

CHAPTER 3

New Institutional Approaches to Formal Organizations

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INTRODUCTION

Institutions and institutional theory have received increasing attention in recent years, especially as formal organizations and other actors have displayed behavior that does not conform to rational or efficient expectations, and as dominant organizational and economic models have failed (Barley and Tolbert 1997; Downey and Fisher 2006; Menard and Shirley 2005; Tett 2009). Understanding organizational change is particularly important to the development of new institutional approaches to understanding formal organizations.¹ Institutional theorists (and anthropologists) generally view economic phenomena as part of social and cultural practice, with economic action forming ongoing and evolving actions and processes (Heidenreich 1998; Wilk 1996). More conventional theoretical approaches such as neoclassical economics and organizational theory, on the other hand, have not produced a unifying framework for the conceptualization of economic behavior and change in formal organizations, leaving scholars and practitioners with fragmented and disjointed approaches to ever more urgent subjects. The various social science disciplines have approached insti-

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tutional theory from different perspectives (Scott 2001, 2008). New institutional economics, for example, has taken Simon's notion of "bounded rationality"² as its starting point, viewing institutions as "written and unwritten rules, norms and constraints that humans devise to reduce uncertainty and control their environment" (Menard and Shirley 2005: 1). Sociologists, on the other hand, acknowledge Weber's distinction between means-ends calculation, and thus assume rationality focused on realization of more substantive values (Barley and Tolbert 1997). Sociological conceptions of institutions thus may tend toward "shared rules and typifications that identify categories of social actors and their appropriate activities or relationships" (p. 96). Historians also are interested in the diachronic dimension of institutions and in how environmental forces can influence their emergence (Sewell 2005).

No distinctly anthropological voice has developed from the field's reflection upon the nature of institutions and their role and meaning in human experience. Some observers have suggested that "neoinstitutionalism" in anthropology is the equivalent of a rational choice³ principle extended to the social domain (Blim 2000: 29). This point of view reflects a tradition of research in economic anthropology. At the same time, more foundational disciplinary perspectives are being assimilated into frameworks such as Scott's (2008) cultural-cognitive "pillar" of new institutional theory, which incorporates cognitive and interpretive anthropology and practice theory within the framework of new institutional sociology. Such integration highlights both the potential for anthropology to contribute to the contemporary conception of institutions and their intersection with formal organizations, as well as the risk for selective, diminished, or derivative interpretations of anthropology within this new interdisciplinary milieu.

In this chapter, we address anthropology's place within new institutional theory and some of the ways in which it may contribute to our understanding of formal organizations. We begin by exploring the meaning of the institutional construct and its relationship to formal organizations, and we illustrate some potential advantages to an anthropological approach to new institutionalism. We argue that certain large-scale formal organizations can be understood as exhibiting institutional characteristics in their own right, and therefore are subject to processes of institutional stability and change (including potentially deinstitutionalization) over long periods of time. At the conclusion of the chapter, we explore distinctive analytic dimensions of an anthropological approach to new institutionalism that may provide a framework for further discussion.

THEORETICAL BACKGROUND

Though institutions are among the oldest ideas in the history of social thought, they remain difficult to conceptualize. Sociology, economics, political science, and other disciplines have different points of view on the nature and significance of institutions, and their theoretical trajectories have tended to diverge, resulting in literatures that are difficult to synthesize. Fortunately, there has also been a growing trend of drawing upon the foundations of several disciplines to address general questions regarding human behavior, and this tendency works in advantage of an interdisciplinary perspective on institutions (Ostrom 2005: 821). In this section of the chapter, we consider

institutional theory, with the understanding that institutions are foundational elements of the social contexts in which formal organizations are embedded. From this perspective, studying institutions is crucial to the anthropology of organizations.

The earliest usage of the term institution was in the context of an action – to “institute or establish, to set on foot or in operation, to found or ordain something” (dated from 1460; see Oxford English Dictionary (OED) 1987). Later parlance encompassed a second meaning: “giving form or order to a thing, orderly arrangement, regulation, or the established order by which anything is regulated” (OED, dated from 1500). Still later, the meaning of the term institution had evolved to encompass established “law, custom, usage, practice, organization, or other element in the political or social life of a people; a regulative principle or convention subservient to the needs of an organized community or the general ends of civilization” (OED, dated from 1551). For example, a legal doctrine or moral code may emerge over time and gradually become part of the established order through which human affairs are regulated.

The latter notion (circa 1551) was emphasized in the early sociological theory of Herbert Spencer, who viewed society as an organism evolving through time, adapting to its context via specialized “organs” that functioned as institutional subsystems and could be compared across societies (e.g., family, government, laws, and customs of property; Scott 2008: 8). While Spencer’s views were highly influential throughout the twentieth century, new institutionalism breaks with this concept by pointing toward a dilemma embedded in the institutional construct: *institution* implies both action – the establishment of something new – and order and regulation – the conventions that already have been established. In other words, institution may be conceptualized both as action that enables change and as constraints on action that facilitate stability. Institutions challenge us to understand the processes of change and stability not as separate or contradictory, but as related aspects of the same phenomenon. How institutions come into being, reproduce, and change is a central question across the social sciences, especially in the organizational and policy arenas. As one illustration, traditional forms of marriage and the family are continuously reproduced through legal rules, social norms, and cognitive constructs in everyday life, while these same social forms are changing through new legal rulings, shifting norms and values, and emergent schemata. This complex process of continuity and change is intertwined with the workings of numerous formal organizations (e.g., legislatures, courts, churches, human resource departments, and so on).

The paradox embedded within the idea of institutions is reflected in Scott’s (2008) recent effort to conceptualize them through a survey of literatures drawn from sociology, economics, and political science. He concludes that “institutions are comprised of regulatory, normative, and cultural-cognitive elements that, together with associated activities and resources, provide stability and meaning to social life” (p. 48). This (perhaps overly) stability-oriented view reveals the complexity of our starting point for thinking about institutions and their significance for organizations from an interdisciplinary or holistic perspective. According to Scott (2001, 2008), the regulatory dimension of institutions involves rule-setting, monitoring, and sanctioning activity; the normative domain involves prescriptive, evaluative, and obligatory aspects; the culture-cognitive component includes shared conceptions that constitute the nature of social reality (pp. 52–59). Scott positions these “three pillars”

as distinctive approaches to institutions that emerge from academic disciplines. Phenomena associated with the pillars affect various aspects of social life in inter-linking ways; for example, regulations that involve coercive action may depend upon normative and cognitive elements, as when “the state’s role (in regulating corporations) is overshadowed and augmented by managers’ interests in collectively crafting a normative justification that creates a market rationale for their conformity” (p. 136). For example, managers may introduce financial policy-oriented strictures under the guise of efficiency (Dobbin and Sutton 1998: 443), innovation, or entrepreneurship.

