



The challenge of introducing low-carbon industrial practices: Institutional entrepreneurship in the agri-food sector



Herman I. Stål*, Karl J. Bonnedahl, Jessica Eriksson

Umeå School of Business and Economics – Umeå University, SE-901 87 Umeå, Sweden

ARTICLE INFO

Keywords:

Institutional entrepreneurship
Divergent change
Institutional logics
Organizational field
Extra-field influences
Climate change
Low-carbon practices
Agriculture

ABSTRACT

Contemporary agricultural practices account for a significant share of greenhouse gas emissions. Inspired by the emergent literature on institutional entrepreneurship, we seek to explore mechanisms that affect an actor's propensity to act in ways that imply suggesting and promoting emission-reducing practice changes. As influences originating outside the organizational field are assumed to constitute such mechanisms, the paper explores their role through a case study of a project run by a public agency. Unlike extant theory, results show that the agency's propensity to act is not necessarily enhanced by extra-field influences but that such influences also limit the scope for suggesting change that challenges existing industrial practices.

© 2013 Elsevier Ltd. All rights reserved.

Introduction

Contemporary agricultural practices account for a significant share of global greenhouse gas (GHG) emissions (FAO, 2006; IPCC, 2007). Promoting change toward lower emissions in the primary production of food for animals and humans is therefore of utmost importance. Drawing on the understanding of organizational fields as a community of organizations that frequently interact and share an interest in a central issue (Hoffman, 1999; Kshetri, 2009; Wooten & Hoffman, 2008), such change initiatives would concern not only actors that perform agricultural practices, but also other actors that can suggest and support new and potentially climate-friendly practices. Such actors include regulating agencies, farm advisory agencies, trade unions and other non-governmental organizations, involved in the issue of agricultural practice and, hence, taking part in the agri-field.

A field is characterized by one or several institutions; widespread norms, beliefs and rules that normally support the prevailing practices (Hoffman, 1999; Scott, 2001). Here, we use the term institutional logics to refer to such institutional content (Reay & Hinings, 2009). Logics inform field actors about “the goals to be pursued and how to pursue them” (Battilana, Leca, & Boxenbaum, 2009: 69) and provide a useful link between ideational content; i.e. beliefs and norms, and practice. Hence, beliefs and norms provide goals and practices with legitimacy within a field – although the

logics cannot be understood as fixed or identical for all actors (Battilana et al., 2009; Boxenbaum & Battilana, 2005; Reay & Hinings, 2009). In the agri-field there are, for instance, logics that underpin organic as well as conventional, more industrialized, production practices (Bostrom & Klintman, 2004).

In relation to established practices and prevailing institutional logics, the promotion of GHG reduction as a field-level goal, including suggestions of new climate-friendly practices as a means to address that goal, can be understood as an initiative for divergent change (Battilana et al., 2009). To achieve divergent change, previous studies point to the importance of ‘institutional entrepreneurs’ (Battilana et al., 2009; DiMaggio, 1988; Garud, Hardy, & Maguire, 2007). Consequently, institutional entrepreneurship represents a possible route to change within the agri-field in order to reduce GHG emissions. As such attempts face severe difficulties (Garud et al., 2007; Holm, 1995; Seo & Creed, 2002), it is important to understand mechanisms that would make actors more inclined to act as institutional entrepreneurs.

Extant research proposes that ideas and practices from other organizational fields can provide actors with knowledge of alternatives that reduce the taken-for-grantedness of prevailing practices (Clemens & Cook, 1999; Greenwood & Suddaby, 2006). Some field-level actors could be more exposed to such alternatives as their role induces them to interact more frequently with agents carrying such influences (Greenwood & Suddaby, 2006). This might in turn give rise to tensions and contradictions that prompt critical reflection, thereby reducing the commitment to prevailing practices (Seo & Creed, 2002). Contradictions might for instance arise from exposure to conflicting goals or knowledge of new issues and problems.

* Corresponding author. Tel.: +46 786 5287.

E-mail addresses: herman.stal@usbe.umu.se (H.I. Stål), karl.bonnedahl@usbe.umu.se (K.J. Bonnedahl), jessica.eriksson@usbe.umu.se (J. Eriksson).

Alternatively, they could create awareness of new ideas and practices that could be transposed across boundaries of organizational fields (Boxenbaum & Battilana, 2005). Thus, previous studies suggest that extra-field influences represent a mechanism that may reduce the liabilities of embeddedness and increase the propensity to suggest and promote divergent change (Dorado, 2005; Seo & Creed, 2002).

However, few studies focus on actors that because of their position are exposed to extra-field influences (Battilana et al., 2009), and the role of extra-field influences regarding ideas and practices has to be explored further. The purpose is therefore to explore how such influences affect an actor's propensity to suggest and promote divergent change. Hence, the paper contributes to research by elaborating upon mechanisms affecting the opportunities and constraints inherent in institutional entrepreneurship.

To fulfill our purpose, we approached a project run by the Swedish Board of Agriculture (SBA) – aimed to determine and promote farm level practice changes in order to reduce GHG emissions from Swedish agricultural production. The empirical context is thus climate mitigation in agriculture, focusing on an actor that is exposed to both direct and indirect influences from several fields.

