

Research Seminar Series in Economic Sciences, 2023-2024

Speaker: Starling David Hunter, MBA, PhD (Duke/Fuqua); ex-Faculty (MIT/Sloan, Carnegie Mellon/Tepper)

Webpage: https://scholar.google.com/citations?user=1c-UiAgAAAAJ&hl=en



Title: "Chain of Command Distance and Informal Social Ties: Replication and Extension"

Date & Time: Wednesday, April 3rd, 2024, 14:00 - 15:30

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Abstract:

Hunter, Bentzen & Taug (2020) examined the influence of formal organizational structure on the formation of informal social ties between pairs of workers in a 464-person municipal social service provider in rural Norway.

The specific aspect of formal organizational structure that they examined was *chain of command distance*—the number of steps along the chain of command by which two workers are separated. One measure of informal social structure was whether each pair of employees sought out one another for information needed to perform their work-related tasks. Two other measures of informal social structure included support-seeking and another derived from tags and comments between workers using an internal social media platform (Workplace by Facebook).

As expected, they found that the greater the chain of command distance by which any two workers were separated, the lower their likelihood of seeking one another for work-related information, seeking one another out for social support, or for tagging and commenting one each other's posts on internal social media.

In the present study I first seek to **replicate** that finding using data in informal social structure among 426 employees of a government-owned and administered organization in the Nordics. Specifically, it is a developer and distributor of online gaming, lottery, and instant games. As expected, the formation of information-seeking ties is inversely related to the chain of command distance. The finding also replicates using two relationships not examined in the original study: advice-seeking and novel idea-sharing relationships. That is to say, as the chain of command distance between two workers increases, they are also less likely to seek one another out for expertise or advice or to share novel ideas with one another.

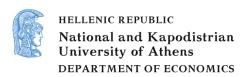
The **extension** aspect of the present study involves re-testing HBT's hypothesis on the four functional departments (Marketing, Research & Development, IT, and Central Administration) around which the gamign company is organized. These four departments range in size from 38 to 219 workers and span 4-5 hierarchical levels.

As expected, I find that chain of command distance and informal social ties are inversely related. Specifically, within each of the four departments, the likelihood of information-seeking, advice-seeking, and idea sharing between workers decreases as chain of command distance between them increases. Interestingly, though still highly significant, the relationship between chain of command distance and informal ties is the *weakest* in the R&D department. I offer three post-hoc explanations for this observation.

Organizers: Dimitris Kenourgios, *Professor* George Dotsis, *Assoc. Professor*

Frago Kourandi, Assist. Professor

Thank you.



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