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Computational organizational science and organizational engineering

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Abstract

8 The past decade has witnessed the emergence of a new scientific discipline—computational
9 social and organizational science. Within organization science in particular, and social science
10 more generally, scientists and practitioners are turning to computational analysis to address
11 fundamental socio-technical problems that are so complex and dynamic that they cannot be
12 fully addressed by traditional techniques. Consequently, there is an explosion of computa-
13 tional models, computationally generated findings, interest in doing simulation, and a dearth
14 of support for this enterprise. This paper contains discussions of the underlying fundamental
15 perspective, the relation of models to empirical data and characteristics of necessary infra-
16 structure.

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18 *Keywords:* Computational modeling; Simulation; Organization science; Organizational design; Organiza-
19 tional learning

20 Computational modeling is revolutionizing the social and organizational sciences.
21 In part, this is a quite revolution. Traditional research questions are being addressed
22 by computational models, new ideas developed through computation are often pre-
23 sented without the model being presented, models are being used within consulting
24 firms to aid management by providing a new way of systematically thinking about
25 complex processes, computational models are being used to design teams for routine
26 tasks, and much of the work still appears in specialty journals or is spread across
27 journals in the areas of organizations, social science, engineering, computer science

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28 and management. The ubiquity of computing makes it second nature for many
29 researchers to turn to computational modeling to understand the complexities of social
30 and organizational systems. The ubiquity of computing and the increase in data
31 available on line are leading managers to ask whether computational techniques
32 can be used to help manage knowledge, design teams, redesign processes and basi-
33 cally engineer the organization. New tools, such as simulation engines, platforms
34 for building multi-agent systems, libraries of statistical functions, and so forth are
35 making it easier to teach simulation and to design, build and analyze computational
36 models. Further, the advance of multi-agent techniques provides social scientists,
37 who are used to thinking about agency, the ability to reason in the terms of their the-
38 ories. We can now address topics of historic and current concern such as coupling,
39 managing change, strategic choice and evolution. As a result, the field is exploding as
40 new tools, models and results appear constantly (e.g., see [28,32,38]).

41 Why are so many social and organizational scientists and practitioners turning to
42 computational modeling and analysis as a way of developing theory and addressing
43 policy issues? Essentially, the answer is that these models are, preparatory, cost ef-
44 fective, faster, appropriate, flexible and enable policy development in an ethical fash-
45 ion. As to this last point, these models provide a virtual world in which policies,
46 extreme conditions and new technologies can be pre-tested ethically. Note, for many
47 issues, to test the basic theory requires examining behavior in extreme conditions
48 (such as behavior in a space station, or under terrorist attack), or under conditions
49 with diverse financial and health implications (such as different scenarios for down-
50 sizing). In such cases, it is not ethical for the scientists to set up the relevant natural
51 or laboratory experiment. Using simulation models the researcher or policy maker
52 can examine hypothetical conditions that do not exist, such as new legislation chang-
53 ing benefits packages or new types of immunizations. In this way computational
54 analysis helps plan and prepare for real-world problems without human-in-the-loop
55 testing. Creating new technologies, procedures and legislation for data collection in
56 the field or lab is expensive. Running human laboratory experiments is time consum-
57 ing and it is very expensive to run groups of more than five individuals. Using a com-
58 putational model, the researcher can run a larger number of virtual experiments,
59 more cases per cell, larger virtual experiments, than it is possible to collect in the field
60 or lab in the same amount of time. Computational analysis is thus highly cost effec-
61 tive. Computational models can run faster than real time. As a consequence, errors
62 in design can be detected sooner and process checks can occur more frequently thus
63 leading to more rapid theory building. Social and organizational systems are com-
64 plex non-linear dynamic system; hence, computational analysis is an appropriate
65 technology as models can have these same features. Computational models are flex-
66 ible. Response to novel situations requires rapid evaluation of previously unexam-
67 ined alternatives. When there is a computational model of a system, such as an
68 organization, if a new technology comes in to being it can be relatively rapidly added
69 to the model and the implications examined.

