

# **SOCIOLOGY 110**

## Formal Organizations and Bureaucracy

### **Classroom: Peabody 204**

### **Class Hours: Tuesday and Thursday, 3:30-4:45**

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Office Hrs: Monday 4-5 and  
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### **Formal Organizations and Bureaucracy**

This course has four objectives: (1) to provide you with information about the founding, transformation, and disbanding of organizations; (2) to suggest explanations for the pace of organizational evolution in modern societies; (3) to prepare you for your managerial, executive, and entrepreneurial careers; and (4) to consider the public policy implications of the organizational revolution in America. Material will be presented in readings, lectures, classroom exercises, and films.

### **To do immediately: Photo and Résumé**

For our second class meeting, please bring in a **small photo** of yourself, using the form attached at the end of this syllabus.

Using your word-processor, prepare a **résumé** to turn in for our second class meeting, on August 20<sup>th</sup>. If you would like to be a Human Resources Team Director, please tell me so in a cover letter attached to your résumé. Follow the format of the sample attached at the end of this syllabus.

I will use your résumés to pick the HR Team Directors for the teams that will work on group projects throughout the term. The Team Directors will use the résumés to bid for members of their teams. Each Team Director gets a budget of \$100,000 that he/she can use to bid for members. The Team Director submits the bids to me, the VP for HR in this organization, and I will match the bids with members. No one will see the bids but me.

### **Rules of the Road**

1. We start and end class on time
2. Turn off cell phones, pagers, and beepers
3. No baseball caps worn during class
4. Check your email account daily
5. Check the course Web page daily

## **Contacts**

You can reach me by email at Howard\_Aldrich@unc.edu. For simple questions, that is the fastest and quickest way to reach me. For more difficult questions, please come see me during office hours. You can read more about my research interests on my Home Page. A copy of the course syllabus and assignments is posted and updated frequently, and you should check the Web Page every day:

<http://www.unc.edu/~healdric/soci110/soci110.html>

## **Office Hours**

I have office hours on Monday and Wednesday, from 1:30 to 2:40. If you can't make these hours, please let me know and we'll arrange another time. To make the best use of our time, you should come prepared with some fairly specific questions. E.g., you might have a question about a reading you don't understand, a concept we've covered in class, or something you've seen on CNN News, MTV, or the Web. I can't be of much help if you tell me "I don't understand what's going on"! Be specific about how I can help you. You don't have to have a problem to come to office hours -- you may just want to chat about something, and that's OK, too.

If you have a fairly simple question, you may want to see me before or after class. I try to be in the classroom at least 10 minutes before class starts, and so you can talk to me then. After class, you can also walk back to my office with me.

## **Things you need to know how to do to succeed in this class:**

First, learn how to use Davis library's resources, including the on-line databases such as CARL and IAC Infotrac. Second, learn how to use reference databases in the library, such as Lexis/Nexis. Third, learn how to use the Web and especially learn how to use one of the Web search engines, such as Excite, Yahoo, or Altavista. If you don't have an email address, you should get one immediately. All you have to do is go to a computer lab and sign on.

Assignments that are NOT listed in this syllabus will be posted on the Course Web Page. You should get into the habit of checking the Web Page every day.

## **Texts**

Two Copytron Coursepaks constitute the readings for the course. The textbook for the course is Howard E. Aldrich, Organizations Evolving, 1999.

We will also use a package of readings available from Copytron in a Coursepak (abbreviated as CP in this syllabus). Additional readings will be passed out in class. Some will be posted on the Web.

## **Readings and the Library**

The assigned readings are preceded by a date -- you should read the material by the date indicated, as classroom discussions/lectures and quizzes are based on the assumption you've done the readings.

## **Exams**

There are three (3) examinations: September 17th, October 29th, and a final exam on December 15<sup>th</sup> at 4 p.m. Please make your travel plans with these dates in mind.

All exams will include short essay and multiple choice test questions. You may bring one 3x5" index card to the exam. You may write/type anything you wish on the card, but you may not use photocopied or reduced-print text.

## **Daily Writing: Short Answer Quizzes**

We will have a short in-class written assignment every day. Sometimes it will be at the beginning of class, sometimes at the end, and sometimes in the middle.

In 12 randomly chosen class meetings, there will be a short question on the day's assigned readings. We will call these "quizzes" to distinguish them from the other written assignments. Each quiz is worth a point. The criterion for grading the quiz is simply whether your answer indicates you HAVE done the day's reading.