Theory

Organizational fields and institutional logics

The organizational field was originally seen as the decisive environment for the organization, containing isomorphic pressures leading organizations to adopt similar practices or organizational forms (DiMaggio & Powell, 1983; Meyer & Rowan, 1977). Fields were typically defined as a constituency of organizations sharing a technology or a market (Hoffman, 1999; Wooten & Hoffman, 2008). Activities within fields were in turn seen as structured by more or less homogenous institutional sets of beliefs, norms and rules. Recently, and in accordance with the so-called “cognitive turn”, institutional content has been conceptualized as institutional logics – system of widely entrenched beliefs that specify the goals to be pursued and the means or practices to do so (Friedland & Alford, 1991; Thornton & Ocasio, 2008; Wooten & Hoffman, 2008). Subsequently, logics do not simply contain prescriptions of legitimate goals and practices but also provide actors with explanations of why these are important and rational. These logics are reinforced through frequent interactions, through which actors are socialized into certain ways of understanding the central issue (Greenwood & Suddaby, 2006).

Later research has also challenged previous conceptualizations of fields by arguing that fields evolve around a central issue (Kshetri, 2009; Wooten & Hoffman, 2008). Issues can bring together actors that also participate with other actors, around other issues, and therefore carry conflicting and disparate institutional referents (Hoffman, 1999). The acknowledgement of heterogeneity in fields is thus a starting point for addressing institutional change, e.g. changes that break with prevailing institutional logics (Dacin, Goodstein, & Scott, 2002; DiMaggio, 1988; DiMaggio & Powell, 1991; Greenwood & Hinings, 1996).

Institutional entrepreneurship

The critique concerning limitations of neo-institutional theorizing to address change has led to an increased interest in drivers of institutional change particularly in terms of the role that actors may play in such change (DiMaggio, 1988; Holm, 1995; Pinkse & Kolk, 2007; Ritvala & Granqvist, 2009). Actors that leverage resources to create new institutions or transform existing ones are

said to be involved in institutional entrepreneurship (Garud et al., 2007; Pinkse & Kolk, 2007). Such institutional entrepreneurs perform an important role by challenging prevailing institutional logics, i.e., existing goals and practices. Changes that break with established logics can be termed divergent (Battilana et al., 2009).

Thus, divergent change means that new goals (e.g., the reduction of GHG emissions) and practices, or radical changes in current practices in order to achieve new goals, are introduced to a field (Battilana, 2007; Battilana et al., 2009). This latter criterion is important since new goals could also be compatible, or perceived as compatible, with existing goals, indicating no change in underpinning institutional logics. Further, new goals can be used to rationalize current practices rather than to promote new ones, and the outcome of a change initiative might be limited to symbolic change. To determine the propensity to suggest and promote divergent change (in short: propensity to act), it is therefore important to analyze the types of changes that an initiative contains. When actors promote comprehensive changes in means that address new goals, it can be argued that they show such a propensity to act, or to pursue divergent change.

Institutional entrepreneurs are suggested to be skilled actors (Fligstein, 2001) capable of critical reflection (Seo & Creed, 2002), but the notion of particularly skilled actors has been criticized for conflicting with the original tenet of institutional theory as a theory of how institutional contexts embed and constitute actors and their interests (Hardy & Maguire, 2008; Hoffman, 1999; Holm, 1995; Ritvala & Granqvist, 2009; Seo & Creed, 2002). As institutional logics define what actors can do, want to do and think is meaningful, there seems to be little room for them to suggest and promote practices that are “outside” of these logics (Holm, 1995; Seo & Creed, 2002). This relationship between actors and structure is often captured by the term embeddedness (Garud et al., 2007), and the theoretical problem is that of explaining how certain actors can “escape” such embeddedness.

In this paper we draw on the relationship between the propensity to act and embeddedness, where the latter is operationalized through an actor's awareness (cf., Boxenbaum & Battilana, 2005), openness and motivation to promote divergent change (cf., Greenwood & Suddaby, 2006). Without an awareness of alternatives there can be few suggestions for new practices, but an actor must also regard these alternatives as legitimate and rational, i.e. be open to them. Further, it is important to understand the motivation and determination in promoting change. Greenwood and Suddaby (2006) suggest that goals can be of particular importance for such motivation since the failure to reach desired goals, e.g., a GHG reduction target, might increase the motivation to pursue the issue with greater conviction. Such failure in relation to goals can be denoted as “adverse performance” and is one often observed mechanism that might motivate actors to pursue divergent change (Seo & Creed, 2002).

Mechanisms affecting the propensity to act

Although neo-institutional theory has mainly provided accounts of a decreasing likelihood to pursue change (DiMaggio & Powell, 1983; Scott, 2001), some authors have described mechanisms that increase such a possibility. This includes mechanisms within the field (Clemens & Cook, 1999; Dorado, 2005) as well as extra-field influences (Boxenbaum & Battilana, 2005; Greenwood & Suddaby, 2006). Mechanisms within the field can be ambiguities within institutional logics (Rao, Monin, & Durand, 2003), the existence of competing institutional logics (Reay & Hinings, 2009), or a mix of market and institutional forces (D'Aunno, Succi, & Alexander, 2000). Further, field actors are variously exposed to such ambiguities or such competition due to their field position (Battilana et al., 2009; Garud & Karnøe, 2003; Seo & Creed, 2002). Greenwood

Download English Version:

<https://daneshyari.com/en/article/1014905>

Download Persian Version:

<https://daneshyari.com/article/1014905>

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