

# **COLLABORATIVE POLICY MAKING UNDER INSTITUTIONAL AMBIGUITY: PROCESSES OF STRUCTURE AND AGENCY**



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## INTRODUCTION

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*“When society becomes more complex, culture more critical, and authority less ascriptive, social spaces open up that organizations must negotiate if they are to succeed in getting their way. Rather than responding to authoritative commands and prescriptions, social processes become more contingent, more subject to conflict and argumentation.” (Alexander 2004: 544)*

Throughout the last decades, the assumption that a central government is the locus of governance has been challenged. Actors from outside the traditional policy making system, particularly industry actors, are increasingly engaging in the policy making process and with this, *“the boundaries of the public sphere are being redrawn”* (Newman 2005: 2).

Research policy making has become a process distributed among a variety of actors with different skills and interests. It has become a polycentric and multilateral process of shaping and re-framing perspectives, of consensus creation within competing interests and uneven power structures (Scherer and Palazzo 2011: 900). Policy making is now often carried out in a collaborative environment which relies *“on neither market nor hierarchical mechanisms of control (...) but is instead negotiated in an ongoing communicative process”* (Lawrence, Phillips et al. 1999: 481). The actors engage in a collaborative adventure without generally accepted rules and norms and thus they actively define their context, interpret and develop relationships across or next to established orders. Multiple, distributed actors (policy makers, managers, etc) do not only negotiate policy outcomes but actively shape and negotiate the rules of the game within which the policy outcomes are crafted (Hajer and Wagenaar 2003; Wagenaar and Cook 2003; Loeber, Hajer et al. 2005; Hajer 2009).

This offers a breeding ground for the emergence of new practices; new ways to organize these practices and opens up questions about agency and structure in complex, ambiguous and polycentric social contexts: How do the actors involved in collaborative policy making arrangements construct their social reality through interaction? How do they negotiate the rules of the game?

My thesis explores the relationship between strategic actions of managers and processes of structuration and institutionalization by means of a qualitative case study about a specific collaborative policy making arrangement. Connecting micro-, meso- and macro- phenomena and deepening concepts from neo-institutional theory and political theory, I take a dynamic, process oriented approach. My work benefits from the social theoretic commitments underlying neo-institutional theory and aims to overcome the structure / agency dichotomy by looking at social order as an ongoing, dynamic human production.

## THEORETICAL FRAMEWORK

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Collaborative policy making is not a routine-like activity. It takes place between multiple, parties, it is polycentric, distributed and often intercultural. The actors involved step into an uncertain, dynamic terrain and find themselves in what Hajer (Hajer 2003; 2006) calls institutional ambiguity: in *“a situation where there is no single “constitution” that pre-determines where and how a legitimate decision is to be taken”* (2006: 43). Thus, the struggle in which collaborators engage is not only a struggle about political decisions but also, and more critical, about the social rules of the game within the collaborative arrangement which

form the basis of power and voice distribution in decision making processes (Arts, Leroy et al. 2006; Enticott and Franklin 2009).

The “lack of structure” and taken-for granted routines makes actions of individuals more important and potentially more influential. It opens up considerable space for agency – thoughtful, self-interested actors can take action to influence the formation of rules of interaction and shape them according to their needs, interests and perceptions (Hajer 2003; Battilana, Leca et al. 2009; Hajer 2009). Their actions crystallize in patterns of actions, and gradually solidify in structures which in turn influence their behaviour (Garud, Hardy et al. 2007; Green, Li et al. 2009). Thus, collaborations under institutional ambiguity are likely foster structuration processes: while hierarchical relationships and market transactions are based on institutionalized governance mechanisms, providing a generally accepted framework within which negotiations take place “*negotiations associated with collaborations tend to be more complex and fundamental, leading to new understandings, norms, and practices*” (Lawrence, Hardy et al. 2002: 282).

This leads to a number of theoretical and empirical challenges and opens up a variety of questions:

- Which are the structures that organize the practices of the actors (particularly managers) involved in the collaborative policy making arrangement?
- How do rules and norms of appropriate behavior evolve?
- How do actors individually and collectively interpret and define the rules of the game?
- What are typical actors, actions and reciprocal roles?
- How stable are these arrangements and how do actors actively intervene in and create them?

To answer these questions, my study integrates three levels of analysis: action, interaction and institutionalization.

