



Calhoun: The NPS Institutional Archive
DSpace Repository

Faculty and Researchers

Faculty and Researchers' Publications

2012

Encouraging Trade at the Boundary of Organizational Culture and Institutional Theory

Aten, Kathryn; Howard-Grenville, Jennifer

Journal of Management Inquiry, Volume 21, Issue 1, pp. 114117
<http://hdl.handle.net/10945/43649>

This publication is a work of the U.S. Government as defined in Title 17, United States Code, Section 101. Copyright protection is not available for this work in the United States.

Downloaded from NPS Archive: Calhoun



Calhoun is the Naval Postgraduate School's public access digital repository for research materials and institutional publications created by the NPS community. Calhoun is named for Professor of Mathematics Guy K. Calhoun, NPS's first appointed -- and published -- scholarly author.

Dudley Knox Library / Naval Postgraduate School
411 Dyer Road / 1 University Circle
Monterey, California USA 93943

<http://www.nps.edu/library>

Encouraging Trade at the Boundary of Organizational Culture and Institutional Theory

Journal of Management Inquiry
21(1) 114–117
© The Author(s) 2012
Reprints and permission:
sagepub.com/journalsPermissions.nav
DOI: 10.1177/1056492611419803
http://jmi.sagepub.com



Kathryn Aten¹ and Jennifer Howard-Greville²

Abstract

In this essay, we reflect on the contributions to this dialogue. We focus on highlighting opportunities for deepening our understanding of cultural phenomena and institutions through work on the border between the two theories. Two avenues are promising: deepening our understandings of process in order to better explain cultural and institutional dynamics and attending to (surprising) levels of analysis such as local institutions and global cultures. The contributors to this dialogue have provided examples of the potential benefits gained through work at the borders of organizational culture and institutional theory, and in so doing have begun to answer some of the questions that instigated this exchange, suggesting paths forward, and we hope, instigating exchange.

Keywords

institutional theory, organizational culture, culture theory

As we developed this dialogue, we began to think in terms of the metaphor of a conversation at the “border” of the organizational culture and institutional literatures. The metaphor seemed an appropriate way to respect the provenance, and perhaps sovereignty, of each literature, while also exploring ways that they might work together. In his final commentary, Cal Morrill suggested a revised metaphor, that of “trading zones,” in which scholars would meet; develop new languages and, importantly, new methods; and through these extend insight beyond what could be offered by either “side.” We revisit these metaphors now to summarize some themes that have appeared in the dialogue, offering these as productive ways forward for scholars doing work in this area. It is first worth acknowledging that the borders between the institutional and organizational culture literatures are not without tensions nor even the occasional skirmish. Neither side is quick to cede control over “meaning” to the other, and proponents of each theory tend to regard theirs as having generated ideas that the other has borrowed or independently discovered. To some degree, these tensions are to be expected and are unlikely to be satisfactorily resolved for parties on all sides. However, the contributors to this dialogue are ideal ambassadors for a new way of working at the border, having each taken conceptual forays in their earlier works into “foreign” territory, opening up new directions for these theories. We focus here on further opportunities for deepening our understanding of both cultural phenomena and institutions through work that places itself squarely on the border. Such work, especially if undertaken collaboratively by scholars

from each territory, might generate the new, productive trading zones called for by Morrill.

Deepening Understanding of Process

It is very clear from the dialogue that organizational culture and institutions are best regarded, by these scholars at least, as works “in process” as opposed to finished business. However, to many in each field, both culture and institutions have been largely regarded as finished business, stabilized, taken for granted, perhaps even mindlessly reproduced. Even if not taken to that extreme, the tendency to think of institutional logics as shared within a field, and culture as uniform within an organization, have contributed to a relative lack of attention, until quite recently, to how each is reproduced, altered, and repurposed. Each of our contributors urged further work in this area. Mary Jo Hatch argued that institutional theory will be limited in its application to the management of organizations if processes of constructing and reconstructing meaning in emotionally and aesthetically connected ways are not considered, and Tamar Zilber and Mary Jo Hatch pointed to the importance of exploring

¹Naval Postgraduate School, Monterey, CA, USA

²Lundquist College of Business, Eugene, OR, USA

Corresponding Author:

Kathryn Aten, Naval Postgraduate School, Graduate School of Business & Public Policy, 555 Dyer Road, Monterey, CA 93943, USA
Email: katen@nps.edu

the notion of ongoing and unfinished cultural and institutional work. Bob Hinings and Majken Schultz suggested productive ways in which training attention on organizational cultures might shed light on the local interpretation of (and change in) institutional logics, and, turning the arrows the other way, Majken Schultz addressed how renegade cultures might challenge and reshape institutions.

