

## MULTIPLE INSTITUTIONAL LOGICS IN ORGANIZATIONS: EXPLAINING THEIR VARIED NATURE AND IMPLICATIONS

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Multiple institutional logics present a theoretical puzzle. While scholars recognize their increasing prevalence within organizations, research offers conflicting perspectives on their implications, causing confusion and inhibiting deeper understanding. In response, we propose a framework that delineates types of logic multiplicity within organizations, and we link these types with different outcomes. Our framework categorizes organizations in terms of logic compatibility and logic centrality and explains how field, organizational, and individual factors influence these two dimensions. We illustrate the value of our framework by showing how it helps explain the varied implications of logic multiplicity for internal conflict. By providing insight into the nature and implications of logic multiplicity within organizations, our framework and analysis synthesize the extant literature, offer conceptual clarity, and focus future research.

Institutional environments are often pluralistic. . . . As a result, organizations in search of external support and stability incorporate all sorts of incompatible structural elements (Meyer & Rowan, 1977: 356).

Scholars have long argued that organizations must continually respond to multiple institutional demands. In early research Selznick (1949, 1957) explored organizational responses to diverse expectations emerging from the external environment, while Cyert and March (1963) highlighted the varied reactions to divergent demands from internal subgroups. As the above quotation suggests, Meyer and Rowan (1977) further emphasized how plurality in the institutional environment manifests in often incompatible internal organizational arrangements.

Only recently, however, have researchers begun to explore in depth the prevalence and implications of incorporating multiple institutional

demands within organizations. This work often draws on the concept of institutional logics, which Thornton, Ocasio, and Lounsbury (2012) define as socially constructed sets of material practices, assumptions, values, and beliefs that shape cognition and behavior. The presence of multiple logics within organizations is common across a wide variety of fields, including social enterprise (Dacin, Dacin, & Tracey, 2011), health care (Dunn & Jones, 2010), cultural industries (Glynn & Lounsbury, 2005), life sciences (Murray, 2010), professional services (Smets, Morris, & Greenwood, 2012), and manufacturing (Greenwood, Díaz, Li, & Lorente, 2010).

Research offers divergent conclusions about the consequences of logic multiplicity within organizations. While some scholars associate multiple logics in organizations with contestation and conflict (Battilana & Dorado, 2010; Zilber, 2002), others describe coexistence (McPherson & Sauder, 2013) or logic blending (Binder, 2007). In addition, some researchers depict the presence of multiple logics as threatening performance and ultimately leading to organizational demise (Tracey, Phillips, & Jarvis, 2011), whereas others argue that logic multiplicity makes organizations more enduring, sustainable, and innovative (Jay, 2012; Kraatz & Block,

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2008). Moreover, some scholars indicate that logic multiplicity within organizations facilitates transitions between logics at the field level (Haveman & Rao, 1997), while others show how the coexistence of multiple logics within organizations enables multiplicity to persist at the field level (Reay & Hinings, 2009). Existing research offers little insight, however, into the conditions under which these different outcomes arise. We do not know, for example, why multiple logics produce internal conflict in some organizations but become seamlessly blended in others. Nor can we explain why logic multiplicity leads to paralysis and demise in some organizations but growth and survival in others. In addition, studies offer limited insight into why logic multiplicity within organizations sometimes supports field-level change in logics while other times fosters logic stability and persistence at the field level. Understanding these issues is critical given the prevalence of multiple logics within organizations and their implications for organizational and field outcomes.

We address this gap. Our key assertion is that the implications of logic multiplicity depend on how logics are instantiated within organizations. While existing research demonstrates the prevalence of logic multiplicity, it tends to treat this phenomenon as relatively homogeneous. Scholars often describe organizations as either embodying multiple logics or not. Yet a brief exploration of the literature suggests wide variation in how multiple logics manifest internally. For example, in some organizations multiple logics influence the core mission and strategy (Pache & Santos, 2013b), while in other organizations a single logic dominates and additional logics are more peripheral (Jones, Maoret, Massa, & Svejenova, 2012). However, discussions of this heterogeneity are strikingly absent from the literature. We argue that understanding heterogeneity in how multiple logics manifest within organizations is critical because it has significant implications for predicting outcomes.

In this article we theorize about the heterogeneous ways in which multiple logics manifest within organizations and their implications for organizations and institutional fields. To do so we propose two critical dimensions that delineate this heterogeneity: compatibility—the extent to which the instantiations of multiple logics within an organization imply consistent

organizational actions—and centrality—the extent to which these logics manifest in core features that are central to organizational functioning. We identify nested and intertwined aspects of institutional fields, organizations, and individual members that impact compatibility and centrality. We then build these dimensions into an integrative framework that depicts four ideal types of logic multiplicity in organizations, and we illustrate the utility of our framework by applying it to an analysis of internal conflict.

By expanding insight into the nature and implications of logic multiplicity within organizations, our framework makes several contributions to institutional theory. First, it provides a conceptual apparatus for describing different ways in which multiple logics manifest within organizations. It thereby reorients research away from a focus on whether or not an organization embodies multiple logics toward a focus on how and to what extent organizations embody multiple logics. Second, by categorizing organizations in terms of their degree of logic compatibility and centrality, our framework provides a basis for understanding the varied implications of logic multiplicity within organizations. In this respect the framework speaks to and advances the growing body of research on institutional complexity (Greenwood, Raynard, Kodeih, Micelotta, & Lounsbury, 2011), pluralism (Kraatz & Block, 2008), and hybridity (Battilana & Dorado, 2010; Jay, 2012; Pache & Santos, 2013b). Finally, by explaining how factors at multiple levels of analysis affect compatibility and centrality, our framework accounts for the institutional constraints on organizations and their leaders while also pointing to practices through which leaders can exert agency to influence logic multiplicity. In so doing, we offer insight into how logics and action interact to inform the instantiation of multiple logics within organizations (McPherson & Sauder, 2013), and we connect research on institutional logics with broader conversations in institutional theory that explore how organizations are influenced by both structure and agency (e.g., Delbridge & Edwards, 2013; Greenwood & Suddaby, 2006; Seo & Creed, 2002).

