MGMT 933
Psychological & Sociological Foundations of Research in Management
The Wharton School
Spring 2017

Tuesdays 9:00am-12:00 p.m.
Location: SHDH 2034

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This course, required of all first year doctoral students in management and open to other Penn graduate students with permission, focuses on the behavioral/social science foundations of management theory and research. The course will cover contemporary as well as classical writings. It covers key concepts and findings in these fields that have shaped—and continue to shape—work on management and organizations. The course is predicated on the belief that to understand major research programs today, it helps to be able to step back and put these developments in perspective: where do these ideas come from? How do they contradict or complement each other? Our goal is to help you connect the past to the present and place the "big topics of the moment" in a wider historical-philosophical context. What is new is rarely as new as it appears—and what is old may soon be reincarnated in an early 21st century guise, Understanding this can give you a competitive advantage in developing the next new (old) thing.

Course materials:
All course readings except Goffman's The Presentation of Self in Everyday Life, Robert Cialdini's Influence, and Nate Silver's The Signal and the Noise, will be available from shared Public 933 dropbox site.

Requirements:

Please complete all of the readings for each week and come to class prepared to discuss them. This preparation includes a two-page (single-spaced) reaction paper to the readings each week. **NOTE: No paper is due for the first and eighth class session (January 17 and March 14).**

Please note the difference between a reaction paper and a summary paper. A summary paper compresses what you read into key concepts. You may well want to write summaries of this

course's readings for your own purposes (i.e. preparation for your first-year exams), but these summaries do not fulfill the weekly reaction paper assignment. In your reaction papers, assume the reader already knows that arguments in the articles you are reacting to. Then try go beyond the information given and do one of the following:

* relate reading to practical management concerns

* relate reading to management theory

* critique the reading's substance or logic (identify an unsolved problem or unresolved contradiction in the arguments and evidence presented)

* compare and contrast reading with other 933 readings

* suggest an empirical test of propositions derived from readings

Again, these reaction papers should reflect your thoughts and analyses so don't be afraid to use the first person singular. These reaction papers are due no later than noon on Mondays since we meet Tuesday morning. I will provide feedback on your papers and their quality will constitute 50% of your course grade.

Any doctoral seminar is only as good as the quality of the listening, thinking and responding among its participants. Thus we encourage not only your careful preparation for class, but also your thoughtful comments during its meeting. Your attendance and participation will constitute the remaining 50% of your course grade.

Course Part 1: Sociological Foundations of Management

1. Sociological Foundations of Management: Behavior in and of Organizations (January 17)

Weber, Max (1978 [1928]). "Bureaucracy," in G. Roth & C. Wittich (Eds.) *Economy and Society*. Berkeley: CA: University of California Press. Ch. 11, pp. 956-969,973-975.

Adler, Paul S. and Bryan Borys (1996). "Two Types of Bureaucracy: Enabling and Coercive," *Administrative Science Quarterly*, 41: 61-89.

Cyert, Richard M. and James G. March. (1963). *A Behavioral Theory of the Firm*. Cambridge, MA: Blackwell Publishing. Chapter 7

Baron, J.N., F.R. Dobbin, and P.D. Jennings. 1986. "War and Peace: The Evolution of Modern Personnel Administration in U.S. Industry." *American Journal of Sociology*, 92: 350-383.

2. Identity within Organizational Systems (January 24)

Selznick, Philip. (1957). *Leadership in Administration: A Sociological Interpretation.* Berkeley: University of California Press.

Gioia, Dennis A, Makjen Schultz, and Kevin G, Corley (2000). "Organizational Identity, Image, and Adaptive Instability," *Academy of Management Review*, 25: 63 -81.

Dutton, Jane E. and Janet M. Dukerich (1991). "Keeping an Eye on the Mirror: Image and Identity in Organizational Adaptation," *Academy of Management Journal*, 34: 517-554.

Glynn, M.A. 2000. "When cymbals become symbols: Conflict over organizational identity withina symphony orchestra." *Organization Science*, 11: 285-298.

