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Office: 474

Office Hours: Monday 3-4:45 PM; and phone appointments

Class: Monday 5-8 PM

Class: 145 Moffitt Library

**Sociology 119S**  
**Organizational Strategy and Design: A Sociological Perspective**  
**Department of Sociology, UC-Berkeley**

*Department description:* Organizations face a rapidly changing external environment that make sustaining a competitive advantage and success more tenuous. Firms that were successful last year may no longer be as successful. This course uses a sociological lens to examine how organizational strategy and design influence organizational success. We begin with a brief overview of business strategy and sociological concepts to set a background for more in depth readings and discussion on different key themes in business strategy. Classic and contemporary theories will be reviewed. Some of the topics that we will cover include: the internal and external context of organizations, developing a competitive advantage, why firms are similar, why firms are different, alignment of organizational design with strategy, organizational ambidexterity, blue ocean strategy, and optimal distinctiveness.

Why are some firms more successful than others? Why do some firms compete successfully and then lose their competitive edge? This course examines these questions by examining selected sociological and business strategy perspectives. Therefore, business strategy and sociology perspectives are juxtaposed throughout the course to deepen our analysis of the field to show how sociology and business strategy have both contributed to the field. The course presents some 'classic' perspectives (e.g. Porter, Carroll, DiMaggio and Powell) and also includes more current perspectives (i.e., blue ocean strategy, ambidextrous organizations, optimal distinctiveness).

Note: The readings for this course are primarily academic journal articles.

**Required Reading**

- 1) A Reader will be made available at *University Copy Service*, 2425 Channing Way (West of Telegraph, two blocks South of corner of Telegraph and Bancroft) on September 11th (hopefully by September 10<sup>th</sup>). Phone: 510-549-2335. (Hours: 9 AM to 6 PM (M-F), closed on Saturday and Sunday.) I will also place two copies of the Reader on reserve at Moffitt Library for those who do not wish to purchase the course Reader.
- 2) Web addresses are noted in the schedule for articles available online.
- 3) At times I may post additional or replacement articles to bcourses.

### Suggested Reading

Since this is a course on strategy and organization design, staying current with business practices and events through the Wall Street Journal, New York Times, SF Chronicle (Business Section), and other business periodicals (Fortune, Forbes, Businessweek, etc.), will facilitate your grasp of the material in this course.

### Course Inquiries

If you have any questions or concerns about the course, please feel free to contact me during my office hours (Monday, 3-4:45 PM) or send me an email ([sflatt@berkeley.edu](mailto:sflatt@berkeley.edu)). If you cannot meet me during my office hours, please contact me to arrange a phone meeting or possibly a meeting at another time.

### Evaluation

	<u>Percent</u>	<u>Points</u>
Final Exam (Take Home)	25%	50
In-Class Exercises	10%	20
Reflection/Application Paper	10%	20
Essay 1	15%	30
Essay 2	20%	40
Essay 3	20%	40
Total	100%	200

Bonus: Class Participation (up to)      5%                      10

**In-class group Exercises:** There will also be small group exercises at selected sessions for you to work through a problem with other students in class. Your group will receive points as a group for participation and satisfactory completion of the exercise/problem.

**Three (3) Essays and Final Exam (take home):** You will respond to a question or questions (posted at least one week before it is due) about assigned readings and class discussions. Higher scores will go to those who demonstrate a strong grasp of the course material by applying multiple relevant (as needed) course readings and class discussions in support of your arguments. Additional research is not required.

There are three (3) essays, a reflection/application paper and a take-home final exam. Format for the three essays is 3-4 pages (this will be noted on the assignment) double-spaced, one inch margins, Times New Roman and 12 font. The reflection paper is one-page single-spaced. Appropriate citations with references are expected; the list of references on the last page does not count towards the designated page limit. A thoughtful, well organized and focused essay is expected. All essays are due at the beginning of the class (hard copy) AND must also be submitted online (Turnitin). No essays will be accepted after the due date without prior approval by me. Exceeding the page limit, not following other format requirements (see above), or not including citations with a list of references, may lead to point deductions. Be careful not to implicitly or explicitly plagiarize; this could lead to major point deductions or a '0' for a section or an entire essay. The prompt/question(s) will be posted to bcourses.

