USING INSTITUTIONAL LOGICS AS CULTURAL RESOURCES: A MICRO-PERSPECTIVE ON ORGANIZATIONAL HYBRIDITY

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Abstract

How is organizational hybridity constructed at the micro-level?
This overarching question is the starting point of this doctoral
research.

Studies to date suggested institutional entrepreneurs can
combine institutional logics to create hybrid organizations.
However, simply designing an organization as a hybrid does not
a hybrid organization make. Instead, unsettle times within
organizations may well provide an opportunity for organizational
members, other than founders and entrepreneurs, to deploy
available institutional logics as cultural resources. As a
consequence, hybridity is constructed as an ongoing process.
Yet, little is known about the logics available to organizational
members in such settings, how these logics are deployed or with
what outcomes to the organization.

In this thesis, I adopt a social constructionist perspective to
examine the active role played by organizational members at the
micro-level, in constructing organizations as hybrids. Such an
approach adds to studies challenging assumptions, within the
extant literature, that hybridity is imposed upon organizations,
potentially negative and requiring responses or management. In
order to do so, I explore a recently established Community
Interest Company (CIC) to shed light on how organizational
members deploy available logics in relation to organizational
form and identity.

Overall, my empirical research leads me to: first, refine the idea
of institutional logics as cultural resources within organizations;
and second, show how organizational members affect
organizational hybridity by deploying logics and interacting with
other organizational members, leading to different outcomes. In

doing so, this research answers calls to analyse the role of the micro-level in hybrid organizational research. Furthermore, it addresses gaps in the institutional logics literature related to how, and to what end, logics are used as cultural resources in organizations, and with what organizational outcomes.

On a practical note, this research can potentially support members of hybrid organizations to incorporate and balance multiple institutional and organizational aspects, achieving the positive potential of hybridity.

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PhDs are not simply built on the shoulders of multiple published scholars. They are the result of an incredibly large support network that includes supervisors, colleagues, funders, administrative staff, participants of several academic events, teachers, helpful scholars, interviewees, fellow doctoral students, friends and family. In order to be fair to all that, in one way or another, contributed with me throughout this process, I would probably require 1,000 extra words. Therefore, I concentrate on the essential few, without whom, this thesis would simply not be.

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Chapter 1 – Introduction

Hybrid organizations[1], such as social enterprises, are not a new phenomenon. The combination of social and commercial activities, for instance, appeared in both the non-profit and for-profit sectors centuries ago. The inception of hybrids can be traced to the first monasteries to trade wine and cheese in order to survive, to the first hospitals in the eighteenth century to charge fees to wealthier patients to underwrite aid to the poor, and to the start of the co-operative movement in England in 1844 (Shaw & Carter, 2007; The Institute for Social Entrepreneurs, 2008). Importantly, these types of organizations successfully survived over the years, balancing potentially incompatible institutional and organizational aspects such as, institutional logics, organizational forms and organizational identities.

In the contemporary context, it can be argued that most organizations are prone to a certain level of hybridity. Even a typical private organization, such as a multi-national corporation, could combine multiple logics or identities arising from, for example, its Corporate Social Responsibility (CSR) department (Christiansen & Lounsbury, 2013). As such, organizational hybridity is the norm rather than the exception. Therefore, the ability to not only manage, but also construct organizational hybridity will be an essential skill for the survival and success of any organization.

While academia has an important contribution to make in this sense, it is only recently that hybrid organizations gained attention from organizational scholars. As a consequence, definitions of hybrid organization vary and research on the

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[1] To improve flow and clarity, key concepts and terms are only defined and elaborated on in the literature review (Chapter 2). A summary of the definitions used in this thesis is also provided in Appendix 1.

subject privileges certain assumptions. This thesis hopes to address these limitations, as further explained below.

1.1. Research problem

The study of hybrid organizations is increasingly sophisticated. However, there is no consensus in the literature to date on how to define hybrid organizations. Instead, three concepts have been primarily used to define hybrids and develop research on the topic: organizational form (McKelvey, 1982), institutional logics (Thornton & Ocasio, 1999) and organizational identity (Whetten, 2006).

These concepts are argued to be interrelated (Battilana & Lee, 2014; Foreman & Whetten, 2002; Glynn & Raffaelli, 2013; Tracey, Phillips & Jarvis, 2011), suggesting that exploring organizational hybridity from a single perspective is not only problematic but also incomplete. Organizations are complex, and hybrid organizations clearly illustrate this complexity. Thus, any definition of organizational hybridity ought to fully consider this complexity if it is to enable comprehensive and significant studies.

Furthermore, a review of the different streams within the hybrid organization literature suggests that research on the topic has been predominantly developed within three dominant assumptions: that hybridity is imposed upon organizations; that hybridity has negative outcomes to organizations; and that agency in relation to hybridity is reactive, in that organizational members simply respond to it. Such assumptions are also problematic, as they tend to overlook the role of organizational members in actively constructing organizational hybridity from the bottom-up. As a result, they limit our understanding of the

topic and our potential to contribute to the development and success of hybrid organizations.

One of the reasons to explore hybrid organizations is the possibility of tapping into their potential to adapt and combine existing institutional and organizational aspects, to seize opportunities and/or respond to challenges. For example, social enterprises unite an increasingly dominant business logic in society (Dart, 2004) with the potential for systemic change and social transformation (Alvord et al., 2004; Mair & Martí, 2006; Martin & Osberg, 2007; Santos, 2012). Similarly, introducing commercial activities provided charities with the opportunity to increase professionalization (Dees & Anderson, 2003), acquire independence from grants (Teasdale, 2011), and/or better serve their social purposes (Alvord et al., 2004).

