
Gustavson School of Business
Faculty Publications

Media review: Ronald L. Jepperson and John W. Meyer Institutional Theory: The Cultural Construction of Organizations, States and Identities

Suddaby, R.

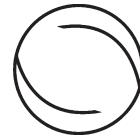
2022

© 2022 Roy Suddaby. This is an open access article distributed under the terms of the Creative Commons Attribution License. <http://creativecommons.org/licenses/by-nc/4.0/>

This article was originally published at:
<https://doi.org/10.1177/01708406221126291>

Citation for this paper:

Suddaby, R. (2022). "Media review: Ronald L. Jepperson and John W. Meyer Institutional Theory: The Construction of Organizations, States and Identities." *Organization Studies*, 0(0), 1-4. <https://doi.org/10.1177/01708406221126291>



Media Review

Organization Studies

1–4

© The Author(s) 2022



Article reuse guidelines:

sagepub.com/journals-permissions

DOI: 10.1177/01708406221126291

www.egosnet.org/os**Ronald L. Jepperson and John W. Meyer****Institutional Theory: The Cultural Construction of Organizations, States and Identities**

Cambridge, UK: Cambridge University Press, 2021.

Reviewed by: Roy Suddaby , *University of Victoria, Canada & Washington State University, USA*

This collection of reprints and new reflective articles by the authors may be the antidote that saves institutional theory from itself. The overarching theme of Jepperson and Meyer's book reminds us, particularly those of us housed in business schools, why we first fell in love with institutional theory. The theory appeals because it rejects the essentialism that permeates most theories of management and organization. The core argument of institutional theory, skillfully woven through each chapter of this text, is that much of what appears to be rational and agentic is often a post hoc claim of rationality and agency, a vocabulary of motive used to justify an act, practice or social structure by framing it in a culturally acceptable manner. My own fascination with institutionalism rests on this brilliant insight—i.e., that rationality, agency, and actors, the very constructs that form the foundation of our field, are really myths generated by an ongoing dynamic of cultural construction (Ganzin, Islam, & Suddaby, 2020).

For a time, institutional theory's rejection of essentialism proved to be incredibly generative for the field of organizational studies. Finally we had an accessible theory that explained the expansive role of organizations in society and the concomitant expansion of rules, rights, roles, and categories of the self. As Jepperson and Meyer observe, institutional theory is a logical extension of a conversation that began with Weber's description of the inexorable expansion of rationality in modernity. The authors trace these threads through to Berger and Luckmann's (1966) notion of the social construction of reality. The careful reader will note their acknowledgment of the important contributions made to institutionalism by Kenneth Burke, by way of C. Wright Mills (1940), regarding how culturally determined events are made to appear rational and agentic by post hoc explanations of motive. This is the dynamic of cultural construction elaborated by Jepperson and Meyer.

We see this dynamic at work, perhaps with increasing transparency, today. The shootings at Sandy Hook Elementary School, for example, were not the tragic product of a society where guns occupy a central role in politics, economics, and cultural history. Rather, we are told, they were the result of a deranged individual, a breakdown of the rule system, or perhaps a conspiracy constructed by corrupt media. The cultural construction of motives requires an explanation that places reason and agency, ideally at the individual or organizational level of analysis. Similarly, the recent US college admission scandal is not the result of a society obsessed by elite education, but instead is explained by the greed of a few bad actors. These accounts of individuals and their motives,

Jepperson and Meyer remind us, are cultural dramas based on reductionist and essentialist myths that distract our attention away from the broader cultural frames that produce both the problems and their essentialist explanations. More critically, as Jepperson and Meyer observe, our bias to reductionism encourages us to look down levels of analysis for explanatory accounts of these events rather than up.

When institutional theory moved to the business school, however, a series of new constructs began to reclaim certain aspects of essentialism. The construct of institutional entrepreneurship reclaimed agency as a property of elite actors, institutional logics reclaimed rationality as a differentiated set of types of reason, and institutional complexity reclaimed actorhood as an agentic “choice” between different logics. By attributing choices to actors with agency, organizational institutionalism has come to the mistaken conclusion that these expressions of motive emanate from the entity itself, the actor, rather than from a cultural system that produced both the actor and the motive. Indeed, the proliferation of different types of institutionalism, and the creeping entropy toward essentialism, suggest that when institutional theory moved to business schools, rather than transforming how we theorize organizations, we actually began to transform institutional theory in ways that illustrate the very tenets of cultural construction that Jepperson and Meyer describe. That is, institutional theory in organization studies may simply be a recreation of contingency theory, albeit with more social-symbolic variables. How can we salvage the soul of institutionalism in organization theory?