70 Just as there are many reasons to turn to computational theorizing there are many
71 ways in which computational models can be used. Computational models can be
72 used as test beds for generating new ideas. They are “what-if” scenario generators

73 that can be used to predict the impact of new technologies or policies. Many re-
74 searchers used computational models to develop theories; for placing the idea in
75 the model requires formalization and addressing many previously neglected issues.
76 Computational models can be used to determine whether a mechanism that is pos-
77 ited in the literature to cause some outcome is necessary to cause it. This can be done,
78 by examining whether other mechanisms can generate the same results. Models serve
79 as decision aids helping researchers, policy makers and managers think through
80 problems in a more systematic fashion. A traditional, and still important, use of
81 computational models is to forecast the future. Computational models are beginning
82 to be used as training tools; admittedly most of the early applications were in train-
83 ing to use a physical system, such as flight simulators. But social simulator tools are
84 in the offing. Researchers also use the results from virtual experiments run through a
85 computational model to generate hypotheses and suggest critical experiments, items
86 for surveys and factors to be varied in experiments, and so on. Results from these
87 virtual experiments are also used to suggest the relative impact of different variables
88 (factors) on the outcome; e.g., what is the relative impact of education and age on
89 performance. Computational models are being used to suggest limits to statistical
90 tests for non-linear systems, often employing enumeration and Monte-Carlo routines
91 to determine the shape of the underlying distributions. With verified systems, com-
92 putational models can substitute for a person, a group, a tool, etc. in a lab experi-
93 ment. This makes it possible to see how the human subject would behave in larger
94 groups that are typically possible to bring together in a lab.

95 There are of course factors limiting the advancement of this field. Many of these
96 stem from the difficulties in educating new members, sharing data, sharing programs
97 and sharing tool kits. The wide range of expertise, the general lack of knowledge of
98 who else is working in the field, the wide variety of computer platforms and lan-
99 guages, the relatively short length of time over which most people have worked in
100 this field all contribute to less data, program and results sharing than is needed. Gi-
101 ven the dearth of funding and the nature of academic promotion, most academics
102 who develop simulation tools spend little time on developing good graphics, a flex-
103 ible user-interface, or coding for portability. Few members of the computational so-
104 cial and organizational field are linked to industry in an effort to commercialize their
105 tools—and there is relatively low commercial value for many of the simulations. A
106 premium is generally places on developing new simulations and addressing new is-
107 sues; rather, than on validation, model sharing, usability and portability.

108 **1. The computational organization theory perspective**

109 This new body of research in computational social and organizational systems has
110 led to a number of major advances. The coupling of computational theorizing with
111 the advances in social networks, cognitive sciences, computer science and organiza-
112 tion theory has led to a new perspective on organizations that takes into account the
113 computational nature of organizations and the underlying social and knowledge net-
114 works [12]. This basic perspective is now described. The fundamental tenets are sum-

Table 1
Basic tenets of computational social and organizational science

Tenet	Illustrative argument
Computational systems are organizational—multi-agent, require coordination and embedded social knowledge	[12]
Organizational design involves creating a match between tasks, resources, knowledge and agents, aka congruency, requisite variety	[6]
Search may either explore new parts of the knowledge and interaction space or exploit old competencies	[26,30]
Societies, organizations and individuals are complex, computational and adaptive	[12]
Agents are information processing systems	[12,36]
Synthetic adaptation: agents composed of intelligent, adaptive agents are intelligent and adaptive	[10]
Societies and organizations contain networks of multiple agents	[10]
Agents may be human, artificial or synthetic	[12]
An agent's actions are constrained and enabled by the networks in which they are embedded	[17]
Agents are structurally and boundedly rational	[36]
Agents have multiple categories of knowledge—task, social and transactive memory	[39,40]
Agents are heterogeneous	[16]
Knowledge as structural (ideas are connected)	[23]
Cognition, knowledge and memory is distributed	[20,21]
Transactive memory includes knowledge of who knows who and who knows what	[39,40]
Information technology as agent	[8,23]
All adaptation is constrained by networks and procedures	[10,24]
Organizational decision making is a product of learning through search	[30]
Search may be either local or global	[30]
Multiple levels of learning, adaptation, evolution	[10]
Multiple types of learning	[10]
Culture and social/organizational structure can co-evolve	[8]
Organizations exhibit liability of newness	[37]
Permeable boundaries around agents, resources and tasks	[10,22]
Agents, knowledge, resources and tasks form a meta-network	[25]
The meta-network is dynamic	[11,13]
Roles are derived as changes occur in the meta-network	[10]
Behavior emerges	[16,29]
The behavior of a synthetic agent is not a simple aggregation of the behavior of the members	[10]
History matters as does starting conditions	[33]
Societies and organizations as complex systems	[1]
Culture is a knowledge level phenomena	[18,19]

115 marized in Table 1. The computational social and organization science perspective is
 116 drawn from a large number of empirical studies. This perspective draws on the ar-
 117 guments of distributed cognition [20,21], transactive memory [31,39,40] and the so-
 118 cial construction of knowledge [7,10]. Viewing organizations from this perspective
 119 makes it clear that multi-agent models can be meaningfully employed in the develop-
 120 ment and explication of organization theory.