Indeed, recent studies focusing on the micro-level, especially within the institutional logics literature, are starting to highlight agency over, or in relation to, structure (Ashforth, Harrison & Corley, 2008; Binder, 2007; Delbridge & Edwards, 2013; Meyer & Hammerschmid, 2006; McPherson & Sauder, 2013; Pache & Santos, 2013; Tracey et al., 2011). Nevertheless, within this body of research, concern commonly lies with what happens when multiple demands or claims exist and are already competing; or with what happens when a new aspect is introduced to the organization and challenges the previously dominant one. Organizational hybridity is still considered mostly as imposed and requiring management rather than actively constructed at the micro-level. The exception (see Tracey et al., 2011) focuses only on the efforts of entrepreneurs/founders at the moment of designing and founding alone.

To seize the positive potential of hybridity or to be able to replicate a successful hybrid organization's ability to incorporate and balance multiple aspects, we have to move beyond treating

agency as merely reactive. If individuals are able to construct institutions and sustain them over time (Berger & Luckmann, 1991), they are also able to manipulate and change these institutions to better fit their current purpose or historical momentum. Such a belief is at the centre of this thesis.

1.2. Research questions and aims

In contrast to dominant approaches within the field, this research uses a social constructionist perspective to explore organizational hybridity. It builds on Tracey et al. (2011) and other studies that prioritizes agency over structure to further answer: *How is organizational hybridity constructed at the micro-level?* In particular, it focuses on an organization that is becoming a hybrid, rather than being developed as one. It also explores hybridity as constructed by organizational members through the use of institutional logics as (cultural) *resources* in relation to organizational form and identity.

The metaphor of institutional logics as tools/resources has been considered by a few authors to date (Goodrick & Reay, 2011; Hallett & Ventresca, 2006b; Hills, Voronov & Hinings, 2013; Mair, Mayer & Lutz, 2015; Pache & Santos, 2012; McPherson & Sauder, 2013) and resonates with the discussion presented in this thesis. Such studies highlighted that individuals can manipulate and use available logics to drive their purposes forward. If this is the case, organizational hybridity is likely to be constructed differently and lead to different organizational outcomes depending on what logics are available, how they were used, and to what purpose within the organization.

However, most studies considering institutional logics as tools, or resources, only touch the surface when it comes to

understanding *how* and *to what end* organizational members use logics, and with what organizational outcomes. In order to address these gaps, and to further understand how organizational hybridity is constructed at the micro-level, these more specific questions are addressed empirically:

(1) *What logics are available to organizational members when the organization is becoming a hybrid?*

(2) *How, and to what end, do organizational members deploy these available logics?*; and

(3) *What are the organizational outcomes of this deployment?*

These questions are explored during the moment when an organization is being restructured within a Community Interest Organization (CIC), becoming a hybrid. Furthermore, they consider only how logics are used in relation to organizational forms and organizational identities. These choices are consistent with the literatures reviewed and the discussion presented in this thesis, integrating the three concepts that constitute organizational hybridity. Overall, this doctoral research empirically explores the metaphor of cultural toolkits/resources and aim to better understand the role of organizational members in using institutional logics and constructing organizational hybridity from the bottom-up.

In order to manage the complexity that underpins these questions and aims an in-depth case study was conducted. Case studies are consistent with the ontological and epistemological positions assumed in this thesis (social constructionism and interpretivism). They suit exploratory, in-depth, contextualized investigations concerned with developing, rather than testing, theories; integrate multiple approaches for data collection; and encompass an iterative process, allowing for ongoing analysis

and necessary adjustments (Bryman, 2015; Hartley; 2004; Yin, 2013).

The organization chosen, Mercurius[2], had been recently established as a Community Interest Company (CIC). Mercurius has unique characteristics, such as a parent company and several social enterprises that suggested that multiple logics were available and could be used as cultural resources. Data was gathered within a period of 18 months, and the final data-set includes 41 individual interviews with employees from different levels in the organization, one group interview with Mercurius' business managers, 71 documents, 53 images and 30 field-notes that represent approximately 200 hours of observation (see appendix 4).

The collected material was transcribed in full and organized using the QSR Nvivo software. Data analysis was carried out with the overarching research question in mind, but in accordance with the aim of each specific sub-question. Each step of the analysis uses the method and type of coding that is more appropriate to that particular step (Patton, 2002; Saldaña, 2015), as follows:

> First step – The Thornton et al.'s (2012) ideal type descriptions is used to identify what institutional logics are available to Mercurius members, in order to refine our comprehension of logics within cultural toolkits;

> Second step - The Gioia Methodology (Gioia et al., 2012) is used to study how and to what end organizational members deploy available logics, with the aim to deepen our knowledge of institutional logics as cultural resources;

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[2] Names of all individuals and organizations mentioned in this thesis were modified in order to guarantee anonymity, as further explained in chapter 3.

Third step – a thematic coding (Gibbs, 2008) is used to explore the organizational outcomes of how members deploy logics within Mercurius, in order to better explain the organizational outcomes of hybridity.

These steps generate findings that address gaps in the institutional logics literature; demonstrate the connection between the key concepts that underpin organizational hybridity; and challenge the dominant assumptions within the hybrid organization literature that hybridity is imposed and negative, and agency reactive.

