



## Research in organizational evolution. What comes next?



Gianpaolo Abatecola\*

University of Rome "Tor Vergata", Department of Studies on Business, Government, Philosophy, Via Columbia 2, 00133 Rome, Italy

### ARTICLE INFO

#### Article history:

Available online 12 August 2013

#### Keywords:

Organizational evolution  
Darwinism  
Co-evolution  
Review

### ABSTRACT

The literature about *organizational evolution* has been witnessing a tremendous amount of and continuous development among strategists since the second half of the 20th century and this critical review article aims to provide readers with a thorough discussion of past and contemporary research within this area. From the beginning, the article works through analogies with biology in attempting to trace the current boundaries of the field, with much of the review's content thus structured around the proposed conceptual (and methodological) framework. In addressing the question of what forces drive organizational evolution, the article then takes on a middle ground by mainly focusing on the development of the dialectical and co-evolutionary approaches. It ends by prospecting what can come next for evolutionary (and co-evolutionary) research in the strategic management field.

© 2013 Elsevier Ltd. All rights reserved.

### Introduction

Positioned in the strategic management domain (e.g. Cafferata, 2009; Durand, 2006; Lewin & Volberda, 2005; Murmann, 2013; Stoelhorst, 2008a), the *organizational evolution* research area has been witnessing a tremendous amount of and continuous development among strategists since the second half of the 20th century.

As part of their parental domain, organizational evolutionists have been generally featured for their main effort, through different kinds of analysis, towards the studying and understanding of the competitive relationship between organizations and their external environment. But, as they have widely defended (e.g. Breslin, 2011a; Cafferata, 2010; Hodgson, 2013; Murmann, Aldrich, Levinthal, & Winter, 2003), what distinguishes their approach from those used by other strategists is the (partial or full) application of biological metaphors to the interpreting of the mentioned relationship.

On this premise, the investigations into organizational evolution have developed into different, but intertwined, directions. For example, evolutionists have devoted attention to the studying of whether organizational evolution can be considered as externally pulled (i.e. mainly determined by the competitive environment) or internally pushed (i.e. mainly shaped by organizations themselves), and thus on the understanding of what forces substantially drive it (e.g. Alexander & Price, 2012; Jones, 2005; Van de Ven & Poole, 2005). At the same time, these scholars have been committed to accounting for all those decision making processes specifically associated with the survival problems of newborn

organizations (e.g. Bellavitis, Filatotchev, & Kamuriwo, 2013; Burke, FitzRoy, & Nolan, 2008; Cafferata, Abatecola, & Poggesi, 2009; Dobson, Breslin, Suckley, Barton, & Rodriguez, 2013), and, more widely, with the organizations' environmental fit (or failure) within their overall life cycle as well (e.g. Abatecola, Cafferata, & Poggesi, 2012; Aldrich, 2011; Mellahi & Wilkinson, 2004; Phelps, Adams, & Bessant, 2007; Shane, 2010).

Especially because of the current global financial crisis, acquiring appropriate knowledge about how the mentioned research directions have been evolving over time seems, to date, particularly relevant, not only to those who are specifically interested in studying organizational behaviour through evolutionary lenses (e.g. Abatecola, 2012a; Belussi & Staber, 2011; Breslin & Jones, 2012; Child, Tse, & Rodrigues, 2013), but also to the wider theory and practice of strategic management (e.g. D'Aveni, Dagnino, & Smith, 2010; De Rond & Thietart, 2007; Fortune & Mitchell, 2012).

Through its contents, this review article aims at contributing to the above purpose. In particular, the article starts with the specific attempt to use analogies with biology for setting the current boundaries of the organizational evolution research area. In this regard, as the article explains, while some schools of thought in the strategic management field have adopted the label of *evolution* for focusing on organizational change in general, some others have tried to develop theories of organizational evolution more formally (Dosi & Marengo, 2007; Sammut-Bonnici & Wensley, 2002). The article then focuses on the underpinnings featuring the dialectical approaches to organizational evolution and discusses how these approaches have guided the birth and development of the co-evolutionary approach in strategic management (e.g. Burgelman, 2002; Henderson & Stern, 2004; Jacobides & Winter, 2005). The article explains that, although mostly flourishing in the period 1990–2000, multilevel co-evolutionary investigations are witnessing a

\* Tel.: +39 (0) 6 72595518; fax: +39 (0) 6 72595804.

E-mail address: [gianpaolo.abatecola@uniroma2.it](mailto:gianpaolo.abatecola@uniroma2.it)

renewed interest by strategists to date (e.g. Abatecola, 2012b; Breslin, 2011b; Lewin & Volberda, 2011). Thus, the article ends by discussing how the future development of these investigations can be of great value to the untangling of different facets comprised in the strategic management domain.

Thanks to the structure prospected above, the contribution of the article is intended to be both conceptual and methodological. It is conceptual in that the article provides its readers with updated insights about what heterogeneous schools of thought can be included, for different reasons, within the organizational evolution research area to date. At the same time, the contribution is methodological in that, as also premised in this introduction section, the specific taxonomy produced in the article can help both interested scholars and practitioners to grasp what differences (and what common features) currently divide (or unite) the academic camps composing the area itself.