3. Power and Purpose within Organizational Systems (January 31)

Parsons, T. 1986. "Power and Social System." In. S. Lukes (ed.) *Power*. New York: New York University Press.

Weber, M. 1993. "Power, domination, and legitimacy." In M.E. Olsen and M.N. Marger (ed.) *Power in Modern Societies*. Boulder, CO: Westview Press.

G.F. Davis and T.A. Thompson, "Á Social Movement Perspective on Corporate Control." *Administrative Science Quarterly*, 39: 141-173.

Thornton, P.H. and Ocasio, W. "Institutional logics and the historical contingency of power in organizations: executive succession in the higher education publishing industry, 1958-1990." *American Journal of Sociology*, 105: 801-843"

Barley, S.R. and G. Kunda 1992. "Design and devotion: Surges of rational and normative ideologies of control in managerial discourse." *Administrative Science Quarterly*, 37: 363-399.

4. Status within Organizational Systems (February 7)

Merton, R.K. 1968. The Matthew Effect in Science. *Science*. 159: 56-63

Benjamin, B. A. and J. M. Podolny. 1999. "Status, quality, and social order in the California wine industry." *Administrative Science Quarterly* 44:563-589.

Kim, Jerry W and Brayden G King. 2014. "Seeing stars: Matthew effects and status bias in Major League Baseball umpiring." *Management Science* 60:2619-2644.

Michael Useem,1984. *The Inner Circle: Large Corporations and the Rise of Business Political Activity in The U.S. and U.K.,* Chapters 3-5.

5. Reputation, Threats and Impression Management (February 14)

Goffman, E. 1959 *The Presentation of Self in Everyday Life*

Elsbach and Kramer 1996. "Members' responses to organizational identity threats: Encountering and countering the Business Week rankings." *Administrative Science Quarterly*, 41: 442-476.

Roland Marchand 1998 *Creating the Corporate Soul*, Chapters 1 and 4.

McDonnell, MH and King, BG. 2013. "Keeping up appearances: Reputational threat and impression management after social movement boycotts." *Administrative Science Quarterly,* 58: 387-419.

6. Institutional Embeddedness and Imprinting (February 21)

Scott, W.R., 1995. *Institutions and Organizations*, Thousand Oaks, CA: Sage,. Pp. 16-62.

Stinchcombe, A.L. 1964. "Social structures and the founding of organizations." In Stratification and Organization: Selected Papers." Cambridge University Press, 196-220.

Tilcsik, A. 2014. "Imprint-environment fit and performance: How organizational munificence at the time of hire affects subsequent job performance." *Administrative Science Quarterly*, 59: 639-668.

Marquis, C., M.A. Glynn and G.F. Davis 2007. "Community isomorphism and corporate social action." *Academy of Management Review*, 32: 925-945.

7. Social Capital and Network Embeddedness (February 28)

Granovetter, M.S. 1973. "The strength of weak ties." *American Journal of Sociology*, 78: 1360-1380.

Burt, Ronald (2004). "Structural Holes and Good Ideas, "*American Journal of Sociology* 110: 349-399.

Walter W. Powell, Kenneth W. Koput, and Laurel Smith-Doerr, "Interorganizational Collaboration and the Locus of Innovation: Networks of Learning in Biotechnology," *Administrative Science Quarterly*, 1996:116-145

Christopher Marquis, "The Pressure of the Past: Network Imprinting in Intercorporate Communities," *Administrative Science Quarterly*, December 2003:655-689.

Uzzi, Brian and Jarrett Spiro (2005). "Collaboration and Creativity: The Small World Problem." "*American Journal of Sociology* 111: 447-504.

Course Part II: Psychological Foundations of Management

8. Foundational Issues: Micro Underpinnings of our Knowledge (March 14)

The major reading is the 2010 updating of the influential Aronson and Carlsmith (1968) chapter that lays out the philosophy of research behind the experimental work of renowned social psychologists, from the mid- 20th to the early 21st centuries (an approach to research that has also left a big imprint on micro-OB). But there have long been skeptics—and some today suspect that the Aronsonian approach is partly responsible for what Kaheman has called a "trainwreck" of methodological malpractice (e.g., Simmons et al. (2011) reading).

