

Organizational Configurations of Modern Universities, Institutional Logics and Public Policies—Towards an Integrative Framework

Ivar Bleiklie, Jürgen Enders and Benedetto Lepori

Abstract Given the highly differentiated and nuanced analyses of change processes in university systems provided by the TRUE project, the chapter first reviews this evidence along a set of common dimensions concerning variation in organizational university configurations and their linkages to HE policies and related environmental pressures. This review underscores the need for a more refined analytical framework to accommodate the diversity of empirical observations and provide a more nuanced approach on how environmental contingencies impact organizations. In the last section, we propose a framework building on recent developments in neo-institutional theory, arguing that concepts like

I. Bleiklie (✉)

Department of Administration and Organization Theory,
University of Bergen, Bergen, Norway
e-mail: ivar.bleiklie@uib.no

J. Enders

School of Management, University of Bath, Bath, UK

B. Lepori

Institute of Interdisciplinary Data Sciences, University of Lugano,
Lugano, Switzerland

institutional pluralism and organizational hybridity provide useful analytical lenses for understanding changes in contemporary university organizations, the potential of which remains largely unexplored.

INTRODUCTION

Already in our introductory chapter, we pointed to how the debate concerning the organizational form of the university system tended to feature two very distinct and contrasting models, i.e. the bureaucratic-academic organization and the corporate-managerial organization (Musselin 2007; see Chap. 1).

The traditional bureaucratic-academic ideal type stresses the peculiarities of universities as organizations (Weick 1976; Cohen et al. 1972). They are bottom-heavy with low potency for collective action. Organizational leadership is weak compared to other organizations. Organizational change takes place mainly through continuous local adjustments, while major change is difficult to achieve; central policies are often weak and interventions on this basis may have only minor, local effects. It is the academic professionals who act, rather than the university as an organization, especially when it comes to professional matters (e.g. research, teaching, academic careers). At the same time, universities form part and parcel of a regulatory regime regarding non-academic matters (e.g. budgets, salaries, infrastructure) in which they are subject to state control. Governments control universities by defining the bureaucratic rules of the game exercised by state authorities as well as by the intra-organizational administration.

On the contrary, the corporate-managerial model stresses the actorhood of universities as organizations, their capacities for corporate strategic action as well as for managerial intra-organizational control (Krücken and Meier 2006; Whitley 2008). Universities act as organizations that possess a certain degree of independence and sovereignty, with self-interested goals as well as with rational means for commanding their resources and for controlling their professional staff. ‘Old public administration’ is replaced by ‘new public management’ embedded into a new regulatory regime. The state delegates part of its authority to the organizational agent, the university. Traditional forms of bureaucratic control are replaced by alternative means, such as audits and accountability measures, incentive structures for organizational behavior, contractual arrangements or quasi-market mechanisms.

Much of the debate on the changing nature of universities as organizations strongly contrasted the two models, which were perceived as largely alternative and incompatible, and suggested an archetypical transformation of the organizational form of the university (Greenwood and Hinings 1996) that affects the configuration of the structures and processes of organizing according to a common interpretative scheme. In turn, it was considered that this transformation was promoted by global managerial templates (Meyer et al. 1997) and by policies supporting the transformation of public sector organizations into corporate entities (Brunsson and Sahlin-Andersson 2000), like New Public Management (NPM; Ferlie et al. 2008).

Beyond this largely conceptual debate, empirical analyses started to display a more complex and nuanced reality, where transformations are gradual and piecemeal (de Boer et al. 2007; Seeber et al. 2014) and, despite global templates, a variety of configurations and of local orders is emerging (Paradeise and Thoenig 2013; Bleiklie et al. 2015; see Chap. 1 in this book). Studies of public policies showed the diversity of intellectual traditions and governance models across European countries, which can hardly be summarized as a general move towards new public management (Bleiklie et al. 2011; see Chaps. 9 and 10).

Thanks to its comparative nature, but also the diversity of the intellectual and (Lepori in Chap. 2), the TRUE project has provided a highly differentiated and nuanced analysis of the on-going change processes in university systems.

The first goal of this chapter is therefore to review this evidence along a set of common dimensions concerning (1) variations in organizational configurations among European universities (Section “[Dimensions of Organizational Configurations](#)”) and (2) their linkages to higher education policies and related environmental pressures (Section “[Environmental Pressures and Organizational Configurations](#)”). The TRUE project provides in this respect a more systematic view of these processes, covering eight countries and a reasonably large number of universities (up to 26 cases for the survey data); the subprojects also addressed these questions using a variety of theoretical lenses applied to different dimensions of organizational and political processes.

