

JOD, ICOA, Dept. of Management AU
CONFERENCE:

NEW TRENDS IN ORGANIZATION DESIGN

29th MAY – 31st MAY 2018

SANDBJERG

ABSTRACTS



AARHUS UNIVERSITY

Schedule

	Hour	Presenter	Title	Discussant
29th	19.00	Dinner		
		Børge Obel		N/A
30th				
	09.00	Phanish Puranam	Grand challenges in Organization Design Research	N/A (Skype session)
	09.30	John Joseph	The co-evolution of JOD and the field of organization design	N/A (Skype session)
	10.00	Charles Snow	Research in JOD, 2012-18	N/A
	10.30	Coffee		
	11.00	Vegard Kolbjørnsrud	Collaborative Organizational Forms: On Communities, Crowds, and New Hybrids	Charles Snow
	11.30	Ronald Klingebiel	Organizing Innovation Under Uncertainty: The Meritocracy of Resource Allocation Flexibility	
	12.00	Kristina Lauche Matthijs Moorkamp	Temporary organizing and the challenge of achieving resilience: Findings from a military task force	Justin Lerner
	12.30	Lunch		
	13.30	Ramon Torras	Where you sit matters: Physical collocation and informal interactions in formal organizations	Franziska Sump
	14.00	Sunkee Lee	Can Reconfiguring Spatial Proximity Between Organizational Members Promote Individual-level Exploration? Evidence from a Natural Experiment	Stephan Billinger
	14.30	Luis Rios	R&D Organizational structure, intrafirm inventor networks and innovation	Nicolay Worren
	15.00	Coffee		
	15.30	Ana Aleksic Miric	How It Looks Like If You Dare To Care: Exploration Of Trends In Organization And Functioning Of Social Enterprises Across 11 European Countries	Kristina Lauche
	16.00	Franziska Sump	How Costs Shape Attention and Search: An Experimental Study	Rich Burton
	16.30	Simon Colnar Vlado Dimovski	Organizational Design Challenge in social work centers: A case study from Slovenia	Matthijs Moorkamp
	18.30	Dinner		
31th				
	09.00	Stephan Billinger	Discretionary mechanisms and cooperation in hierarchies: An experimental study	Sunkee Lee
	09.30	Carliss Baldwin	The Value Structure of Technology: Implications for Organizations	Henk Volberda
	10.00	Oliver Baumann	Regulating Organizational Search: Resource Allocation and Adaptation in Multi-Business Firms	Børge Obel
	10.30	Coffee		
	11.00	Justin Lerner Åke Walldius	The Platform Review Alliance Board: designing an organisational model to bring together producers and consumers in the review and commissioning of platform software	Vegard Kolbjørnsrud
	11.30	Henk Volberda	Business Model Redesign: How Firms Modify Their Business Model	Ronald Klingebiel
	12.00	Nicolay Worren Tore Christiansen	Using an algorithmic approach for grouping roles and sub-units	Luis Rios
	12.30	Metin Sengul	Taking stock of the JOD Conference: What we have learned and where we go from here	N/A
	13.00	Lunch		

Grand challenges in organization design research

Phanish Puranam, Insead, Singapore

Research in organization design has seen a remarkable renaissance in recent years. Exciting times surely lie ahead, given the rapid developments in theory, methodology, data sources and phenomena. Yet, designers are rarely content to merely watch things unfold. What could we do to catalyze rapid progress in our field? With the hope that clearly articulated challenges can spur our collective imagination, I will discuss a few problems that one may think of as “grand challenges” for organization design research. To identify problems that would legitimately and fruitfully qualify in this category, I argue that it is useful to distinguish problems along a few dimensions. First, a problem can be important. This means that a solution, if we have one, should be seen as valuable not only within but also outside the community of researchers studying organization design. Second, problems could involve a theoretical challenge- we do not yet have a clear understanding of relevant underlying mechanisms and constructs. Third, a problem may be hard to solve in practice, even when the underlying mechanisms are well understood, because of lack of information on the parameters of relevant mechanisms or other practical constraints. I focus on problems that lie at the intersection of the first two attributes – problems that are important and poorly understood theoretically- because I believe as researchers we have a competitive advantage at tackling these. I discuss some problems with these attributes as well as possible lines of attack.