121 At the heart of this perspective is the argument that organizations are complex,
122 computational and adaptive synthetic information processing agents. This new per-
123 spective urges a formalization of the roles of networks, learning and agency in affect-
124 ing social and organizational change. Organizations are composed of intelligent
125 adaptive agents who are constrained and enabled by their positions in networks link-
126 ing agents, knowledge, resources and tasks [25]. These networks are dynamic with
127 learning and simple demographic processes such as mobility, birth and death, and
128 organizational change processes such as hiring and downsizing being critical deter-
129 minants of change in these networks. The principle of synthetic adaptation asserts
130 that a composite agents (agents composed of other agents) composed of intelligent
131 adaptive agents is also intelligent and adaptive [10]. A feature of synthetic adaptation
132 is that a composite agent is not simply the aggregate of the component agents; be-
133 havior is not just the average or union of the behavior of the members. Rather,
134 the composite agent is a network whose behavior is a function of complex processes
135 for combining and generating collective outcomes.

136 The computational social and organizational science perspective extends the so-
137 cial network perspective to multiple networks by using the meta-matrix perspective
138 (see Table 2). Social networks are typically seen as affecting a wide range of behav-
139 iors ranging from power to consensus to adaptability. According to the common for-
140 mulation such networks are in terms of ties among personnel. However, networks
141 are more ubiquitous than this and entities besides agents can be networked together
142 [25]. Agents, knowledge, resources and tasks are linked in to a meta-network [11].
143 This meta-network representation effectively combines the knowledge level perspec-
144 tive, the social network perspective and the project management perspective. Models
145 from many perspectives are moving to this representation. Once the organization or
146 market is represented this way the entire host of social network measures become
147 valuable, it is easier to link models to data, it is easier to contrast or dock models,
148 and in principle, it is easier to link models to each other. Another advantage of this
149 conceptualization is that complexity can be measured in terms of components and
150 relationships—comparable to the way it has been measured in many fields.

151 In the computational social and organizational sciences, computational systems
152 are often viewed as organizational. A typical computational system that is in effect
153 an organization is a multi-agent system requiring coordination of the agents. Knowl-
154 edge and “social” knowledge is typically embedded in the computational agents, and
155 the incorporation of social knowledge enhance the ability of these agents to operate
156 effectively. Computer science, at least a portion of it, is in this sense becoming a so-
157 cial computer science.

158 The computational social and organizational science perspective is distinct from
159 many traditional social perspectives, particularly in the way “stability” is treated.
160 In contrast to traditional economics, agents are seen as satisficers not optimizers.
161 The collective behavior of agents, either real or artificial, either individual or com-
162 posite, results in emergent phenomena. Consequently, organizations and political in-
163 stitutions take on a particular architecture or form because it happens to emerge
164 from the complex dynamics and interactions of the agents in the organization and
165 the networks in which they are embedded and not because they are trying to opti-

Table 2

Meta-matrix linking agents, knowledge, resources, tasks and organizations into a network

	Agents	Knowledge	Resources	Tasks	Organizations
<i>Agents</i>					
Tie	Interaction network	Knowledge network	Capabilities network	Assignment network	Employment network
Phenomenon	<i>Who knows who</i>	<i>Who knows what</i>	<i>Who has what</i>	<i>Who is assigned to what</i>	<i>Who works where</i>
Pattern	Structure	Culture	Capabilities	Jobs	Demography
Dynamic	Structuration Redesign	Learning (Socialization, acculturation, retraining)	Resource acquisition	Retasking, promotion	Hiring, firing
<i>Knowledge</i>					
Tie		Information network	Necessary expertise network	Knowledge requirements network	Knowledge competency network
Phenomenon		<i>What informs what</i>	<i>What must be known to use this resource</i>	<i>What knowledge is needed to do what</i>	<i>What knowledge is where</i>
Pattern		Knowledge	Training requirements	Knowledge needs	Inter-organizational culture
Dynamic		Innovation	Training	Project training	Selection, Organizational learning
<i>Resources</i>					
Tie			Substitution network	Resource requirements network	Resource competency network
Phenomenon			<i>What resources can be substituted for what</i>	<i>What resources are needed to do what</i>	<i>What resources are where</i>
Pattern			Training requirements	Resource needs	Corporate competencies
Dynamic			Training	Resource assignment, acquisition	Strategic choice, purchases
<i>Tasks</i>					
Tie				Precedence network	Industrial network
Phenomenon				<i>What needs to be done before what</i>	<i>What tasks are done where</i>
Pattern				Operations, task flow	Niche