## DEFINITIONS AND ASSUMPTIONS

Consistent with a growing body of research, we adopt Thornton and Ocasio's definition of

institutional logics as “socially constructed, historical patterns of material practices, assumptions, values, beliefs and rules” (1999: 804). Each distinct institutional logic provides a coherent set of organizing principles for a particular realm of social life. Yet logics often overlap such that actors confront and draw on multiple logics within, not just across, social domains (Friedland & Alford, 1991). In addition, logics manifest at multiple levels. At the societal level, scholars delineate seven distinct institutional orders and associated logics: family, community, religion, state, market, profession, and corporation (Thornton et al., 2012; see also Friedland & Alford, 1991, and Thornton, 2004). The instantiations of logics within fields, organizations, and individuals draw from and are nested within these societal-level logics. For example, in a study of higher education publishing, Thornton (2002) described the industry’s editorial and market logics as derived from societal-level professional and market logics.

This definition of institutional logics contains four assumptions that are critical to our analysis. First, we assume that societal-level institutional logics manifest within organizations in a variety of ways, as a result of factors such as the geographic, historical, and cultural context in which organizations operate (Greenwood et al., 2010), the dependence of organizations on key resource providers (Jones et al., 2012), and the experiences and identities of individual actors (Lok, 2010). Second, we assume that most organizations embody multiple logics. Organizations frequently confront environments in which multiple institutional logics are present and thus reflect these different logics in their structures and practices (Greenwood et al., 2011; Kraatz & Block, 2008). This is variable, however. In some cases one logic can be so dominant that it eclipses other logics, rendering them immaterial to organizational functioning, and in other cases multiple logics are so similar they blend to provide a single set of practices, assumptions, values, beliefs, and rules (e.g., Greenwood & Suddaby, 2006; Haveman & Rao, 1997). Such organizations embody multiple logics, but the type of multiplicity they exhibit has little effect on organizational functioning. Together, these first two assumptions motivate our theorizing, which seeks to explain the heterogeneity in how multiple logics become instantiated within organizations.

Third, we assume that even as logics influence cognition and action, actors can influence how logics are instantiated in organizations. As Friedland and Alford (1991) emphasized, institutional logics offer broad sets of cultural justifications upon which actors draw, although not always consciously, to support particular practices and ways of being. At the same time, actors’ practices and ways of being can both reinforce and challenge the assumptions, values, beliefs, and rules considered appropriate within a particular realm of social life (see also DiMaggio, 1997). Thornton and Ocasio have further underscored this mutually constitutive relationship between logics and action, noting that “institutional logics shape rational, mindful behavior, and individual and organizational actors have some hand in shaping and changing institutional logics” (2008: 100). This assumption is central to our framework since the agency of organizational and individual actors contributes to variation in how multiple logics become instantiated within organizations.

Fourth, we assume that the prevalence of particular logics within an organization, as well as the relationships between these logics, varies across time and across contexts (Thornton et al., 2012). Change in how logics emerge in organizations can occur for several reasons, including the cultural entrepreneurship of individual actors (DiMaggio, 1982), the dynamics of intraorganizational practices and identities (Lounsbury, 2007; Lounsbury & Crumley, 2007), and exogenous events that create overlapping roles, structures, or functions within organizations (Thornton, Jones, & Kury, 2005). This assumption underpins our theorizing about factors leading to variation in logic multiplicity and our discussion of change in logic multiplicity over time.

#### KEY DIMENSIONS OF LOGIC MULTIPLICITY WITHIN ORGANIZATIONS

To explain heterogeneity in how multiple logics manifest within organizations, we propose a framework for categorizing types of logic multiplicity based on two key dimensions. The first dimension describes the degree of compatibility between the organizational instantiations of multiple logics (“compatibility”). The second dimension describes the extent to which multiple logics manifest in core features that are central to organizational functioning (“centrality”). We

conceptualize compatibility and centrality as continuous dimensions such that organizations can theoretically be located at any point along each dimension. Variation in an organization's level of compatibility and centrality is influenced by nested and intertwined factors at multiple levels of analysis, including features of institutional fields, organizations, and individuals. In this section we unpack these effects by considering how factors at each level—and the interaction of these factors—can affect the degree of compatibility and centrality. Table 1 provides a summary of our argument.

For the sake of parsimony, our explanation focuses on the instantiations of two logics within organizations and assumes that at least one of the logics in question manifests in core features that are central to organizational functioning. We also treat compatibility and centrality as uniform across an entire organization. In the Discussion section we consider how our framework can be applied to organizations that embody more than two logics (e.g., Greenwood et al., 2010) and how it can be extended to take account of variation in logic multiplicity across organizational subunits (e.g., Binder, 2007).

### Compatibility

A key point of difference in research on multiple logics concerns the relationship between logics. In their early conceptualization Friedland and Alford (1991) emphasized the inconsistencies between logics. Building on this work, Thornton and Ocasio (2008) argued that the institutional logics perspective provides insight into the contradictions that emerge in beliefs and practices. Similarly, Greenwood and colleagues defined institutional complexity as the condition that emerges when organizations

“confront incompatible prescriptions from multiple institutional logics” (2011: 318). However, other research suggests that organizations can embody two or more logics in a relatively compatible fashion, and these logics may ultimately blend to create new organizational forms (Rao, Monin, & Durand, 2005; Stark, 1996). Haveman and Rao (1997), for example, showed how multiple logics combined within thrifts, ultimately fostering a shift at the field level from a logic of mutuality to a logic of bureaucracy.

To account for these differences in the relationship between logics, we propose compatibility as a key dimension along which logic multiplicity varies within organizations. We define compatibility as the extent to which the instantiations of logics imply consistent and reinforcing organizational actions. Consistency regarding the goals of organizational action is more important for compatibility than consistency regarding the means by which goals are to be achieved. This is because goals reflect core values and beliefs and are evaluated based on a logic of appropriateness, making them hard to challenge or modify. In contrast, means are evaluated based on a logic of consequence and are therefore more malleable (Jones & Massa, 2013; March, 1994; Pache & Santos, 2010). As a result, compatibility is lower when there are inconsistencies regarding the goals of organizational action than when there are inconsistencies involving only the means by which goals are achieved.

