Different identities, different responses:
The influence of organizational identities on the response of organizations to institutional pressure.
1 Introduction

Problem definition

Institutional theory recognizes that organizations are confronted with demands from their institutional environment to adopt certain rules, norms or practices. These demands are referred to as institutional pressures (Oliver, 1991). As DiMaggio & Powell (1983) have argued, organizations are influenced by their institutional environments through, normative, mimetic and coercive mechanisms. The conformation of organizations to institutional pressures may have no effect on or even decrease the technical functionality of an organization. However, the rules, norms or practices prescribed by the institutional environment are commonly perceived as legitimate by stakeholders, and will thus increase an organization’s legitimacy (Meyer & Rowan, 1977).

With institutionalism’s return to agency (Greenwood & Hinings, 1996; Hirsch & Lounsbury, 1997) it is recognized that organizations will not automatically conform to institutional pressures. Organizations are actors that actively shape a strategic response to institutional pressures (Oliver 1991). According to Oliver, the nature of an institutional pressure determines the strategic response of an actor. The nature of an institutional pressure can be defined as the cause, content, constituents, control and context of a demand an organization is confronted with. However, these are all aspects external to the organization a pressure is exerted on. A focus on the nature of an institutional pressure will therefore not explain why different organizations respond differently to an identical institutional pressure. Internal, organizational factors may also determine an organization’s actions (Oliver, 1991: pp. 173). Ashworth et al (2007) ask if the impact of institutional pressures varies across individual organizations. Oliver (1991) argues that a focus on differences between individual organizations is worthwhile, because strong cultures and cohesion might lead to the rejection of external pressures. Moreover, few studies in institutional literature treat the organization as the level of analysis (Greenwood et al, 2008). Therefore, we argue that attention for strategic responses is required at the level of the organization.

In this study, we focus on the way in which organizational identities influence the strategic response of organizations to institutional pressures. An organization’s identity may function as a lens through which an institutional pressure is perceived and interpreted. Organizations interpret and make sense of the institutional pressures they are confronted with. This way, the organizational identity functions as a mechanism to explain differences in strategic responses between organizations that are being confronted with an identical institutional pressure. The main question of this study is: Under what conditions do public organizations resist institutional pressure, and what is the role of organizational identity in this process?

Introduction of the case

To shed light on this issue, an embedded case study strategy is adopted. This implies that within a single case, attention is directed towards multiple units of analysis (Yin, 2009). This allows for the selection of multiple organizations (the units of analysis) to a single institutional pressure (the case). An organizational change that is being implemented in the Dutch central civil service is selected as a
case. This organizational change is called ‘program 1 logo’. The objective of the 1 logo program is to implement one single logo and visual identity for the entire central civil service. The Dutch civil service consists of over 150 organizations of different forms, including ministerial departments, executive organizations, planning organizations and inspection agencies. Prior to this program, every government agency in the central civil service had its own unique logo and visual identity. The 1 logo program aims to bring this variance down to a single logo. The program is legitimized by its three policy goals: increasing transparency for citizens, increasing cost efficiency and decreasing the compartmentalization of the central civil service (Ministry of General Affairs, 2008; 2009).

The 1 logo program is an organizational change at the system level. It is aimed at the Dutch central civil service as a whole. The implementation of the 1 logo program is coordinated centrally, by a commission and a project-team located at the ministry of General Affairs. Although the program is coordinated centrally, the implementation of the reform is decentralized to individual organizations. Because all organizations are independent and autonomous organizations, the success of the 1 logo program is dependent on the cooperation of targeted organizations. The 1 logo program is an example of coercive or ‘managed’ isomorphism: change is top-down with explicit criteria of conformity (Ashworth et al, 2007). However, the coercive nature has shown to be no guarantee for automatic acquiescence of the targeted organizations.

Relevance
As outlined above, this paper aims to add to an increased understanding of the process in which organizations respond strategically to institutional pressures. Prior research has shown how organizational identities may influence organizational behavior regarding environmental changes. This article aspires to add to the increased attention for agency in institutional theory by highlighting how a single institutional pressure is interpreted and made sense of by different organizations. The influence of organizational identities is highlighted in this process.

Attention for the behavior of individual public organizations in the process of administrative reform is also relevant from the perspective of public administration theory. Organizations are under constant pressure to adapt to their ever changing environments (Kotter, 1996; Burke, 2002). Government organizations are no exception to this trend. Apart from the demands for change private organizations are confronted with, public organizations often face political pressure for organizational change (Pollitt & Bouckaert, 2000; Fernandez & Rainey, 2006). However, the research of public sector change mostly focuses on the system level (eg. Kickert, 2000), Pollitt and Bouckaert’s (2004) model of public management reform for example, takes the entire government system into account. Most research that focuses on the management of change at the organizational level is in the field of business administration. Some of this research coincidentally takes place at a public sector or charity organization, but these cases contribute little to the understanding of public sector administrative reform (Coram & Burnes, 2001; Plowman et al, 2007).

This research is also relevant for management practice, because previous Dutch cabinets have used centralized coordination in order to implement administrative reforms in the Dutch central civil service (Korsten et al, 2009). It is likely that future cabinets will also use this method to implement
administrative reform. Kickert (2005) and Van Twist et al (2009) note that administrative reforms have not always been successful. Because the success of program steering is dependent on the strategic cooperation of individual organizations, the analysis of the influence of organizational identities on their strategic response will lead to an increased understanding of the implementation of administrative reform.

