

Question: "why are there so many kinds of organizations" → ++(Hannan, 1977 #2804)

An evolutionary perspective
Link with evolution
- (Campbell, 1969 [1998] #4569)
- The key process studied in ecology studies is the process of selection
- No attention to variation or retention → variation provide the raw material for selection processes
- but difficult to exploit "successful variations" → difficult to identify
- Organization as the main unit of selection → difficult to copy → causes are unknown
Early challenge → Organizational taxonomy a must to avoid retrofitting of data (McKelvey, 1982 #5358)

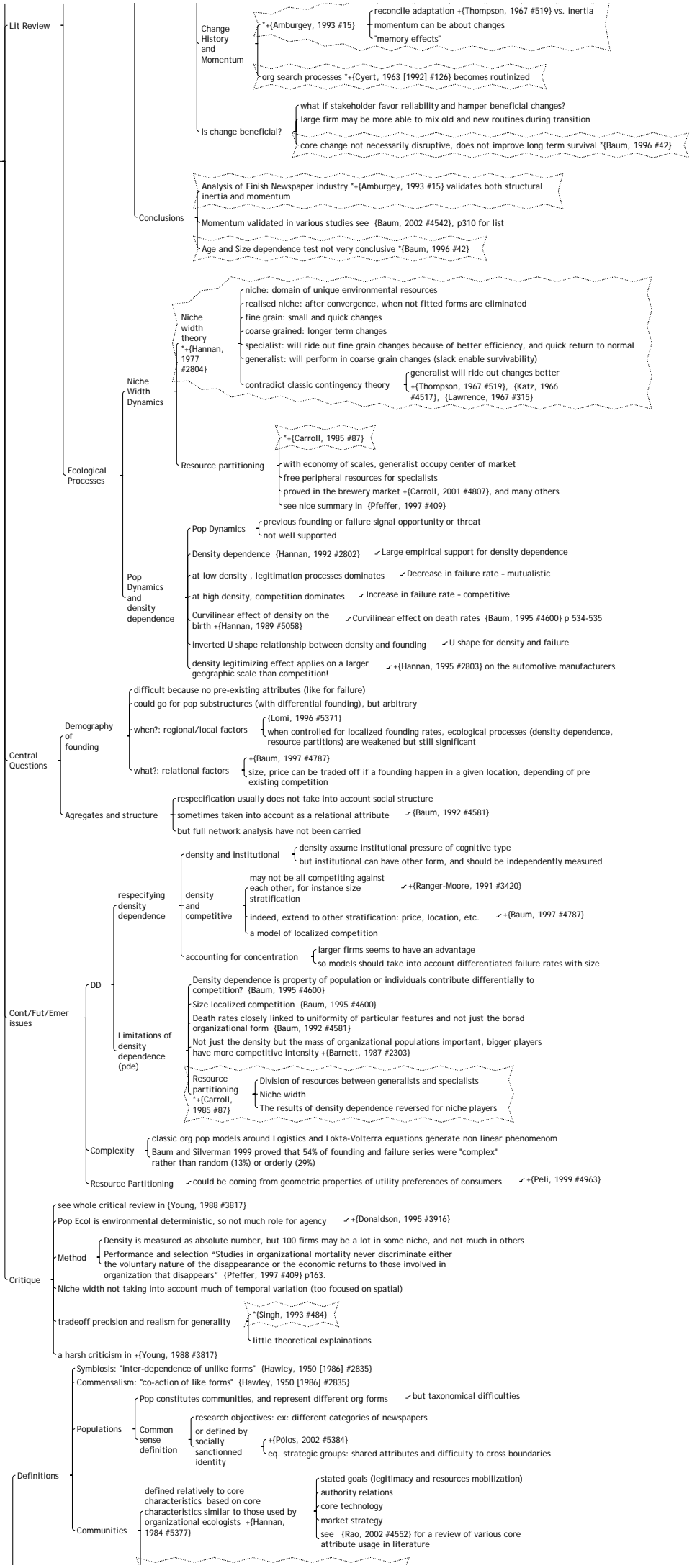
Organization-Environment Persp
3 observations (Baum, 2002 #4542)
- aggregates of organization exhibit diversity
- organizations are inert compared to environmental changes
- organizations appear and disappear continuously