There are several distinct opportunities associated with this call. First is the opportunity for a scholar to pay serious attention to capturing “reality in flight” (Pettigrew, Woodman, & Cameron, 2001, p. 698) on *both* sides of the border where organizational culture meets institutions. Many careful process studies, paying attention to how meaning and action unfold over time, have been performed on either side of the border, but to our knowledge, few (see, for example, Hallett & Ventresca, 2006) have carefully considered both the cultural and the institutional. In reflecting on the themes of this dialogue, one of us concluded that we were “guilty as charged” of perpetuating a tendency not to bridge into the other domain through work on how a high-tech manufacturer’s subcultures shaped its interpretations of and actions on new environmental demands (Howard-Grenville, 2006, 2007). In this case, given the simultaneous rise of environmental (“green”) issues in the broader institutional environment, more explicit attention could have been paid to how associated meanings traveled, or failed to travel, from outside to within the organization and vice versa.

Existing conceptual tools aiding in understanding this border crossing include institutional notions of interpretation and translation, rather than diffusion (Creed, Scully, & Austin, 2002; Zilber, 2008), and ideas of culture as a “toolkit” that is put to work by actors (Swidler, 1986, 2001; Howard-Grenville, Golden-Biddle, Irwin, & Mao, 2010; Nardon & Aten, 2008; Weber, 2005). Narrative analysis offers a methodological approach to capture such flow of meaning. Morrill and Owen-Smith (2002) analyzed “narrative styles” as cultural toolkits to help explain how storytelling about the failure of environmental litigation helped give rise to field of environmental conflict resolution. Zilber (2009) also used narratives to follow meanings across levels of analysis.

A second opportunity is to develop process models that capture more complete cycles of interaction between culture and institutions, rather than looking only at how one informs the other. The practical implications of this may be challenging to overcome, as it requires a research design that captures a necessarily longer period of time, making “reality in flight” that much more difficult to observe. However, exemplary studies exist in neighboring literatures, such as Ravasi and Schultz’s (2006) exploration of how interactions between organizational culture and external image shape the unfolding of organizational identity over a 25-year period in one organization. To capture such rich interactions, scholars working at the borders of institutional and culture studies may exploit each other’s data collection methods, with

scholars of culture developing ways to capture traces of culture through memory, stories, and artifacts, as well as contemporary observations, and scholars of institutions training attention on the day-to-day as well as the historical accretion of practice.

Other possible avenues might be to search for natural experiments such as jolts or crises that may trigger cultural or institutional change and render interactions between the two transparent. Absent such triggers, change may be gradual and studying such gradual change by watching it unfold in real time, although noble, may take too long to be feasible for many researchers. However, studies that rely on archival material may fail to capture the life that Mary Jo Hatch argued so passionately for preserving. To capture cycles of interaction between culture and institutions, researchers may need to break away from the tendency to search for and explore settled, finished patterns. This may require creative data collection geared to picking up what living traces are available in archival data. The Internet archive, for example, captures many versions of web pages as they change over time and might provide archival traces of living cultures and institutions in flight (e.g., Aten, 2009). Technologies that provide access and the means to analyze greater quantities and types of data may facilitate greater creativity in data collection, and the generation of novel methods, if researchers are open to the possibilities and benefits such creativity presents.

Attending to Levels of Analysis (and Doing So in Surprising Ways)

In our opening comments we pointed out that culture and institutional theory have historically operated on different levels of analyses, with culture focusing inside single organizations and institutional analyses accounting for patterns at the interorganizational or field level. As the dialogue developed, it became clear that, at least in some cases, there is a somewhat curious switching of levels that should inform current work. Majken Schultz raised the points that globalization has contributed to the rise of some organizational cultures that carry significant weight. In an era when Wal-Mart is entering Africa, and Starbucks is a virtually ubiquitous brand, it is hard to think only of organizational culture as localized and influencing primarily the distinct “way things are done” within the walls of an organization. Simultaneously, attention to translation, local interpretation, and pluralism of institutional logics directs our attention to how institutions are locally enacted. This local enactment can be taken quite literally and some authors have argued for understanding institutions as they are interpreted and enacted within communities and similarly confined geographical spaces (Marquis & Battilana, 2009). These observations suggest that the levels at which organizational culture and institutional processes operate may be undergoing change. To borrow a current phrase, organizations and individuals in

them may be thinking (or creating meaning) locally and acting globally and at the same time acting locally and thinking globally. Explorations that are sensitive to these phenomena and their interactions across levels may provide knowledge highly relevant to the issues faced by today's organizations, picking up on the problem-centric approach Morrill advocates as fruitful to the generation of new theory.

However, work along borders is challenging. The contributions to this dialogue demonstrate the importance of organizational culture and institutional theory as distinct concepts, which may benefit from exchange. As work advances at the nexus of the two, researchers must be careful not to lose the distinctiveness of each body of knowledge in a mass that encompasses everything and so says little about anything. Recent work on identity suggests one path forward and is perhaps a nascent trading zone where conversations between culture and institutional scholars can produce new insights. Culture has often been about distinctiveness and institutions about similarity, at least within localized settings. Identity manages the tension between both. Focusing on how members of organizations or organizational fields create and use categories for expressing similarity and difference, and how they maintain similarity and distinctiveness at multiple levels, may be one way to explore the endless cycle of recursion between organizational culture and institutions and to begin to develop new conceptual tools for exploring them separately and together.

