

Imprinting Work: The Creation of Job Structures in New American Wineries

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The functions that employees perform on the job are important aspects of the structure of any newly created firm, including wineries, because they affect both workers and employing firms. Decisions about job structures at founding have lasting effects because they are difficult to change: “the process of inventing new roles, and the determination of their mutual relations and of structuring the field of rewards and sanctions so as to get maximum performance, have high costs in time, worry, conflict and temporary inefficiency” (Stinchcombe, 1965: 148). Thus, initial job structures have cascading influences on what work will get done and thus which strategic actions any firm, including wineries, will take.

Ideas about job structures in startups come from three lines of research. The first focuses on the ideas that govern how employees are hired, managed, and retained in startup firms. It shows that these ideas have lasting effects on firm actions and performance (*e.g.*, Hannan, Burton, and Baron, 1996), but it does little to explain the sources of these ideas and structures. The second line of work focuses on the antecedents of job structures in both startups and long-established firms. It shows that administrative imperatives (scale and scope of operations), market requirements (client heterogeneity), institutional forces (unionization efforts), and internal power dynamics (worker demography) all shape how work is organized (*e.g.*, Baron and Bielby, 1986), but it does not touch on what jobs are done. The third line of work assesses how large-scale social institutions (national cultures) influence how particular jobs are designed (*e.g.*, Guillén, 1994), but it has not looked at how

jobs are combined into larger structures. In sum, we lack a clear picture of how these processes work at the time new firms, including new wineries, are launched – precisely the time when imprinting occurs. Accordingly, we investigate how conditions at founding affect the number and variety of functions done by workers in new wineries. Our basic argument is that wineries imprint on cultural and technical conditions at founding, so that employees of wineries founded at different times, in different places, and in different industry segments will do different sets of tasks.

The nature of the American wine industry – it produces alcoholic beverages, which many in America have long viewed with suspicion – makes it a great setting in which to study how cultural and technical conditions jointly shape new firms' task structures. Not only have American attitudes about wine varied over time, they also vary greatly across location. The technical challenges facing wineries have also varied greatly across time, as grape varieties, rootstocks, farming techniques, and vinification technologies have evolved. Moreover, the wine industry spans almost the entire country – by 1990, wineries had opened in 43 states – and those states vary greatly in both the legal systems that govern wine production and marketing, and in the soil and climate that govern grape growing. Thus, studying the American wine industry allows us to assess the combined impact of diverse shifting competitive forces and evolving regulatory frameworks on startup firms' job structures.

Research Design

We study newly founded U.S. wineries from 1940 (shortly after Prohibition ended) to 1989. During this period, almost 2,000 new wineries were founded. Our analysis focuses on which functions – corporate governance, general administration, finance and control, marketing and sales, and production – were represented in startup wineries' job structures, for theoretical and practical reasons. Theoretically, these five functions represent distinct areas of work, so analyzing them allows us to examine the broad strategic use of jobs. Practically, studying these five functions makes the analysis tractable because it greatly limits the number of possible combinations ($2^5 = 32$).

To describe which configurations of functions are present at winery founding, we conduct qualitative comparative analysis (Ragin, 2006) to generate counts for the potential configurations of functions. To link job-function configurations to explanatory variables and test our predictions, we

use logit and event-count models to predict the likelihood of a particular firm adopting a particular configuration, as a function of winery form (mass producer or farm winery), size, number of nearby wineries with that configuration, location (state), and regulation (the existence of farm winery laws).

Preliminary Results

Only 26 of the possible 32 configurations of the five functions are present among startup wineries, and 16 of these account for over 96% of cases. The five most-common configurations account for 67% of cases; these are corporate governance only (33%), corporate governance plus production (15%), corporate governance plus production plus general administration (7%), production plus general administration plus finance and control (7%), and corporate governance plus production plus general administration plus finance and control (5%).

Some general trends are apparent. First, only two functions occur alone: corporate governance and general administration. The vast majority of firms (77%) have jobs in corporate governance. Of those firms that have no jobs in corporate governance, most have jobs in general administration instead. At founding, 53% of firms have jobs in production; 47% have jobs in administration; 27% have jobs in finance and control, and 14% have jobs in marketing and sales. We also find that configurations do not differ greatly between mass producers and farm wineries. Our multivariate analyses are currently in progress; our presentation will emphasize these.

References

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