



Can innovation be institutionally-driven?- The case of institutional entrepreneurs in the restructuration of the mauritian vegetable supply chain

Brinda Ramasawmy, Fatiha Fort

► To cite this version:

Brinda Ramasawmy, Fatiha Fort. Can innovation be institutionally-driven?- The case of institutional entrepreneurs in the restructuration of the mauritian vegetable supply chain. 6. European Conference on Innovation and Entrepreneurship (ECIE), Sep 2011, Aberdeen, United Kingdom. hal-01499078

HAL Id: hal-01499078

<https://hal.science/hal-01499078>

Submitted on 3 Jun 2020

HAL is a multi-disciplinary open access archive for the deposit and dissemination of scientific research documents, whether they are published or not. The documents may come from teaching and research institutions in France or abroad, or from public or private research centers.

L'archive ouverte pluridisciplinaire **HAL**, est destinée au dépôt et à la diffusion de documents scientifiques de niveau recherche, publiés ou non, émanant des établissements d'enseignement et de recherche français ou étrangers, des laboratoires publics ou privés.

Can Innovation be Institutionally-Driven?- The Case of Institutional Entrepreneurs in the Restructuration of the Mauritian Vegetable Supply Chain.

Brinda Ramasawmy and Fatiha Fort

UMR MOISA, Montpellier SUPAGRO, Montpellier, France

ramasawmy.brinda@gmail.com

fort@supagro.inra.fr

Abstract: The reform of the sugar protocol between the European Union (EU) and the African Caribbean and Pacific (ACP) countries affected the Mauritian agricultural sector tremendously: it spelt a decrease of 36 per cent in the price of sugar for producers. In reaction, the Mauritian sugar industry has undertaken a massive diversification within sugar: production of other sugar cane products and by-products, as well as diversification in vegetable production at an industrial level. The entry of large sugar cane producers from the corporate sector on the vegetable market has had a number of repercussions on the vegetable supply chain, one of which being the emergence of institutional entrepreneurs. A qualitative study of the vegetable supply chain was conducted among the different actors concerned. It revealed the following findings: new entrants in the vegetable supply chain have caused an institutional change. Institutional entrepreneurs have emerged and in turn established new institutional rules and standards of practice that have changed the institutional structure of the vegetable supply chain. This paper identifies at a first stage, two main factors favouring the emergence of institutional entrepreneurs in an organisational field. Firstly, a moderate degree of institutionalisation provides the adequate environment for actors to deliberately initiate changes through entrepreneurial processes. Secondly the multiplicity of institutional referents across organisational fields, in this case, the sugar cane and the fresh vegetable supply chains, provides the right environment for creative entrepreneurial action. At a second stage, this paper identifies the innovative managerial and marketing practices brought about in vegetable production and distribution by the institutional entrepreneurs, and the impact of these new practices on incumbent actors. This study uses a sociological neoinstitutional perspective and provides empirical evidence of the factors affecting actors' agency and more specifically the conditions in an organisational field that favour strategic behaviour among actors. This research also helps to shed some light on how changes in the institutional structure of a field can drive the innovation process. This paper can help in further research on innovation and institutional entrepreneurship.

Keywords: Sociological neoinstitutionalism, institutional entrepreneurs, innovation, organisational field, institutional change, institutional strategy

1. Introduction

Innovation has been associated with the field of entrepreneurship since Schumpeter (1935), and Peter Drucker (1998) defines innovation as the means by which an entrepreneur either adds value to new resources for wealth creation or use existing resources to produce wealth by enhancing these resources. In addition, entrepreneurship is also associated with the field of strategy. Hitt *et al* (2001) consider strategic entrepreneurship as the integration of an entrepreneurial perspective (looking for opportunities) and a strategic perspective (looking for competitive advantage) in order to come up with entrepreneurial strategies that create wealth.

The aim of this research paper is to study the concepts of innovation and strategic entrepreneurship from an institutional perspective. This study contributes to enrich the field of sociological neoinstitutionalism through emphasising the importance of institutional strategy and more specifically the role of the institutional entrepreneur as an actor responsible for innovative changes in an organisational field bringing about new practices through the destabilisation of institutionalised practices.

The Mauritian vegetable supply chain has been selected as the organisational field under analysis following an institutional change occurring at the macroeconomic level with the reform of the sugar protocol between the EU and the ACP countries, of which Mauritius is a member. This research paper contributes to an empirical investigation on the conditions favouring the emergence of institutional entrepreneurs in an organisational field, and the innovative practices that these institutional entrepreneurs attempt to institutionalise at the expense of weaker existing institutionalised practices. The authors also investigated whether innovative practices brought about by institutional entrepreneurs can be institutionally-driven.