Scott’s work is valuable in helping to dispel a misimpression of institutions only as reputable establishments of the public and civil sectors (e.g., constitutions, courts, schools, marriage, and the family). Through a close examination of scholarship, including anthropology, it becomes evident that institutions encompass far more than those popular notions; they include many more fundamental elements of society that are integral to social continuity and stability. An anthropologically relevant example would be the construct of risk – that is, the chance of injury, damage, or loss related to a particular set of circumstances, and the ways in which a given society perceives and interprets that chance as a consequence of its particular historical circumstances. The cultural-cognitive element of risk will vary from one society to another (e.g., see Douglas and Wildavsky 1982).⁴ The set of meanings related to risk in a given domain of economic life (e.g., labor migration) will have been established under specific historical circumstances, and once established, this “institutional element” may come to be viewed by some as a “social fact” (Durkheim [1901] 1982; cf, Lukes 1982; see, e.g., Favell 2008; Garapich 2008; Morawska 2001). There may also be normative rules related to risk that introduce a prescriptive, evaluative, or obligatory dimension; for example, the sense of duty experienced by labor migrants to send remittances home if family members are in financial need (Massey *et al.* 1998). The regulatory dimension sets rules, while also monitoring and sanctioning activity. For example, with respect to the risks associated with labor migration, the state clearly is involved in heightening or reducing regulatory risk when emigration/immigration policies are altered. Anthropologists are interested in all of these dimensions as well as their interactions, and the ways in which the interactions change as a result of contextual differences.

As much as Scott’s discussion might satisfy our interest in the nature of institutional forms and mechanisms, it does not resolve the question posed initially by Durkheim ([1901] 1982; cf, Lukes 1982); that is, how do institutions come into being or “crystallize” over time? Durkheim believed that institutions were perceived by individuals as external to themselves, or “social facts.” He represented these social facts as arrayed along a continuum of institutionalization, reflecting how much they had crystallized or come into being.⁵ Durkheim suggests that not all institutions have been in place as long, or are as accepted as others. Or, to put it another way, not all institutions achieve the characteristics described by Scott (2008) in his cross-disciplinary definition of the “three pillars.” What makes the difference is not well understood, since institutionalization processes occur over the long term and are difficult to study empirically (Barley and Tolbert 1997). Many researchers who study intentional or managed efforts to initiate new organizational practices confront flawed attempts to enact change (e.g., total quality management [TQM]; see Perkmann and

Spicer 2008), and few have an opportunity to observe the emergence of a new institution or the process of deinstitutionalization.

In what is possibly the best-known theory of the institutionalization process as it pertains to organizations, Berger and Luckmann (1967; see also Scott 2001) proposed a model for the way in which systems of meaning come to be shared by participants. Some organizational scholars consider this a plausible developmental sequence for “moments” of institutionalization (Barley and Tolbert 1997). Three such moments that may be salient in the construction of common meaning systems are: (i) *externalization* – the production of symbolic structures whose meaning comes to be shared by participants; (ii) *objectification* – the process by which a symbolic structure “comes to confront [a participant] as a facticity outside himself” or a reality “out there”; and (iii) *internalization* – the process by which the objectivized world is “retrojected into the consciousness in the course of socialization.” From this perspective, institutions are symbolic systems that have their own reality and confront the individual as an external “fact” (Scott 2001). This theoretical model suggests the challenges involved in the empirical study of institutionalization, yet it does not explain the nature of influences that motivate the “moments” or propel them from one to another.

Recent scholarship on institutional entrepreneurship offers insights into the seemingly contradictory nature of institutional continuity and change. Institutional entrepreneurs have been characterized as actors broadly defined to include, for example, state actors and professions who leverage resources to create new institutions or transform preexisting ones (Garud *et al.* 2007: 957, Maguire 2007). While institutions tend to reproduce themselves through normative and regulatory processes and shared systems of sense-making, the literature on entrepreneurship focuses upon actors who deviate from norms and may break, bend, or evade the rules (Garud and Karnoe 2001; Garud *et al.* 2007: 960). Entrepreneurs conceive novel possibilities from preexisting institutional arrangements, and they convince collaborators to join them even when existing incentive structures appear to work against them. The tendency of literatures on institutions to emphasize stability and of literatures on entrepreneurs to focus upon change may suggest to some observers the “paradox of embedded agency” (i.e., a reference to the long-standing structure – agency debate within institutional theory; Powell and DiMaggio 1991; Garud *et al.* 2007: 961). That is, too much emphasis on structure yields deterministic societies that tend toward stasis, negating the creative capacity of humanity. An overemphasis on agency, however, may give rise to heroic accounts that neglect history and social context. This tension may be addressed by conceptualizing institutions and entrepreneurs as mutually constitutive, with each presupposing the other, as in the work of Bourdieu (1977) and Giddens (1984).

POTENTIAL CONTRIBUTIONS OF ANTHROPOLOGY TO NEW INSTITUTIONAL RESEARCH

Anthropology’s long-standing concern for questions of cultural stability and change suggests it has much to contribute to new institutionalism. First, institutionalization processes are enacted over relatively long time horizons, requiring longitudinal and/

or historical research methods. Berger and Luckmann (1967) note that *externalization* to *internalization* may take years, decades, or even generations, meaning that disciplinary perspectives with large-scale time horizons are best suited to this pursuit. Further, the transition from *externalization* to *objectification* may require processes such as policymaking and routinization to help them pass from a local group to become widespread more in an organization. Ethnographic fieldwork and/or archival analysis, which are strengths of the anthropological approach, are both well suited to understanding these processes and documenting their enactment. Indeed, a new anthropology of institutions will continue the tradition established by W. Lloyd Warner (Warner and Lunt 1941) that insisted upon empirically grounded rational discourse (Schweizer 1998), based on observation of social relations, actions, and interactions through intensive field-based inquiry. This is the heritage that enables many anthropologists to continue to identify themselves as social scientists, as well as humanists.

