A reinterpretation of institutional transformations in European higher education: strategising pluralistic organisations in multiplex environments

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Abstract The paper draws on institutional theory with special attention to recent contributions that aim at developing its micro-foundations. We address the question of how individual higher education institutions deal with institutional pluralism. We develop an analytical framework inspired by institutional theory, the sensemaking perspective in organisation theory and strategy-as-practice to connect the macro-transformation processes of the organisational field and the micro-processes of organisational strategising.

Introduction

Substantial changes with regard to governance are taking place in European higher education—transformations can be observed on several governance levels. During the last three decades, national governments in Europe have explored new modes of governing higher education inspired by new managerialism and neo-Weberianism (Paradeise et al. 2009a). At the same time, European agencies have contributed to the rise of an additional governance layer (see, e.g., Maassen and Olsen 2007). Internally, higher education institutions have also experienced profound transformations: adopting more formalised organisational structures, emphasising the importance of leadership, a more hierarchical internal governance structure, and comprehensive processes and administrative structures for evaluating performance (see, e.g., Bleiklie and Kogan 2007).

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The policy logic accompanying this development has been the drive for greater standardisation of rules and regulations in European and national policies, and such standardisation is often combined with initiatives to give higher education institutions more autonomy enabling them to take part in competitive processes which are expected to lead to increased system performance (Teixeira et al. 2004). The assumption has been that this combination would increase responsiveness, flexibility and entrepreneurship in higher education. In this paper we explore how theoretical frameworks—sociological institutionalism, sensemaking and strategy-as-practice—would enable in-depth analysis of the changing interrelationship between individual higher education institutions and their environment—a term which often refers to the physical, technological, cultural and social settings of organisations (Scott and Davis 2006). In this environment we include the organisational field thus emphasising the cultural features of individual organisation's environment (DiMaggio and Powell 1983).

The substantial changes at the level of policies as well as of individual higher education institutions presumably contribute to transformations at the level of the organisational field—as well as intra-organisationally. As such, national governance arrangements (including the introduction of market steering) and organisational strategies have been assumed to affect higher education systems as organisational fields) in general (Bleiklie 2007; Meek et al. 2000, 1996). Perhaps not surprisingly, much research interest has been devoted to describe and analyse the policy changes at the macro-level, for example by examining emerging higher education "markets" (Teixeira et al. 2004), new governance structures in the sector (Amaral et al. 2002, 2003; Huisman 2009), or quality assurance frameworks (Dill and Soo 2004; Westerheijden et al. 2007). A recent comparative study of seven European countries noticed a trend towards multi-actor and multi-level governance of the sector although the study did not reveal that much as to how such governance processes actually impact on higher education institutions (Paradeise et al. 2009b). Despite these studies, robust evidence of *how* governmental policies, market strategies and individual organisations' responses influence the organisational field is limited (Teichler 2007).

Hence, the continuing challenge for higher education research is to build and renew the analytical bridges between environmental changes and organisational dynamics. In attempting to address this issue, we argue that more attention should be given to the interaction between the environment surrounding the organisations and the ways in which the environment is interpreted by the individual organisation. In concrete terms this is done by exploring strategy processes—strategising—as bridging environments and organisations. Hence, the objective of the paper is to provide a theory-grounded reinterpretation of institutional transformations in European higher education by exploring the interplay between recent changes in higher education systems understood as organisational fields; particular organisational characteristics of higher education institutions; and higher education institutions' strategy processes'. The argument developed here states that strategy processes—e.g., strategising—in higher education institutions represent core organisational processes with regard to how individual higher education institutions interrelate with their organisational environments—including the organisational field. Theoretically, our paper has two main contributions. First, by elaborating on the environment-organisation relationship and analyzing *how* environments "enter into" strategising in organisations, the micro-foundations of institutional theory can be strengthened. Second, by reinterpreting the established knowledge on transformations of European higher education in light of institutional theory, an integrated framework for studying and analysing higher education systems and organisational change can be developed.