genesis
Main argument of population ecology
- ++(Hannan, 1977 #2804); ++(Hannan, 1984 #5377) → originally more focused on differential rates of failure
- Founding rate and death rate are related to the fit of a particular organizational form to fare better in an environment
- Inertia
- ++(Carroll, 1985 #87) → resource partitioning
- ++(Astley, 1985 #27) → Community → VSR is complete with new organizational forms

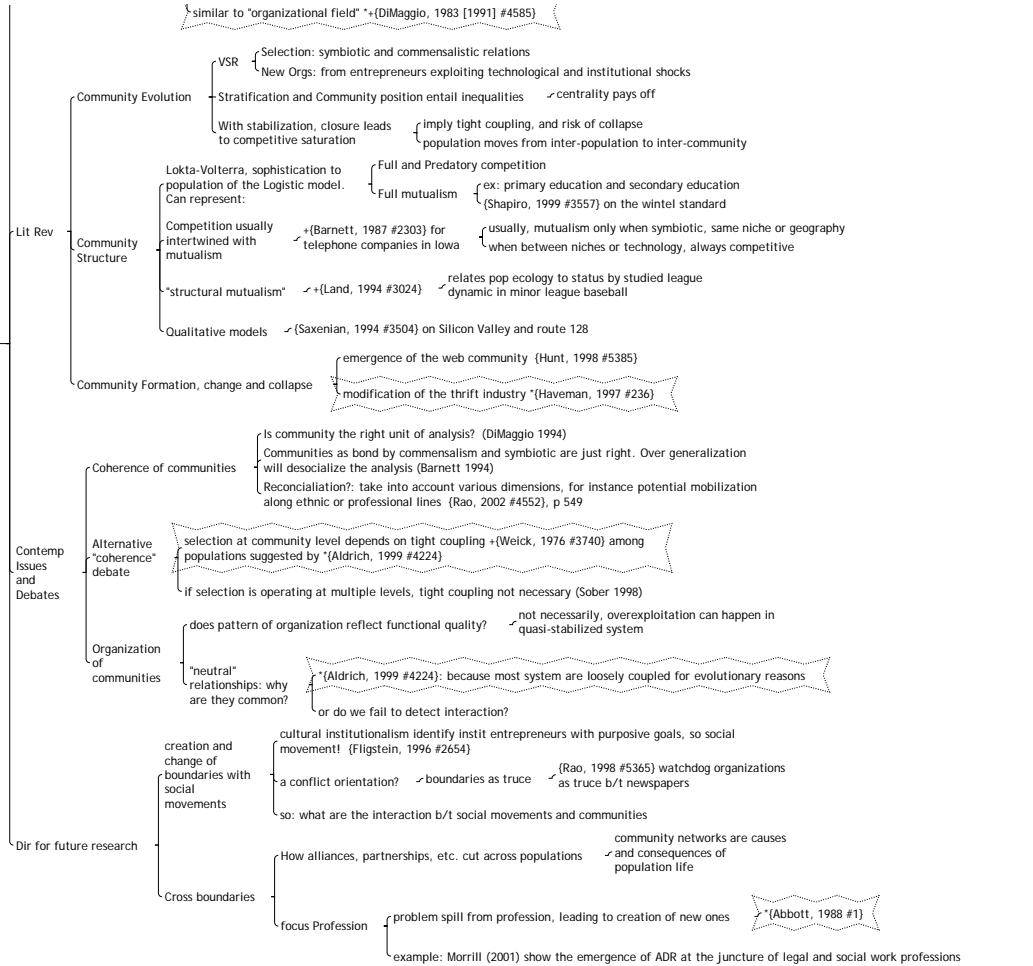
Age / Size Dependence
age → liability of newness
- ++(Hannan, 1977 #2804) → reliability and accountability is favorable (legitimacy) routinization
- Liability of newness ++(Carroll, 1984 #86) - universal effect
- ++(Stinchcombe, 1965 #3618) → beware of the confounding orgs and org forms
- create new routines
- learn new social roles (not really necessary)
- lack endorsement and exchange networks
size → liability of smallness?
- ++(Carroll, 2000 #4805) → pb of legitimacy
- adverse scale effect on administrative
- Liability of smallness *(Aldrich, 1999 #4224) - not universal but depends on organizational form
but size and age correlated
- liability of adolescence: pb just beyond the "honeymoon period" → (Fichman, 1991 #2645)
- and age factor not so simple → liability of aging → ++(Ranger-Moore, 1991 #3420)
- already hinted by ++(Stinchcombe, 1965 #3618) in imprinting
- org reflect their founding, therefore, less likely to fit to environment with aging
- Obsolescence: misfit with environment
- Senescence: negative effect of age (endogenous)
age dependence may vary across population → (Baum, 1996 #42)
- e.g. may be dependent on strategy → (Henderson, 1999 #2853)