Based on Berger and Luckmanns “*social construction of reality*” (1966), structuration theory (Giddens 1984; Barley and Tolbert 1997) and interpretive approaches in neo-institutional theory (Phillips, Lawrence et al. 2004; Zilber 2007; Hardy and Maguire 2008; Phillips and Malhotra 2008) I generate a number of basic assumptions about how actors in collaborative policy making arrangements construct their social reality under conditions of institutional ambiguity. These will provide a theoretical foundation to understand:

- (1) processes of structuration in collaborative policy making spaces
- (2) how individuals and organizations shape these processes (the role of agency)
- (3) and the dynamic relationship between (1) and (2).

On the basis of these social theoretic underpinnings and by drawing on literature from deliberative policy studies (e.g. Fischer 2003; Hajer 2003; Hajer and Wagenaar 2003; Arts, Leroy et al. 2006), neo-institutional theory (e.g. Greenwood, Suddaby et al. 2002; Greenwood and Suddaby 2006; Hardy and Maguire 2008), practice and organizing theory (Bourdieu 1972; Seo and Creed 2002; Czarniawska 2008), my study develops a dynamic process model centered around three integrated levels of analysis:

- (1) **The macro level** allows for different institutional logics and thus for the different social and institutional contexts that regularize behaviour of the different actors (Thornton and Ocasio 2008). It also allows for a new, hybrid logic institutional entrepreneurs (from the micro level) may theorise out of this “toolbox” as a basis for collaborative action within

the policy arrangement (Greenwood, Suddaby et al. 2002; Greenwood and Suddaby 2006; Thornton and Ocasio 2008; Tracey, Phillips et al. 2011).

- (2) **The meso-level** is characterised by typified behaviour and organising: expectations about performance, embodied in personal experience by means of roles. They unveil in day-to-day interactions: in typified situations, typified actions, typified actors, roles and scripts (Barley and Tolbert 1997; Weber and Glynn 2006; Czarniawska 2008).
- (3) **The micro level** accounts for conscious and self-interested action and practise of actors who are embedded in the micro- and meso- level but at the same time able to strategically shape both levels. They can actively exploit contradictions within meso-and macro level to advance their purposes and interests and produce social realities through contextual interaction (Giddens 1984; Seo and Creed 2002; Battilana 2006; Hajer 2006a; Lounsbury and Crumley 2007).

None of these levels stands alone; each exists and comes into existence only in relation with the other two. The relationships and continuous feedbacks between the different levels are shown in Figure 7, which will provide a basis for exploring the research questions stated above.