There are two motives for the research objectives. First, this approach will shed more light on the attention paid by higher education institutions to environments, and how these

are enacted upon. One of the possible reasons for why there seems to be a poor link between developments of the organisational field and organisational change of individual organisations is that those inside the organisations have other orientations and priorities than neutral observers may deduce from a macro-analysis of the higher education system. Second, analysing the interpretations of the environment increases our knowledge on (potentially) effective policy designs, particularly in relation to designing (diverse) higher education systems.

We argue that institutional theory is a relevant point of departure for exploring these issues as this theory precisely addresses the relationship between the environment and how organisations adapt to specific features exposed in this environment. There is an extensive literature on changes in the higher education environment (see, e.g., Marginson and Van der Wende 2009, for a recent analysis), but much of the literature is scattered, addresses only part of the environment (e.g. globalisation or market forces) and—moreover—the literature discusses the developments largely in a-theoretical terms. The institutional approach allows for synthesizing that literature. That said, we also acknowledge institutional theory's poorly developed micro-foundations—the fact that the theory has been criticised for being too focused on the influence of the environment, and less on the active agency of the individual organisation (Lawrence et al. 2009; see Oliver 1991, for an earlier exception). Thus, we take as point of departure the fact that although 'organizations are creatures of their institutional environments, (…) most modern organizations are constituted as active players, not passive pawns' (Scott 2008, p. 178).

We develop our theoretical argument in four steps: In the next section of the paper we explore implications of the concept of institutional pluralism for organisational fields and individual higher education institutions. In the section that follows we unpack the concept of organisational fields by suggesting that fields can be influenced bottom-up as well as top-down. In the "Top-down and bottom-up definitions of organisational fields" section we discuss in-depth the concept of environment in relation to institutional pluralism and in the "Multiple institutional environments" section of the paper we elaborate on strategising as link between organisations and fields. Each of these sections ends by pointing out analytical implications of our discussion. In the "Strategising as the link between organisations and fields?" section of the paper we present a few methodological implications of the analytical framework before concluding in the "Methodological implications" section of the paper.

Institutional theory on institutional pluralism and organisational change

In its early versions institutional theory tended to address the relationship between an organisation and its environments in two broad ways: according to one strand of research the organisation was described as embedded in the local community and according to another the organisation was seen as embedded in the broader organisational field, sector or society (DiMaggio and Powell 1991). In the former perspective, institutionalisation processes were described as *located in the organisation* itself and here socialisation and commitment played an important role (Selznick 1957). In the latter, institutionalisation was seen as stemming from the *organisational field* or society more broadly and was characterised as attribution, habit or practical action (DiMaggio and Powell 1991). According to DiMaggio and Powell (1983) organisational fields rather than individual organisations, as in Selznick's perspective, were subjects to institutionalisation. However, the challenge to both these conceptualisations of the subjects that become institutionalised—i.e. individual

organisations or organisational fields—is to understand institutionalisation processes in, on the one hand pluralistic organisations, and on the other hand in organisational fields that are subject to competing institutional logics.

Regarding the implications of institutional pluralism *inside* individual organisations, numerous studies in higher education have argued that higher education institutions are pluralistic almost by default. The organisation is built around disciplinary silos based on specific disciplinary norms and values, which are often only loosely connected to each other (Becher and Trowler 2001; Clark 1983; Mintzberg 1979). The explicit implication is that because of these differences, disciplines perceive not only organisational environments differently, but may challenge attempts at "pulling the organisation together". Moreover, higher education institutions are multi-task organisations characterised by a poorly understood relationships between objectives and outcomes regarding the rather intangible tasks of higher education institutions (teaching, research and third mission) which in itself lead to goal ambiguity (Cohen et al. 1972). Because of goal conflicts at the sub-organisational level, objectives at the organisational level become—in an attempt to reach organisational consensus—ambiguous and vague. In developing our argument we take into account the traditionally incoherent normative nature of higher education institutions, but stress that the extent to which a higher education institution exhibits institutional coherence remains an empirical question.