Table 2 (continued)

Agents	Knowledge	Resources	Tasks	Organizations
Dynamic			Re-engineering, Process planning	Strategic repositioning
Organizations Tie				Inter-organizational network
Phenomenon				Which organizations work with which
Pattern				Market or field structure
Dynamic				Formation of alliance, joint ventures, tiger teams, agreements

This extends the representation in Table 1 in [11,25].

236 mize relative to some decision criteria. In contrast to 235 such of sociology or psychol-
 237 ogy where roles as viewed as given, here roles are derived as the way in which agents,
 238 tasks, resources and knowledge are connected change. This provides a very network
 239 definition of a role as a common pattern of relations in the meta-network shared by
 240 various agents. Another break with tradition is that computational social and orga-
 241 nizational theorists treat agents as heterogeneous. The power and behavior of the
 242 models appears to derive precisely from the fact that not all agents are alike.

243 The computational social and organization science perspective is essentially a neo-
 244 information processing perspective. There are two key implications of this view—
 245 knowledge as network and information technology as agent. According to the
 246 knowledge as network perspective, knowledge resides in the minds of the participant
 247 agents and in the connections among them. Learning, in all its guises (such as mim-
 248 icry, learning by being told, learning by doing, discovery) leads to changes in what is
 249 known and in the connections among agents [21]. To understand why information
 250 technologies can be thought of as agents, it is important to recognize that from this
 251 perspective any entity that has some information processing capability is viewed as
 252 an agent. These capabilities include the ability to initiate an interaction, to send, re-
 253 ceive, learn, store, forget, discover, or manipulate information (which can include in-
 254 formation about who knows what or does what or beliefs). Agents vary in which
 255 capabilities they possess and in the strength of that capability. For example, most
 databases cannot initiate interaction but can “send” information (when they are

256 read) and can “learn” as information is added to the database. The capabilities of
257 the agents in the organization or society will define what types of “social” behaviors
258 emerge [15].

259 In many of the organizational models there is a focus on not just information but
260 the type of information. Information varies in being either social, task related or
261 transactive (knowledge of who knows who, who knows what, who does what). Re-
262 lationships among agents enable and constrain access to information. Tasks impact
263 what type of knowledge is currently salient and whether the information that agents
264 have impacts their performance on the task. Differentiation of information appears
265 to be key to improving our understanding of core processes such as the evolution of
266 norms, negotiation and organizational learning.

267 A key feature of the computation social and organization science perspective is
268 that agents learn and systems adapt and evolve. While traditional learning studies
269 pointed to changes in market share, productivity or performance as indicators of
270 learning [3]; more recent work looks deeper at the link between individuals, knowl-
271 edge and organizational outcomes at both the micro and macro level [4,5,39]. As
272 noted, learning and memory can exist at the individual, group, organizational and
273 societal level. When learning at one level clashes with learning at another level,
274 the organization may fail to adapt [10]. The dominant style of learning employed
275 by an organization can be seen as a form of corporate strategy. For example, one
276 type of learning is “search” or exploration. Another type of learning, based on rein-
277 forcement theory, is experiential or exploitation. Tradeoffs between exploration and
278 exploitation are seen as fundamental to organizational strategic performance.

