Signaling and Shaping Legitimacy

Weaving webs of meaning in time and new markets

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Abstract

Society is organized and reproduced through complex webs of institutionalized rules, norms and beliefs. These institutions shape how individuals and organizations interpret, act, interact, and evaluate one another’s words and actions. Although we can never be fully free from these webs, it is important for us to understand their makeup, and to be aware that we ourselves are weaving them through our social interactions and practices. Over three essays, this dissertation explores how strategic actors such as firms can identify and understand the ways that they are embedded in institutions, and how they might use this understanding to shape the legitimacy judgments of outside audiences, as well as shape institutional arrangements and practices themselves.

The first and second essays are qualitative inductive studies that explore how actors in nascent markets pursue legitimacy for their venture and shape the emerging institutional environment in their favor. The first essay illuminates that ventures in new markets routinely draw upon institutionalized storytelling templates, or "strong plots", in their communications with outsider audiences, which we propose can shape the legitimacy judgments of potential stakeholders and gain their support. The second essay emphasizes that the regulation of competition in new markets that address sustainability issues is complicated by significant intertemporal ambiguities, and reveals how firms can strategically attend to these temporal aspects in their efforts to shape the outcomes and processes of regulation as a market emerges.

The third essay is a conceptual paper exploring a relatively underemphasized and conceptually fragmented area of institutional life; that of time. Time is viewed here as a social construct that can be conceived, articulated, and juxtaposed with actions and events in various ways for the purposes of organizing. Synthesizing extant literature, the paper outlines three distinct types of temporal structures — institutionalized ways of conceiving, valuing and orienting toward, and patterning events in time — and theorizes how these temporal structures contribute to the unconscious reproduction of institutional practices.

Together, this dissertation provides new insights into how we can deploy culture in language and practices to signal legitimacy to external audiences, and even change institutions to shape legitimating frames. The three studies illuminate different aspects of how individuals and organizations can use institutions to their advantage if they can better understand the ways in which they are entangled in socially constructed webs of meaning, as well as their own roles in spinning these webs. This has important implications for actors pursuing strategic, social or environmental objectives, by shedding further light on how they might become more skilled and reflexive cultural operators.

Keywords Strategy, venturing, institutions, culture, narrative, discourse, new markets, time

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<tr>
<td>CPUC</td>
<td>California public utilities commission</td>
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<tr>
<td>EV</td>
<td>electric vehicle</td>
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<td>EVSE</td>
<td>electric vehicle service equipment</td>
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<td>EVSP</td>
<td>electric vehicle service provider</td>
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<td>IOU</td>
<td>investor-owned utility</td>
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<td>ITA</td>
<td>intertemporal ambiguity</td>
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<td>PEV</td>
<td>plug-in electric vehicle</td>
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List of Publications

This doctoral dissertation consists of a summary and of the following publications which are referred to in the text by their numerals


Author’s Contribution

**Publication 1:** The Power of Strong Plots: Storytelling Strategies for Venture Legitimation in Nascent Markets.

Project lead. Responsible for data collection and analysis, lead the literature review, methods, findings, and generating the conceptual model and theoretical contributions.

**Publication 2:** Shaping Market Regulation Under Intertemporal Ambiguity: Discursive Strategies in the Nascent Electric Vehicle Charging Market.

Project lead. Collected and assembled the secondary data, and collected some primary data in collaboration with Eero Aalto. Lead the writing of the essay (all parts), with Eero Aalto’s primary responsibility in writing being the integration of the Corporate Political Activity (CPA) literature.


Project lead. Responsible for selecting the theoretical lenses, review and synthesis of the literature, and formulating the conceptual model which was then further developed together with Robin Gustafsson and Marco Clemente. Main writing responsibility, with iterations made in collaboration with Robin and Marco.
1. Preface

Society is organized and reproduced through shared myths, beliefs, and assumptions that exist in the collective imagination and shape social interactions. In the domain of organizing, those beliefs that are particularly diffuse, entrenched, and resilient are called institutions. Institutions operate within and across multiple levels, from the more broadly encompassing economic, legal and religious systems, to the more localized rules, norms, and beliefs that shape our interpersonal interactions (Scott, 2001). For example, members of a baseball team might seamlessly engage with broader society and adhere to the rules of the land, whilst engaging in unique rituals and shared beliefs about their team that may baffle outsiders. We are all entangled in webs of institutionalized meanings that shape how we act, interact, and evaluate one another’s words and actions.

Although we can never be fully free from these webs, it is important for us to understand their makeup, and to be aware that we ourselves are weaving them through our social interactions and practices. Institutions guide what is seen as legitimate; that is “desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions” (Suchman, 1995: 574). The pursuit of legitimacy is therefore the core constraining factor of institutions that leads to their ongoing reproduction (Barley & Tolbert, 1997; Scott, 2001).

A potential pitfall of this ongoing reproduction of institutions is that it can promote the persistence of practices even when these become harmful or unsustainable, and thereby constrain efforts to address social and environmental issues. For example, although the safety of the agricultural chemical DDT for humans and animals was called into question during the 1950s, institutionalized practices and discourses facilitated its continued use for a further two decades (Maguire & Hardy, 2009). On the other hand, when entirely new ideas, innovations, and markets emerge, we have great opportunities to spin new webs of meaning around these and shape the institutional landscape (Aldrich & Fiol, 1994; Lawrence, 1999; Seo & Creed, 2002; Zimmerman & Zeitz, 2002). For instance, firms in new markets can draw upon meanings from broader institutional contexts to communicate and construct value around a new product category (Hargadon & Douglas, 2001; Khaire & Wadhwani, 2010), and promote their own venture as prototypical of this category (Navis & Glynn, 2010, 2011; Santos & Eisenhardt, 2009). Overall, by understanding how institutions can constrain and enable actions, we are more equipped to strategically shape emerging institutional environments in ways that promote desirable organizational or social outcomes. Furthermore, we may be better able to identify those points where established institutions are more fragmented or contradictory, and hence where they might be more easily molded (Green, Li, & Nohria, 2009; Seo & Creed, 2002; Suddaby & Greenwood, 2005).
Over three essays, this dissertation explores how actors signal legitimacy to external evaluators through their language and practices. Two qualitative inductive studies explore the discursive strategies of new ventures in Finland and the USA, as they seek to harness and shape their emerging institutional environment in new markets within the emerging field of electric vehicles. Essay 1 explores the rhetorical strategies used by new ventures for a consumer and investor audiences, while Essay 2 explores the rhetorical strategies aimed at a regulatory audience. The third essay is a conceptual paper that theorizes how actors can signal legitimacy through their use of temporal structures, or institutionalized ways of understanding and applying time. This paper synthesizes existing literature to build a typology of the different types of temporal structures that underpin institutional practices, and discusses how these temporal structures support the reproduction of these practices, and hence their broader institutions, over time.

Together, the three essays illuminate different ways in which individuals and organizations “deploy culture” (Gehman & Soublière, 2017) to signal legitimacy to external audiences, and even manipulate culture to shape legitimating frames. As an academic text, this dissertation makes theoretical contributions at the intersection of institutional theory and strategy. More broadly, this dissertation also has important implications for actors pursuing economic, social or environmental objectives, by shedding further light on how they might become better cultural operators (Garud, Schildt, & Lant, 2014; Lounsbury & Glynn, 2001; Swidler, 1986; Wry, Lounsbury, & Glynn, 2011). For firms, a deeper understanding of institutions can reveal how the firm might harness and shape institutional elements to gain a competitive advantage (Lawrence, 1999; Lawrence & Suddaby, 2006; Lawrence, Suddaby, & Leca, 2011; Marquis & Raynard, 2015). In a broader social and political context, deciphering institutions can help governments, organizations and individuals to assess and identify undesirable practices, thereby better equipping us to address important social and environmental challenges (Ferraro, Etzion, & Gehman, 2015; Gehman, Lounsbury, & Greenwood, 2016; Rowell, Gustafsson, & Clemente, 2016).

