Dialogue Paper

Is Decoupling Becoming Decoupled from Institutional Theory?
A Commentary on Wijen

In press version for the
Academy of Management Review
17 October 2014

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DIALOGUE

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In a recent AMR paper, Wijen (2014) discussed discrepancies of decoupling in the context of socio-environmental governance, drawing on the distinction between "policy–practice decoupling" and "means–ends decoupling" that Bromley and Powell (2012) elaborated on at length. Policy–practice decoupling refers to the "classic" notion of decoupling (Meyer & Rowan, 1977), according to which organizations adopt a policy symbolically without implementing it substantively. In contrast, means–ends decoupling indicates that an organization complies with a policy but fails to achieve the envisaged goals that the policy is meant to serve. Importantly, Wijen postulates that there is a *trade-off* between remedying policy–practice decoupling and remedying means–ends decoupling, on the grounds that enforcing compliance may actually limit the prospects of goal achievement. Wijen's analysis describes admirably the specifics of "wicked problems" in socio-environmental governance, which, according to him, intensify the tension between remedying policy–practice decoupling and remedying means–ends decoupling. Notwithstanding Wijen's valid contribution, the purpose of our dialogue paper is to engage critically with two important issues within his article.

ANYTHING GOES?

The first issue we raise is Wijen's choice of the term "means–ends decoupling." In our view, this choice is problematic because it confounds the common notion of decoupling as the symbolic adoption of policies with the ineffectiveness of the means that actors adopt for the ends that they are supposed to achieve. This choice also implies that two concepts that originate in different theoretical traditions with different underlying assumptions can be subsumed under the decoupling label; however, Wijen does not examine whether these concepts and assumptions are conceptually proximate and compatible to an extent that justifies their integration (Okhuysen & Bonardi, 2011).

With respect to conceptual proximity, we argue that the disparities that the two types of decoupling represent and the ways of addressing them are very different. Decoupling policy from practice enables organizations to maintain their legitimacy in the face of conflicting institutional demands; however, in a situation where beholders lack "confidence and good faith" and monitor whether organizations who formally adopt actually implement a policy, policy-practice decoupling will be perceived as illegitimate and beholders will enforce negative sanctions (Meyer & Rowan, 1977: 357). In contrast, means–ends decoupling describes cases where the means that an organization employs in order to cope with environmental complexities are ineffective, insufficient, or unsuitable. It follows that remedying means–ends decoupling involves addressing technical issues, such as cost–benefit calculations, performance, organizational effectiveness, and organizational design, rather than how beholders bestow legitimacy on organizations.

More fundamentally, Wijen (2014), as well as Bromley and Powell (2012), seem to overlook that the two types of decoupling rest on distinct theoretical paradigms whose assumptions are incompatible. Meyer and Rowan's (1977) conception of policy–practice decoupling with its focus on rationalized structures and taken-for-grantedness has been inspired by the interpretive paradigm and the phenomenological social-constructionist tradition of Berger and Luckmann (1967). In contrast, means–ends decoupling is grounded in the functionalist paradigm, which embodies a positivist epistemology centered on "the empirical analysis of concrete relationships in an external social world" (Morgan & Smircich, 1980: 493). Yet, from a social-constructionist viewpoint, ends are not objective facts and cannot serve as a fixed reference point from which means can be "decoupled." Instead, ends are viewed as "moving targets" that are often set on the basis of existing means and in that sense are "retrofitted." As Joas (1996: 154) emphasizes: "Only when we recognize that certain means are available to us do we discover goals which had not occurred to us before." In light of this, the functionalist perception of disparities between means and ends is inconsistent with the phenomenological tradition in social constructionism, according to which means and ends represent socio-cognitive constructs that are subject to continuous change.

Specifically, we assert that discussing the discrepancy between means and ends as one type of decoupling, and comparing it to policy–practice decoupling unnecessarily mingles institutional theory with contingency theory, which views organizational performance as a result of the fit between the organization's internal arrangements and its external environment. Securing organizational effectiveness and "optimizing" performance in the context of wicked problems is indeed a key topic in the social sciences (Rittel & Webber, 1973). However, researchers need to recall that, rather than examining cause-effects relationships and enhancing organizational efficiency, the strength of institutional theory lies in examining the meaning dimension, i.e., the ideational dynamics that give rise to material contingencies and outcomes in the first place; in other words, in trying to understand "why and how organizations adopt processes and structures for their meaning rather than their productive value" (Suddaby, 2010b: 15). While we are not claiming that neo-institutional theory needs to be kept "pure" of influences from other perspectives, we do concur with Okhuysen and Bonardi (2011) that researchers need to carry out any theoretical blend with care and scrutinize whether it can form a coherent account of the focal phenomenon.