Second, the nature of institutions as symbolic systems requires an epistemology and methodology that is attuned to the ways in which actors create shared schemas or generalized expectations and interpretations for behavior. The ethnographic strategy of anthropology seeks to understand and interpret research participants' point(s) of view, especially through linguistic and discursive representations, an approach that seems especially well suited to capture the emergence (or lack thereof) of such symbolic systems. Warner's early institutionalism situated symbolic analysis at the heart of his interpretations of then-contemporary organizational life (Baba 2009; Warner and Low 1947). Recent works by scholars of cognitive and psychological anthropology highlight the ways in which anthropology's methodological tool kit is well suited to the investigation of the shared schemas and experiences that are so crucial to the processes of institutionalization. Quinn (2005) draws attention to various types of discourse analysis (Mathews 2005; Quinn 2005; Strauss 2005), all of which seek to elucidate cultural schema as they are expressed through cognitive tasks such as reasoning and storytelling. Such approaches emphasize the importance of empirical research founded on systematic methods, as well as the ability of other scholars to retrace methodological approaches, and offer critique. Quinn (2005) and Strauss (2005) provide specific examples of the ways in which discourse may be analyzed to elucidate shared schema through attention to key words, metaphors, and types of reasoning that recur in interviews. D'Andrade (2005) illustrates the ways in which patterns that emerge through analysis may be systematically verified and corrected (p. 87).

Third, the complexity of institutionalization processes, ranging over time, social groups, and levels of analysis, as well as the mutually constitutive nature of institutions and agents suggests that a holistic rendering of the contexts in which these processes unfold could be the optimal means to explore and explicate the phenomenon in depth. The ethnographic case study method is capable of producing highly contextualized and nuanced renderings of complex subject matter, with sensitive attention to historical accretion of meaning, participants' viewpoints, and subtle shadings to accommodate the complexities of social distance and scale (e.g., see Freeman 2004; Zaloom 2006). Ethnographic case studies also may place a phenomenon within a larger global context, which can help to explain forces that are beyond the scope of immediate actors. Early institutional anthropologists such as Warner (e.g., Warner

and Low 1947; Warner and Lunt 1941) defined a naturalistic approach to the study of institutions that rejects generic or universal representations of institutions in favor of a more contextually holistic depiction. These early institutional anthropologists examined institutions within a complex matrix of interinstitutional relationships in a specific time-space context, and they used these factors to inform their interpretation of the nature of society and the dynamics of institutional change.

Fourth, the contemporary “institutional anthropologies” (e.g., as exemplified in medical anthropology, educational anthropology, legal anthropology; Bennett 1996) are self-consciously *interdisciplinary*, ranging beyond sociological theory in which they initially were grounded, and exploring and integrating the intellectual realms of other cognates such as technology, medicine, philosophy, economics, or arts. As contexts are unbounded, so is the realm of anthropological inquiry in the modern world. One of the goals of new institutionalism in anthropology may be to explore and understand the *interrelationships among various dimensions of economic and social contexts*, including the multisited nature of global contexts (Marcus 1995). The multiple dimensions of institutions (e.g., regulatory, normative, cultural-cognitive) interact in social life, but their articulation in relation to specific temporal and spatial contexts is not well understood.

Finally, anthropology and new institutionalism are no strangers to *practice*, meaning the everyday practices of anthropologists (i.e., ethnography) and the practices of our research coparticipants. Everyday practice is at the heart of institutions, as the habitual actions and interactions of subjects or agents are what constitute the production and reproduction of institutions (Barley and Tolbert 1997); one of anthropology’s greatest claims to disciplinary integrity is its expertise in recognizing, interpreting, and narrating such practices. Yet an interest in everyday practice also reflects our stake in organizational practice, for the practices of powerful actors affect the practice of anthropology (meaning not “applied anthropology,” but the practice of anthropological fieldwork and the co-engagement of participants). As practices of a wide range of actors including organizations influence anthropological subject matter, anthropologists take an interest in such practices, and this means that new institutional anthropology has a stake in practices related to organizational policy (i.e., governing principle, plan, or course of action). This places anthropology next to practice in all of its meanings, including the practice of anthropology as a profession in the realm of organizational policy.

In this chapter, we pursue the approaches outlined above to explore processes of institutionalization within the context of formal organization. We begin from the position that organizations exhibit institutional characteristics in their own right, meaning that the ethnographic study of formal organizations should be considered part of the mainstream of new institutional research. That large, formal organizations can be portrayed as evincing qualities of institutions is not a new idea; indeed, some of the earliest studies of formal organizations focused upon their character as institutions (i.e., the Tennessee Valley Authority; Selznick 1949). Much of the literature on this subject is more likely to cast *public* sector organizations as institutions (e.g., NASA; see Vaughn 1996) rather than private sector organizations with values as the crux of the intersection that bonds them to the larger society. We take the view that institutionalization processes also may be witnessed in commercial enterprises.

INSTITUTIONAL CHARACTERISTICS OF FORMAL ORGANIZATIONS

The study of formal organizations began in the United States during the 1930s, and the studies were influenced by Weber's writing on bureaucracy. Weber emphasized the emergence of a "legal order" comprised of "consciously made rational rules" supporting "instrumentally rational" action (Weber [1924] 1968: 24, 953–954; cf. Scott 2008: 74). The sociologist Robert Merton ([1940] 1957) followed this with the suggestion that some actors in bureaucratic organizations focus on fulfillment of rules and regulations, even to the extent that the goals of the organization suffer. This line of reasoning established the idea that though an organization may be a rational instrument of utility, the actions of its members also are shaped by non-instrumental (i.e., institutional) forces such as their attachment to bureaucratic symbols and status and "prerogatives involving attitudes of moral legitimacy which are established as values in their own right" (Merton [1940] 1957: 202; cf. Scott 2008: 20–21).

Merton's student, Philip Selznick (1949), usually is credited with the earliest institutional analysis of a formal organization. In his depiction of the Tennessee Valley Authority⁶ Selznick distinguished between two conceptions of organization – one as a rational, instrumental mechanism designed to accomplish a specific goal, and the other as an organic social system, adapting to its environment over time, and in some cases influenced by the values of its members and external constituents. The ideology of grassroots constituencies, informal relationships with immediate environments, and the cooptation of external groups (agricultural interests) that required internal power in exchange for their support during the organization's dependent stages were factors that served to modify the agency's programs in ways that compromised its conservation programs (Scott 2008: 116). Through such processes, organizations are transformed by institutional influences, and they develop a specific character structure and identity. Members become interested in the organization's survival for reasons that extend beyond its instrumentality to include their own values and interests (Scott 2008: 21). Over time, people associated with the organization become increasingly committed to its purposes, and the organization becomes more deeply embedded within their social networks.