To introduce and tie the essays together, the bulk of this Introduction is written as a narrative. Stories allow us to weave events and experiences into a chronology of meaningful and interrelated episodes, and speak to our natural processes of interpretation and understanding (Bruner, 1986, 1990; Polkinghorne, 1988). Stories are therefore a primary means by which we make sense of the world around us, and my intention is to take advantage of this to establish a relatively intuitive, coherent and accessible foundation from which the reader can approach the three separate studies. In short, this Introduction is intended to be something that my family and friends can easily read, to give them some grasp of what I have been doing these past few years.

What follows is the fictional journey of a budding entrepreneur in a new market. Over the course of the journey, the protagonist (the reader) comes to decipher, harness and shape the institutional landscape in pursuit of financial, social and romantic success. This story integrates and reviews the theory and concepts central to the dissertation overall, and introduces the three essays and their findings. Thereafter, in the final parts of the Introduction, I explicitly satisfy the institutional norms of a doctoral dissertation by directly summarizing the three papers in terms of their research questions, methods, findings and contributions.
2. The Story: Weaving and Wavering in Webs of Significance

Engagement ring shopping: the power of social constructs

A jewelry store is probably the last place you wanted to find yourself. Having just reached out and dragged you off the couch for the first time in two weeks with promises of brief respite, your good friend Otis has now blindsided you with an itinerary for engagement ring shopping. Upon arrival at the store, you are already yearning for a return to safety of the couch, whose soft leather upholstery has never offered so much inanimate condolence. Otis, in stark contrast, is smiling and upbeat. His round face beams like an anthropomorphized sun in a children’s book as he pores over the shimmering mass beneath the glass.

“I just can’t see a future with you”. That is what Jasmine had concluded, and that is where you left off. She moved out the next morning. You migrated to the relative safety of the sofa, unable to confront the austerity of a now-spartan bedroom eviscerated of her belongings. “This was meant to be a distraction,” you think, as Otis mulls over a spread of seemingly indistinguishable trinkets. Drowning in symbols of love and commitment has had the opposite effect, however, sucking you back into that familiar vortex of self-pity and despair. Nonetheless, here you are, and as one of Otis’s most loyal and unemployed friends you are obliged to see this through.

In silent and conciliatory protest, you feign interest whilst distracting yourself with cynical ruminations about the very practice of diamond rings. “Why diamonds?” you ponder silently as Otis contemplates each option carefully, seemingly doing his best Winston Churchill impression by furrowing his face in scrupulous appraisal and puffing on an e-cigarette. “How might an alien civilization interpret this custom of spending exorbitant amounts on a small lump of ornamental carbon in the name of love?”.

From this perspective, the practice seems fundamentally strange. Surely the value of diamonds is ascribed rather than inherent. You cannot eat or drink them, they are impractical as clothing or shelter, and, at least so far, they do not seem to remedy a broken heart. Nevertheless, diamonds have been sewn into the fabric of society since the beginning of the 20th Century, such that their monetary value and ubiquity in Western engagement practices are now taken-for-granted and unquestioned. The value and aesthetic appeal of diamonds is therefore institutionalized resiliently in the collective imagination; a tacit social agreement held in the minds of countless individuals. Consequently, it would require substantial effort to influence, reconsider, or abandon this shared meaning. Despite your clandestine lamentations, diamond rings cling steadfastly to our social customs.

You find that unpacking the meanings embedded in diamonds and engagement practices seems to be a surprisingly effective distraction from the monotony of mourning. You decide to delve deeper, and begin to ponder how many other things we conventionally consider to be
elements of ‘objective reality’ are actually socially constructed (Berger & Luckmann, 1966). You realize that there must be countless ways in which social constructions can constrain and enable how we act, interact, interpret and evaluate things, and even shape our deepest desires. Indeed, modern civilization is founded upon these shared beliefs; organized around a myriad of social constructions such as citizenship, human rights, ownership, tenure, credit, engagement, marriage, penalties and free kicks. Despite their checkered and often arbitrary beginnings, these social constructions combine to form complex webs of intersubjective meanings (Geertz, 1973) and comprise the crux of society. Without shared beliefs in social constructions such as corporations, nations, markets, and laws, we would have little basis for organizing on a broad scale. The importance of social constructions for organizing can be easily illustrated if you walk into the local grocery store and attempt to purchase things with homemade currency.

Your thoughts turn to your ongoing job hunt, which has been put on hold indefinitely after your heart was ripped from your chest two weeks ago. Perhaps your newfound means of distraction can be further channeled into other, more useful endeavors such as attaining employment? Indeed, it may benefit you to have an astute appreciation for resilient social constructions in the working world of organizations and strategic management, where they take the form of institutions. Upon the successful completion of your ring shopping adventure with Otis (in which you played an extremely marginal part), you resolve to return home to continue this distraction; reading up on institutions, and how they condition the ways in which companies organize and strategize.

**What are institutions?**

Immersing yourself in institutional theory, you emerge days later with the ability to regurgitate a litany of ideas about the ways in which organizing and strategy are culturally moderated. In the domains of organizing and management, institutions are those “social structures that have attained a high degree of resilience” (Scott, 2001, p. 48), and manifest in social life as “shared rules and typifications that identify categories of social actors and their appropriate activities or relationships” (Barley & Tolbert, 1997, p. 96). Institutions thus constitute sets of rules, norms, and beliefs that that are particularly diffuse, entrenched and resilient, and provide legitimate templates for action. They guide people to engage in predictable patterns of behavior, called practices (Lounsbury & Crumley, 2007; Schatzki, 2001), whose performance in turn reproduces the institution itself (Barley & Tolbert, 1997; Lok & de Rond, 2013). For example, the everyday rituals of a clergy and their faithful are an important part of enacting the broader religious institution, and help to cement its continued prevalence within society. Professions, companies, and industries are similarly reproduced through the performance of institutional practices, and so institutions are a central consideration in organizing and strategy.

The currency of institutions is legitimacy. Legitimacy determines whether you are behaving appropriately given the circumstances. In other words, your actions and identity are perceived as legitimate if they are deemed appropriate and acceptable given the social context in which they are performed (Suchman, 1995). Legitimacy judgments thus provide useful and often unconscious shortcuts for audiences deciding whether to support an individual, venture or organization (Bitektine & Haack, 2015; Lounsbury & Glynn, 2001; Suchman, 1995; Tost, 2011; Zimmerman & Zeitz, 2002). It is the conferral and withdrawal of legitimacy that constitutes the checks and balances of social life, and hence the way that institutions guide our behavior.
You begin to meditate on how the regulative, normative and cognitive pillars of institutions, constituted respectively by rules, norms and beliefs, condition how legitimacy is assigned to guide our actions.

The most apparent institutional structures are the formal rules and regulations that determine what kinds of actions are condoned or penalized by authorities. For example, it is regulation that prevents you from starting a new business that would print counterfeit money, pay employees 50 cents an hour, or sell the homemade moonshine currently brewing in your basement. The formal rules of institutions hence shape our actions coercively. You do not always want to pay taxes, though you do so because you understand the legal penalties for noncompliance. On the other hand, you cannot help but admit that clear and enforceable rules often help organizations run smoothly and predictably. On your helicopter flight over the Grand Canyon last year, you remember feeling grateful that the pilot was not permitted to take the same hallucinogenic drugs as the guy sitting next to you.

Institutions are also comprised of norms that determine what kinds of behavior are appropriate in a given social setting (Scott, 2001). Such institutional norms are perhaps most apparent when they are contravened (Garfinkel, 1967; Goffman, 1963, 1971). The power of normative institutions in organizational life was made clear in the last job interview that you attended before you took up occupancy on the couch. You remember going in confident, since you were doubtlessly well-suited for the job; perhaps even overqualified. In the morning of the interview, however, you realized that the only respectable suit you own was at the dry cleaner’s. “Never mind”, you thought, “my attire has nothing to do with my ability to perform the work”. You consciously decided to eschew social norms and turned up to the interview wearing your magician’s costume. However, they did not seem to take you as seriously as you had hoped, and did not call you back. Institutional norms thus carry value that extends beyond the functional and into the symbolic. As well as our attire, institutional norms are evident in the symbolic value that we place on professional certifications, and are what discourage us from texting during meetings or breathing heavily on people in the elevator. Meeting the social expectations and moral obligations of institutional norms can help to convey credibility and competence (Zott & Huy, 2007), and fulfils our desire to be accepted by others and avoid feelings of shame and exclusion (Creed, Hudson, Okhuysen, & Smith-Crowe, 2014).