Note: I will hold *optional special review sessions* before a paper is due to provide additional support and answer questions. Day and time will be announced prior to the essay due date; these days and times may vary due to room availability.

**Class Participation:** Your participation in class is important. Come prepared to respond to questions and/or raise questions. Your engagement with the course material enhances your learning as well as the entire class. If you consistently participate, you will earn bonus points.

**Attendance:** Your presence in class reflects your commitment to the course and will facilitate your grasp of the course material. Missing more than two sessions (excused or unexcused) could negatively impact your overall grade. Please contact me if you will be missing classes due to sport commitments, extended illnesses, or extenuating circumstances.

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**Listed below is the UC Berkeley, Honor Code ([www.asuc.org/honorcode/](http://www.asuc.org/honorcode/))**

**The student community at UC Berkeley has adopted the following Honor Code:**

“As a member of the UC Berkeley community, I act with honesty, integrity, and respect for others.” The hope and expectation is that you will adhere to this code.

**Collaboration and Independence:** Reviewing lecture and reading materials and studying for exams can be enjoyable and enriching things to do with fellow students. This is recommended. However, unless otherwise instructed, homework assignments are to be completed independently and materials submitted as homework should be the result of one’s own independent work.

**Cheating:** A good lifetime strategy is always to act in such a way that no one would ever imagine that you would even consider cheating. Anyone caught cheating on a quiz or exam in this course will receive a failing grade in the course and will also be reported to the University Center for Student Conduct. In order to guarantee that you are not suspected of cheating, please keep your eyes on your own materials and do not converse with others during the quizzes and exams.

**Plagiarism:** To copy text or ideas from another source without appropriate reference is plagiarism and will result in a failing grade for your assignment and usually further disciplinary action. For additional information on plagiarism and how to avoid it, see, for example:

<http://gsi.berkeley.edu/teachingguide/misconduct/prevent-plag.html>

**Academic Integrity and Ethics:** Cheating on exams and plagiarism are two common examples of dishonest, unethical behavior. Honesty and integrity are of great importance in all facets of life. They help to build a sense of self-confidence, and are key to building trust within relationships, whether personal or professional. There is no tolerance for dishonesty in the academic world, for it undermines what we are dedicated to doing – furthering knowledge for the benefit of humanity.

Your experience as a student at UC Berkeley is hopefully fueled by passion for learning and replete with fulfilling activities. And we also appreciate that being a student may be stressful. There may be times when there is temptation to engage in some kind of cheating in order to improve a grade or otherwise

advance your career. This could be as blatant as having someone else sit for you in an exam, or submitting a written assignment that has been copied from another source. And it could be as subtle as glancing at a fellow student's exam when you are unsure of an answer to a question and are looking for some confirmation. One might do any of these things and potentially not get caught. However, if you cheat, no matter how much you may have learned in this class, you have failed to learn perhaps the most important lesson of all

## CLASS SCHEDULE

*(NOTE: I reserve the right to adjust/shift readings and assignments as needed.)*

### ***Session 1: September 9, 2019***

Topic: Introduction to course, review syllabus, defining business strategy

- 1) Collis and Rukstad, Can you say what your strategy is? Harvard Business Review, April 2008.

### ***Session 2: September 16, 2019***

Topic: Rational Action: Background for Business Strategy and Sociology

- 1) Carroll, G.R. and Sorensen, J.B. (2016), Sociology and Strategy, M. Augier, D.J. Teece (eds.), The Palgrave Encyclopedia of Strategic Management.
- 2) Mintzberg, H. (1987), The strategy concept I: 5 Ps for strategy, California Management Review, Fall, 11-24.
- 3) Selected Readings on Weber: (1) Bureaucracy, Rationalization and Organization Theory; (2) Rational Action; (3) Authority and Rationality
- 4) Levitt and March (1988), Organizational learning, Annual Review of Sociology, 14, 319-40.