Selznick's theory of institutionalization helps to explain why some organizations persist over long periods of time and lend stability to society, but it is not especially insightful with respect to organizational change (indeed, inertia seems more likely). From Selznick's perspective, the rational, task-oriented goals of an organization appear to be values-neutral. This mechanism is then opposed to, or countered by, the values-laden interests of certain organizational members and/or external constituents. Selznick suggests that rational task orientation may be values-free. But research in the social construction of science and technology (Bijker *et al.*, 1987; Kuhn 1962; Noble 1984) has demonstrated that rational, technical, and instrumental purposes are not free from social influence, and are shaped by actors' epistemological orientations, social and political relationships, and norms and ideology – meaning that even organizations that did not experience the institutional processes described by Selznick could still be "infused by values" beyond the technical requirements of the tasks at hand (e.g., Noble 1984).

This brings us to Selznick's argument that not all organizations should be equally subject to the process of "institutionalization"; those organizations with more precisely defined goals or better developed technology at the outset should be less subject to this values infusion than those with diffuse goals or weak technology (Selznick 1957). Indeed, many of the best-known works of Selznick and his students focused upon particular types of organizations and agencies in fields such as government, education, health care, and voluntary associations. While they believed that such organizations were more prone to the institutionalization processes, from a theoretical standpoint, there is no a priori reason why an organization with precisely defined goals and well developed technology (e.g., a private sector, technology-based company) could not experience the processes of values infusion or "institutionalization" as well, perhaps through the initiation of entrepreneurial action (i.e., the infusion of values from an entrepreneur).

The anthropologist W. Lloyd Warner took a different theoretical path in his research on the intersection of institutions and formal organizations. In his study of several privately owned shoe-making factories in Yankee City (Newburyport, MA), Warner witnessed a citywide strike in the 1930s that swept across these factories driven in part by forces outside the factory walls (i.e., from the surrounding community). Warner was confronted with a clear indication that these factories were not as Merton and Selznick proposed – merely rational instruments – but instead entities that were defined by member and contextual values. Warner and Low (1947) place the institutions of class, rank, and status within an economic context that is continuously evolving and suggest that the strike and ensuing unionization of the factories emerged from a shift in the underlying forces of capitalist production and its political economy and social class relations. As Yankee City lost its place as the locus of shoe-making production and consumption, there was a significant realignment of social classes that made unionization of the factories possible for the first time. The shift in class alignment was triggered by the Great Depression, and the ensuing unemployment and poverty that resulted, which raised questions among community members about the factory owners and their interests.

Warner and Low's (1947) case study provides a framework for understanding long-term processes of institutional change and how these changes affect important formal organizations such as production sites (i.e., factories). They describe several economic dimensions of the context in which production sites are embedded, and explain changes that have taken place in each of these dimensions over time, as well as interactions among the dimensions (i.e., technological change, division of labor, ownership and control, producer – consumer relations, worker relations, economic relations). For example, they describe the evolution of factory ownership, from wealthy families who lived in town and reinvested profits in worthy causes that benefited townsfolk (e.g., libraries and hospitals), to absentee owners who lived in faraway cities and did not particularly care about the town or its people. The processes of economic change enabled a *new set of norms, rules, and constructs to arise within civil society* (e.g., the value and legitimacy of a union), and these institutional changes affected not only the community but also the factories and other formal organizations.

In Warner's conceptualization, there is no duality separating the "rational instrumentality" of the formal organization and the institutional forces that defined the

community. Rather, some institutions such as class are fundamental because they are pervasive throughout society, and such institutions interpenetrate and shape formal organizations. Warner did not claim that the factories he studied were institutions in themselves. Rather, they were formal organizations that were influenced by the institution of class among others. Why some organizations are characterized as embodying and promoting institutional characteristics while others are not is an interesting question, and understanding the distinction between these conventions may help us to gain insights into organizations and their capacity for enhancing institutional stability and change.

Following World War II and the decline of the Human Relations School with its focus on studying individual organizations in depth (Schwartzman 1993), studies of organizations in the United States entered a long period of rationalization, during which scholars tended to assume that formal organizations were (or should be) standardized systems capable of controlling activities and actors through means – ends relationships and rational designs (e.g., see Scott 1998, 2008). The role of organizational research and theory often was to improve organizational performance (e.g., efficiency with respect to goals). Studies of organizations entailed testing of hypotheses on large samples with statistical modeling of data. Variables related to organizations and their environments dominated the literature (Abbott 1992). Institutional considerations were lost in a plethora of abstract variables comprising the “organizational environment,” or alternatively an undifferentiated “context.” This rationalizing period prevailed through the 1970s.

Nevertheless, conceptions of institutions and their relationship to organizations continued to advance. Neoinstitutional economists have enhanced our understanding of organizations by analyzing them as economic phenomena in their own right. Oliver Williamson developed the argument that individual organizations construct governance structures – rules and regulations – that more effectively manage economic transactions than would the open market. This observation was made originally by Ronald Coase in 1937, but its significance was not understood until Williamson explained that the reduction of transaction costs reflected a fundamental theory of the firm (Williamson 2005). These developments pressed economics toward the recognition that formal organizations exert institutional forces on economic activities, which helped to establish what has become known as neoinstitutional theory in that discipline.

In the field of organizational sociology, formal organizations are viewed as “the preeminent institutional form in modern society” (Zucker 1983: 1; cf, Scott 2008: 150). The sociologists of the latter twentieth century highlighted rationalization processes that strengthened formal organizations following World War II, noting that organizations did not initiate or create these processes, but often were the result of them (e.g., the dominance of science and technology, the rise of professions, cultural acceptance of systematic rules and standards; Ellul 1964). Organizations were accorded legal rights, independent of individual persons, suggesting societal acceptance of the abstract category “organization” and a professional class of “managers” to oversee them (Coleman 1990; Shenhav 1999; Scott 2008). These developments made it possible for organizations to be conceived of as defining institutional forces in society, not because another external entity pervaded them with values, but because multiple intersecting trends in the larger society converged, with more powerful

organizations as one outcome. Some of these organizations became institutional purveyors themselves shaping the larger societies in which they operated (e.g., multinational and transnational corporations).