This overview underscores, however, the need for a more refined analytical framework to accommodate the diversity of empirical observations and to provide a more nuanced approach on how environmental contingencies impact organizations. Such a framework should also be able to

propose underlying sociological and behavioral mechanisms accounting for the observed patterns and, therefore, move from descriptive analyses towards explanatory (or even predictive) accounts. Therefore, in the last section of this chapter, we propose a framework that builds on recent developments in neo-institutional theory and, particularly, in institutional logics (Thornton et al. 2012): we argue that concepts like institutional pluralism and organizational hybridity (Kraatz and Block 2008; Greenwood et al. 2011) provide useful analytical lenses for understanding changes in contemporary university organizations, the potential of which remains largely unexplored (Lepori 2017).

DIMENSIONS OF ORGANIZATIONAL CONFIGURATIONS

Based on the results of the TRUE project (see Chaps. 3–7 in this book), we suggest four dimensions which delimit what we call the space of organizational configurations in European universities, i.e. *autonomy*, *hierarchy*, *formalization* and *participation*, which we describe with reference to the two ideal types presented in the introduction.

- (a) *Autonomy* (Chap. 3 in this book) addresses the organizational autonomy of universities in regards to their decision-making competencies and the exemption of constraints on the actual use of such competencies. In the traditional bureaucratic-academic ideal type, the organizational autonomy of the university is high in regard to academic matters of teaching and research. Organizational decision-making on these matters is largely left to academic professionals and partly exempt from external interference by the state. Organizational autonomy for non-academic matters is low and pre-determined by a regulatory regime of state control. In stark contrast, the corporate-managerial ideal type assumes more freedom from external rule-setting and interference as well as high organizational decision-making competences in non-academic matters. Academic matters remain in the core of universities' decision-making competencies due to new means of external organizational control (e.g. audits and accountability) and influence (e.g. competition in quasi-markets).
- (b) *Hierarchy* (Chaps. 6 and 7) refers to the well-known capacity of organizations to coordinate and control action that, in many cases, is seen as one of the very purposes of creating

organizations. The bureaucratic-academic ideal type characterizes the university as a flat and loosely coupled organization with weak leadership; an organization being administered but not managed and controlled. The corporate-managerial ideal type calls for enhanced co-operation that is guided by organizational goals. Authoritative leadership and management are means for coordinating the university as a collective entity that is engaged in a common project. There is thus an important element of hierarchy within the organization, and control-oriented management plays a crucial role for direction, decisiveness and planning of organizational policies.

- (c) *Formalization* (Chaps. 4 and 5) refers to organizational decision-making being more or less guided by explicit rule systems and standards set at the national or organizational level. The traditional bureaucratic-academic ideal type assumes low formalization in regard to academic matters. In the absence of rule systems and standards, garbage can decision-making prevails. Non-academic matters follow bureaucratic rules and standards. In the corporate-managerial ideal type, formalization is expected to be high, both for non-academic matters and academic matters. Targets, performance indicators, and regular evaluation of units and staff are, for example, introduced together with standardized information systems as a major venue for hierarchical control and decision-making.
- (d) *Participation* (Chap. 6) addresses the role of professionals and of their communities in the organizations and their environment. The traditional ideal type portrays academic self-governance or collegial decision-making as a main characteristic of universities as organizations embedded in the peer-review-based self-steering of academic communities as the primary production units. In the corporate-managerial ideal type, the rise of ‘hierarchy’ and ‘formalization’ are mirrored by a decline in power of the academic community concerning organizational matters. Organizations assume stronger powers *vis-a-vis* their professional staff and a stronger sense of corporate ownership of their performance. At the same time, new forms of external organizational control that mobilize the academic community, e.g. for peer review in competitive quasi-markets, assume a strong role of the academic community in the organizational environment.

NUANCED EMPIRICAL EVIDENCE

TRUE empirical results provide evidence that substantial parts of the European university system have moved away from a traditionally professional and loosely coupled model and that some levels of hierarchy and formalization are currently found in most universities (Seeber et al. 2014). At the same time, our findings display considerable nuances and variations in this respect. The two organizational templates—the bureaucratic-academic ideal type and the corporate-managerial type—thus represent two ‘archetypes’, whereas individual universities can be characterized in general as hybrids, which combine characteristics of the two archetypes.

