materials from the Roman Republic and U.S. antebellum South, this paper challenges the distinction between research on 'modern' and 'pre-modern' management thought, where the former commonly entails a critical analysis of management thinking within a social context and the latter offers documentation of past knowledge and practices. Contrary to this division, we offer a critical analysis of management discourse taking place in agrarian societies based on chattel slavery. Following Bendix, who regarded modern management theories as ideologies justifying the authority of an economic elite, we perform a systematic review of documents written by Roman and antebellum Southern authors. In the late Roman Republic and early empire, the patrician elite confronted challenges to their large-scale landownership, run by hired managers upon the landlord's absence. In the antebellum South following the Nat Turner revolt, plantation owners staved off threats from abo

litionism and Northern political activists. These challenges led to a considerable effort devoted to the elaboration of principles regarding the private management of unfree labor. Texts not only provided practical managerial advice, but also promoted an ideology supportive of the labor arrangements in dispute. We conclude by pointing to the relevance of these case studies from both a historical and a contemporary perspective.