

OB 6303 - MANAGING ORGANIZATIONS

Richard Harrison

Course Objectives: This course will address major theoretical perspectives relevant to the effective management of organizations and their practical applications. Topics include structural change, relationships with other organizations, organizational power and control, and industry behavior. Implications for current organizational events and for career management will also be considered.

Required Books:

Carroll, Glenn R., and Michael T. Hannan. *Organizations in Industry: Strategy, Structure and Selection*. Oxford, 1995.

Vlasic, Bill, and Bradley A. Stertz. *Taken for a Ride*. Morrow, 2000.

Lowenstein, Roger. *The End of Wall Street*. Penguin Press, 2010.

Course Structure: Topics will be considered in the order given in the “Schedule of Assignments” below. This includes discussion of chapters from the Carroll and Hannan book, which provides detailed organizational information on a variety of industries in historical context. The Vlasic and Stertz book examines a major merger in the auto industry (Daimler-Chrysler). The Lowenstein book describes the financial crisis precipitated by mortgage-backed securities and its impact on the investment banking industry. Class members will be expected to participate actively in class discussions.

Assignments: In addition to the readings, each class member will write a term paper and participate in a group. The groups will facilitate class discussions (leading the discussions but not making formal presentations) on specific industries addressed in the Carroll and Hannan, Vlasic and Stertz, and Lowenstein books, emphasizing recent developments in these industries and their managerial implications, and will make group presentations to the class at the end of the semester. The group presentations should address the background, current conditions, and future of an industry, including managerial issues (see “Possible Group Presentation Topics” in this syllabus). Your term paper should be on a topic of interest to you, should emphasize the use of course material, and should focus on an organization associated with the industry chosen for your group presentation (e.g., an industry competitor, major supplier to the industry, industry regulatory body, or industry trade association). There will also be a take-home examination due by email on October 31 in lieu of a class meeting.

<u>Grading</u> (no pluses or minuses):	Take-home examination	25%
	Group facilitations	10%
	Group presentation	15%
	Class participation	20%
	Term paper	30%

Office Hours: Mondays, 6:00-7:00pm, after class, and by appointment. Office: SOM 4.214
Contact: harrison@utdallas.edu.

Academic Honesty: Work submitted for credit (exams and papers) should be the work of the class member alone (with the exception of group assignments). For individual assignments, class members may consult library materials, web resources, and other informational sources, but may not receive the assistance of others in writing exams and papers (although you may discuss your term paper topic with your group). Cheating, plagiarism, collusion, false references, and falsifying academic records are expressly prohibited by UTD (see the appendix to this syllabus).

OB 6303 - REQUIRED READINGS

BACKGROUND

Daft, Richard L., "Functional, Product, and Matrix Structures." Chapter 6 from *Organization Theory and Design* (St. Paul: West, 1989).

ECOLOGICAL THEORY

George, Cherian, "Change, Easier Said than Done." *Stanford Business*, 70:4 (2002): 20-25.

Carroll, Glenn R., Stanislav Dobrev, and Anand Swaminathan, "Organizational Processes of Resource Partitioning." *Research in Organizational Behavior*, 24 (2002): 1-40.

Baron, James N., "Employing Identities in Organizational Ecology." *Industrial and Corporate Change*, 13/1 (2004): 3-32.

RESOURCE DEPENDENCE THEORY

Pfeffer, Jeffrey, "Beyond Management and the Worker: The Institutional Function of Management." *Academy of Management Review*, 1 (1976): 36-47.

Pfeffer, Jeffrey, "Introduction to the Classic Edition." Pp. xi-xxix in Jeffrey Pfeffer and Gerald R. Salancik, *The External Control of Organizations* (Stanford: Stanford University Press, 2003).

Hillman, Amy J., Michael C. Withers and Brian J. Collins, "Resource Dependence Theory: A Review." *Journal of Management*, 35 (2009): 1404-1427.

INSTITUTIONAL THEORY

Meyer, John W., and Brian Rowan, "Institutionalized Organizations: Formal Structure as Myth and Ceremony." *American Journal of Sociology*, 83 (1977): 340-363.

DiMaggio, Paul J., and Walter W. Powell, "The Iron Cage Revisited: Institutional Isomorphism and Collective Rationality in Organizational Fields." *American Sociological Review*, 48 (1983): 147-160.