At the field level, one powerful influence on the degree of logic compatibility is the number of established professional institutions within an institutional field and the relationships between them. Professional institutions affect compatibility inside organizations because they influence the availability of members who carry

**TABLE 1**  
Drivers of Variation in Compatibility and Centrality

| Level of Analysis   | Factors That Influence Compatibility                              | Factors That Influence Centrality                                     |
|---------------------|---|---|
| Institutional field | Number of professional institutions and relationship between them | Power and structure of field actors (i.e., fragmented centralization) |
| Organization        | Hiring and socialization  | Mission and strategy<br>Resource dependence                           |
| Individual          | Ties to field-level referents<br>Interdependence                  | Adherence to logics<br>Relative power                                 |

particular logics (Jones & Dunn, 2007). When multiple professional groups are active within a field and compete for resources and power, members of each profession emphasize the legitimacy of their knowledge base vis-à-vis that of other professionals in order to maintain jurisdictional control (Abbott, 1988; Dunn & Jones, 2010). This situation decreases compatibility since each professional group asserts its own logic as unique and incommensurable with the logics of other professional groups. In contrast, when just one professional group is active in a field, when multiple professional groups are active but one is clearly dominant, or when the claims of different professional groups do not overlap, fewer battles for jurisdictional control occur, resulting in higher logic compatibility. For example, for most of the twentieth century, the medical profession dominated the health care field in the United States, and professional groups such as nurses and pharmacists deferred to physicians (Freidson, 1970; Starr, 1982). In contrast, since the middle of the twentieth century, many professions have competed for dominance in the field of business—including finance, accounting, law, and human resources. Each profession has its own distinct approach to defining and solving organizational problems (Barley & Tolbert, 1991), resulting in lower logic compatibility.

Organization-level practices and characteristics further impact logic compatibility. For example, hiring and socialization practices influence who is in an organization, the nature of the logics they carry, and therefore the compatibility of those logics. Organizations vary, however, in the extent to which they have discretion over who to hire and how to socialize. Discretion is likely to be greater in emerging fields where professional institutions are not yet well established and in young organizations where an existing member base is not yet firmly entrenched. For instance, Battilana and Dorado (2010) described how leaders of the Los Andes microfinance organization, a young organization in an emergent field, hired members who were carriers of neither the organization's banking logic nor its development logic and socialized them to adhere to an integrated mission incorporating both logics. Such practices can lead to increased logic compatibility compared to the practice of hiring members with professional training in either the banking or the social work logic.

Finally, the characteristics of members can further influence logic compatibility. Even as factors such as professional institutions at the field level and hiring and socialization practices at the organizational level affect compatibility by influencing the logics carried by members, members exercise some degree of agency as they selectively draw on, interpret, and enact logics (Jones & Livne-Tarandach, 2008; McPherson & Sauder, 2013). Members' use of logics is shaped in part by the nature of their intra- and extraorganizational relationships. Strong ties to field actors associated with the logic(s) members carry can reinforce the influence these logics have over behavior, whereas weaker ties diminish this influence (Greenwood et al., 2011). Weaker ties therefore enable members to deviate from the logic within which they have been socialized and to treat multiple logics as more compatible. As a result, weaker ties to field actors associated with the logics carried by members increase compatibility while stronger ties decrease compatibility. For example, Glynn (2000) described musicians in the Atlanta Symphony Orchestra as having strong ties to field-level professional institutions, which led them to adhere closely to the aesthetic logic represented by their profession and created incompatibility with the market logic carried by the orchestra's administrators.

Members' relationships to one another and their degree of interdependence can counterbalance the effect of members' ties to the field. When members have close relationships to one another or are more interdependent, they are motivated to develop more compatible ways of enacting multiple logics (e.g., Smets et al., 2012). Doing so enables efficient and effective organizational action and fosters group cohesion (McPherson & Sauder, 2013). This increases logic compatibility within the organization, even as the logics in question may remain incompatible at the field level. For example, McPherson and Sauder (2013) showed that members of a drug court, who had to cooperate with one another in order to effectively supervise clients, frequently deviated from the logic into which they had been socialized: they drew on their "home" logic to support divergent goals, and they also made use of alternative logics present within the organization.

## Centrality

A second point of difference in research on multiple logics in organizations revolves around the extent to which more than one logic is core to organizational functioning. Early institutional researchers suggested that organizations often respond to multiple demands from the environment by decoupling such that one set of demands determines the core work tasks of the organization while other demands are accommodated through activities and structures more peripheral to organizational functioning (Meyer & Rowan, 1977). In contrast, recent studies of institutional complexity and pluralism point to organizations in which multiple institutional demands permeate work activities in the organizational core, as opposed to being split between core and periphery (e.g., Pache & Santos, 2013b).

These differences in the extent to which multiple logics influence organizational functioning suggest a second critical dimension along which logic multiplicity within organizations varies, which we denote as centrality. We define centrality as the degree to which multiple logics are each treated as equally valid and relevant to organizational functioning. Centrality is higher when multiple logics are instantiated in core organizational features that are central to organizational functioning and lower when a single logic guides core operations while other logics manifest in peripheral activities not directly linked to organizational functioning.

As with compatibility, centrality can be influenced by features of institutional fields, organizations, and individual members. Field structure is one particularly important factor for centrality. Fields characterized by "fragmented centralization" are fragmented in that they include distinct and uncoordinated clusters of institutional actors on whom organizations depend, and they are centralized in that each cluster has a clear hierarchy that promulgates a unified set of demands (Meyer & Scott, 1983). These types of fields create pressure on organizations to conform in their core operations to the logics represented by each cluster of actors, increasing centrality. In their study of the Canadian health care field, for example, Reay and Hinings (2009) showed how fragmented centralization involving the state and multiple professional groups resulted in the centrality of both a logic of medical professionalism and a logic of

business-like health care within hospitals and health services organizations. Physicians emphasized a logic of medical professionalism, whereas the government and managerial professionals employed in regional health facilities adhered to a logic of business-like health care. Because these different actors both held power in the field, both logics infused core organizational practices.

While the structure of institutional fields powerfully affects the level of centrality, organizational practices and characteristics can interact with field characteristics to produce additional variation. An organization's mission and strategy provide one driver of variation. Mission and strategy situate an organization in a particular location within a field or at the interstices of multiple fields (see Purdy & Gray, 2009), and they thereby expose it to the logics in use within those fields. For example, when an organization's mission requires it to engage in complex tasks involving multiple areas of expertise, as is the case in hospitals (e.g., Heimer, 1999) and multidisciplinary professional firms (e.g., Greenwood & Suddaby, 2006), it must draw from the logics associated with each area of expertise, increasing centrality. In addition, changes in the institutional environment, such as shifts in resource availability or regulation, can lead organizations to alter their missions in an effort to reduce uncertainty (Thornton et al., 2005). Such changes can also prompt leaders to create new organizations with new missions in order to capitalize on opportunities (Tracey et al., 2011). These changes in mission can increase centrality by exposing an organization to field-level actors carrying distinct logics. For example, D'Aunno, Sutton, and Price (1991) described how some community mental health centers shifted their mission and strategy from providing only mental health services to also offering drug abuse treatment. This mission shift introduced new expectations from actors in the drug abuse treatment sector alongside existing expectations of actors in the mental health services sector. It thereby increased centrality as the health centers infused an additional logic linked with substance abuse treatment into their core operations.

