Complexity in Practice: How Organisations Navigate Multiple Overlapping Regulations and Competing Demands

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Institutional Logics

Socially constructed systems of values, beliefs, rules and practices that shape organisational behaviour and decision-making

E.g: Market logic, state logic



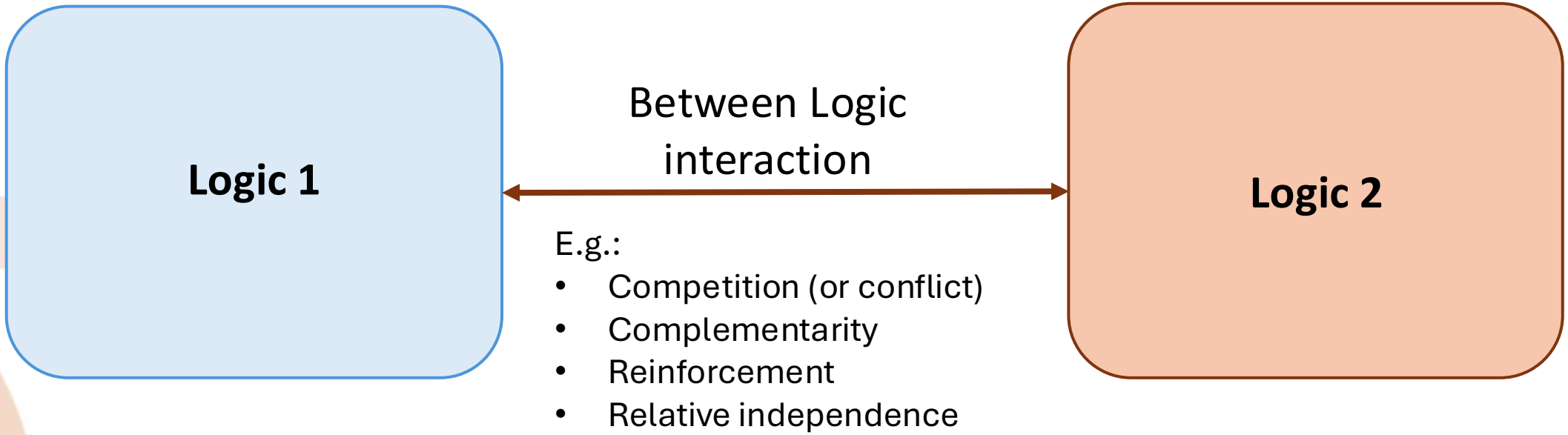
Institutional Complexity

Situations in which organisations face incompatible prescriptions from

multiple expectations, values, rules and demands that lead to different organisational actions

Besharov & Smith, 2014; Greenwood et al., 2011; Thornton et al., 2012

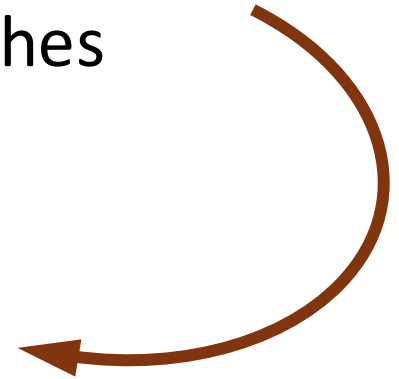
Organisations that operate in an environment where multiple logics coexist, which **can or might interact with each other**



Besharov & Smith, 2014; Greenwood et al., 2011

Within a logic

- There are shared values and objectives, but they do not provide a single way of achieving them.
- Therefore, **Multiple organisational actors, practices and strategies** pursue the same objective through different approaches