Autonomy is a good case in point. Although we have seen a general movement in the interpretation of autonomy towards the corporate-managerial model, Chap. 3 shows that there is considerable variation across countries as to how far individual institutions have moved and considerable tension between ‘formal autonomy’ and ‘autonomy in use’. Moreover, autonomy is a multidimensional concept and universities might act more or less autonomously in various spheres of organizational life. Autonomy-in-use within the focal organization is also not necessarily a copy of prescriptions for formal autonomy. In fact, European universities presently enjoy in practice a considerable amount of decision-making space in regard to such matters as budgets, finance, human resources, and in many cases even more than we would expect from their formal autonomy situation. Comparing these capabilities across the countries investigated highlights two constellations of university-government relationships: Universities exploit the decision-making space that has formally been granted to them by the government, or universities assume higher autonomy than formally granted by either exploiting mutual dependencies with the government to maximize their decision-making space, or by exploiting the leeway provided by the incapability or disinterestedness of the principal to control and enforce formal rules and regulations.

Growing organizational decision-making capabilities go along with the widespread adoption of some elements of a strong central hierarchy and of the formalization of decision-making processes. Differences in national policies generate variance in this respect, which can be associated with the strength of NPM pressures. Five of the six most hierarchical universities are, for example, British and Dutch—countries which

have developed stronger NPM pressures for their universities—whereas French and Italian universities are subject to weak NPM pressures and are all among the least hierarchical. The formalization of intra-organizational control via practices of setting goals and measuring results is also related to the strength of NPM pressures and positively associated with the strength of the hierarchy within the organization. ‘Hierarchy’ and ‘formalization’ can be mutually supportive in situations where hierarchical leadership uses its powers to introduce rule systems for intra-organizational control that reduce the power of academics.

At the same time, there are clear limitations to this process of ‘formalization’ and ‘hierarchization’ and no university in our sample displays a hierarchy where academics are excluded from decision-making (see Seeber et al. 2014). The case of intra-organizational budgeting exemplifies the variety observable across European universities (see Chap. 4 in this volume). We find three major groups of universities: a group of universities where internal resource allocation is highly formalized by partly mirroring the formalization of external resource allocation from the state; a group of universities that is characterized by higher levels of incrementalism and a low degree of formalization at the other end of the spectrum; and an in-between group, with a medium level of formalization, a stronger involvement of collegial bodies in decision-making and reputation-based resource allocation.

Depending on environmental NPM pressures, universities also reshape formal control instruments to a varying degree in a softer way: formal hierarchy is combined with informal control through social relationships, exploiting the hierarchical structure to construct social authority. A balance is sought between vertical structuring and horizontal peer coordination, while bureaucracy might be interpreted in an enabling way, where rule systems are co-designed with the principle workers. Formal structures are thus not necessarily mirrored in intra-organizational power constellations.

The case studies on organizational strategy making in European universities (see Chap. 7 in this volume) exemplify the difficulties of running universities as corporate-managerial actors, as intended by the conceptions of the new organizational ideal type. Strategy making is neither coherently following a rational planning model nor coherently following a perspective on strategy as an emerging practice based on sense making. Rather, universities oscillate between these two poles depending on the environmental jolts that trigger organizational responses and

shifting power constellations within the organization. Cognitive goals that call for concerted organizational action struggle with loosely coupled organizational structures and the political aspects of academic life. Rational planning might then become a partly symbolic action inviting another circle of decoupling and coupling between emerging strategies and rational planning.

In regard to intra-organizational decision-making, European universities keep substantial components of their traditional professional governance, particularly when it comes to matters in the academic core, such as the management of teaching and research, and the recruitment and promotion of academics. This characteristic seems to be resistant to policy pressures and is largely maintained by the universities in our sample, also in countries where NPM pressures are strong (see Bleiklie et al. 2015; Canhilal et al. 2015). A new form of ‘compartmentalization’ has emerged in which the tension between the bureaucratic-professional ideal type and the corporate-managerial ideal type is to some extent resolved by the division of powers. While hierarchical leadership and organizational management exercise stronger control over managerial issues, such as the organizational infrastructure or resource management, academic matters tend to be due to more decentralized departmental decision-making with the stronger influence of individual academics. Our analysis focuses largely on the formal-structural dimension of these processes, while one could argue that the “dark side” of organizations, i.e. informal processes (Clegg et al. 2006), is highly important in universities and the influence of academics is much stronger in such processes (Musselin 2011, Chap. 6 in this volume).