Outline of the paper

Research on the behavior of individual organizations in administrative reform is thus relevant from both a scientific and a management practice perspective. In the next section, the theoretical framework of this research is outlined. Section 3 describes the research design, methods and the operationalization of central concepts. The 1 logo program and selected cases are elaborated on in section 4 and then analyzed in section 5. Conclusions, limitations and implications of this research are discussed in section 6.
Institutional pressures

Organizations can be confronted by demands from their institutional environment to adopt certain rules, norms or practices. Societal forces may pressure organizations to adapt to a socially constructed environment (Boxenbaum & Jonsson, in: Greenwood & Hinings, 2008). These forces are referred to as institutional pressures. Organizations operate on a societal mandate, also called legitimacy. Organizations that conform to institutional pressures incorporate so-called institutional ‘myths’ into the organization. By doing so, they increase the organization’s legitimacy and survival prospects (Meyer & Rowan, 1977). DiMaggio & Powell (1983) have argued that institutional pressures will lead to isomorphism or similarity in an organizational field. They identified three mechanisms through which institutional isomorphic change occurs: coercive pressures result from power relationships and political influence, mimetic pressures stem from uncertainty and normative pressures pertain to what is considered a proper course of action.

Independent from the mechanism through which it is exerted, an institutional pressure can be separated into different aspects. The nature of institutional pressures consists of its cause, constituents, content, control and context (Oliver, 1991). The cause of an institutional pressure refers to the intended objectives of an external demand. The rationale for institutional pressures can be divided into two categories: social legitimacy or economic fitness. When anticipated gains are high, organizations will conform to pressures, but when anticipated gains are low, they may attempt to resist. Constituents impose regulations and expectations on organizations. In order to be perceived as legitimate, organizations must conform to pressures constituents impose. Oliver (1991) distinguishes between two relevant characteristics of an organization’s constituents: the number of constituents imposing pressures on the organizations, and the degree of dependence on pressuring constituents. Organizations may not be able to conform to multiple, possibly conflicting, constituents. On the other hand, if organizations are highly dependent on a certain constituent, for instance in terms of budget or democratic legitimacy, they will be likely to comply with institutional pressures. The content of an institutional pressure can have consequences for the goals and autonomy of an organization. If an imposed demand has little consistency with the goals of an organization, it may trigger resistance. A pressure that limits the autonomy of an organization is also likely to be resisted. Institutional control refers to the way demands by constituents are imposed on an organization. This may occur either through coercion or through voluntary diffusion. Coercive pressures are less likely to be resisted than voluntary pressures. Finally, the context of institutional pressures refers to level of uncertainty and the level of interconnectedness in the organizational field a pressure is exerted in (Oliver, 1991).

In the early years of new institutionalism (Meyer & Rowan, 1997; DiMaggio & Powel, 2003), organizations were more or less expected to automatically comply with institutional pressures. In the years that followed, authors began to recognize that institutional pressure allowed room for organizational agency (Oliver, 1991; Greenwood & Hinings, 1996; Hirsch & Lounsbury, 1997). According to these authors, compliance with institutional pressures is not automatic. Organizations are actors with interests and an agenda of their own. Characteristics of individual organizations will
determine their response to institutional pressures. In this paper, we focus on the role of an organization’s identity on its response to institutional pressure.

Organizational identity as a cognitive institution

Ravasi & Schultz (2006) identify two perspectives on organizational identity, a social actor and a social constructivist perspective. The social actor perspective has its roots in institutional theory. In this perspective, organizational identity is a stable perception of the organization. Albert & Whetten’s (1985) conceptualization of organizational identity is an example of the social actor perspective. “The concept of organizational identity is specified as the central and enduring attributes of an organization that distinguish it from other organizations” (Whetten, 2006: pp. 220). These attributes are referred to as identity claims (Whetten, 2006) or institutional claims (Ravasi & Schultz, 2006). Identity claims are proposed by organizational leaders, for example slogans or mission statements. These statements are made available to organizational members, and “provide members with a consistent and legitimate narrative to construct a collective sense of self” (Ravasi & Schultz, 2006:434). Organizational leaders provide members with ‘sense-giving’ statements about what the organizations is about, and what it is not.

In contrast with the social constructivist approach, the social actor or institutional perspective assumes that organizational identity is stable and objectively measurable through identity claims. In this sense, organizational identity can be seen as a cognitive institution\(^1\). The organizational identity functions as a script that provides stability and meaning to an organization (Scott, 1995; Clark, 1968). Identity claims are “the rules that constitute the nature of reality and the frames through which meaning is made (Scott, 1995: pp. 40). (Neo)-institutional theory treats these identity claims as objective and external to individual employees. Cognitive institutions, such as an organizational identity, restrict the rational choice of methods and goals (Selznick, 1984), thereby influencing organizational behaviour.

In terms of March (1994), an organizational identity will cause organization to behave according to a logic of appropriateness instead of a logic of consequence. The organizational identity functions as a framework of rules that guides organizational decision making. “An identity is a conception of self organized into rules for matching action to situations” (March, 1994: pp. 61). To observers that share the taken for granted framework of rules, for example organizational members, an organization’s behaviour may seem rational. Rules are followed consequentially and systematic, according to the organization’s identity. To outsiders, for example political superiors or citizens, the same behaviour may seem random, arbitrary or even incomprehensible.

Organizational identity thus functions as a lens through which organizations perceive the institutional pressure they are confronted with. Identities provide organizations with an individual and independent basis for action in social situations. “It helps to explain the basis for agency – individuals purposefully acting in pursuit of their interests – rather than meekly submitting to the constraints of the surrounding social structure” (Scott, 1995: pp. 24). Some organizations may perceive an institutional

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\(^1\) The used definition of institution is: “institutions consist of cognitive, normative and regulative structures and activities that provide stability and meaning to social behavior” (Scott, 1995: pp. 33).
pressure as a threat, while others may perceive it as institutionally neutral or even as an opportunity. This causes different organizations to perceive the change differently, because of their organizational identity.

**Commitment to change**

Institutional theorists state that institutions affect organizations (Powell & DiMaggio, 1991; Scott, 1995). More specifically, organizational identity is claimed to influence an organization’s capability for organizational change. Selznick (1984) suggests that employees of certain organizations tend to be committed to organizational ‘self-images.’ A great deal of energy is directed to resist changes to the institutions that are “infused with value” (Selznick, 1984: pp. 17). Selznick describes a self-defence mechanism that activates when a valued institution (for instance the organizational identity) is threatened by external institutional pressures. This implies that organizations that regard an external demand for change as an institutional threat will trigger resistance to change based on employee commitment to the status quo. Commitment is thus a key concept in the institutional analysis of organizational change. Moreover, Herscovitch & Meyer (2002), argue that commitment is one of the most important factors involved in the success of organizational change. It is described as the glue between people and change initiatives. **Commitment to organizational change** is therefore a central variable in an institutional framework for understanding change. Institutional pressure that conflict with claims about the organizational identity are not likely to result in a commitment to change, and vice versa.