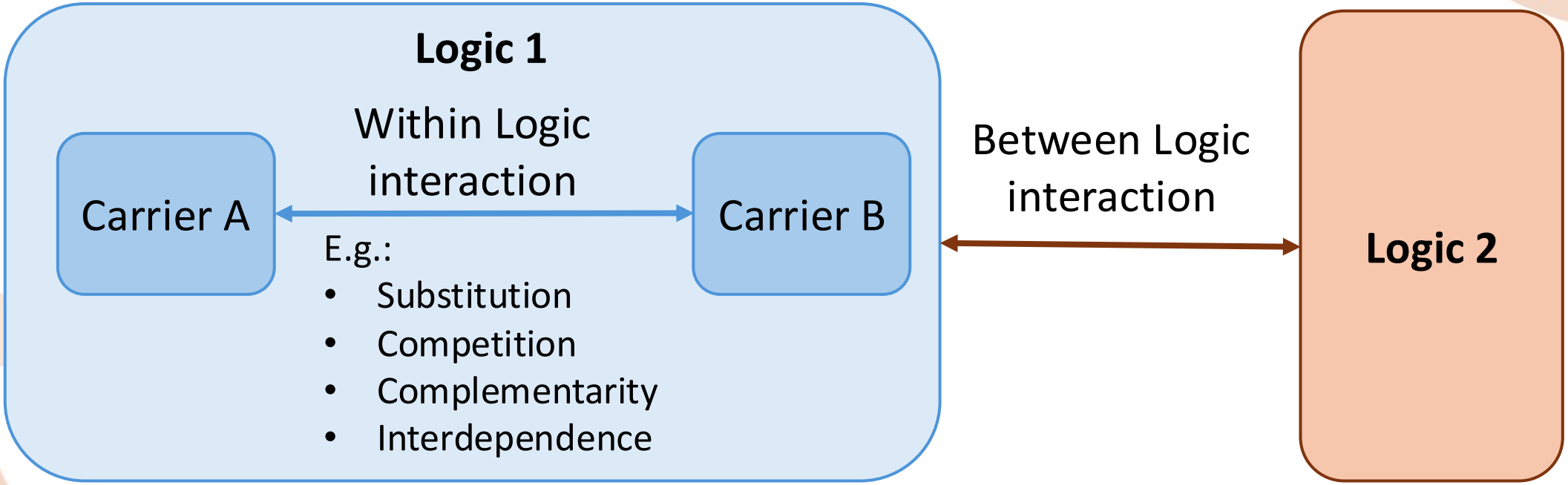
Carriers

E.g.: Carriers of the Safety Logic

Safety regulations, acts, standards, procedures, inspections

Scott, 2003; Thornton et al., 2012; Zilber, 2002

Carriers of a logic can or might interact with each other



Scott, 2003; Thornton et al., 2012

Institutional complexity literature

Multiple institutional logics and relationships among their demands

Greenwood et al., 2011; Besharov & Smith, 2014

Strategic choice and interdependence literature

Selection among organisational alternatives and relationships among activities and choices

Harren et al., 2022; Ego, 2023

Shared organisational goals/objectives

Proposed theoretical connection

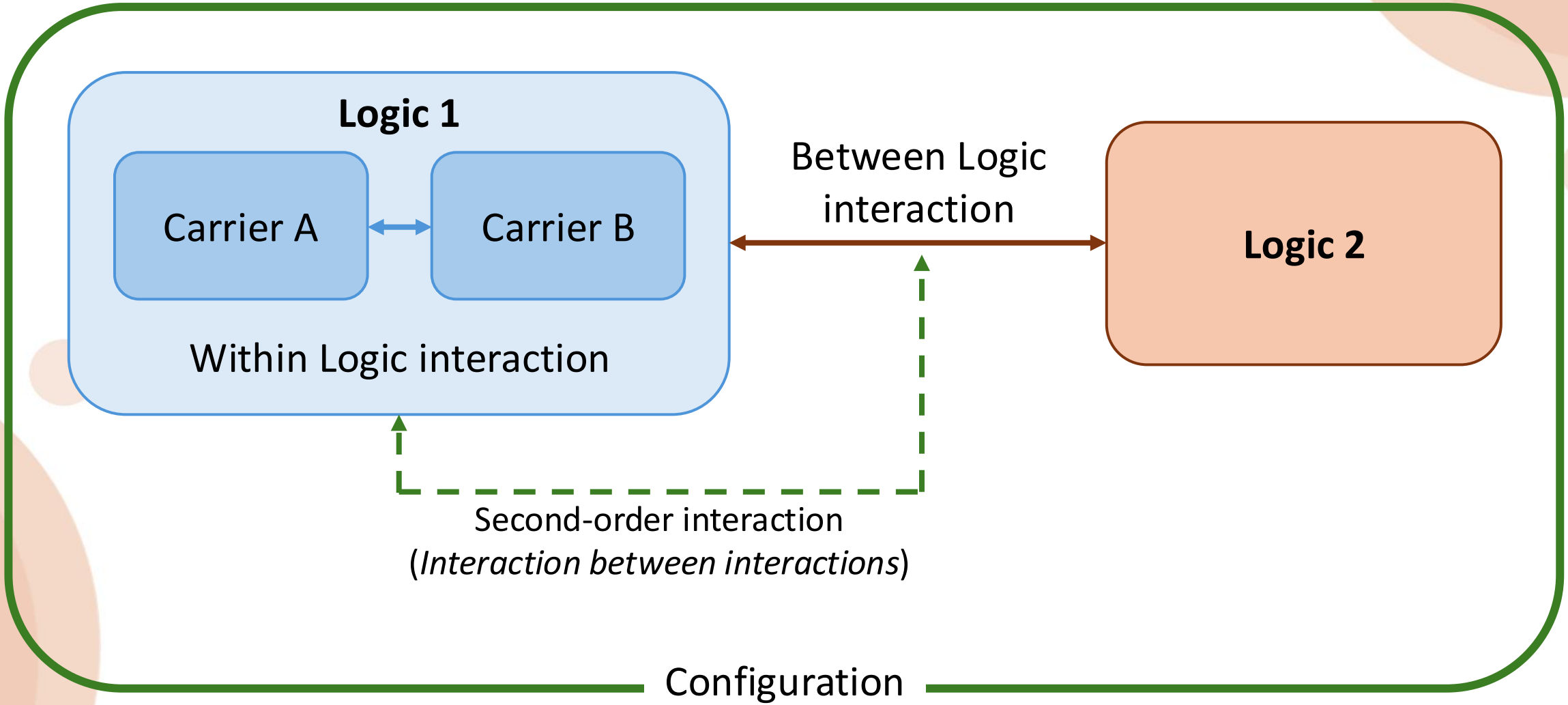
Demands associated with different logics may influence how carriers of a particular logic are interacted with.