The notion of institutional pluralism at the level of an organisational field challenges the idea that fields are more or less defined by organisations that somehow resemble each other. Shared meanings and common understandings formed initially part of the features that define an organisational field (DiMaggio and Powell 1983: 145). However, institutional theory has directed less attention to this aspect of institutionalisation (Scott 2008: 186), and underestimated the role of sensemaking and struggles over meaning in defining the borders of organisational fields. We argue that meaning and framing processes among organisational members of individual organisations as well as inter-organisationally are crucial to understand the dynamics of changes in organisational fields.

Based on this, *a first analytical implication of our argument* can be drawn: We combine the two perspectives on the sources of institutionalisation processes and see these as generated *within* the individual organisation *as well as* stemming from the organisational environment. Thus, environments provide expectations that higher education institutions must meet in such a way that their base of legitimacy is sustained—while these expectations can possibly be incoherent. At the same time, the individual organisation has its own values and normative foundation—which neither would need to be characterised by homogeneity. *The implication is* that strategies are formulated in this highly dense interplay between environmental claims and organisational identity, history and normative basis (Frølich and Stensaker 2012).

The above—our notions on institutional pluralism impacting organisations and organisational change from within the organisation and from the outside—gives some conceptual guidance for analysing organisational change, but there are two other concepts that need to be unpacked in more detail: organisational fields and multiple environments.

Top-down and bottom-up definitions of organisational fields

Defining what constitutes an organisational field represent a huge task in higher education due to the many actors and stakeholders that are involved or have an interest in the sector. Most institutional analysts embrace a "top-down" approach when defining an

organisational field. They emphasise physical or legal boundaries such as nation states or groups of organisations regulated by a specific law (Scott 2008). However, if higher education increasingly is characterised by multi-actor and multi-level governance, such limited measures stand in the way of understanding the organisational field of higher education institutions.

One way out would be to argue that the structure of an organisational field cannot be determined a priori—it is an empirical question (DiMaggio and Powell 1983). The field concept points in the direction of addressing 'a system of organisations that are related and share cultural rules and meaning systems' (Scott and Davis 2006, p. 117) because 'a field only exist to the extent that it is institutionally defined' (DiMaggio and Powell 1983, p. 145). According to DiMaggio and Powell (1983) fields become institutionally defined through the process of structuration which consists of an increased extent of interaction among organisations in the field; the emergence of sharply defined intra-organisational structures of domination and patterns of coalitions; an increase in the information load with which organisations in the field must contend; and the development of a mutual awareness among participants in a set of organisations that they are involved in a common enterprise (DiMaggio and Powell 1983; see also Scott et al. 2000).

Although, as a starting point, we may interpret any given higher education system largely in line with institutional theory's concept of organisational field, we would argue that higher education researchers have not properly explored the dynamics in which fields are constituted. Many have interpreted DiMaggio and Powell's (1983) definition of the organisational field being 'a recognised area of institutional life: key suppliers, resources and product consumers, regulatory agencies and other organisations that produce similar services and products' (DiMaggio and Powell 1983, p. 145) as a "top-down" approach. That is, observers from the outside would be able to determine the boundaries of the field and therefore decide which organisations are part of the field and which ones not. However, DiMaggio and Powell (1983) also emphasise that their approach addresses not only competitors or networks—but the totality of relevant actors. As underlined by Djelic and Sahlin-Andersson (2006), much attention has been paid to how rules and regulations create and form an organisational field, but we need to be increasingly aware of the "bottom-up" shaping of such structures through processes such as referencing, fashion, and sensemaking (see also Wedlin 2006).

Within higher education we can (re)interpret many recent developments as examples of possible new field formations or the emergence of sub-fields. For example, establishments of more or less formal networks such as the European Consortium of Innovative Universities (ECIU) can be interpreted as a result of both referencing and fashion, where the argument for the establishment is related to "certain distinct characteristics" (problem-based learning, applied research orientation) shared by the members. However, while the ECIU was created in 1997 most member organisations were founded 20–30 years earlier indicating that in the late 1990 s some special circumstances triggered these universities to link together, to expand their profile beyond being "technical" universities, and as such formed—purposively or not—new identities. A more radical "bottom-up" break with field linkages can be found in Russia where the National Research University (ITMO) advocates an identity quite similar to that of a private enterprise signalling the willingness to depart from the existing, more traditional, organisational field. In the initial stages it may be conceived of as an outlier in the existing field, but over time it may be the higher education institution that has established a new field. Both examples hint at the possibility that the creation of an organisational field perhaps is dependent on the interaction between

(top-down) environmental pressures "forcing" a subset of organisations to differentiate themselves and (bottom-up) processes stemming from particular organisational initiatives.