An organization's pattern of resource dependence can further influence logic centrality. When organizations depend on a particular actor or constituency group for critical resources,

they respond to the demands of that actor or constituency group (DiMaggio & Powell, 1983; Oliver, 1991; Pfeffer & Salancik, 1978), even if they oppose the logic underlying those demands (Sauder, 2008). In the absence of dependence, organizations can ignore or resist a logic promulgated by a particular actor or constituency group (Dunn & Jones, 2010). Within a field, organizations vary in their dependence on different field actors. This creates variation in the extent to which organizations incorporate into core work practices the logics associated with particular field actors (e.g., Jones et al., 2012), leading to differences in centrality across organizations in the same field. In addition, organizations may actively seek to reduce their dependence on dominant players by altering their core practices to include practices that conform to the logic of a nondominant field actor (Durand & Jourdan, 2012), a strategy that ultimately increases centrality.

Finally, additional variation in centrality can arise from factors at the individual member level, such as differences in members' adherence to logics. Adherence to a particular logic depends in part on an individual's social network and organizational position. Actors with thicker ties to field-level referents associated with a particular logic will adhere more strongly to that logic than those with weaker ties (Greenwood et al., 2011). Moreover, some organizational positions buffer members from the influence of logics present within a field, whereas other positions (e.g., boundary spanning, senior management) entail greater exposure to external influence (Townley, 2002). In this way factors such as network ties and organizational position inform a logic's availability, accessibility, and activation among organizational members and, hence, the influence that logic has over members' behavior (Pache & Santos, 2013a).

When members adhere strongly to a particular logic, they are more likely to support that logic inside the organization and incorporate it into core operations, in part because they are more responsive to pressure from field-level actors associated with that logic. In contrast, when members' adherence to a logic is weak, they can more readily resist pressure from field-level actors and are less likely to enact the logic inside the organization (Kim, Shin, Oh, & Jeong, 2007; Pache & Santos, 2010). Organizations therefore experience lower logic centrality when mem-

bers adhere strongly to just one logic and weakly or not at all to other logics. Centrality is higher when multiple logics exert equal influence over members' behavior (whether all logics influence all members or each one influences a subgroup of members). Zilber's (2002) study of a rape crisis center illustrates this difference. In the center's early years a feminist logic strongly influenced most volunteers, leading the organization to have low centrality. Over time, broader social changes led to an influx of new volunteers who adhered to a therapeutic rather than a feminist logic. These members brought into the organization new practices and new interpretations of existing practices, which coexisted (albeit uneasily) alongside the center's existing feminist practices, increasing centrality.

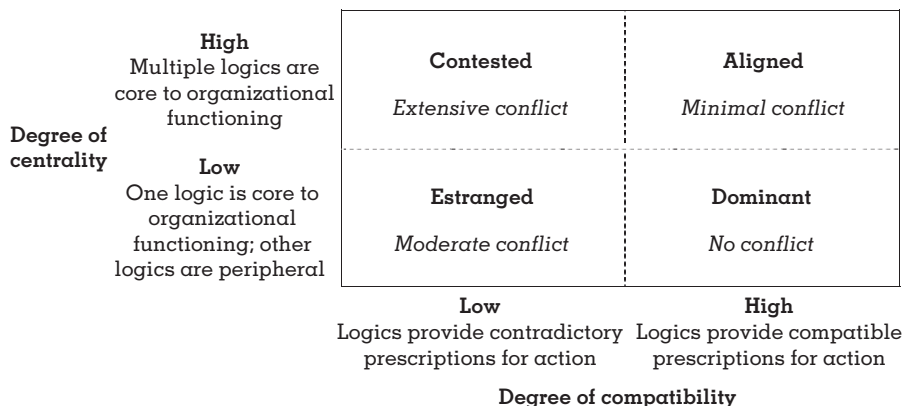
The relative power of members similarly affects centrality. A logic is more likely to be embodied in core organizational practices when members carrying that logic have more power within an organization (Kim et al., 2007). It follows that when representatives of multiple logics have equal power, this increases centrality, whereas differences in power decrease centrality.

#### TYPES OF LOGIC MULTIPLICITY WITHIN ORGANIZATIONS

Together, the dimensions of logic compatibility and logic centrality provide an integrative framework for understanding heterogeneity in how multiple logics manifest in organizations. In this section we combine these dimensions to propose four ideal types of organizations: contested, estranged, aligned, and dominant. Figure 1 depicts the four types, and we elaborate on each below. We use dashed rather than solid lines between types in Figure 1 to emphasize that compatibility and centrality are continuous dimensions and that organizations can therefore exist between the ideal types.

To illustrate the value of our framework, we theorize about the implications of these different ideal types for internal conflict. Prior research has shown inconsistent effects of logic multiplicity on various organization- and field-level processes and outcomes, including internal conflict and stability as well as the permanence of multiple logics within organizations and their relationship to field-level change (e.g., Reay & Hinings, 2005; Smets et al., 2012; Thornton, 2004). We focus on implications for conflict because

**FIGURE 1**  
**Types of Logic Multiplicity Within Organizations**



this issue has been a central concern in research on multiple logics within organizations (e.g., Battilana & Dorado, 2010; Kraatz & Block, 2008; Pache & Santos, 2010).

Studies of organizations that embody multiple logics suggest divergent and inconsistent outcomes regarding conflict. While some researchers argue that logic multiplicity leads to contestation between subgroups of members aligned with competing logics (Battilana & Dorado, 2010; Zilber, 2002), others emphasize multiple logics that coexist relatively peacefully within organizations (Binder, 2007; Mars & Lounsbury, 2009). Relatedly, studies also diverge over the implications of logic multiplicity for organizational stability and performance. Some researchers suggest that the presence of multiple logics threatens organizational performance (Battilana & Dorado, 2010) and can ultimately lead to organizational demise (Pache & Santos, 2010; Tracey et al., 2011), whereas others suggest that logic multiplicity has the potential to make organizations more enduring, sustainable, and innovative (Jay, 2012; Kraatz & Block, 2008; Sgourev, 2011). Our framework reveals that the nature and extent of conflict depend in part on the type of logic multiplicity within organizations. Below we describe each ideal type in our framework and explain how it implies a distinct level of conflict. We illustrate our argument with examples from the literature.