1.3. Research contributions

In summary, the first analytical step reveals that several logics are available, and can be accessed and deployed by members of a hybrid organization. The availability of these logics varies from member to member according to their personal experiences, interaction with other members and current position in the organization. The analysis also reveals that a member's identification with a logic is not a precondition for deploying it.

The second analytical step shows that organizational members deploy available logics in four ways: independently, concurrently, complementarily and in contrast. This step also reveals that members deploy logics formally and informally to: signify attributed organizations aspects such as organizational form or identity; articulate and/or materialize organizational aspects. Organizational hybridity is constructed in accordance with *how* and *to what end* logics are deployed. Importantly, how members use logics vary according to their personal aims and interpretations of organizational needs. There is no indication

that variants are connected or part of a cyclical or linear process (c.f. Smets & Jarzabkowski, 2013).

The findings from the third analytical step indicate that when members identify with particular logics and go on to deploy them *in contrast* to other logics, organizational outcomes are negative. Inversely, when members deploy multiple logics *concurrently* or *complementarily* with other logics, organizational outcomes are positive. However, when members deploy logics *independently* the outcomes depend on the individual aims and on internal dynamics. When doing so, this creates tension and members resort to different strategies to resolve it, such as socialization, selective using logics, and accessing unmanaged spaces and compartmentalizing logics.

Overall, this thesis challenges the dominant assumptions within the hybrid organization literature and answers calls to further discuss the role of the micro-level in hybrid organizational research (Battilana & Lee, 2014; Skelcher & Smith, 2015). It deepens understanding of organizational hybridity, by showing how it is actively constructed by organizational members, not only founders, when an organization is becoming a hybrid.

Furthermore, this thesis addresses gaps within the institutional logics literature. It deepens our knowledge of cultural toolkits and institutional logics as cultural resources (Binder, 2007; McPherson & Sauder, 2013; Pache & Santos, 2013; Tracey et al., 2011). It does so, by revealing what logics are available to organizational members, how and to what end these logics are deployed, and with what organizational outcomes.

Practically, it can support members of hybrids to actively manipulate and deploy logics, incorporating and balancing multiple aspects.

1.4. Personal motivation

Prior to commencing my doctoral studies, I spent 13 years working in multi-national organizations and volunteering in non-profits and international organizations. As a practitioner, terms such as *hybrid organizations* and *institutional logics* had little meaning to me. Nevertheless, they were part of my routine. I spent most of my career in settings and roles that attempt to bridge social and commercial outcomes (e.g. social responsibility departments, social enterprises, universities). Therefore, I was familiar with hybridity, its challenges and opportunities.

I was also aware how organizational members across all levels of hierarchy embodied and used particular logics to support their actions and how it affected the organization. Finance directors frequently opposed social responsibility initiatives because they saw them as detrimental to the company's profitability. Social workers in charities often prioritized the community over the sustainability of the organization.

The more I worked within these settings the more puzzled I became with members who insisted on replicating taken-for-granted logics at any cost, such as prioritizing profit over the health of employees or self-interest over a project with significant social benefits. However, what surprised me the most was that these individuals frequently showed that they were able to act differently. There was something important I was missing; and I seized the opportunity of conducting my doctoral research to discover what it was.

More importantly, this research became the opportunity to aid those working to promote social change through or within business, such as myself. Learning about institutional logics helped me grasp why some individuals actions seemed predictable. However, learning about institutional logics as

(cultural) *resources* was particularly illuminating to understand when these actions were not. Such knowledge would be essential for allowing me to assist members of hybrid organizations incorporate and balance multiple aspects and achieve the positive potential of hybridity.

1.5. Chapter overview

For the sake of clarity, this thesis follows a straightforward structure: introduction (chapter 1), literature review (chapter 2), methodology (chapter 3), findings (chapter 4-6), discussion (chapter 7) and conclusion (chapter 8), as follows.

In **Chapter 2**, I introduce the key concept that underpins this thesis: organizational hybridity. I review current definitions of hybrid organization; and propose a more integrative definition that sets the basis for this doctoral project. I then present the overarching research problem I seek to address. I review prior studies on hybrid organizations; and critique the dominant assumptions on hybridity. Next, I delimit the scope of this thesis and discuss how it contributes to studies prioritizing agency over structure within the hybrid organizations literature. Finally, I introduce a set of specific research questions that guides this case study.

In **Chapter 3** I show how a case study will enable me to answer the questions proposed in the previous chapter, and how I deal with the challenges I encountered along the research journey. I detail my methodological approach and research design. I introduce the social constructionism research paradigm that underpins this thesis; and discuss how this shaped my empirical research design, including choice of setting and organization. Finally, I explain methods used for data collection

and outline my approach to data analysis. Additionally, I reflect upon the process of doing and writing an in-depth case study; and on the measures taken to guarantee the quality of the research and address the ethical issues raised by the study.

The findings are divided in three chapters, each one addressing one of my research questions. **Chapter 4** focuses on available logics. I analyse the context where Mercurius is embedded; briefly describe key stakeholders and present the dominant external logics they impose on the CIC. I then explore the CIC internal configuration; introduce organizational members personal logics and comment on their influence on Mercurius. I conclude by detailing the initial insights these findings provide on the cultural toolkits of organizational members in a hybrid organization. **Chapter 5** focuses on how available logics are deployed by organizational members. I present four different ways Mercurius members deployed logics to structure organizational aspects. I also describe to what end these members deployed available logics. In doing so, I provide insights into how available logics are deployed and how they affect how organizational hybridity is constructed from the bottom-up within an organization. Following from this analysis, in **Chapter 6** I show that how Mercurius members deployed logics led to different organizational outcomes, contributing to the fate of the CIC and its social enterprises.