Herscovitch & Meyer (following Allen & Meyer, 1990, 1991; Meyer & Herscovitch, 2001) propose a multidimensional conceptualization of commitment to organizational change. They differentiate between three types or dimensions of commitment to change. The (lack of) commitment to organizational change may be based on affective, continuance and normative grounds. Affective commitment provides support for the change based on the belief in its inherent benefits. Employees that are affectively committed to change want the change to be implemented. Employees with a continuance commitment feel they are forced to comply with changes. The recognize that a there a costs associated with a failure to provide support. They feel they have to support the initiative for organizational change. Finally, commitment to organizational change can be based on a moral sense of obligation to provide support for a change. Herscovitch & Meyer (2002) label this as normative commitment. Normative commitment is based on the perception that employees **ought to** support the organizational change.

When employee commitments are aggregated to the level of the organization, Greenwood & Hinings (1996) argue that so-called ‘patterns of value commitment’ become visible. These patterns are central in their institutional framework for explaining radical change. Greenwood & Hinings identify four patterns of organizational commitment:

- Status quo commitment: all groups are committed to the institutionalized template-in-use.
- Indifferent commitment: groups are neither committed nor opposed to the template-in-use.
- Competitive commitment: some groups prefer the template-in-use and some prefer the articulated alternative.
Reformative commitment: all groups prefer the articulated alternative.

Organizations that perceive an institutional pressure as an identity threat may be expected to display status quo commitment, while organizations that do not may be classified as indifferent, competitive or reformative commitment. Greenwood & Hinings (1996) argue that the pattern of commitment influences the organizations' capacity for change. Radical change is unlikely in organizations that are committed to the status quo. Reformative or competitive commitment patterns are more likely to result in radical change. Similarly, in this paper I argue that commitment patterns will predict an organization's response to institutional demands for change.

Organizational responses to institutional pressures

An institutional framework for understanding organizational change allows not just the explanation of attitudes toward change (for example commitment to change) but also actual organizational behaviour (Herscovitch & Meyer, 2002). Based on the organizational identity, an institutional pressure will be interpreted and responded to (March, 1994). These responses may range from a low to a high level of resistance to institutional demands. Organizations with strong identities may be expected to resist institutional pressures, in order to ensure organizational integrity amidst environmental demands (Selznick, 1984). In terms of Boin & Goodin (2006): ‘recalcitrant’ organizations will tend to resist institutional pressures, while ‘domesticated’ organizations will be more responsive to the demands and desires of the environment. Selznick (1984) emphasizes the role of organizational leaders in the protection of the organizational identity. He labels this activity institutional leadership.

Oliver (1991) elaborates on so-called strategic responses to institutional pressures. She distinguishes between five different reactions to external demands for change: Acquiescence, compromise, avoidance, defiance and manipulation. Acquiescence, or conformity, means that an organization abides to external pressures, for instance to secure resources or legitimacy. But organizations may also experience counter pressures to external demands. These may cause organizations to not simply conform to institutional pressures, but resist them instead. One response articulated by Oliver (1991) is to compromise between contradictory demands, for example by balancing or bargaining. Another response is avoidance: an attempt to preclude the necessity of conformity. A possibility might be to escape from the domain where pressure is exerted, thereby avoiding the institutional demands. A fourth option is to defy institutional demands. Organizations can for example ignore or even attack external pressures. The most recalcitrant organizational response is to manipulate external pressures. Manipulation is a purposeful attempt to co-opt, influence or control external pressures. This response is aimed at shaping or even neutralizing the pressures on the organization (Oliver, 1991).

Conceptual framework

The model in figure 1 is a visualization of the key concepts of this paper. The relationships between the concepts result in a framework for understanding organizational responses to institutional pressures. Organizations may be faced with external demands for change, labelled in the framework
as institutional pressure. Based on claims about the organization’s identity, a pressure may be perceived as an institutional threat or not. This perception will determine the organization’s commitment to change. The commitment to change of an organization will cause organizations to strategically respond to the institutional pressure. Organizations that are indifferent or even in favour of changes may conform to the external pressure, while organizations that are committed to the status quo may strategically compromise, avoid, defy or even manipulate an institutional pressure.

Figure 1: Conceptual model

Institutional pressure

Commitment to organizational change

Strategic response

Organizational identity
3 Case selection and methods

In this paragraph, the research design, selection of cases, the methods of gathering data and the operationalization of the main concepts are elaborated on.

Research design and case selection

The design of this research can be classified as an embedded case study design (Yin, 2009). A single case is selected, and research is conducted at multiple units of analyses. As a case, a single institutional pressure is selected. In this research we focus on the 1 logo program as an institutional pressure. Case selection is one of the most crucial parts of this research. The 1 logo program is selected as a case because of the following reasons. First, it is a clear example of an institutional pressure within the Dutch central civil service. There is strong support for the program at the (political) top level of the central civil service. Because of this, all organizations within the central civil service are very aware of the pressure that is being exerted on them. Second, the 1 logo program has unambiguous and explicit criteria of conformity. This makes it fairly straightforward to assess and classify the strategic responses of organizations toward the institutional pressure. Third, the 1 logo program is almost finished. It is thus as a suitable time to evaluate the responses of the participating organizations. At this point in time, it is possible to distinguish resisting organizations from organizations that had a slow start in the process. Fourth, the 1 logo program is generally perceived as one of the more successful reform programs in the Dutch central civil service. The reputation of this program makes it easier to arrange and conduct interviews with the participating organizations. Finally, the 1 logo program can be seen as a ‘most likely’ case (Yin, 2009). The program is likely to trigger resistance based on identity claims, because a reform focused on an organization’s visual identity is clearly closely related the organization’s actual identity.