### ***Session 3: September 23, 2019***

A Sociological Critique on Business Strategy and a Business Strategy Critique of Itself

- 1) Guerras-Martin, L.A., Madhok, A., Montoro-Sanchez, A. (2014), Business Research Quarterly, 17, 69-76 (skim).
- 1) Ruef, M. (2003), A sociological perspective on strategic organization, Strategic Organization, 1(2), 241-251.
- 2) Durand, R., Grant, R.M., and Madsen, T.L. (2017), The expanding domain of strategic management research and the quest for integration, Strategic Management Journal, 38:4-16.

### ***Session 4: September 30, 2019*** ***ESSAY 1 DUE***

Topic: Strategic Analysis: External and Internal Analysis, SWOT, TOWS, Five Forces

- 1) Mindtools, [https://www.mindtools.com/pages/article/newTMC\\_05.htm](https://www.mindtools.com/pages/article/newTMC_05.htm)
- 2) Mindtools, [https://www.mindtools.com/pages/article/newSTR\\_89.htm](https://www.mindtools.com/pages/article/newSTR_89.htm)
- 3) Porter, M. (January 2008), How competitive forces shape strategy, Harvard Business Review.

<https://profesores.virtual.uniandes.edu.co/~isis1404/dokuwiki/lib/exe/fetch.php?media=bibliografia:thecompetitive5forcesshapestrategy.pdf> or

<http://www.simonfoucher.com/MBA/MBA%20622%20-%20Strategy%201/Notes/L01A%20The%20Five%20Competitive%20Forces%20That%20Shape%20Strategy%20-%20HBR.pdf>

- 4) Harris, J.D. and Lenox, M. J. (2013), Five forces analysis (chapter 4), The Strategist's Toolkit, Darden Business Publishing, University of Virginia, Virginia.
- 5) Excerpt on Porter's six forces (complements) will be posted to bcourses.

### ***Session 5: October 7, 2019***

Topic: Where all Firms are Above Average (from special edition of Advances in Strategic Management) [Resource Based View vs. Social Structure]

- 1) Barney (2000), Firm resources and sustained competitive advantage, Advances in Strategic Management, 17, 203-227.
- 2) Stinchcombe (2000), Social structure and organizations, Advances in Strategic Management, 17, 229-259.
- 3) Barney (2000), Context is crucial: commonalities, differences, and subtle differences, Advances in Strategic Management, 17, 261-269.
- 4) Stinchcombe (2000), On equilibrium, organizational form, and competitive strategy, Advances in Strategic Management, 17, 271-284.

### ***Session 6: October 14, 2019***

Topic: Competitive Advantage

- 1) Hill & Jones (2013), ch. 5, Building competitive advantage through business-level strategy.
- 2) Porter, M. (1996), What is strategy? Harvard Business Review, 61-78.  
<https://pdfs.semanticscholar.org/62a5/6cb47ec0a181da67358662446ab7d544c01f.pdf>
- 3) Excerpt on Porter's generic strategies: Porter, M. (1998), Competitive Advantage: Creating and Sustaining Superior Performance, Free Press, a Division of Simon and Schuster Adult Publishing Group.

### ***Session 7: October 21, 2019 **ESSAY 2 DUE*****

Topic: Alternatives to Porter's Perspective on Strategy

- 1) March (1991), Exploration and exploitation in organizational learning, Organization Science, 2, 71-87.
- 2) Burton, Obel, and Hakonsson, Ch. 2: Assessing the Strategy, pp. 31-46. (an interpretation and application of Miles and Snow). In Burton, R.M, Obel, B. and Hakonsson, D.D. (2015), Organizational Design: A Step-by-Step Approach, Cambridge University Press, United Kingdom.