279 Unlike organization science where groups and organizations are often viewed as
280 discrete entities, according to the computational perspective organizations and
281 groups have permeable boundaries. The boundaries change as the set of agents, re-
282 sources, knowledge and task that make up that group or organization change. Fur-
283 ther, agents and tasks are not inevitably separate entities [22]. For example, imagine
284 the task of painting a line on a car. For this task, for a human doing this task there
285 are a large number of subtasks including picking up the paintbrush, getting paint on
286 the brush, moving from one end of the car to another and checking that the line is
287 straight. Now imagine a robot that happens to have a built in airbrush and paint
288 with cars rolling in front on an assembly line. In this case the subtasks include start-
289 ing the flow of paint, stopping the flow of paint. Organizational design thus becomes
290 a process of trying to create congruence between the task-resource needs given the
291 task precedence and the agent-resource capabilities and agent-task assignments.
292 Such congruence can be found via optimization routines when the tasks are routine.
293 This view of design may seem obvious to shop floor managers and industrial engi-
294 neers. However, for organizational theorists and practitioners who assume that
295 the only agents are humans, this approach to organizational design is rather novel.

296 Learning within organizations is ultimately tied to culture [18]. Operationaliza-
297 tions of culture are attempts to tangibly represent culture defined as the “. . . pattern
298 of basic assumptions that the group learned as it solved its problems of external ad-
299 aptation and internal integration that has worked well enough to be considered valid
300 and therefore, to be taught to new members as the correct way to perceive, think and

301 feel in relation to those problems” [34] p. 13. Culture becomes the way in which the
302 group responds to change in external and internal environments as well as a frame-
303 work that guides the way individuals relate to each other. Since relationships provide
304 the context for communicating basic assumptions they play an integral role in cul-
305 ture creation and maintenance [19].

306 2. Linking to data

307 As the field of computational social and organizational science matures research-
308 ers are linking their models to data. Within the field of simulation and modeling
309 there are a number of ways in which such links are made. The set of techniques,
310 as is evidenced in this issue, range from face validation to full-scale prediction. In
311 general, it is important to recognize that the evaluation of a computational model’s
312 ability to predict and explain social and organizational behavior involves a number
313 of steps looking at the internal integrity¹ of the model, running a series of virtual
314 experiments, examining the model’s sensitivity to various conditions and validation
315 against external data. Data enters in to this process in a number of ways. Before dis-
316 cussing some of these ways it is worth noting that an advantage of the meta-matrix
317 representation is that it provides a common conceptual device that can be used
318 across models and real data; helping create a standard for thinking about the set
319 of entities in these models and the relations among them. Putting the appropriate
320 real data and simulated data in meta-matrix form increases the feasibility, likelihood
321 and strength of validation possible for large classes of social and organizational sci-
322 ence computational models. A final caveat is that the type, degree and need for val-
323 idation depends on the purpose of the model, whether the uncertainties in the model
324 have a critical impact on the model results, and whether the model itself will be used
325 to set policy or make decisions where errors may be critical.

326 *Virtual experiments:* Many computational models in the social and organizational
327 sciences are sufficiently complex that the entire response surface cannot be analyzed
328 in a single paper. As a result, it is often critical to examine the models predictions
329 relative to a specific set of questions. To that end, a virtual experiment is run. A vir-
330 tual experiment is an experiment in which each cell in the experimental design is pop-
331 ulated with data generated by running the computer simulation model or models
332 whose behavior is being examined. Through this virtual experiment the computa-
333 tional model is used to generate hypotheses often by exploring a set of realistic or
334 hypothetical conditions [9]. The statistical or graphical analysis of results from a vir-
335 tual experiment conducted using the computational model leads to a series of hy-
336 potheses. Standard principles of experimental design should be followed in
337 designing a virtual experiment; however, as is illustrated by several papers in this vol-
338 ume the amount of data that can be generated from a computational model is ex-

¹ Examining the internal integrity of a model involves simply making sure that the model does not contain programming errors.

339 tremely high compared to that from a human experiment. Consequently, many sta-
340 tistical packages may even be overwhelmed by the amount of data that the compu-
341 tational experimenter generates. Nevertheless, the results from the virtual experiment
342 should be analyzed statistically or graphically. The results of that analysis are the hy-
343 potheses that can be examined using data from human laboratory experiments, live
344 simulations, games, field studies, or archival sources.

