

1. What is the general question this chapter is trying to answer?

- The general question this chapter is trying to answer is the way organizations structure their inner workings. It discusses several forms of organizations and their structures. This "structure" is called the "form" of an organization. It also discusses how this form changes over time.

2. What is meant by "concentration" or "consolidation"?

- "Concentration" or "consolidation", in this context, means that there are less organizations that own certain sectors, in comparison to other sectors. Thus sectors that are concentrated have less competitors.

3. Why is there an increase in concentration/consolidation?

- There is an increase in concentration/consolidation because there are high barriers to entry into sectors that are concentrated. Competition inherently leads to monopoly because of a lack of resources that many organizations must compete for.

4. Define "sociological Imagination."

- "Sociological imagination" is the idea that individuals are impacted by society at large, such that society at large shapes their individual conditions. For instance, a market that is permeated with a certain sector will increase the likelihood that a particular person will pursue that professional sector.

5. What is meant by "organizational structure"?

- I think what is meant by the phrase "organizational structure" is the relationships that the organizations contain, which define the interplay between organizations. Depending on the structure we are analyzing, an organization may be hindered by or benefit from the organizational structure.

6. In organizational science, Rational, Natural, and Open Systems are three different models or perspectives that describe how organizations function, briefly describe each.

- For a rational perspective, we assume that humans are utilitarian, maximizing utility. Thus, the organizations they are a part of also maximize their utility (or efficiency).

Thus, the organization will always behave in such a way that maximizes its efficiency. It typically has a centralized structure.

- For a natural perspective, we assume that humans have an environment that influences human action. Thus, since the organization has an environment, we look at the structure of the organization considering its environment.
- Similarly to the natural perspective, the open system describes the ability to adapt to a fast changing environment. They respond quickly to innovation.

7. The authors say there are two ways in which modern social structures differ from earlier, traditional forms, what are they?

- The two types of relationships that changed towards modern social structures are (1) the relationship between the individual and the organization, and (2) the relationship between organizations themselves.

8. What are the first “ancestors” of modern organizations according to the authors?

- The first “ancestors” of modern organizations are the guilds and the chartered companies.

9. What is the etymology of the word corporation?

- The etymology of the word corporation is the embodiment of several interests from the shareholders in the company.

10. What are guilds?

- Guilds are organizations where all its members share an extremely similar goal (for example, the guild of wine makers). Also, they derive their power to enforce contracts through the monarchy.

11. The authors state that, over time, these relations (discussed in question 7) were altered, how so?

- Whereas in guilds relationships between individuals and organizations were the focus, in modern corporations the focus is capital.

12. Durkheim also states that these relations changed, what does he mean by a change from “mechanical” to “organic” solidarity?

- By a change from “mechanical” to “organic” society, Durkheim means that organizations changed from having a cohesive goal, to having interdependent parts that must organically collaborate, because they depend on each other.

13. What form of organization replaced guilds?

- The form of organizations that replaced guilds were chartered companies. They have in common that they are both dependent on the monarchy for legitimization. However, they also depend on the stock market to derive value.

14. The final organizational form discussed are “corporations”. The authors state there are 3 ways in which they differ from previous organizational forms, what are they?

- The first way is (1) they have a separate legal personality, which means they can be recognized as an individual, (2) lack of personal liability, which means that individuals are not liable for the corporation going under, even if they own a big portion of the value in the corporation, and (3) unlimited life, which means that the corporation goes on to live forever, until the corporation dissolves.

15. What do corporations have in common with guild & chartered companies?

- Corporations have in common with guilds and chartered companies that contracts only have as much function as our ability to enforce them. Thus, there must be a larger authority so that we can enforce contracts (threat of violence by the state).

16. Why do the authors say that the process of incorporation had become **institutionalized** in 1811 in NY?

17. What is the first example of large corporations that the chapter gives?

18. The authors discuss 4 associated developments with the rise of corporations, which are they?

19. Define and give an example of M-form and the U-form.

20. Why do the authors say that the M-form add a new hierarchy?

21. Give one pro and one con of the M-form.

22. How do the authors define “managerialism”?

23. There are two dimensions along which the debate on organizations, which are they?

24. What do the authors mean by “institutional conservation of energy”?

25. The authors discuss the differences between organization and class. Who are the representative figures of each?

26. How do organizational and conflict theorist talk about economic & political power?

27. Bonus: What is meant by isomorphism?