Required Reading:

Wilson, T., Aronson, E., & Carlsmith, M. (2010). Experimentation in social psychology, In D. Gilbert et al. (eds), Handbook of social psychology.

Simmons, J. Nelson, L., & Simonsohn, U. (2011). False-positive psychology undisclosed flexibility in data collection and analysis allows presenting anything as significant. *Psychological Science*, 2011.

Tavris, C. (2014). Lessons from the lab. Teaching contentious classics: Sherif, Milgram and Harlow revisited. Invited address to the Association for Psychological Sciences annual conference. Reprinted in Times Literary Supplement, July 18, 2014

Optional:
Cronbach, L. & Meehl, P. (1955). The logic of construct validation. Psychological Review.

9. Foundational Assumptions about Human Nature (March 21) (to be rescheduled one week forward)

Be a choosy customer in the micro-OB marketplace of ideas—which can be swayed by managerial fads (on the applied side) and seductive reductionist formulas (on the academic side). We explore how psychological research programs evolve. Here it helps to appreciate the diverse assumptions about human nature underpinning key programs of the last century, including: associationist assumptions (that depict people as bundles of previously rewarded habits—and stress unconscious drivers of behavior); cognitive-consistency-seeking assumptions (that stress our tendencies to act first and rationalize later); cognitive-mastery-seeking assumptions (that depict us as intuitive scientists trying to make correct causal attributions), social-identity assumptions (that stress our need to affirm—privately as well as publicly--desired images of ourselves) and evolutionary-psychology assumptions (that portray us as pre-equipped to solve recurring adaptive problems—from attracting mates to punishing free riders).

Required Reading:

Taylor, S. (1998). The social being in social psychology. In S. Fiske et al. (eds), *Handbook of Social Psychology* (volume 1). New York: McGraw Hill.

Gholson, Barry, and Peter Barker (1985). Kuhn, Lakatos, and Laudan: Applications in the History of Physics and Psychology. *American Psychologist, 40*, 755-769.

Kuhn, Thomas. S. (1970). The structure of scientific revolutions (2nd Edition). Chicago: University of Chicago Press. Chs. 1–3 (pp. 1–51).

Optional Reading:

These readings introduce you to: (a) classic philosophy-of-science work on hypothesis testing (Popperian falsificationism); (b) work on the limits of falsificationism and the need to think about scientific progress in larger units such as Kuhn's paradigms and Lakatos's research programs; (c) the logic of construct validation (how to ensure that our operational definitions correspond to our theoretical constructs); (d) the value of candor about what we do—and don't—know. Be alert to others' blindspots—they are your opportunities).

Allport, G. (1968/1985). The historical background of social psychology. In Gardner Lindzey et al., *Handbook of social psychology* (2nd edition; volume 1). Addison Wesley.

Popper, Karl R. (1963). Conjectures and refutations: The growth of scientific knowledge. London: Routledge and Kegan Paul. Ch.1 (pp. 33 – 65).

Schwab, Donald P. (1980). Construct Validity in Organizational Behavior. Research in Organizational Behavior, 2, 3-43.

Merton, Robert K. (1956). Social Theory and Social Structure, revised ed. New York: Free Press. Introduction, pp. 3-16

Tetlock, Philip E. (2002). Structural Functionalist Frameworks for Judgment and Choice: intuitive Politicans, Theologians, and Prosecutors. Psychological Review, 109, 451-471.

10. Evolving Views of Human Nature: From Insightful Intuitive Scientists to Associationist Automatons (March 28)

Required Reading:

Note that the position you take on these issues may well shape the positions you take on the pros and cons of competing prescriptive approaches to organizational design (e.g., a cross-level-of-analysis affinity between associationism and command-and-control bureaucracy?).

Ross, L., et al. (1977). Social roles, social control and social perception processes. *Journal of Personality and Social Psychology.*

March, J. (1990). Learning through replicating success. Chapter 2 and 3 from "The ambiguities of experience.