**Contested Organizations**

Some organizations embody multiple logics with low compatibility and high centrality. In

these organizations low compatibility leads actors to confront and grapple with divergent goals, values, and identities, as well as different strategies and practices for achieving these goals. High centrality leads multiple logics to vie for dominance, with no clear guide between them. As a result, the core of the organization is continually disputed. We therefore label this type as *contested* (see Figure 1).

Conflict is likely to be extensive and intractable in contested organizations. Because these organizations have high centrality, multiple logics are instantiated in their mission, strategy, structure, identity, and core work practices and are also likely to be represented among members, with no clear hierarchy between logics. Moreover, because these organizations have low compatibility, members are influenced by logics that offer inconsistent implications for action. Together, these factors result in members' holding competing expectations about appropriate organizational goals and lacking a clear guideline as to which goals should prevail. Repeated clashes over issues of mission, strategy, structure, power, resources, and identity are therefore likely to develop and persist. This not only leads to increasingly intractable internal conflict (Glynn, 2000) but also makes it difficult for the organization to establish legitimacy with and attain support from critical external stakeholders (Purdy & Gray, 2009), creating organizational instability and threatening survival.

Extensive research has focused on contested organizations, perhaps because these organizations make salient their multiple logics through the repeated clashes that ensue. Battilana and



Dorado's (2010) description of the microfinance firm BancoSol provides an illustration. BancoSol's mission to provide the poor with access to financial instruments led it to combine a banking logic and a development logic in its core operations, leading to high centrality. The banking logic emphasized maximizing profits by generating income from depositors, whereas the development logic emphasized alleviating poverty by serving beneficiaries most in need of support. BancoSol's hiring practices reinforced this incompatibility. The organization selected members with prior training and experience in either banking or social work, leading to the emergence of two subgroups, each advocating an approach to organizing consistent with the logic in which they had been trained. As a result, the instantiation of the banking and development logics within BancoSol involved low compatibility and high centrality.

The combination of low compatibility and high centrality led to contestation between the former bankers and social workers, with members of each group advocating goals and practices consistent with the logic in which they were steeped. For example, while the former bankers sought to enforce standardized administrative procedures, the former social workers advocated a more flexible approach that accommodated the unique needs of BancoSol's nontraditional clients. Absent a clear hierarchy of logics, incompatible approaches to core operational issues fueled ongoing clashes between subgroups. Ultimately, the conflict reached "crisis proportions," leading to significant employee turnover and the forced resignation of the CEO (Battilana & Dorado, 2010).

### Estranged Organizations

A second type of organization exhibits low compatibility and low centrality. In these organizations, as in the contested type, low compatibility means that logics offer inconsistent implications for organizational action, leading actors to grapple with divergent goals and divergent means of achieving these goals. Unlike in contested organizations, however, low centrality leads one logic to exert primary influence over organizational functioning. As a result, these organizations exhibit less ambiguity and complexity about which logic guides organizational action, but they must still contend with

one or more subsidiary logics that are at odds with the dominant logic. We therefore label this type as *estranged* (see Figure 1).

In estranged organizations conflict arising from multiple logics is moderate rather than extensive and intractable. Estranged organizations confront inconsistent organizational goals associated with multiple logics. Yet one of these logics dominates among members and in the organizations' mission, strategy, structure, identity, and core work practices. As a result, when internal conflicts arise, differences can be resolved in favor of the dominant logic, limiting escalation and intractability.

Townley's (2002) study of Cultural Facilities and Historical Resources (CFHR), a Canadian cultural organization managing museums and interpretive centers, provides an illustration of how low compatibility and low centrality in an estranged organization give rise to moderate conflict. CFHR's mission reflected substantive values of preservation, discovery, and the intrinsic worth of cultural resources, informed by a professional logic of cultural preservation and education. In response to pressure from powerful external actors, however, CFHR started to incorporate business planning and performance practices reflecting a market logic. Yet the new practices and the goals and values on which they were based conflicted with the organization's substantive values of preservation, discovery, and the intrinsic worth of cultural resources. Moreover, CFHR's members, who adhered strongly to these values, resisted incorporating the new practices into core operations. As a result, the market logic lacked strong internal representation and did not influence organizational functioning, creating a situation of low compatibility and low centrality.

The combination of low compatibility and low centrality led to clashes between senior managers subject to pressure from external actors representing the market logic and lower-level employees who were buffered from such pressure and held more strongly to a logic of cultural preservation and education. Yet these clashes did not escalate to the point of intractable conflict. Instead, the primary locus of conflict was external, as CFHR sought to resist pressure to incorporate the market logic into core operations and members debated how much they might have to compromise their values in order to meet the demands of powerful state actors

promulgating this logic. Ultimately, external conflict led to organizational change, with the market logic shifting from the periphery and becoming embedded in core organizational practices and decisions, illustrating the potential instability of estranged organizations.

### Aligned Organizations

In a third ideal type of organization, the instantiation of multiple logics involves high compatibility and high centrality. High compatibility leads actors to draw on logics that offer consistent implications for organizational action. High centrality leads multiple logics to exert strong influence over organizational functioning. As a result, the core of the organization is united, even as it reflects the goals, values, identities, and practices associated with multiple logics. We therefore label this type as *aligned* (see Figure 1).

Conflict in aligned organizations is likely to be minimal. Because aligned organizations have high centrality, multiple logics are represented among members and are reflected in the organizations' mission, strategy, identity, and core structures and practices. This creates the potential for conflict since members lack a clear indication of which logic dominates. However, because compatibility is also high in aligned organizations, the logics imply consistent organizational goals. As a result, although multiple logics are represented internally with no clear hierarchy between them, organizational decisions do not present either/or choices. Conflict is therefore minimal. We use "minimal" to indicate a lower level of conflict than the "moderate" conflict found in estranged organizations. The reason for the distinction is that while both low compatibility (as found in estranged organizations) and high centrality (as found in aligned organizations) can create conflict, fundamental differences about appropriate goals and values (i.e., low compatibility) can elicit greater contestation than the lack of a clear hierarchy between relatively compatible goals and values (i.e., high centrality).