Besides creating the problem of inconsistencies, imbuing the concept of decoupling with functionalist notions and with assumptions about contingencies introduces conceptual fuzziness and weakens the clarity and heuristic value of the decoupling concept. In our view, this development is worrisome as concept clarity is particularly important for social constructionist researchers because it helps them to communicate precisely the subjective meanings of their theories' abstractions (Suddaby, 2010a). In contrast, "stretching" concepts to add surplus meaning complicates communication among scholars and hampers the accumulation of knowledge. In this case, packing additional meanings into the concept of decoupling makes it harder for other scholars to develop and validate it. That is, even though the term "decoupling" is generic, and may express quite well the disconnection between means and ends, applying the label "decoupling" to both symbolic adoption and means-ends gaps and discussing them under an all-encompassing umbrella of institutional theory exacerbates the Babylonian confusion in this important research area.

Admittedly, many works in institutional theory only refer to the social-constructionist tradition in passing and nowadays their approach can be regarded as quasi-functionalist (Suddaby, Elsbach, Greenwood, Meyer, & Zilber, 2010). Also, since its very inception, the concept of decoupling has been characterized by an inherent epistemological tension. Indeed, Tolbert and Zucker (1996) were among the first to wonder whether the notion of decoupling and the assumption that symbolic structures are intertwined with institutions are compatible with a phenomenological understanding of institutionalization, according to which the taken-for-granted meanings underpin stable patterns of behavior and the enactment of a socially shared reality. Tolbert and Zucker questioned whether a decoupled structure can maintain its symbolic power in cases where it is widely known "that its effect on individuals' behavior is negligible" (1996: 180).

Unfortunately, in our view, the inclusion of means–ends gaps does not help resolve but on the contrary intensifies the existing ambiguities of institutional theory. In line with Meyer (2008) and Suddaby (2010b), we therefore caution against the functionalist intrusion and encourage researchers to return to the roots of neo-institutional theory and apply an explicit social-constructionist perspective to the analysis of policy–practice decoupling.

THE MISSING DYNAMICS OF DECOUPLING

The second issue of Wijen's approach (2014) that concerns us is that, even if one accepts the theoretical blend of policy–practice and means–ends decoupling, the theorization of a "trade-off" between remedying these two types of decoupling is predicated on a static perspective of social reality, thus neglecting the subtle but powerful influence of ideational dynamics. Several researchers have discussed the processes through which symbolic gestures induce behavioral change and have tangible consequences, which indicates that decoupling can be regarded as a *transitory* phenomenon (Christensen, Morsing, & Thyssen, 2013; Haack, Schoeneborn, & Wickert, 2012; Tilcsik, 2010).

Specifically, in the realm of socio-environmental governance, the "end" (with respect to means–ends gaps) is collective and inherently contested because several private and/or public actors with different and sometimes clashing interests are involved in regulating relevant global issues (e.g., child labor, deforestation). Collective ends, however, need to be continuously (re-)negotiated and are more likely to be accomplished if two conditions hold: first, the corporate adopters of standardized policies should be able to make sense of the disruption of profit-driven routines and habits that societal demands for socio-environmental policies cause. Second, unfamiliar and incomprehensible policies should become meaningful and legitimate to adopters in a way that prompts them to enact the behavioral prescriptions that are enshrined in these policies (Weick, 1995: 183). In this context, we need to consider that the goals of sustainability standards are equifinal and involve a non-linear process that steadily oscillates between understanding and attempting to solve the problems that arise at each step (Rittel & Webber, 1973). In other words, goals are initially provisional and the methods of achieving the (initially) unspecified "ends" cannot be determined *ex ante*, but need to be discovered through dialogue between business firms and their societal critics (Scherer & Palazzo, 2011).

Importantly, scholars have suggested that "aspirational talk," i.e. an organization's public promise to reduce the gap between its formal structure and actual activities, can help sustainability standards take deeper roots within organizations (Christensen et al., 2013). These works show that the managers of business firms engage in aspirational talk in reaction to the disclosure, or mere suspicion, that their firm has implemented its socio-environmental policies deficiently. By committing publicly to the moral values that are embodied in socio-environmental policies, the adopters of such policies seek to avoid being perceived as illegitimate and at the same time they become "morally entrapped"; that is, they realize that they can be taken to task if they fail to honor their promises (Haack et al., 2012). In this view, communication and ensuing ideational dynamics shape organizational practice: talk can be considered as "raw material for (re)constructing the organization" (Christensen et al., 2013: 376). Although organizations need to go through a phase of

sustained sense-making before they can fully implement the practices they have formally adopted, the interaction with "significant others" (Berger & Luckmann, 1967) can lead them to revise their goals and, ultimately, can lead to a tighter coupling of both policy and practice and reciprocally typified means and ends. In this view, it is ultimately by "means" of policy-practice decoupling that the "end" of "effective" socio-environmental governance can be achieved.

CONCLUDING REMARKS

In this dialogue paper we posit that means–ends decoupling is very different from the phenomenon of policy–practice decoupling and, most fundamentally, is inconsistent with a social-constructionist account of decoupling. In our view, attempting to discuss remedies for the discrepancy between means and ends threatens to stretch institutional theory towards functionalism, thus neglecting its phenomenological origins. We suggest that, instead of diluting the clarity of the decoupling concept with functionalist elements of contingency theory and biasing it towards stasis, future research can benefit from examining the ideational dynamics underlying decoupling.

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