It has been more than three decades since new ideas and practices emerged across Europe on how to steer the field of universities and how to configure and run them as organizations, thus it can be concluded that European universities have taken a different organizational form when compared to the early 1980s. The redistribution of authority and control throughout the field and within universities has undoubtedly led to a re-engineering of the university as a more autonomous entity, a more managerial organization, and strengthened the position of the university as a corporate actor. European universities presently construct stronger formal hierarchies and rule systems and have gained a higher level of intra-organizational control. But these changes have occurred alongside more traditional patterns of organizing, such as academic self-governance, the influence of soft power, intra-organizational struggle

and contestation that strongly influences the organizational configuration of European universities. A full-blown move towards a new archetype of the university is not a European reality. Instead, the shift so far has been to a more managed professional public organization model (Hinings et al. 1999; Lander et al. 2013). We realize that our analysis is essentially cross-sectional and, therefore, we cannot know whether this state of affairs will be a lasting characteristic or a transitional state in a further move towards the corporate-managerial ideal type.

Further, any conceptualization of the current reality of European universities as organizations in a single type fails to cover persistent and newly emerging varieties of organizational configurations across Europe. Such variation is expressed in all four dimensions—organizational autonomy, organizational hierarchization and formalization as well as the role of the academic community—and the relative strengths of these dimensions are not necessarily highly associated. Our analysis of intra-organizational control regimes in European universities along the two dimensions of ‘centralization of power’ and ‘formalization of social relationships’ (Bleiklie et al. 2015) exemplifies such variation.

None of our three case study universities—belonging to three different higher education systems—could be characterized as a clear-cut case of a loosely coupled organization. One university corresponded to the model of the ‘soft bureaucracy’ where central control is achieved through impersonal rule systems based on performance measurements and the leadership discretion for organizational restructuring. The second university achieved centralization through personalized informal power and the leadership control of resources and information generating asymmetry between the ‘leaders’ and the ‘led’. In the third, university governance is shared between leadership and academics with weak formalization of central control and extensive participatory arrangements representing features of the traditionally loosely coupled system.

Our analyses also call for careful reconsideration of strong policy assumptions that ‘function follows form’, i.e. that certain ways of steering and running universities as organizations will determine superior performance. We do find, for example, some significant associations between research quality and certain organizational characteristics: research quality is higher in specialized universities, in older universities and in larger universities. Such organizational characteristics are, however, neither systematically associated with dimensions of organizational ‘autonomy’,

‘hierarchy’, ‘formalization’, and ‘community’ nor do we find systematic direct associations between these dimensions and research quality.

ENVIRONMENTAL PRESSURES AND ORGANIZATIONAL CONFIGURATIONS

Our discussion above has already pointed at the role of the environment for universities as organizations, most namely—while not exclusively—the role of the state. Change in organizations, and especially radical change in regard to organizational configurations is likely to be the outcome of the interaction of factors ‘endogenous’ to the organization and dynamics ‘exogenous’ to the organization.

In this respect we highlight the role of three processes: compliance with institutional pressures (DiMaggio and Powell 1983), control of external resources (Pfeffer and Salancik 1978), as well as the mediating function of external social relationships (Burt 1992; Kogut 2012). The diffusion of an organizational template—the corporate-managerial ideal type—does not necessarily lead to convergence. Its interpretation and instrumentation in the different political-administrative systems (Bleiklie et al. 2011; Paradeise et al. 2009) translates into national variations influencing organizational structure and behavior in differential ways. This is most clearly illustrated by the differential uptake of NPM-inspired modernization concepts in the different countries and their influence on their universities’ organizational configurations. Policy changes cannot, however, be solely characterized in a simple and unidimensional manner, as related to the stronger or lower introduction of NPM rationales. We observe a higher degree of complexity in policy regimes, as well as lasting dependencies on the state, even in countries with a high amount of NPM pressure.

Such dependencies throw their shadows over the processes of intra-organizational decision-making. Even for universities with a considerable amount of formal autonomy, their autonomy is in many cases strongly limited by their lasting financial dependence on the state and many governments use this power base to contractually bind their universities in target agreements or performance agreements. Most universities also experience the considerable influence of external actors—most namely the government and its agencies—on their internal decision-making. This position in the ‘shadow of hierarchy’ (Mayntz and Scharpf 1995)

reflects various and shifting tools of government that influence organizational behavior from a distance: funding, regulating, auditing, as well as normative pressures.

New Public Management and the Role of Public Policies

One of the aims of the TRUE project was to investigate the association between patterns of organizational configurations of public universities in Europe and changes in their environment frequently associated with the diffusion of NPM policies.