2. Theoretical background

Our study draws from a multidisciplinary approach across organisational sociology, economic and management fields. The main theoretical field that has been explored is that of sociological neoinstitutionalism in order to understand the conditions that favour the emergence of institutional entrepreneurs in a given organisational field. These conditions having been established, we then draw from the literature on innovation and entrepreneurship to shed light on the strategic actions of institutional entrepreneurs.

2.1 Sociological Neoinstitutionalism

A good review of sociological neoinstitutionalism as a Theoretical Research Program (TRP) can be found in the work of Jepperson (2002). He refers mainly to the work of John W. Meyer and his collaborators in the 1970's, which centers essentially on defocalising actors on purpose and seeing society as institutionalised knowledge and culture.

Jepperson (1991) having denoted institutions as a "particular set of social reproductive processes", DiMaggio and Powell (1991) distinguished between coercive, mimetic and normative processes of social reproduction, while Scott (1995) refined this classification and identified regulative, normative and cultural-cognitive elements as three types of ingredients underlying institutional order. Each ingredient offers a different rationale for claiming legitimacy.

2.1.1 Some important concepts defined

Two important concepts in the neoinstitutional theory that have been used in this study are defined here. First of all, institutional rules are defined by Giddens (1984) as "techniques or generalizable procedures applied in the enactment/reproduction of social practices." Based on the structuration theory of Giddens (1984), rules structure practices and help to organise them. For Meyer and Rowan (1977) at an organisational level, an organisation functions within an environment where it has to incorporate institutionalised rules. These rules help actors to explain their actions to other actors, and are institutionalised over time through action.

Secondly, institutional rules are enacted within a field of activity or domain referred to as 'organisational field'. An organisational field is defined as a set of interdependent populations of organisations participating in the same cultural and social subsystem (DiMaggio and Powell 1983; Scott and Meyer, 1983). The level of analysis is more at a systemic level than organisation-centric. The focus is therefore not on how organisations function in a given environment, but on the organisation of the environment with organisations as major players (Scott 2008). Hoffman (1997, 1999) has put forward arguments whereby fields are formed around issues rather than in terms of common products or markets. In this perspective, the organisational field can be made up of companies, the state, Non Governmental Organisations, regulatory bodies, etc.

2.1.2 From institutional stability to institutional change

Institutions represent stability but do undergo exogeneous or endogeneous changes. Exogeneous changes may be due to disruptions arising in "wider or neighbouring systems" (Scott 2008) that lead to a questioning of existing rules and norms. Other sources of exogeneous changes may be due to new entrants who come with their new institutional logic and colonise existing stable fields (Scott *et al* 2000; Thornton 2004). Sources of endogeneous changes include mismatches between the macro and micro environment in response to changes at the local level; and poor performance levels in relation to expectations (Sewell 1992; Dacin *et al* 2002).

Following an institutional change, there is the process of resource mobilisation for the diffusion and legitimisation of the change. Actors acquire resources to buffer the risks of not following pre-established norms (DiMaggio 1988). During this resource mobilisation process, actors can look for resources in terms of cognitive, social or material support. Dorado (2005) identifies three distinct resource mobilisation processes: leverage, accumulating and convening. Leveraging refers to actors who, after having defined a project, look for support from subsidiary actors (backers), and then both the actors and the backers bargain for support and acceptance from individuals and organisations that have a stake in the organisational field. Accumulating refers to actions and interactions among independent actors, which ultimately lead over time to a dominant design. Convening is a process

used in fields with complex social problems and involves actors initiating collaborative arrangements among stakeholders in the field.

2.1.3 The importance of agency in neoinstitutional theory

In early works on institutional environments, institutional effects had a deterministic, or top-down perspective implying that successful organisations complied with their institutional environments and adopted isomorphic behaviours. However, this general assertion of homogeneity and passive organisations was modified to recognise that homogenising pressures were indeed present but in delimited organisational fields (DiMaggio and Powell 1983). Several empirical studies in the mid-1980's illustrated the fact that "many organisational fields were fragmented and conflicted, containing competitive requirements and prescriptions" Scott (2008). In response to these findings, analysts started to recognize the importance of choice and agency among actors. In his major essay in 1988 on interest and agency in institutional theory, DiMaggio called for an examination of the process of institutionalisation whereby "institutionalisation is a product of the political efforts of actors (...)".