The unit of analysis is organizations within the Dutch central civil service. A total of 6 organizations that are confronted with the 1 logo program are selected and analyzed. As stated before, this implies that the total population of this research is over 150 organizations. For pragmatic reasons, the entire population can not be analyzed in this research. A random selection of 6 out of 150 organizations is not likely to be a representative sample. Therefore, a selection strategy was used to arrive at a representative case selection. The Dutch central civil service consists of organizations of many different forms. A first selection criterion was used to ensure that this diversity is represented in the selected cases. Therefore, two ministerial departments concerned with policy formulation, two major executive organizations and two planning agencies were included in the sample. The reason for this selection criterion is not only to improve the external validity of this study’s results, but also because a variance in types of organizations is likely to result in a variance in identity claims and strategic responses.

Second, organizations in different stages of the implementation process were selected. At the time when cases were selected (May 2010), some organizations had already successfully implemented the program, while others were not yet finished or had not yet begun. This second criterion served as a possible indicator of variance in the commitment and strategic response of organizations. Organizations that had already implemented or were busy implementing the policy were
expected to have complied with the institutional pressure, while organizations that had not yet implemented the policy may have resisted. For ministerial departments, this selection criterion could not applied. All ministerial departments, because of their status as priority organizations, were required to implement the change in 2009. For the selected executive organizations, this selection criterion may suggest an distorted picture because neither of the two selected organizations has completed the implementation process at this time. However, the Directorate-General for Public Works and Water Management immediately began the implementation process while the Tax and Customs Administration did not. Because of the large size of both organizations, neither has completed the implementation process thus far.

This selection strategy amounts to a total of six cases. The selected cases are displayed in table 1.

Table 1: Selection criteria and selection of organizations

<table>
<thead>
<tr>
<th>Selection criterion 1: Type of organization</th>
<th>Selection criterion 2: Implementation completed?</th>
<th>Selected organization (Dutch translation in parenthesis)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Policy making</td>
<td>Yes</td>
<td>Ministry of Justice (Ministerie van Justitie)</td>
</tr>
<tr>
<td>Policy making</td>
<td>Yes</td>
<td>Ministry of Agriculture, Nature and Food Quality (Ministerie van Landbouw, Natuur en Voedselkwaliteit)</td>
</tr>
<tr>
<td>Executive</td>
<td>No</td>
<td>Tax and Customs Administration (Belastingdienst)</td>
</tr>
<tr>
<td>Executive</td>
<td>No</td>
<td>Directorate-General for Public Works and Water Management (Rijkswaterstaat)</td>
</tr>
<tr>
<td>Planning bureau</td>
<td>Yes</td>
<td>The Netherlands Institute for Social Research (Sociaal Cultureel Planbureau)</td>
</tr>
<tr>
<td>Planning bureau</td>
<td>No</td>
<td>The Netherlands Environmental Assessment Agency (Planbureau voor de Leefomgeving)</td>
</tr>
</tbody>
</table>

As stated in the introductory chapter of this article, the 1 logo program is highly coercive in nature. Because of this, the steering commission attempted to force non-compliant organizations into compliance with the 1 logo program. This coercion caused some organizations to formulate an initial strategic response prior to this exertion of (political) power, and a definitive strategic response after this coercion had taken place. In methodological terms, the exertion of this coercive power can be described as a before-and-after measure (Campbell & Ross, in: Tufte, 1970). The exertion of coercive
power by the steering commission can be conceptualized as a ‘treatment’, which caused some organizations to alter their initial response and formulate a definitive one.

Methods
The data for this research is obtained through qualitative methods. Both interviews and document analysis were used. First, an explorative interview was held with two members of the central project team in order to get acquainted with the 1 logo program. These respondents were able to point the researchers to possible cases that fit both selection criteria. Second, interviews were held with implementation coordinators at the organizational level. In these interviews measures of the study’s central concepts were obtained.

The second method for collecting data was the analysis of documents. Different types of documents were used. Websites, brochures and flyers provided information about an organization’s identity. These documents contain mission statements, slogans and self perceptions that serve as identity claims. Implementation plans and formal letters were analyzed because these provide information on the organization’s commitment to change but especially its strategic response to demands for change.

Operationalization of central concepts
Institutional pressure is operationalized as the cause, constituents, content, control and context of the demand organizations are confronted with (Oliver, 1991). In this paper, this is the imposed implementation of a new logo and visual identity.

In this paper, I follow the Albert & Whetten’s (1985) social actor perspective of organizational identity as the distinctive, central and enduring attributes of an organization. An organization’s identity is operationalized by looking for identity claims about what the organization is and what it is not. These may be claims about what distinctive, central or enduring aspects of the organization are (Ravasi & Schultz, 2006).

An organization’s commitment to organizational change is operationalized using Herscovitch & Meyer’s (2001, 2002) multidimensional conceptualization of commitment to organizational change. Members of the organizations were asked if they supported implementing the institutional pressure, and for what reason.

The strategic response of an organization is operationalized following Oliver (1991). Both members of the organization (implementation coordinator) and outsiders (members of the project team) were consulted about how the organization dealt with the demand for change. This reaction was then matched to Oliver’s typology of strategic responses.

The operationalization of the central concepts is displayed in table 2.