During the 1980s and 1990s, a widespread critique of positivism and general discontent with the results of rationalist approaches to organizational performance and design made way for a new school of thought reflecting the normative and cultural-cognitive pillars of institutions: organizational culture. Emerging initially from consultants' exposure to Japanese firms and the discovery of "corporate culture," the moment of organizational culture was characterized by quite distinctive disciplinary and methodological orientations that, in the end, did not form a coherent theoretical statement. Nevertheless, the (continuing) influence of this stream of research and theorizing among practitioners gave rise to several ideas that bolster the notion that formal organizations may exhibit institutional characteristics.

One early conception of organizational culture is the notion of internally consistent assumptions and values held or espoused by organizational members that are (or appear to be) well aligned with the formal organization's missions and goals. This perspective was popular with executives, managers, and consultants because it suggested that organizational outcomes could be enhanced by this "strong culture," and that the independent variable (culture) could be managed or changed through clinical intervention. Edgar Schein (1985) argued that consistency among an organization's mission, goals, and members' beliefs, values, and behavioral practices could be traced more or less directly to three specific factors, including the founding entrepreneur's influence, the organization's shared learning experiences, and the role of new members joining the organization. Relevant to our discussion of the processes of institutionalization was Schein's insight that a founding entrepreneur could infuse or imprint his or her cognitive framework and values onto an organization. This process takes place when the founder brings together a core group of people that share the founder's original idea and vision, coordinates their efforts toward a common goal within a specific context, and works with the group in interpreting their learning experiences and developing shared assumptions about the world and how they should work within it. According to Schein (1992: 212–213), entrepreneurs often have strong assumptions about the nature of the world and human relationships, as well as the role of organizations, and with their self-confident personalities, they may be able to impose their views on others (thereby providing a source of cultural-cognitive, normative, and even regulatory institutions within organizations). This perspective has relevance to institutional entrepreneurship in the sense that organizational entrepreneurs also may become part of a process through which new regulatory, normative, or cognitive forces emerge (e.g., social media entrepreneurs have influenced norms regarding what is considered private information about the self). Schein, however, did not frame his argument in terms of institutions *per se*.

Another approach to organizational culture that was somewhat critical of Schein noted that organizational members are not always or completely "integrated" or aligned with the organization's formal mission and goals, but are "differentiated" into various types of subcultures, particularly those that form around specific occupations and professions that typically exist within formal organizations (e.g., engineering, marketing, management; Frost *et al.* 1991). Occupations and professions are one of the most venerable types of institutions referenced in the social science

literature; indeed, there has been a more or less unbroken tradition of institutional sociology over the past century focused on occupations and professions (Abbott 1992).⁷ Durkheim ([1933] 1984) argued that members of occupations often share common values, interests, and traditions, and through such bonds of solidarity, help to address the problem of anomie that arises in modern society (Van Maanen and Barley 1984). Occupational and professional subcultures may relate to one another and to the formal organizations that host them in myriad ways (e.g., collaboration, accommodation, competition, conflict), and there is a voluminous literature on this subject, including work by anthropologists (Trice 1993; see also Barley and Orr 1997; Briody and Baba 1991; Dubinskas 1988; Gregory 1983; Orr 1996). Occupations and professions were powerful institutional forces bringing formal organizations to a position of prominence in the twentieth century, and they continue to represent major institutional influences within these organizations.

By the mid 1990s, postmodernist approaches to social phenomena were calling into question previous claims regarding knowledge and representation of organizational culture(s). The uncertainty, ambiguity, and multivocalic nature of phenomena in formal organizations became apparent, generating the “fragmentation” perspective on organizational culture (Frost *et al.* 1991). Anthropologists such as Kondo (1990) and Hamada (1995) underscored multiple interpretations that could be derived from varying perspectives on the same organizational incidents and circumstances, and pointed toward the vastly divergent consequences that could attend differing points of view. Such studies raised cautionary signals and called for serious reflection on the nature of representation and validity in organizational research. At the same time, work within organizations was becoming exponentially more complex through the globalization of working life, virtual project teams, outsourcing arrangements, and corporate mergers and acquisitions. Organizations themselves appeared to be coming apart at the seams and reconfiguring in new ways, which created an opportunity for novel approaches to understanding change.

The organizational culture construct has not proven to be sufficiently robust to respond to all of the intellectual and pragmatic challenges encountered during this latter period. Yet, some of the basic concepts that emerged from the organizational culture literature resonate well with institutional thinking, even though the momentum of that particular school of thought dissipated amidst the transition to a new century.

TOWARD A NEW INSTITUTIONAL ANTHROPOLOGY

The anthropological commitment to understanding human experience in context, and to interpreting this experience across diverse landscapes of space and time, places our discipline in a unique relationship to new institutionalism, which seeks theory that explicates organizational and societal interactions. Anthropologists for some time have been conceptualizing the intersection of organizations within specific contexts, and theorizing their mutually constitutive nature with various analytic lenses, including those that implicitly incorporate some of the conceptual apparatus that is being assimilated into new institutionalism by other disciplines such as sociology and

economics, but not attributed specifically to anthropology (e.g., interpretive, cognitive, and practice theories).

Two key questions for anthropology emerge from the explicit focus on contextual embedding that is inherent in institutionalism. First is a question pertaining to why certain patterns of organizational practice and meaning persist over time, while other patterns change significantly. Such questions become critical during periods of turbulence, when an organization's responses (or nonresponses) to economic, political, technological, or other shifts may have dire consequences, not only for the organization, but for the entire society. The world financial crisis of 2008 has revealed that such questions cannot be addressed unless our framework for investigation includes interactions among formal organizations and their multiple contexts (e.g., see Tett 2009).

A second and interrelated question of fundamental interest to anthropologists pertains to the interaction of formal organizations and the larger society, and the ways in which the former influence the latter. American anthropologists have recognized since the early decades of the twentieth century that large formal organizations, particularly corporations and states, have a major influence on the lives of people and communities (Warner 1962; Warner and Low 1947; Warner and Lunt 1941). Institutional theory explicitly highlights the connections that flow among organizations and their social surroundings, especially those that have a mutually shaping influence. For example, the United States is a nation that has been particularly shaped by the influence of privately owned business firms (Warner 1962). The commercial merchant was a dominant figure during the American colonial period, integrating many economic transactions required by farmers and artisans, including those of carrying goods through the process of production, distribution, and transport, as well as providing financial underwriting (Chandler 1969: 24). Later in the nation's history, publicly owned companies became a feature of the national landscape, one that distinguishes the United States from Europe, where firms are more likely to be family-owned (Menard and Shirley 2005). New institutional theory, with its emphasis on interactions among organizations and their embedding contexts, is well suited to understanding how corporations play a role in creating the cultures of modern societies. Given anthropologists' emerging interest in capitalism and enterprises of all kinds (Blim 2000; Cefkin 2009; Ong and Collier 2005), an analytic framework for inquiry into socially embedded organizations is relevant and timely.