Finally, cognitive aspects of institutions are embodied by implicit and widely shared beliefs about the nature of reality that are taken-for-granted and unchallenged (Scott, 2001). This encompasses “symbols – words, signs, and gestures – as well as cultural rules and frameworks that guide understanding of the nature of reality and the frames through which that meaning is developed” (Hoffman, 1999, p. 353). For example, it is unquestioned that firms pursue economic and material success, and that these goals inherently diverge from those of social activists (Hoffman, 1999). The cognitive pillar of institutions therefore guides our behavior unconsciously and instinctively. For example, you drive exclusively on the correct side of the road, not because each time you set out you recall that the law requires you to do so, but precisely because you do not think about it at all. You’ve always driven on that side, and you expect you will continue to do so. Surely then, the strongest institutions of all must ultimately be cognitive, since it does not occur to us to breach them. Moreover, once rules or norms infuse so deeply in the social fabric that they are taken-for-granted, they become cognitive elements of institutions (as well as regulative or normative).

Together, the regulative, normative and cognitive pillars of institutions work alone and in combination to guide our interactions (Hoffman, 1999; Maguire & Hardy, 2009; Scott, 2001).
For organizations, institutions shape what their objectives are, what practices are available for them to pursue these objectives (Lok & de Rond, 2013), and how audiences evaluate and compare them to other companies in this pursuit (Khaire & Wadhwnani, 2010; Suchman, 1995). Consequently, institutions can push companies to become more similar to one another (Deephouse, 1996; DiMaggio & Powell, 1983; Meyer & Rowan, 1977). Overall, the constraining power of institutions is becoming apparent. But what is your role in this?

Cogs in the wheel: How we reproduce institutions

You are not an innocent bystander here. Rather, you are deeply complicit in reproducing institutions, and not just because you haven’t caused a car accident for a while. Institutions are reproduced every moment through ingrained ways of communicating, in the form of ‘discourse’ (Phillips & Lawrence, 2004) and acting, in the form of ‘practices’ (Barley & Tolbert, 1997; Dacin, Munir, & Tracey, 2010; Lok & de Rond, 2013). Consequently, institutions do not need to be maintained through covert operations by the Illuminati, but rather manifest and prevail through our everyday talk and actions (Barley & Tolbert, 1997; Dacin et al., 2010; Lok & de Rond, 2013; Phillips & Lawrence, 2004).

Indeed, because institutions can shape our goals, interests and values, we often eagerly support and reproduce them through our actions. For example, you now realize that your penchant for whale watching did seem to coincide with the release of Free Willy in the early 1990s (Lawrence & Phillips, 2004). Before that, you cannot remember caring much about whales at all, much less wanting to battle chronic seasickness and spend your hard-earned cash to go and see them in the wild. However, by buying the DVD box set of the Free Willy trilogy (brimming with deleted scenes and director’s commentary), your actions contributed to the broader shift in the macrocultural discourse around killer whales that catalyzed the formation of the entirely new market for whale watching (Lawrence & Phillips, 2004). Now you not only have the possibility to go whale watching, you actually want to! Similarly, the formal dining practices that you engaged in during your visit to Cambridge University not only entailed the faithful enactment of institutional practice, but also embodied and reproduced the broader British class system, along with its ingrained values and social imbalances (Dacin et al., 2010). Looking back, you feel less guilty about contributing to the redefinition of orcas than the preservation of social inequalities.

You also come to realize that simply understanding the socially constructed nature of institutions does not absolve you from them. You are surely entangled as much as anyone in an institutional landscape brimming with a plethora of seemingly objective rules, norms, and beliefs. Simply realizing this does not remove the consequences of dissent, in the same way that knowing that a brick is made up almost entirely of the empty space between atoms would not stop you from dodging if someone threw one at you. Although on some level you find it strange that Otis should fork out thousands on a diamond ring for his partner Sophie, the fact that this practice is institutionalized means that he should abide by it if he wants an affirmative response to his marriage proposal. You were therefore not about to advise him to propose with a plastic ring instead, or no ring at all, and then deal with the consequences.

Overall, you are beginning to grasp more fully what Clifford Geertz meant when he said that “man is an animal suspended in webs of significance he himself has spun” (Geertz, 1973, p. 5). Institutions are constructed, enacted, and reproduced through large volumes of texts, actions, and symbols, and if they are to change or be replaced then many people must stop believing in
them. Across all aspects of social life, institutions covertly yet tenaciously shape how actors such as individuals, groups and organizations are structured, how they behave, and what is expected of them (Scott, 2001). But why might it be important to uncover some of these underlying institutional structures? How might a better understanding of institutions be useful for individuals and organizations?

Sarah, solar, and new markets as institutional voids

After your escapades with Otis largely served to accentuate, rather than relieve, your relationship woes, you decide to venture out again for a lunch with Sarah, who is perhaps more empathetic. Sarah is quiet and earnest, with fiery red hair and piercing blue eyes behind a set of horn-rimmed glasses. During high school Sarah was both a great role model for others and a prodigious student, possessing an admirable social conscience and strong scientific curiosity with an intellect to match. You are therefore relatively unsurprised to hear that she is now a rising star in the field of photovoltaics – solar technologies that generate renewable energy from sunlight.

Rather than dwell upon your tumultuous personal life, Sarah prefers to talk to you about new solar products. She has been working at a university, and divulges that she is now looking to branch out professionally, free from the bureaucratic structures, political atmosphere, and uncertain funding of a public organization. You assure her that it would likely be no different in a private organization, though she won’t be dissuaded. She is convinced that there is an opportunity to develop a new market in solar paint. This includes paint for cars, houses, and other buildings and structures that can generate renewable energy for its host, and even be fed back into the electricity grid. Sarah assures you that the technology is at a suitable stage for commercialization, which would mean starting both a new company and creating a new market.

“Solar paint! What a great idea!” you think. Creating a new venture in a new market for solar paint might be just the thing you are looking for. This could potentially address social challenges on a broader scale, satisfy your newfound interest in institutional dynamics, and of course to continue to distract you from gloomily yearning for Jasmine’s return. She might even be impressed if you can make this work. Can’t see a future? You will use this opportunity to create a future that she could never have imagined. You realize that there is great possibility to purposively shape institutional processes in circumstances where these are missing, incomplete, fragmented, or contradictory (Lawrence, 1999; Seo & Creed, 2002; Suddaby & Greenwood, 2005; Zimmerman & Zeitz, 2002). Could a new market provide such an opportunity?

Markets themselves are social constructions, emerging and diffusing to become institutionalized over time (Ahrne, Aspers, & Brunsson, 2015; Beckert, 2009; Fli gstein, 1996; Fli gstein & Dauter, 2007). Nascent markets are “business environments in an early stage of formation” (Santos and Eisenhardt, 2009: 644), and constitute highly ambiguous settings because their boundaries, defining products and practices are in the early stages of materializing (Aldrich & Fiol, 1994; Navis & Glynn, 2010; Ozcan & Eisenhardt, 2009; Santos & Eisenhardt, 2009). The absence of a strong institutional fabric in new markets means that they present significant opportunities to spin new webs of meaning. By doing this astutely, you could position your venture favorably relative to others.

You and Sarah talk at length, scheming and forming plans. Sarah wants to call the new company “Solaris”, while you suggest “Jasmine Energy”. Fast-forward three months and Solaris
has seed funding, a product prototype, and is on the hunt for more investors to help it scale to commercial production. Over the course of the next year, you run into three distinct challenges that will reshape how you see the world.

**Challenge 1. Storytelling and venture legitimation in nascent markets**

In the first few weeks, you enjoy reasonable success in untangling your thoughts from your breakup and channeling them into the business. Your first challenge is to attract the attention and support of investors and partners in a nascent solar paint market that is populated by a range of different companies. Your competitors include entirely new companies like Solaris, as well as new ventures by established firms entering from established areas such as traditional paint markets and photovoltaic panels. From your recent foray into institutional theory, you realize that the best way to gain external support for your new venture is to gain legitimacy.

