Sociology 20186

Economic Sociology

Winter 2010

Meeting Time: MW 1:30 pm to 2:50 pm
Location:

Professor: Cheol-Sung Lee
422 SS
Phone: 773-702-8640
Email: chslee@uchicago.edu
Office Hours: Tuesday and Thursday 3:30-4:30 pm
Course Webpage: http://chalk.uchicago.edu

Course Description

This class explores how organizations begin, utilizing sociological concepts of market. Main class questions are: What are the risks that new organizations face? Why do some organizations disappear, while others last? How do these processes differ across places and over time? We will address these and other questions in this course, drawing on multiple dimensions and intersections of sociological studies such as stratification, networks, communities, culture, and race/gender/ethnicity.

This class is intended for upper-division undergraduates who have some knowledge of basic sociology. This course involves intensive readings, multi-media presentations, and regular writing exercises. All of these learning approaches build towards a cumulative final project – a business plan for a new organization.

Teaching Philosophy

This course is distinctive in several ways:

I believe that we can learn cooperatively – my role as the instructor is to facilitate the process. We will use a number of techniques in order to accomplish this learning. As a result, be prepared to play an active role every class. I look forward to listening and learning from you.

Given the range of topics we will encounter in the course, at times, we may not find the right answers, or all the answers. What is important, however, is the process of learning – taking new concepts, integrating them into a coherent framework and being able to use the framework to critically analyze issues.

I would like for each of you to find our discussion topics relevant to your lives. We will draw upon specific case examples as a starting point for many of the concepts we will cover in this class. Furthermore, these examples will be helpful in developing your final project.
Goals of this class

We have several goals in this class:

**Content**
- Learn the basic concepts of organizational theory, with a special emphasis on organizational emergence

**Learning Process**
- Conduct thought-provoking discussion where all classroom participants are able to share and receive ideas, with the instructor facilitating the interchange.
- Make connections between the world of ideas and concepts with their day to day issues and concerns. Where possible, encourage/highlight/expose new connection points where none exists (e.g., “I never thought of it that way…”)
- Develop team work and presentation skills.

Rules of the Road

1. We start and end class on time
2. Turn off cell phones, pagers, and beepers
3. Check your email account regularly
4. Check the course Web page regularly

Contacts

You can reach me by email at chslee@uchicago.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 or set up an appointment. I encourage you to stay in contact with me regarding any issues concerning the requirements of this course.

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

- Come to class and participate in the discussions
- Prepare for class by completing the assignments
- Ask questions when necessary
- Learn how to use the library and other available resources
- Stay engaged with current events and be prepared to discuss them
- Anticipate potential problems or other obstacles and react quickly to them

Texts

We will use the following text in this course. Please purchase or borrow a copy for your use during the semester. Other readings will be available through the course web page. We will also make use of other media forms, such as audio/video segments online. I refer to the book by the authors’ initials below.

Format

This class will require your participation in several ways. We will spend a majority of class time in discussion with one another. Your contributions to class discussions will be more effective if you prepare in advance by completing the required reading assignments. Plus, the course is designed to allow you to work on your final project systematically throughout the semester.

We will also have regular quizzes and writing exercises. If you complete the assignments for the class and actively participate in class discussions, you should be well prepared for these exercises. We will also spend time learning how to give public presentations.

Attendance

It is not a good strategy to miss class. 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 me know.

Preparing for Class

My goal is to make our class enjoyable and informative. Since a good portion of the class will be discussion based, I recommend completing the reading assignments prior to coming to class. Use the reading questions to help you focus on key concepts which will be reviewed in class. Bring your notes to class and be prepared to engage with your classmates in small group discussions. In addition to completing the required assignments, I recommend keeping up-to-date with current events, especially on topics related to our course.

Our class is 80 minutes in length – I suggest that you set aside at least the same amount of time before each class for the assignments. Preparation can take on several different forms. Careful reading and note taking, reviewing previous discussion materials, and thoughtful reflection of the upcoming class topics should be included in your preparation.

Evaluation

Your course grade is based upon business plan final project, presentations, peer reviews, and examinations.

