Introduction to Organization Theory

This version: 27.07.2017 (First draft; dates still potentially subject to change)

Credits
This syllabus draws heavily on fantastic PhD course syllabi by Joel Baum and Amy Hillman. Moreover, I am including materials from courses I took part in myself, such as by Royston Greenwood.

Course instructors
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Application procedure
Please submit to me a cover letter and up-to-date academic resume. In your cover letter, please specify the topic and state of your PhD thesis (if you have no topic yet, say that), and why and how you think that taking this specific course will help you become a better scholar, and what scholar you would like to become.

Course aims

What this course is
In this course, we want to familiarize students early in their PhD with organization theory—this should be the first course you take on this topic. We will first scrutinize what theory is and how you enter an academic conversation, before we move on to jointly discuss eight “brands” of theory that are currently influential in management research. Of course, this list is not exclusive, and we strongly encourage you to (at least!) use this course as a launch pad to endeavor on more in-depth explorations of those branches of management theory that are most relevant to you. Finally, we will look at how contributions to theory can be made today.

While we welcome students from all disciplines of business administration, we will focus largely on those subfields that are represented by Academy of Management division that conduct research at the firm-level.

What this course is not
- A paper writing class – while we will include interactive elements and homework to guide you toward exploiting what you will learn in this course, we will not discuss your working papers or R&Rs.
- A listening-only class – as laid out below, most materials will be presented by you. There are lots of studies that show that this is a far better way of learning than us trying to kill you by PowerPoint.

Course objectives

Knowledge Objectives
In this course, we strive to educate you about what theory is, and what makes a good contribution to theory. From this basis, we will look at several mainstream management theories that found the cornersteone of much
of today’s debate of management theory at the level of the firm. Understanding what theory is and being able to navigate different theoretical contexts easily is a must for everyone trying to embark on a PhD endeavor.

**Skills Objectives**
- Improve diagnostic and analytical skills
- Enhance verbal skills via class and group discussions
- Build up critical thinking and interpretation skills

**Learning Objectives**
At the end of this course, students will be able to demonstrate understanding, critical assessment and application of the following:
- Academic scholarship as different parallel conversations, and identification of your own position
- The definition of management and organization theory, and a theoretical contribution in this space
- Fundamentals of mainstream organization theories so as to understand related conversations and participate in more advanced courses on theories of specific subfields of management

## Preliminary schedule
Please see “Course Outline” for details on each session’s content and required preparations. All courses take place at the Entrepreneurship Research Institute (Building 5433) at Garching (Room 2001), from 9am-12pm.

*Note: Dates potentially still subject to change.*

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## Core readings
There is no magic book that will teach you how to become a great organization theorist. All that we can provide
you with are the essential ingredients – knowledge about what theory and theorizing are, as well as information about which theories exist, what they say, and how you can interact with them. The best way to do so is through a selection and combination of suitable academic articles, which are listed separately.

In case you wish to do additional, voluntary reading beyond this course, we recommend the following books:


**Course procedures**

**Have Fun**

Contributing new theoretical insights to the academic debate is the very core of our profession. In turn, our goal is to equip you with the core set of skills that are necessary to do so. Applying principles of academic inquiry, rigorously and in the right context, is what any scholar wants to do! Put differently (and bluntly), if you do not enjoy the subject matter of this class, you might want to reconsider some of your career decisions.

**Prepare and Participate Actively**

To make this class a success for everyone, we need you to prepare for class and participate in class every single week. There is a lot of material that we want to cover, and this material is (1) ordered consecutively (so you need the early sessions to really understand what we are doing in the later ones) and (2) the very foundation of anything else you will do in your PhD, such as other classes offered by us. Thus, in order to get the most out of this course, we ask you to prepare for each class, so that you will be capable of discussing the assigned readings. Note that for each session, we have provided assignment questions to guide your preparation. From the second week onward, each reading will be assigned to several “primary” reviewers, one of which will be chosen to critically review the reading and comment on it. A second primary reviewer will be asked to provide additional commentary, either agreeing or disagreeing with the first reviewer. The discussion will then be open to the class. In particular for sessions 5-11, note that the focus of the reviews and the discussion should not be whether you think an article is “good” or “bad” but on what it proposes – according to this article, what is theory (sessions 1-3, 11, 13), what is an organization (sessions 4-10, 13) and what does it do, how does it do it, and why? In addition, try to formulate a coherent story around all articles: jointly, what do they say? How does it link to what you know, what you have learnt in other PhD classes, and to earlier session in this very course?

We highly recommended that you prepare notes in sufficient detail to enable your regular participation in the discussion. You are encouraged to prepare for class with your colleagues, however, each member of the class should be fully conversant in the material — expect to be cold-called in class. You should be able to outline the topic that each reading addresses, describe the core points of the reading and most importantly, offer your analysis of the strengths and weaknesses of the reading’s central argument. For exemplar articles, you should be able to critically assess their effectiveness. If for some reason you are not prepared please let me know before the start of class to save us both the embarrassment of my calling on you.
Give feedback
Your feedback – in class or in private – on any aspect of this course is welcome at any time. It can help make this course an excellent experience for you and for us. We encourage you to contact us via email and we will respond as soon as possible (usually within the same day the email is received). If you wish to see one of us in person, please let us know so that we can prepare. Come prepared.