Your grade for the quizzes is based on the top 10 scores you earn, for a total of up to 10 points. You MUST be present at the start of class to take the quiz. If you come in after the quiz has been turned in, that counts as one of your two "misses." There are NO "excused absences" for pop quizzes. You don't have to come up with "excuses" for me as to why you missed a class. Remember that we only meet 28 times, not counting exams, and so every class is almost four percent of our total in-class time together!

## **Honor Code**

The University Honor Code will be in effect through all exams, pop quizzes, and written assignments. Please read carefully the provisions of the Honor Code, make certain you understand and adhere to them, and ask me to clarify any questions you have regarding the Code. The Code is a long and valuable tradition at UNC -- protect it!

## **October Project: Written Assignment**

A short written paper is due on October 1<sup>st</sup>. It should be typed and doubled-spaced, and fill just about all of two pages. Each person in a team should write his/her own paper. It is described more fully under the assignments for 29<sup>th</sup>.

## **Term Project: Written Assignment**

Pick an organization in the Triangle area or one that you know from your hometown. Visit the organization, interview the owner/founder, observe the organization in action, and construct a life-cycle story around 3 themes: (1) the process by which the organization was founded; (2) the growth and transformation, if any, of the organization; and (3) survival prospects and likelihood of deterioration. See the separate handout describing the paper, on the course Web page.

Basic requirements of the paper: 8 double-spaced word-processed pages, using course concepts to explain the life cycle of your organization.

We will form four-person teams that will cooperate, throughout the semester, on in-class exercises and the term project. Meeting in teams and discussing your projects will give you ideas about your own paper, and give you an opportunity to contribute to your classmate's projects.

### ***Important dates for this assignment:***

August 27<sup>th</sup> -- Turn in a list of organizations you are considering studying, with some indication of what kind of access you have to a person in that organization. You should have at least two possibilities. I will return the list to you, giving suggestions on which job seems most feasible to me.

October 6<sup>th</sup> -- Meet in teams this week to discuss the organizations you have chosen to study.

November 3<sup>rd</sup> -- Turn in at least two pages, describing what the person you observed/interviewed told you about his/her organization, and indicating how you are considering interpreting what you have learned about the organization.

November 12<sup>th</sup> -- Meet in teams today to compare and contrast results from your fieldwork, and to exchange ideas about writing up your results.

Anytime during the semester before November 13<sup>th</sup> -- Turn in, if you wish, an outline of your proposed paper, showing which organizations you will compare your observed organization, and what factors you identify as the key to understanding the organization. My TA and I will give you feedback on this outline, but ONLY if you do this before November 13<sup>th</sup>.

**November 19<sup>th</sup> -- FINAL PAPER DUE.**

**Grading Scale**

I do not grade on a curve. I use a scale with 10 point intervals, modified occasionally to correct for tests/assignments that are too difficult (or too easy). At the end of the term, you will receive a letter grade, based on the following performance levels:

- A = 90-100
- B = 80-89
- C = 70-79
- D = 60-69
- F = BELOW 60

**Grading**

Your final grade is computed as follows:

Exam 1 .....	18%
Exam 2 .....	21%
Final Exam .....	24%
Team Work. ....	2%
Daily Quizzes.....	10%
October 10th Paper .....	5%
Term Paper.....	20%
	100%

No "extra credit" work is given. I do not grant extensions or give makeup tests except in what I consider very extreme circumstances.

**Attendance**

If you know you'll be out of town and have to miss a class, please let me know ahead of time. Also, if a family emergency comes up, please let my TA or me know.

**Preparing for Class**

In this class, we'll practice several aspects of the "new" management for the 1990s: Kaizen (continuous improvement) and cooperative learning. *Kaizen* will be facilitated by pop quizzes, ungraded assignments, exercises, and in-class minute papers. Cooperative learning will be facilitated by group work in class and study groups.

For every hour that we spend in class, I recommend you set aside two hours for careful reading of the texts, preparation for each class session, and reviewing your notes. I recommend that you do the reading as soon as you can before the day it is assigned, and then skim it once more before class. You will find class discussions much more meaningful if you spend some time before class, writing out two or three questions that the assigned readings address. You could also write out several statements that present "leading ideas" in the reading.

When doing the readings in the Coursepak, try to construct and tentatively answer some questions about the reading. Also, try to answer the study question that was assigned for that day that is listed in the syllabus.

If you find an article in a current newspaper or magazine that is relevant to this course, please bring it to my attention -- clip the article and bring it in, or give me the reference. Some of the best material in the Coursepak was gathered in this way.