Scott, W. Richard, "Approaching Adulthood: The Maturing of Institutional Theory." *Theory and Society*, 37 (2008): 427-442.

TRANSACTION COST THEORY

Williamson, Oliver E., "The Organizational Failures Framework." Chapter 2 in *Markets and Hierarchies: Analysis and Antitrust Implications* (New York: Free Press, 1975).

David, Robert J., and Shin-Kap Han, "A Systematic Assessment of the Empirical Support for Transaction Cost Economics." *Strategic Management Journal*, 25 (2004): 39-58.

IMPLICATIONS FOR ENVIRONMENTAL MANAGEMENT

Scott, W. Richard, Pp. 194-216 from *Organizations: Rational, Natural, and Open Systems (Fifth Edition)* (Upper Saddle River, NJ: Prentice Hall, 2002).

AGENCY THEORY

Manne, Henry G., "Mergers and the Market for Corporate Control." *Journal of Political Economy*, 73 (1965): 110-120.

Eisenhardt, Kathleen M., "Agency Theory: An Assessment and Review." *Academy of Management Review*, 14 (1989): 57-74.

Shapiro, Susan P. "Agency Theory." *Annual Review of Sociology*, 31 (2005): 263-284.

POLITICAL THEORY

Salancik, Gerald R., and Jeffrey Pfeffer, "Who Gets Power--And How They Hold Onto It: A Strategic-Contingency Model of Power." *Organizational Dynamics*, 5 (1977): 3-21.

Fligstein, Neil, "The Intraorganizational Power Struggle: Rise of Finance Personnel to Top Leadership in Large Corporations, 1919-1979." *American Sociological Review*, 52 (1987): 44-58.

Harrison, J. Richard, "The Strategic Use of Corporate Board Committees." *California Management Review*, 30 (1987): 109-125.

Westphal, James D., and Edward J. Zajac, "The Symbolic Management of Stockholders: Corporate Governance Reforms and Shareholder Reactions." *Administrative Science Quarterly*, 43 (1998): 127-153.

TECHNOLOGY

Scott, W. Richard, Pp. 227-239 from *Organizations: Rational, Natural, and Open Systems (Fifth Edition)* (Upper Saddle River, NJ: Prentice Hall, 2002).

Tushman, Michael L., and Phillip Anderson, "Technological Discontinuities and Organizational Environments." *Administrative Science Quarterly*, 31 (1986): 439-465.

Tushman, Michael, Wendy K. Smith, Robert Chapman Wood, George Westerman, and Charles O'Reilly, "Organizational Designs and Innovation Streams." *Industrial and Corporate Change*, 19 (2010): 1331-1366.

CORPORATE CULTURE

Harrison, J. Richard, and Glenn R. Carroll, "Culture in Organizations." Chapter 1 in *Culture and Demography in Organization* (Princeton, NJ: Princeton University Press, 2006).

Sørensen, Jesper B., "The Strength of Corporate Culture and the Reliability of Firm Performance." *Administrative Science Quarterly*, 47 (2002): 70-91.

Li, Jiatao, and J. Richard Harrison, "National Culture and the Composition and Leadership Structure of Boards of Directors." *Corporate Governance: An International Review*, 16 (2008): 375-385.

Sign up for links to readings and supplemental material. Send an email message to my teaching assistant (to be determined), with the subject line “**OB 6303 Student.**” Journal articles will also be posted on eLearning, and arrangements will be made for readings not available electronically.

Schedule of Assignments

- 8/22 Introduction
- 8/29 Ecological Theory (also read C&H, Chapters 1 and 2)
- 9/5 Labor Day Holiday (no class)
- 9/12 Resource Dependence Theory; Industry: Microcomputer Manufacturing (C&H, Chapter 3)
- 9/19 Institutional Theory; Industry: Railroads (C&H, Chapter 4)
- 9/26 Transaction Cost Theory; Industry: Labor Unions (C&H, Chapter 6)
- 10/3 Implications for Environmental Management; Industry: Art Museums (C&H, Chapter 5)
- 10/10 Agency Theory; Industry: Credit Unions (C&H, Chapter 7)
- 10/17 Political Theory; Industry: Newspaper Publishers (C&H, Chapter 9)
- 10/24 Technology; Industry: Medical Diagnostic Imaging Manufacturers (C&H, Chapter 12) ; Take-home exam distributed
- 10/31 Examination: Take-home exam due by email; No class meeting
- 11/7 Corporate Culture; Industry: Beer Brewers (C&H, Chapter 11)
- 11/14 *Taken for a Ride*; Industry: Automobile Manufacturers (C&H, Chapter 10); Exams returned
- 11/21 Fall Break (no class)
- 11/28 *The End of Wall Street*; Industry: Investment Banks (C&H, Chapter 14)
- 12/5 Group Presentations; Term Papers Due