The co-evolution of JOD and the field of organization design

John Joseph, The Paul Merage School of Business, UC Irvine

Research in JOD, 2012-18

Charles Snow, Penn State University

Collaborative organizational forms: On communities, crowds, and new hybrids

Vegard Kolbjørnsrud, BI Norwegian Business School

New collaborative organizational forms are emerging at a rapid pace and we observe a plethora of overlapping terms and concepts in the literature. In this study, I describe and explain the distinctive properties of collaborative organizational forms, understood as communities and community-based hybrids, across four key organizational dimensions and compare and contrast them with markets and hierarchies. Based on three ideal forms—markets, hierarchies, and communities—I propose a framework for analyzing and mapping organizational forms. The framework expands our understanding of the ideal forms and it opens for a richer set of analytically distinct hybrids at the intersection of the ideal types. The theoretical review of collaborative organizational forms is illustrated and informed by three empirical cases of new forms within the domains of drug discovery, space exploration and operation, as well as professional services. I also discuss plural forms and the role of hierarchy in collaborative forms. Finally, I outline implications for research and practice in terms of the role of crowds, comparative organizational forms, as well as the interplay between new technologies and new organizational forms.

Organizing innovation under uncertainty: The meritocracy of resource allocation flexibility

Ronald Klingebiel, Frankfurt School of Finance and Management

The paper examines the behavioral consequences of making the allocation of resources to innovation projects more flexible. Exploring multiple early-stage projects that are filtered over time helps firms discern eventual winners and losers as information arrives over time. It simultaneously caps cost exposure and prevent competitive pre-emption. Unfortunately, resource-allocation flexibility introduces a threat of project termination, which might reduce risk-averse employees' willingness to propose projects in the first place. We test this and also explore a potentially countervailing mechanism: an increase in submissions due to altered perceptions of distributive justice. Using a novel experiment designed to simultaneously capture firm and employee-level trade-offs, the paper shows how the greater meritocracy of flexible allocation regimes can motivate more of those who are confident in their ability to innovate. This finding not only provides valuable insights for business practitioners deliberating resource allocation flexibility and its behavioral consequences, but also furthers theory on the organization of innovative activity, revealing flexibility as a means of motivating and harnessing entrepreneurial risk-taking within firms.

Temporary organizing and the challenge of achieving resilience: Findings from a military task force

Matthijs Moorkamp, Institute for Management Research, Radboud University Nijmegen

Kristina Lauche, Institute for Management Research, Radboud University Nijmegen

Many temporary organizations operate under challenging, uncertain and sometimes dangerous circumstances. In such environments, achieving resilience, or bouncing back from adverse events, is an important but challenging endeavor. Accomplishing resilience relies to a large extent on self-organizing abilities of employees at the operational level of the organization (e.g., Comfort, Sungu & Johnson, 2001; Weick & Sutcliffe, 2006). To further resilience, forms of organization design are required that facilitate self-organization under challenging circumstances. Yet, influences of temporary organization design on operations in temporary organizations seem to be poorly understood. Hence, this paper aims to shed light on the influence of temporary design characteristics on the challenge of developing resilience in a temporary organization. It examines operations in a large temporary organization that operated under extreme conditions: a Dutch military task force that contributed to NATO's endeavors in Afghanistan between 2006 and 2010. Results from the analysis of 22 in-depth interviews show that from the onset of operations, the structural design of the task force was characterized by underdeveloped integration between units. This led to adverse events that originated inside the task force itself. Operators aimed to cope with these challenges through self-organizing practices that on the one hand consisted of bottom-up attempts to accomplish integration. On the other hand, operators developed novel configurations of units as a response to environmental challenges. In the end, influences of design from the task force and the military 'parent' organizations at home complicated the self-organizing efforts in such a way that attaining resilient operations was problematic. Finally, the paper ends with the relevance of these findings for the field of temporary organization design.