The implication of the findings and the overall contribution to theory is discussed in **Chapter 7.** I build on problems and gaps discussed in my literature review to highlight several contributions to the hybrid organization and the institutional logics literatures. The practical implications of this thesis are elaborated on **Chapter 8**, drawing from my motivation to research hybrid organizations in the first place. I conclude by

reflecting on the limitations of this study and suggesting a number of additional paths for future research on the topic.

A summary of these points is also included at the start of each chapter as a brief reminder to the reader. Additional material and information about specific areas of this research are offered in the Appendix.

1.6. Chapter summary

This introduction aimed to give readers a comprehensive overview of the thesis that follows, as well as, inspire them to delve further into the concept of organizational hybridity.

Organizational hybridity is crucial for the future of organizations. Hybridity is likely to intensify with external and organizational contexts becoming increasingly varied and complex. Therefore, understanding how hybridity is constructed from the bottom-up is paramount. It allows organizations to not simply repeat taken-for-granted organizing models, but to actively create alternatives that are better suited to the challenges and opportunities of our time. Social enterprises are the evidence of hybrids potential to do so. It is my hope that the story presented by this research provides interesting and influential theories, bringing to light overlooked details that can aid those managing and working in SEOs and other hybrid organizations.

Chapter 2 – Organizational hybridity

This literature review chapter is divided in three sections. The first section revises key concepts and streams of literature that constitute our current understanding of organizational hybridity (2.2.). An integrative definition is then proposed (2.3.) that sets the basis for this doctoral project.

The second section discusses prior research dominant assumptions about hybridity (2.4.). It also identifies works that support a shift in paradigm (2.5.) in order to advance knowledge on the subject, underpinning the subsequent discussion.

Finally, the third section (2.6.) explains this thesis approach to exploring organizational hybridity as constructed from the bottom-up and introduces a set of specific questions that guides the following empirical chapters.

2.1. Introduction

Organizational hybridity has been mainly conceptualized as a consequence of a fragmented institutional environment in which the organization is embedded (Haveman & Rao, 2006; Pache & Santos, 2010). Given increasingly tenuous cultural and sectorial borders and decentralized power (Bauman, 2000), it is likely that hybridity is not simply a passing trend but will be increasingly a feature of organizations. As such, deepening our understanding of organizational hybridity becomes paramount.

One way to drive theory forward is to identify and challenge its current assumptions (Alvesson & Sandberg, 2011). Therefore, this chapter discusses three dominant assumptions that limit our understanding of hybrid organizations: first, that hybridity is imposed upon organizations; second, that hybridity has negative

organizational outcomes; and third, that agency in relation to hybridity is reactive, in that organizational members simply respond to, or manage, hybridity.

These assumptions are closely connected to the three concepts primarily used to define hybrid organizations and develop research on the topic: organizational form (Battilana & Lee, 2014; Haveman & Rao, 2006; Ménard, 1998; Williamson, 1991); organizational identity (Albert & Whetten, 1985; Foreman & Whetten, 2002) and institutional logics (Battilana & Dorado, 2010; Tracey et al., 2011).

This review commences by introducing and problematizing each of these research streams. Where applicable, I draw from examples from social enterprises (SEOs) and community interest companies (CICs) to initiate a connection with the context relevant to the case explored in this thesis.

2.2. Hybrid organizations

The term *hybrid* has been deployed for various purposes by organizational theorists. For instance, *hybrid* was used as early as in 1901 to describe organizations that were *"controlled simultaneously by federal and State authorities"* (Windmüller, 1901:119). More recently, the increase in organizations that incorporate characteristics from varied organizational forms renewed the interest in hybrids in the organizational literature (Battilana & Lee, 2014; Ebrahim, Battilana & Mair, 2014; Joldersma & Winter, 2002; Lan & Rainey, 1992; Ménard, 1998, 2006; Williamson, 1991). Similarly, hybrid organizations became the focus of streams of research exploring organizations that incorporated multiple identities (Albert & Whetten, 1985;

Foreman & Whetten, 2002) or multiple institutional logics (Battilana & Dorado, 2010; Tracey et al., 2011).

Organizational form, organizational identity and institutional logics were recognized in the literature as constituting hybrid organizations. Although they were described as connected (Battilana & Lee, 2014; Foreman & Whetten, 2002), definitions are often given from a single concept. For example, Battilana and Dorado (2010) define hybrid organizations only as *"organizations that combine institutional logics in unprecedented ways"* (2010: 1419). This is the case even in studies that consider links between two concepts (Mair et al., 2015; Pache & Santos, 2013; Tracey et al., 2011).

However, defining organizational hybridity through a single concept can be limiting. Instead, building upon the diverse existing perspectives on hybrid organizations, organizational hybridity is defined here as *the co-existence, within a single structure, of multiple institutional logics, organizational forms and/or organizational identities*. As such, it provides a more adequate starting point to challenge current assumptions on the topic, as further explained below.

2.2.1. Multiple organizational forms

One of the most common definitions of hybrid organizations associates hybridity with multiple organizational forms (McKelvey, 1982). Within this stream hybrids are: *"entities that blend elements of two or more distinct organizational forms"* (Haveman & Rao, 2006: 975). However, while organizational forms are often considered a constitutive aspect of hybrid organizations, the concept is rarely defined. As a result the notion of a *hybrid organizational form* often lacks boundaries.