Conversely, carriers of a logic may influence how demands associated with different logics are addressed. - **Second-order interactions**

Configurations

The combination of within-logic and between-logic interactions, and their relationships

Conceptual structure of a configuration



Why configurations?

- **Organisations pursue multiple goals and objectives simultaneously**, exposing them to different institutional logics and their associated demands.
- **Within-logic and between-logic interactions coexist in organisational practice**, as organisations make decisions and pursue multiple objectives through different, potentially interrelated practices.
- **These interactions may influence one another**, as trade-offs within a logic can affect the balance between logics, and vice versa.
- **Configurations capture this interconnected reality**, providing a more comprehensive understanding of institutional complexity by examining interactions together rather than treating logics or interactions in isolation.

Besharav & Smith, 2014; Thornton et al., 2012; Pache & Santos, 2013)

Research Question

How does examining configurations of within-logic and between-logic interactions provide a more comprehensive understanding of institutional complexity?

Methodology – Research approach and interview coding

Edmondson & McManus, 2007; Miles et al., 2014; Saldaña, 2021

Exploratory qualitative approach with abductive analysis of 60 semi-structured interviews with internal organisational actors and external professionals involved in **fire safety**.

Unit of analysis: **Interaction instances** involving two or more carriers of a logic/s.

Carriers identification

Identify relevant carriers and classify interactions as within-logic or between-logic

- Within-logic: emergency drills vs. sprinkler installation (safety)
- Between-logic: sprinkler installation vs. capital expenditure approval requirements (safety and market)

Interaction characterisation

Examine relationships among carriers

- Within-logic: complete for resources
- Between-logic: influence prioritisation

Analytical coding

Record direction, sequencing, locus, carrier type and temporal characteristics to support comparison

- Direction: financial approval requirements influence safety prioritisation
- Sequencing: approval precedes investment
- Locus: management
- Carriers: safety practices, technical systems and financial procedures

Methodology - From Interactions to Configurations

Linking interactions — Identify relationships among within-logic and between-logic interactions that occur within the same organisational goal/objective

Configuration-level analysis — Investigate how one interaction influenced, constrained, enabled or modified another, including evidence of relative independence

Cross-interview comparison — Compare interaction relationships, focusing on recurring interaction types

Pattern identification — Group similar relationships into provisional configuration categories

Configuration refinement — Examine evidence, overlaps and alternative interpretations to assess configuration boundaries

Gioia et al., 2013; Miles et al., 2014; Saldaña, 2021

Results: Emerging Configurations

Three candidate configuration patterns

- **Substitutive and Compensatory Reconfiguration**

Competing demands influence which alternatives are selected or how practices compensate for one another, reconfiguring the means of achieving an institutional objective.