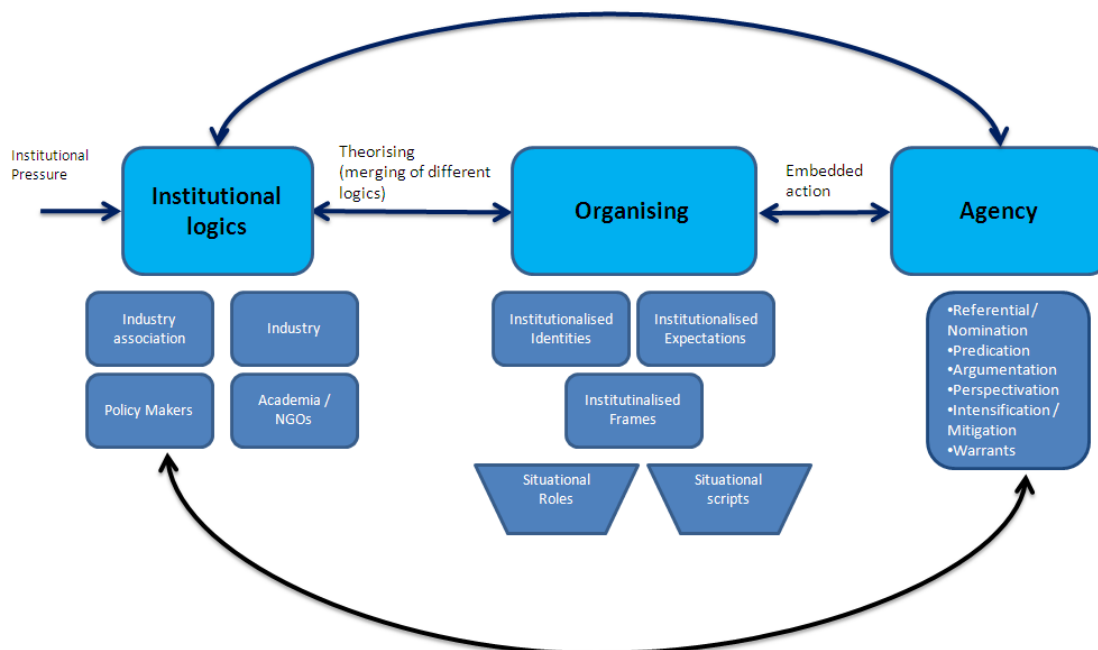


FIGURE 1: KEY CONCEPTS AND DYNAMIC RELATIONSHIPS BETWEEN THE THREE INTEGRATED LEVELS OF ANALYSIS

## METHODOLOGY

The processes of institutionalization and structuration arising from the dynamic interaction between the three levels of analysis are explored by drawing on a qualitative, in-depth case study about a collaborative policy making arrangement. The analysis will cover the time period from 2003 (foundation of the platform) until 2013 (end of PhD project).

### QUALITATIVE, CASE STUDY RESEARCH

I chose a qualitative, single case study for my research. The essence of collaborative policy making is the struggle over ideas, interests, representations and their meanings and

interpretations. Actors and organizations not only negotiate policy issues but also the rules according to which policy making in their specific collaborative environment works. They actively define their context, interpret, develop relationships and they construct new rules, what those rules are, who is involved and how. In short – the actors actively construct their reality. Thus, the core of my research is about the social construction of reality and my philosophical underpinnings are closely tied to the social constructionist thinking of Berger and Luckmann, Geertz and Giddens (Berger and Luckmann 1966; Geertz 1973; Giddens 1984).

Rather than explaining and looking for law-like explanations, my research is concerned with understanding the particular. An in-depth case study is best suited for my purpose, as it will enable me to work on a rich contextual description for understanding (Stake 2005). As Flyvbjerg argues, *“predictive theories and universals cannot be found in the study of human affairs. Concrete case knowledge is therefore more valuable than the vain search for predictive theories and universals.”* (Flyvbjerg 2011: 304). Thus, the case study approach facilitates understanding of complex issues, of real, contemporary human situations and hence, it can contribute to a deeper insight of how social structures develop within collaborative policy making arrangements.

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## DATA AND METHODS OF DATA ANALYSIS

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Recognizing that I am investigating a complex and dynamic phenomenon and processes of meaning creation, my research will revert to multiple data sources such as interviews, archival and social web data combined with observations.

- (1) **Semi-structured interviews** will be conducted with policy makers and managers involved in the SusChem technology platform. The interviews will last between 20 minutes and 2 hours and will be guided by a semi-structured agenda. As my research is centred on the role of the companies in SusChem (and to a lesser extend policy makers) other actors involved in the technology platform will be interviewed to a lesser extend (NGOs, Academia). The interviews will be recorded, transcribed and coded using Nvivo.
- (2) **Observations:** events organised within the context of SusChem will be attended and observed (e.g. conferences, stakeholder meetings). The observations will be captured in written summaries and coded in Nvivo. The observations are expected to link data from interview and secondary sources as well as to observe dynamics of collaboration and structuration in an environment where a large number of actors involved in the platform are present. Thus, they are expected to contribute to discover complex interactions in the natural social setting.
- (3) **Archival data and social web data:** archival data is available in the form of publicly available reports, PPTs, summaries, position papers, conference proceedings, homepages etc. Social web data is available from blogs and twitter. The data will be analysed complementary to the interviews and observations. The analysis of the documents will offer insight about interests, representations and issues as well as about typifications (frames, expectations, identities, roles and scripts). Secondary data will be particularly important for understanding the different institutional logics policy makers and industry actors refer to, and to understand the blending of these logics at the early phase of SusChem. Apart from this, it will shed light on identities, expectations, frames, scripts and roles in the platform. The secondary data will be coded using Nvivo.

While interviews will be the basis for analysing how individual actors impact the structuration process (micro), data from observations and secondary data will complement the

pool of texts to integrate the three levels of analysis (meso, macro). Nevertheless, as all levels constantly feed into each other, this will also be the case for the data.

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## DISCOURSE ANALYSIS

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The aim of the study is to understand how social reality and meanings are produced. While other qualitative approaches seek to understand the nature of social reality *as it is*, discourse analysis provides a means to study *processes* of social construction in a distributed and complex environment (Phillips and Hardy 2002). This makes discourse analysis the most adequate method of analysis for the understanding of the phenomenon in question.

All data collected will be treated as text, describing actions (Phillips, Lawrence et al. 2004). Thus texts can be spoken, written or performed. The data will be organized and coded according to the theoretical constructs, using discourse analysis. Ongoing interviews will be used to deepen first order codes and emergent understandings and to generate second order codes.