Oliver (1991) reinforced the concept of agency in institutional contexts by combining institutional and resource dependence arguments to come up with a variety of strategic responses by organisational actors to institutional pressures. According to Oliver, although the most likely response was conformity, other possible responses include compromise, avoidance, defiance and manipulation. This leads us to the concept of institutional strategy.

2.1.4 Institutional Strategy

One conflict that arose in early work on institutional theory, mainly from the work of Meyer and Rowan (1977) was the fact that there was an opposition between institutional requirements and efficient performance as imposed by competitive markets. This opposition was reinforced by DiMaggio and Powell (1983) who argued that institutional pressures made organisations more similar without "necessarily making them more efficient". In addition, this stand was emphasised by much of early research by institutional scholars focusing on public organisations and non-profits ones. In order to counteract the danger of classifying institutional theory as one that studies organisations shielded from competitive forces, a number of scholars in the early 1990's posited that institutional processes provide the rules and norms that govern competition, and that the cultural aspects of institutions provide the elements for strategic actions (Powell 1991; Clemens 1997).

According to Lawrence (1999), resources required for institutional strategies differ from those required for competitive strategies. Institutional strategy asks for the ability to fully define, support and defend the legitimacy or desirability of particular practices and organisational forms. On the other hand, competitive strategy acts on existing legitimated practices or makes use of existing social rules.

In order to enact these institutional strategies, neoinstitutional scholars have borrowed the concept of an entrepreneur from the entrepreneurship literature. The term "institutional entrepreneur" first appeared in the foundational essay by DiMaggio (1988) whereby he defined institutional entrepreneurs as "organized actors with sufficient resources (who) see in them an opportunity to realize interests that they value highly."

For Schumpeter (1935), entrepreneurs identify opportunities that other actors do not see and come up with new technologies and concepts that lead to new economic activities. From a sociological neo-institutional theory perspective, the institutional entrepreneur (IE, hereafter), who can be an individual or an organisation, seizes opportunities that allow him to adapt strategically to his environment (Suchman 1995) and hence favour the institutionalisation process (Lawrence and Suddaby 2006). The main aim of the IE is the pursuit of opportunities and the quest for legitimacy.

Eckhardt and Shane (2003) following Venkataraman (1997) and Shane and Venkataraman (2000) have defined entrepreneurial opportunities as "situations in which new goods, services, raw materials, markets and organizing methods can be introduced through the formation of means, ends, or means-ends relationships." The interesting concept from this definition is that entrepreneurial decisions involve looking for, or identifying new ends or means that have been "previously undetected or unutilised by market participant" (Eckhardt and Shane 2003).

The quest for legitimacy is another aspect of the entrepreneurial process and helps the entrepreneur to use his managerial capabilities in order to exploit identified opportunities. According to Suchman (1995), legitimacy is “a generalised perception or assumption that the actions of entities are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions.”

Lawrence (1999) argues that actors need to ask the following questions to maintain legitimacy in an organisational field: “Where can I go?” and “What can I do?” The first question relates to what Lawrence calls rules of membership and institutionalised boundaries that delimit the entry to an organisational field. Membership rules help to organise “interactions, structures of domination, and information shared among actors engaged in a common enterprise.” (Lawrence 1999). The second question refers to the standards of practice within an organisational field. These standards of practice according to Lawrence (1999) “provide guidelines, norms, and legal prescriptions relating to how practices are to be carried out within some determinate institutional setting.”

Our institutional entrepreneur can be compared to the Schumpeterian entrepreneur who is an innovator and an agent of change. Innovation is closely associated with entrepreneurship since the work of Schumpeter (1935) who mentioned the process of “creative destruction”. In order to innovate the IE requires that adequate fields conditions are present. Barley and Tolbert (1997) posit that institutional change is likely when actors participate wilfully and the field conditions facilitate the assembly of resources and provide a rationale to question scripted patterns of behaviour.

Dorado (2005) identifies two characteristics of an organisational field, which impact on the search for opportunities: the degree of multiplicity of the field and its degree of institutionalisation.