Anthropologists already are beginning to contribute to new institutional currents, although this work has not coalesced into an explicit school of thought and remains fragmented across literature and audiences. Contributions relate to a distinctive disciplinary perspective on formal organizations and their contexts, one that is not only epistemological and methodological, but conceptual and substantive. The contemporary approach may be thought of as "new" compared with earlier approaches to the study of organizations for three reasons. First, it takes advantage of more recent and still emerging intellectual developments in anthropology and engages them with our understanding of formal organizations. Contemporary approaches include political economy and practice theory, science and technology studies, critical and interpretive perspectives, and discourse-related approaches to shared schema (see for examples Brondo and Baba 2010; Freeman 2004; Ong and Collier 2005; Quinn 2005; Zaloom 2006). Second, each of the intellectual orientations noted above provide vantage

points that mitigate tendencies toward reification of formal organizations that sometimes have accompanied studies of organizations as “small societies” or “cultures” – a tendency that was especially evident during the organizational culture period. Although the construct of organization itself is an institution (perhaps explaining why it is so often reified), and some organizations may display characteristics of institutions in their own right (e.g., the United Nations or World Bank), this does not suggest that organizations necessarily should become focal subjects of inquiry in and of themselves without taking into account more encompassing institutional frameworks. Third, regardless of analytic lens, such work incorporates an emphasis upon particular groups enmeshed within organizations whose patterns of practice and interpretation of meaning reflect continuity with broad societal institutions, while at the same time being challenged by the pressures of economic and/or technological change at global and local scales.

Below, we explore three analytic dimensions of an anthropological approach to new institutionalism which may orient our contributions to this field with those of other disciplines (see Ostrom 2005) and provide a framework for future discussion.

ACTORS

As anthropologists, we are interested in understanding actors whose agency has endowed them with the capacity to influence institutional continuity and change, especially in organizational settings. Institutional scholars traditionally have recognized three primary categories of actors that have been considered the constitutive aspects of societies in the modern world – individuals, organizations, and societies, often represented in the form of nation-states (Scott 2008: 754). Each of these is a primary social unit endowed with interests and possessing the capacity to take action. The individual person is the most basic category of actor. Formal organizations are actors that have been endowed with legal rights and capabilities independent of those held by individuals (Coleman 1974). Nation-states are distinctive because of their coercive authority to govern individuals and other organizations. These actors are of critical importance because of the role of agency in institutionalization. Agency has been defined as “the temporally constructed engagement by actors of different structural environments – the temporal-relational contexts of action – which, through the interplay of habit, imagination, and judgment, both reproduces and transforms those structures in interactive response to the problems posed by changing historical situations” (Emirbayer and Mische 1998: 970; cf, Garud *et al.* 2007: 961). Agency endows actors with the capacity to make choices among possibilities that reinforce continuity and compel change, including the replication of existing institutions, the creation, modification, or transformation of institutions, and/or the pursuit of actions that are intended toward one outcome but yield another. A potential advantage of anthropology’s engagement with actors through ethnographic fieldwork over the long-term is the capacity to discriminate among such choices and their consequences.

Institutional entrepreneurship, meaning not only the possibility of founding new types of organizations (e.g., the TVA; Selznick 1949) but also the creation or transformation of existing institutional arrangements more broadly, often cannot be

accomplished by a single individual, but must be approached by coalitions, networks, or other groups of actors working in concert (Perkmann and Spicer 2008). Literature on the migration industry provides a case in point. Individual labor migrants, such as transnational migrants from Eastern to Western Europe, have been found to be an important source of entrepreneurs in the establishment of new enterprises that offer migration-oriented services to their fellow immigrants. Immigrant entrepreneurs help to create a market for services, drawing in other firms, and thereby stimulating the beginnings of a new industry (Garapich 2008). The agency of the individual actors thus stimulates a process that leads to changes in the larger market for services, resulting in more stability for the transnational migrant population as a whole (i.e., part of the process of institutionalizing immigration). In this example, entrepreneurs both act to stabilize emerging institutional arrangements and enable change over time, as the individual migrants and their interests are the motive forces that initiate and sustain the process of change. Institutional characteristics of the embedding society (e.g., laws and rules, community norms and values), as well as material factors such as technology, demography, and economy, also are significant in a particular case, and should be considered in the framework for institutional analysis (see for discussion Ostrom 2005).

Through much of its history, anthropology as a discipline has been concerned with collective expressions of human experience and not primarily focused upon individual behavior. The crisis of representation at the end of the twentieth century initiated a search for ways to provide research participants with direct voice into ethnographic productions, and one consequence of this turn was the appearance of individual subjects in anthropologists' writing, including new studies of capitalist enterprise (see for examples Cefkin 1998; Rabinow and Dan-Cohen 2004). This epistemological break with the past moves anthropology into position to pursue the study of individual actors and networks or coalitions in institutional processes.

Anthropology meets institutional scholarship through its emphasis upon occupations, professions and other work groups in organizations. Acting through a variety of organizational bodies (e.g., voluntary associations), these groups exercise influence and authority through the development of distinctions and typifications, the promulgation of ethical guidelines, and the creation of standards and regulatory frameworks (Scott 2008: 100). Anthropological research suggests that professional and occupational groups organize themselves in various ways, both internal and external to formal organizations. Here we refer not only to the occupational and professional subcultures that cross-cut specific organizations (e.g., engineering, marketing), but also other ways of organizing such as communities of practice (Lave and Wenger 1991; Orr 1996), project groups, teams, or guilds (Coleman 2001; Gregory nd, 1983), and the so-called "informal organization" or cliques (Roethlisberger and Dickson 1939, Schwartzman 1993). These occupational groupings are not equivalent in their influences upon individual members, organizations, or societies, however their institutional characteristics are noteworthy; they have been found to influence multiple aspects of work experience and practice, including cognition (e.g., collective memory; Orr 1996), shared values (e.g., aesthetics of technical work; Coleman 2001), and informal rules (e.g., "rate busting"; Roethlisberger and Dickson 1939). An intriguing aspect of these groupings may be their incomplete "crystallization"; that is, they may not come fully into being (i.e., are not necessarily formalized), yet

persist over time. Individuals may affiliate with these phenomena (or not) at various points in their careers while retaining their identity as individual actors. For example, project teams in Silicon Valley famously are able to form, fall apart, and re-form quickly, contributing to a flexible pool of highly skilled employees that is not risk averse and is willing to try out new ventures – one of the major assets of the region that is fundamental to continuity and change (Barley and Kunda 2004; Darrah 2001; Gregory 1983). The project team format and labor pool characteristics display long-term continuity with regional culture (English-Lueck 2002), while the specific nature of the projects that teams work on and their membership constitutions are highly dynamic and respond to rapid shifts in global technology and economic evolution.