There are good reasons to assume such an association. In recent decades, higher education has experienced unprecedented growth, in quantitative terms in regards to the size of the field and related costs, as well as in qualitative terms related to political and societal expectations. This has in turn triggered policy-makers' attention to the field, its functioning and organization. General templates for public sector reform, such as NPM, also seemed to provide scripts for a modernization agenda in search of efficiency and effectiveness in higher education. While NPM comes in different guises, common assumptions are that state-university relationships have been changing and that environmental pressures on universities have grown. Further, it is assumed that changing rule systems, changing resource dependencies and institutional pressures will reshape the organizational configuration of the European university towards the corporate-managerial ideal type.

There are good reasons to be cautious in assuming a uniform isomorphic trend in public policies and their impact on organizational configurations across Europe. Global modernization templates hit nation-states with their own ideational traditions, political-administrative structures and implementation styles that define the space for policy action. This space is likely to affect the policy adoption of global templates in general, as well as domain specific templates that appear in the field of higher education. In this sense, it is not surprising if global policy templates sometimes include far-reaching expectations regarding the modernization of the state itself, which is a non-trivial and far-reaching exercise that is assumed to provide the very conditions for second-order policy changes.

Further, and as we have argued in our introductory chapter, NPM-inspired policy templates have never been without alternatives, such as

Neo-Weberian conceptions of the role of the state, or policy frameworks derived from Network Governance approaches. Thus we might expect different pathways to change in higher education. Another note of caution can be drawn from the widespread observation that the relationship between policy intentions and policy outcomes is not linear. The implementation of modernization agendas interacts with institutional structures and power constellations that cause variations and deviations on the pathway from policy intention to policy outcomes.

Last but not least, the very target of political reform, the universities, cannot be expected to be passive recipients of modernization agendas aimed at transforming their organizational form. Organizations possess a repertoire of responses to environmental change that they can mobilize according to their norms and interests. In this perspective, the environment provides a template for how universities should be organized while universities can be more or less selective in their adoption depending on the coerciveness of such templates and the outcomes of intra-organizational conflict on institutional change. Universities represent an interesting case that allows the examination of the different facets of the environment-organization relationship. Most of them are public organizations subject to state regulation and intervention, and they are highly dependent on the state for financial resources. They are subject to global institutional pressures to adopt a corporate-managerial model that is, however, due to variation in national policy adoption and enforcement. At the same time, universities are very open organizations, characterized by a dense set of social ties to the policy layer, to other stakeholders, to academic disciplines and other organizational providers that influence external dependencies. Intra-organizational power can therefore be acquired through the control of such external relationships and external dependencies.

Empirical Evidence

Our data indeed suggest that national political-administrative systems have some explanatory power regarding cross-national variation in higher education policies and the degree of reform activity (see Chap. 9 in this volume). Rather than mechanically affecting policies, political-administrative systems seem to offer different conditions of action that may limit or offer opportunities that are open to actors who want to promote, redefine, slow down or prevent reforms from happening. Thus we

could observe how national political-administrative conditions seemed to offer different paths to high reform activity; one of which is based on the ability of actors to implement swift and sweeping reform (England, the Netherlands) and another on the ability to keep up a relatively steady incremental process over a broad range of issues (France, Norway). Similarly there are different conditions that lead to low reform activity, one characterized by federal structures and many veto points (Germany, Switzerland), and the second based on decentralized structures with a reform focus on legal and procedural issues and a relatively strong separation between formal procedures and informal practices (Italy). Although reform activity in itself does not necessarily put pressure on universities to adopt the corporate-managerial model, the two are clearly connected, as most higher education reforms in one way or the other are justified in terms of NPM and related managerial ideals.

In regard to the autonomy dimension, many governments across Europe made attempts to withdraw from the old tools of state micro-management to empower the universities' decision-making capabilities. The timing, breadth and depth of such political reforms have not been uniform across Europe (see Chaps. 3 and 9 in this volume) but many countries have introduced measures to change the formal autonomy situation (as prescribed in rules and regulations) of their universities. Also, if we look at internal decision-making in the universities in our sample, patterns in terms of the organizational decentralization of and engagement in decision-making also appear to reflect wider national system characteristics to a certain extent (cf. Chap. 6 in this volume).

Looking at the connection between sector characteristics and organizational change in universities (Chap. 10), we emphasize characteristics such as how integrated or fragmented the sector is in terms of diversity of and relations among higher education institutions, government agencies, interest groups and other stakeholders. Furthermore we find different patterns of power distributed within the sector: among politicians, ministry civil servants, agencies, unions, higher education institutions and academic elites in order to identify the mechanisms through which policy ambitions are translated into specific proposals (e.g. the extent to which proposals are developed by politicians, civil servants, expert commissions, representative commissions or other forms of policy advice and consultation). Not least, we find variation regarding the extent to which higher education issues have become subject to parliamentary politics and contestation among political parties. This implies that actor

constellations behind policy proposals, decisions on instrumentation, and implementation regimes differ from country to country, partly reflecting traditions and values of higher education and partly those of the wider polity.