Legitimacy is not just a boundary condition for survival; it can also be viewed as a strategic resource that enables your venture to grow and thrive in the new market (Aldrich & Fiol, 1994; Garud et al., 2014; Lounsbury & Glynn, 2001; Suchman, 1995; Suddaby, Bitektine, & Haack, 2017; Zimmerman & Zeitz, 2002). Legitimacy judgments therefore not only help ventures avoid being labelled as “negligent, irrational or unnecessary” (Meyer & Rowan, 1977, p. 350), they are also what motivate external actors to actively support a new venture (Zimmerman & Zeitz, 2002). Legitimacy in this sense can be thought of as a kind of “operational resource” (Suchman, 1995, p. 576) that will help you to acquire other resources, such as good employees, financial capital, technology, and government support (Lounsbury & Glynn, 2001; Zimmerman & Zeitz, 2002).

Prior research on how new ventures gain legitimacy and attract investment in nascent markets focuses overwhelmingly upon the legitimation of the new market category; that is the common product or service that groups ventures together and defines the market (Aldrich & Fiol, 1994; Hargadon & Douglas, 2001; Khaire & Wadhwani, 2010; Navis & Glynn, 2010; Patvardhan, Gioia, & Hamilton, 2015; Wry et al., 2011). These studies largely emphasize the cognitive dimension of legitimacy, which is conferred to a venture once the audience comprehends the new market category and accepts it as part of objective reality (Bitektine & Haack, 2015; Navis & Glynn, 2010; Suchman, 1995; Tost, 2011). However, although it is critical to communicate the functional aspects of solar paint so that these are comprehensible to potential stakeholders, this benefits everyone in the market, and hence does not afford Solaris any unique advantages over other ventures. The legitimation of the market category alone is therefore insufficient for Solaris to stand out from the pack and gain the necessary funding to expand.

Furthermore, because you are competing with a wide array of different actors seeking to commercialize solar paint, this process of reaching a clear and comprehensible definition of solar paint is heavily contested and time consuming. Each of your competitors is seeking to construct solar paint in a way that will position their venture more centrally in the new market (Santos & Eisenhardt, 2009). Given the limited resources and high failure rates of new ventures, it is critical for Solaris to attain legitimacy soon (Aldrich & Fiol, 1994; Lounsbury & Glynn, 2001; Martens, Jennings, & Jennings, 2007; Stinchcombe, 1965; Zimmerman & Zeitz, 2002). You therefore need other kinds of stories as well – stories that will help you stand out from the pack, and that will motivate investors to support Solaris rather than other new ventures, such
as those initiated by traditional paint companies. Perhaps there are other forms of legitimacy that could help to distinguish Solaris from others in the market?

Aside from cognitive legitimacy, two central dimensions of legitimacy that can be pursued by ventures are pragmatic and moral legitimacy (Suchman, 1995). Pragmatic legitimacy judgments are made based on stakeholders’ self-interests, including whether a particular venture’s success will deliver financial, employment or other benefits to them (Garud et al., 2014). Pragmatic legitimacy judgments thus reflect what kinds of ventures are most likely to succeed in producing and commercializing solar paint. On the other hand, moral legitimacy denotes how well a venture aligns with and promotes the normative values of the audience (Suchman, 1995). For example, your venture might be perceived as “doing good”, and hence morally legitimate, if audiences believe that solar paint addresses an important social or environmental issue.

Moral and pragmatic legitimacy are more evaluative than cognitive legitimacy (Bitektine & Haack, 2015; Golant & Sillince, 2007; Suchman, 1995), which means that they are more actively conferred to a venture by external evaluators, rather than passively accepted when the venture ticks a set of predetermined boxes (Bitektine & Haack, 2015; Tost, 2011). This emphasizes pragmatic and moral legitimation as ongoing processes of meaning creation and negotiation between firms and their audiences (Suddaby et al., 2017). Ventures can therefore actively engage in processes of legitimation to shape evaluators’ legitimacy judgments, and such persuasive efforts can be especially influential in new market settings.

Research holds that storytelling is an important way to shape venture legitimacy judgments (Garud et al., 2014; Golant & Sillince, 2007; Lounsbury & Glynn, 2001; Martens et al., 2007; Navis & Glynn, 2011; O’Connor, 2004; Wry et al., 2011). Stories (or narratives) are “thematic, sequenced accounts that convey meaning” (Barry & Elmes, 1997, p. 431) from author to reader. The plot of a story is what simplifies and ties events together to make them meaningful and comprehensible (Czarniawska, 2012; Czarniawska & Rhodes, 2006; Garud et al., 2014; Polkinghorne, 1988). Given the high uncertainty and ambiguity in the new market, you have a unique opportunity to tell stories about your venture and the solar paint market that could elicit favorable legitimacy judgments for Solaris relative to its competitors. But what should be the plots of your stories?

The role of strong plots for venture legitimation in nascent markets: Findings from Essay 1

Over the next few months, you find that an especially effective way to elicit favorable legitimacy judgments is by recruiting “strong plots” of ventures in new markets in your storytelling. In narrative theory, a plot is considered to be “stronger” when it is repeated and institutionalized (Czarniawska & Rhodes, 2006). Hence, strong plots are those highly familiar storylines that resonate powerfully with audiences through their intertextuality and universal appeal (Boje, 2001; Czarniawska, 2012; Czarniawska & Rhodes, 2006). Strong plots weave together archetypal situations and archetypal characters (Czarniawska, 2012). For example, in narrative fiction, archetypal situations include the quest, the voyage and return, rags to riches, and the

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1 While some academics have drawn a clear distinction between “narratives” and “stories”, others have used these terms interchangeably (Stewart R. Clegg, Rhodes, & Kornberger, 2007; Lounsbury & Glynn, 2001; Martens et al., 2007; Navis & Glynn, 2010, 2011; Santos & Eisenhardt, 2009; Wry et al., 2011). In this Introduction, “story” is used colloquially to denote an empirical unit of analysis (e.g. a story about a new venture), while ‘narrative’ describes a theoretical and methodological approach for analyzing managers’ stories (i.e. the narrative approach).
tragedy (Booker, 2004). Within these situations are woven archetypal characters, such as the hero, villain, mentor and scapegoat.

Through their familiarity, strong plots invoke certain expectations for what a certain character might do or encounter, judgments about whether such actions are good or bad, and assumptions about who will triumph and who will be vanquished. For example, Star Wars: A New Hope is a quintessential example of the hero’s journey (Campbell, 2008) (and indeed was deliberately written as such); a strong plot in which an archetypal hero (Luke Skywalker) is called to adventure by a great evil (the Galactic Empire) and, with the help of a wise mentor, sets forth to destroy it. This plot assembles situations, events and characters that are highly similar across many stories when abstracted from their specific contexts. If someone familiar with contemporary western culture sat down to watch Star Wars for the first time (supposing such a person still exists), they are likely to readily identify with the protagonist and his objectives, and form expectations about the likelihood of his success early in the film.

In the same way, strong plots are important for venture legitimation because they invoke institutionalized judgments and expectations about a protagonist venture. Strong plots of ventures in nascent markets combine archetypal markets (situations) with archetypal ventures (as protagonists and antagonists) that are deemed to fit together. Nascent market archetypes include nascent markets that emerge from competence-enhancing changes within an established industry (Tushman & Anderson, 1986), markets emerging from disruptive or discontinuous technological innovations (Tushman & Anderson, 1986), or emerging to address grand social and environmental challenges (Ferraro et al., 2015; Lounsbury, Ventresca, & Hirsch, 2003; Pacheco, York, & Hargrave, 2014). Examples of venture archetypes include incumbents (Ansari & Krop, 2012; Fligstein, 1997; Tushman & Anderson, 1986), start-ups (Navis & Glynn, 2010, 2011; Santos & Eisenhardt, 2009), and social entrepreneurs (Dacin, Dacin, & Tracey, 2011). These archetypes are routinely combined into strong plots in broader cultural discourses, as illustrated for example in research on management and strategy. Consequently, if you construct a story of Solaris as an archetypal character in a strong plot, you could shape audiences’ judgments and expectations about your venture.