<table>
<thead>
<tr>
<th>Concept</th>
<th>Operationalization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cause: legitimacy</td>
<td>To what extent was there a belief that implementation would improve the transparency of the organization?</td>
</tr>
<tr>
<td>Category</td>
<td>Question</td>
</tr>
<tr>
<td>----------</td>
<td>----------</td>
</tr>
<tr>
<td>Cause: efficiency</td>
<td>To what extent was there a belief that implementation would improve the transparency of the civil service as a whole? Was there a belief that implementation would improve the cost effectiveness of the organization? Was there a belief that implementation would improve the cost effectiveness of the civil service as a whole?</td>
</tr>
<tr>
<td>Constituents: multiple</td>
<td>To what extent are clients or other stakeholders exerting pressures regarding the logo or visual identity of the organization, that are conflicting with the pressures exerted by the 1 logo program?</td>
</tr>
<tr>
<td>Constituents: dependence</td>
<td>To what extent is the organization dependent on constituents exerting the 1 logo program? To what extent is the organization dependent on constituents exerting conflicting pressures?</td>
</tr>
<tr>
<td>Content: consistency</td>
<td>To what extent is the implementation of the 1 logo program consistent with existing policies and strategies of the organization?</td>
</tr>
<tr>
<td>Content: constraint (autonomy)</td>
<td>To what extent does the implementation of the 1 logo program limit the autonomy of the organization?</td>
</tr>
<tr>
<td>Organizational identity</td>
<td>What makes this organization distinct from other organizations within the Dutch civil service? How would you describe this organization? What are key characteristics of this organization? What were important events in the history of this organization? How did the organization deal with these events? Do employees describe themselves as civil servants or as employees of this particular organization?</td>
</tr>
<tr>
<td>Affective commitment</td>
<td>Is affection with the objectives of the 1 logo program a main reason why the organization (does not) implement the 1 logo program? Is the organization better off if it implements this reform? Is the 1 logo program perceived as a necessary change?</td>
</tr>
<tr>
<td>Continuance commitment</td>
<td>Has there been (political) pressure to comply with the 1 logo reform? Are there negative consequences for the organization if it does not comply with the program? Is resisting the program perceived as a potent option?</td>
</tr>
<tr>
<td>Normative commitment</td>
<td>Is there a sense of loyalty to comply with this politically mandated pressure? Is there a sense of self-evidence when it comes to complying with this reform?</td>
</tr>
<tr>
<td>Initial strategic</td>
<td>Response before treatment (voluntary diffusion): compliance, compromise,</td>
</tr>
<tr>
<td>response</td>
<td>avoidance, defiance or manipulation.</td>
</tr>
<tr>
<td>-----------------------</td>
<td>--------------------------------------</td>
</tr>
<tr>
<td>Definite strategic response</td>
<td>Response after treatment (coercive pressure to comply): compliance, compromise, avoidance, defiance or manipulation.</td>
</tr>
</tbody>
</table>
4 The 1 logo program and identity claims of the selected organizations

The 1 logo program

The Dutch cabinet agreed to the design and implementation of a single logo and visual identity for the entire central civil service in July 2007. This policy, which was called ‘program 1 logo’ was perceived as a necessary step towards a recognizable and accessible government. The goal of program 1 logo is “to contribute to a recognizable, accessible and unambiguous presentation of the Dutch central civil service by developing, making available and implementing a civil service-wide visual identity at all participating organizations within the Dutch civil service by the 1st of January 2011” (Ministry of General Affairs, 2008). It is imposed on all organizations that are part of the Dutch central civil service. In all, this amounts to over 150 individual organizations.

Program 1 logo entails three policy goals. The first is to increasing transparency for citizens. By implementing the generic logo and visual identity, the central civil service will be better identifiable to citizens and entrepreneurs. The Dutch central civil service consists of over 150 different organizations of different forms, including ministerial departments, executive organizations, planning bureaus, inspections and interdepartmental organizations. In the current situation, it is therefore not always clear for citizens or entrepreneurs when they are dealing with the central civil service. The second objective is increasing cost efficiency. In the current situation, all government agencies are concerned with developing, implementing, maintaining and replacing their own logo’s and visual identities. The 1 logo program allows centralizing and scaling up procurement, which will allow for increased cost efficiency. The third and final objective of program 1 logo is to decrease compartmentalization within the central civil service. Traditional differences between ministerial departments, in combination with the NPM trend of agentification in the last decades, have resulted in a fragmented civil service. The 1 logo program is intended to function as a primer for future cooperation between agencies and sense of a shared corporate identity (Ministry of General Affairs, 2008; 2009).

The 1 logo program consists of implementing both a generic logo and the accompanying visual identity at all organizations in the central civil service. Although the program is named after the logo, the implementation of the visual identity is by far the most comprehensive part of program 1 logo. Among others, the implementation of the generic visual identity entails developing and replacing correspondence templates, digital resources, advertisements, publications, buildings, vehicles, (digital) forms, and clothing. The total implementation costs of the program amount to €18.525 million.

The implementation of program 1 logo is organized centrally. A project team and a commission of top civil servants guide the implementation process. However, implementation is greatly dependent on the participation of target organizations. In the case of insurmountable resistance by any of the targeted organizations, the project team and commission are supported by the council of secretary-generals (SGO) and the council of ministers (ministerraad). Because of this unanimous support at the top-level of the central civil service, the 1 logo program is perceived as very coercive in nature.
The project team decided to target priority organizations first. These priority organizations are those organizations with high visibility to the general public, such as ministerial departments, but other organizations could also volunteer to become a priority organization. All priority organizations were expected to be an example for other organizations and complete implementation in 2008. The deadline for implementation for all other organizations is the 1st of January 2011.

Table 3: Selected organizations and their identity claims

<table>
<thead>
<tr>
<th>Organization</th>
<th>Identity claims</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ministry of Justice</td>
<td>‘Bestuurs ministerie’, hierarchical organization, most employees are jurists (overall little distinctiveness in claims)</td>
</tr>
<tr>
<td>Ministry of Agriculture, Nature and Food Quality</td>
<td>‘beleids ministerie’, crisis ministry, many employees are Wageningen University alumni (overall little distinctiveness in claims)</td>
</tr>
<tr>
<td>Tax and Customs Administration</td>
<td>Professional, client-oriented, largest employer in the central civil service, strong brand, well known,</td>
</tr>
<tr>
<td>Directorate-General for Public Works and Water Management</td>
<td>Frontrunner, problem tackler, strong brand, well-known, ‘builder’ organization</td>
</tr>
<tr>
<td>The Netherlands Institute for Social Research</td>
<td>Well-known, strong brand, scientific, independent</td>
</tr>
<tr>
<td>The Netherlands Environmental Assessment Agency</td>
<td>Independent, scientific, relatively young as a result of a recent merger</td>
</tr>
</tbody>
</table>

5 Analysis

Interpretation of the institutional pressure

As can be seen in table 4, there are many differences in the way the organizations in the sample interpret the institutional pressure exerted through the 1 logo program. There is only one aspect on which there is no variance between the organizations, namely the extent to which the targeted organizations are dependent on the actor that is exerting the pressure. All organizations are highly dependent on the steering committee of the 1 logo program. This can be explained by the fact that the 1 logo program is unanimously supported by the entire top level of the central civil service, including politicians (ministerraad). The targeted organizations are not only budgetary dependent on this actor, but they also require the democratically legitimated mandate that is possessed by this constituent.

