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The Power of “Little Ideas”

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A Behavioral Theory of the Firm (Cyert & March, 1963) and behavioral theory in general as well as Jim March’s subsequent work in that tradition have many valuable lessons for current and future scholars, some more embedded in current work than others. I focus on just one aspect, relating to the importance of modesty and “little ideas” in scholarship. This is an aspect, or quality of Jim’s work has less to do with ‘just’ his written works, and more to do with his character and values and how his character is reflected and embedded in his scholarship. Linda pointed to the importance of the work spirit at Carnegie; that, too, says a lot about the values Jim has.¹

March’s work integrates the two sides of unification and disintegration that he himself (and others) has written about (March, 1991). Both, through explicit examples and by the conduct and content of his work, help us to renew the power of the field that he along with others helped create decades ago. He does this by the power of “little ideas.”

For example, take his (re)introduction of the concept of ambiguity in decision making (e.g., March, 1978, 2010). The concept of ambiguity itself has historical roots in decision theory and attempts to understand real uncertainty, and it was central to the concept of the “Ellsberg paradox” (Ellsberg, 1961). March (1978, 1994) uses the concept of ambiguity to explain the limitations of economic approaches such as game theory and expected utility theory, while at the same time builds an evolving framework for accommodating preferences under ambiguity, which is of interest to economics, psychology, and organization studies alike. By giving a new twist to an existing concept, he is able to draw important implications for understanding decision making with a *constructive* component (not just pointing to flaws in existing approaches). As was the case also with Behavioral Theory of the Firm (BTF; Cyert & March, 1963), this is done in a way to complement rather than to replace other theories, and to extend and enrich them to be more empirically valid.²

Similarly, with the introduction of the garbage-can metaphor (Cohen, March, & Olsen, 1972), one would not have to be a neo-postmodern-meta-deconstructivist to see plenty of potential theory-undermining implications of the idea that organizations are, to some extent, “organized anarchies,” and one could easily be tempted to engage in other interpretations of organizational behavior than the original metaphor contained. But to March and his co-authors of the original garbage-can argument, the argument was not so much a destruction of existing perspectives. The metaphor was used to point out limitations as well as potential of existing

approaches, and then proceed to develop a new angle or two that might yield new insights into decision making (March, 1978, 1991; March & Olsen, 1995). Even in March’s empirical studies relating to ambiguity and garbage cans (March & Olsen, 1976), the aim is not to claim “newness” in scholarship or to insist on complete evidential basis for every idea; it is to stress the necessity of developing concepts and ideas that can help us understand empirically what the evidence or data *are*. The “little ideas” that he (and colleagues) develops do just that. Bounded rationality may be a little idea, but it is a powerful one, building on (as well as breaking from) basic ideas on economics while being a concept which underlies basically all organizational behavior.

March’s emphasis on “little ideas” and his way of never claiming newness are quite remarkable, and the intellectual and personal modesty is deeply ingrained in his work and life. I know I am not the only one who remains in great admiration of how he never claims credit for his work and ideas. One never hears him talk about “how he laid out a new framework” for understanding decision making, organizations, or strategy. Nor would he ever claim that his perspective or concept or article would explain (much less fix) any real-world problems. On the contrary, March is always careful to notice that most new ideas are not really new, that he never is or has been relevant, and that most of what he or any one of us does will probably never have any influence in the world.

I mention March’s modesty not to make any judgment over scholarly styles, and March himself would be the last one to tell anyone to follow his style, tradition, ideas, or personal preferences. However, from the point of view of generating socially and system-level useful knowledge and of balancing the dynamics in the history of ideas, his approach seems to be precisely what can help tame (or “balance”) the diverging and unifying forces in ways so that in the larger scheme of things, the field *does* move, although slowly, and not always necessarily forward. Consistent with what he observes as trade-offs between individual and system rewards (March, 1994), the way that March himself carefully develops “little ideas” into powerful insights, while not

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claiming credit for them or advocating others to further develop them in any opportunistic way, may not be a particular rewarding approach for him if he had been wanting to develop a particular “legacy.” But it helps the field build on existing roots, grow new ones, as well as branches and new leaves in the field of organization studies. Of course, there is the old Buddhist saying that one can only understand the true nature of things if one looks beyond oneself, attributed to Tao Te Ching: “Can you deal with the most vital matters, by letting events take their course? Can you step back from your own mind, and thus understand all things?” Only when we step back from ourselves and our own frameworks, can we hope to try and understand the nature of things.

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Notes

1. And still has—when we had offices next to each other and if I left around 4:00 p.m. to do anything other than library work or writing, he would comment on my “half workday.” And of course, he still works and writes on weekends. Although he never imposes his own values on others, sometimes he will ask whether I did not get the current version of a paper if it is not back by Monday morning with new revisions.
2. As he said in the *The Bell Journal of Economics* article, “I do not share the view of some of my colleagues that microeconomics, decision science, management science, operations analysis, and the other forms of rational decision engineering are mostly manufacturers of massive mischief when they are put into practice. It seems to me likely that these modern technologies of reason have, on balance, done more good than harm, and that

students of organizations, politics, and history have been overly gleeful in their compilation of disasters. But I think there is good sense in asking how the practical implementation of theories of choice combines with the ways people behave when they make decisions, and whether our ideas about the engineering of choice might be improved by greater attention to our descriptions of choice behavior” (March, 1978, p. 588).

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