As a ‘de novo’ entrepreneurial venture surrounded by large actors entering from established industries, you decide to construct a strong plot of Solaris as an exciting and disruptive entrepreneur (venture archetype) operating in a market that is emerging due to radically discontinuous and competence-destroying technological innovations (market archetype). You tell this story to potential investors to signal Solaris’ pragmatic legitimacy relative to others, and thereby recruit their support. Moreover, to broader audiences you convey another strong plot of Solaris as a social entrepreneur in a nascent market that addresses the grand challenge of climate change, thus drawing attention to Solaris as socially conscious actor. Together, these strong plots enable you to distinguish Solaris from other ventures such as the large paint companies, by emphasizing Solaris’ likelihood of succeeding within a more disruptive market context, and the greater social value that it creates compared to established firms with a history of pollution and wastefulness. Consequently, by disseminating stories that align with strong plots, you can elicit favorable pragmatic and moral legitimacy judgments from potential stakeholders, and thereby attract attention and resources to Solaris.

Overall, you realize how the astute understanding and application of stories in the broader institutional landscape can help you to attain legitimacy in a nascent market. This enables you to survive over the short term, while the specific details and attributes of the market are still
being ironed out. Your next big challenge reveals how you can shape parts of the institutional environment itself in a nascent market.

**Challenge 2. Rules of engagement: Shaping the emerging regulatory context**

Solaris is going well, and you realize that you have been thinking about Jasmine less and less. When your next challenge emerges, you therefore dive in head first. Just as you are beginning to get comfortable in the solar paint market, a new type of actor signals its intent to enter: energy utilities. You are surprised to find that Jeff, your old friend and former CEO, is now working at an energy utility, and is driving a push for them to enter the nascent market for solar paint. Jeff has a sharp wit and keen business acumen, and has developed a strategic rationale for his utility to integrate solar paint into the energy grid. He proposes that the new market provides an opportunity for the energy utility to move vertically down their value chain and better control fluctuations in the energy supply. However, such a move could prove disastrous for your new venture, since it complicates the institutional structure of the nascent market by bringing regulatory institutions into play.

Regulatory agencies shape the rules of engagement in markets (de Figueiredo, 2009; Hiatt & Park, 2013). Regulatory agencies seek to promote and preserve the public interest (Gurses & Ozcan, 2015; Pigou, 1932) by overcoming problems of competition (Beckert, 2009; Fligstein, 1996), correcting market failures where possible (Schneiberg, 1999), and balancing market goals with broader social objectives (Hoffman, 1999). To this end, regulatory agencies must decide who is allowed to operate in a market and what they can do there (de Figueiredo, 2009; Greenwood, Suddaby, & Hinings, 2002; Gurses & Ozcan, 2015; Russo, 1992; Suddaby & Greenwood, 2005). Market regulation is therefore a highly important and consequential strategic consideration for ventures seeking to operate in the market (Hillman & Hitt, 1999; Hillman, Keim, & Schuler, 2004; Marquis & Raynard, 2015; Schuler, 1996; Schuler, Rehbein, & Cramer, 2002).

Furthermore, the nascent solar paint market is relatively unique from a regulatory standpoint, due to its possible implications for climate change. New markets that address sustainability challenges feature what could be considered as high *intertemporal ambiguity*, and this complicates the regulatory process. Policy goals such as the reduction of harmful emissions are often set far into the future, while possible regulatory measures may need to be implemented in the present. This manifests intertemporal tensions between the short-term and long-term (Slawinski & Bansal, 2012, 2015). Moreover, these new markets are often nurtured into existence through government support and therefore confront the possibility of market failure (Pacheco et al., 2014; Pigou, 1932). The various elements of new markets that address sustainability issues are therefore not only ambiguously defined, but are ambiguously positioned across broad timeframes. In other words, intertemporal ambiguity means that there is ambiguity surrounding not only over *whether*, but also *when* and *how* a nascent market could emerge to realize a positive environmental impact, and what the role of the regulatory agency should be in this; for example to either proactively drive market emergence or respond to it retrospectively. Intertemporal ambiguity thus presents both an additional dimension of complexity for a regulatory agency in deciding how and when to set the rules of engagement in a nascent market.
By signaling their intent to enter the market, Jeff’s utility has brought the attention of the Public Utilities Commission (PUC) – a regulatory agency that sets and enforces the rules regarding what utilities are permitted to do, and how they can set prices when generating and selling electricity. The prospect of the PUC expanding its jurisdiction to the solar paint market raises two important considerations for Solaris. First, since Solaris is technically involved in the creation and sale of electricity, it risks being defined as a utility and then regulated as such. This could significantly limit the scope of how you might monetize solar paint, for example by limiting your margins. Second, even if you avoid being subjected directly to PUC regulation, you could face direct competition from large utilities that could skew competition and dominate the market with their large resources financed by ratepayers. The PUC’s decisions therefore have the potential to significantly impact the survival of Solaris and emergence of the nascent solar paint market more broadly. The PUC first needs to decide the degree to which it has regulatory authority over the market, before determining whether energy utilities should be permitted to own, distribute and install solar paint.

Luckily, there is the potential for you to influence this process. Overall, you see this as a good example of a context in which the institutional fabric is weak and malleable, since actors are not sure yet what the nascent market resembles or how it should be regulated. This provides you with a distinct opportunity to shape the emerging institutional context (Fligstein, 1997; Lawrence, 1999; Navis & Glynn, 2010, 2011; Santos & Eisenhardt, 2009; Zimmerman & Zeitz, 2002) by weaving webs of meaning to shape the PUC’s decisions to your advantage. Moreover, given the high intertemporal ambiguity, these webs of meaning need to effectively and persuasively account for the temporal dynamics of regulation in new market emergence.

Discursive strategies for shaping nascent market regulation under inter-temporal ambiguity: Findings from Essay 2

Participating in the PUC’s formal regulatory decision processes, you submit comments to shape two different aspects of the decision: what the decision should be, and how this decision should be formulated and enacted by the PUC. To argue for the former, you construct and combine accounts of market emergence, the emergence of actor roles over time, the public interest and how it could be realized in the future, and the role of regulation in this process. By weaving these accounts together across time, you argue for a regulatory decision by resolving the intertemporal ambiguities inherent to the new market.

Second, you supplement these arguments by arguing how the above decision should be formulated and enacted by the PUC. This entails situating the regulatory decision with respect to time in three distinct ways: (1) the orientation of regulatory formulation as either proactive (driving market emergence) or reactive (responding to market emergence), (2) the timing of the focal decision as urgent or non-urgent, and (3) how multiple regulatory decisions connect to one another across time. These strategic arguments are intended to shape how the PUC reaches and implements its decision.

Your rhetorical efforts have the potential to persuade the regulatory agency, because the PUC is itself a social actor that wants to be seen as legitimate in the eyes of stakeholders (Hiatt & Park, 2013). By articulating how the decision process should unfold, you are therefore simultaneously constructing legitimating frames for the PUC.

Remarkably, you overcome Jeff’s competing efforts and manage to successfully convince the PUC to clarify a distinction between private ventures and energy utilities, and in turn avoid
being regulated directly as a utility. In a subsequent PUC decision, you leverage the same discursive strategies to convince the PUC to promote fair competition in the solar paint market by prohibiting utilities from operating there altogether.

Jeff is gracious in defeat, and he even quits his utility to come and work with you at Solaris. You are more and more confident in your ability to weave webs of meaning to your company’s advantage, as demonstrated by your acumen in storytelling and shaping regulation. You even become somewhat convinced of your impunity to institutions, since you have been so successful in shaping meanings in the solar paint market. However, the pervasiveness of institutions again rears its head as time goes on. Indeed, it is the institution of time itself that becomes even more of a central consideration for you.

**Challenge 3. A stitch in time: Temporality in the social fabric**

Things are going well. While your relationship status is still a somewhat tender subject, you have been fully functional and dedicated to the company for a while now. Solaris is expanding, and you have committed investors, an established board, and are approaching the break-even point with several product lines. Jeff has proven to be a fantastic addition to the team, and has become a valuable asset. Solar paint is becoming increasingly mainstream since the concept has been accepted by the public and proven to save money for homeowners over time. The stable regulatory context has also brought in more confidence and investment to the market, and the roles of different actors are now more clearly demarcated. You are working closely with utilities in a well-designed and seamless model for painting houses and connecting them to the energy grid. But then a series of events reveals to you again how deeply embedded social constructs constrain our actions. Specifically, you become cognizant of the social construction of time.