Demographic Processes
structural inertia theory
- Inertia: The main result of environment is in the birth and death rates due to a basic organizational property of inertia → (Hannan, 1984 #5377)
- Inertia not as "no change" but inadequate change to respond to speed of environment → Inertia as the result of selection pressures and not managerial incompetence
- internal inertia → politics
- external inertia → public legitimation of organizational activity
- core features → claimed at founding
- isolated from the environment
- vs peripheral features: isolated the core
- age and size increase inertia
- confirmed in other lit, like learning with the concept of disposable organization → (March, 1995 #3147)
Org Change → go beyond content of change for process of change → change creates risk → ++(Barnett, 1995 #2304)

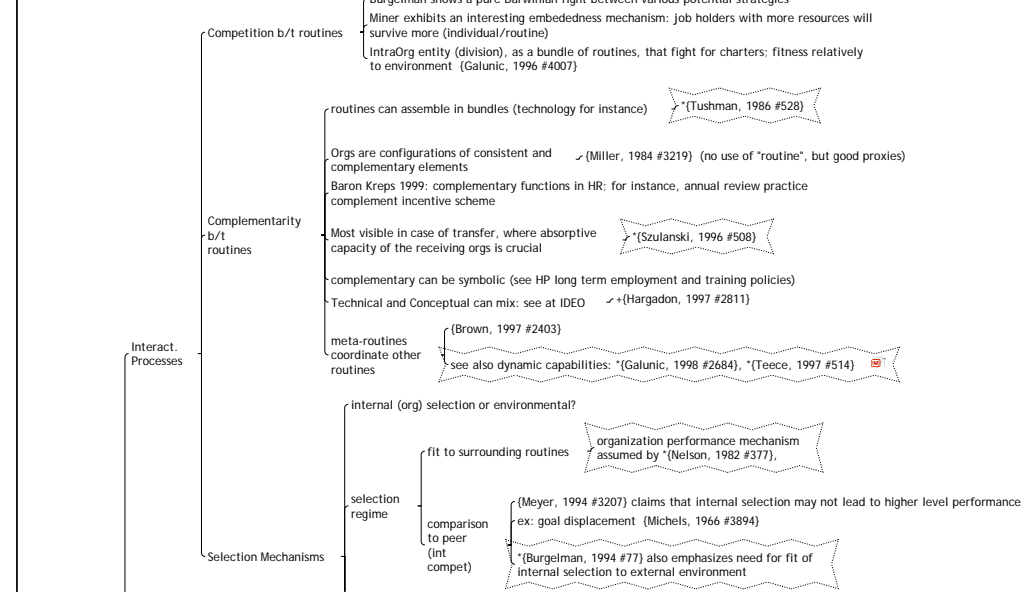
Org Level
(Baum, 2002 #4542)