Gilbert, D. et al. (19993). You can't believe everything you read. Journal of Personality and Social Psychology, 1993..

Bargh, J & Chartrand, T. (1999). The unbearable automaticity of being. *American Psychologist*

Optional Reading:

Bunderson, J.S. & Lofstrom, S.M. (2000). Conceptualizing and measuring professional and administrative models of organizing. *Organizational Research Methods*.

Bunderson, J.S. & Boumgarden, P. (2010). Structure and learning in self-managed teams: Why "bureaucratic" teams can be better learners. *Organization Science*.

Barley, S.R. & Kunda, G. (2006). Contracting: A new form of professional practice. *Academy of Management Perspectives*.

Ashford, S., George, E., & Blatt, R. (2007). Old assumptions, New Work: The opportunities and challenges of research on nonstandard employment. *Academy of Management Annals*.

Jones, E. E. (1979). The rocky road from acts to dispositions. American Psychologist.

Kelley, H. H. (1967). Attribution theory in social psychology. In D. Levine (ed.),*Nebraska Symposium on Motivation* (Volume 15, pp. 192-238). Lincoln: University of Nebraska Press.

Tetlock, P. E. (2000). Cognitive bias and organizational correctives: do both disease and cure lie in the eye of the ideological beholder. *Administrative Science Quarterly.*

11. From Error-Prone Intuitive Economist to Resourceful Winners of Evolutionary Games (April 4)

What criteria should we use to identify errors and biases? How pervasive and how robust are these biases? What hard are they to fix? Do they melt away in repeated-play games and in competitive markets? Or do they have a much more tenacious hold over our minds? (Stockholm could not decide—so they split the Prize between Daniel Kahneman and Vernon Smith.) We also explore alternatives to the error and bias perspective inside psychology (prominent skeptics including Gerd Gigerenzer, Gary Klein and the evolutionary theorists Leda Cosmides and John

Required Reading:

Kahneman, D. (2011). <u>Thinking, fast and slow</u>. New York, Farrar Straus & Giroux. Chapters 1, 2, 7, 10, 14, 15, 16

Kahneman and Klein (2009). A failure to disagree. American Psychologist.

Tooby, J. & Cosmides, L. (2005). Conceptual foundations of evolutionary psychology**.** In D. M. Buss (Ed.), *The Handbook of Evolutionary Psychology* (pp. 5-67). Hoboken, NJ: Wiley.

Gigerenzer, G., & Goldstein, D. G. (1996). Reasoning the fast and frugal way: models of bounded rationality. *Psychological review*, *103*(4), 650.

Optional Reading:

Gigerenzer, G. (1996). On narrow norms and vague heuristics: a reply to Kahneman and Tversky. *Psychological Review, 103*(3).

Kahneman and Tversky (1974). Judgment under uncertainty. *Science*, *185*, 1124-1131.

Kahneman, D. & Tversky, A. (1984). Choices, Values, and Frames. *American Psychologist, 39*, 341-350.

Smith, V (1991), Rational choice: The contrast between psychology and economics. *Journal of Political Economy.*

Smith, V (1994). Economics in the laboratory. *Journal of Economic Perspectives.*

12. (April 11) Evolving Views of Human Motivation
Scholars in our field disagree on lots of things but they agree that models depicting people as pure egoists are too simplistic. They worry about the perverse consequences of taking such models literally (e.g., the dangers of undermining intrinsic motivation—and of setting up endless cat-and-mouse principal-agent games in which principals scramble to plug holes in contracts—and agents struggle to poke new holes).

Required Reading:

Latham, G.P. & Budworth, M. The study of work motivation in the 20th century. In Historical
    Perspectives in Industrial and Organizational Psychology, Ed. Laura Koppes, Psychology
    Press Baumeister, R. & Leary, M. (1995). The need to belond. *Psychological Bulletin.*

Camerer, C & Fehr, E. (2004). Behavioral game theory chapter in Foundations of human
    sociality: Economic experiments and ethnographic evidence from fifteen small-scale
    societies

Wilson, D.S., Near, D., & Miller, R.R. (1996). Machiavellianism: A synthesis of the
    evolutionary and psychological literatures. *Psychology Bulletin, 119,* 285-300.

