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Direction, not destination: Institutional work practices in the face of field-level uncertainty

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ABSTRACT

Though field-level uncertainty represents a common challenge, research seldom addresses how institutional work that aims to influence institutional change occurs in the face of uncertainty. We study institutional work practices in a field beset with high uncertainty. Focusing on a field-configuring event in the semiconductor industry, we show how institutional work is possible through practices of dealing with uncertainty that do not eliminate the basic uncertainty but nevertheless configure the field and institutionalize a common direction without specifying a final destination. We find evidence of the open-endedness and collectiveness of institutional work and we contribute to the microfoundations of institutional theory conceptualizing a set of four practices of dealing with field-level uncertainty purposefully but not purposefully, i.e., bootstrapping, roadmapping, leader-picking, and issue-bracketing. We highlight the reciprocal relationship between practices and uncertainty, focus on the coordination of institutionalization, and distinguish between events in fields marked by high versus low uncertainty.

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1. Introduction

Research on institutional fields tends to neglect uncertainty as it does not appear to be a problem, because institutions, by definition, are assumed to solve this problem and reduce uncertainty (Greenwood, Suddaby, & Hinings, 2002; North, 1990). Uncertainty also seems to be unproblematic for “institutional entrepreneurs” (DiMaggio, 1988) that are supposed to be projective actors who, also by definition, would have a clear vision of the institutions they wish to create and are unaffected by doubt (Bartley, 2007). However, some authors point out that “the exact nature of the relationship between uncertainty and institutional entrepreneurship is [...] not clear” (Hardy & Maguire, 2008: 203). The concept of institutional work (DiMaggio, 1988; Lawrence & Suddaby, 2006) allows us to study institutionalization with a view to the practices involved. In this article, we investigate how, against the background of field-level uncertainty, the general struggle for institutional innovation is not just one of power and coercion, but is rather one of overcoming a lack of knowledge and coordination.

We address this issue by means of an exploration of institutional work conducted in the field of semiconductor manufacturing. Institutional change in this field mainly revolves around the technological paradigm of producing computer chips, which involves a complex set of relationships between actors and artefacts, taken-for-granted understandings and material resources committed. This field represents a prime example of an “opportunity hazy field” (Dorado, 2005: 402) in which actors have developed practices of driving field-level innovation processes forward both in spite of, and in the productive use of, uncertainty. One such practice is convening (Dorado, 2005) and it can be analysed systematically with Lampel and Meyer (2008) concept of “field-configuring events” (FCEs). The semiconductor industry uses FCEs frequently (e.g. Müller-Seitz, 2012; Müller-Seitz & Sydow, 2012; Schubert, Sydow, & Windeler, 2013; Sydow, Windeler, Schubert, & Möllering, 2012), which is an important entry point for our investigation of institutional work. Hence we address the following research question: How do actors use field-configuring events to engage in institutional work when they face field-level uncertainty?

We explore the connections between institutional work and FCEs with an empirical study of which practices employed are employed at such FCEs in the face of uncertainty. We highlight the

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purposive open-endedness of institutional work and shift the emphasis from individual actions towards shared practices and the pragmatic coordination of institutionalization. Our research contributes to the conceptual refinement institutional work, because we suggest a subtle but important difference between *purposive* and *purposeful* action, which refers to the degree of intentionality involved in institutional work. Moreover, we highlight specific practices of ignoring, denying, displacing, and suspending uncertainty as actors engage in collective institutional work. At the same time, we discuss the implications for fields that are marked by uncertainty to a greater or lesser degree. Our overall message, as captured in the title, is that institutional work in the face of uncertainty often requires collectively finding a direction without necessarily having a clear destination.

2. Theoretical background and aims

2.1. Institutional work in the face of uncertainty

We position our study in the literature on institutional work that is interested in the everyday actions of actors and how they might influence institutionalized rules (Lawrence, Leca, & Zilber, 2013; Lawrence, Suddaby, & Leca, 2009). Practices can be understood – drawing, among others, on Giddens (1984) – as situated patterns of action organized around shared, yet malleable, practical understandings in time–space. They are a key element of the institutional work concept as they transcend, by definition, individual action but are nevertheless conceptually rooted in assumptions about agency. Lawrence and Suddaby's (2006: 215) definition of institutional work rests on the “the purposive action of individuals and organizations aimed at creating, maintaining and disrupting institutions.” We adopt this general definition and, at the same time, it is the aim of our study to explore the meaning of “purposive” in this definition and to connect it to field-level practices of dealing with uncertainty. As we show, the key question is how actors engage in institutional work when specific intentions are both difficult to form and urgently required in the face of uncertainty.

