

Government 1521
Bureaucratic Politics:
Government, Military,
Social and Economic Organizations

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Lecture 06: Cultural and Reputation-Based
Accounts of Bureaucracy

Puzzles

- (1) Why persistence of org arrangements across fields?
Why so much homogeneity of practices and
arrangements in labor market, schools, states, firms
and corporations?
- (2) Why persistence of “suboptimal” org arrangements?
- (3) Why persistence of formality long after it outlives its
usefulness? Why persistence of rules when they are
not followed?
 - Boards of directors
 - Diversity training (this is different from commitment to
diversity per se)
 - Government “reinvention” and “reorganization”

Recent Study (Dobbin et al 2006)

All sorts of efforts to increase diversity in
workforce (gender, racial) over the past 30 years.
Which have worked?

- Establish a position or a committee
- Diversity training (change individual beliefs)
- Set up a plan
- Establish networking and mentoring opportunities

Kalev, Alexandra, Frank Dobbin, and Erin Kelly. "Best Practices or Best Guesses? Diversity
Management and the Remediation of Inequality." *American Sociological Review*. 71: 589-917.

Points of Divergence with other Theories

- (1) Are org features designed, or do they evolve through (conscious and unconscious) recombination?
- (2) Institutions = conventions?
- (3) Do individuals choose freely among org and inst forms?
- (4) Sunk costs “are cognitive” [DiM&P, 11]
- (5) Org change not incremental, but “episodic and dramatic.” [Mirrors behavioral account.]

Elements of Cultural Theory

Culture: Not a World View or set of attitudes (or philosophy), but a “tool kit” (Swidler).
Tool kit is used strategically, but the tools to define and pursue ends vary across cultural settings, limiting agendas and action.

Rule Following: Act “as if” optimizing, but in fact following rules and scripts.
Less a way of thinking, more a way of seeing.

Culture and “Maximization”

Cultural theories not necessarily inconsistent with “rational” behavior.

- Bureaucratic ORGs might “maximize” legitimacy and reputation.
- Or, legitimacy and reputation might affect bureaucratic ORGs through non-rational mechanisms
 - identity
 - defining preferences and goals
 - cognition
 - interpretation

Meyer and Rowan

“Institutionalized Organizations: Formal Structure as Myth and Ceremony.”

“To maintain **ceremonial conformity**, organizations that reflect institutional rules tend to buffer their formal structures from the uncertainties of technical activities by becoming **loosely coupled**, building gaps between their formal structures and actual work activities.” (41)

Meyer and Rowan

“...the formal structures of many organizations in post-industrial society dramatically reflect the myths of their institutional environments instead of the demands of their work activities” (DiM&P, 41)

“Sharp distinction” made between formal structure and day-to-day work activities. Peter Blau, *Dynamics of Bureaucracy, Alltagsgeschichte*.

Problem: Orgs don't often function according to their blueprints.

Meyer & Rowan

Examples:

- (1) Discipline of psychology creates rationalized personnel selection (interview, personality test). Personnel professionals; “human resources,” etc.
- (2) R&D departments
- (3) “As the issues of safety and environmental pollution arise, and as relevant professions and programs become institutionalized in laws, union ideologies, and public opinion, organizations incorporate these programs and professions.”
- (4) Business-based models of government: “citizens as customers,” emphasis on “human capital.”

Examples in Our Midst?

- Economic and work organizations?
- Educational organizations?
- Religious organizations?
- Athletic and leisure organizations?
- Health organizations?

Meyer & Rowan: Propositions

1. As rationalized institutional rules arise in given domains of work activity, formal organizations form and expand by incorporating these rules as structural elements.
Notion of **rationalized**: Appearance of rationality is important for legitimacy, but it's legitimacy that's driving the process.

Meyer & Rowan: Propositions

2. More modernization, more extended the rationalized inst structure in given domains and greater # of domains containing rationalized institutions.
Weber: Bureaucracy dominates b/c of efficiency
TC Theory: Bureaucracy dominates b/c it minimizes transaction costs via internalization
Cultural Theory: Bureaucracy dominates b/c it is seen as more legitimate, and with "proliferation of rationalized myths" (DiM&P, 47)

Meyer & Rowan: Propositions

3. Organizations that incorporate societally legitimated rationalized elements in their formal structures maximize their legitimacy and increase their resources and survival capabilities.

KEY here is the survival, resources and legitimacy imperative. Orgs have focuses different from profit-max or rent-seek.

Meyer & Rowan: Propositions

4. **DECOUPLING:** Because attempts to control and coordinate activities in institutionalized organizations lead to conflicts and loss of legitimacy, elements of structure are decoupled from activities and from each other.

Activities performed “beyond the purview” of managers

Goals are made “ambiguous or vacuous.”

Data on technical performance rendered invisible

Inspection and evaluation are ceremonialized.

Meyer & Rowan: Propositions

5. The more an org’s structure is derived from institutionalized myths, the more it maintains elaborate displays of confidence, satisfaction, and good faith, internally and externally.

6. Institutionalized orgs seek to minimize inspection and evaluation by both internal managers and external constituents.