On all the other characteristics, there are differences between the organizations in the sample. Not all organizations are convinced that the implementation of the 1 logo program will lead to a more legitimate central civil service. The program intends to increase the government’s legitimacy by increasing transparency and decreasing compartmentalization. Some organizations, most notably both ministerial departments, underline this objective of establishing a corporate identity and emphasizing the wholeness of the civil service. But, as respondents of these organizations comment, the 1 logo
program is only one example in a long list of initiatives aimed at increasing cooperation between organizations within the civil service (mainly ministerial departments). Most other organizations fear that the implementation of the 1 logo program will not increase but decrease the legitimacy of civil service organizations. These organizations are concerned with the consequences for their own identity. They claim to be well known brands in society and to be very dependent on their recognisability towards clients. For example, both planning bureaus claim that the generic visual identity will cause their most important product, their publications, to become indistinguishable from any government publications. These organizations fear that this will harm their identity as independent, scientific organizations, because one of their core tasks is to conduct (unsolicited) research into other government organizations.

Similarly, not all organizations expect that the implementation of the 1 logo reform will truly lead to the estimated increase in cost efficiency. Both ministerial departments indicate that the program leads to increased cost efficiency. Most other organizations emphasize the huge implementation costs of the program. An explanation for this might be that the ministerial departments have already completed the implementation process and already experience financial benefits of the program. Most other agencies are still implementing the program and are therefore more focused on implementation costs. A more cynical explanation for this diversity in perceptions is that agencies use the implementation costs as an argument to resist the institutional pressure, but that the actual reason for their resistance is rooted in another aspect of their interpretation of the institutional pressure. The Tax and Customs Administration seems to be the exception to this. Even though its implementation costs surpass that of any other organization, the Tax and Customs Administration expects the 1 logo program to result in an increased cost efficiency. The reason for this is that the organization has coupled the implementation of the 1 logo program to an internal reform effort aimed at improving business processes (Slimmer Werken).

All organizations in the sample obviously experience institutional pressures concerning their logo and visual identity exerted by the 1 logo program. Some organizations experience demands exerted by other actors that conflict with these pressures however. These countering pressures are mainly exerted by the clients of these organizations. The Tax and Customs Administration for example, is a very client-oriented organization. As a professional organization the organization focuses on convenience for its clients. This is of course also in the interest of the organization itself, because less user convenience as a result of changes in the visual identity of tax forms will easily lead to thousands of phone calls by clients. The Tax and Customs Administration therefore does not only experience pressures exerted by the 1 logo program, but also by its clients. Other agencies experience similar pressures. It is important to note however, that employees of the organizations have exerted very little pressure regarding the 1 logo program. Virtually all organizations have experienced limited resistance in the initial stages of implementation, but overall employees seem to be indifferent to the new logo and visual identity at most organizations.

2 Take for example the Tax and Customs Administration’ slogan: “We can’t make paying taxes fun, but we can make it easier” (Leuker kunnen we het niet maken, wel makkelijker)
To some organizations the 1 logo program is consistent with strategies and policies already in use. To other organizations, the program is clearly conflicting with daily practice. The ministerial departments seem to perceive the program as quite consistent. These organizations are in engaged in reforms leading to more cooperation in many terrains, such as the establishment of shared service centers concerning payroll and ICT. The 1 logo program is generally perceived as the ‘outer layer’ of this reform trend that has been underway for quite some time. To the Directorate-General for Public Works and Water Management the program is consistent for a different reason. This organization had just completed internal programs focused on straightening out the visual identity. The 1 logo program was therefore seen as a logical next step. To the other organizations, the 1 logo program is clearly inconsistent. Both planning bureaus experience the program as inconsistent with their identity claims as independent, scientific organizations. The Tax and Customs Administration perceives the program as a threat to their status as a front-runner in convenience for clients, because the program has severe consequence for the outline of tax forms and other documentation.

Finally, organizations also diverge on the expected effects of implementation on the organizations autonomy. Organizations with identity claims that focus less on distinctiveness regard the program affecting only the organization’s appearance. They are not worried about consequences for autonomy other than jointed procurement and centralization of decision making about the virtual identity. Other agencies are worried that the limitation of discretionary space about the organizations will exceed the domain of the organizations visual identity. This is especially present at both planning bureaus, where implementation is believed to damage the organization’s status as independent bureau, and the Tax and Customs Administration, where the new visual identity is feared to have negative effects on the business processes.

Strategic responses
The selected organizations do not only vary in their interpretation of the characteristics of the 1 logo program, they also vary in their strategic response toward this institutional pressure. The organizations’ responses are summarized in table 4. As stated before, we will distinguish between two separate strategic responses: the organization’s initial response and the organization’s definite response (after the organization had been pressured to comply). As can be seen in table 4, three out of six organizations initially complied with the program. These were the Ministry of Justice, the Ministry of Agriculture, Nature and Food Quality, and Directorate-General for Public Works and Water Management. The other three organizations have initially tried to defy the program. These organizations were the Netherlands Institute for Social Research, the Netherlands Environmental Assessment Agency and the Tax and Customs Administration.