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## EMPIRICAL BACKGROUND

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My thesis focuses on a qualitative single case study about the European Technology Platform for Sustainable Chemistry – SusChem.

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## EUROPEAN TECHNOLOGY PLATFORMS

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European Technology Platforms (ETPs) have been introduced as a new instrument to ensure more industry driven research and innovation policies in the European 7<sup>th</sup> Framework Programme. The concept is based on the idea that research and development priorities have to be developed involving all stakeholders of the innovation process with the industry, rather than the European Commission, in the lead. Multiple actors come together and organize to define R&D priorities, timeframes and budgets (European Commission CORDIS 2011).

The European Commission has supported the creation of the platforms and is highly engaged in a dialogue on research priorities. Nevertheless, the platforms are independent entities and neither owned nor managed by the European Commission. So far, 36 Platforms have been officially set up. Some of them are just loose networks gathering in annual meetings while others established legal structures with membership fees (European Commission 2005). Due to the bottom-up approach, the involved actors have the freedom to jointly define how they want to organize, who should be involved, who is doing what and how. The question of how this is negotiated is the quintessence of my thesis.

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## SUSCHEM – THE EUROPEAN TECHNOLOGY PLATFORM FOR SUSTAINABLE CHEMISTRY

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SusChem is one of the most active and most successful platforms in terms of policy impact and funding. Over 700 million of FP7 project funding has its roots in SusChem proposals (European Chemical Regions Network 2010). It has been initiated in 2003, with Cefic, the European chemical industry association, taking the lead in setting up the platform and getting the stakeholders together, benefitting from its network of big chemical companies and industry associations. SusChem's development can roughly be described in four phases (1)



setting up the platform (2) elaborating the platform documents and agenda, (3) implementing the agenda and (4) aligning the strategy to FP8.

## CONCLUSION

Throughout the last years, the division of labor between business and government has been fading and research policy making is increasingly becoming a collaborative adventure where a variety of actors come together to negotiate not only issues, but also interests and representations.

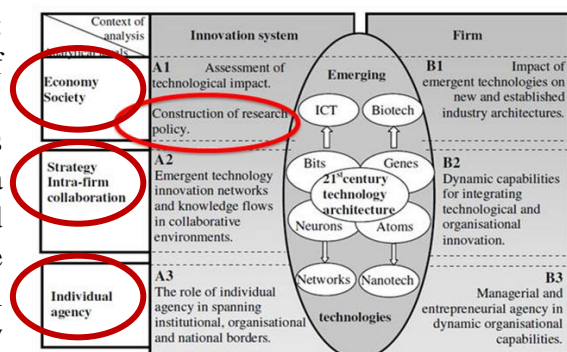
While in political science, the phenomenon is enjoying increasing popularity as “*deliberative policy making*” (Laws 2001; Hajer and Wagenaar 2003; Loeber, Hajer et al. 2005; Hajer 2009), the few management scholars who have engaged in the discussion have been focusing on the consequences of deliberative policy making for CSR (Scherer and Palazzo 2008; Scherer and Palazzo 2011). The relationship between governments and companies is still predominantly perceived as a matter of lobbying and pressure politics (Hillman and Hitt 1999; Hillman, Keim et al. 2004; Bernhagen and Bräuninger 2005) rather than a matter of collaboration and deliberation.

Deliberative policy making fundamentally changes the nature of business-government relations. My research aims to contribute to a better understanding of how the rules of the game in such collaborative policy making are shaped under conditions of institutional ambiguity. The study engages with a complex, multifaceted and distributed phenomenon that has emerged in recent years. European Technology Platforms are a new form of strategic engagement between companies and governments and although the importance to understand the emerging structures in collaborative policy arrangements has been acknowledged, this has not yet been studied empirically. In order to fully benefit from the potential of such collaborations and to avoid unintended outcomes, there is a need to understand the underlying dynamics of rule formation which determine who can say what on which grounds in which situation, whose interests are represented and by whom. Knowledge about how the actors organize may also diminish the probability of failure of such collaborations.

## IMPLICATIONS FOR MANETEI

My research project is located within SWP 1: construction of research policy / evolution of nanotechnology policy.

As illustrated above, my research addresses not only a new form of policy making in a distributed, complex, dynamic and multifaceted environment, but also the relationships between the broader societal context, collaboration and individual agency that foster innovation.



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