The second analytical implication of the argument we develop is consequently that the opening up of domestic higher education systems, the emergence of multi-level governance, and globalisation in general has increased the possibilities for more dynamics in existing organisational fields.

Multiple institutional environments

The other element to be unpacked is the so far unproblematically presented nature of the environment. If one assumes there is one environment, it is understandable that, once institutionalisation has been "accomplished", organisations within an organisational field would converge over time and become more similar. Organisational diversity is reduced—through isomorphic pressures due to competition not only for resources and customers but also for political power and institutional legitimacy (DiMaggio and Powell 1983).

From this perspective, the tendencies of higher education institutions witnessed above of breaking out of existing fields or extending the boundaries are merely signs of a transformation from one specific institutional logic to another. Indeed, one of the central contributions of institutional theory has been its convincing demonstration of how institutional processes impact on organisational fields rendering the individual organisations of the field to converge into more or less homogeneous organisational units with regard to their formal structure. But, critical voices have been raised as to whether this assumption always holds, and under which circumstances different outcomes may unfold. Recent theoretical contributions have underlined that institutional pluralism may actually be the default setting: 'a situation faced by an organisation that operates within multiple institutional spheres' (Kraatz and Block 2008, p. 243). Organisations are confronted with diverging or several institutional logics embedded in different regulatory regimes, normative orders and cultural logics (Kraatz and Block 2008), and dynamics at the field level are created through a number of different—sometimes clashing—mechanisms.

In addition to the possibility of multiple spheres affecting organisations, Delmas and Toffel (2008) argue that organisational fields may also differ in their power and influence over the individual organisation. Hence, a key to understand organisational dynamics is to identify how institutional logics have the potential of penetrating a given organisation, creating "allies" on the inside and blurring the boundaries between the organisation and the environment (see Scott 2008). They suggest that functional departments of an organisation relate to different external constituencies and that heterogeneity in response to institutional pressure stem from how the functional departments succeed in impacting on the organisational strategies.

Delmas and Toffel (2008) go on to argue that such penetration may lead to heterogeneity rather than homogeneity within an organisational field. The authors conclude that 'few have employed institutional theory to understand questions of strategy, which focus on persistent differences among organisations that share common organisational fields' (Delmas and Toffel 2008, p. 1048). The perspective seems promising in the context of exploring strategising in the context of institutional pluralism in higher education. Higher education institutions contain by definition a plurality of different disciplines and professions with more or less strong unique relationships that cut across the borders of the individual organisation, and with clear links to the outside world (Clark 1983). And indeed, through the institutionalisation and rationalisation of higher education institutions—i.e.

attempting to turn them into organisations—functional departments, like the planning office, the finance department, marketing unit, etc. have become much more prominent features of present-day higher education institutions. Additional examples of this situation can be found within the area of quality assurance where in some countries external quality assurance schemes require a given university to establish a separate unit for evaluation of teaching and learning (Brennan and Shah 2000). Another example relates to the domain of internationalisation in which "old" (driven mainly by individual researchers and research groups) and "new" (more formalised and standardised forms of internationalisation activities) can be interpreted as being different organisational structures backing internationalisation internally at universities (Stensaker et al. 2008).

These examples fit well with the suggestions made by Schneiberg and Clemens (2006, p. 206) arguing for the need to analyse organisational fields as federated or multi-community systems subjecting organisations to multiple, competing and sometimes even contradictory logics. Institutional effects can be analysed as time-dependent, focusing on sequences of distinct legal-moral orders and qualitative shifts in logics or regulatory regimes by drawing on event-history methods. Their approach takes into account the story the individual organisation tells about its own development over time and the strategic choices that have been made. The perspective points also in the direction of looking at how contradicting logics have been combined as the individual organisation repositions itself in the environments.