Business Plan

- This course gradually builds towards the business plan final project. For the business plan, you will have the opportunity to develop an idea for a new organization. You are encouraged to consider both for-profit and non-profit ventures. You also have the opportunity to work in teams or to develop the idea on your own. As the term progresses, you will be developing various ideas based on concepts introduced in class. The idea is to write in small portions systematically throughout the semester, rather than waiting until the end of the semester to write the entire paper. To aid you in this process, I will ask you to turn in portions of the business plan regularly.
- There are several milestones in this project:
You will need to develop three potential ideas for the new organization. This is due on **Jan 20**. Going forward, with the final project in mind, we will spend each class period building towards the development of your business plan. Therefore, it is important that you spend adequate time early in the course thinking about your idea and be committed to an idea after selecting it.

I will organize your topics and structure a networking day on **Jan 27**. You will have the opportunity to meet and discuss your ideas with other classmates. During this time, you can explore the possibilities of working together on the final project.

I would like for you to finalize your organization idea and team structure by **Feb 1**. From this point forward, most of your assignments will be based on your project idea and be completed in your teams (if you decide this format).

On **Feb 8**, I will ask for your team to prepare for the **Midway Checkup that includes Financial Plan and Strategy Formulation**. I will review the work you have completed thus far, with a special emphasis on your financial plan and strategy formulation.

On **Feb 22**, please turn in your marketing and legitimacy plan. This will be your last assignment to submit prior to the final draft of your business plan.

- For each class period, I will provide a set of reading questions. A good strategy is to work through the questions *with your topic in mind*. Review the details for upcoming section in your business plan that is due and use the reading questions to begin work on the assignment.
- The final version of the business plan will be due on the day of your Presentation (**Mar 1 or 3**).
- **Assignments are due at the beginning of class – no late assignments accepted.**

**Daily Reviews**

- During the semester, we will work together to learn and apply course concepts to our respective projects. To this end, each student will conduct two Daily Review briefings based on course concepts introduced in the previous class.
- Each presenter should turn in her note or presentation file to the instructor one day before the class.

**Presentations**

- On **March 1 and 3**, each new venture (solo or team) will have 20-25 minutes to conduct presentation to a board of potential financiers. Share highlights of your project during this time so that they will be interested in making an investment.

**Peer Reviews**
You will conduct two peer reviews of your classmate’s business plan:

- On **Feb 8**, bring two copies of your work in progress business plan. You will share one copy with a classmate. Use this checkup as an opportunity to pull together progress made thus far and receive feedback from a classmate. Your first review is due on **Feb 15**.
- The second peer review will occur during the Presentations on **March 1 and 3**. You will need to evaluate all of your classmates’ presentations in order to get full credit.

**Examinations**
Short quizzes will be given at the beginning of the class period. There will be approximately 6 short quizzes. The quiz dates will be announced a week before. Questions will be based on the reading assignments given for the week and recent class discussions.

The exam scheduled for March 10 will be comprehensive of all material covered throughout the semester.

No make ups will be allowed – please review your exam schedule now to determine if any potential conflicts exist.

Bonus

As shown in the table below, there is an opportunity to earn up to five extra percentage points towards your final grade, if all assignments are completed on-time and more than 95% of class attendance is achieved. This also provides an allowance for missed assignments due to illness or other commitments. As a result, no make ups on missed quizzes will be allowed.

Components of your Grade:

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<th>Component</th>
<th>Percentage</th>
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<td>Written assignments</td>
<td>25</td>
<td>A</td>
<td>&gt; 93</td>
<td>A-</td>
<td>90-92</td>
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<td>Daily Review</td>
<td>4</td>
<td>B+</td>
<td>87-89</td>
<td>B</td>
<td>83-86</td>
<td>B-</td>
<td>80-82</td>
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<td>Midway Checkup</td>
<td>4</td>
<td>C+</td>
<td>77-79</td>
<td>C</td>
<td>73-76</td>
<td>C-</td>
<td>70-72</td>
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<tr>
<td>Business Plan</td>
<td>30</td>
<td>D+</td>
<td>67-69</td>
<td>D</td>
<td>63-66</td>
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<td>60-62</td>
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<td>Presentation</td>
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<td>&lt; 60</td>
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<td>Peer Reviews</td>
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<td>Note: Fractions of a point will be rounded down (e.g., 89.9 = B+).</td>
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<td>Quizzes</td>
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<td>Final Exam</td>
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DAILY ASSIGNMENTS

Introduction to each other & the course

Class 1 (Jan 4)
Topic: What are the course goals and requirements?
Assignment: Review syllabus and other course materials on class website.
[Turn in Student Information Sheet]

Class 2 (Jan 6)
Topic: What do you need to do to be successful in this class?