So far our data indicate that policy sectors tend to reflect broader national patterns in terms of participation, power constellations and styles of policy making, yet the sectors also have developed peculiarities within each country, reflecting how actors interpret the task of steering, monitoring and managing the sector, and how their perceived interests are affected.

Power in universities also depends to some extent on the external linkages of organizational actors and their access to resources (see Bleiklie et al. 2015). National policies do not only provide instantiations of concepts like hierarchy and rule systems, they also shape intra-organizational control through regulatory interventions, for example deciding how leadership is recruited, attributing power to hierarchical levels, and defining rules for evaluating performance. They furthermore shape the structure of the resource environment in different ways that enable or limit control of external resources by the leadership and professionals. Interactions between these processes are not necessarily mutually reinforcing, but create situations in which hierarchical control is both enabled and restricted. Although the timing and the purposes of external evaluation exercises are, for example, often defined by public authorities outside of academia, academics may influence the use of such evaluation systems and the recommendations that are given, through the role they play as peer reviewers as well as through their role in the internal governance of the focal organization or unit under evaluation (see Chap. 5). Different evaluation regimes emerge, depending both on the type of evaluation (research evaluation, teaching evaluation and other assessment activities), the degree of NPM pressure and the degree of organizational autonomy in dealing with such evaluations.

TOWARDS AN INTEGRATIVE FRAMEWORK

In this section, we move towards a theoretical framework for understanding the institutional complexity and sources of variation that characterize the contemporary reality of higher education as an organizational field and of European universities as organizations. We build our argument on three inter-related steps: First, we build on the theory of

institutional logics as a meta-theory for understanding institutional complexity, i.e. the coexistence of various institutional logics providing templates for material and symbolic practices within the organizational field. Second, we argue that the state and possibly other stakeholders function as enactors of institutional logics and that variation in national public policies provides a source of variation within the field of higher education and within universities as organizations. Third, we conceptualize universities as institutional actors that can be selective and strategic in responding to their institutional environment, thus providing another source of variation in organizational forms and practices.

Institutional Logics

The institutional logics approach builds on the seminal essay of Friedland and Alford that stimulated a new approach in institutional theory by conceptualizing organizational fields at the intersection of different societal spheres, such as the bureaucracy, the family, the market or the profession, all characterized by their own institutional logic (Friedland and Alford 1991). Institutional logics have been defined as “the socially constructed, historical patterns of material practices, assumptions, values, beliefs, and rules by which individuals produce and reproduce their material subsistence, organize time and space, and provide meaning to their social reality” (Thornton and Ocasio 1999: 804). Institutional logics are not purely conceptual schemes or systems of meanings but are meant to build the link between culture and meanings on the one hand, and actors and practices on the other hand, by providing material and symbolic sources for agency and change (Thornton et al. 2012).

The institutional logics approach thus builds on neo-institutional thinking around the importance of the institutional environment for understanding organizational field dynamics and organizational behavior (DiMaggio and Powell 1983; Tolbert and Zucker 1983) that has also been influential in higher education studies. Importantly, viewing organizations as being embedded in a multilevel inter-institutional society extends institutional theory both beyond conceptualizations of one dominant source of rationality, such as in the world systems approach (Meyer et al. 1997), and beyond isomorphism in organizational fields where institutional templates reduce heterogeneity of organizational forms (DiMaggio and Powell 1983). Rather, this approach opens up for the understanding of the sources of heterogeneity in organizational fields

characterized by the presence of multiple institutional logics (Kraatz and Block 2008) and an interactive relationship between institutions and agencies (Battilana and D'Aunno 2009).

In this stream of research, *ideal types* have become a frequently used tool in order to analyze institutional complexity and its implications for organizational actors (Thornton and Ocasio 2008), which represent the extremes of the possible configurations available to the field's actors. It is therefore not expected that logics correspond one-to-one to observed instantiations in practice, but rather they draw the available 'space of choices' to actors, who, when faced with institutional complexity, deploy differentiated responses (Greenwood et al. 2011) and become hybrid organizations.

