

The Making of Organizational Researchers. Commentary on Daniel Beunza's *Taking the Floor*

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Abstract

This commentary examines the development of research findings in Daniel Beunza's *Taking the Floor*, an ethnography of a Wall Street investment bank. Themes explored include: How can organizational researchers learn about group dynamics and culture? How can leaders facilitate return to in-person work and face-to-face contact: what's lost, what's gained? How should organizations approach exclusion vs. inclusion?

Keywords: Leadership; organizational culture; inclusion; organizational research; abductive analysis.

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1 Introduction

Daniel Beunza and I first met as graduate students and novice researchers in 2000. We were presenting our research at a Social Science Research Council (SSRC) and Sloan Foundation-funded “Corporation as a Social Institution” conference organized by economic sociologists Neil Fligstein and Doug Guthrie.¹ At the time, we were both conducting our respective research on organizations in seemingly exotic locales — Burning Man, in my case (Chen, 2009) and an investment bank, in Daniel’s case (Beunza, 2019). After we graduated and became assistant professors in the New York City area, we formed a writing group together where we read and gave feedback on our works in progress. So, it is exciting to see Daniel discuss his developing body of research in so many different contexts since then, from a tour of the New York Stock Exchange that he co-organized with Yuval Millo for the “Sociology of Market Microstructure” workshop at the 2013 American Sociological Association annual meeting to an illuminating Q&A about his research on the *orgtheory.net* blog (Chen, 2020). I am particularly gratified that Daniel’s book *Taking the Floor* (Beunza, 2019) delves into his process of learning about organizations as a researcher. Besides imparting the inner workings of a corporation and leaders’ efforts, this text offers valuable lessons to both emerging and seasoned researchers on the conduct, analysis, and write-up of research, helping us understand the process of making organizational researchers.

2 Practicing Abductive Analysis

As Donald MacKenzie (2022) has commented, *Taking the Floor* is an impressive and excellent guide to the process of conducting ethnographic research. As a fellow organizational ethnographer, I appreciated *Taking the Floor*’s unveiling of the struggles that ethnographers face. Such detailed exposition helps readers who are researchers reflect on their relationship to the process of research and the development of knowledge. The ethnography not only lays out the challenges that ethnographers face while in the field, conducting research, but more importantly, also delves into the challenges of analyzing the research and trying to answer: “What is this a question of?” “What insights am I really finding?” “What kinds of theories or concepts am I testing?” Some of us call this “abductive analysis,” in which researchers constantly test theory through (participant) observations and talking with various interlocutors (Tavory & Timmermans, 2014; see also Chen, 2017). Daniel’s longterm relationship to his research, with its revisits and reinterviews, highlights the strengths of this approach. Here are several evocative challenges that *Taking the Floor* addresses using an abductive analytic approach, in outlining the relationship between conducting research and building knowledge:

2.1 How can organizational researchers learn about leaders’ roles in organizations?

What I found particularly fascinating about *Taking the Floor* was its depiction of Bob’s visit as a guest speaker to Daniel’s MBA class at the Columbia Business School. Daniel invited Bob, his primary interlocutor, to speak about his experiences leading the derivatives trading floor at International Securities [a pseudonym].

1. Editorial note. This text is part of the “Debate on Daniel Beunza’s *Taking the Floor*: A Sociology of Finance after the Social Studies of Finance?”. The contributions were first presented in a meeting of the Finance Online Seminars organized and chaired by Emiliano Ippoliti <https://www.youtube.com/watch?v=WOf5szktYIg&t=2370s>. Contributions were transcribed and revised for *Sociologica*.

Like Daniel, I've had my own research partners come and talk about their work with students in my classes, but until I read Daniel's book, I'd never thought about these visits as a way of re-examining data collected in the field. Daniel's recollection and analysis of Bob's visit, as a pivotal moment in the book, showcases Daniel's impressive engagement with organizational theory and economic sociology. He analyzes this visit and his discussion with Bob afterwards in terms of leadership and norms, using Bob as an example of how all us lead, including in our respective contexts. Many of us, especially when we are novice leaders, assume that shared norms about how to act and interact within organizations is something that comes naturally. For example, novice instructors, many of whom were probably studious and attentive students themselves, may be shocked to learn that some students have other interests besides learning course content, and they, along with the instructor, may also need practice with basic courtesies that build a mutually supportive learning environment.

When students arrived late to Daniel's classroom, Bob pointedly tells Daniel that as leaders, we have to enforce norms. Effective leaders have the responsibility for setting up expectations and then acting upon them. Bob's account of how he literally locked the door so that late arrivals, including fellow leaders, could not join a meeting was particularly telling. I'm sure this was not necessarily a lesson that Daniel realized that he was going to witness until this class visit; this episode shows how connecting with actors and their practices in different contexts can help advance findings (see also Chen, 2022).

