



The role and contributions of sociological institutional theory to the socio-technical approach to innovation theory

Andriele De Prá Carvalho^{a,*}, Sieglinde Kindl da Cunha^b, Luciano Ferreira Lima^b,
Danielle Denes Carstens^b

^a Universidade Tecnológica Federal do Paraná – UTFPR, Paraná, PR, Brazil

^b Universidade Positivo, Paraná, PR, Brazil

Received 31 May 2016; accepted 9 February 2017

Scientific Editor: Felipe Mendes Borini

Abstract

This study seeks to broaden the analytical scope of the socio-technical approach to innovation theory through the incorporation of a few theoretical constructs from sociological institutional theory. This work is relevant due to its linking of these two theories which have points in common in the explanation of the variables and phenomena that they study, such as the possibility that innovation is diffused through the institutional bases and legitimacy of Institutional Theory, as well as the fact that the relationships between system actors can influence these results. This study uses a narrative literature review to compare these two theories and presents a significant result in applying contributions from institutional theory to the theory of innovation.

© 2017 Departamento de Administração, Faculdade de Economia, Administração e Contabilidade da Universidade de São Paulo – FEA/USP. Published by Elsevier Editora Ltda. This is an open access article under the CC BY license (<http://creativecommons.org/licenses/by/4.0/>).

Keywords: Institutional theory; Innovation theory; Socio-technical approach

Introduction

Environmental pressures make it necessary for organizations to define action strategies to guarantee their survival and legitimacy. Institutional Theory is based on the notion that, in order to survive, organizations need to convince their public that they are legitimate entities that deserve support (Meyer & Rowan, 1991). To gain this legitimacy, organizations create perpetual symbols, ceremonial activities and stories.

Organizational Theory and its theoretical contributions help us to understand and analyze organizations, providing different perspectives to comprehend them. Theory then serves as a guide in defining different approaches to the relationship between an organization and its environment (Hatch & Cunliffe, 2006). In this way, the institutionalization of Innovative Systems can be

explained by Institutional Theory and its theoretical contributions.

This study deals mainly with Institutional Theory, its role and the theoretical bases that influence organizational studies. This in turn has an effect on Innovation Theory, and also explains the importance of Institutional Theory and its theoretical contributions in the analysis of institutions and legitimacy as a way of understanding the innovation process within organizations. Thus, the objective of this study is to broaden the analytical scope of the Socio-Technical Approach to the Theory of Innovation through the incorporation of several constructs from Sociological Institutional Theory in analyzing Innovation from the point of view of Institutional Theory, or in other words, the role of institutions in the Theory of Innovation. The most relevant sources of data were studies of Innovation and Institution Theory.

Methodology

The method used in this study is a narrative literature review. Therefore it doesn't seek to exhaust sources of knowledge about theory in a systematic fashion, but instead studies the principal

* Corresponding author.

E-mail: andridpc@gmail.com (A.D. Carvalho).

Peer Review under the responsibility of Departamento de Administração, Faculdade de Economia, Administração e Contabilidade da Universidade de São Paulo – FEA/USP.

<http://dx.doi.org/10.1016/j.rai.2017.02.001>

1809-2039/© 2017 Departamento de Administração, Faculdade de Economia, Administração e Contabilidade da Universidade de São Paulo – FEA/USP. Published by Elsevier Editora Ltda. This is an open access article under the CC BY license (<http://creativecommons.org/licenses/by/4.0/>).

authors and their works to form a body of knowledge that will be useful in the development of ideas and logical arguments that will enable us to infer which gaps in knowledge may be explored using the Socio-Technical Approach to Innovation based on the contributions provided by analyzing several constructs of Sociological Institutional Theory.

The articles were selected using the criterion of the number of direct references to them in the following search databases and websites: Academic Google, Spell and Web of Science. They were used in a search that wasn't exhaustive, being mainly based on Institutional Theory.

In this way, we seek to identify the literature about how institutionalization processes occur, as well as the main constructs in both theories. Then we relate the main contributions of Sociological Institutional Theory to the Socio-Technical Approach to Innovation Theory.

