Review: [Untitled]

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Organizations Evolving by Howard Aldrich
Frank Dobbin

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Book Reviews

Organizations Evolving.
By Howard Aldrich. Sage, 1999. 413 pp. Paper, $29.95.

Reviewer: FRANK DOBBIN, *Princeton University*

Howard Aldrich's tour de force illustrates the potential of the evolutionary approach to explain change within organizations, within sectors, and across sectors. His 1979 *Organizations and Environments* set the stage for this new piece, but *Organizations Evolving* represents a major leap forward, a stunning synthesis of the major organizational paradigms under the umbrella of evolutionary theory. Coming at a time when the cacophony of paradigms is becoming deafening, to the point where Aldrich's one-time collaborator Jeffrey Pfeffer has called for a détente and a rallying around one paradigm (à la economics), Aldrich's new book is a breath of fresh air.

What sets this book apart, not merely from other evolutionary approaches but from scholarship on organizations generally, is Aldrich's remarkable capacity to envision a theory that includes the key insights of virtually every live organizational theory. Aldrich weaves together a theory using the main ideas and findings not only of nearby ecologists, but of institutional, interpretive, learning, resource dependence, network, and transaction cost theorists. He clearly relishes the richness and diversity of our theories, and what gives his perspective power is that he does not simply use each where it is most apt — employing institutional theory to explain affirmative action and transaction cost theory to explain vertical integration. He instead builds a sophisticated evolutionary theory by co-opting ideas and findings from the competition. In his view, culture fosters environmental retention of organizational routines and bounded rationality is a mechanism of environmental selection. The end result is not a muddled synthesis of organizational theories but a unified evolutionary perspective.

Aldrich privileges four social processes that he traces to Donald Campbell: variation, selection, retention, and struggle. These operate across levels of social action, affecting routines within organizations, organizations within populations, and populations within economies. *Variation* (mutation, in effect) can happen by chance, as biologists like to think, or by deliberate design, as management gurus like to think. What is key is that variation introduces new routines, new organizational forms, and new populations. *Selection* can happen in any number of ways, as norms select bureaucratically managed firms or as markets select firms

with optimal economies of scale. What is key that selection reduces variation in routines, firms, and populations.

Retention has numerous causes. It can occur because one population quashes a nascent rival or because one sort of routine is culturally familiar. It is key that retention supports the persistence of particular routines, organizations, and populations. With the idea of *struggle*, or competition, Aldrich suggests that the units subjected to environmental selection and retention are not passive. Firms may struggle for legitimacy or for cold hard capital. It is key is that proponents of particular organizational routines, managers of particular organizations, and entire populations of organizations actively fight to prevail and that in doing so they adjust their strategies.

It is on this last point, and in the focus on evolutionary processes that affect strategies within the organization, that Aldrich parts ways most obviously with the kindred population ecology approach. Whereas ecologists have typically made the simplifying assumption that strategy is set in stone at the time an organization is founded and have held that selection is the key process underlying change in population characteristics, Aldrich has long argued that change within organizations is important. He sees the struggle between rival strategies within organizations as determined by evolutionary forces, to be sure, but he sees organizations as inherently dynamic and as constantly looking to the environment for new routines and strategies to embrace. Here there are interesting parallels between Aldrich's model of organizations and the evolution of his own theory, and between the population ecology model and the evolution of that theory. If population ecology theory was more or less fixed at birth, like the organizations it describes, Aldrich's evolutionary theory has mutated to add the best characteristics of rival theories, like the organizations he describes.

Aldrich builds on diverse insights about organizations. In treating the emergence of new organizational forms, he develops the institutional (and Stinchcombian) insight that most new organizations take on the form that prevails at the time of their birth, yet he builds on this insight to consider how true innovations arise. And in treating entrepreneurialism, he develops the network-theory insight that who you know matters in the creation of new enterprises, yet he builds on this insight to consider how different types of networks matter.

What has typically impoverished evolutionary approaches in sociology — sociobiology comes to mind — is not their basis in evolutionary biology but their cavalier attitude toward it. Because sociological evolutionists often operate with teleological first principles that biologists reject, they tend to reproduce the sort of post hoc functionalism that led Parsons's followers down the road of tautology. Aldrich argues explicitly against this approach. Much like the best evolutionary biologists (see Stephen Jay Gould's *Wonderful Life: The Burgess Shale and Nature of History,* 1989. Norton), he sees change as stochastic. Chance plays a large role. Indeterminacy is the keyword. The result is a surprisingly adaptable theory that

depicts the organizational world as inherently dynamic and vigorous but not as inherently modernizing. One appealing aspect is the implication that progress is not built into social organization: that it does not occur inevitably as human social orders evolve but is instead a consequence of deliberate human action. Such a theory has the potential to explain not only the post-Enlightenment blink-of-an-eye we call modernity, but also the pre-enlightenment duration of human society.

Will Aldrich's book prove to be the holy grail that Pfeffer longs for, a general theory on the model of economics (or, at least, a theory on the ideal of the model of economics)? It will surely gain a wide following. I write, it has already won two prestigious awards. One cannot help but be impressed by the elegance and sweep of Adrich's ideas, and at times I found myself wishing that I could wholeheartedly believe in this particular god so as to convert to this particular church. By telling the story of the modern corporation as a just-so story, Aldrich renders everything he says transparent and unobjectionable. Surely the world must operate in this way, and how could we not have seen it before?

Aldrich may well win the world over to his view, but if he does not it may be because we are not ready to heed Pfeffer's call to rally around a single organizational paradigm. If Aldrich has one failing, it may be that he has not turned the theory back on itself — that he is not fully reflective about the forces underlying the production of his theory. This is such a boldly modernist approach, which takes its central causal imagery directly from science, that it is more susceptible than some to the challenge that it is an artifact of modernity rather than an analytic frame. The interpretive and institutional scholars that Aldrich cites often view dominant paradigms as parroting modern commonsense rather than as explaining it. Aldrich's theory certainly has the potential to be applied to the conditions of its own production, especially when he argues that for ideas and routines, familiarity augurs well for retention. Evolution is, after all, one of the most familiar tropes the modern world has to offer.

Cultural Theory: An Introduction.
By Philip Smith. Blackwell, 2001. 268 pp.

Reviewer: Christian Smith, *University of North Carolina at Chapel Hill*

This is the best introductory survey of cultural theories I have read. One often hears and reads that sociology has in the last two decades undergone a revived interest in culture, that sociology has seen a "cultural turn" that has re-shaped the way scholarship is done in many fields. Yet I have found many of the books and review articles that attempt to explicate this cultural turn and its promise for sociology unsatisfying. In some cases, this seems to be because these works do not provide a big enough picture, an adequate context for understanding historical developments