



# Development, forms and effects of governance structures for enabling sustainable coexistence of balanced institutional logics: case study in new French energy R&D collaborative organizations.

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## **Sub-theme 57: The Multiplicity of Institutional Logics**

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### **Title**

Aiming for institutional plurality: how intermediate governance forms can shift actors' perception of institutional complexity.

### **Abstract**

Governance models, viewed as systems of meaning are highly relevant in navigating institutional plurality. Building on the creation of new forms of collaborative research organizations in France and in the renewable energy sector, we explore some of the ex-post effects of intermediate governance forms. We examine how they can influence meanings associated with simultaneous institutional logics, shifting actors' perception of institutional complexity to productive institutional plurality. Our findings contribute to organizations response to institutional complexity and their influence on institutional dynamics of meanings.

### **Key words:**

Institutional Logics, Institutional Complexity, Institutional Plurality, Meanings, Governance strategies

## Introduction

Despite a growing academic interest in institutional pluralism and complexity (Dunn and Jones 2010; McPherson and Sauder 2013; Murray 2010; Pache and Santos 2010) there is still modest empirical research on structural arrangements strategies that organizations adopt to navigate institutional complexity (Raynard and Greenwood 2014). The institutional view of governance models stands for articulated systems of meaning, explaining and justifying the proper allocation of power and resources (Fiss 2008). They are concerned with the choices regarding the generation and use of resources between multiple stakeholders (Ocasio and Radoynovska 2016) and associated risks. However, there is little research in exploring how governance can facilitate a shift in actors' perception of institutional complexity to plurality and can influence associated meanings.

In empirical terms, I build on the French state initiative from 2013, to introduce new collaborative research organizations in the renewable energy sector (labeled ISE<sup>1</sup>), with stakeholders embedded in multiple institutional logics: bureaucratic/state, science/academic and economic/industrial. Organizations adopt various intermediate governance strategies in order to respond to institutional complexity. The study shows that intermediate governance strategy, can, in some cases, create a shift in stakeholders' perception of complexity and result in reduced tensions between institutional logics. My study advances research in the role of organizational governance in mitigating potential conflicting interests (Ebrahim, et al. 2014; Mair, et al. 2015) and on the influence of structures on meanings (Zilber 2008).

After defining the key theoretical concepts and explaining the case study and methodology, the current paper will present preliminary findings and discussions before concluding with short key contributions and future research opportunities.

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<sup>1</sup> Institute for Sustainable Energy = "Institut Transition Energétique" (French)

## **Preliminary discussion and conclusion:**

The heretical governance mitigates tensions between industrial and bureaucratic logics and allows to respond to the coercive pressure from the state (Raaijmakers, et al. 2014). It also provides “space” for conducting market governance, which mitigates tensions between industrial and academic logics. By conforming to scientific/academic logics through market governance models, some institutes manage to counter the influence of the state and turn the risk into an opportunity (Durand and Jourdan 2012). Such intermediate governance decouples tensions between the three institutional logics.

Authors (Vangen, et al. 2015) draw attention to tensions regarding ‘efficiency and inclusiveness’. These are often associated with the governance of inter-organizational collaborations. Intermediate governance forms can help mitigating these tensions. Robustness and control associated with hierarchical governance influence positively state and industrial confidence in its efficiency and thereby its ability to meet economic and bureaucratic demands. Autonomy and flexibility associated with market governance facilitates inclusiveness and academics’ need for legitimacy. By combining some logics and by decoupling others simultaneously, balanced intermediate governance can hence influence meanings associated with collaborative research and enhance actors’ motivation to leverage respective resources. It can contribute to change perceived institutional complexity into institutional plurality. As a result, this can further develop dynamic and productive tensions associated with institutional plurality.

While combined and balanced governance models are critical in the positive meanings associated with these new organizations, the hierarchical seems to be a pre-condition. In the full paper, other factors related to the governance strategies and influencing actors’ perceptions will be added. This will include cases, where governance strategies adopted by organizations, did not foster positive changes in actors’ perception.

One limit of this research may be the cultural aspect, as these institutes reflect French collaborative research culture. Future research could explore similar cases in countries assumed to prefer agency theory governance models, such as UK or Switzerland. Additionally, future research could investigate whether this field is shifting from the previously dominant institutional logic of science/academia to more business-like science

logic. This could be a parallel to the Alberta case and the shift from medical professionalism to a business-like health care logic (Reay and Hinings 2005).

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