Multiplicity refers to the extent to which organisational fields are uncoupled and open to practices and resources from other fields (Greenwood and Hinings 1996, Whittington 1992, Seo and Creed 2002). The more open a field is, the more the presence of divergent institutional referents which give rise to tensions (ambiguous and contradictory rules) that favour actors' agency. Tightly closed fields provide little exposure to multiple institutional referents and this is less likely to facilitate creative action; whereby fields that are too open lead to uncertainties and compel actors to adopt sense-making behaviours (Seo and Creed 2002; Beckert 1999). The degree of multiplicity also influences the type of resource mobilisation process adopted by actors. In a field with complex issues, convening is the appropriate approach to bring change; in open fields with compatible values among actors, leveraging can be used; and in closed fields, there is a lack of cognitive support and new institutional arrangements become institutionalised over time mainly through the accumulating process.

The degree of institutionalisation defines the determining, constraining and enabling effects of institutions on actors (Zucker 1987; Barley and Tolbert 1997). The degree of institutionalisation of an organisational field range from extreme uncertainty (minimal institutionalisation), moderate institutionalisation, to extreme institutionalisation (Beckert 1999; Dorado 2005). Minimally institutionalised fields lead to sensemaking or routine behaviours from actors; while in extremely institutionalised fields, the patterns of behaviour are taken for granted so that no actor is likely to question them. Change happens imperceptibly over time through accumulation. A moderately institutionalised field according to Beckert (1999) allows for strategic action. The degree of field institutionalisation also affects the identification of opportunities by actors: Dorado (2005) describes highly institutionalised fields as opportunity opaque; moderately institutionalised fields as opportunity transparent; and minimally institutionalised fields as opportunity hazy.

The following section is an empirical application of the concepts of institutional strategy.

3. Research methodology

3.1 Context of research

The Mauritian vegetable supply chain was chosen as the organisational field under analysis for the following reason:

The reform of the sugar protocol between the EU and the ACP countries has spelt a decrease of 36 percent in the price of sugar and thus a consequential decrease in the revenue of sugar producers. From an average production of 700,000 tons of sugar in the early 1970's, the total sugar production

has declined to an average 500,000 tons in the late 2000's. The contribution of the sugar sector to the overall gross domestic product has also declined over the years and represent only 2.3 per cent, employs only 8 per cent of the active labour force, and accounts for 15 per cent of export revenues (Mauritius Chamber of Agriculture, 2010). Production of foodcrops and other agricultural products in the past has been encouraged by government through various incentives but remained at a low level because of the financially attractive sugar sector. With the sugar protocol reform, a greater diversification into foodcrops production has being favoured over the past 5 years. This diversification has therefore a direct impact on the vegetable sector and its incumbent actors whereby the corporate sugar producers are considered as new entrants in the vegetable sector and represent thus an exogeneous shock leading to an institutional change on the Mauritian vegetable supply chain (MVSC, hereafter).

3.2 Methodology

A qualitative survey was undertaken from September to December 2010 in the MVSC. A purposive sampling design was used whereby successive actors were selected to further extend the information already gathered until information saturation was achieved. The following types of actors were interviewed: large sugar cane producers who have diversified into vegetable production; incumbent vegetable producers (small, medium and large-scale); producers' associations; vegetable distributors (wholesalers, auctioneers, super/hypermarkets), clients (deluxe hotels), and public organisations involved in agricultural research. The primary data was a series of digitally-recorded; semi-structured interviews that focused on each actor's activities, his experience, his perception of the field, the rules, norms and practices of the field, the identification of competitors, clients, influential actors and organisations. The interviews also covered the actors' strategies and their institutional and professional contexts.

In total, 50 interviews were conducted, and transcribed interviews formed the primary database for analysis. All the interview transcripts were coded in an iterative manner with constant reference to the theory. The textual transcripts were then analysed with respect to the theoretical concepts mobilised. The main focus of the analysis was on the establishment of the institutional context of the organisational field, the institutional strategies observed and under what field conditions, and resources employed. In addition, the innovative practices brought about by emerging institutional entrepreneurs were also identified. The results of this analysis are presented in the following section.

4. Results

4.1 The institutional context of the Mauritian vegetable supply chain

4.1.1 The Mauritian vegetable supply chain as an organisational field

The MVSC has two main areas of activities: the production and the distribution areas. Other activities such as the sales of agrochemicals and other agricultural supplies are considered as peripheral activities; and the agroprocessing industry is not considered as part of the MVSC as this study considers only the production, distribution and sales of unprocessed vegetables on the domestic market.

Figure 1.0 illustrates the MVSC as an organisational field at a mesoeconomic analytical level, with a diversity of actors having the same aim – vegetable production, distribution and sales as an economic activity. The main vegetables of importance in the MVSC include cooking tomatoes, carrots, crucifers, potatoes, onions and salad crops.

