

## Key Concepts in “Carnegie School” Perspectives

- classic bureaucratic/structural models are limited by 1) underestimating the extent to which divergent individual and unit interests within organizations drive conceptions of rational choice, and 2) overestimating individual, unit, and overall capacities for cognitive rationality in organizations
- one limitation centers on the importance of interests:
  - “rationality” at the individual level differs based on theoretically “irrelevant” factors like gender, socioeconomic background, socialization, race/ethnicity, etc.
  - subunits can have distinct interests, values from their larger organizations as a whole, and therefore often compete with other subunits perceived as threatening their interests
  - subunits can exist as semi-feudal entities within larger organizations
  - thus, at both the individual and subunit level, interests, choices, and “rationality,” can differ from interests, choices, and “rationality” as perceived at the level of the whole organization
  - more broadly, organizational, subunit, and individual goals differ
  - as a consequence, stated overarching goals for organizations can be ambiguous, emergent, non-operational (as in universities!)
  - also as a consequence, it is a mistake to view large organizations as monolithic entities that can be easily understood from the outside
- another limitation centers on uncertainty, which abounds at all levels:
  - “bounded rationality” characterizes organizations
  - people and organizations are “intendedly rational”
  - they lack knowledge of alternative actions’ effects in face of complexity
  - they lack resources to achieve complete knowledge
  - even with “good” knowledge, they cannot rank alternatives accurately
  - therefore, they tend to choose the first acceptable solution encountered
  - at organizational level, this implies a need to routinize and create standard operating procedures (SOP’s)
  - also implies “satisficing:” searching for and taking the first minimally acceptable solution (limited search, limited knowledge, high reliance on routine imposed by organization)
- some implications for professional orgs like universities, which tend to be rife with uncertainty and associated coping mechanisms (i.e., heavily invested in routines, management by exception, socialized understandings, etc.):
  - three notable conditions may be present: ambiguous goals, unclear technologies, fluid participation
  - decision opportunities can sometimes become “garbage cans” where solutions, problems, and people are attached almost randomly to the situation at hand
  - participants can be vulnerable to overload in the face of the complexity and uncertainty that abound
  - decisions may be subject to high dissensus and may be deferred, delayed
  - innovation can be costly and time-consuming
  - leadership, authority, power, and activism are influential in special ways
- core explanatory ideas in Carnegie School thinking:
  - “bounded rationality”
  - “satisficing”
  - importance of routinization, SOP’s
  - “uncertainty absorption”
  - the importance of premise- and priority-setting by leaders
  - “organized anarchy”
  - “garbage cans”