Logics in Higher Education

Research inspired by the institutional logics approach has frequently considered the higher education field as a prototypical case of a field characterized by institutional pluralism (Kraatz and Block 2008). The field is being dominantly shaped by the bureaucratic logic of the state, the professional logic of academic work, and increasingly by the logic of the market. This thinking has long been established in higher education studies through the seminal work of Clark and his triangle of coordination of higher education systems between the state, the profession and the market (Clark 1983), while the logics approach has so far rarely been used in higher education studies (Cai and Mehari 2015; Lepori 2017).

Various contributions in this book build on this stream of research while extending the argument towards the understanding of institutional complexity in the higher education field. In recent decades, the traditional 'social compact' between higher education, the academic profession and the state has been eroding, and the special status of the university as a social institution is no longer taken for granted. In many European countries (and beyond), institutional entrepreneurs developed beliefs and practices within the context of wider reforms of public services and public management (de Boer et al. 2007) in order to change the coordination of the institutional field and its organizational population. Models of state supervision instead of state control, or output control instead of process control, as well as 'market-like' competition combined with accountability and related attempts to strengthen the actorhood and responsibility of universities as organizations have become

prevalent. This new idea of how to organize government-university relationships and the autonomy and control of universities has been inspired by the growing popularity of New Public Management approaches that find some of their theoretical backgrounds in principal-agent theory (Enders et al. 2013). The higher education field is thus experiencing increasing institutional complexity with the rise of a new logic ('the market') that overlaps with a re-formulation of the old bureaucratic logic towards organizational autonomy and accountability ('the audit'). At the same time, beliefs and practices inscribed in the professional logic, such as peer competition and peer review, are mobilized in the instrumentation of the market-audit logics in higher education.

In this perspective, the bureaucratic-academic and the corporate-managerial type we introduced at the onset of this chapter can be considered as two ideal types of organizations available to contemporary universities. Our empirical findings show that one type did not replace the other, but the university field is characterized by their coexistence and, therefore, it becomes relevant to investigate the different ways they are enacted by individual universities and the factors accounting for the variation.

Re-Conceptualizing the Role of the State

Institutional logics provide a useful framework to conceptualizing the impact of public policies on university organizations. By definition, logics are a cultural and normative system, which are present within society or specific societal fields, like higher education. The state can be considered as a specific actor (or, more realistically, as a collection of actors) that influences the content of the logics, but especially the extent to which they are conveyed to organizations. Public policies are a central mechanism transmitting institutional pressures to organizations, by its legitimacy to set social norms, by direct regulatory interventions unfolding coercive pressure and by resource dependencies.

While societal actors might be relevant as well, the state therefore has a prominent role in enacting institutional logics within the university field, in determining the level of pressures and the prevalence of alternative logics and the extent to which they are considered compatible. The state also influences the power of other stakeholders within the field, for example by incentivizing new university-business relationships or by promoting the student as a fee-paying customer (Jongbloed et al. 2008).

Given that the state acts as a filter of broader societal changes and pressures, we further highlight its role in generating variance between countries as public policies endorse and combine different logics by country and over time. The strength, content and influence of NPM-inspired policy templates differ substantially across European countries. Such differences can partly be attributed to the prevalence of different political-administrative regimes that produce variation in the selection, interpretation and instrumentation of institutional templates.

Therefore, two mechanisms generate differences in university responses at two levels: Differences by countries related to the difference in national policies providing instantiations of institutional logics and organizational archetypes, and differences between individual universities due to their characteristics and local orders. This model therefore builds a bridge between the existence of global templates (Meyer et al. 1997) and the emergence of local orders (Paradeise and Thoening 2013) considering that the diversity of institutional logics and organizational archetypes is constitutive to the organizational field of higher education and that the state and other stakeholders have a critical mediating role between the global and the local.

Responding to Institutional Pressures

Institutional logics follows long-standing calls within neo-institutional theory to rediscover the agency of actors and to take into account the variety of responses of individual actors to institutional pressures, particularly under conditions of pluralism (Greenwood et al. 2011). Universities are not passive recipients of institutional pressures but can act strategically in order to reach their goals and defend their interests. Institutional complexity provides sources to organizations for trying to blend and to comply selectively rather than to adhere to one of the available organizational archetypes provided. We provide empirical evidence that responses of universities to institutional pressures are more nuanced and complex than simply adopting or resisting and that we observe an ongoing process of the emergence of hybrid practices combining managerial elements and professional elements (Bleiklie et al. 2015; Canhilal et al. 2015; Berg and Pinheiro 2016).