Jepperson and Meyer offer a way forward. Their book, organized in four sections, serves as an antidote to creeping essentialism in organizational institutionalism by reminding us of the evolution of the core tenets of the theory. The first section consists of an original essay that elaborates cultural construction as the core construct of institutional theory. This is not the culture in our undergraduate textbooks in anthropology, social psychology, or organizational theory. Rather, this is the culture of ideology conceived by Horkheimer and Adorno (2002) as the recursive relationship between “a civilization’s socioeconomic structure” and “humanity’s imaginative reach.” Culture, according to Jepperson and Meyer, is the dominant dynamic of human existence that stands in contradistinction to rationality, empiricism, science, and material technology, and, in so doing, serves to define them. Despite their pervasiveness, scientific empiricism and economic rationality are concepts that are created and changed by shifts in culture that ultimately change the meaning systems under which social life occurs. Perhaps the philosophical term that comes closest to capture the authors’ use of the term culture in this text is Husserl’s (1936) notion of *lifeworld*—the universe of what is collectively experienced as self-evident, given or taken for granted.

The second section explores the evolution of institutional theory, and the role of cultural construction in social analysis over time. It consists of three classic papers and one reflection paper. Collectively the papers describe the shift of institutional theory from the margins to the mainstream of sociology. The authors link the trajectory of growing interest in institutionalism to the historical emergence and success of neoliberal economics in western industrial societies. As these societies experienced enhanced economic productivity, and growing technological and political control, and as work moved from physical labor to knowledge work, the cultural environment gained more centrality in the life-world. Institutional theory offered the conceptual language to describe this cultural transition.

The third section elaborates the primary level of analysis for institutional theory. The section consists of two previously published papers and one original reflection essay. The authors acknowledge the challenge in identifying an appropriate level of analysis for what is inherently a multilevel phenomenon. However, they provide a very helpful reminder of the dangers of reductive thinking—i.e., the inherent tendency to look down the levels of analysis for answers rather than up—and of methodological individualism—i.e., the false assumption that we can

explain phenomena at higher levels by simply summing, averaging and extrapolating phenomena at lower levels.

The final section is devoted to the recurring problem of actors in social theory. The section comprises two classic papers and one original reflective essay. Here the authors chastise social scientists for taking for granted cultural assumptions of actors and agency as the natural product of some essential aspect of humanity rather than seeing actors and agency for what it really is, an effort to attribute outcomes that are historically or culturally generated to expressions of self-interested and purposive actions of agentic actors. The essay along with the two previously published chapters stand as helpful reminders of the totalizing power of contemporary culture which so deftly conflates capitalism with human rights that college students now see themselves as consumers and consumers see mask restrictions at shopping malls as a violation of their universal human rights, while both groups remain blind to the pervasive economic inequality that grants them the privilege of these perceptions.

The core contribution of this volume is to remind established scholars of the intellectual foundations of institutional theory. Jepperson and Meyer remind us that what often passes for rationality in organizations is merely an illusion of rationality created by culturally determined assumptions of how rationality should appear (Suddaby, Ganzin, & Minkus, 2017; Creed, Taylor, & Hudson, 2020). The illusion is perfected when we attend primarily to the outcomes of processes of institutionalization and fail to attend to the processes themselves (Bouilloud, Pérezts, Viale, & Schaepelynck, 2020). The timing is perfect if we are to save institutional theory from itself. Organizational institutionalism is proud of its status as a “big tent”. But what if the big tent is, ironically, simply an illustration of the model of cultural reproduction that Jepperson and Meyer describe? What if the proliferation of stages of institutionalism, an ever-expanding number of types of institutional logics, categories of institutional work, or variations of institutional complexity are simply another facet of the proliferation of cultural models of rationality and agency that institutional theory identifies as an illusion of choice, a false consciousness we have created because of our need to look for reductionist solutions to what are really macro-cultural problems? What if the search for micro-foundations of institutions is an oxymoron?

