

Stories about places: The use of narratives in managing conflicting logics in Northern Small and Medium sized enterprises

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SMEs – logics and places

- Rural, northern SMEs exposed to different and conflicting expectations
- Some external, some local
- Selznick ... «the role of the leader is to infuse the organization with value» (1958)
- Yet doing so... given conflicting and shifting expectations is hard and cumbersome.
- Too much of one thing can be detrimental; too local and the organization become stagnant, too focused on markets and local support wanes.

Logics

- Logics

«systems of cultural elements (values, beliefs and normative expectations) by which people, groups and organizations make sense of and evaluate their everyday activities, and organize those activities in time and space» (Haveman & Gualtieri, 2017).

- Examples

- Family
- Religion
- State
- Market
- Profession
- Corporation

Conventional take on institutional logics

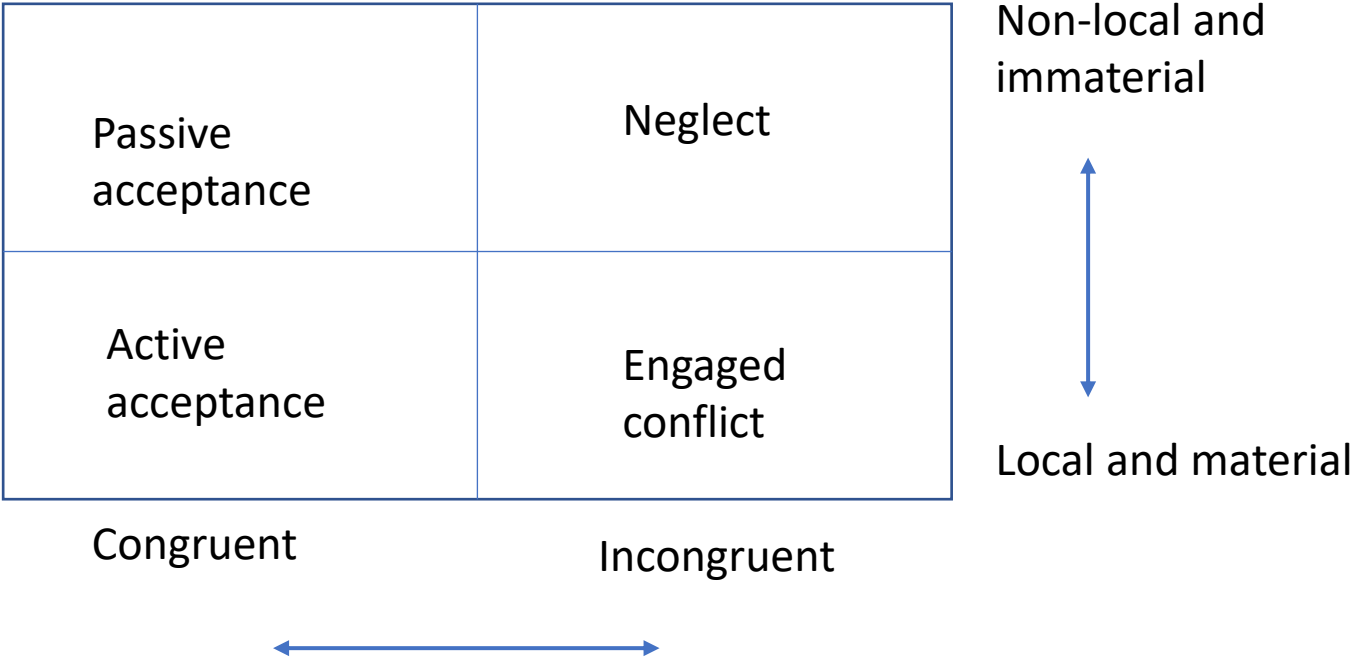
- Logics develop within institutional fields (DiMaggio, 1991)
- Shape organizations from above...
- Influence behavior through sanctions, norms or cognitive categorizations and assumptions (Suchman, 1995; Tost, 2010).

Places as logics

- Places according to Gieryn (2000) are unique and meaningful places in the universe (the difference between «here» not «there»).
- Places
 - i. Constitute a normative landscape with rules as of what is allowed where
 - ii. Are a source of identity
 - iii. Are both material and symbolic...
- Logics reflect dependencies and vulnerabilities afforded by places and production technology.
- Based on four basic and universal relational schemas (Fiske, 1992); **communal sharing, authority ranking, equality matching and market pricing.**
- Structural properties of a situation afford different logics (Rusbult & Van Lange, 2003): Isolation and co-dependence give prominence to communal sharing, or authority ranking).

A matrix

Logics as viewed from the perspective of people working in a local community can be described based on **two** dimensions



Narratives

- Leaders infuse organization with values through the use of narratives
- Narratives are...
 - «temporal, discursive, constructions that provide a means for individual, social, and organizational sensemaking and sensegiving» (Varaa et al. 2016)
- ...have both a discursive and a material side ... what is said as well as what happens...
- The challenge of leaders; incorporating different logics into a coherent narrative and while at the same time, materializing immaterial talk.

Strategies for managing different logics

Pratt & Santos, 2013

Compartmentalization

Combination

Logic integration

New

Strategies for «materializing logics» e.g.

Symbolic actions

Material artefacts

Incentives

Narrative linking «external»

logic to place (e.g. by referencing history)

Outcomes

- Possible outcomes include...
 - Successful, materialized integration of local and new logics
 - New logic remains foreign and immaterial. Local logic prevails.
 - The weakening of the local logic (family or communal sharing) as a new narrative bring confusion and uncertainty about the status of a existing logic.
 - New logic is materialized, yet conflict with the existing logic. Conflict ensues followed by a possible resolution and synthesis.

Narratives as emergent processes

- Managerial narratives both shape and are shaped by material conditions. Managers talk have material consequences which again alters the conditions for the narrative.
- As a result, intended and non-intended consequences along with exogeneous factors suggest a dynamic, complex and emergent process with unintended consequences.