The work of the contributors to this dialogue provide examples of the potential benefits to be gained through work at the borders of organizational culture and institutional theories. Through this dialogue, the contributors have extended their incursions into the literatures on either side of the intellectual border. In the process, they have provided answers to some of the questions that instigated the exchange, possible paths forward, and, in answer to Mary Jo's question, some institutional and organizational culture theorists are now at least in this case, here, in the room together talking.

Declaration of Conflicting Interests

The author(s) declared no potential conflicts of interest with respect to the research, authorship, and/or publication of this article.

Funding

The author(s) received no financial support for the research, authorship, and/or publication of this article.

References

- Aten, K. (2009). *Constructing nanobusiness: The role of technology framing in the emergence of a commercial domain*. Eugene: University of Oregon.
- Creed, W., Scully, M., & Austin, J. (2002). Clothes make the person? The tailoring of legitimating accounts and the social construction of identity. *Organization Science, 13*, 475-496.
- Hallett, T., & Ventresca, M. J. (2006). Inhabited institutions: Social interactions and organizational forms in Gouldner's patterns of industrial bureaucracy. *Theory and Society, 35*, 213-236.
- Howard-Grenville, J. A. (2006). Inside the "black box": How organizational culture informs attention and action on environmental issues. *Organization & Environment, 19*, 46-73.
- Howard-Grenville, J. A. (2007). *Corporate culture and environmental practice: Making change at a high-technology manufacturer*. Northampton, MA: Edward Elgar.
- Howard-Grenville, J. A., Golden-Biddle, K., Irwin, J., & Mao, J. (2010). Liminality as cultural process for cultural change. *Organization Science*. Advance online publication.
- Marquis, C., & Battilana, J. (2009). Acting globally but thinking locally? The enduring influence of local communities on organizations. *Research in Organizational Behavior, 29*, 283-302.
- Morrill, C., & Owen-Smith (2002). The emergence of environmental conflict resolution: Subversive stories and the construction of collective action frames and organizational fields. In A. J. Hoffman & M. J. Ventresca (Eds.), *Organizations, policy, and the natural environment: Institutional and strategic perspectives* (pp. 90-118). Stanford, CA: Stanford University Press.
- Nardon, L., & Aten, K. (2008). Beyond a better mousetrap: A cultural analysis of the adoption of ethanol in Brazil. *Journal of World Business, 43*, 261-273.
- Pettigrew, A. M., Woodman, R. W., & Cameron, K. S. (2001). Studying organizational change and development: Challenges for future research. *Academy of Management Journal, 44*, 697-713.
- Ravasi, D., & Schultz, M. (2006). Responding to organizational identity threats: Exploring the role of organizational culture. *Academy of Management Journal, 49*, 433-458.
- Swidler, A. (1986). Culture in action: Symbols and strategies. *American Sociological Review, 51*, 273-286.
- Swidler, A. (2001). *Talk of love: How culture matters*. Chicago, IL: University of Chicago Press.
- Weber, K. (2005). A toolkit for analyzing corporate cultural toolkits. *Poetics, 33*, 227-252.
- Zilber, T. B. (2008). The work of meanings in institutional processes and thinking. In R. Greenwood, C. Oliver, K. Sahlin, & R. Suddaby (Eds.), *The SAGE handbook of organizational institutionalism* (pp. 151-169). London, England: SAGE.
- Zilber, T. B. (2009). Institutional maintenance as narrative acts. In R. Suddaby, T. B. Lawrence, & B. Leca (Eds.), *Institutional work: Actors and agency in institutional studies of organizations* (pp. 204-235). Cambridge, UK: Cambridge University Press.

Bios

Kathryn Aten is an assistant professor of management at the Naval Postgraduate School's Graduate School of Business and Public Policy in Monterey, California. She studies the influence of culture and institutions on the emergence and evolution of technology. Her work has been published in several journals and books. Kathryn earned her Ph.D. in management at the University of Oregon. Prior to her academic career, she worked for innovative

organizations including Apple Inc., Patagonia, and International Game Technology.

Jennifer Howard-Grenville is an associate professor of management at the University of Oregon's Lundquist College of Business. Jennifer studies processes of organizational and institutional

change and has explored the role of routines, issue selling, and culture in enabling and inhibiting change. Her work has been published in *Academy of Management Journal*, *Organization Science*, *Organization & Environment*, and several other journals and books. Jennifer received her Ph.D. at MIT, her MA at Oxford University, and her B.Sc. at Queen's University, Canada.