Binder's (2007) description of the Discovery Center, a child care center run by a large social services organization, illustrates high compatibility and high centrality in an aligned organization. The Discovery Center was situated in a field that included state actors who exerted reg-

ulatory power over organizations engaged in child care and professional actors who exerted normative influence over the practice of early childhood education. It therefore exhibited high centrality. Its core operations and practices were infused by a state logic that emphasized formal rules and regulations and by a professional logic of early childhood education that highlighted the welfare and "voice" of the child. These two logics were relatively compatible, with the goals and practices arising from the state logic reinforcing those associated with the professional logic. For example, practices regarding staffing ratios, regular daily schedules, and age-appropriate curricula were both mandated by the state and consistent with professional beliefs about delivering high-quality early childhood education. In this way, the instantiation of multiple logics in the Discovery Center involved both high compatibility and high centrality.

The combination of high compatibility and high centrality led the center to experience only minimal conflict arising from its multiple logics. While staff members were trained in the logic of early childhood education, they also recognized and upheld the state logic, and they interpreted state rules and regulations as consistent with and reinforcing the professional logic. The center's executive director, for example, often drew on federal or state guidelines to justify practices that reflected the tenets of a logic of early childhood education, thereby blending elements of the two logics in the day-to-day work of the center. At the same time, the logics remained distinct, and staff members had to actively work to construct practices that satisfied the demands of both logics. Binder's description suggests that, although it was rare, conflict could occasionally arise in this process. For example, federal funding was not always adequate to cover salary costs for teachers who had the qualifications deemed appropriate by adherents of the professional logic of early childhood education. This created the potential for conflict between managers in charge of setting pay and professional educators involved in caring for children.

### Dominant Organizations

Finally, a fourth ideal type of organization exhibits multiple logics that have high compatibility and low centrality. As in aligned organi-

zations, high compatibility leads actors to draw on logics that imply consistent goals for organizational action. As in estranged organizations, low centrality leads to core organizational features that reflect a single logic. Together, the combination of high compatibility and low centrality results in organizations where a prevailing logic is reinforced by one or more subsidiary logics. In the extreme, these organizations may seem as if they embody only a single logic, because other logics are consistent with the primary logic and have little influence on organizational functioning. We therefore refer to this type as *dominant* (see Figure 1).

Dominant organizations likely have limited or no conflict arising from multiple logics. Because centrality is low, one logic clearly dominates among members and in the organizations' mission, strategy, structure, identity, and core work practices. Moreover, if members are influenced by a second logic, the high level of compatibility among logics results in complementary implications for organizational goals and enables multiple logics to coexist peacefully within dominant organizations. This arrangement further creates possibilities for the peripheral logic to be assimilated with the core logic (cf. Thornton et al., 2012: 165–166).

Jones and colleagues' (2012) study of the formation of the modern architecture field illustrates the dominant type. Even as multiple logics were present within this field, a single logic dominated in some types of firms. For example, firms run by revivalist architects embodied a professional logic of aesthetic tradition, driven by their reliance on state and religious clients who valued humanistic traditions. This logic manifested in the firms' adoption of a classical building style using traditional materials such as wood, stone, and brick and in their emphasis on training in fine arts. Meanwhile, firms run by modern functional architects were dominated by a commercial logic since they depended primarily on commercial and residential clients for whom functionality and flexibility were paramount. The commercial logic informed their building practices, which involved the use of new materials such as concrete, steel, and glass, as well as their rhetoric, which emphasized technical, industrial, and economic needs.

The combination of high compatibility and low centrality led each type of firm to experience internal coherence around a single domi-

nant logic. Thus, even as multiple logics infused these firms, conflict between logics did not materialize internally. Instead, conflict manifested between firms and at the field level, as leaders of the revivalist, modern functional, and modern organic styles of architecture sought to establish the legitimacy of their particular approach within the field as a whole.

## DISCUSSION

If multiple logics pervade organizations, then effectively conceptualizing the nature of this multiplicity is critical for organizational research. Extant studies have emphasized the prevalence of multiple logics in organizations (see Greenwood et al., 2011), but they offer conflicting perspectives on their consequences for organization- and field-level processes and outcomes. We have sought to address these divergent findings. Our primary assertion is that the implications of logic multiplicity depend on how multiple logics are instantiated within organizations. In order to extend insight into the nature and implications of logic multiplicity within organizations, we developed a framework explaining heterogeneity in this phenomenon. We proposed compatibility and centrality as two key dimensions along which logic multiplicity varies within organizations; clarified how these dimensions are influenced by nested and intertwined aspects of institutional fields, organizations, and individuals; and built these dimensions into an integrative framework that includes four ideal types of logic multiplicity. We then illustrated how this framework provides insights into the implications of logic multiplicity by using it to analyze internal conflict.

Taken as a whole, our framework makes several contributions to the literature on multiple logics and to institutional theory more generally. First, we provide insight into the heterogeneity of logic multiplicity within organizations. Although much research has focused on logics at the field level, it is critical to understand the ways in which logics manifest within organizations (Thornton et al., 2012). In particular, understanding how multiple logics relate to one another within organizations is vital to a richer understanding of how institutional forces affect organizations (see Suddaby, 2010). By theorizing compatibility and centrality as key dimensions along which multiple logics vary inside organi-

zations, we provide a conceptual apparatus for developing deeper insights. Our framework suggests that, as scholars, we can better understand multiple logics in organizations by explicating the heterogeneity of their manifestations. Our framework thereby shifts research from focusing on whether organizations embody multiple logics to understanding variation in how they do so. This insight implies that to understand multiple logics in organizations, we must first delineate the relationships between these logics. We posited that these relationships involve differences in compatibility—the degree to which the instantiations of logics generate consistent and reinforcing implications for organizational action—and centrality—the degree to which multiple logics are each treated as equally valid and relevant for organizational functioning.