The third analytical implication of our argument regards the importance of meaning and sensemaking in institutionalisations processes—e.g. how institutional logics have the potential of penetrating a given organisation, creating "allies" on the inside and blurring the boundaries between the organisation and the environment. The implication is that sensemaking increasingly represents key organisational processes—including in strategising—to explore how diverging institutional logics influence the individual organisation.

Strategising as the link between organisations and fields?

While we have argued above for a more nuanced understanding of how organisational fields are shaped, how they change, and how they can penetrate organisations in terms of alliances and organisational structures, we now turn attention to how individual organisations can make sense of such institutional pluralism and this is where strategy comes into the picture.

We apply strategising as a concept to include the complex and multi-level processes with strong intra-organisational bottom-up and horizontal processes, involving a broad group of intra-organisational members. By approaching strategising from this *process* angle (compared to analysing strategies with regard to their *content*), we assume that strategising in higher education potentially involves more than the input from organisational leaders, while we accept the importance of these leaders as key interpreters of the institutional pluralism that we suggest resides in the organisation as well as in its environment. The argument is that organisational strategies are better understood by including how informal processes as well as formal decision-making at various levels of the organisation interrelate as organisational members make sense of the environment.

Strategising is a key process for illuminating sensemaking in that it addresses one of the key dilemmas facing institutional theory; while strategy and strategising is largely about being different and unique, institutional theory has traditionally dealt with issues of sameness and isomorphism. In this way, studies of strategy and strategising may illustrate

both what may be considered as legitimate and illegitimate change within a field, and also shed more light on the organisational processes driving institutional dynamics.

Accounting for strategising in higher education is thus a complicated process. Another challenge lays in interrelating two aspects of strategy: strategy conceived of as a *plan* (an intended or unintended pattern of activity), and strategy as a *position* with regard to the environment (Mintzberg 1987). According to an instrumentalist perspective of organisations, strategy is a consequence of a plan which results in an intended pattern of activity and an intended position with regard to the environment. In an institutional perspective, strategy is seen as a process characterised by myth and ceremony, loosely coupled to the intended pattern of activity and loosely coupled to positioning within the organisational field and/or environment. The challenge is to bring the unresolved interrelationships between strategy as plan and strategy as position into the higher education research agenda. This challenge is only touched upon in this paper, but would need further elaboration.

Empirical studies of strategy processes in European universities are largely lacking (with exception of work in and on the UK, see, e.g., Jarzabkowski and Wilson 2002; Shattock 2003). There certainly are theoretically constructed arguments on why universities engage in strategic actions. One recent study define university strategy as 'an emergent pattern of configurations of university outputs that depend on (relatively) autonomous decision making by universities, supported by appropriate combination of resources (inputs)' (Bonaccorsi and Daraio 2007, p. 11). The authors argue that shifts in the environment of higher education institutions require actions for maintaining attractiveness. They argue further that competition among researchers for scientific breakthroughs or industrial cooperation alike potentially push higher education institutions in the direction of prioritising resources for departments. Moreover increased competition for resources (financial and human) and increased competition regarding outputs (quality of education and research, and industrial innovation) require also priorities to be set on behalf of the organisation. Rossi (2009) explores how shifts in the environment might impact on university strategising. The study demonstrates how Italian universities adapt to new funding regimes for research, and concludes that Italian universities cannot be considered a collection of loosely coordinated departments. Rather, the features and behaviour of the university influence what happens in the departments. A recent study of universities in Finland demonstrates how national policies towards increased competitive funding have resulted in some clustering of this country's universities into three groups, each with a specialised focus; broad universities oriented towards academic research, universities oriented towards applied research and services towards business innovation, and universities oriented towards education (Tammi 2009).

Empirical research will point out how individual higher education institution engages in tackling institutional pluralism both from "within" (partly as a consequence of internal drivers and decision-making processes) and from "without" (incentives from the field, e.g. those challenging the organisation to mimic organisations perceived to be successful or those inviting the organisation to become different). This parallels the description of organisational governance as 'the process through which an "organisational self" selects, prioritises, and or integrates its various institutionally-given identities' (Kraatz and Block 2008, p. 246).