While others have asked which conditions enable or trigger institutional work, i.e., make it more likely (e.g., Hardy & Maguire, 2008; Lawrence, 1999), we propose to study how particular conditions influence *how* institutional work is performed. In particular, we argue that institutional work is marked, to a greater or lesser extent depending on the field, by the condition of uncertainty understood in the Knightian sense of the actors' inability to know and assess the possible futures (Knight, 1971). Dorado's (2005) notion of “opportunity hazy fields”, where agency is problematic, is similar to the condition of uncertainty we have in mind. The institutional work concept needs to include the constraining and enabling potential of uncertainty. Take for instance the field-level uncertainty surrounding crises like epidemics which some actors might use, or abuse, to foster their causes (e.g. Müller-Seitz, 2014).

Uncertainty is commonly treated as an undesirable contextual issue that needs to be managed (as ‘risk’) individually (Renn, 2008) or, ideally, eliminated through institutions (North, 1990) and institutional compliance that “reduces ambiguity and uncertainty” (Greenwood et al., 2002: 59). However, Beckert (1999: 782) claims that “uncertainty represents a crucial variable for the explanation of institutional change.” He further suggests that under conditions of field-level uncertainty and institutional instability, a creative form of agency may be triggered in order to regain certainty. Beckert's (1999) argument that the desire to eliminate uncertainty can also give rise to strategic action is supported by other authors who theorize that “uncertainty in the institutional order provides considerable scope for institutional entrepreneurs” (Maguire,

Hardy, & Lawrence, 2004: 659). Zimmerman and Zeitz (2002: 422) even argue that strategic action aimed at acquiring legitimacy for new practices is “more likely to be successful when there is uncertainty in the environment.”

We build on these concepts and investigate a case where field-level uncertainty is used to mobilize actors and get them to engage in collective institutional work. We are interested in the kind of case where all actors are supposed to move in the same direction despite uncertainty about the most desirable destination. We build on the idea that institutional work involves “a wide range of actors” (Lawrence & Suddaby, 2006: 217; Wijen & Ansari, 2007). Thus we contribute to research on distributed agency in institutional contexts (e.g. Lounsbury & Crumley, 2007) and show how actors collectively find new ways of doing things when no-one knows what will work and the field is “opportunity hazy” (Dorado, 2005).

2.2. Field-configuring events and institutional work

We further develop Dorado (2005) idea of convening as a “resource mobilization process” in opportunity hazy fields by drawing upon Lampel and Meyer's (2008: 1026) idea of FCEs, understood as “temporary social organizations [...] that encapsulate and shape the development of professions, technologies, markets, and industries.” We assume that such events can be occasions for addressing field-level uncertainty and engaging in collective institutional work. They allow us to tap into practices that are otherwise difficult to observe, and to explore “social microcosms that can foreshadow and simulate an unrealized shared vision of a focal technology, market, or industry” (Lampel & Meyer, 2008: 1030). We are particularly interested in how institutional work at FCEs supports coordinated investments in the institutionalization of a new field-level technological paradigm with wide-ranging social and economic implications beyond the technological features as such.

Previous research shows how conferences served as field-configuring events for institutionalizing a particular technological option, thus reducing uncertainty for all actors in the field (Garud, 2008). Zilber (2007) presents a case of institutional maintenance at a conference that aimed to reduce the collective uncertainty after a crisis following a high-tech bubble. Schübler, Rüling, and Wittneben (2014) study United Nations climate conferences that are potential, but difficult, events for achieving institutional change in a highly complex and uncertain field. Extending these studies, we presume that conferences are the kind of events that represent opportunities to study in vivo “the old conundrum of agency and structure” (Lampel & Meyer, 2008: 1034) with a particular focus on the condition of field-level uncertainty. Hence our overall research question, put more precisely, is: How do actors use field-configuring events to engage in institutional work when they face field-level uncertainty as a constraint and, at the same time, as a medium for such institutional work?

3. Research setting and methods

3.1. Empirical setting

Previous studies document that the semiconductor manufacturing industry, as a field, is characterized by high uncertainty (Browning & Shetler, 2000). The uncertainty stems in the first place from the radical changes in the technological trajectories being pursued (Brown & Linden, 2009; Sydow et al., 2012). The high uncertainty is related to finding technical solutions in the narrower sense and also involves strong economic and institutional dimensions of uncertainty regarding the required investments and the reliability of any new paradigm established. Against this backdrop, ever since the 1980s actors have been aware that they cannot

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