For example, initial studies on the subject understood *hybrid form* as contracts between firms (e.g. franchises, network organizations, joint ventures and firm-market hybrids) (Ménard, 1998; Ménard, 2006; Williamson, 1991).

Hodgson (2002) was particularly critical of this initial approach. The author suggested that diverse terms, including hybrid form, were *"largely misconceived"* and *"result[ed] from the lack of a clear, legally-grounded definition of the firm"* (2002: 38). Hodgson (2002) argued that as a legal entity a firm is able to enter into contracts with other firms. Therefore, contracts and hierarchy *between* firms should not be considered a hybrid entity or form. Such a boundary seems to reflect most studies to date. For instance, Haveman and Rao (2006) clearly stated that it is the presence of two or more distinct organizational forms *within* a single entity that defines a hybrid organization.

Closely connected with Hodgson's (2002) legal perspective is the conceptualization of organizational form as a set of formal rules or model that represents a type of organization or a particular sector (Billis, 2010). As such, organizational forms are imposed upon organizations once they are formalized. For example, a private organization is expected to develop internal characteristics that follow the private sector model, in order to achieve its purpose to be profitable.

Although this perspective of organizational form provides clearer boundaries, it is rather deterministic. It implies that organizational hybridity is only possible if new hybrid models are formalized to regulate particular sectors, fields or types of organizations. Indeed, new types of legislation have been developed recently to encompass hybridity, such as the B-Corporation and the low profit limited liability company in the U.S. and the Community Interest Company in the UK (see

Cooney, 2012 for an interesting comparison of the three types). However, legal hybrid models are still rare.

Furthermore, even organizations that follow the model of a particular sector, such as public, private or third, frequently incorporate characteristics from the other sectors (Billis, 2010). Public-private hybrids (Bishop & Waring, 2016; Joldersma & Winter, 2002; Lan & Rainey, 1992) and social enterprises (Austin, Stevenson & Wei-Skillern, 2006; Battilana & Lee, 2014; Battilana, Lee, Walker & Dorsey, 2012; Doherty, Haugh & Lyon, 2014; Ebrahim et al., 2014; Teasdale, 2012) are good examples of organizations that in spite of being registered as a private, public or non-profit organization; frequently incorporate elements from other forms.

Therefore, organizational hybridity cannot be simply considered as legally bounded and imposed upon organizations due to the sector in which they are embedded. Rather, hybridity results from bringing selected characteristics from multiple sectors together *within* the organization. This resonates with more recent research within the hybrid organization literature. These studies assume that organizational hybridity results from an attempt to blur sectorial, or institutional, boundaries in order to respond to competing external demands (Battilana & Lee, 2014; Haveman & Rao, 2006). For example, social enterprises combine elements of for-profit and non-profit forms to accommodate the needs of both consumers and beneficiaries (Battilana, Sengul, Pache & Model, 2015).

Although illuminating, this view still portrays hybridity as somewhat imposed upon the organization, and overlooks the role of agency by depicting it as reactive. That is, a hybrid organizational form is created only because organizational members are responding to its external environment. However, some studies suggested that individuals can also alter or

combine existing forms (Battilana & Lee, 2014; Billis, 2010; Daft & Lewin, 1993). As such, a hybrid organization form is not simply imposed but potentially constructed at the micro-level.

In order to encompass this possibility, organizational form is defined here as *"those elements of internal structure, process and subunit integration which contribute to the unity of the whole of an organization and to the maintenance of its characteristic activities, function, or nature"* (McKelvey, 1982: 107). Examples of these elements include: governance, roles, rules and practices. This perspective of organizational form allows the inclusion of other alternatives of organizing, managing, and structuring collective activities that goes beyond *"a distinct, formal, incorporated, and legally defined entity"* (Meyer & Höllerer, 2014: 1223). Furthermore, it can also incorporate agency as both reactive and active. Importantly, it maintains organizational hybridity within the boundary of a single entity.

In summary, the hybrid form literature raises issues in terms of boundaries. Furthermore, it portrays hybridity as imposed upon organizations through legal frameworks or competing demands, treating agency primarily as reactive. However, organizational form is not the only concept used to define hybrid organizations. In order to advance this discussion, it is also important to look at organizational identity and institutional logics.

2.2.2. Multiple organizational identities

Organizational identity (Albert & Whetten, 1985; Whetten, 2006) is the second concept used by scholars to discuss organizational hybridity. In this stream, a hybrid is frequently defined as an organization *"that embodies two or more identities at the same time"* (Albert & Adams, 2002: 35). These could be *ideographic*

identities, multiple identities associated with multiple departments within the organization, or *holographic identities,* multiple identities that co-exist in the organization as a whole (Albert & Whetten, 1985).

Organizations explored in this perspective include cooperatives (Ashforth & Reingen, 2014; Foreman & Whetten, 2002), universities (Albert & Whetten, 1985), non-profits (Golden-Biddle & Rao, 1997), health care organizations (Pratt & Rafaeli, 1997), and cultural institutions (Glynn, 2000), among others. Moss and colleagues (2011), for example, analysed mission statements of diverse social enterprises and identified two distinct identities at play in these organizations: an entrepreneurial identity and a social organizational identity.

The concept of organizational identity is closely connected to member perceptions of the organization (*"who are we as an organization?"*) and its core attributes (Whetten, 2006: 220). In contrast to studies on multiple forms, organizational members and internal dynamics were central concerns within research on multiple identities. Member identification with one identity over another, for instance, is noted for influencing the organization (Besharov, 2014; Foreman & Whetten, 2002; Golden-Biddle & Rao, 1997; Glynn, 2000; Pratt & Rafaeli, 1997).