The production area of activity consists mainly of small, medium and large scale vegetable producers; while the distribution area of activity consists of wholesalers, auctioneers and retailers. The shaded area marked A, overlapping between the production and distribution areas, refers to those actors who are involved in both areas of activity. Other actors of importance for the MVSC are located at the macroeconomic level and include governmental bodies (Ministries, public research organisations and public regulatory bodies), and NGO's such as consumers' associations.

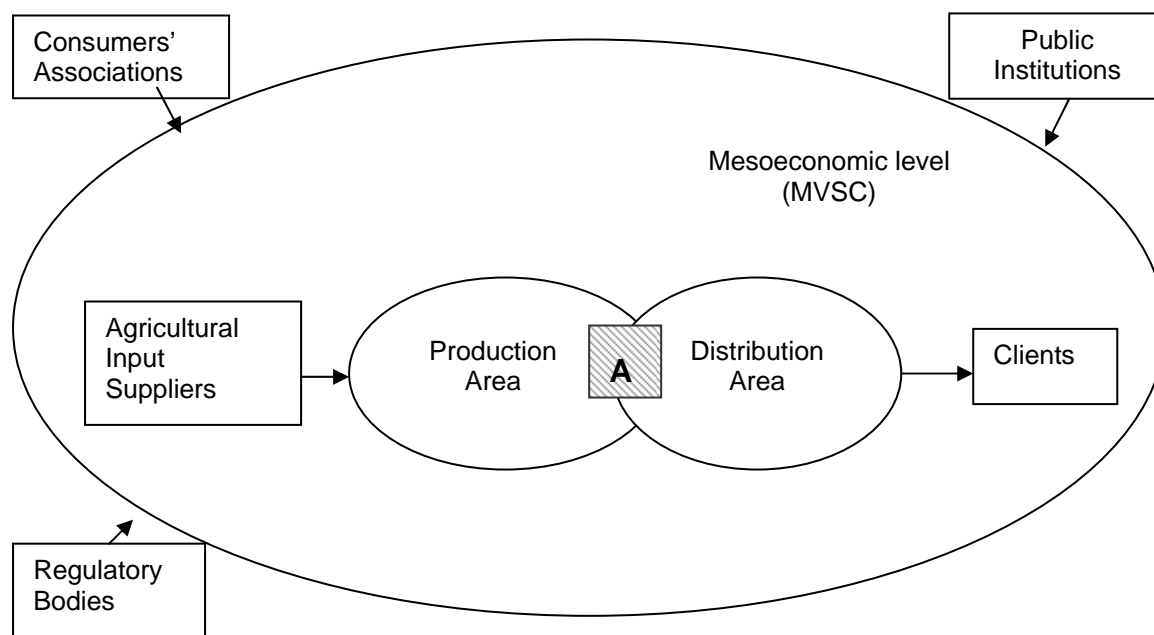


Figure 1.0: The Mauritian Vegetable Supply Chain

4.2 The emergence of institutional entrepreneurs in the MVSC

Our analysis of the MVSC identified two institutional entrepreneurs (IE) one at the production level and one at the distribution level. For the sake of confidentiality the IE at the production level will be called Producer X and the IE at the distribution level, Distributor Y. They both are new entrants coming from the sugar industry into the vegetable supply chain and have a wealth of knowledge and experience that give them a high position in their social network which in turn give them credibility and legitimacy in the organisational field. Producer X is involved in large-scale mechanised production of cooking tomato, potato, onion, carrot and pumpkin; while Distributor Y is involved in the postharvest processing of field potatoes for sale to super/hypermarkets.

The fields' conditions (degree of multiplicity of institutional referents and degree of institutionalisation) in the MVSC provided the right environment for the emergence of these two IE. First of all, primary and secondary data collected provided evidence that the MVSC is an open field, permeable to ideas practised in other fields such as the mechanisation strategies adopted in the sugar industry. This openness allows display of tensions and the development of new institutional arrangements. Both institutional entrepreneurs, Producer X and Distributor Y; use leverage to mobilise their resources. Secondly, the MVSC can be described as a moderately institutionalised field, which hence favours entrepreneurial actions. This type of field also favour leverage as a resource mobilisation process.

Table 1.0 below summarise the institutional change brought about by Producer X and Distributor Y in the MVSC. In this table, the innovative practices brought forward by the IE are listed. These practices have impacted on the existing institutionalised practices in the MVSC and have caused changes in the standards of practice and in the membership rules. The incumbent actors have reacted mostly by adopting a mimetic behaviour.