During class, we will be practicing important concepts and skills in teams of four to six students. This strategy is known as cooperative learning and is designed to increase your mastery of the course content. You will be expected to actively participate in an effort to ensure your own and your teammates' understanding of the ideas presented in class. We need your commitment to demonstrate a willingness to contribute ideas, to listen to others, and to be a constructive force in the learning process.

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## I. Creating Organizations

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**August 18 (Tuesday)**

A. *Question of the day: What are organizations?*

Discuss syllabus and meet your classmates

**Assignment for next class:** *prepare resume for teams and bring in small photo of yourself.*

**August 20 (Thursday)**

1. *Question of the day: Why does Professor Aldrich think new and small organizations are so important in modern societies?*

•Howard Aldrich, Organizations Evolving, Chapter 1.

**Assignment for next class:** *Go to Davis Library and get basic data on North Carolina's business population. Sources: County Business Patterns and the on-line databases. (See handout for today; also posted on Web page.)*

**August 25 (Tuesday)**

2. *Question of the day: How many organizations are there?*

•CP 2, SIC Manual, "Contents" and "Major Group 22"  
•Howard Aldrich, Organizations Evolving, Appendix I and II.

**August 27 (Thursday)**

B. *Question of the day: What is the evolutionary approach?*

•Howard Aldrich, Organizations Evolving, Chapter 2.

*September 1 (Tuesday)*

C. Nascent entrepreneurs and social networks

1. *Question of the day: Why are some people in a better position than others to start a business?*

- Howard Aldrich, Organizations Evolving, Chapter 4, pp. 1 to 12, up to section on “Knowledge.”
- CP 3\*, David Mauro, “Organization Evaluation: South Carolina’s Own Sports Bar.” Student term paper for Sociology 110. [Only in 1998 CP and on reserve.]

*September 3 (Thursday)*

2. *Question of the day: Do women entrepreneurs use their networks differently than men?*

- Howard Aldrich, Organizations Evolving, Chapter 4, pp. 12 to 24, up to section on “Employees, Capital, and Other Resources.”
- CP 4, Howard E. Aldrich, Amanda Brickman Elam, and Pat Ray Reese. 1995. Strong Ties, Weak Ties, and Strangers: Do Women Business Owners Differ from Men in Their Use of Networking to Obtain Assistance? Paper 95-04. Washington, D.C.: The Small Business Foundation of America.

*Video: Lillian Vernon*

*September 8 (Tues)*

3. *Question of the day: Where do people get their ideas for starting new businesses?*

- Howard Aldrich, Organizations Evolving, Chapter 4, pp. 24 to 33, the rest of the chapter.
- CP 6, Karl Vesper, New Venture Experience, “John Morse Case.”
- CP 7, Christopher Caggiano, Jay Finegan, and Robina A. Gangemi, “Great Companies Started with \$1,000 or Less.” INC. magazine, August, 1995, pp. 27-38.
- CP 8, Jay Finegan, “A Bootstrapper’s Primer: Basic Advice for the Monetarily Challenged,” INC. magazine, August, 1995, pp. 49-51.

*Video: John Morse speaks for himself*

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## II. Living in Organizations: forming a community of practice

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### *September 10 (Thursday)*

#### A. Boundaries: Recruiting and hiring

1. *Question of the day: By what process organizations find new members?*
  - Howard Aldrich, Organizations Evolving, Chapter 5, pp. 1 to 13, up to section on “Evolution of Organizational Role Structures.”
  - CP 9\*, Matthew Smith, “From the Abstract to Reality: One Man’s Pursuit of An Idea.” Student term paper in Sociology 110.

### *September 15 (Tuesday)*

2. *Question of the day: “Hello, my name is...”: finding members – how do new firms hold onto them?*
  - Howard Aldrich, Organizations Evolving, Chapter 5, pp. 13 to 24, rest of the chapter.
  - CP 10, Rob Brookler, “HR in Growing Companies.” Personnel Journal (November, 1992): pp. 80B-80O.

### *September 17 (Thursday)*

## EXAMINATION I

**Bring:** blue book, pen, pencils, and a 3x5" card with notes (optional).

### *September 22 (Tuesday)*

#### B. Emergence of a community of practice.

1. *Question of the day: how do organizations make “members” out of “employees”?*
  - Howard Aldrich, Organizations Evolving, Chapter 6.
  - CP 11, McDonald, Peggy. 1991. “The Los Angeles Olympic Organizing Committee: Developing Organizational Culture in the Short Run.” Pp. 26-38 in P.J. Frost, L.F. Moore, M.R. Louis, C.C. Lundberg, and Joanne Martin (eds.), Reframing Organizational Culture. Newbury Park, CA: Sage.