The compliance of the Ministry of Justice and the Ministry of Agriculture, Nature and Food Quality is not surprising. Their interpretation of the nature of the institutional pressure strongly predicts compliant behavior (Oliver, 1991). The commitment to change of these organizations can be said to be affective in nature. These organizations underlined the goals of the program. Both organizations also acknowledged that there was much political pressure to implement the 1 logo program. These organizations therefore also score high on continuance commitment to the change proposal.
Moreover, there is also a normative commitment to change present in these organizations. For the ministerial departments, there is a sense of self-evidence when it came to implementing the program. The 1 logo program is perceived as the next in long line of change initiatives focusing on cooperation and unity between ministerial departments. For the Ministry of Justice, this normative commitment to change is even more present. This is rooted in the fact that the formal head of the organization, the secretary-general, is also the head of the steering committee of the 1 logo program. This resulted in a sense of loyalty, and it caused the program to be perceived less as an outsider’s initiative. Because the organizations’ first response was to comply with the program, there was no need for the steering committee to coerce these organizations into compliance.

The Directorate-General for Public Works and Water Management also initially complied with the 1 logo program. The reason for compliance is different from other organization’s that agreed to implement the reform, however. Even though the Directorate-General for Public Works and Water Management is not convinced of the program will improve the legitimacy or cost effectiveness of the organization and n experiences multiple, conflicting pressures regarding its visual identity, the organization has still agreed to comply with the implementation. According to a respondent, the reason for this can be found in the identity of the organization. Directorate-General for Public Works and Water Management is a ‘builder organization’, with a hands-on mentality. It strives to be a problem-tackler and a frontrunner. Therefore it was natural for the organization to immediately comply with the demands and start the implementation process. The organization even volunteered to become a priority organization, and started the implementation process when most other organizations were still digging in for defense. A more strategic explanation for this somewhat surprising acquiescence is that the organization responded proactively to an anticipated loss of autonomy. By early compliance and volunteering as a priority organization, the organization assured itself of a place in the decision making process. The definitive agreement between the Directorate-General for Public Works and Water Management and the 1 logo steering committee has the characteristics of a compromise, rather than compliance. The implementation process has to be completed in 2014 instead of 2011.

The Netherlands Institute for Social Research is one of the three organizations in the sample that initially tried to resist the institutional pressure. This was no surprising response, considering that the organization did not interpret the 1 logo program as a very favorable reform initiative. There was no affective commitment to change present at this organization. The response of the organization is labeled as defiance, because the organization tried to challenge the content of the demands they were faced with. The identity of the organization played a key role in this process. Top management of the organization argued that the independent and scientific character of the organization conflicted with the program’s objective of unity and cooperation within the central civil service. The planning bureaus even wrote a joint letter to the 1 logo steering committee. This attempt did not have the desired effects however, and the Netherlands Institute for Social Research was eventually forced into compliance. This response was solely based on a high level of continuance commitment to change.

As is evident from the above mentioned organization, the Netherlands Environmental Assessment Agency also resisted the institutional pressure. The program was interpreted in the same manner as the Netherlands Institute for Social Research. However, the definite response of the
The Netherlands Environmental Assessment Agency differs from its cousin. After the combined attempt to challenge the institutional pressure had failed, the organization did not allow itself to be forced into compliance. Rather, the organization has withdrawn from negotiations. Until this moment, the status of the implementation process is unknown to the 1 logo project team (Portier & Uding, 2010). The respondent from the Netherlands Environmental Assessment Agency pointed out that the organization has not yet begun the implementation process. This strategic response corresponds with Oliver’s (1991) avoidance. The reason for these differences between both planning agencies, two similar organizations with an identical interpretation of the institutional pressure, can be found in the identity of the Netherlands Environmental Assessment Agency. The organization is relatively young, as a result of merger between two former planning agencies. Literature on institutional upstarts, for example Rourke (1984) and Boin & Goodin (2006), suggests that young organizations can be expected to increasingly defiant to institutional pressures. The early years of an organization determine the degree responsiveness to external demands. The young age of the organization may thus have caused the organization to emphasize its identity of the Netherlands Environmental Assessment Agency. As the respondent of the organization explained: "Immediate compliance with the 1 logo program would not support our image as an independent, scientific organization.” A remarkable detail is that the Netherlands Environmental Assessment Agency was in need of a new visual identity as a result of the merger. But instead of compliance with the 1 logo program, it chose to develop its own visual identity, knowing that compliance in the nearby future is likely to be unavoidable.

For a long time, the Tax and Customs Administration managed to resist the demands for implementation of the 1 logo program. The 1 logo program was believed to reduce the organization’s recognisability and disturb the primary processes the bureaucratic organization is dependent on. Compared to the rest of the civil service, the Tax and Customs Administration is a frontrunner in the domain of visual identity and client orientation. The 1 logo program was expected to impede this position. The organization therefore objected to the 1 logo steering committee, arguing that the costs of implementation would be too high. These objections were put aside by the steering committee and the organization was told it would have to comply with the implementation demands. Only after the politically imposed installment of a new head of the agency did the Tax and Customs Administration agree to participate in the process. This response should not be labeled as compliance however, because the Tax and Customs Administration managed to get more time for the implementation process. Considering the sheer size of the organization, the implementation deadline of 2014 is more realistic than 2011. The response of the Tax and Customs Administration is thus best labeled a compromise.

Table 4: Organizations’ interpretation of the institutional pressure and their strategic response

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<td>National Agency of Correctional Institutions</td>
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<td>yes</td>
<td>No</td>
<td>yes</td>
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<tr>
<td>Public Prosecution Service</td>
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*Italic* → Expected to lead to compliance

*Bold* → Expected to lead to resistance

*Underlined* → special case
6 Conclusions, limitations and discussion

In this paper, the influence of identity on an organization’s response to institutional pressures is investigated. The identity of an organization is conceptualized as the lens through which organizations interpret an institutional pressure. This way, it is possible to explain a variance of strategic response to a single institutional pressure. This paper has shown how identity influences the interpretation of a single institutional pressure. The main research question of the article is: Under what conditions do public organizations resist institutional pressure, and what is the role of organizational identity in this process?