Strategy as re-institutionalisation

Hence, in higher education institutions strategising is undertaken in a context of organisational complexity (Frølich and Stensaker 2012). The multi-dimensionality of the objectives is taken to hinder the implementation of clear strategies with well-articulated goals and

clear-cut measures. The well-established argument that strategising is mainly window-dressing, myth and ceremony (Meyer and Rowan 1977) may be related, in part, to the complexity of the organisations involved, indicating the vulnerability of the sector to its environment. Still, this is not necessarily solely a negative observation: the loosely-coupled character of the organisations also permits the formal structure to be detached from the actual organisational behaviour, which is presumed to be only slightly affected by strategising. Based on this reasoning, strategising in higher education institutions is heavily influenced by the demands of the environment to which the organisation must (formally) conform in order to warrant its legitimacy (DiMaggio and Powell 1983; Frølich and Stensaker 2012).

On the other hand, March and Olsen's (1996) version of institutionalism posits that the normative foundation of the organisation (Selznick 1957) has an equally important impact on its goals and objectives—this is not a case of anything goes. Accordingly, strategising involves acknowledging the claims of the environment, the normative basis and the identity of the organisation concordantly (Frølich and Stensaker 2012). Strategising in higher education institutions therefore must also take into consideration the multi-faceted aspects of the organisation, most notably the divergent professional disciplinary cultures that coexist.

If higher education institutions are rather vulnerable to environmental claims and pressures, and if an higher education institution also carries a distinct history and a tradition, then we could argue that strategy is to be interpreted as a re-institutionalisation of the organisation—a validation and balancing of both the past and the future allowing for a renewal of existing beliefs and values. Examples of such processes are revealed in a study among elite business schools in the US where it was found that external threats to US top-twenty business schools in the form of a bad score in their ranking triggered the institution to adopt a strategy in which another group of business schools became the benchmark (Elsbach and Kramer 1996). Labianca et al. (2001) found in a similar way that universities considered other universities identity attributes, when deciding on strategic actions, but that such emulation and imitation can be quite sophisticated: e.g. when a university imitates the computer science programme of another university, it wants to distance itself as well from the other university in other respects.

Actors' strategising-in-practise

As said, institutional theory struggles with its micro-foundations. While it is certainly interesting to identify shifts in the organisational profile and identity of universities, we are even more interested in understanding the processes that lead to such outcomes. Here, we would argue that the strategy-as-practice perspective (Jarzabkowski 2003) is of special value. This approach, linking to Weick's (1995) concept of sensemaking, points out that strategy is something that is done. The term strategising stems directly from the strategy-as-practice approach referring to all activities—related or unrelated to the formal, intended strategy—that impacts 'the strategic outcomes, directions, survival and competitive advantage' (Jarzabkowski et al. 2007, p. 8) of the organisation.

In this approach, practice refers both to the doings of organisational members and to the different socially defined practices (e.g. institutions) on which the actors draw when 'doing strategy' (Jarzabkowski et al. 2007, p. 7). In line with Weick (1995), we see strategy as *historically path-dependent*, strategy conditions as *enacted*, but we would add that strategic choices also are dependent on *organisational routines and rules* conditioning whether the strategy process unfolds in a more closed or open way. Sensemaking is conceived as an interactive process between actors and their environment based on actors' values and priorities (Frølich and Stensaker 2012). This way of reasoning is in line with the argument

Table 1 Strategising as a sensemaking process

Sensemaking dependent on		Enactments of strategic options in the organisational field	
		Low level of institutional pluralism	High level of institutional pluralism
Organizing of the strategic process within the higher education institution	Defined	Strategy conforming status quo	Strategy resulting in prioritising
	Open	Strategy leading to re-invention of current organisational profile	Strategic expansion

that the micro-drivers of institutionalism 'involve theories that attend to enactment, interpretation, translation and meaning' (Powell and Colyvas 2008, p. 277). Perceptions of institutional pluralism are shaped by means of the actors involved in strategising, enacting, interpreting and translating environmental "pressures" and claims in light of their own organisation's particularities, history and ways of organizing the strategising process.