Where you sit matters: Physical collocation and informal interactions in formal organizations

J. Ramon Lecuona-Torras, Duke University

Jonathon N. Cummings Duke University

There is a long tradition of scholarship that views the physical design of the workspace as a strategic lever for managers to influence the behavior of employees (Taylor 1911; Festinger et al., 1950; Allen 1977; Hiller and Penn, 1991; Wineman et al., 2014). During the last decade, companies and organizations from all industries and geographies have transformed their work spaces by removing some of the obstacles imposed by cubicles in favor of more transparent open-plan layouts (Waber et al., 2014). Prominent examples include the headquarters of corporations like Citbank, Google, and Telenor. One rationale for more transparent workspaces is that they improve employees' awareness of their peers and, consequently, increases the frequency with which they engage in casual conversations about work. This type of informal communication, which is known to be highly sensitive to physical obstacles, is important because it helps fill the inherent voids of the formal organization (Gulati and Puranam, 2009; Soda and Zaheer, 2012) and constitutes a source of innovation (Tushman, 1977; Ahuja, 2000; Boudreau et al, 2014). In this paper we examine how the location of employees within open-plan offices interacts with their position in the formal organization (including hierarchical and departmental position) to shape patterns of informal communication.

Can reconfiguring spatial proximity between organizational members promote individual-level exploration? Evidence from a natural experiment

Sunkee Lee, Tepper School of Business, Carnegie Mellon University

The research proposes that individual-level exploration can be promoted by reconfiguring the spatial proximity between organizational members' workspaces. To test this idea, I exploit a unique natural experiment in an e-commerce company where the spatial distances between organizational members' workspaces were reconfigured because of the relocation of its headquarters. Results indicate that increasing the spatial proximity between workspaces of individuals who were previously physically separated leads to more individual-level exploration. This relationship was positively moderated by individuals' prior organizational experience and negatively moderated by their previous social ties. Finally, this change in spatial proximity led to higher organizational performance. Overall, this study highlights the importance of an under-examined organization design element—spatial design—and its implications for individual-level exploration and firm performance.

R&D Organization structure, intrafirm inventor networks, and innovation

Luis Rios, Wharton School of Business, University of Pennsylvania

Nicholas Argyres, Olin School of Business, Washington University in St. Louis,

Brian Silverman, Rotman School of Business, University of Toronto,

Prior studies have shown associations between organizational structure and innovation outcomes. However, most have been static and cross sectional, only showing variation across firms. This gap is important because it is not clear if firms can use structure as a lever to direct their research outcomes. Our analysis thus examines the effect of changes in firms' R&D organizational structure on patent-based measures of innovative search and impact. We compare firms that centralized or decentralized their R&D structure to firms that remained stable. After documenting the shift in innovation that follows changes to formal organization structure, we explore the mechanisms underlying this shift by examining the relationship between changes in organization structure and changes in the characteristics of the intrafirm inventor networks within these firms. We thus assess the extent to which changes in organizational structure can affect innovation by influencing patterns of collaboration among inventors within the firm. We estimate the effects of changes in R&D budget authority on the structure of intrafirm networks, as well as the effects of changes in these networks on the innovation measures. Finally, we examine the time lag between the initiation of a change in formal organization structure and the subsequent changes in inventor network structure and innovative effort. We find that increased centralization of R&D budget authority leads to increases in both the breadth of technological search and the breadth of impact of a firm's innovations, as measured by patent statistics. Second, increased R&D centralization leads to changes in a firm's inventor network. These changes involve the creation of new co-author patenting relationships between researchers who formerly did not co-author patents together. Thus, our study illustrates that because the effects of changes in formal authority occur in large part through changes in intra-firm networks, which themselves change slowly, organizational outcomes respond only with a lag.

How it looks like if you dare to care: Exploration of trends in organization and functioning of social enterprises across 11 european countries

Ana Aleksić Mirić, Faculty of Economics, University of Belgrade

Marco Bellucci, University of Florence

Mara Bernadusi, Dep. of Political and Social Sciences, University of Catania Marina

Petrović, Faculty of Economics, University of Belgrade

Rosario Sapienza, ImpactHub GMBH

The goal of the present work is to explore characteristics of social enterprises that are developing across 11 European countries. We explore factors that influence their development and identify the characteristics of enabling eco-system, with particular focus to see if there is a “new type” of social enterprises sprouting and could new spices be recognized as heralds of new organizational forms evolving in this type of organizations. We explored organizational characteristics, forms of diffusion and identity-based specificities that contribute to shaping the “galaxy” of New Generation Social Enterprises (NGSEs) in Europe.