345 *Sensitivity analysis:* In order to test the strength of a computational model a series
346 of sensitivity analyses are done on critical components and assumptions in the mod-
347 el. In a sensitivity analysis a variable that is critical to the model, such as the size of
348 the group or population, is varied over a wide range, results are gathered and then
349 statistically analyzed to see what impact change in size has on the conclusions drawn
350 when using the computational model. In general, in computational models of com-
351 plex systems, like those in this issue, there are two main determinants of model sen-
352 sitivity. First, there may be strong non-linear interactions between key variables in
353 the model. As a result, conclusions can be quite sensitive to the specific choices made.
354 Second, there may be a high level of uncertainty resulting from use of random num-
355 ber generators to guesses about the underlying distributions or processes. Conclu-
356 sions drawn from the model can be quite sensitive to the choices made to handle
357 these uncertainties. For at least these two reasons, virtual experiments are needed
358 to test the sensitivity of conclusions to initial conditions and the inherent uncertain-
359 ties.

360 *Face validation:* The most pervasive approach to the evaluation of simulation
361 tools is face validation. Here the authors argue that the critical characteristics of
362 the process being explored are adequately modeled and that the model is able to gen-
363 erate results that capture known canonical behavior. In some fields the argument is
364 made that there are a set of stylized facts about the real-world and the model is able
365 to generate behavior that matches, at least in form, these facts. An example fact is
366 the $1/F$ distribution of city sizes within the United States. Face validation should
367 be done for all computational models and it is often the only type of validation rel-
368 ative to external data that is warranted for illustrative computational models like
369 those in this volume.

370 *Tuning:* Tuning is the process of using a sample of existing data to set parameters
371 in the simulation model so that the model's results match those observed in a sample
372 case. Where possible, only a sample of the real data collected is used in this way;
373 thus, reserving some for later steps in the validation process. Tuning is a critical pro-
374 cedure for demonstrating the capability of the model to match real-world data. Tun-
375 ing is a critical step in the validation process. Tuning a model reduces the sources of
376 uncertainty in a model by substituting known conditions and data for guesses and
377 random choices from generic distributions. A special case of tuning is setting the ini-
378 tial conditions in a model to match real-world data. An example would be using cen-
379 sus data on a particular city to set the base case for modeling a city of agents.
380 Currently a huge amount of data that can be used to tune computational models ex-
381 ists on the web. However, most web interfaces are designed for human readability
382 not program readability; hence it is difficult to link models to on-line data. The result

383 is that researchers either ignore this data or code it manually in to a form their sim-
384 ulation can use.

385 *General trend:* A typical approach to validation is to compare the results of a
386 tuned simulation with those of real data. Visualization and statistical tests are done
387 to look for degree of fit between the real and simulated data. Depending on the fo-
388 cus, the emphasis may be on demonstrating that the pattern of data is the same, the
389 statistical properties of the curves are the same (e.g., same moments), or point esti-
390 mation (the exact values are the same). If the model is not deterministic then valida-
391 tion often involves comparing a specific set of data with a distribution of simulated
392 data. Comparison against a single run of the simulation is inappropriate as the un-
393 certainties produced by the underlying random number generator dominate behav-
394 ior. Consequently, the research runs a series of runs, locates the average or
395 distribution across those runs, and then compares that ensemble with the real data.

396 *Docking:*² An important goal in science is accumulation. One way of getting ac-
397 cumulation in the field of computational social and organizational science is to build
398 models out of other models. Another is to determine whether models from different
399 traditions, possibly with different underlying assumptions, nevertheless are capable
400 of generating the same result. Docking can lend insight in to the fundamental nature
401 of the underlying processes, the conditions needed to generate key results and factors
402 that are irrelevant [2]. One way in which docking proceeds is to determine with which
403 aspects of the meta-matrix the two models are concerned.

404 *Social turing test:* An important technique for the evaluation of simulated data is
405 whether another algorithm behaves comparably on the simulated and real data [15].
406 If the algorithm does, then the computational model is generating data that is, at
407 some level, indistinguishable from “real” data. As an example, imagine that the
408 modeler has built a model of use of the Internet to search for health information
409 and is using it to predict whether the behavior is different after news broadcasts that
410 a new type of disease or medication exists. Now, if a detection algorithm is able to
411 locate an upsurge in usage of the Internet and in particular access to web sites on the
412 real data, and can detect the same pattern of behavior in the simulated data, then this
413 test has been met. This test does not guarantee that the underlying processes in the
414 simulation and in reality are the same; but it does suggest that they are functionally
415 similar.