Yet, this body of research has a propensity to consider organizational identity and identification as somewhat rigid. That is, each organizational member or group is frequently conceptualized as representing one identity claim (the one with which they identify) (Albert & Adams, 2002; Albert & Whetten, 1985; Pratt & Foreman, 2000; Whetten, 2006). As a result, hybridity is often portrayed as negative, as the co-existence of multiple identities is incompatible and leads to intractable conflict (Ashforth & Reingen, 2014; Fiol, Pratt & O'Connor, 2009).

However, this stance has been critiqued by Ashforth, Harrison and Corley, who argue that *"casting identity (and identification) in dualistic terms is simplistic; individuals appear capable of simultaneously and even holistically defining themselves in terms of multiple identities"* (2008: 347). Indeed, research showed that collective identities overlap in organizations across levels, such as job, division, and organization (Ashforth & Johnson, 2001; Ashforth & Mael, 1989; Ashforth, Rogers & Corley, 2010; Delmestri, 2006; Pant & Ramachandran, 2011). Furthermore, organizational members are able to cope with multiple identities by attributing a different salience to each identity and/or shifting between them according to the situation (Ashforth, 2001; Ashforth & Johnson, 2001) or by making sense of and eventually combining the different identities (Jay, 2013).

These studies highlight the ability that organizational members have to not only cope with, but also manipulate multiple identities. As such, they indicate that organizational identities can shift over time and that multiple identities can co-exist. Organizational hybridity is not simply a result of competing perceptions about the organization. It is also not inherently negative.

Finally, it is important to take into consideration that organizational identity is not restricted to the micro-level. More recent work also ties the concept of multiple identities to the external environment (Brickson, 2005; 2007). Soenen and Moingeon (2002), for instance, argued that organizational identities have multiple facets, such as professed, experienced, manifested, projected and attributed. Attributed identities are ascribed by the organization various stakeholders and, as a consequence, could be hybrid or result in organizational hybridity. For example, an identity label such as social enterprise (SEO) implies certain attributes that can be

associated with multiple identities (Moss et al., 2011). Therefore, it is important to consider attributed identities in order to understand hybrid organizational identities.

Overall, the hybrid identity literature emphasises organizational member identification with an identity, and the representation of this identity within the organization, over agency. In doing so, it portrays organizational hybridity as intractable and with negative outcomes. In this sense, the identity stream is similar to the next stream of literature reviewed: multiple institutional logics.

2.2.3. Multiple institutional logics

A third and more recent stream of literature defines hybrids as organizations that *"combine multiple institutional logics"* (Battilana & Dorado, 2010; Pache & Santos, 2013). This research includes studies about various types of organizations, such as banks and microfinance organizations (Almandoz, 2012; Battilana & Dorado, 2010; Kent & Dacin, 2013), non-profits (Binder, 2007; Cooney, 2006), multi-nationals (Christiansen & Lounsbury, 2013), and social enterprises (Mair et al., 2015; Pache & Santos, 2010, 2012, 2013).

The idea of institutional logics has its roots in new institutional theory, for which cultural and historical frameworks, reproduced by powerful central actors, dictate the appropriate course of action or behavior for individuals and organizations (DiMaggio & Powell, 1991; March & Olsen, 1989; Meyer & Rowan, 1977; Scott, 1991). From this perspective, each logic is a normative, implicit macro schema (DiMaggio, 1997) that represents the historical development and underlying intentions of a governance system, such as a macro institutional order or an

institutional field (Friedland & Alford, 1991; Thornton, 2004; Thornton et al., 2012). In summary, institutional logics are *"the socially constructed, historical patterns of material practices, assumptions, values, beliefs, and rules by which individuals produce and reproduce their material subsistence, organize time and space, and provide meaning to their social reality"* (Thornton & Ocasio, 1999: 804).

Thornton and colleagues (2012), for example, considered the specific content and elemental categories of seven macro western societal orders (state, family, corporation, profession, market, religion and community) and described their equivalent institutional logics (see also Thornton, 2004). Similarly, other studies explored field-level logics (Battilana & Dorado, 2010; Dunn & Jones, 2010; Reay & Hinings, 2009; Voronov, De Clercq & Hinings, 2013), such as the social-welfare logic and the commercial logic of the work integration social enterprise (WISEs) field (Pache & Santos, 2012).

At the core of institutional logic research is the belief that institutionalised societal logics permeate fields and influence organizations and individuals through interaction (Thornton et al., 2012); imposing pressures for compliance (Oliver, 1991; Pache & Santos, 2010) and prescribing norms, practices and meanings (Thornton & Ocasio, 2008). Thus, studies in this literature frequently prioritize institutional and field level dynamics and their influence on organizations and individuals (Dunn & Jones, 2010; Fairclough & Micelotta, 2013; Hills et al., 2013; Smets, Morris & Greenwood, 2012). A common discussion, for instance, relates to the influence of shifting logics on fields and organizations (Haveman & Rao, 2006; Lounsbury, 2002; Rao, Monin & Durand, 2003; Reay & Hinings, 2009; Thornton, 2004; see also comments by Lounsbury & Boxenbaum, 2013).