We implemented a complex research design built both on qualitative and quantitative methodologies. As a result, more than 1,500 social entrepreneurs and stakeholders have been involved in the research activities during these three years.

We have evaluated 10 potential factors that could reasonable influence growth of social enterprise. Lack of funds, Bureaucracy, Lack of knowledge on how to get resources and Poor marketing skills - grew out as the most important factors that constrain development and growth of social enterprises.

Social enterprises face numerous challenges, but their relative importance changes through their life cycle. As from our research, initial phase of the development (0-6 months) is mostly weighted by the bureaucracy, lack of government funding, limited public awareness of your organization, difficulties recruiting employees and low skills and experience of employees. Thinking about the future, SEs across 11 European countries anticipate lack of government funding, bureaucracy, competition with for-profit business, difficulties participating in public tenders and difficulties getting funds from private sources as the most important factors influencing their business.

On the basis of the transversal analysis of the 55 case studies carried out in the various target countries – Italy, Sweden, England, Poland, Scotland, Serbia, Albania, France, Germany, the Netherlands and Austria – we cannot unequivocally claim that a “new generation” of social enterprise, different and independent from the previous ones, actually exists. Instead, our empirical evidence allows us to state that there exists a broad new-generation sphere for social enterprise. It is a hybrid space, a space that hosts many heterogeneous entities and brings together new and old actors who adopt approaches, languages, work styles and tools which (considered all together) attest to a significant renewal in ways of doing social enterprise. This space is not “young” in and of itself, nor it is a stage only reserved for “emerging” groups from the world of so-called socially-oriented start-ups.

How costs shape attention and search: An experimental study

Franziska Sump, School of Business, Economics and Social Sciences, University of Hamburg

Using a laboratory eye-tracking experiment, this paper examines how cost shape individual attention and search behavior in a complex environment. Our results show that individuals predetermine their choice set by paying less attention to costly choices, which they then consider significantly less for their actual search decision. Moreover, we find that if individuals have to bear costs themselves, those individuals who focus their attention on performance engage in significantly less explorative search, compared to individuals who focus their attention on the choice set. We disentangle how cost shape the cognitive process of attention and result in search behavior. Our findings give insides into the micro-foundations of search processes and individual decision-making. Our results provide novel insights into the role of cost in organizational design.

Organizational design challenge in social work centers: A case study from Slovenia

Simon Colnar, Faculty of Economics, University of Ljubljana,
Vlado Dimovski, Faculty of Economics, University of Ljubljana,
Barbara Grah, Faculty of Economics, University of Ljubljana,
Luca Giustiniano, LUISS Guido Carli University, Italy

This paper highlights the importance of appropriate organizational design process in social work organizations, namely in Slovenian social work centers. Organizational design is not a completely new field, however in Slovenian social work organizations it is practically unused or misused. Authors argue that a stronger emphasis on organizational design in Slovenian social work organizations represent an opportunity to better manage existing resources and to improve the functioning of organizations and overall quality of services for social service users. After conducting research on existing literature and available secondary data, authors propose a single case study approach, where Slovenian social work centers are the unit of analysis. This paper is considered important from the practitioners, key stakeholders and decision makers points of views, as it recommends implementing contemporary organizational structures in studied organizations in practice.

Discretionary mechanisms and cooperation in hierarchies: An experimental study

Stephan Billinger, University of Southern Denmark

Stephen M. Rosenbaum, University of Southern Denmark

This paper experimentally investigates the effects of managerial discretion over organizational inputs and – outputs on cooperation levels in a hierarchical public good game. We observe treatment differences suggesting that the introduction of hierarchy per se does not necessarily induce worker cooperation. Rather, it is the distinct design of discretionary contribution (whether the manager can contribute or not) and discretionary rewards (whether the manager receives a static or self-determined own share) that foster or hamper cooperative behaviour. We further detect evidence of managers engaging in “strategic luring” i.e. nudging workers into contributing more by sacrificing their own returns in early rounds, only to expropriate the value of the public good in later stages of the game. We discuss implications for management research and organization design.

The value structure of technology: Implications for organizations

Carliss Baldwin, Harvard Business School

There are two fundamental technical architectures, which call forth different organizational designs, one favoring the visible hand, the other a lighter form of governance in the form of design rules and standards.