5. Discussion

The MVSC is a moderately institutionalised field. In the vegetable production area of activity, rules of membership are quasi-inexistent and incumbent producers still operate at an individual level. Standards of practice have remained mainly traditional at the small-scale production level, while medium and large-scale incumbent producers have invested to some extent on light mechanisation of their production activities. In the distribution area of activity, wholesalers and auctioneers have a dominant role with informal rules of membership. Standards of practice at the distribution level are based on traditional practices that favour high profit margins for the distributors at the expense of the producer and the consumer.

The MVSC, being an open field, has allowed new entrants coming from the corporate sector from the sugar industry who have brought along their own institutional referents as well. This has created ambiguity and contradictions in institutional rules leading to tensions and favouring actors' strategic agency (Sewell, 1992, Seo and Creed, 2002, Whittington, 1992, Rao, 1998, Beckert, 1999, Dorado, 2005).

Table 1.0: Producer X and Distributor Y-Institutional entrepreneurs in the MVSC

Field conditions: <ul style="list-style-type: none"> • Degree of multiplicity: Open (divergent institutional referents) • Degree of institutionalisation: Moderate • Type of opportunities: transparent Type of agency: entrepreneurship (strategic); Type of resource mobilisation process: leverage		
	PRODUCER X	DISTRIBUTOR Y
Profile	Large scale company	Large scale company
Main activities	Involved in sugar and foodcrops production Diversification into large scale mechanically intensive vegetable production	Involved in the assembling of potatoes produced by new entrants in the MVSC, post harvest manipulation of potatoes, packaging and sales to super/hypermarkets
Innovative practices (changes in standards of practice)	Innovative Managerial Practices: Use of trellising (stakes) for tomato plants Use of new seed varieties and other agricultural inputs Intensive mechanisation at production level Intensive mechanisation at post harvest level	Innovative Marketing Practices: Washing and grading of potatoes and packaging Production of different potato varieties for various types of dishes Massive marketing campaign to promote potato consumption
Changes in membership rules	Professionalisation of a sector, which was too traditional and poorly structured.	
Impact of above changes on competitive strategies of the Institutional Entrepreneurs	Better quality vegetables give a competitive advantage over incumbent producers	Quality packaged potatoes and diversity of product (more varieties) gives a competitive advantage over incumbent distributors
Impact of above changes on incumbent actors in the MVSC	Incumbent producers/distributors having resources have adopted a mimetic behaviour Less resourceful producers/distributors are driven out of business	

The above field conditions have created the right environment for the new entrants in the field to identify opportunities for entrepreneurial strategies. In particular, these conditions have favoured the emergence of two institutional entrepreneurs, Producer X and Distributor Y who have enacted deliberate institutional strategies to improve their respective organisation's competitive strategies. Both Producer X and Distributor Y can be described as politically skilled (Rao, 1998), "knowledgeable, purposive and reflexive actors" (Scott, 2008). These two IE come from the sugar industry, which is a highly institutionalised field with high barriers to entry. The rules of membership that structure the behaviour of our two institutional entrepreneurs include: access to privileged cognitive resources through ability to use the services of external consultants and recruit the best scientists; and ability to dominate through access to physical resources (capital, land, and other fixed assets). Both entrepreneurs being registered large scale companies operate within high standards of practice both normative and coercive as per public and private guidelines.

The entry of Producer X and Distributor Y on the MVSC has changed the rules of membership and standards of practice in the following way: The majority of the incumbent actors in the MVSC both at the production and distribution levels operate at an individual and in a poorly organised way. The highly organised Producer X and Distributor Y have given a professional standard to production and distribution activities, leading to mimetic behaviours from incumbent actors in the MVSC.

Producer X has changed the way vegetable production is managed traditionally by introducing intensive mechanisation at field levels, using new varieties of seeds and other inputs, using trellising for tomato plants to increase productivity, and by mechanising post harvest practices as well. In order to institutionalise these standards of practice, Producer X has mobilised the support of subsidiary

actors, vegetable wholesalers, retailers (supermarkets) and clients (deluxe hotels) in order to gain legitimacy in the organisational field. Producer X has then used the support of the subsidiary actors to convince “external constituencies” (Beckert, 1999) like traditional vegetable producers, public organisation involved in agricultural research, producers’ associations that the new standards of practice need to be institutionalised. It has been observed that some medium and large producers have adopted a mimetic behaviour and are applying a number of the innovative managerial practices of Producer X.