True to form, this series of events begin back on the couch. With Jeff’s help you have more spare time these days, so you decide to binge watch a set of documentaries that includes *Planet Earth*, *An Inconvenient Truth*, and *Before the Flood*. This catalyzes a sense of forlornness and a desire to operate with greater urgency to address climate change. While solar paint is already ‘doing good’ for the environment, you know that you could reach more people and have a more immediate social impact by making it more affordable for consumers and growing the market faster.

You resolve to speak with the board about forgoing profits in the short run by offering solar paint at a reduced price. Not only are you sure that this would make a positive impact on renewable energy levels and reducing carbon emissions, but it should also generate lasting relationships and goodwill that should reap financial returns for Solaris in the form of maintenance services over the longer term. This is a tough sell however. Ever since the inception of the company, the board has been focused upon quarterly revenue figures and has had little patience in the pursuit of profitability. You realize that Jeff might be able to help here. “Jeff is a persuasive guy”, you think, “so he could have some good ideas for pitching this to the board”.

One challenge to getting Jeff’s help is that he has some strange work habits that make it difficult to collaborate with him on this. Instead of working during the daytime like the rest of the staff, he routinely comes into the office at 7pm and works until 3am. This is not necessarily compromising his ability to do his job, but it can be annoying when you cannot get hold of him
on short notice. You know from your previous tangles with Jeff that he would have good insights for persuading the board. But how can you work together on a plan to convince your investors of something if Jeff works totally different hours to you?

You send him an email detailing your concerns and desires to convince the board of your longer-term plan. His response is characteristically brief and rather cryptic: “Stop using Gantt charts in your presentations to them”. You spend the next day pondering what he means by this, and after making little ground you resolve to stay late at the office and ask him in person.

However, Jeff does not appear that evening. Instead he sends a text message: “Too stressed, went to Nepal. Sorry!”. Great, so it seems that Jeff’s unorthodox working hours have sent him to something of a breakdown. You are distraught, disappointed, and admittedly a little jealous about Nepal. Feeling more alone than ever, you reflect again on Jeff’s enigmatic advice, though are still unable to figure out what he meant. Why should Gantt charts be the problem? How can something so trivial have such a dramatic influence?

**How temporal structures shape the practices of organizing: Findings from Essay 3**

Meditating upon recent events – your plan to address climate change, Jeff’s work schedule, the Gantt charts – you realize that they are in some way all connected to time. You get to thinking about the nature of time and its role in organizing. You realize that time itself is a social construction, intricately woven into the fabric of society. Viewing time through an institutional lens entails understanding the ways in which time is used in organizing and reproducing social life.

From a sociological perspective, the “true” nature of time is unimportant. For example, it does not matter whether time even exists independently of human experience. Rather, what is important here is how time is conceived, articulated, and applied in social life, since this determines the function of time in organizing. Is there something in institutional theory that could help you to understand these better, and to decode what Jeff meant with his advice?

Institutional literature conceptualizes time as understood and acted upon through things called temporal structures (Granqvist & Gustafsson, 2016; Orlikowski & Yates, 2002; Reinecke & Ansari, 2015). Temporal structures are institutionalized ways of conceiving, orienting towards, and planning activities in time, and are enacted in practices of organizing. You reflect upon what kinds of temporal structures might be reflected in the recent events, and how this shapes organizing. This reveals three distinct types of temporal structures that are embedded within and across institutional practices: temporal patterns, temporal orientations, and temporal conceptions (Rowell et al., 2016).

First, Jeff’s nonconformist working schedule is the most glaring enactment of an unconventional temporal pattern. Temporal patterns reflect the way that practices are positioned with respect to time, encompassing for example their timing, pacing, sequencing, durations, and rates of reoccurrence (Barley, 1988; Brown & Eisenhardt, 1997; Gersick, 1988, 1994; Huy, 2001; Rifkin, 1987; Zerubavel, 1979, 1981). Like most companies, Solaris has an institutionalized temporal pattern regarding working hours – i.e. the nine-to-five working day – and by eschewing this Jeff was enacting an alternate temporal pattern.

Less obvious is the contrast between the temporal orientations adopted by you and the board regarding Solaris’ future. Temporal orientations lie beneath the surface of practices, denoting the way that time is oriented towards and valued in the practice. The board clearly values the
shorter-term over the more distant future, and this orientation seems institutionalized. How might you be able to change this? What other temporal structures are enacted in your practices with the board?

You realize that there is an even deeper type of temporal structure: temporal conceptions. Temporal conceptions reflect how time itself is imagined and articulated, so that it can be used in planning and action. Since time does not possess any inherent properties (Heidegger, 1996; Hernes, 2014), any properties that we believe time possesses must be ascribed to it by people. For example, you realize that conceiving time as linear, circular, moving and/or irreversible involves the application of spatial metaphors to describe time (Evans, 2003; Núñez & Cooperrider, 2013), and in turn help us to plan and coordinate action. Consequently, temporal conceptions are neither objective nor inherent properties of time, but rather properties that we have attributed to time to enable organizing.

You also recognize that these three types of temporal structures can be interdependent and mutually enabling; combining to comprise integral parts of societal webs of meaning. As the most universal and invisible temporal structures, temporal conceptions lie at the deepest level and can enable and encourage particular temporal orientations and temporal patterns.

Finally, you have decoded Jeff’s mysterious recommendation. The common practice of using Gantt charts to plan and communicate your activities enacts not only certain temporal patterns (i.e. positions of your activities in time), but also hidden temporal orientations and temporal conceptions as well. As a visualization of time in terms of space, Gantt charts enact a conception of time as objective, linear and quantifiable (Yakura, 2002). Moreover, by using monthly (rather than yearly) time scales (Zaheer, Albert, & Zaheer, 1999) in planning, you are enacting a temporal orientation that values the more proximate future over the more distant future (Slawinski & Bansal, 2012). This is important, since these temporal conceptions and orientations are fundamental to the way that your plans are made and interpreted, though their depth makes them largely invisible and difficult to change. In other words, by conceiving time in a specific way, you are unconsciously reproducing a myopic temporal orientation, and undermining your other efforts to persuade the board to take a longer-term outlook.

These temporal structures are heavily institutionalized within and across reporting and organizing practices, which constrains your capacity to replace them with alternate structures. For example, it becomes difficult to develop and coordinate new practices for communicating with the board if you enact a linear conception of time in all other areas of organizational planning. Similarly, because your investors also serve on the boards of other companies, they are likely accustomed to certain reporting and planning practices underpinned by certain temporal conceptions and orientations, and may be unreceptive to different ways of doing things. Together, temporal structures are often interwoven, highly institutionalized and pervasive across practices; they promote the reproduction of the practices themselves by constraining our capacity to develop and enact alternate ways of conceiving, orienting towards, and patterning activities in time.

Nonetheless, given what is at stake, you have to try. By understanding and shedding light on how temporal structures underpin common practices of working and organizing, we should be better able to manipulate or replace these. For example, research has shown that whereas practices underpinned by a linear temporal conception tend to value the present over the future, a cyclical temporal conception sees time as seasonal and repetitive of time (Ancona, Goodman, Lawrence, & Tushman, 2001; Ancona, Okhuysen, & Perlow, 2001; Bluedorn, 2002; George &
Jones, 2000), thus highlighting the reoccurrence of opportunities, risks, and dangers, and invoking a greater appreciation for the more distant future (Slawinski & Bansal, 2012, 2015). Consequently, adopting practices that enact a cyclical temporal conception, for example by abandoning the Gantt chart in board meetings, you may be able to instill a greater value in the more distant future, and thereby influence the myopic temporal orientations of your investors. This must be what Jeff had meant. Especially considering the global challenges that we now face, crafting new ways of patterning, valuing, and even conceiving time could be incredibly important to overcome our tendencies for short-sightedness and the unconscious reproduction of unsustainable practices.

