New directions in institutional innovation

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• **Institutional innovation** refers to “novel, useful, and legitimate change that disrupts, to varying degrees, the cognitive, normative, or regulative mainstays of an organizational field.” (Rafaelli & Glynn, forthcoming in Oxford Handbook of Creativity, Innovation, and Entrepreneurship: Multilevel Linkages.)
The institutional family reunion

Past < Future
Forgetting DiMaggio, are we?

He fathered the institutional entrepreneur in 1988
The embedded actor
Why focus on the individual/ micro-social scale?

- To develop the **micro-foundations** of institutional innovation
- To render institutional theory **actionable**
- To co-construct knowledge **across disciplines** and **stop trench wars** with other sub-disciplines of management
New directions

• Explain how new ideas and categories emerge at the individual and micro-social scale
  • Ideation in highly institutionalized fields
  • Tropes in new category formation

• Elaborate on how new ideas become institutionalized practice
  • Visual and material manifestations of ideas
  • New legal category formation
Example from cognitive linguistics

Tropes in category emergence
Institutionalization occurs as actors reciprocally create abstract typified categories of each other and each other’s actions in order to make sense of the world and to facilitate social interaction. (Berger & Luckmann, 1967)

How does an emergent category take form in the minds of a few individuals (micro-social scale)?

- We know little about the emergence of new categories (Durand & Paolella, 2013; Kennedy & Fiss, 2013)
- Tropes (figures of speech) can help us understand how new categories are created at the micro-social level
  - Metaphor, metonymy, synecdoche, irony, hyperbole
Example from neuro-psychology

Dual process models in idea generation within highly institutionalized fields
• How do embedded actors generate radically new ideas in highly institutionalized fields?

• No solid accounts in organization and management theory
  – Subconscious or conscious process?
  – Individual vs organizational vs field level factors?
  – Competing micro-processes
    • Brain-storming
    • Cognitive-linguistic models
    • Pragmatic-behavioural models
    • Formal-logical models
Dual process models in idea generation

• Dual process model from neuro-psychology (Kahneman, 2011) can be adapted to ideation:
  – Generative System 1: implicit reproduction, incremental innovation.
  – Generative System 2: explicit search for new ideas, potentially radical innovation.

• A dual process model can help integrate disparate frameworks of ideation and create a more coherent account of how embedded individuals generate radically new ideas in highly institutionalized fields.
Dual process model

- [Link](http://davesainsbury.com/dual-process-theory-in-the-operating-theatre/)

**Perception**
- Fast
- Parallel
- Automatic
- Effortless
- Associative
- Slow-learning
- Emotional

**Intuition** (System 1)
- Slow
- Serial
- Controlled
- Effortful
- Rule-governed
- Flexible
- Neutral

**Reasoning** (System 2)
- Conceptual representations
- Past, Present and Future
- Can be evoked by language

**Process**

**Content**
- Percepts
- Current stimulation
- Stimulus-bound
What is blocking the path for these directions?

- Missing methods
- Missing multi-level theoretical frameworks
- Debates about the pertinence of studying individuals/micro social dynamics
- The notion of incommensurable paradigms
What are the facilitating conditions?

- Many recent examples of individuals and small groups disrupting markets and changing institutionalized practices.
- Paradigms are dying; bricolage is on the rise.
- Research funds are increasingly allocated to applied and interdisciplinary research projects.
- Companies are engaging more proactively in knowledge production, which favours action-orientation.
Paths forward

- Keep investigating institutionally embedded actors
- Keep exploring disciplinary interfaces
- Drop paradigm wars and engage in (careful) bricolage