- **Differentiated Prioritisation**

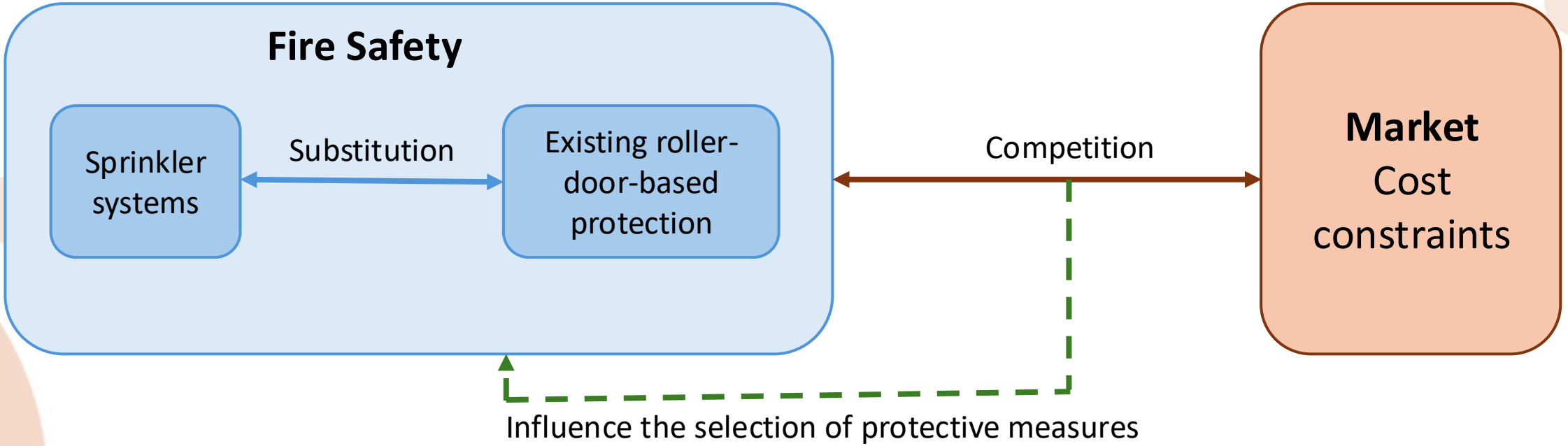
Competing demands alter the relative priority of complementary practices, resulting in some being maintained while others are reduced, modified or deferred.

- **Adaptive Accommodation**

Adjustments to interdependent practices accommodate competing demands while potentially introducing additional requirements or dependencies.

Configuration 1: Substitutive and Compensatory Reconfiguration

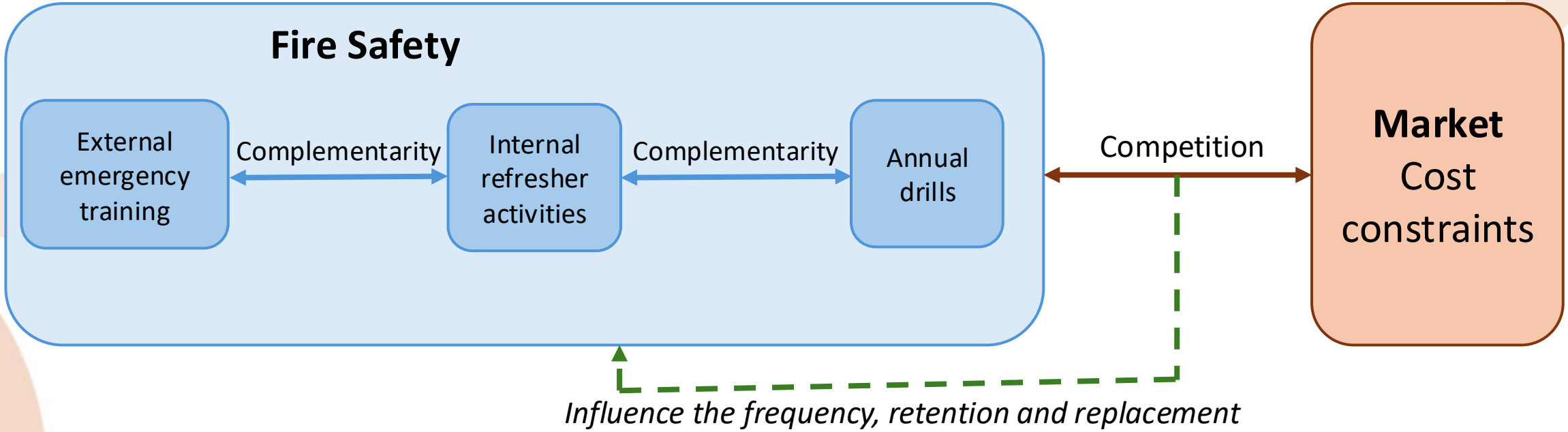
Between-logic interaction reshapes the selection and combination of alternatives within a logic by substitution or compensatory adjustments.