InterOrg
{Rao, 2002 #4552}



Definitions *(Galunic, 2002 #4532) ~ "applies ecological concepts to explain the processes occurring within organizations"



IntraOrg

*(Galunic, 2002 #4532)

Job of manager to ensure variety and internal selection consistent with external constraints (Miner, 1994 #3220)
Even then, superstitious learning can happen (Argyris, 1978 #2264) (Miner, 1996 #3221), or misattribution (Senge, 1990 #472)
Only clear failure ensure proper learning (Sitkin, 1992 #4029)
Overall, as suggested by (Campbell, 1969 [1998] #4569), beware of the functional fallacy to assume that any evolution is adaptive

Contemp Issues

Replication Processes

Reproduction

imitation (March, 1958 [1993] #337)
reproduce rather than create
More efficient at doing what was already done
more likely if it was successful (Amburgey, 1992 #2247) (Schein, 1992 #3512)
even when dysfunctional! *(Zander, 1995 #581)
(Nelson, 1982 #377)
depend on how articulable and observable is knowledge
*(Zander, 1995 #581) *(Szulanski, 1996 #508)
Getting explicit articulation not always possible
Reproduction in a new firm even more difficult see "mimetic isomorphism" in Neolstit
reproduction is not easy
Various Biases (Boyd, 1985 #2385) *(Kogut, 1996 #301)
direct bias: imitate only those consistent with existing routines
indirect: imitate those adopted by model org.
frequency: imitate most popular
Transfer of routines tough
Operationally (Bartlett, 1995 #2325)
Requires "absorptive capacity" on the receiving end *(Cohen, 1990 #115)
learning new routines is a meta routine!

Variation

Schumpeterian principle that invention derives from recombination of existing knowledge *(Galunic, 1998 #2684)
Improvisation, new rules depend on environment uncertainty ambiguity (Zhou, 1993 #4231)

Death

Little work (difficult to measure) (Miner, 1991 #4213) on job types
*(Burgelman, 1994 #77) on strategy exits
Life cycle theory (van de Ven and Poole 1995): natural duration for any thing, and death is only last step
Death due to cognitive overload Procedural memory stores routines (Cohen, 1994 #116), but is limited in size
Protection against death by institutionalization? (Scott, 1987 #3544)

Macro level patterns

classically, processes are assumed gradual, incremental
Challenges to incrementalism, around punctuated equilibrium paradigm (Anderson, 1990 #2255)
(Eldredge, 1972 #160) Triggers?: performance (Anderson) or time transition (Gersick) (Gersick, 1991 #196)
Neo incrementalist? (Brown, 1997 #2403)
*(Hannan, 1977 #2804) claim of inertia is incrementalist, but identify its misadaptation, hitting to drastic changes
Convergent framework (Miller, 1980 #3218) organization change all the time, but sometimes it is convergent (incremental), sometimes divergent

What is the unit of selection?

routine or bundle of routines? *(Aldrich, 1999 #4224)
managers protected against consequences: slack *(Cyert, 1963 [1992] #126)

Unsolved Issues

Derived from Selfish Gene debate: what is the selection entity? (Dawkins, 1989 #5360) is it organization or routines that is selected?
is adaptation (compet/fit) to local conditions or enhancing fit of carrying org?

Cross level?

IntraOrg ecology very different from PopEcology
Downward causation (from pop to routines) stronger than upward (routines to pop)

Critiques?

Study more adaptation of change, rather than whether it is punctuated/incremental, or nature of routines?

7. Pop Eco

08. Culture (Weeks, 2003 #550)
(Carroll, 1998 #88) Organizational Demography and Culture: Insights from a Formal Model and Simulation.

17. Self/Identity (Hannan, 2005 #5725) review "Ecologies of Organizations: Diversity and Identity"

theories follow VSR selection: Ecology
adaptation: contingency, resource dependence, institutional