

Contents

<i>List of Figures and Tables</i>	xi
<i>List of Acronyms</i>	xv
<i>Preface</i>	xvii
<i>Acknowledgments</i>	xxi
1 Generating Change	1
What Happened to Big Blue? 2	
Organizational Structures and Environments, 5	
Forces Driving Changes, 7	
Plan of the Book, 35	
2 Theorizing About Organizations	37
Theoretical Elements, 38	
Five Basic Organization Theories, 41	
Conclusions, 73	
3 Resizing and Reshaping	74
How Many Business Organizations? 76	
Organizational Size, 83	
Entries and Exits, 87	
Which Organizations Create New Jobs? 90	
What Forms of Organizations? 92	
Why Did the Multidivisional Form Spread? 100	
Corporate Merger Waves, 110	
Refocused Organizations, 117	
Conclusions, 119	
4 Making Connections	120
Varieties of Interorganizational Relations, 121	
Varieties of Alliance Networks, 128	
Trust Relations, 150	
Alliance Formation and Outcomes, 156	
Conclusions, 163	

5	Changing the Employment Contract	164
	The Traditional Employment Contract, 166	
	Eroding Firm Attachments, 170	
	The New Employment Contract, 177	
	High-Performance Workplace Practices, 179	
	Penetration Problems, 190	
	Automotive Lean Production, 194	
	High-Performance Impacts, 196	
	The Trouble with Teams, 200	
	Conclusions, 203	
6	Investing in Social Capital	204
	Networked Organizations, 205	
	Mentoring Protégés, 214	
	Networking Fundamentals, 217	
	A Small Firm Example, 223	
	Network Outcomes, 227	
	Social Capital, 231	
	Conclusions, 242	
7	Governing the Corporation	244
	Power and Authority, 245	
	A Political-Organization Model, 248	
	Legal Theories of Corporate Governance, 249	
	Nexus of Contracts and Stakeholder Theories, 252	
	Board Rules and Realities, 256	
	Executive Pay Politics, 261	
	Farewell to the Chief, 276	
	Institutional Investors Are Revolting, 279	
	Conclusions, 285	
8	Struggling in the Workplace	287
	Social Movements Inside Organizations, 289	
	Eroding Unionization, 295	
	Legalization of the Workplace, 303	
	Employee Ownership, 315	
	Conclusions, 318	
9	Influencing Public Policies	319
	Power Structure Theories, 321	
	Proliferating Political Organizations, 324	

Mobilizing Member Resources, 332	
Influencing Public Policies, 334	
Conclusions, 361	
10 Learning to Evolve	362
Chaos and Complexity Thwart Predictability, 364	
Evolutionary Alternatives, 368	
National Innovation Systems, 372	
Organizational Learning, 377	
Population-Level Learning, 382	
Innovator Organizations, 385	
A Vision, Instead of a Conclusion, 389	
<i>Appendix: Basic Network Concepts</i>	395
<i>Notes</i>	403
<i>References</i>	407
<i>Index</i>	461

Figures and Tables

Figures

1.1	Organization's Environment	6
1.2	Five Basic Parts of an Organization	8
1.3	Shares of World GNP, 1998	10
1.4	Structure of World Trade Flows, 1997	11
1.5	Falling Productivity Growth Rates	15
1.6	Stagnating Family Incomes	32
1.7	Diverging Family Incomes across Quintiles	33
1.8	Rising Income Inequality	34
2.1	Levels of Analysis in Organization Theory	40
2.2	Organization Population Change	47
2.3	Ten-Actor Network with a "Kite" Structure	68
3.1	Firms and Establishments	78
3.2	Growth of Semiconductor Firms	79
3.3a	Tax-Exempt Organizations, 1991	82
3.3b	Tax-Exempt Organizations, 1997	83
3.4	Legal Types of Firms, 1994	95
3.5	Industry Similarities, 1992	98
3.6	Alfred Chandler's Multidivisional Structure Chart	101
3.7	Spread of the MDF	102
3.8	Mergers and Divestitures	111
3.9	Total Value Offered for Mergers	112
4.1	Typical Inter-Firm Network in the New York City Better Dress Industry	133

4.2	1998 Global Information Sector Strategic Alliance Network	148
4.3	Trust as an Intervening Factor in the Alliance Formation Process	153
5.1	Traditional Employment Contract	167
5.2	Changing Job Tenure	172
5.3	Nontraditional Employees	174
5.4	New Employment Contract	178
5.5	High-Performance Practices	192
6.1	Internal Network Organization	207
6.2	Multinational Differentiated Network	208
6.3	Virtual Organization	209
6.4	Spherically Structured Network Firm	210
6.5	Organizational Chart of Silicon Systems	224
6.6	Social Distance in Advice and Friendship Networks of Silicon Systems	227
6.7	Structural Holes in an Ego-Centric Network	237
7.1	Stakeholder Model of the Corporation	255
7.2	Board Sizes, 1970 and 1998	259
7.3	Median CEO Compensation	264
7.4	Institutional Stock Holding	280
8.1	Unionization of U.S. Labor Force	297
8.2	Net Gain in Union Members	299
8.3	Female Occupational Groups	305
8.4	Black Occupational Groups	305
8.5	Hispanic Occupational Groups	306
8.6	EEOC Discrimination Charges	309
9.1	Trade Association Vital Rates	329
9.2	Trade Association Population	330
9.3	Associations in Washington, D.C.	332
9.4	Political Action Committees	338
9.5	PAC Money to House Candidates	340
9.6	Labor Policy Communication Network	350

9.7	Lobbying Coalitions for Three Labor Policy Events	355
10.1	R&D Expenditures	374
A.1	Graphic and Matrix Representations of a Hypothetical Eight-Actor Network	400

Tables

2.1	Comparison of Five Open-System Theories of Organizational Change	43
3.1	Private-Sector Employment by Establishment Size, 1997	84
3.2	Top Fortune 500 Companies for 2000, Ranked by Revenues	86
3.3	Private-Sector Employment by Industry Divisions, 1997	96
4.1	Varieties of Interorganizational Relations	123
4.2	Top 38 Global Information Sector Organizations, 1998	145
4.3	Number of 1998 Strategic Alliances among 38 Global Information Sector Organizations	146
5.1	Multivariate Analyses of Five High-Performance Workplace Practices Adopted for 50 Percent or More of Establishment Core Employees	193
10.1	Common Elements in the Innovation Process	388