The real value in Jepperson and Meyer’s text is contained in the new reflective essays that offer an account of the evolution of institutional theory in three stages, each of which correlates with an era in the evolution of liberal thought. Institutionalism first emerges in the era of embedded liberalism (1945–1980), where nation states solidified their political and economic power over individual citizens and began to endow them with identities and rights. Institutionalism moves from the margins to the mainstream of social theory in the era of neo-liberalism (1980–2010) where the weakening power of nation-states succumbs to the growing power of global trade, meta-national organizations (United Nations, European Union) and trade agreements, and emerging rationalization of identity and rights at the global level of analysis. In the third stage, which Jepperson and Meyer term “post liberalism,” the status of the rationalized individual and globalized organizations begin to be questioned in the context of re-emerging relevance of both nation-states and more traditional institutions such as religion and populist social movements. Here Jepperson and Meyer begin to emphasize the potential value of historical analysis in institutional theory.

A weakness in the book, if any, is that the last chapter tantalizes the reader with the prospect of a shift to historical institutionalism, but fails to fully elaborate precisely how historical methods and frames can be best utilized in institutional analyses. The authors emphasize the importance of history in processes of cultural construction, but stop short of showing us how we might best deploy historical techniques to study the processes by which cultural tastes and standards change. It is clear that Jepperson and Meyer are not promoting the archaeological analysis of Foucault. Rather, the more traditional techniques of historical analysis used in historical sociology (Abrams,

1982) appear to be the methods favored in this book. It would have been helpful to hear more from the authors on this subject. Historians and historical sociologists seem to share many of the conceptual assumptions of Jepperson and Meyer around reductionism and essentialism in explaining how large-scale social changes occur and the role of the individual in those processes. The authors, I suspect, would not disagree with Abrams' (1982, p. 227) observation that "society must be understood as a process constructed historically by individuals who are constructed historically by society."

Regardless of the intended destination, Jepperson and Meyer have provided an invaluable road map for incumbent and new entrants into the institutional fold. New entrants will find the history of institutional theory presented here to be more coherent than that found in other texts or handbooks. Here, the distinction between "old" and "new" institutionalism falls away and the new reader is offered a clear intellectual path from Weber to modern sociological and organizational institutionalism. Incumbents will find the text to be a useful reminder of what is truly distinctive about institutional theory. More critically, incumbent readers will find a cautionary tale of why we should worry about the inexorable "pull" of essentialism in institutional theory and why we should rage against it.

ORCID iD

Roy Suddaby  <https://orcid.org/0000-0002-9167-9180>

References

- Abrams, Philip (1982). *Historical sociology*. Ithaca, NY: Cornell University Press.
- Berger, Peter L., & Luckmann, Thomas (1966). *The social construction of reality: A treatise in the sociology of knowledge*. New York: Anchor Books.
- Bouilloud, Jean-Philippe, Pérezts, Mar, Viale, Thierry, & Schaepelynck, Valentin (2020). Beyond the stable image of institutions: Using institutional analysis to tackle classic questions in institutional theory. *Organization Studies*, 41, 153–174.
- Burke, Kenneth (1969). *A grammar of motives*. Berkeley, CA: University of California Press.
- Creed, W. E. Douglas, Taylor, Steven S., & Hudson, Bryant Ashley (2020). Institutional aesthetics: Embodied ways of encountering, evaluating, and enacting institutions. *Organization Studies*, 41, 415–435.
- Ganzin, Max, Islam, Gazi, & Suddaby, Roy (2020). Spirituality and entrepreneurship: The role of magical thinking in future-oriented sensemaking. *Organization Studies*, 41, 77–102.
- Horkheimer, Max, & Adorno, Theodor W. (2002). *Dialectic of enlightenment: Philosophical fragments*. Stanford, CA: Stanford University Press.
- Husserl, Edmund (1991[1936]). *The crisis of the European sciences and transcendental phenomenology*. Dordrecht: Kluwer.
- Mills, C. Wright (1940). Situated actions and vocabularies of motive. *American Sociological Review*, 5, 904–913.
- Suddaby, Roy, Ganzin, Max, & Minkus, Alison (2017). Craft, magic and the re-enchantment of the world. In Sabina Siebert (Ed.), *Management research: European perspectives* (pp. 41–72). Abingdon, UK: Routledge.