In answer to this question, it can first be stated that the predictors of an organization’s strategic response offered by Oliver (1991), appear to be suitable. This article has thereby served as an empirical test of Oliver’s theoretical contribution to the debate on institutional agency (Greenwood & Hinings, 1996; Hirsch & Lounsbury, 1997). The organizations that were present in the sample of this study interpreted the institutional response they were confronted with. This resulted in variance in the way organizations described the nature of the 1 logo program. Organizations that framed the reform in a positive manner, for instance by underlining the objectives of the reform, were more likely to be affectively committed to change and comply with the demands for change. Organizations that did not interpret the institutional pressure in a favorable way had no affective commitment to change and (initially) tried to defy the institutional pressure.

Affective commitment to change can thus be said to be an important condition for organizational change (cf. Herscovitch & Meyer, 2002). However, this research also revealed that it is in fact a sufficient but not a necessary condition for change. Affective commitment to change proved to be a sufficient condition for change, because all affectively committed organizations complied to the institutional pressure without resistance. However, some of the organizations without affective commitment complied with the institutional pressure later on as well. This reveals that affective commitment to change was not a necessary condition, because it was replaceable by continuance commitment to change. Compliance could also be enforced through coercion in this case.

The organizational identity of organizations proved to be an important concept in understanding the strategic response to the 1 logo program. The organizations that had little to no distinctive identity claims complied without resistance to the program. The organizations that in some way perceived themselves as distinctive, chose to resist the program in one way or another. As hypothesized in the theoretical framework, the organizational identity caused organizations to interpret a single institutional response differently. By paying attention to this sense making process, their strategic response could be explained. Examples of these organizations are both planning agencies and the Tax and Customs Administration.

In another case, the organizational identity did not so much influence the interpretation process of the organization, but it functioned as a set of rules on how to behave instead. The identity claims of the Directorate-General for Public Works and Water Management are about being a frontrunner with a hands-on mentality. This caused the organization to comply with the program and
even volunteer to become a priority organization, because it was the appropriate way to behave for this organization in such a situation (cf. March, 1994).

This study has three theoretical implications:

1. Several authors have argued that increased focus on the organizational level is required in institutional analysis (Oliver, 1991; Ashworth, 2007; Greenwood et al, 2008). Institutional analysis has traditionally focused on the level of an organizational field. This study has shown that differences on the organizational level, for example in the organizational identity, influence the diffusion of an institutional pressure in an organizational field. Organizational characteristics matter in the analysis of a sector reform. This implication also applies to the field of public administration, which mainly focuses on the administrative reform on a macro level.

2. The logo program is small scale, symbolic change. At the level of the individual employee, there was mostly indifference about the reform. On the organizational top level however, leaders were very concerned about the consequences for their organization. The leaders of most of the organization engaged in what has been labeled ‘institutional leadership’ (Selznick, 1984) or ‘organizational maintenance’ (Wilson, 1989). This difference between employees and top level leaders seems to imply this is indeed an activity performed by leaders (cf. Selznick). Moreover, it indicates that top level civil servants are much more sensitive to the institutional integrity of their organization than their subordinates.

3. Organizational identity provides a set of rules to insiders of an organization (March 1994; Selznick, 1984). Some actions are therefore more appropriate than others. These rules appear irrational to outsiders of an organization. For insiders, the opposite is true. This research suggests that leaders that are engaged in the activity of institutional leadership are aware of this difference in perception. Identity claims provide them with arguments about why the institutional pressures conflicts with the institutional character of the organization. However, in the negotiation process with the logo steering committee, these ‘irrational’ arguments were not presented. Institutional leaders referred to rational arguments, for example high implementation costs, instead.

The logo program is perceived as one of the most successful interdepartmental reform programs in the Dutch central civil service (Korsten et al, 2009; Voortgangsrapportage Vernieuwing Rijksdienst, 2009). The program is expected to reach implementation of the logo and visual identity in most organizations by the 1st of January 2011\(^3\). This is noteworthy, considering the formal autonomy and distinctive identities of the participating organizations. Based on this research, some of the major success factors of the logo program can be identified:

1. The political support for the program at the top level (secretary generals and ministers) severely limited the options for strategic responses by organizations. Even though the participating organizations are not all (affectively) committed to the institutional demands,

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\(^3\) Uitgezonderd een paar ‘Gallische dorpen’
avoidance and defiance of the program are not feasible options for most organizations. The program was thus able to secure acquiescence to the program through coercion.

2. The steering committee and the project team have been very flexible in securing the cooperation of the target organizations. Although all organizations were more or less forced to participate, there has been plenty of room for bargaining, negotiation, and compromise. Because of this willingness to compromise, the project team was able to reduce initial resistance to change. The Tax and Customs Administration is an example of this.

3. Based on institutional theory, one would expect employees to resist the logo program. This is under the assumption that they perceive the institutional pressure as a threat to their identity. In reality, most employees are indifferent to the program. They perceive the logo and visual identity as a mere symbolic change, without any major consequences for the institutional character of the organization. A final explanation for the program’s success is thus based on the content of the institutional demands. A more threatening program would have led to more recalcitrant organizational responses. This also resonates with insights from the literature on organizational change. Organizational changes that affect the ‘periphery’ of an organization are more likely to be successful than changes that affect the organization’s core (Hannan & Freeman, 1984). Ashworth et al (2007) assume that structures and process are more receptive towards change than organizational culture or strategy. Finally, the implementation of the logo program can be ‘loosely coupled’ (Meyer & Rowan, 1977; Boxenbaum & Jonsson in: Greenwood et al, 2008). For most organizations, especially ministerial departments, the change has little to no effect on the primary process of the organization. A change that is less symbolic in nature can therefore be expected to lead to more resistance.

As stated in the opening paragraph on practical relevance in the, future Dutch cabinets will likely refer to a centralized implementation method. The analyses presented in this article suggests that may prove a successful approach, as long as there is strong political support to refer to, objectives are flexible to some degree, and the reform does not focus on core activities of the targeted organizations.
References:


Voortgangsrapportage Vernieuwing Rijksdienst, 2009)