Mary Douglas,
Institutional/Organizational Cognition

“why have wines suddenly changed their labels?
Customers now select their wine by the varietal
name of the grape. **Is this anyone’s real choice?**
Did any one restaurateur take the decision no
more to offer for sale Bordeaux, Burgundy, Loire
or Rhine wines, St. Emilion or Sauterne? What
does it mean for the theory of classification that
customers are now asking for Zinfandel, Gamay,
or Sauvignon, even though [all] the wine may hail
from Bordeaux?” [102]

Mary Douglas,
Institutional/Organizational Cognition

The answer: California.

Markets classified not by region but by grape.

Q, then: Why is there not a sharper differentiation
btw Napa and Sonoma valley wines?

REPUTATION-SEEKING
BUREAUCRACIES

General concern: How to specify the goals, the motivations, the
“maximands,” of bureaucrats and bureaucracies?

- (1) Reputation is agency asset
- (2) Esteem is highly valued by professionals and technicians
- (3) **Proximity:** Reputation is the proximate goal, s.t. (ex post or
current) income, budget, policymaking autonomy, discretion,
turf all depend on it.
- (4) Multiple audiences (public, organized interests, clients,
technical/professional)

What is a Bureaucratic Reputation?

- Organizational reputations assign roles.
- Organizational reputations assign or attribute a unity (“identity”) to structures, that may contain considerable dissimilitude, disarray, disorganization. They create fiction of unity.
- Organizational reputations differentiate. Why are Marines diff from Army, Navy, etc?

REPUTATION-SEEKING BUREAUCRACIES

- Predictions: (1) hi-rep agencies receive more discretion, enjoy more autonomy
- (2) Agencies avoid visible errors, see many decisions as irreversible
- (3) “N-of-1” argumentation: reputations often consist in stories (Henry Ford, thalidomide)
- (4) Dovetails with Meyer-Rowan emphasis on ceremonial and symbolic role of formal structure

Extra Slides, in Case There’s Time

Zucker's Experiment

Use underlying “objective condition” – light moving against a wall – and manipulate “subjectives” (instructions).

Measure degree of persistence of “error” across experimenters.

Three experimental conditions (equally sized): personal influence, organizational, office (with titles, quasi-Weberian).

Zucker: Personal Influence Condition

This study involves problem solving in groups. You will be participating with another person. There are already two people at work in the next room. . . .

To simplify the recording procedure, the person who is already in the room will be asked for her judgment first. At this point, you will be asked for your judgment second. After a while, the other person will leave, you will take her place, and a new person will be brought in. Then you will be asked for your judgment first. . . .

Zucker: Organization Condition

Most large organizations continue even though individual members, or even whole divisions, may be replaced, due to changing jobs, retirement, re-organization, etc. The model organization in which you will participate also will have this feature: members who have been in it for a while will drop out, and new members will join, but the job will go on. Thus, performance of any single member may not be important to the organization as long as the job continues to be done.

There is already a two-member organization operating in the next room. In a few minutes, one of the members will leave, and you will be brought in. After you have worked together with the other member for some time, you will take her place. Then a new member will be brought in as a replacement, becoming part of the organization. . . .

Zucker: Office Condition

Large organizations also place members in different positions, often according to the amount of time spent in the organization. The model organization in which you will participate also has this feature—the member who has spent the most time in the organization will be the Light Operator. Thus, the member already in the next room, having already participated in the organization, will be the Light Operator. When she leaves, you will become the Light Operator.

As you may already have guessed, the group member labeled Light Operator will be responsible for turning the light on after each member gives her judgment on the previous movement. The Light Operator in each case must depress a button to activate the light. From then on, the timing and motion of the light is controlled automatically until the next trial.

Zucker: Institutionalization and Cultural Persistence

Table 1. Transmission Coefficients Defining Rate of Decline of Response Level for Each Experimental Condition

Transmission Coefficients	Institutionalization		
	Personal Influence	Organizational Context	Office
T ₁ (First to Second Generations)	.49	.87	.92
T ₂ (Second to Third Generations)	.37	.89	.97
T (Average Coefficient)	.43	.88	.94

Zucker: Institutionalization and Cultural Persistence

Table 2. Mean Response Level of Naive Subjects over Three Generations in the Transmission Experiment

Generation	Institutionalization		
	Personal Influence	Organizational Context	Office
First	6.53	9.44	10.51
Second	5.31	8.77	10.00
Third	4.58	8.25	9.79

Zucker: Institutionalization and Cultural Persistence

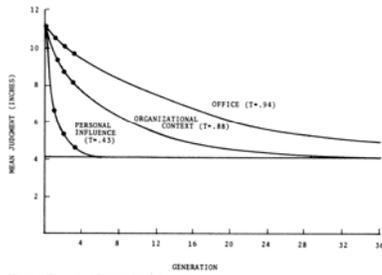


Figure 2. Extrapolated Response Levels Based on Transmission Coefficients Determined by the First Three Generations in Each Condition

Zucker: Institutionalization and Cultural Persistence

Table 4. Questionnaire Responses by Experimental Condition^a

Question	Institutionalization		
	Personal Influence	Organizational Context	Office
Mean Certainty Score ^b	5.35	3.62	3.22
Number Reporting Judgment Difficulty	41	26	16
Number Not Feeling ^c Answer Should Be Same As Experienced Subjects	28	11	3

^a N in each condition is 45.

^b The smaller the number, the more certain of own judgment accuracy. Scale is from one to seven.

^c Question reversed so that all predicted magnitudes in the table would be in the same direction.