**September 24 (Thursday)**

C. Getting ahead.

1. *Question of the day: which career strategies work best and why?*

•CP 12, Rosabeth Kanter, Men and Women of the Corporation, “Managers,” Chapter 3, pp. 47-68

•CP 13, Robert Jackall, Moral Mazes: The World of Corporate Managers, “The Main Chance,” Chapter 3, pp. 41-74. NY: Oxford University Press, 1988.

*Video example*

**Assignment for our NEXT class on September 29th:** *One person in each team should view one of the following four videos at the Undergraduate Library (they are on reserve). Come to class prepared to explain to your teammates the main themes of the video (more instruction will be handed out in class). Only two people at a time can view a video in the library.*

1. How to Succeed in Business without Really Trying
2. Wall Street
3. The Hudsucker Proxy
4. Tucker

**September 29 (Tuesday)**

- D. Hollywood’s view of career strategies: team work and class discussion of the videos

**Assignment to be turned in on October 1<sup>st</sup>:** *Based on our classroom discussion today, and your teamwork, write a two-page, double-spaced, word-processed paper to answer the question: **According to Hollywood, what is the best strategy for getting ahead, and will it work in ‘real’ organizations?** (More details will be handed out in class.) Explain yourself and cite examples from the videos and readings. Each person in a team should write his/her own paper.*

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### III. Living with Organizations: balancing organizational power and individual freedom

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A. Power and concentration of resources

*October 1(Thursday)*

1. *Question of the day: Do big organizations run everything?*
  - CP 14, Romona L. Ford, Work, Organization, and Power: Introduction to Industrial Society. “Political and Economic Power in the United States Today: Alternative Views,” Chapter 5, pp. 105-148.

*Paper on Hollywood due today*

*October 6 (Tuesday)*

2. New organizational forms: *Question of the day: What are the advantages to networked organizational forms?*
  - CP 15, Walter W. Powell, “Hybrid Organizational Arrangements,” California Management Review, 30, 1 (Fall, 1987): pp. 67-87

*Video: Small firms networked in Japan*

B. Regulations affecting organizations: the role of government

*October 8 (Thursday)*

1. Health and safety: case study of the tobacco industry.  
*Question of the day: is it a matter of health versus profits?*

- ON LIBRARY RESERVE and in 1996 CP: Robert Miles, Coffin Nails and Corporate Strategies, Chapter 3, “Domain Defense,” pp. 57-90. Englewood Cliffs, NJ: Prentice-Hall, 1982.

- CP 17, Roger Rosenblatt, “How Tobacco Executives Live With Themselves,” Business and Society Review, 89, Spring, 1994, pp. 22-34.

- CP 18, William Beaver, “The Marlboro Man Rides into the Eastern Bloc,” Business and Society Review, 87, Fall, 1993, pp. 19-23.

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#### **IV. Transforming Organizations: making choices, making changes?**

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*October 13 (Tuesday)*

- A. Are organizations inert and unable to change?  
*Question of the day: What good is bureaucracy?*

- Howard E. Aldrich, Organizations Evolving, Chapter 7, pp. 1 to 10, up to the section on “Examining the Three Dimensions of Transformation.”

- CP 19, Charles Perrow, Complex Organizations, “Why Bureaucracy,” Chapter 1, pp. 1-36 NY: Random House, 3<sup>rd</sup> edition, 1986.

*October 20 (Tuesday)*

- B. *Question of the day: Can leaders change organizations?*

- Howard Aldrich, Organizations Evolving, Chapter 7, pp. 10 to 26, the rest of the chapter.

- CP 20\*, Chad Helton, “Shredding the Competition,” Student term paper in Sociology 110

- CP 21, Yetton, Philip W., Kim D. Johnston, and Jane F. Craig. 1994. “Computer-Aided Architects: A Case Study of IT and Strategic Change.” Sloan Management Review, Summer: 57-67.

**October 22 (Thursday)**

C. *Question of the day: In what ways does the structure of organizations contribute to disasters?*

•CP 22, Diane Vaughan, “Autonomy, Interdependence, and Social Control: NASA and the Space Shuttle Challenger,” Administrative Science Quarterly, 35, 2 (July, 1990): 225-257.