At the organizational level, in turn, we consider universities as prime examples of hybrid organizations (Battilana and Lee 2014; Battilana and Dorado 2010), i.e. organizations embedding different institutional

logics generating local orders (Paradeise and Thoenig 2013) in search of organizational solutions to institutional problems. While hybridity was traditionally considered as a source of conflicts and instability for organizations, it is now increasingly becoming clear that, under some conditions, it also bears advantages, as hybrid organizations might be able to resort to a broader repertoire of solutions and to access resources coming from different audiences (Kraatz and Block 2008; Smets et al. 2015). One could even argue that today's universities can work only if they are both managed organizations, with some level of central power and strategy, *and* professional decentralized organizations. The relevant question therefore becomes how universities can combine and blend competing principles, while at the same time keeping a coherent identity and being able to work effectively (Lepori and Montauti 2015).

CONCLUSION

The TRUE project can be seen as an expression of a long-standing process in research and practice where universities are no longer considered as 'special organizations' *ex ante* but are being viewed through theoretical and practical lenses developed for organizations in general, including private sector organizations (Musselin 2007). In doing so, universities are considered as one organization, as a corporate actor enacting single responses to institutional pressures.

Our results demonstrate how fruitful this approach can be in enriching our understanding of contemporary universities and the extent to which there are deep similarities between universities and other types of organizations, like professional organizations (Lounsbury 2007) and other public sector organizations such as hospitals (Berg and Pinheiro 2016). A broader linkage to organization theory not only can further our understanding of universities, it could also lead to a broader relevance and generalizability of our findings, as it was in the 70s when several important theories of organizations were developed from studies of universities, like resource dependency (Pfeffer and Salancik 1974) and Garbage Can Theory (Cohen et al. 1972). The fact that some of the TRUE outputs are being published in management and organizational journals (Seeber et al. 2014; Bleiklie et al. 2015) or presented at top international conferences in the field (Frølich et al. 2010; Lepori and Canhilal 2015) might be considered as a modest step in this direction.

Yet, this approach neglects the body of literature in which academic fields that span organizational borders are considered to be an important force in the evolution of the field of higher education and an important source of intra-organizational fragmentation (Clark 1995; Becher and Trowler 2001). The unifying organizational approach has been very fruitful as demonstrated by our study and other work in this stream of research. Yet, the diversity of ‘academic tribes and territories’ and the lack of functional integration remain as constitutive characteristics of universities and are open to the possibility of intra-organizational variation. Different organizational sub-units may find heterodox ways of dealing with institutional complexity and organizational archetypes. They might as well remain a source of frustration for attempts to enact single and lasting organizational responses to institutional complexity. The relationship between these sources of fragmentation and organizational behavior has yet to be articulated systematically. Some of the TRUE findings display, for example, a systematic difference between specialist universities and generalist universities, particularly concerning their identity, while also their internal governance (Seeber et al. 2014). Further work is needed to dig deeper into disciplinary fragmentations as sources of inter-organizational variations and intra-organizational variation.

As usual in good academic research, the responses we found to our initial questions have opened new pathways for future inquiry.

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AUTHORS' BIOGRAPHY

Ivar Bleiklie is Professor of political science at the Department of Administration and Organization Theory, University of Bergen, Norway. Bleiklie was Director of the Norwegian Centre for Research in Organization and Management (1999–2002), Academic Director of the Holberg International Memorial Prize (2010–2015) and Project Leader of the TRUE project funded by the ESF (2009–2012). His academic interests are focused on public policy, public administration and organizational change in civil service institutions. He has published numerous books and articles on higher education policy and organizational change in higher education systems and institutions, on public services and on health policy.

Jürgen Enders is Professor of Higher Education Management at the School of Management, University of Bath, UK, having previously worked as the Director of the Center for Higher Education Policy Studies in the Netherlands. His academic interest is focused on the study of institutional change in the field of universities, and their role in society and economy. He has written and (co)edited 14 books, and published more than 100 articles in books and journals. Jürgen is member of the Academia Europaea, of the German Academe of Science and Engineering, and Honorary Fellow of the Society for Research in Higher Education.

Benedetto Lepori is Professor at the Faculty of Communication science, Institute of Interdisciplinary Data Sciences and head of the Research Service of USI, the Scuola Professionale della Svizzera italiana, and the unit on Performance and Management of Research and Higher Education Institutions at the University of Lugano. He is a recognized scholar in the field of research and higher education policy and of S&T indicators, specializing in methodological issues, funding and higher education indicators. He published in major journals in the field including *Research Policy*, *Journal of Informetrics*, *Science and Public Policy*, *Higher Education* and *Studies in Higher Education*.