These past months have been revelatory. You have gone from attracting initial attention and legitimacy by employing cultural templates from the broader institutional landscape, to shaping the regulatory context in your new market to put Solaris in a strong competitive position, before finally coming closer to understanding the social construction and enactment of time, and how this can be pervasive in shaping our actions and evaluations. However, it is not long before life takes another turn, and your world again grinds to a halt.

**Another engagement**

Never go on social media. This is the conclusion you have arrived at after Jasmine’s latest update has left you floundering. “How can she see a future with her but not with me?” you wonder, aghast. She is engaged, no more than a year after you’ve broken up. Not only that, her ecstatic smile in the photo signals that she does not seem to appreciate the true triviality of engagement and marriage – things you have become acutely aware of over the past year with Solaris’s institutional accomplishments.

You had thought that you were over this, but all the success you have enjoyed with Solaris, and everything you have learned, seem meaningless without her. If there is no future with Jasmine, then there is no future that matters. The webs of meaning that you have constructed and participated in over the past year begin to fray and break apart. That familiar state of misery, which until now had been loosening its grip, begins to reel you back in. As you revisit this feeling, history seems to be repeating itself as well. Just as you were shortly after the break-up, you are once again obliged to immerse yourself in someone else’s fairytale romance. Otis and Sophie are getting married this week.

**The wedding**

Standing aside the alter as Otis and Sophie prepare to tie the knot on a brilliant Spring day, you find yourself once again engulfed in cynical contemplation. Frank Sinatra was adamant that love and marriage either existed together or not at all, but was he right? Do we need marriage? To you it seems almost a sinister institution, with its plots, rules, and temporal structures belying false hopes and unfairness. A high proportion of marriages end in divorce, although their strong plot of ‘happily ever after’ is so compelling that the bride and groom are unable to fathom such an outcome as they embark on the story. The regulatory aspect is increasingly antiquated and largely unnecessary, and the ways that women are “given away” and customarily change their last names now strike you as archaic and dehumanizing, since these practices hark back to a shift in her possession from father to husband. Wedding practices therefore seem to contain an unhealthy reverence for the past in their temporal orientations.
For example, Sophie’s bouquet of flowers embodies the institutional legacy of an era where people only bathed once a year, and thus needed to mask the odor on their wedding day. Similarly, the lull between the ceremony and reception, in which the bride and groom trounce about taking photos, is a legitimate temporal pattern due to underlying orientations that value the past and future over the present. During this scheduling gap, guests’ immediate comfort and patience become subservient to both outdate tradition and the logging of memories that can be looked back upon over a lifetime of supposed marital bliss.

You steel your nerves, and allow yourself a brief glance at Jasmine, who is seated in the second row with her new flame. She appears entranced by the decadent setting, and caught up in the emotional contagion of the crowd. Does she know how empty and arbitrary this institution really is? Perhaps she wouldn’t place so much optimism and weight on the future if she knew the odds of how it might unfold.

Sophie emerges from beyond the last rows as the music begins, and her face instantly snaps your stony temperament in twain. She is positively scintillating, flush with exhilaration at the sight of her groom. Otis is radiating back at her from the alter; a cartoon sun pulling his love into orbit. This is why institutions matter. They allow us to express ourselves in ways that are understood and reciprocated; to reach out, organize, co-create and share these breathtaking moments. Although Sinatra may have been overstepping slightly with his ontological claim that one cannot exist without the other (and you’re pretty sure that you’ve witnessed a horse without a carriage), weddings surely do complement love well, by providing a way to tangibly express and share something that is inherently intangible and intimate.

The plot, regulations, and temporal structures of a wedding are all fundamental to such shared experiences. Though Sophie and Otis are just beginning their story of matrimony, embarking upon a plot of happily ever after is providing them with a wonderful shared experience. If a formal regulatory status contributes to this meaning, then why not go for it? Moreover, you realize how temporal structures bring meaning to the present and allow us to organize. Otis and Sophie’s celebration through traditions and rituals, and their anticipation of a long future together, has made them happy in the present, and allowed them to share this happiness with their loved ones. Finally, the meanings around practices evolve over time, and even though Sophie probably showered this morning, those flowers are a nice touch.

As the ceremony concludes, you reflect upon how this past year could shed new light on your own troubles. You realize that the plot of your break up does not have to be a tragedy, and you are the author as well as the protagonist of your life’s story. Your exploits in shaping market regulation also revealed that not only are there infinite possible futures, there are infinite possible ways to get there. Your path can intersect, intertwine and unwind from others’ over the course of your life, and no matter what happens you always have some degree of influence over this ongoing process. Finally, you see that institutions go deep, and that understanding how the more invisible and pervasive institutional structures work can help us to put things into perspective and approach them from different angles. Although Jasmine did not see a future with you, your future is nonetheless brimming with possibility. Your agitation and sense of loss finally gives way to a deep sense of optimism and happiness for both yourself and for Jasmine on her new path.

Overall, you realize how understanding institutions can help us to more consciously appreciate, harness, and shape them to our advantage – whether this be for individual, strategic, or social objectives. Since you play an ongoing role in weaving webs of significance, you can en-
deavor to create designs that might put you at a strategic advantage relative to others. Moreover, unravelling the composite elements of institutions could help us to identify those points that might be more open to change, and can help us to improve our actions and interactions by identifying, reducing, or replacing harmful, unethical, or unsustainable practices, thoughts, and behaviors.

Finally, you realize that today is not about you – you are a supporting character in the wedding story. What is most important now is that Sophie and Otis enjoy their special day, playing upon every institutionalized practice and ritual that makes them happy. Besides, it’s time for some cake.
Although introduced above as the epiphanous insights of a fictional entrepreneur in search of distraction, the novel theoretical and practical contributions outlined in the above story are in fact the products of rigorous academic research. The original research in this dissertation is comprised of three studies exploring meaning creation and institutional phenomena. The first two essays are qualitative empirical studies using an extensive set of primary and secondary data from the emerging electric vehicle (EV) field in Finland and California USA. The third essay is a conceptual paper that synthesizes literature on the social construction of time from multiple research paradigms to build a typology of temporal structures and their role in institutional processes.

The three essays are organized sequentially to encapsulate strategies and institutional dynamics from more fragmented to more complete institutional environments. Accordingly, they move from how actors might create new meaning for strategic ends to how they can better identify the latent yet pervasive meanings in which we are already embedded. The first essay explores how ventures in nascent markets construct stories using strong plots from broader societal domains, and theorizes how these could shape the legitimacy judgments of external evaluators. The second essay explores how firms can further seek to shape the emerging institutional context of a nascent market through discursive strategies aimed at regulatory agencies. Finally, the third essay theorizes the temporal structures of practices to show how we might unpack the shared meanings in which we are currently embedded, and better understanding how these constrain and enable action. Together, the three studies explore how actors can decipher, harness and shape institutional phenomena to their advantage. The essays and the linkages between them are depicted in Figure 1. I briefly outline the theoretical motivation, methodology, main findings, and theoretical contributions of each study below.
First, to explore the creation of new meaning, Robin Gustafsson and I explore how strategic actors use narrative to legitimate their venture in a nascent market setting. Legitimacy is the central concept in institutional theory, and is considered crucial for venture survival. Nascent markets are ambiguous and unstructured settings, and managers must therefore employ narrative as a tool for meaning creation in their legitimation efforts. However, the literature on legitimation in new market settings has focused overwhelmingly on cognitive legitimation at the interorganizational level. However, this process is inherently messy and contested (Patvardhan et al., 2015; Santos & Eisenhardt, 2009; Wry et al., 2011), and new ventures in more heterogeneous markets may be unable to wait for a comprehensible market category to emerge. Consequently, we have limited understanding of how new ventures seek legitimacy and support before they can benefit from the cognitive legitimation of the market category. Hence, we ask:

**RQ1:** How do ventures in nascent markets pursue legitimacy before market categories emerge?

Here we engaged in inductive narrative analysis of an extensive set of primary and secondary qualitative data, collected over a four-year period in Finland and California. Analyzing the stories constructed by informants, we found that managers at new ventures routinely combined venture and market archetypes in their storytelling to construct strong plots.