In particular, what sets the institutional logics literature apart from new institutionalism is the recognition that diverse institutions co-exist and are potentially contradictory (Friedland & Alford, 1991). As a consequence, fields, organizations and individuals are influenced by multiple logics, and/or versions of one logic, which can compete creating challenges and/or opportunities (Friedland & Alford, 1991; Greenwood et al., 2011; Kraatz & Block, 2008; Thornton et al., 2012). Hence, the concept of institutional logics is closely connected to that of hybridity (organizational or otherwise).

Interestingly, the institutional logic perspective re-introduced agency to institutional theory, suggesting that individuals and organizations could exploit the competition between institutions to change the status quo. Nevertheless, many studies within this perspective limit agency to an ability to respond to competing institutional demands (Christiansen & Lounsbury, 2013; Jarzabkowski et al., 2009; Pache & Santos, 2010; 2012; Smets & Jarzabkowski, 2013; Smets et al., 2012; Zilber, 2011). These demands are commonly attributed to different stakeholders in the field in which the organization is established. For example, Pache and Chowdhury (2012) suggested that, in order to acquire resources, social entrepreneurs need to manage stakeholder demands and institutional logics from the social, commercial and public sector.

In this sense, the multiple logics perspective is closely connected to the hybrid form and hybrid identity ones. It emphasises institutional logics as imposed upon organizations and individuals, agency as reactive, and hybridity as potentially negative and requiring management (Boxenbaum & Jonsson, 2008; Greenwood et al., 2011; Jay, 2013; Kodeih & Greenwood, 2014; Purdy & Gray, 2009).

However, a more recent stream of the hybrid logics literature has noted that logics are not simply imposed but can also be manipulated and enacted by organizational members (Binder, 2007; Delbridge & Edwards, 2013; Hallett & Ventresca, 2006b; McPherson & Sauder, 2013; Tracey et al., 2011); and that the co-existence of logics is not inherently negative, rather it provides organizations and individuals with choice and opportunities (Kodeih & Greenwood, 2014; Kraatz & Block, 2008).

This approach prioritizes agency over institutional constraints, and suggests that organizational hybridity is not only a response to multiplicity, but also a construction of it (c.f. Kraatz & Block, 2008; Spicer & Sewell, 2010); such a view is central to the position in this thesis. From this perspective, it is the enactment of multiple logics within the boundaries of the organization that constitutes hybridity.

The distinction is subtle but important. In the case of the former, logics are external but managed internally, for example, by compartmentalization (Kraatz & Block, 2008; c.f. Pratt & Foreman, 2000). Depending on the response, the organization may or may not be a hybrid. For example, a private company may have to respond to multiple logics and institutional pressures from different stakeholders, but it is a not a hybrid as these logics do not necessarily permeate intra-organizational aspects of the organization, such as practices or identities (see Thornton et al., 2012 for an extended discussion about the materiality of institutional logics). However, in the case of the latter, multiple logics, even if generated externally, are enacted and manifested within the boundaries of the organization, permeating structural elements, practices and identities. For instance, social enterprises by default have to account for both a social-welfare logic and a commercial logic (Mair et al., 2015;

Pache & Santos, 2012), incorporating them in documents, practices, etc. This is irrespective of which stakeholders they relate to.

In summary, the stream of research that focuses on multiple institutional logics as constituting organizational hybridity raises similar concerns to the other literatures mentioned above. It not only provides unclear boundaries to organizational hybridity but also has a tendency to portray hybridity as imposed and negative, and agency as reactive. Nevertheless, new approaches within the institutional logics literature prioritize the micro-level and provide alternatives to challenges current dominant assumptions and to advance our understanding of organizational hybridity. In order to be able to build on these works and contribute to the hybrid organization literature as a whole, a more integrative definition is needed.

2.3. Organizational hybridity: an integrative definition

While exploring hybridity from a single perspective facilitates research; defining it from a single perspective creates an incomplete picture. Institutional and organizational aspects have already been noted as connected, with logics shaping form/identity (Battilana & Lee, 2014; Foreman & Whetten, 2002) or being shaped by them (Glynn & Raffaelli, 2013; Tracey et al., 2011; see also Pouthier, Steele & Ocasio, 2013 for a review of the entanglement between logics and collective identities). Furthermore, many studies that use a single concept to define hybrids touch on one of the other two concepts (Christiansen & Lounsbury, 2013; Foreman & Whetten, 2002; Golden-Biddle & Rao, 1997; Kodeih & Greenwood, 2014; Kraatz & Block, 2008; Mair et al., 2015; Pache & Chowdhury, 2012; Pache & Santos,

2013; Rao et al., 2003; Tracey et al., 2011). For example, Battilana and Dorado (2010) suggested that, in order to balance multiple competing logics, organizations should establish a common organizational identity that incorporates these logics.

Therefore, a definition of organizational hybridity should encompass simultaneously forms, identities and logics, as well as, their connections. These concepts were previously used to define hybrid organizations and there is a general consensus in the hybrid literature about their relevance. In addition, these three concepts often encompass other aspects considered as underpinning hybridity, such as goals and practices, as briefly explained below.

Research on hybridity has frequently highlighted issues related to multiple and/or conflicting goals. For example, some studies noted multiple goals as a defining characteristic of hybrid organizations or as central to explain their variance (Besharov & Smith, 2014; Doherty et al., 2014; Pache & Santos, 2010; Lentz, 1996). Other work explored the outcomes (mainly negative) of multiple goals to organizations (Adams & Perlmutter, 1991; Book, Eskilsson & Khan, 2010; Smith, Gonin & Besharov, 2013; Zahra, Gedajlovic, Neubaum & Shulman, 2009). The existence of a double bottom line has been particularly salient in the social enterprise literature (Battilana & Lee, 2014; Dees & Anderson, 2003; Doherty et al., 2014; Emerson & Twersky, 1996).