416 *Policy/educational value:* Simulation models are generally considered valuable if
417 they provide insights into a problem. A measure of the value of the simulation is
418 if real-world analysts, policy makers, managers or educators are interested in the
419 simulation or the results from virtual experiments generated by using the simulation.
420 With most simulation models of complex social systems it takes 5+ years (often over
421 10 people-years) to get to the point in the model’s development where other analysts

² An important side note here is that the term docking as originally coined [2] refers to the process of determining whether two models generate the same or similar results and under what conditions. This is distinct from the way the term is used in transportation where docking refers to getting two items lined up so that things can move between them. Some researchers are beginning to use the term docking with computer models to mean aligning the models so that the output of one is the input to the other.

422 can use the model. Three factors are important in getting a model to this point: (1)
423 portability (the model can run on diverse machines and under diverse operating sys-
424 tems), (2) validation (particularly in the policy realm, some level of validation has
425 been achieved) and (3) transparent interface (usually this means good graphics, easy
426 to use interface, documentation and sample cases of use).

427 3. Organizational engineering

428 The area of computational social and organization science has come a long way in
429 the past 50 years. Theoretical and methodological results are leading to a new par-
430 adigm, a new field of intellectual endeavor that builds out of but extends beyond net-
431 work analysis, computer science and the non-computational social sciences. The
432 subject matter is the formal analysis and design of societies and organizational sys-
433 tems. These systems are complex and dynamic. Computational modeling and anal-
434 ysis is a cost effective, intellectually appropriate technique for understanding these
435 systems. The need for change management, the ease of using even the simplest of
436 computational models to do what if analysis and the increasing access to large-scale
437 databases engenders and an intellectual environment where both theoretical and ap-
438 plied issues are strongly connected. Consequently, this new field has both a scientific
439 and an engineering aspect.

440 Looking at the field now, one is tempted to conclude that there is a major gulf
441 between theoretical or intellectual models and the more applied emulation models.
442 The intellectual models often utilize extremely simple agents in highly stylized set-
443 tings whereas the more emulative models increase either agent and/or context spec-
444 ificity. On the one hand, this gulf is real. Game theoretic models filled with rational
445 agents deciding whether to cooperate or not have little to do with a detailed model of
446 the interaction between humans and robots that take place to coordinate the robot in
447 collecting data samples in extreme environments. On the other hand, there is no firm
448 line of demarcation between emulative and intellectual modeling. VDT³ [27] which
449 is a detailed model of organizational design for routine tasks has never the less been
450 used at the intellectual level to replicate basic portions of the garbage can model and
451 many of the tenets of contingency theory. In contrast, ORGAHEAD⁴ [14] which
452 has more of the features of an intellectual model has never the less been used to sug-
453 gest adaptation policies within corporations and non-governmental units. Thus,
454 what might first appear as a gulf is in reality a gradual slide from one type of model
455 to another.

³ The newest version is SimVision. Persons interested in a SW license for SimVision should contact Vicki Trafton vtrafton@vite.com at Vite Corporation www.vite.com. Both a commercial and academic version are available. Those interested in doing research with SimVision should first contact Ray Levitt ray.levitt@stanford.edu to discuss their research objectives, before talking to Vite about a license.

⁴ ORGAHEAD is available from contacting Kathleen Carley kathleen.carley@cmu.edu. There is a PC and Unix version.

456 It is likely that in the future many models will slip back and forth along this con-
457 tinuum as they are used in different contexts. There are several reasons to expect this.
458 First as more models are validated their use as policy and management tools in-
459 creases. Modern programming techniques such as separating the IO of the program
460 from the internal processes, utilization of agent based or object-oriented architec-
461 tures and self-documenting code are increasing the utility and portability of new
462 models. The increased sophistication of simulation scientists and the increased need
463 to reduce the uncertainty in policy decisions is leading more computational social
464 and organizational scientists to turn to virtual experiments to generate predictions
465 from their models. The results from multiple virtual experiments are being compared
466 statistically to answer “what-if” questions; questions about what would happen if
467 the changes identified in the virtual experiments occurred. Being able to run more
468 “what-if” analyses increases the policy value of these tools, their use as decision aids
469 and their use as teaching devices. Further, computational advances and the increased
470 placement of data on the web are increasing the ease of linking models to actual data
471 feeds. For example, models that do organizational design will in the near future be
472 capable of being linked to HR databases. Consequently, the utility of these models
473 for social and organizational engineering will increase.