*Video?*

**October 27 (Tuesday)**

D. *Question of the day: Is organizational survival a matter of skill or luck?*

• ON LIBRARY RESERVE and in 1996 CP: Herbert Kaufman, Time, Chance, and Organizations: Natural Selection in a Perilous Environment, Chapters 3 and 4, “Q. Why do they develop resource problems? A. Because their environment is volatile and adjusting to it is not easy,” and “Q. Then how do long-lived organizations attain old age? A. They’re lucky.” Pp.34-83. Chatham, NJ: Chatham House Publishers, Inc. 1991, 2<sup>nd</sup> edition.

**October 29 (Thursday)**

## EXAMINATION II

**Bring:** blue book, pen, pencils, and a 3x5" card with notes (optional).

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## V. Evolving Organizations

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**November 3 (Tuesday)**

A. *Question of the day: Why do people react so strongly to some organizational disbandings?*

•CP 24, Robert I. Sutton “The Process of Organizational Death: Disbanding and Reconnecting.” Administrative Science Quarterly, 32 (1987): 542-569

*November 5 (Thursday)*

- B. Social Change: *Question of the day: How can we take **history** into account in explaining organizational transformation?*

•Howard E. Aldrich, Organizations Evolving, Chapter 8.

*November 10 (Tuesday)*

- C. *Question of the day: Will organizations be run more democratically in the future?*

• ON LIBRARY RESERVE and in 1996 CP: Robert Jackall, “Paradoxes of Collective Work: A Study of the Cheeseboard, Berkeley, California,” in R. Jackall and H. M. Levin, editors, Worker Cooperatives in America, Berkeley, CA: University of California Press, 1984, pp. 109-135.

•CP 26\*, Joyce Rothschild and Raymond Russell, “Alternatives to Bureaucracy: Democratic Participation in the Economy.” Pp. 307-328 in Annual Review of Sociology, Volume 12. Palo Alto, CA: Annual Reviews, Inc. 1986.

*November 12 (Tuesday)*

- . *Question of the day: What have we learned so far about the organizations we are studying?*

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## **VI. Population and Community Level Transformation**

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- A. Why are new organizational populations so rare?

*November 17 (Tuesday)*

1. *Question of the day: Many new populations struggle for legitimacy: why?*

• Howard Aldrich, Organizations Evolving, Chapter 9.

*November 19 (Thursday)*

**TERM PAPER DUE TODAY**

2. *Question of the day: What strategies can innovative entrepreneurs use to overcome legitimacy problems?*
- CP 27\*, Nikhil Hutheesing, "An On-line Gamble," Forbes, May 20, 1996, p. 288.
  - CP 28\*, Clint Willis, "Does Amazon.com Really Matter?" Forbes ASAP, April 6, 1998, pp. 55-58.
  - CP 29, Phaedra Hise, "The Well-Merchandised Web Site," INC., October, 1995, pp. 83-85.

*November 24 (Tuesday)*

- B. Reproducing Populations. *Question of the day: Why don't generalist organizations rule the world? Or, why do specialists survive?*

- Howard Aldrich, Organizations Evolving, Chapter 10.
- CP 30\*, Anand Swaminathan and Glenn R. Carroll. "Beer Brewers," Pp. 223-238 in Glenn R. Carroll and Michael T. Hannan, (eds.), Organizations in Industry: Strategy, Structure, and Selection. New York: Oxford. 1995.

*December 1 (Tuesday)*

- C. New Communities. *Question of the day: In what ways does an organizational community affect the fate of the populations within it?*

- Howard Aldrich, Organizations Evolving, Chapter 11.

*December 3 (Thursday)*

- D. Organizations of the future? *Question of the day: Will there be MORE new populations like biotechnology in the 21<sup>st</sup> century?*

**TERM PAPER RETURNED**

- CP 31\*, Allan Ryan, John H. Freeman, and Ralph C. Hybels. "Biotechnology Firms." Pp. 332-357 in Glenn R. Carroll and Michael T. Hannan, (eds.), Organizations in Industry: Strategy, Structure, and Selection. New York: Oxford. 1995.

**FINAL EXAM**

***December 15 (Tuesday) 4:00 to 6:00 p.m.***

**Bring:** blue book, pen, pencils, and a 3x5" card with notes (optional).

***December 18 (Friday, 5:00 PM)***

**GRADES POSTED ON DOOR OF 202 HAMILTON.**

**DO NOT PHONE -- COME LOOK FOR YOURSELF, IN PERSON!!**