Topic: What are organizations? Why study them?
Assignment: Read [AR] Chapter 1

Assembling the Theory Tool Kit

Class 3 (Jan 11)
Topic: Organizations Evolving
Assignment: Read [AR] Chapter 2: Pp. 16-27
Read about Verité, Appro TEC, and 2 other Change Masters at http://www.fastcompany.com/social/2005/

Presentation and Writing Workshop

Class 4 (Jan 13)
Topic (1): The language of studying organizations – Terminology
Assignment: Read [AR] Chapter 2: Pp. 28-33
Read The Population Ecology of Organizations
Michael T. Hannan; John Freeman
The American Journal of Sociology, Vol. 82, No. 5. (Mar., 1977)
Read only pp. 933-936.
Stable URL: http://links.jstor.org/sici?sici=0002-9602%28197703%2982%3A5%3C929%3ATPEOO%3E2.0.CO%3B2-I

Topic (2): Who are Nascent Entrepreneurs?
Assignment: Read [AR] Chapter 4: Pp. 61-68
Getting Started: A Look at Nascent Entrepreneurs

**Class 5 (Jan 20)**

**Topic: What is a Business Plan?**


**Topic: $$$ - Financing the new venture**

**Assignment:** Read [AR] Chapter 4: Pp. 83-91

**[Turn in Two Ideas for your New Organization]**

**Class 6 (Jan 25)**

**Topic: Teams and Networks I**

**Assignment:** Read [AR] Chapter 4: Pp. 68-75


**Class 7 (Jan 27)**

**Topic: Teams and Networks II – Networking Day**


**[Prepare one page of short description of your business plan]**

**Class 8 (Feb 1)**

**Topic: Brains behind the operations – Organizational knowledge**

**Assignment:** Read [AR] Chapter 4: Pp. 75-83

**Topic: Corporations and Externalities**

**Video:** “The Corporations”

**[Turn in Selected Idea, Name, Team Structure, Process for your New Organization]**

Coming Together: Populations of Organizations
Class 9 (Feb 3)
Topic: Studying Organizational Populations – Terminology
Assignment: Read [AR] Chapter 9: Pp. 179-186
           Chapter 10: Pp. 208-212

Class 10 (Feb 8)
Topic: Density Dependence I

Topic: Density Dependence II – Strategy Formulation
Assignment: Read [AR] Chapter 10: Pp. 220-238

[Turn in material for Midway Checkup,
Financial Plan & Strategy Formulation:
Bring Two Copies – one for instructor, the other for peer review]

Class 11 (Feb 10)
Topic: Legitimacy of New Populations – Cognitive Style
Video: “Start-up.com”

Class 12 (Feb 15)
Topic: Legitimacy of New Populations – Sociopolitical Style
Assignment: Read [AR] Chapter 9: Pp. 198-205
           Business Week articles on spyware (June 28 2004, Pp. 94, 96)
           ▪ Business Week, “Guess What -- You Asked For Those Pop-Up Ads” By Ben Elgin
           The New Yorker article on pay-per-call “976-GONE” April 12, 2004, Pg. 29, by Nick Paumgarten

[Turn in Peer Review #1]

Class 13 (Feb 17)
Topic: Marketing for legitimacy
Assignment: Read [AR] Chapter 11: Pp. 240-258
Video: “Who Killed the Electric Cars?”

Class 14 (Feb 22)
Topic: Who are the people in your neighborhood? – Communities of organizations
Assignment: Read [AR] Chapter 11: Pp. 258-266

Topic: Getting Older - Age Effects, Period, and Cohort Effects
Assignment: Read [AR] Chapter 8

[Turn in Marketing and Legitimacy Plan]

Class 15 (Feb 24)
Topic: Paradigms – Revisiting Organization Theories
Assignment: Read [AR] Chapter 3: Pp. 34-60

Sharing our work: Presentations

[Business Plans Due Day of Presentation]

Class 16, 17 (Mar 1, 3)
[Turn in Peer Review #2]

Class 18 (Mar 8)
Topic: Path Dependency and Gender-egalitarian Organizational Culture


Topic: Exam Review

Class 19 (Mar 10)

Final Exam