To present our argument in a formal way, we propose that combinations of enactment processes and ways of organizing the strategy process could lead to at least four different strategic outcomes (Table 1).

While Table 1 perhaps present a stylised picture of how strategic processes is played out in practise, we argue that it is useful as an illustration of the very different outcomes that can emerge from the sensemaking processes during strategising. By using qualitative research methods we may come closer at exploring current key actors' perceptions of the individual organisation's "position in the landscape" and perceptions of higher education landscapes as seen from various positions within the individual organisation.

In aiming at empirical investigations of strategising, one concrete challenge is to analyse more closely the organizing of the strategic process—both before and after the formal strategy is decided upon, and how specific ways of organizing interact with institutional pluralism. Some recent research may in this process be of special relevance. George et al. (2006) have looked at the cognitive underpinnings of key decision-makers' perceptions of environmental pressure. They found that such pressures are translated into organisational actions that can potentially change institutions but also help maintain them. However, our way of describing a strategic sensemaking process is also somewhat similar to Gioia and Chittipeddi's (1991) identification of consensus-building arenas and processes as a key to understand the willingness to adapt to organisational change. Summing up, strategising can be seen both as a consensus-building process, and an arena where the key actors' perceptions of the organisational environment clearly shape higher education institutions. The cognitive underpinnings—e.g. the conceptualisations or framing of each organisation's particular position with regard to the environmental circumstances—become salient in strategising of key organisational members.

This leads to *the fourth analytical implication:* We have argued that the composition of the higher education organisational field as well as strategising rely heavily on processes of enactment and organizing, and that different combinations of enactment and organisation may lead to very different strategic outcomes. Hence, while a very pluralistic environment would suggest a possibility for strategic re-thinking, we argue that such an outcome depends very much on how the strategic process is organised in the individual organisation. But the opposite could also be true in that a pluralistic (open) way of organizing the

strategic process is dependent on the enactment process in which strategic options are identified.

Methodological implications

The research questions that follow from the theoretical reflection are as follows:

- How do higher education institutions interpret their environments and how do these interpretations affect their strategies?
- Which function do these strategies have—are they merely ceremonial or do they have an impact on organisational behaviour?
- What are the factors affecting the organisation of the strategy processes?

There are several methodological implications of using this perspective in higher education research. Investigating practise will almost by default imply the use of ethno-methodology and phenomenology as possible paths to explore what people "do" in organisations when managing, strategising and making decisions (Miettinen et al. 2009). However, trivial restricting issues like time and money available may push the research design in more pragmatic directions. We would argue that document analysis of strategy documents, in-depth interviews with key decision-makers combined with a survey of a broader group hereof represent a pragmatic solution that does not take us as close to thick descriptions and process-based data which would be ideal, but nevertheless represent a reasonable starting point of a larger research agenda.

Given our theoretical/conceptual approach, there are no "good" or "wrong" answers. At the core of the theoretical argument we have developed are perceptions, enactments and sensemaking/action of those at the top levels of the higher education institutions. Neither do we have to reveal a "logical" connection between environmental analysis—strategy development—and organisation. A few illustrative questions for the interviews—we limit ourselves to questions on the perception of the environment(s)—would be: Looking back to when you started in this position, how would you describe the environment of your higher education institution at that time? Which elements in this environment were the most important ones in your opinion and why? To what extent do you think that the element(s) you mentioned has/have changed and why? In that environment, which higher education institution(s) did you compare your institution against and why?

Taken together this methodology can address the doing of everyday organisational life as constituting a foundation for social order and institutions. In addition, one could also argue that dichotomies like micro–macro, agency-structure can be better overcome by taking as point of departure the practical aspects of actions—people in organisations are engaged in practical actions that constitute actions and "reality" as well. In this perspective the outcomes of strategic practice are 'enactments of the future that emerge as the actors anticipate the likely outcomes of their social actions. These anticipatory acts shape organisational members' choices regarding their ongoing conduct and ultimately shape their worlds as well' (Simpson 2009, p. 1338).