By accounting for heterogeneity in logic multiplicity, our framework contributes to research on how the presence of multiple institutional logics affects organization- and field-level outcomes. Above we discussed how the framework helps explain divergent findings in the extant literature on the implications of logic multiplicity for internal conflict and stability. We focused on conflict because this issue has been a central theme in past research, but our framework can also shed light on a number of other debates in the literature. For example, research offers different perspectives on how institutional logics change and evolve within fields. Some studies show the replacement of one logic by another (Thornton, 2004), others describe a blending process in which elements of multiple logics are combined into a new one (Stark, 1996), and still others reveal an assimilation process in which elements of one logic are subsumed within those of another (Murray, 2010; Townley, 1997). Yet each of these processes of change has been studied separately, leaving us with little understanding of when one type of change is more likely than another (see Thornton et al., 2012: 168). Our framework suggests that the type of logic change at the field level may depend in part on the nature of logic multiplicity within organizations. For example, high compatibility and high centrality create the potential for logic blending within organizations, whereas high compatibility and low centrality suggest a greater possibility for logic assimilation. Over time, blending or assimilation at the organiza-

tional level can foster changes in logics at the field level (e.g., Smets et al., 2012).

Our framework further contributes to the literature by clarifying and contextualizing research on “hybrid” organizations. Institutional scholars have used the term hybrid in a variety of different ways (e.g., Battilana & Lee, in press; Greenwood et al., 2011; Thornton et al., 2005). Yet perhaps the most common usage in contemporary research denotes hybrids as organizations that instantiate two conflicting institutional logics within the organizational core (e.g., Battilana & Dorado, 2010; Jay, 2012; Pache & Santos, 2013b). This depiction suggests that hybrids reflect the contested ideal type described in our framework. One reason for the scholarly focus on contested organizations may be that widespread conflict and instability in these organizations create a particularly visible form of logic multiplicity. Yet our framework shows that low compatibility/high centrality is only one way in which multiple logics manifest in organizations. It further elucidates alternative instantiations that are less prone to conflict, and it suggests that the differences between them are variations in degree, not variations in kind. By situating the literature on hybrid organizations in this way, our framework broadens the horizon for this stream of research. It compels studies of hybrids to specify precisely how the logics instantiated within these organizations relate to one another. It also demands greater attention to types of logic multiplicity other than contested. This requires both comparative studies that examine different types in the cross-section and longitudinal studies that consider how the instantiations of multiple logics might shift from one type to another over time.

The social enterprise field, which has been the focus of most contemporary studies of hybrids, offers an example of how our framework can inform this line of research. Social enterprises combine elements of social welfare, development, or sustainability logics with elements of market or corporate logics (Smith, Gonin, & Besharov, 2013). Most social enterprises have been described as similar to our contested type, with low compatibility and high centrality (e.g., Battilana & Dorado, 2010; Jay, 2012; Pache & Santos, 2013b). However, examining this literature through the lens of our framework reveals alternative types of logic multiplicity in social enterprises. For example, estranged

social enterprises can arise when pressure from powerful external or internal constituencies leads one logic to remain instantiated in core organizational features while others become peripheral (Battilana, Pache, Sengul, & Model, 2013). In the Compartamos microfinance organization, for example, a development logic became peripheral while a banking logic remained central, as a result of pressure from market actors to generate a profit and engage in marketing and loan collection practices resembling those of traditional banks (Pache & Santos, 2010; Yunus, 2011). Aligned organizations can also occur in the social enterprise field. The ecological ventures described by Mars and Lounsbury (2009), for example, combine market and activist logics within their core operations, and members treat these logics as complementary rather than oppositional. Finally, dominant organizations can manifest when social enterprise organizations adopt elements of social welfare, development, or sustainability logics in peripheral activities in order to enhance the goals of core market or corporate logics. For example, corporations implement social responsibility initiatives as a means of enhancing profits (Porter & Kramer, 2006), and "base of the pyramid" organizations that primarily embody a market logic incorporate elements of a development logic as they seek to create profitable products for the world's poorest (Kistruck, Sutter, Lount, & Smith, 2013).

Our framework can also inform research on how the instantiations of multiple logics in organizations change over time. Our analysis of how features of institutional fields, organizations, and individuals influence compatibility and centrality provides a starting point for this line of inquiry. Changes in these features are likely to alter how multiple logics manifest within organizations. For example, logic compatibility can change because of shifts in the nature of field-level professional institutions. Again, the field of social enterprise provides an illustration. New actors such as Ashoka and the Schwab Foundation for Social Entrepreneurship have emerged in this field to support and train individuals to become social entrepreneurs. These field actors combine previously distinct social welfare and commercial logics into a new blended logic. As such actors gain influence over professional socialization and training

within the field, possibilities for greater logic compatibility are created.

Logic compatibility may also shift because of changes in organizational practices. For example, organizations may alter compatibility by changing the composition of their members. Battilana and Dorado (2010) documented such a shift in the BancoSol microfinance organization. Following the period of significant employee turnover and declining performance described above, BancoSol hired a new cohort of employees with few ties to field-level referents of the banking and development logics and socialized them around a mission that integrated the two logics. These new practices likely fostered higher logic compatibility, resulting in lower conflict and improved performance (Battilana & Dorado, 2010). Understanding how such shifts occur, and what implications they have for organizations, is a vital area for future research. It is also of significant practical relevance, particularly for contested organizations, which have a tendency toward widespread conflict and instability. Altering the degree of logic compatibility or centrality—for example, by developing a cadre of organizational members who are less strongly attached to particular logics or by buffering members from the influence of those logics—may enable these organizations to avoid organizational paralysis, breakup, or demise.

Finally, our framework contributes to the literature on institutional logics more broadly by accounting for the relationship between logics and agency as they affect the nature of logic multiplicity within organizations. We do this by explicating how nested and intertwined factors at multiple levels of analysis affect the two key dimensions of compatibility and centrality. As Thornton and Ocasio argue, "Work on institutional logics is inherently cross-level, highlighting the interplay between individuals, organizations, and institutions" (2008: 120). Yet empirical studies tend to focus on one level or another, emphasizing individual agency (e.g., Creed, DeJordy, & Lok, 2010; Lok, 2010), internal organizational dynamics (e.g., Battilana & Dorado, 2010; Jarzabkowski, Matthiesen, & Van de Ven, 2009; Zilber, 2002), or dynamics at the field and societal levels (e.g., Dunn & Jones, 2010; Haveman & Rao, 1997; Reay & Hinings, 2005; for an exception see Smets et al., 2012). Moreover, there is a paucity of theoretical work conceptualizing how fac-

tors at multiple levels of analysis affect the manifestations of logics in organizations.