Distributor Y has changed the way potato is marketed in Mauritius. Traditionally, consumers bought unsorted and unwashed potatoes from retail markets and fairs. Distributor X has invested into mechanical post harvest facilities including cold storage to facilitate the washing, grading, packaging and cold storage of potatoes. The products are then directly distributed to the retail sector. In addition, a massive marketing campaign was undertaken in December 2010 to promote potato as a healthy alternative staple food to rice and wheat for the Mauritian population. Several different potato varieties are marketed to give consumers the opportunity to try those new varieties. Distributor Y has also used leverage as a resource mobilisation process, making use of subsidiary actors to institutionalise its new standards of practice. It has been observed that individual wholesalers traditionally involved in the distribution of potatoes have started to imitate the packaging strategy of Distributor Y.

Both Producer X and Distributor Y have identified a process need in their respective areas of activity and come up with innovative managerial and marketing practices respectively. These institutional entrepreneurs by changing the rules of the game have contributed to the restructuration of the MVSC, enriching the standards of practice and changing the rules of membership. These changes are not permanent though and once stability will be achieved in the MVSC, this will give rise to the right conditions for strategic and entrepreneurial actions again (Beckert, 1999).

6. Conclusion

Actors use institutional strategies to change the “nature of competition in their industry, either through its rules of membership or its standards of practice” (Lawrence 1999). Deliberate institutional strategies can therefore improve a firm competitive position. This research paper, using a sociological neoinstitutional perspective, and drawing from both economic and management science has attempted to demonstrate that organisations can change the institutional structure in which they operate through institutional strategies. Given the adequate field conditions, deliberate institutional strategies can help an innovative actor achieve competitive advantage. This research paper is based on an organisational field, vegetable supply chain, subject to exogeneous changes and particular to the context of a small island state, Mauritius. However, the field conditions favouring the emergence of institutional entrepreneurs have wider applicability to other contexts and fields of study. It would be interesting to carry out other empirical studies in different contexts and fields of study to analyse the field conditions that favour institutional strategies, and hence provide concrete evidence showing that innovation can indeed be institutionally-driven.

References

- Barley, S.R. and Tolbert, P.S. (1997) “Institutionalization and structuration: Studying the links between action and institution”, *Organization Studies*, Vol. 18, No.1, pp 93–117.
- Beckert, J. (1999) “Agency, entrepreneurs, and institutional change: The role of strategic choice and institutionalised practices”. *Organization Studies*, Vol 20, No. 5, pp 777–799.
- Clemens, E. S. (1997) *The People’s Lobby: Organizational Innovation and the Rise of Interest Group Politics in the United States, 1890–1925*. Chicago: University of Chicago Press.
- Dacin, M. T., Goodstein, J., and Scott, W. R. (2002) “Institutional theory and institutional change: introduction to the special research forum”, *Academy of Management Journal*, Vol 45, No.1, pp 45–54.
- DiMaggio, P.J. (1988) “Interest and Agency in Institutional Theory”. In L.G Zucker (Ed.), *Institutional Patterns and Organizations: Culture and Environment*, Cambridge, MA: Ballinger
- DiMaggio, P. J., and Powell, W. W. (1983), “The iron cage revisited: Institutional isomorphism and collective rationality in organizational fields”, *American Sociological Review*, Vol 48, pp 147-160.
- DiMaggio, P. J., and Powell, W. W. (1991). Introduction, In W. W. Powell & P. J. DiMaggio (Eds.), *The new institutionalism in organizational analysis*: 267-292. Chicago: University of Chicago Press.
- Dorado, S. (2005) “Institutional Entrepreneurship, Partaking, and Convening”, *Organization Studies*, Vol 2, No. 3, pp 385-414
- Drucker, P.F. (1998) The Discipline of Innovation”. *Harvard Business Review*, Nov-Dec 1998, Reprint no. 98604
- Eckhardt, J.T. and Shane, S.A. (2003) “Opportunities and Entrepreneurship”, *Journal of Management*, Vol 29, No. 5, pp 333-349
- Giddens, A. (1984) *The constitution of society*. Berkeley: University of California Press.