Conclusion

The main aim of this paper has been to offer an integrated theoretical account of how to study and interpret the ongoing changes in the higher education field. By using and

expanding insights from institutional theory, and the practise-turn in organisational studies, we have suggested how the linkages between developments at the field level and the organisational processes could be analysed. Two central tenets of institutional theory are of importance (Kraatz and Block 2008). First, that much governance (organisational processes that integrate institutional identities) takes place outside the boundaries of the individual organisation. Second, that much governance work is done by cultural and cognitive mechanisms. Empirically, the first argument is supported by the fact that most higher education systems in Europe have been, and still are heavily influenced by a state that either provides regulative frameworks or normative ideals establishing the discretional space and room for strategic actions by universities. Further, the increase in numbers of private institutions and increasing internationalisation and globalisation of the sector strengthens the external governance of higher education.

Higher education in Europe can be regarded as an organisational field (or set of organisational fields) where the state is important in setting the rules of the game concerning the overall structure and roles of the organisations. Hence, the state has a key role in deciding whether the field should be de-composed into various "sub-fields" (e.g. binary systems), providing the possible templates, models or identities—and hence, the external pressure—that higher education institutions may adopt. In accordance with insights from contributions within the sensemaking literature, these templates, models or identities are subsequently "enacted upon", although perhaps they may also be expanded and challenged by the individual organisation (see Weick 1995). In this way, the relationship between macro-change and the micro-foundations is seen in a much more balanced way. While early institutional theory rightly has been criticised for "over-socialisation", one could also argue that recent interest in sensemaking and more practise-based approaches perhaps ignore the structural aspects of the organisational field.

The templates, models and identities found in the institutionalised environment can be seen as affecting strategising in two important ways. First, the state influences the missions the higher education institutions may adopt either by strictly regulating these, or by offering considerably institutional autonomy. Second, the state also influences which markets higher education institutions may enter either by opening up for competition or by upholding a tighter regulative regime. By doing so, the state partly regulates how many different institutional spheres institutions can choose between. Furthermore, allowing for many different institutional spheres could also in principle open up for more "bottom-up" attempts to define new or alternative institutional spheres. As argued earlier, an important conditioning factor is here the capacity of institutional spheres to link up with the individual organisation through its organisational structure. This configuration of the institutional environment surrounding a given higher education institution should still not be seen as having all-determining power. Our argument is that fragmented and complex organisations in higher education are seeking more coherence and integration through strategy and strategising processes—a development that rightly can be seen as an institutionalisation process in itself.

Hence, the "black box" that we need to open is the one regarding the dynamics taking place in organisational fields when cultural and cognitive templates, models and identities are "offered" for enactments in the various strategic choice situations inside the higher education institution, and how the organisation is dealing with such strategic choices. We are well aware that "only" the first steps of our journey have been set out, i.e. the theoretical underpinnings for the framing of strategic action in contemporary higher education. Most important however—at this stage—is to critically refine the proposed theoretical framework.

Three issues are particularly important. First, while we have taken into account that traditional institutional theory has defined organisational fields "top-down", it is still an empirically challenging task to identify and define organisational fields or spheres stemming "from below". The second issue relates to the concept of strategising. We have made clear that the micro-foundations of institutional theory are best analysed through the strategy-as-practice approach which emphasises the practical doings of everyday organisational life. Moreover we emphasise that how strategy is done is an empirical question. Hence we seek to nuance both the rationalistic view of strategy and the institutional view—however not by choosing sides. Still more work needs to be done singling out the terms strategic choice, strategy plan, strategic planning, strategy process, strategy formulation and strategy implementation; issues we have not touched upon in this paper. One promising research strategy lays in the sensemaking perspective which points in the direction of following organisational actions. The third issue relates to the point we made on who the main strategist are. We suggest that the number of key actors in strategising increases with the complexity of the task—e.g. the extent of institutional pluralism. It may well be the other way around: the more actors from different "constituencies" of the organisation are involved in strategising—the more institutional pluralism there is to "see". Another puzzle to be resolved at the next stages of this research agenda.

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