Our analysis takes seriously the need to connect dynamics at the field level with those occurring within organizations and among their members, thereby engaging in the kind of cross-level theorizing that is critical yet often absent from the current literature on logic multiplicity within organizations. For example, we show how logic compatibility is shaped not only by the nature of professional institutions within a field but also by organizational practices regarding hiring and socialization, which affect the types of people who enter organizations, the logics they carry, and the influence those logics have over behavior. We recognize that the availability of members who carry particular logics is strongly influenced by the nature of professional socialization and training in the field, but we also identify conditions under which organizations and their leaders are less constrained by field-level professional institutions and therefore have greater discretion in shaping logic compatibility.

Our analysis of variation in centrality similarly explicates how institutional logics that manifest within fields inform and are informed by practices and action at the organization and member levels. For example, we explain that while the power and structure of field-level actors influence centrality, this dimension is also influenced by an organization's mission and strategy, the relative power of members who carry particular logics, and the influence that these logics have over members' behavior. We further show how organizations can exercise agency in creating mission and strategy, but in doing so they locate themselves within a particular field or at the interstices of multiple fields and expose themselves to influence from the associated logics. Moreover, choices about mission and strategy are themselves influenced by field-level dynamics, such as shifts in resource availability from key actors (e.g., Thornton et al., 2005).

In summary, by taking account of how nested and intertwined factors at the field, organization, and individual levels can affect the type of logic multiplicity within organizations, our analysis recognizes the institutional constraints on organizations and their members, while also pointing to practices through which members can exert agency to influence the nature of logic

multiplicity within organizations. In this way we connect research on logic multiplicity in organizations to broader conversations in institutional theory that explore how organizations are influenced by both structure and agency (e.g., Delbridge & Edwards, 2013; Greenwood & Suddaby, 2006; Hallett & Ventresca, 2006; Lawrence & Suddaby, 2006).

Future research can apply and expand on our framework in a number of ways to develop a richer understanding of the nature and implications of logic multiplicity within organizations. One important direction is to use our framework to analyze organizations that embody more than two logics. For example, scholars can explore implications for internal conflict when three or more logics are central to organizational functioning (e.g., Heimer, 1999) and when two peripheral logics are relatively incompatible but both are compatible with a central logic (e.g., Greenwood et al., 2010). To address questions such as these, researchers could draw on recent developments in configurational analysis that enable scholars to examine constellations of interconnected elements within organizations (see Fiss, Marx, & Cambré, 2013). Alternatively, researchers could iteratively apply our framework to pairs of logics within organizations and then develop a specification for combining repeated assessments of each dimension.

Future research can also extend our framework by applying it at other levels of analysis. We focused on logic multiplicity at the organizational level, and we therefore treated logic compatibility and centrality as uniform across an entire organization. In practice, however, these dimensions may differ across subunits of an organization, meaning that a single organization could simultaneously be characterized by multiple types of logic multiplicity. For example, Binder (2007) describes multiple organizational subunits within Parents Community, a large social services organization. In the Family Support subunit centrality is extremely low, with a professional social work logic dominant and non-profit funding logics peripheral if not irrelevant. In the Housing Department centrality is also quite low, but here a state logic of federal regulation is dominant and a professional logic is peripheral. Moreover, in the Discovery Center subunit described above, centrality is high, with both professional and state logics core to the unit's operations and functioning. To complicate

matters further, the units also differ in how central they are to the organization's functioning, with Family Services at the core and the Discovery Center and Housing Department more peripheral. As this example suggests, our framework can be applied at the subunit level and can provide a basis for future theorizing and empirical research examining the implications of having different types of logic multiplicity within the same organization.

In addition, future research can use our framework to extend insight into how logics and agency interact to affect logic multiplicity within organizations. Our analysis of factors at the field, organization, and individual levels lays the groundwork for scholars to consider additional factors at each of these levels, as well as the relationships between them. At the organizational level, for example, characteristics such as size, status, and resources may affect centrality. These attributes can enable organizations to resist pressure from particular field-level actors (e.g., Greenwood & Suddaby, 2006; Kostova, Roth, & Dacin, 2008), leading to lower centrality. However, these attributes can also make it harder for organizations to deviate from field-level pressure because they make organizations more visible (e.g., Wry, Lounsbury, & Greenwood, 2011). More research is needed to understand how these and other factors influence the key dimensions of logic multiplicity within organizations. Our framework also lays the groundwork for future research that connects some of the field-level factors we discussed to broader societal forces, such as the role of religion, geographic communities, social movements, and the state (e.g., Dunn & Jones, 2010; Greenwood et al., 2010; Marquis & Lounsbury, 2007), which may create additional variation in how multiple logics show up within organizations.

Finally, our framework provides a basis for linking institutional approaches to multiplicity in organizations with other theoretical traditions that address issues of multiple goals, values, and identities. Paradox theorists emphasize the inherent nature of multiple contradictory yet interrelated elements in organizations (Lewis, 2000; Smith & Lewis, 2011). Research on organizational ambidexterity examines how organizations manage multiple goals that arise from combining exploration and exploitation (Andriopoulos & Lewis, 2009; Smith, in press; Smith &

Tushman, 2005). Studies of cross-occupational collaboration investigate how organizations coordinate across multiple occupational groups (Bechky, 2003; Kellogg, Orlikowski, & Yates, 2006), and theories of organizational identity consider how organizations manage multiple identities and multiple bases for identification (Besharov, in press; Pratt & Foreman, 2000). While our framework emphasizes how the nature of multiplicity within organizations is powerfully shaped by features of the institutional environment, these other research streams can provide additional insight into what happens once multiplicity manifests internally. Future research that engages these bodies of literature will enrich our understanding of internal dynamics, complementing and extending the framework proposed in this article.

## CONCLUSION

Early institutional scholars recognized the challenges that arise when organizations incorporate multiple institutional demands. Yet only recently have scholars taken seriously the idea of multiple institutional logics in organizations as a widespread and enduring phenomenon. This growing literature posits diverse implications that emerge from logic multiplicity within organizations. The framework we developed for explaining heterogeneity in logic multiplicity offers insight into the distinct ways in which multiple logics manifest within organizations and accounts for the varied consequences of such multiplicity. We hope these ideas enrich our understanding of organizations and institutions by spurring future theoretical and empirical research on the nature, dynamics, and implications of multiple institutional logics.

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