Possible Group Presentation Topics

Each group should select the industry for its group presentation, and each group should choose a different industry. Please check with me before finalizing your selection to be sure it is feasible. In general, you should not select an industry discussed during the semester from the Carroll and Hannan book. Remember that your group's industry selection constrains the choice of the organization you analyze for your term paper.

Industries that I think would be interesting choices include health care, social networking, telecommunications, energy, defense, e-commerce, and soccer, and political “industries” such as US political parties and the EU. You are welcome to propose other industries.

Appendix: Academic Integrity and Sexual Misconduct

Academic dishonesty includes, but is not limited to, cheating, plagiarism, collusion, fabrication, and sabotage. Forms of academic dishonesty relevant for this course include: failure to contribute to a group project (determined by the unanimous consent of the other group members); downloading or using text from the Internet or other sources without proper attribution; unauthorized collaboration with another person in preparing the take-home exam and the term paper; and submitting a substantial portion of the same academic work more than once (for example, from papers for other classes) without written authorization from the instructor.

Students found responsible for academic dishonesty will, at a minimum, receive a zero for the affected course component. Sanctions will be administered only after a student has been found officially responsible for academic dishonesty, either through waiving his/her right for a disciplinary hearing, or being declared responsible after a hearing administered by Judicial Affairs and the Dean of Student's Office. The School of Management also reserves the right to review a student's disciplinary record, on file with the Dean of Students, as one of the criteria for determining a student's eligibility for a scholarship.

Investigative Procedures

The University of Texas at Dallas administers student discipline within the procedures of recognized and established due process. Procedures are defined and described in the Rules and Regulations of the Board of Regents of the University of Texas System, Part 1, Chapter VI, Section 3, and in Title V, Rules on Student Services and Activities of the Course Syllabus, Page 8, University's Handbook of Operating Procedures. Copies of these rules and regulations are available to students in the Office of the Dean of Students, where staff members are available to assist students in interpreting the rules and regulations (SSB 4.400, 972/883- 6391).

Under authority delegated by the Dean of Students, a faculty member who has reason to suspect that a student has engaged in academic dishonesty may conduct a conference with the student in compliance with the following procedures:

- (i) the student will be informed that he/she is believed to have committed an act or acts of academic dishonesty in violation of University rules;
- (ii) the student will be presented with any information in the knowledge or possession of the instructor which tends to support the allegation(s) of academic dishonesty;
- (iii) the student will be given an opportunity to present information on his/her behalf;
- (iv) after meeting with the student, the faculty member may choose not to refer the allegation if he/she determines that the allegations are not supported by the evidence; or
- (v) after meeting with the student, the faculty member may refer the allegations to the Dean of Students along with a referral form and all supporting documentation of the alleged violation;
- (vi) the faculty member may not impose independent sanctions upon the student in lieu of a referral to the Dean of Students, but may recommend sanctions if the allegations are substantiated.

If the faculty member chooses not to meet with the student and instead forwards the appropriate documentation directly to the Dean of Students, he/she should attempt to inform the student of the allegation and notify the student that the information has been forwarded to the Office of Dean of Students for investigation.

If an allegation of academic dishonesty is referred to the Dean of Students, the student remains responsible for all academic exercises and syllabus requirements until the matter is resolved, and may remain in class if the student's presence in the class does not interfere with the professor's ability to teach the class or the ability of other class members to learn. The Dean shall proceed under the guidelines in the Handbook of Operating Procedures, Chapter 49, Subchapter C, which specifies student rights in the investigation and provides for a hearing if the allegation is disputed. If the allegation is substantiated, the Dean will determine appropriate sanctions.

UTD syllabus policies and procedures, including the requirement that faculty report information about student sexual misconduct, can be located at <http://provost.utdallas.edu/syllabus-policies/>.