Grant, A. M. (2007). "Relational job design and the motivation to make a prosocial difference."
    Academy of Management Review 32(2): 393-417.

Cialdini, Robert B. (1993). Influence: The Psychology of Persuasion (revised edition)..

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Optional Reading:

Baron, J.N. (2013). Empathy wages?: Gratitude and gift exchange in employment relationships.
    Research in organizational behavior.

Pittman, Thane and Ziegler, Kate (2010). Basic human needs. In Susan Fiske et al. (eds),
    Handbook of social psychology (volume 2).

Hackman, J. Richard & Oldham, Greg R. (1976). Motivation through the design of work: test of
    a theory. *Organizational Behavior and Human Performance, 16*: 250 – 279.

Dennis (1988). Organizational Citizenship Behavior: The Good Soldier Syndrome. (pp. 1-79).
    Lexington Books.

Heath, C. (1999). On the social psychology of agency relationships: Lay theories of motivation
    overemphasize extrinsic incentives. *Organizational Behavior and Human Decision
    Processes, 78*, 25-62.

Swann, W.B. and Bosson, J (2010). Self and Identity In S. Fiske et al (eds), Handbook of social
    psychology (volume 1). New York: McGraw Hill.

Thought experiment: if the field of Management were populated mostly by "Randian-libertarian" researchers, would we look a lot more Lockean?:

Locke, Edwin A. (1968). Toward a theory of task motivation and incentives. *Organizational
    Behavior and Human Performance, 3:* 157 – 189.

13. Coping with Contradictions: From Simple Dissonance Reducers to Dialectical Maestros (April 18)

Required Reading:

Abelson, R.P. (1959). Modes of resolution of belief dilemmas. *Journal of Conflict Resolution*, 3(4), 343-352.

De Dreu, C. K. W., B. A. Nijstad, et al. (2008). Motivated information processing in group judgment and decision making. *Personality and Social Psychology Review 12*(1): 22-49.

Peng & Nisbett (1999). Culture, dialectics and reasoning about contradiction. American Psychologist.

Trope, Y. & Lieberman, A. (2010). Construal-level theory of psychological distance. *Psychological Review*.

Optional Reading:

Heider, F. (1958). Psychology of interpersonal relations. Chapters 1-4. Mom, T. et al. Understanding variation in managers' ambidexterity… Organizational Science.

Staw, B.M. & Hoang, H. (1995). Sunk costs in the NBA: Why drafts order affects playing time and survival in professional basketball. *Administrative Science Quarterly, 40*, 474-494.

Tetlock, P. E. (1986). A value pluralism model of ideological reasoning. *Journal of Personality and Social Psychology 50:* 819-827.

Wageman, R. (1995). "Interdependence and group effectiveness." *Administrative Science Quarterly 40:* 145-180.

Smith, W. K. and M. W. Lewis (2011). "Toward a theory of paradox: A dynamic equilibrium model of organizing." *Academy of Management Review 36*(2): 381-403.

Fong, C. T. (2006). "The effects of emotional ambivalence on creativity." *Academy of Management Journal 49*: 1016-1030.

14. Learning to Think Across Levels of Analysis (April 25)

Hackman, J.R. (2003). Learning more by crossing levels: Evidence from airplanes, hospitals, and orchestras. *Journal of Organizational Behavior, 24,* 905-922.

Pfeffer, J. (1998). Understanding organizations: Concepts and controversies. In Fiske, S., Gilbert, D., & Lindzey, G (eds.), *Handbook of social psychology* (4th ed.). New York: McGraw Hill.

Peruse Nate Silver book—and also complimentary copy of Superforecasting for illustrations of how micro work on human judgment and macro concepts of crowdsourcing can be integrated

Recommended:

McGuire, W. J. (1997). Creative hypothesis generating in psychology: Some useful heuristics. In Annual Review of Psychology.