Institutionalization and institutional theory

Institutional Theory is a continuation and extension of the intellectual revolution that began in the 1960s, which introduced the concept of open systems in the study of organizations. It came to recognize the significant organizational effects that are associated with the increase of cultural and social forces: the institutional environment. Organizations came to be seen as being more than productive systems; they are cultural and social systems (Scott, 2001). Articles by Meyer and Rowan (1991) and Dimaggio and Powell (1983) were key to the growth of Institutional Theory, which has come to encompass a large variety of phenomena within the field of organizational studies (Tolbert & Zucker, 2006).

Sociological Institutional Theory is a coherent whole which encompasses a view of the world (ontology) as well as the knowledge that comes from the relationship between subjects and objects (epistemology). In this sense, one of the main assumptions of Sociological Institutional Theory has to do with the social construction of reality (Berger & Luckmann, 1985), in which the conscience of individuals occurs in a subjective way through a complex interaction of institutional processes. Therefore, it is different from the individual in neoclassical economics who displays a practical/utilitarian rationality, as well as the individual who is alienated from his or her labor by those who own capital and are dominant in terms of material conditions, as in dialectical and historical materialism.

According Scott (quoted from Scott & Davis, 2008, p. 258), "institutions are made up of cultural-cognitive, normative and regulative elements, which together with associated activities and resources offer stability and meaning to social life." In general, according to Scott and Davis (2008), these three forces are present in totally developed institutional systems, with economists and political scientists placing emphasis on regulative, sociological and normative factors, and anthropologists and organizational theorists placing emphasis on cognitive-cultural factors.

The units of analysis of Institutional Theory are organizational fields and populations. Its basic assumptions can be defined as follows: 1. Reality is socially constructed;

2. Organizations are the concretization/materialization of institutions; and 3. Organizations have similar structures and practices because they seek legitimacy.

In Sociological Institutional Theory, organizations and their transactions in an uncertain environment don't just seek the rationalization of processes and spending, but also legitimacy through organizational structures and practices that are similar to the organizational field. The institutional perspective, according to Carvalho, Vieira, and Lopes (1999, p. 6), "abandons the conception of an environment formed exclusively by human, material and economic resources to emphasize the presence of cultural elements: values, symbols, myths, system beliefs and professional programs."

There are various forms of institutionalism in various fields of knowledge (Guarido & Costa, 2012). However, sociological organizational institutionalism offers important contributions to the study of organizations in expressing social values. As understood by Carvalho et al. (1999, p. 7) "technical and institutional environments sustain different rationales: in a technical environment the 'rational' is what enables organizations to be efficient and produce goods and services that are accepted by the market and thus achieve their goals; in an institutional environment, on the other hand, rational action is represented as a procedure that can give the organization legitimacy in the present and the future."

Through theoretical development, depending on ontological and epistemological positioning, one can explain, represent, synthesize, and make predictions or inferences about reality. Institutional Theory has gone through various transformations in terms of its episteme, thus providing a variety of different looks at social phenomena. It should be pointed out that some constructs have become central to organizational literature, such as, for example: institutional environment, legitimacy, isomorphism and organizational field, which have elevated investigations to the level of complex socio-cultural relationships.

In terms of isomorphism, an organizational phenomenon identified and named by Dimaggio and Powell (1991, 2007), there is in fact a surprising homogeneity of organizational forms and practices (Dimaggio & Powell, 2007). The rationalist conception of organizational reality is based on the assumption that organizations are oriented by objectives and the search for efficiency. However, organizations constitute the concretization of socio-cultural and cognitive interactions, which seek legitimacy within a given social context. This explains from an organizational institutional theory perspective why similar organizational practices have been adopted.

The concept of the organizational field should also be emphasized within Sociological Institutional Theory. According to Scott (2008), it can be viewed as a unit or level of analysis, involving relational and symbolic dimensions that encompass all relevant actors (Dimaggio & Powell, 1983), institutional logic and governance structures. It can also be viewed as having become the central concept of Neo-Institutional Theory (Wooten & Hoffman, 2008). Strictly speaking, the field is "a community of organizations that share systems of significance and whose participants interact more frequently and decisively between one

Download English Version:

<https://daneshyari.com/en/article/7429610>

Download Persian Version:

<https://daneshyari.com/article/7429610>

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