- Greenwood, R., and Hinings, C. R. (1996), "Understanding radical organizational change: Bringing together the old and the new institutionalism", *Academy of Management Review*, Vol 21, No.4, pp 1022-1054.
- Hitt, M.A., Ireland, R.D; Camp, S.M; and Sexton, D. (2001) "Strategic entrepreneurship: Entrepreneurial strategies for wealth creation", *Strategic Management Journal*, Vol 22, pp 479-491.
- Hoffman, A. J. (1997). *From heresy to dogma: an institutional history of corporate environmentalism*. San Francisco: New Lexington.
- Hoffman, A. J. (1999) „Institutional evolution and change: environmentalism and the U.S. chemical Industry", *Academy of Management Journal*, Vol 42, pp 351–371.
- Jepperson, R. L. (1991) "Institutions, institutional effects, and institutionalism", In W. W. Powell & P. J. DiMaggio (Eds.), *The new institutionalism in organizational analysis*: 143-163. Chicago: University of Chicago Press.
- Jepperson, R. L. (2002). The development and application of sociological neoinstitutionalism. In J. Berger, and M. Zelditch Jr. (Eds.), *New directions in contemporary sociological theory*. New York: Rowman & Littlefield.
- Lawrence, T.B. (1999) "Institutional Strategy", *Journal of Management*. Vol. 25, No. 2, pp 161-188.
- Lawrence, T.B. and Suddaby, R. (2006) Institutions and Institutional Work. *Handbook of Organization Studies*. 2nd Ed.
- Meyer, J. W., and Rowan, B. (1977) "Institutionalized organizations: Formal structure as myth and ceremony", *American Journal of Sociology*, Vol 83, pp 340-363.
- Oliver, C. (1991) "Strategic responses to institutional processes", *Academy of Management Review*, Vol 16, No.1, pp 145-179.
- Powell, W. W. (1991) "Expanding the scope of institutional analysis", In W. W. Powell & P. J. DiMaggio (Eds.), *The new institutionalism in organizational analysis*: 183-203. Chicago: University of Chicago Press.
- Rao, H. (1998) "Caveat emptor: The construction of nonprofit consumer watchdog organizations", *American Journal of Sociology*, Vol 103, No. 4, pp 912–961.
- Schumpeter, J.A., (1935) *Théorie de l'Evolution Economique*, Paris, Dalloz.
- Seo, M, and Creed, D, W. (2002) « Institutional contradictions, praxis, and institutional change: A dialectical perspective". *Academy of Management Review*, Vol 27, No. 2, pp 222–248.
- Sewell, W. H. (1992) "A theory of structure: Duality, agency, and transformation", *American Journal of Sociology*, Vol 98, No. 1, pp 1–29.
- Shane, S. and Venkataraman, S. (2000) "The promise of entrepreneurship as a field of research". *Academy of Management Review*, Vol 25, No. 1, pp 217–226.
- Slack, T., and Hinings, B. (1994) "Institutional pressures and isomorphic change: An empirical test.", *Organization Studies*, Vol 15, No.6, pp 803-827.
- Scott, W. R. (1995). *Institutions and organizations*. Thousand Oaks, CA: Sage.
- Scott, W.R. (2008) "Approaching Adulthood: The Maturing of Institutional Theory". *Theory and Society*, Vol. 37, No. 5, pp 427-442.
- Scott, W. R., and Meyer, J. W. (1983). The organization of societal sectors. In J. W. Meyer, and W. R. Scott (Eds.), *Organizational environments: ritual and rationality*. Beverly Hills, CA: Sage.
- Scott, W. R., Ruef, M., Mendel, P. J., and Caronna, C. A. (2000) *Institutional change and healthcare organizations: from professional dominance to managed care*. Chicago: University of Chicago Press.
- Suchman, M.C. (1995). Managing legitimacy: Strategic and institutional approaches. *The Academy of Management Review*, Vol. 20, No. 3, pp 571-610.
- Thornton, P. H. (2004). *Markets from culture: institutional logics and organizational decisions in higher education publishing*. Stanford, CA: Stanford University Press.
- Tolbert, P. S., and Zucker, L. G. (1983) "Institutional sources of change in the formal structure of organizations: The diffusion of civil service reform, 1880-1935", *Administrative Science Quarterly*, Vol 28, pp 22-39.
- Venkataraman, S. (1997) "The distinctive domain of entrepreneurship research: An editor's perspective" In *Advances in Entrepreneurship, firm emergence, and growth* In. J. Katz and R. Brockhaus (eds), 791–805. Greenwich, CT: JAI Press.
- Whittington, Richard. (1992) "Putting Giddens into action: Social systems and managerial agency", *Journal of Management Studies*, Vol 31: 829–845.
- Zucker, Lynne G. (1987) "Institutional theories of organizations", *Annual Review of Sociology* Vol 13, pp 443–464.