Accounting for organizational innovations: Mobilizing institutional logics in translation

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Summary This study examines the translation of an abstract organizational concept into local organizational innovations. The empirical case is the concept of a health care center, promoted as part of a Danish government reform. The study shows that municipalities mobilized and interpreted multiple institutional logics to account for their creation of three different organizational innovations. While the concept of 'institutional logic' helped exploring the legitimizing social meanings embedded in the national reform and locally, the concept of 'translation' from actor-network theory shed light on the process by which actors mobilized and infused the health care center concept with meanings.
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Introduction

This study focuses on the concept of a 'health care centre', which was promoted as part of a national reform of the Danish public sector that took effect on January 1, 2007. The reform constituted local municipalities as responsible for managing new tasks within health care and proposed that these tasks could be managed in a health care center. Yet, the concept of a health care center was from the outset vaguely defined, enabling municipalities to innovate various organizational forms. Some municipalities conceptualized the center as a building that is open for patients with chronic diseases to visit, while other municipalities created the center as a collaborative network of local organizations which promote health for citizens in various places such as schools and workplaces (Due, Waldorff, Aarestrup, Curtis & Laursen, 2008). However, we have only little knowledge of

why organizational innovations develop into particular organizational forms and how the involved actors justify their innovation.

The emergence of organizational forms has been the main interest for neo-institutional researchers for some time. A major theme has been the observation of organizational similarities and the mechanisms that drive organizations into such homogeneity (DiMaggio & Powell, 1983; Meyer & Rowan, 1977). In recent years, however, researchers have sought to understand organizational heterogeneity (Lounsbury, 2008). Variation in organizational forms is recognized as present more permanently and not only at the first stage in a diffusion process (Tolbert & Zucker, 1996). Accordingly, institutional researchers now seek to explore the micro-level foundation of practices (Lounsbury & Crumley, 2007) and the substantial institutional work of organizational actors who must persuade others of the merits of an emerging innovation and modify it in order to gain legitimacy (Lawrence & Suddaby, 2006; Lawrence, Suddaby, & Leca, 2009). Hence, pursuing this re-orientation in institutional research, the theoretical framework

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for this study builds upon the concept of an 'institutional logic' (Friedland & Alford, 1991; Thornton, Ocasio, & Lounsbury, 2012) explaining social meanings ascribed to micro-level practices, and it also draws more openly on actor-network theory, in particular the concept of 'translation' (Latour, 1986), which focuses on agency and processes of meaning mobilization.

The concept of institutional logic (Friedland & Alford, 1991; Thornton et al., 2012) provides an important link between institutional context and actors participating in meaning creating processes such as translation. Institutional logics are organizing principles providing meaning to social reality. But logics not only guide social behavior, they also constitute resources as they may legitimize new practices. In fact, organizations facing institutional complexity due to multiple logics can exploit institutional contradictions and mobilize institutional logics to serve their purposes (Greenwood, Raynard, Kodeih, Micelotta, & Lounsbury, 2011). However, little interest has been paid to the way actors interpret institutional logics so they fit the local context. In particular, how multiple institutional logics provide different senses of legitimate social meaning and are mobilized, combined and enacted in meaning creating processes such as translation.

Hence, I also draw upon the work of a number of researchers who explore how organizational actors engage in processes of translation. Translation has its origin in actors-network theory (Callon & Latour, 1981; Latour, 1986) explaining how an issue becomes problematized in a specific way, and more and more actors become enrolled and interested in solving this problem. Elaborating upon this, Czarniawska and Joerges (1996) and Sahlin-Andersson (1996) emphasize that in order for an organizational concept — such as a health care center concept — to enter a new context, it needs to be presented as an abstract and de-contextualized model, and actors then 'edit' or construct social meaning that fits their local context. The concept appears as a solution serving local purposes. This facilitates various organizational innovations.

The remainder of this paper is divided into five sections. The next section sets out the theoretical context combining key concepts from neo-institutional theory and actor-network theory; 'institutional logic' draws attention to overarching belief systems, which can be mobilized to legitimize emerging organizational innovations, while 'translation' provides insights into the process by which actors mobilize meaning to shape these organizational innovations. The section ''Methods'' presents the applied method, which is a qualitative analysis. The next section provides an analysis of the mobilization of the health care center concept in the Danish governmental reform and eighteen municipalities' translation of this concept into their local contexts. The findings show that the municipalities created three organizational innovations and they accounted for each innovation by referring to four institutional logics: 'state', 'profession', 'corporation', and ''community. Interestingly, these logics were mobilized and interpreted differently, with the community logic showing particular influence on the health care centers' organizational forms. The last section is a discussion and conclusion of the study.

Theoretical context

While most institutional studies have had a tendency to anticipate a growing field-level consensus and organizational isomorphism, actor-network theory (Callon & Latour, 1981; Latour, 1986) allows for exploring heterogeneity and enduring organizational variation, as well as the conflicting definitions and interpretations that produce those outcomes (Lawrence & Suddaby, 2006; Lounsbury, 2008). However, including actor-network theory in an institutional analysis posits a challenge due to differences in epistemological and ontological assumptions. Whereas neo-institutional theory is straightforwardly *social* constructivist, the approach in actor-network theory builds upon a constructivist ontology that emphasizes that the social world along with the material one co-construct knowledge of reality. And while the neo-institutional studies investigate the institutional belief systems involved in processes of meaning creation, the studies applying actor-network theory explore actors' collective and relational interaction and the enrolment of heterogeneous interests into a coherent powerful network of human as well as non-human actors. This also illuminates that while institutional theory recognizes the existence of institutionalized belief systems ascribing meaning to practices, actor-network theory point to meaning as emerging out of the process by which actors define and (re-define) problematic situations (Callon, 1980; Latour, 2005; Tryggestad & Georg, 2011). However, although actor-network theory differ considerably, the focus on agency and interest mobilization is appealing for institutional analyses. In particular the key concept of translation may complement institutional analysis of emerging social phenomena such as organizational innovations, as it contributes gaining a more detailed and process oriented understanding of the way by which social meanings are mobilized and gaining support in the innovation processes. On the other hand the concept of institutional logic draws attention to overarching belief systems which can be mobilized and ascribed to practices for legitimacy reasons.

Institutional logics

The theoretical concept of institutional logic provides an important analytical link between institutions at the macro structural level and actors at the micro level (Thornton et al., 2012, p. 6). Friedland and Alford (1991, p. 248) define institutional logics as sets of material practices and symbolic constructions constituting organizing principles available to organizations and individuals to elaborate. This means that an institutional logic provides alternate sources of meaning to behavior and practices and is both visible as symbolic language, but also enacted into practices, such as organizational innovations. Recently institutional researchers have paid renewed interest to the notion that multiple institutional logics exist. Thornton et al. (2012) emphasize seven logics are ideal types, including the family, community, religion, state, market, profession and corporation.

The relationship among co-existing logics is understood differently by researchers. Institutional fields — such as health care — might be dominated by shifting logics. In a study of health care Scott, Ruef, Mendel, and Coronna (2000) identify the institutional logics that emerged in U.S. health