Assessment
Attendance and participation are mandatory, and regular unexcused absence or poor preparation will lead to your being banned from the course. In particular, I will tolerate you missing two sessions at most, and I expect written summaries of the contents of those sessions prior to class (or after class, in case of illness or other mitigating circumstances): 3-5 pages, single-spaced, 12pt, Times New Roman.

In addition, all the assignments below are mandatory, irrespective of whether you need a specific grade from this course: in case you need a grade for this course, please let me know by the second session of class at the latest, otherwise, I will grade you pass/fail; in either case, your grade is constructed as specified below.

Participation (20% of the course grade)

Course Assignments (80% of the course grade)
1. Progress Report 1: Problem Definition (1-2 pages, typed, double-spaced). Sketch a research problem at the level of the firm that interests you. Describe why, in your view an understanding of this problem is relevant to organization theory scholars and practitioners. Due Session 2. 5% of course grade
2. Progress Report 2: Literature Search. What do you consider the 5-10 core articles that define the recent conversation around your research question? Format your reading list as a list of references following the format used in the Academy of Management Journal. Due Session 3. 2.5% of course grade
3. Progress Report 3: Location of the debate and presentation of related questions or hypotheses (5-7 pages, typed, double-spaced). Discuss possible theoretical perspectives that address your research problem. To do so, formally state your research question and no fewer than three ways in which answering it will help advance organization theory in this area. Revise your research problem if you find that it has already been addressed in previous research. In doing so, clearly elaborate what sort of paper you intend to write (theory, empirical, mathematical). This report should incorporate Reports 1 and 2. Due Session 13. 15% of course grade
4. Presentations and Critical Commentary: Present Progress Report 3 (10-15 minutes) in class and prepare (2-3 pages, typed, double-spaced) for one other student’s Progress Report 3s. Be prepared to summarize your commentary for the course. Both your presentation grade and your commentary grade will largely be determined by your peers. Session 14 will be entirely dedicated to these presentations and discussions. Due Session 14. Presentation: 10% of course grade; Commentary: 7.5% of course grade
5. Final Report (15-20 pages, typed, double-spaced). Based on theory and hypotheses developed in Progress Report 3, develop a research proposal for submission to your PhD advisor, to a conference, or to a funding agency such as the DFG. Revise your ideas based on comments you receive from reviewers. Your proposal should include a detailed description of your research design, the data required to test your hypotheses, and methods used to collect (and analyse) the data. What implications does your proposed research have for the future? Do you have a program of research in mind? If so, describe it. Due two
weeks after Session 14. 40% of the course grade

It is important to appreciate that every member of the class is a co-producer of the class discussion, listen carefully to one another and attempt to build on or constructively critique prior comments. An effective participant:

- Is a good listener
- Makes points relevant to the ongoing discussion
- Makes comments that add to our understanding of the reading or article
- Is willing to challenge ideas that are being expressed
- Integrates material from past classes, other courses

If you need to receive a grade for this course, I will ask each of the other students to submit a one-page evaluation and grade out of 20, based on these five criteria, for you. These scores will be averaged with one assigned by me to determine your 20% participation grade.

**Course outline**

**Part I – Understanding theory**

**Session 1. What is good theory?**


- Voluntary supplementary reading:

- Be prepared to answer the following questions:
  - What is theory?
  - What is good theory?
  - What is good theory good for?

**Session 2. Building good theory**

- Voluntary supplementary reading:

- Be prepared to answer the following questions:
  - How does theory advance?
  - What do you need to do if you want to be the one advancing theory?

Session 3. Where do current theories come from?
- Voluntary supplementary reading:
  - Two chapters out of Great Minds in Management (choose from organization-level theories).

Part II – Understanding organization theory


For each session, be prepared to answer the following questions:
- Where does this theory come from – note how ‘where’ includes the geographic origin, the key people involved, and the context in which the theory emerged?
- What are the core tenets of this theory: key assumptions, key constructs, key predictions?
- What is the role of and reason of existence for the firm and for managers in this theory?
- If you had to express this theory as a metaphor, what would it be?

After Part II, be prepared to state which theories you personally like better, and why.

Session 4: (Structural) Contingency Theory
- Voluntary supplementary reading:
Session 5: Behavioral Theory of the Firm
- Voluntary supplementary reading:

Session 6: Resource-based view (and a little knowledge-based view and capabilities)
- Voluntary supplementary reading:


**Session 7: Resource-dependence theory**
- Voluntary supplementary reading:

**Session 8: Network theory**

• Voluntary supplementary reading:

**Session 9: Institutional theory**


• Voluntary supplementary reading:

**Session 10: Population ecology**


• Voluntary supplementary reading:

Part III – Contributing to organization theory

Session 11. Theorizing on empirical data
• Be prepared to answer this question: how do you write well?

Session 12. Contributing to the theoretical debate – two recent examples
• Be prepared to answer this question: what went wrong?
Session 13. Where can new theories come from?

- **Be prepared to answer this question: how can I make a contribution to organization theory?**

Session 14. Presentations and Commentaries

*Note: To be submitted two days in advance via Moodle*