It could be argued that these informal expressions of organization are endowed with institutional characteristics (cognitive models, norms and values, informal rules), and that they also represent actors with interests and the capacity for action, posing an intriguing set of research questions that organizational anthropologists could address in future research.

INTERACTIONS

Interactions of actors may be conceptualized as social phenomena, with two views of the social instructive in understanding these interactions: Durkheim, who followed Simmel in understanding the social as processes of reciprocal influence among individuals (Spykman 1925), and Marx, whose idea of social relations enables us to conceptualize the coordination of people's activities on a larger scale across multiple sites (translocal; DeVault and McCoy 2001). Institutionalization often involves both understandings of the social. For example, reciprocal influence among individual actors may be required for a new construct to emerge and become established, while translocal coordination across larger scales may be required if a new construct is to diffuse from its site of origin and attain greater penetration across a population or within an organization.

Examining the effects of translocal coordination requires that researchers trace connections and interactions among individual actors or a population of individuals “on the ground” (e.g., individual labor migrants); link these to coordinating groups or formal organizations whose processes influence such individuals (e.g., labor recruiting firms, language schools, local immigration agencies); and then connect the processes to societal or state-level actors where policy or regulatory frameworks are crafted or implemented (e.g., state agencies or bureaucracies; see DeVault and McCoy 2001). A goal of institutional research in anthropology is to understand the perspectives and interests, actions and interactions among actors, how they influence one another, and what difference this makes to the subject of our inquiry. Issues of representation are paramount; we must recognize the constraints and bias involved in claims regarding the nature of different types of “actors” (e.g., what type of data represents what type of actor, and how we substantiate the claim) and our access to them.

Social interactions involve mutually shaping influences – actors influence one another and institutional elements constitutive of the larger society (e.g., laws and rules, social norms), and it is expected that influences among actors and institutions

will be reciprocal. As a result, behavioral properties of actors are *emergent*; that is, they cannot be reduced to the properties of the interacting actors themselves, and therefore are difficult to predict in advance. Such mutually shaping influences and emergent behavior were illustrated in Warner and Low's (1947) study of the Yankee City shoe-making factories. Individuals across classes interacted with each other, with a variety of different organizations, and with the conditions of the Great Depression. One result was that the norms of the town subtly shifted away from their politically conservative orientation, and members of some classes agreed to form a union. Warner emphasized the complete surprise of this development, since prior to these events, much of the social and industrial activity of Yankee City appeared on the surface to retain its decades-old character of tradition and stability (indeed, he chose the site for that reason).

Anthropologists sometimes focus intently on actors within organizations (e.g., occupational or professional groups), leaving the rest of the organization or outside societal influences as a vaguely conceived or imagined backdrop. For example, in research on organizational culture, the focus of anthropologists may be upon one or more internal subcultures, with interactions among these taken as a framework for interpretation and understanding (e.g., Dubinskas 1988, Traweek 1988). The society in which these interactions occur may represent little more than a foil against which the subculture is reflected, if society is considered at all. Yet, internal interactions within and among subcultures may not be sufficient to identify the institutional impetus for a specific observation or its consequences. Even more problematic is a tendency toward reification of organizations by researchers, assuming boundaries to be impenetrable or failing to penetrate them adequately (see for discussion Baba 2009). Powerful organizations invest substantially in their security and cognitive claims on personnel, but they remain porous to institutional influences from the larger society. New institutionalism provides a means for researchers to sustain intellectual freedom when studying powerful organizations on the inside, clarifying the societal elements that influence the actions and interactions of organizational actors, regardless of their positionality with respect to boundaries.

The contemporary literature in anthropology provides detailed portraits of the rise and decline of occupational and professional work groups and discusses the institutional forces that influence these constructions and declensions (e.g., Brondo and Baba 2010; Freeman 2004; Zaloom 2006). Embedded within these anthropological case studies are discussions of the principal actors' interactions across multiple levels of analysis (i.e., individual, organization, and society), and depictions of institutional influences upon these interactions. These cases reveal the ways in which institutions (e.g., risk) shape and are shaped by the actions and interactions between and among different types of actors.

For example, Zaloom (2006) portrays the technological transformation of Chicago future traders' work, from open-outcry trading in the pits at the Chicago Board of Trade (CBOT) to electronic trading that is the global standard today. This study situates a professional community (i.e., future traders) historically and geographically in relation to other major social institutions and actors, such as various financial markets, the trading houses of Europe, the farmers and ranchers of the Midwest, and the concept of risk, never losing sight of the traders as individual actors with meaningful lives. For many decades, Chicago gained an advantage as a global trading center

through the specialized effect of improved liquidity made possible as a result of the trading community's willingness to assume financial risks and absorb losses. Traders believed that their face-to-face social rituals in the trading pits, special moral relationship with the market, and families bred to accept losses were an effective means to sense and stop emerging financial disasters that could threaten their way of life. More conservative practitioners of Chicago's open-outcry method opposed the shift to all electronic trading that was sweeping Europe and the rest of the world, based upon the superior speed and efficiency of technologically enhanced trades. Mounting competition from Europe, however, forced the CBOT to adopt electronically enhanced trading techniques, and gradually, the Chicago traders adapted, abandoning the pits for more individualized forms of trade.