### Organizational evolution. Boundaries of the research area

As introduced, the developing literature about organizational evolution has been mainly focusing on the theoretical developing and empirical testing of many assumptions associated with the interpretative studying of the organizations/environment relationship. On this basis, this article starts with an attempt to address the central research question of what boundaries can be currently set as far as the organizational evolution research area is concerned (and what boundaries, perhaps, could be considered in the future also). In particular, to what exactly does the term *organizational evolution* refer? For example, is this term simply associated with a general change (against continuity) within organizations, or does it specifically refer to that change which, in terms of environmental fit, is needed for survival purposes? And, eventually, can this change be functional to competitive advantage and corporate growth also? Since the beginning of this inquiry, we have to highlight that while the reviewed research area has been continuing to flourish over the years, the puzzle around the presented research question still seems to be unsolved from some aspects. As the term *evolution* denotes, it is, of course, evident that this research area has major analogies with biology and, in fact, its birth and constant growth have been more than influenced by Darwin's *The Origin of Species* (1859). In particular, biological evolution is, to date, commonly explained as a constant, but slow, change within and between different species of living beings (e.g. Lane, 2009). This change is defined through three intertwined mechanisms contemporaneously occurring: (i) the *natural selection* process; (ii) an offspring's inheritance of its parental *genetic code*; (iii) the *random variations* within the inherited genetic code. While gradual if observed over the short term, this change mostly becomes radical over the long term because of the constant accumulation of positive (i.e. for survival purposes) variations.

On this basis, the attempt to trace the boundaries of organizational evolution as a *per se* research area is not easy<sup>1</sup>. In fact, as this section will deepen, the flourishing of different schools of thought has been huge over the years, with, to date, no conclusive predominance of one over the others as to scales of adoption. This taken into account, and also on the basis of what has been premised in terms of biological evolution, the rationale for performing this attempt is that of recognizing what management schools (or management scholars fragmentally) have been trying to explain about the competitive relationship between organizations and their competitive environment through direct (or, at least, indirect) analogies with biology.

It is, perhaps, worth noting here that, in this article, analogies

are intended as assumptions, constructs, and metaphors derived, implicitly or explicitly in varying degrees, by management scholars from biologists over time. As this section will discuss, many studies have been stemming from Darwin's assumptions; at the same time, the legacy inherited from biologists such as Lamarck, Eldredge or Gould, has also played a role.

### Evolutionary approaches

In mapping the various schools of thought on the investigated topic, we can start by acknowledging that some of them have specifically tried to develop formal theories of organizational evolution. For example, *population* (also known as *organizational*) *ecologists* (e.g. Hannan, Polos, & Carroll, 2007), have substantially attempted to use the Darwinian structural process of *variation* (of the *genotype*), *selection* (of the associated *phenotype*) and *retention* (of the underlying genotype) for understanding, over the long term, the evolution, in terms of birth and death rates, of organizational populations (i.e. sets of organizations with the same features) and/or communities (i.e. the network relationships between populations). In other words, as Baum and Singh (1994a, p. 5) clearly explained, the primary goal of organizational ecology has been that of understanding "mutual interactions within and among the populations and communities comprising organizational ecosystems and the mechanisms and processes underlying their growth, regulation and decline". Indeed, although organizational ecology has been presented, by its authors, as Darwinian, it has been, over the years, also associated with non-Darwinian assumptions (e.g. Reydon & Scholz, 2009; versus Dollimore, 2013).

This explained, we could observe that, to date, the attempt to import the Darwinian biological metaphor fully is, perhaps, even greater in the beliefs of those social sciences scholars commonly labelled as *generalized* (also known as *universal*) *Darwinists* (e.g. Aldrich et al., 2008; Hodgson & Knudsen, 2010; Nelson, 2006; Stoelhorst, 2008b). Not exempt from criticisms (e.g. Buenstorf, 2006; Cafferata, 2010; Cordes, 2006; Witt, 2004), these scholars substantially maintain that, given certain levels of abstraction, the Darwinian mechanisms of variation, selection and retention (mentioned above) can be used to explain evolution not only in biology, but also in disciplines such as culture and management (e.g. Breslin, 2010). In particular, although not always qualifying themselves as Generalized Darwinists formally, these scholars have, over the years, proposed the concepts of *replicator* and *interactor* as appropriate translations for the biological concepts of genotype and phenotype respectively (e.g. Hodgson & Knudsen, 2004; Shepherd & McKelvey, 2009). For example, while *memes* (e.g. Dawkins, 2004; Lord, 2012; Price, 2012; Price & Shaw, 1998) have been used as replicators for explaining cultural evolution, *routines* (e.g. Becker, 2008; Pentland, Feldman, Becker, & Liu, 2012; Witt, 2011) have been mostly used as replicators for explaining organizational evolution (e.g. Breslin, 2011a).

Partially different is, instead, the approach used by those scholars who, to date, are often classified under the label of *evolutionary economists* (e.g. Dosi, Kaniovski, & Winter, 2003; Gowdy, Dollimore, Wilson, & Witt, 2013; Loasby, 2003; Witt, 2008). In particular, these scholars aim to explain a number of evolutionary processes mostly at the macro-economic level, with their focus thus including investigations on industrial dynamics or cross-country structural changes. Rather than on the Darwinian biological metaphor only, evolutionary economists heavily rely also on the Schumpeterian assumption of *creative destruction* as the conceptual basis for their studies. At the same time, we have to consider that the development of these scholars' ideas over time has also greatly benefitted from the pivotal work on organizational routines by Nelson and Winter (1982). In this regard, we know that, in their well known book, Nelson and Winter have widely

<sup>1</sup> I wish to thank both the anonymous reviewers for their useful insights on how to improve the literature's classifications in this section.

Download English Version:

<https://daneshyari.com/en/article/1014867>

Download Persian Version:

<https://daneshyari.com/article/1014867>

[Daneshyari.com](https://daneshyari.com)