474 4. The path to the future

475 Computational social and organizational models are becoming more ubiquitous,
476 in organizations and in policy analysis. We should expect to see an increasing num-
477 ber of models that become large-scale emulation models. This will increase the need
478 to validate a wider range of models at a more levels. As the need for model in indus-
479 try and government increases we should see a corresponding movement build models
480 by building on or integrating previous models, to build and share model compo-
481 nents, to create standard model and data interchange formats and increasingly stan-
482 dard representation schemes. We should also expect to see an increasing number of
483 models that are linked to real time data feeds. For the field to flourish there should
484 also be an increasing number of educational tools such as modeling platforms with a
485 number of intellectual models pre-built in that platform and available to students to
486 manipulate and run virtual experiments. A key element here is increasing both the
487 validity and generalizability of the models so that they can be used in situations
488 not necessarily foreseen by the original developers.

489 What these predictions imply, is that a significant portion of this burgeoning field
490 will be engaged in large-scale system building and/or the development of educational
491 platforms. Consequently, social scientists are going to be faced with a change in the
492 way they conduct science or the movement of social science problems in to computer
493 and information science. One change is likely to be a movement from single person
494 research to teams of researchers. It is not feasible for one scientist, or even a student-
495 professor pair, to build, analyze, validate, increase portability, distribute and main-
496 tain a large-scale system let alone a set of systems. Rather teams of researchers with a
497 range of skills are needed; with such skills including social networks, statistics, exper-

498 imental design, organization theory, social science, computer modeling, optimiza-
499 tion, operations research, machine learning, etc. In many universities, engineering
500 and computer science departments often have a better infrastructure for supporting
501 such system teams. Cohorts of faculty that work together in centers, a high ratio of
502 graduate students per faculty member, the presence of research staff, high levels of
503 funding, industrial collaborators, student internships, are all key to a supportive sys-
504 tem building infrastructure for the computational social and organizational sciences.
505 For most universities, this represents a major shift in the underlying culture of social
506 science departments and business schools. The need for teaming and for infrastruc-
507 tures support for system level research is critical if the computational social and or-
508 ganizational sciences are to reach there full potential.

509 Fundamental changes in the way in which social science research is funded and
510 the scale of funding are also needed. Creating portable, user-friendly, validated mod-
511 els in the social and organizational sciences will require the same level of sustained,
512 team and center level funding more commonly available in the computational and
513 physical sciences than in the social sciences. Labs, co-laboratories need to be estab-
514 lished and maintained.

515 There are additional factors that are key to achieving the promise of this field.
516 These factors include the development of open source program libraries, educational
517 computational tools and data sharing. For major progress to occur researchers will
518 need to stop reinventing the wheel and build on each other's code. This means that in
519 writing a simulation in the first place the researcher should try to attend, as is feasi-
520 ble, to issues of documentation, portability and usability. Further, to reduce the cost
521 of validating and testing model features shared datasets and system standards are
522 needed. The field will achieve major gains by creating canonical datasets that are
523 then shared across groups. Ideally, the field should develop a web-based interna-
524 tional infrastructure for the computational social and organization science commu-
525 nity. Key components of this infrastructure would be

- 526 1. intelligent agents for locating, describing and brokering between people, datasets,
computational models, results and artifacts (research reports, articles, books);
- 528 2. socially intelligent agents for facilitating data collection, analysis, visualization
and model building and validation;
- 530 3. educational outreach programs and educational tools including new textbooks
and simulation platforms for the classroom;
- 532 4. formal interchange languages and programs so that data and model results can
more easily move from one simulation or data analysis package to another;
- 534 5. a suite of models written to be as portable as feasible across multiple operating
systems and platforms;
- 536 6. the development of standard web interfaces formats for public data that enable
computer programs to download the data automatically without manual manip-
ulation of the underlying html file.

539 Such an infrastructure should support computationally based research in social
540 and organization science, with the aim of altering social science education and re-

541 search on societies and organizations. A second aim should be to increase efficiency
542 by decreasing the time-to-critical-insight; decreasing the time-to-application; im-
543 proving the quality of research results; addressing qualitatively new problems and
544 new scales of problems and decreasing the startup costs and time for new research-
545 ers.

546 The field of computational social and organizational science is growing rapidly.
547 Changes such as those suggested here offer a new way of doing social science re-
548 search; however, they require new tools and a new infrastructure. As we move to-
549 ward the future, if we are to see the promise hinted at by the papers in this
550 volume, these changes to the infrastructure and the associated cultural changes are
551 needed.

552 5. Uncited reference

553 [35]

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