The disassembly of the traders' professional habitus, together with its social relations and code of ethics, paralleled the rise of riskier financial instruments and methods in global financial markets (e.g., see Tett 2009). Although it is doubtful that there is a causal relationship there, Zaloom may be offering a cautionary tale about the exchange of locally grounded social institutions (i.e., the professional trading community) for desocialized technological efficiency. The organizational actor (CBOT) appears to have exchanged the social and cultural capital of an informal community of practice to preserve its standing in the global market, and there may have been little choice to do otherwise. Indeed, the continuity of a long-standing cultural tradition appears to have been disrupted by a global – technological disjuncture, although as Zaloom (2006) notes, several entrepreneurs engaged in stimulating the all-electronic approach initially had been trained in Chicago. Thus, the Chicago habitus or ethic probably lives on in some form, just not in the physical or social architecture of the pits, and what difference this makes to the markets and the institutions of financial risk remains at this point speculative. Such ethnographic inquiry could go farther in examining the ways in which professional occupations affect the larger social order. We believe these questions are more likely to be posed when studies are framed in institutional terms.

New institutional anthropology should consider methodologies that are suitable to its subject matter. Research on actors whose reciprocal and/or translocal interactions are mutually shaping, and whose behavioral properties are emergent, may benefit from the advantages of computational modeling and simulation increasingly deployed to model complex adaptive systems (Bonabeau 2002). Dynamic models can represent the interactions of a diverse array of actors and contextual variables that flow from the situation without assuming a priori outcomes. The approach is empirically grounded and can be tested with ethnographic, historical, or real-time data. Agent-based modeling (ABM), in particular, may be well suited to situations characterized by emergent behavior (e.g., Agar 2004).

MULTIPLE PERSPECTIVES

One of the strongest cases for a new anthropology of institutions, especially in an era of global organizations, is our discipline's sensitivity to diverse points of view. At the same time, institutional analysis is of value to anthropology because it does not require the traditional perspective of a focal subject or a singular viewpoint. Actor

– actor and translocal interactions may generate many divergent perspectives, including some that are unique or novel. Contradictory influences or the presence of forces that are opposed to one another is not unexpected.

For example, in research by Aihwa Ong (2006) on “corporate players” in Shanghai, where dominant state-owned enterprises coexist and partner with a growing sector of foreign investors, different views of technical and social worth collide. Western firms pay a premium for technically competent Chinese managers to support their corporate goals while also enabling favorable morale among workers. Nevertheless, Ong found that in some cases, employees were purchasing low-quality equipment at the “same” (i.e., market) price – an institutional implication being that an actor with interests was directing the difference in price somewhere else. Ong’s interpretation is that these employees are honoring the bonds of *guanxi*.⁸ The consequences of such actor – actor and/or translocal interactions – providing a diffused sense of social responsibility emanating from the marketplace on the one hand (and/or) encouraging low-quality or even counterfeit products and potentially adding to liability, cost, and safety problems on the other – is an illustration of a potential divergence in viewpoint that anthropologists could follow up with additional research tracing the institutional forces that are shaping practices that reinforce continuity (e.g., *quanxi*) while at the same time propelling necessary change given China’s emergence as a global economic player.

The foregoing discussion suggests that institutional anthropology could go beyond its traditional role in institutional research – that is, adopting rational choice explanations for behavior across cultural boundaries, which thus far has been viewed as perhaps the principal virtue of new institutionalism in our discipline (Blim 2000). A greater opportunity may lie in the capacity of anthropology to view many different organizational problems from an institutional perspective, yet not through lenses necessarily crafted first by economics. Rather than striving to explain human behavior in organizations as an outcome of rational choice, anthropologists could contribute to understanding such behavior by examining each of the diverse perspectives attendant to a set of actor – actor and/or translocal interactions and their consequences at various levels of analysis. These are not all likely to be conceived as rational within divergent frameworks, and definitions of rational within particular contexts are likely to shift over space and time (a point also noted by Wilk 1996).

CONCLUSION

Questions related to stability and change and their implications for organizations and societies have held interest for anthropologists since the early decades of the twentieth century, when leading figures claimed that a nascent discipline could address the challenges of European colonialism (Kuper 1983; Mills 2002; Stocking 1995). Yet across all these decades, we have not developed sufficient intellectual frameworks to address the questions we have posed. Indeed, it may be that no single discipline ever will acquire an understanding of human behavior requisite to challenges of such magnitude, and that it only will be a combination or synthesis of perspectives across the social sciences and other fields that will achieve comprehension along these lines (Ostrom 2005). New institutional theory, with its focus on processes

of *institutionalization*, could be an interdisciplinary approach to address major societal and economic issues. Anthropology already is participating, both empirically and theoretically, in this new school of thought and has been recognized by leading institutional scholars (e.g., Richard Scott, Douglass North, Elinor Ostrom). As this chapter has suggested, our role could be strengthened if anthropologists who study organizations acknowledge the potential of institutions as a means to explore our subject, and expand the discussion to include additional points of view.

NOTES

- 1 New institutionalism is an emerging body of empirical research and theory that has special relevance for scholars interested in the study of formal organizations (Scott 2001, 2008). It mobilizes for this purpose advanced knowledge from across the social sciences to enhance inquiry regarding formal organizations and their engagement with society.
- 2 Bounded rationality assumes that human behavior is guided by the pursuit of individual self-interest, within the limits of information available to the individual when choices are made. Bounded rationality amends the rationality of neoclassical economics, which underpins assumptions regarding behavioral models of “economic man.”
- 3 Rational choice is a political-economy framework which suggests that human behavior is guided by Simon’s (1945) concept of bounded rationality.
- 4 Douglas and Wildavsky (1982) show that risk is determined through social processes that are negotiated locally, elevating some risks while depressing others, even though the latter may pose greater danger. Social processes also reproduce these understandings.
- 5 Durkheim considered “morphological facts,” such as the distribution of society over the earth’s surface, the communications network, and architectural designs most institutionalized. Next were norms such as legal and moral rules, financial systems, and religious ideation. Least “crystallized” were social currents such as opinions, movements, or “outbreaks” in a public gathering (Lukes 1982: 5).
- 6 The Tennessee Valley Authority is a corporation owned by the United States government that provides electricity to seven southeastern states, as well as flood control, economic development, and navigation and land management for the Tennessee River System. (About TVA: <http://www.tva.gov/aboutva/>, accessed August 23, 2010).
- 7 The term institution is used here in its classical pre-1970 sense, before new institutionalism came onto the scene. Occupations and professions may be thought of as institutions in the same sense as the family or the market may be considered institutions. On the other hand, new institutionalism also may be relevant to understanding occupations and professions in the modern context, as configurations or assemblages of cultural-cognitive frameworks, norms, and regulations.
- 8 Guanxi is a construct and a set of social practices associated with China and Taiwan. It refers to the exchange of gifts or favors to maintain and strengthen social relationships among actors.

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