The output of this study is a conceptual framework for how narratives combine archetypal conceptions of actors (characters) and the market (context) to convey strong plots of nascent market emergence. Furthermore, we theorize that strong plots invoke institutionalized expectations about the protagonist venture’s chances of success and normative value, and could therefore be useful for gaining pragmatic and moral legitimation.
The study contributes a more holistic conception of legitimation processes in nascent markets, and suggests that pragmatic and moral legitimation may be of especially crucial importance during the early stages of a nascent market, before a consistent and comprehensible representation of the market category has crystalized. Moreover, we outline theoretical implications for how we conceptualize both venture distinctiveness and novelty in new market contexts.

**Study 2**

Second, Eero Aalto and I explore how firms engage in discursive efforts to shape the regulation of competition in a nascent market characterized by high intertemporal ambiguity. We conducted a longitudinal study of the regulation of the EV charging infrastructure market in California from 2009 to 2015. In this we analyzed the comments submitted to the formal decision procedures of a regulatory agency by two groups of firms, as they competed to shape the regulation of market competition in their favor.

We propose that high intertemporal ambiguity significantly complicates the regulation of new markets that address sustainability issues. Consequently, the theoretical motivation for this study is that although previous studies have explored firms’ discursive strategies to shape market regulation, we have limited understanding of how they could do this under conditions of high intertemporal ambiguity. Consequently, we ask:

**RQ2:** How do firms shape market regulation in contexts characterized by high intertemporal ambiguity?

Our analysis reveals how firms contested two distinct aspects of the regulatory agency's decisions: what the decision should be, and how this decision should be formulated and enacted by the agency. First, we find that firms argue for a particular regulatory outcome by resolving intertemporal ambiguities in ways that support their recommendation. Briefly, they do this by weaving together intertemporal accounts of the market, actors, the public interest, and the role of regulation over time. Second, we find that firms seek to shape how their recommended decision should be implemented by the regulatory agency by constructing the orientation of regulatory formulation (as proactive or reactive), the timing of the decision (as urgent or non-urgent), and the pathways that link regulatory decisions together over time (for example their sequencing, continuity, or reversibility).

Our study has implications for research in corporate political activity (CPA), the social construction of markets, institutional theory, and business-government relations. We contribute to research on CPA (de Figueiredo, 2009; Hillman & Hitt, 1999; Hillman et al., 2004), institutional strategy (Lawrence, 1999; Marquis & Raynard, 2015), and on the social and political construction of markets (Ahrne et al., 2015; Beckert, 2009; Fligstein, 1996; Fligstein & Dauter, 2007), by revealing how strategic actors shape the regulation of competition in nascent markets that address sustainability issues. In addition, we contribute to research on how regulatory agencies make and justify their policy decisions (Hiatt & Park, 2013), by theorizing how the discursive strategies we uncover construct consequential and procedural legitimating frames for the regulatory agency. In doing so, we reveal important temporal elements of consequential and procedural legitimacy (Hiatt & Park, 2013; Suchman, 1995) in regulatory formulation.
Finally, the third essay explores an oft-highlighted yet relatively poorly understood dimension of institutional life – that of time. Multiple different research paradigms, including organization studies (Ancona, Goodman, et al., 2001; Bluedorn, 2002; George & Jones, 2000) cultural anthropology (Geertz, 1973; Gell, 1992; Hall, 1959), sociology (Adam, 1990, 2000; Bergmann, 1992; Durkheim, 1915) and psychology (Flaherty, 2002, 2003; 2011; Núñez & Cooperrider, 2013) agree that time is a social construction that guides how we interpret, act and organize. However, thus far we have lacked a coherent base to enable us to compare across these diverse research streams and to comprehend how the social construction of time could help to sustain institutions.

Time is enacted through institutionalized temporal structures that constrain and enable action, and hence the performance of institutional practices. Given that institutions are enacted and upheld by the ongoing performance of their composite practices, Robin Gustafsson, Marco Clemente and I sought to understand how practices are made up of temporal structures, and how these temporal structures in turn support practice reproduction. Hence, we ask:

**RQ3:** What are the different types of temporal structures and how do these promote the reproduction of institutional practices?

Through a review and synthesis of research on temporal structuring and practices across the several literature streams outlined above, we formulate a conceptual model of three distinct types of temporal structures. We propose that there are three distinct types of temporal structures: temporal patterns, temporal orientations, and temporal conceptions. This typology provides an important basis for synthesizing and interpreting existing studies on time that had previously used wide-ranging and disparate concepts. We further argue that the degree to which these temporal structures are shared across practices in an institutional domain can constrain the capacity for people to think and act outside of them, thus supporting the ongoing reproduction of practices and the institutions that they uphold.

This study contributes by presenting a common vocabulary and conceptual toolkit for comprehending and synthesizing the disparate existing literature on the temporal structures of practices, as well as for grounding future examinations of the temporal dynamics of institutional phenomena. It further illuminates how academics, policymakers, and practitioners can identify the temporal structures that constrain action and lead to the reproduction of unsustainable practices.
As a whole, these essays explore how strategic actors can better understand and deploy culture to their advantage. Through a deeper understanding of institutional phenomena, we are better equipped to harness and change shared understandings. Specifically, the essays highlight two important ways in which such “institutional strategies” (Lawrence, 1999; Marquis & Raynard, 2015), or “cultural entrepreneurship” (Gehman & Soublière, 2017; Lounsbury & Glynn, 2001) can be performed: using language and practices.

The first essay reveals how even in highly ambiguous institutional voids, managers can employ highly familiar and resonant storytelling templates to communicate their firm and distinguish it from others. Such a rhetorical strategy emphasizes the intertextual nature of language and discourse, and shows that, paradoxically, firms tend to signal their differences in highly similar ways. The desire to stand out as a new venture is itself a product of the quest for legitimacy, which is inherently constrained by the institutional landscape.

The second essay then reveals how rhetorical legitimation strategies can be tailored for a regulatory audience. It reveals how strategic actors can construct and weave together accounts of how different elements evolve over time, and thereby present compelling arguments for how a new market should be regulated during this emergence.

The third essay provides a conceptual typology for understanding the underlying temporal structures of practices, thus revealing how actors might perform or seek to change these practices to signal legitimacy. By drawing attention to the “hidden dimension” in organizational life (Das, 1991), this essay expands the cultural toolkit of actors in signaling their legitimacy, as well as in challenging and changing unsustainable practices.

Together, whilst existing research has emphasized that managers need to be skilled cultural operators to understand, harness and shape institutional phenomena in the pursuit of legitimacy, we are still coming to terms with the full scope of what this means in practice and theory. Institutions are all around us, constraining and enabling social life by providing a shared set of mythic and symbolic understandings. Importantly, it is not by eschewing institutions, but rather by understanding them that we can use them for the advantage of ourselves and of those around us. This is especially the case in nascent markets, where novelty and ambiguity provide significant opportunities for entrepreneurial actors. When new technologies and challenges manifest the inception of new markets, entrepreneurs in these nascent markets must simultaneously create new institutions and account for established institutions as they seek the attention and support of potential stakeholders. Together, this dissertation provides deeper insights into how managers can aptly engage with culture in the pursuit of legitimacy, by providing new conceptual tools for highlighting what is missing from the social fabric and, perhaps more importantly, for revealing what is there.

Finally, this dissertation has implications for how we might address many of the broader sustainability issues and grand challenges facing our planet. Specifically, it provides a deeper
understanding of how the intertemporality of sustainability issues can potentially complicate our responses (Essay 2) and perpetuate the performance of unsustainable and environmentally harmful practices (Essay 3). Through a better understanding of the problem, we are better equipped to overcome these intertemporal challenges and move toward more sustainable practices.
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Society is organized and reproduced through complex webs of institutionalized rules, norms and beliefs. These institutions shape how individuals and organizations interpret, act, interact, and evaluate one another’s words and actions. Although we can never be fully free from these webs, it is important for us to understand their makeup, and to be aware that we ourselves are weaving them through our social interactions and practices. Over three essays, this dissertation explores how strategic actors such as firms can identify and understand the ways that they are embedded in institutions, and how they might use this understanding to shape the legitimacy judgments of outside audiences, as well as shape institutional arrangements and practices themselves.