"They deleted sprinklers and they had relied upon roller doors, which they already had. So that saved them a couple of $100,000 for that facility alone." *(Interview ID 17)*

Configuration 2: Differentiated Prioritisation

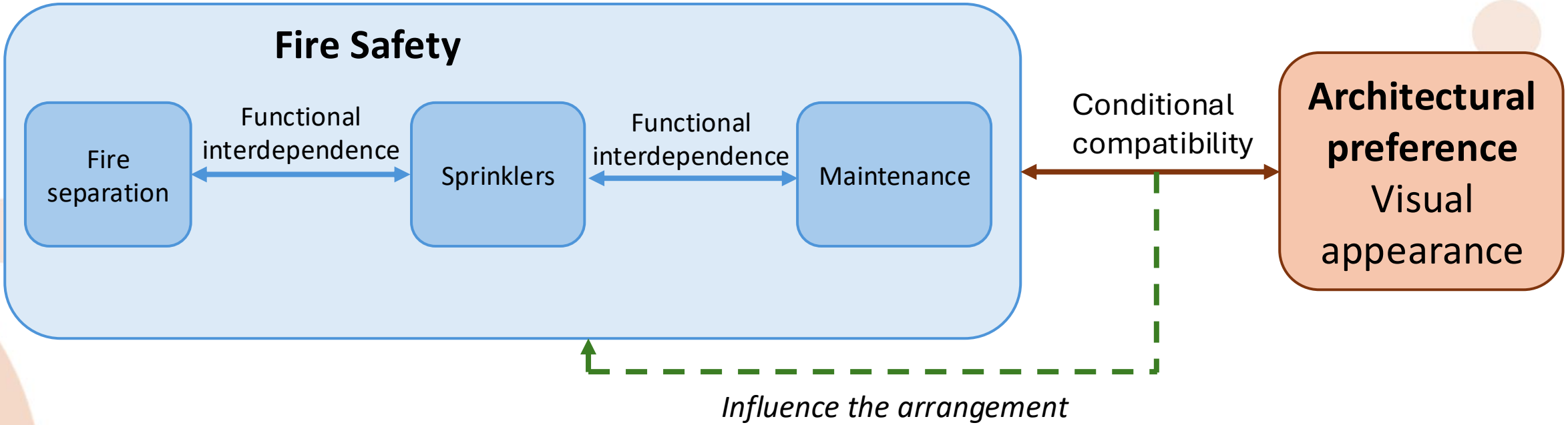
Between-logic interaction influences what to retain, prioritise, modify, or defer within a logic



"I made a decision and recommendation to the to the CEO that we organise training every odd years, basically. and in between we could do, the committee would convene to refresh our memories of the training material that we received the previous years. But the fire drill is a compulsory exercise every year that we organise. But the budget was an issue." *(Interview ID 26)*

Configuration 3: Adoptive Accommodation

Between-logic interaction reshape how within-logic practices are arranged or implemented to accommodate different demands.



"So we might do a performance solution which allows toughened glazing with wall-winning sprinklers. And that introduces a new fire safety system into the building. And that helps the architect sort of achieve sort of an open look. But at the same time, we get to maintain our fire separation. That obviously, like I said, introduces a new fire safety system, which obviously introduces new maintenance requirements too." *(Interview ID 15)*

Conclusion – Key Findings & Contribution

- **Institutional logics are internally differentiated**
  Highlight the need to move beyond treating institutional logics as homogeneous entities and to examine interactions among their carriers
- **Between-logic and within-logic interactions coexist and can or might shape each other**
  Extends institutional complexity theory by showing how between-logic demands shape within-logic relationships or vice versa, while these interactions influence how competing demands are addressed in organisations
- **Distinct configuration mechanisms can be identified**
  Offer a basis for distinguishing institutional complexity through the arrangements and relationships among interactions rather than by logics or organisational contexts
- **Configurations provide practical insights into managing institutional complexity**
  Help organisations consider how choices among related practices may shape their ability to accommodate multiple institutional demands, informing more context-sensitive decisions

Study Limitations

- Findings drawn from the fire-safety context, with applicability to other institutional settings yet to be examined.
- Seven interviews providing exploratory insights, with limited evidence for some emerging configuration types.
- Reliance on participants' accounts, without direct observation of how interactions unfold.
- Configuration identification dependent on interpreting relationships between within-logic and between-logic interactions.
- Potential overlap among emerging interaction mechanisms, with their boundaries and recurrence requiring further examination.

Thank you!

Any questions/suggestions for further improvements?