The first technical architecture is that of a step process. Here a recipe is carried out that predictably transforms inputs into output in accordance with the laws of nature. Every step is essential to the transformation. Think of a steel mill, a semiconductor fab, or a factory.

The second architecture is that of a platform system. Here the technology is divided in a modular fashion between a group of essential components (the platform) and a set of optional modules that can be combined in various ways. No single complement is essential, but the platform has no value without its complements. Platform systems reward the new and unexpected as long as it does not threaten the functioning of the whole. Think of a computer and software, an orchestra and music or marketplaces and transactions.

The two technical architectures have different requirements that reward different forms of organizations. Specifically step processes reward large integrated organizations spanning all steps, while platform systems are best served by ecosystems subject to light coordination and distributed governance.

Regulating organizational search: Resource allocation and adaptation in multi-business firms

Oliver Baumann, University of Southern Denmark

The allocation of corporate resources to lower-level units is a basic lever of control in multi-business firms. Yet empirical research has noted a tendency towards stable, or even equal, allocation patterns, suggesting that firms do not make extensive use of this lever. Abstracting from problems of cooperation and bargaining as possible underlying mechanism of these patterns, our paper focuses on an underexplored aspect: the effects of resource allocation patterns on organizational adaptation. Specifically, we study how resource allocations can regulate decentralized search in multi-business firms. Using a computational model, we find that under a broad range of organizational and environmental conditions, equal resource allocation results in performance on par or higher than allocation that is performance-based. In explaining these differences, we show that the two allocation patterns entail substantial differences in how units move through cycles of discovering novel technologies and refining existing ones, thus resulting in different distributions of technologies held by the organization as a whole. Equal resource allocation incorporates elements of forward-looking behavior, which can be valuable since current performance might not be indicative of future performance in dynamic environments. Performance-based allocation, on the other hand, is backward-looking, and by privileging winners, is likely to starve low-performing units, reducing their potential to eventually catch up. Under some conditions, however, performance-based allocation is beneficial, helping prevent good units from becoming fickle at the end of the technology cycle when exploitation fades off.

The platform review alliance board: designing an organisational model to bring together producers and consumers in the review and commissioning of platform software

Justin Larner, School of Computing and Communications, Lancaster University, UK

Åke Walldius, Media Technology and Interaction Design, KTH, Sweden

Digital networking technology has helped to bring about the platform economy, in which online networking sites act as platforms to mediate between individual freelance workers and their temporary employers. However, the digital platform economy undermines traditional forms of collective action, particularly trade unions. Following reflections on fifteen years of trade union software quality assurance initiatives, particularly the Swedish UserAward program, we realise that there are potential benefits in combining aspects of cooperative, guild and trade union models in the context of the platform economy. We examine the role that these models could play in enabling collective action and we bring them together in the form of a conceptual model which we have called the Platform Review Alliance Board. We propose that a Value Sensitive Design process that considers both direct and indirect stakeholders is appropriate to implement this model. We abstract the Platform Review Alliance model as a set of design patterns, which we then apply in the domain of transport. In this domain, we show how software producers, users of the software and other stakeholders, including individual transport providers, can participate in a Review Alliance Board for the production and review of software platforms for transport systems. The contribution we make is to propose how a Review Alliance Board model can be an alternative strategy for both software producers and trade unions in assuring the quality of workplace software in the context of the growing platform economy, where individual providers are becoming the new workplaces.

Business model redesign: How firms modify their business model

Henk Volberda, Rotterdam School of Management

Using an algorithmic approach for grouping roles and sub-units

Nicolay Worren, Norwegian University of Life Sciences (NMBU)

Tore Christiansen, Acando;

Kim Verner Soldal, Cap Gemini

Organization design is key managerial task with important consequences. Yet it is also a challenging task with a relatively low success rate. We believe that the Design Structure Matrix (DSM) may provide the basis for new analytical and data based tools that can support decision making and thereby lead to more effective organization designs. In particular, such tools should be useful with respect to *grouping* (i.e., the allocation of roles into teams, and the placement of teams and sub-units into divisions or business areas). We report on our experience from developing a prototype DSM tool that uses a simple survey questionnaire to collect data, which are then visualized and analyzed using a genetic algorithm.

Taking stock of the JOD Conference: What we have learned and where we go from here

Metin Sengul, Boston College, Carrol School of Management, US