### ***Session 8: October 28, 2019***

Topic: Ambidexterity and the Sociology of Innovation

- 1) Lavie, Stettner, and Tushman (2010), Exploration and Exploitation within and across Organizations, Academy of Management Annals, 4(1), 109-155.
- 2) O'Reilly and Tushman (2013), Organizational Ambidexterity, Past, Present, and Future, Academy of Management Perspectives, 27(4), 324-328.

- 3) Dahlin, E.C. (2014), The sociology of innovation: organizational, environmental, and relative perspectives, *Sociology Compass*, 8/6, 671-687

**Session 9: November 4, 2019 REFLECTION PAPER DUE**

Topic: Implementing Strategy with Organizational Structure (Organizational Design)

- 1) Daft (2010), excerpt on organizational structural designs (ch. 3), from *Organization Theory and Design* (10<sup>th</sup> ed.), South-Western Cengage Learning, pp. 104-115
- 2) O'Reilly & Tushman (2004), The ambidextrous organization, *Harvard Business Review*, 74-81.
- 3) Burton, Obel, Hakonsson, Ch. 4: The configuration of the firm, pp. 69-95. In Burton, R.M, Obel, B. and Hakonsson, D.D. (2015), *Organizational Design: A Step-by-Step Approach*, Cambridge University Press, United Kingdom.
- 3) Structure exercise (time permitting)

**\*\*November 11, 2019 –VETERAN’S DAY HOLLIDAY\*\* (No Class!)**

**Session 10: November 18, 2019 ESSAY 3 DUE**

Topic: Competitive Advantage: Difference vs. Similarity and Institutional Theory

- 1) Carroll (1993). A sociological view of why firms differ, *Strategic Management Journal*, 14, 237-49.
- 2) DiMaggio & Powell (1983), The iron cage revisited: institutional isomorphism and collective rationality in organizational fields, *American Sociological Review*, 48(2), 147-160.
- 3) Haveman, H. and David, R.J., (2008), Ecologists and institutionalists: Friends or Foes?, in *The Sage Handbook of Organizational Institutionalism*, Sage Publications.
- 4) Peng, M.W., Sun, S.L., Pinkham, B., and Chen, H. (2009), The Institution-based View as a Third Leg for a Strategy Tripod, *Academy of Management Perspectives*, 23(4), 63-81.

**Session 11: November 25, 2019:**

Topic: Optimal Distinctiveness and Blue Ocean Strategy

- 1) Deephouse (1999), To be different, or the same? It's a question (and theory) of strategic balance, *Strategic Management Journal*, 20 (2), 147-166.
- 2) Zhao, E.Y, Fisher, G., Lounsbury, M., and Miller, D. (2017), Optimal distinctiveness: broadening the interface between institutional theory and strategic management, *Strategic Management Journal*, 38, 93-113.
- 3) Kim & Mauborgne (2004), Blue ocean strategy, *Harvard Business Review*, 2-10.

**Session 12: December 2, 2019**

Topic: Implementing Strategy through Corporate Culture (Organization Design)

- 1) Chatman and Cha (2003), Leading by leveraging culture, *California Management Review*, 45, 20-34.
- 2) Sorensen, 2002, The strength of corporate culture and the reliability of firm performance, *Administrative Science Quarterly*: 47, 70-91.
- 3) Barney, 1986, Organizational culture: can it be a source of sustained competitive advantage? *Academy of Management Review*, 11 (3), 656-65.
- 4) Course wrap up

*December 9, 2019* \*\*\*NO CLASS: Reading/Review/Recitation Week\*\*\*

*Monday, December 16: FINAL EXAM DUE*

Final Exam is a take-home exam that will be due on Monday, December 16th by 4 PM, Department of Sociology, 410 Barrows Hall. The exam will be posted to bcourses by December 4, 2019.