2.2 How can organizational researchers learn about group dynamics and culture?

As we saw with Bob's visit, *Taking the Floor's* highlights managers' perceptions of their roles in communicating and enforcing norms. *Taking the Floor* also starts to raise questions about to what extent leaders and fellow members should curb the potential dangers of emergent, group-level norms. This is something that many organizational psychologists, particularly J. Richard Hackman (1991), would probably recognize as a group being too "groupy." To illustrate these ties, Daniel describes an interaction at the trading desk in chapter four. It is an interaction that novice researchers might overlook or dismiss if they are too focused on documenting "core" activities. At the sales trading desk, one person, with the cooperation of another worker, plays a prank on a hapless caller. The caller has misdialled a phone number and thinks that he's calling the Dept. of Motor Vehicles (DMV), but he is actually calling an investment bank trading desk. The resulting conversation is broadcast at the trading desk for everyone to overhear. Rather than politely informing the caller that he has misdialled and ending the call, the trader who answers the transferred call chooses instead to pose as a DMV worker. The trader scares the caller based on his national origin and a supposed drug test, all to the apparent amusement of the co-workers who are listening. The trader ends the conversation by telling the caller that he must show up at the DMV with a urine sample for a follow-up drug test, which the caller humbly agrees to do. After the call ends, people laugh about the conversation together before returning to work, with one employee commenting to Daniel that this reflects the relationship between the two workers who participated in this activity. Daniel's book reflects upon this interaction as "insensitive" for its racialized humor, with palpable discomfort, years later. The book portrays this interaction from the vantage point of a larger discussion of how workers collectively make sense of events.

I wondered if the book could have leveraged this further. What could potentially happen if norms are not enforced across an organization? How do unit-specific norms develop, and how might groups become too groupy, to the point of potentially harming others, including those

who witness but do not participate in the interaction?

2.3 Extrapolating from pre-pandemic research, part 1: How can leaders facilitate return to in-person work and face-to-face contact: What's lost, what's gained?

While Daniel studied a firm in the finance sector, organizations in other sectors can also learn from this research. I read the book from the perspective of what could I transfer among learning organizations (Chen, 2022), not just through the lens of finance. For example, due to the pandemic, many organizations mandated that their employees work from home. Now that more effective vaccines and treatments are available, various sectors are in different stages of returning to what *Taking the Floor* identifies as crucial to the working of organizations and markets: face-to-face communication and contact. In the technology sector, we still see firms delaying the return to working in person. In those fields, working remotely looks like it's becoming the norm rather than the exception. Contrast this with finance: most of the financial firms have started returning to the office partially, if they have not already returned fully. Academia has been somewhere in the middle between these sectors, with institutions like my public university returning to in-person learning after almost two years of emergency remote learning. MacKenzie's (2022) comment about "baboon sociology" highlights the deep need of people to create and maintain affiliative bonds, as well as hierarchies. That characterization also suggests possible issues with relying upon technologies to create and sustain these links.

Drawing on *Taking the Floor* and Daniel's most recent research, what can we extrapolate about the practices and tradeoffs of in-person presence? What are the applicable lessons that we can learn from finance to other kinds of learning organizations and other kinds of sectors? What are the limits?

2.4 Extrapolating from pre-pandemic research, part 2: How should organizations approach exclusion vs. inclusion?

My final comment and question for Daniel concerns a return to considering the spatial design of organizations and how these considerations might deepen or curb inequalities. This is particularly timely as some organizations may be redesigning their spaces, as well as their practices. To promote collaboration among groups and enhance managerial oversight, which Daniel calls "proximate control," Bob deliberately set up certain units to sit side by side. He also intermixed people every six months by changing their seating assignments. While these efforts aim to generate inclusive ties, the organization still has potential exclusionary zones — at the very end of the book, possibly in response to a reviewer, Daniel acknowledges the lack of gender diversity among these employees.

We know that by design, organizations can promote inclusion or exclusion, such that members can develop differential relationships and commitments to their co-workers, groups, and organization. In this case, the investment bank has been designed around certain kinds of exclusion and inclusion. For example, there is a reference to a stock loan desk that is populated by what Bob characterizes as a "guild" of Italian-American workers from Staten Island. Besides working together, they socialized together during their off-hours and thereby developed familial-like ties (Beunza, 2019, p. 124). Other units were segregated along gender lines.

Projecting into the future, some organizations have become more interested in promoting inclusion versus exclusion as a potential way of being more durable and relevant. To what extent can organizations consider spatial design — and other practices — in terms of promoting inclusion versus exclusion?

3 Conclusion

Taking the Floor has been many years in the making; its findings highlight the need to support maturing abductive analyses over easily and hastily made ones. Its insights offer much for readers to learn from, particularly about the process of organizational research during these times of tumult and uncertainty. I look forward to reading Daniel's continued research on leadership and research as we continue to navigate uncharted terrains.

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