Although the existence of multiple goals is a relevant theme for hybrid organizations, they do not constitute organizational hybridity. Goals are derived from an organization's values and beliefs therefore, they either reflect the institutional environment in which the organization is embedded, and are a consequence of its multiple forms or institutional logics; and/or the core attributes given to the organization, and are part of its

organizational identity. Hence, multiple goals arise from and are linked to the other constitutive spheres of hybridity.

Similarly, a *hybrid practice* is the consequence of an attempt to combine multiple logics, and possibly multiple forms/identities, within the organization (Glynn & Raffaelli, 2013; Mair et al., 2015; Pache & Santos, 2010; Smets et al., 2012; Smets & Jarzabkowski, 2013;). In this sense, practices are relevant because they provide an arena for hybridity to be enacted and materialized, not because they constitute organizational hybridity.

Finally, diverse studies classified hybrid organizations and suggested additional characteristics that could affect the definition of hybridity (Albert & Whetten, 1985; Battilana et al., 2012; Ebrahim et al., 2014; Simsek, 2009). The most common taxonomies distinguished hybrids on the basis of those that combine multiple aspects within a single structure from those that separate them into different structures or groups, such as blended/structurally differentiated; holographic/ideographic; integrated/differentiated (Greenwood et al., 2011; Jarzabkowski & Smets, 2013). These studies highlight the multitude of meanings attributed to the term hybridity. However, they sustain key boundary issues, as some configurations could be also interpreted as contracts between firms instead of hybrid organizations (see section 2.2.1).

Similarly, other classifications touch on elements that are encompassed by form, identity and/or logics. For instance, some research highlighted how hybrids are characterised by combining the two distinct strategic focuses, power sharing dynamics and workflow arrangements of different corporation structures (see Lentz, 1996 for a review). Another example, Besharov and Smith (2014) classified hybrids as estranged, dominant, contested or aligned according to the degree of

compatibility between logics being combined and the degree of centrality of these logics to the functioning of the organization.

In summary, rather than offering additional constitutive aspects, these studies emphasize institutional logics, organizational form and organizational identity as the three key constitutive aspects of organizational hybridity. They also emphasize the importance of a definition that provides boundaries to our understanding of hybrid organizations.

Overall, the overlap and interconnectedness of the research streams highlighted above, as well as a brief consideration of other alternatives suggest that considering hybrids only as organizations that combine multiple versions of a *single* institutional or organizational aspect is oversimplified. Organizations are complex and hybrid organizations clearly illustrate this complexity. Thus, any definition of organizational hybridity ought to fully consider this complexity. At the same time, a more integrative definition should not be all encompassing, rendering it meaningless or reinforcing issues regarding boundaries.

Building on the existing definitions and streams of literature discussed above, organizational hybridity is defined here as *the co-existence, within a single structure, of multiple institutional logics, organizational forms and/or organizational identities*. This definition (illustrated by Figure 1), which underpins this doctoral research, provides boundaries to the study of organizational hybridity. It locates hybridity in the meso-level, even if influenced by or constructed at macro and micro levels, and within the limits of a single organization, even if divided in diverse units, departments, etc.

The definition also provides a common ground to discuss organizational hybridity, binding together the various aspects

that constitute hybrid organizations. As such, it permits reviewing the dominant assumptions of each stream through a single lens, as well as, exploring alternative perspectives to advance our understanding of hybrid organizations, as done in the remainder of this chapter.

Figure 1 - The three constitutive spheres of organizational hybridity
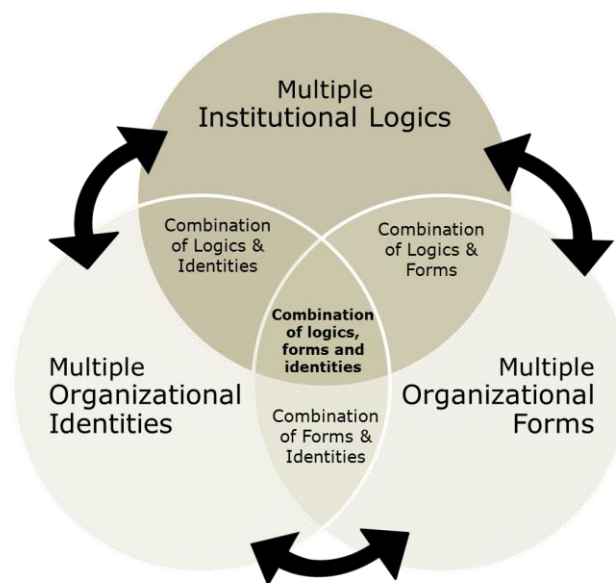
2.4. Dominant assumptions about organizational hybridity

The study of hybrid organizations within management and organizational theory is relatively new. It emerged in the 1990s, when research was mostly concerned with multiple identities and forms, but it advanced more recently within the literature on multiple institutional logics. This research theorized hybridity primarily as being imposed upon organizations through the context in which they are embedded (Haveman & Rao, 2006;

Greenwood et al., 2011; Pache & Chowdbury, 2012; Pache & Santos, 2010), or through its organizational members (Albert & Adams, 2002; Battilana & Dorado, 2010; Glynn, 2000; Pratt & Foreman, 2000; Whetten, 2006; Zilber, 2002).

Studies that focused on the context of the organization, suggested that hybridity is a result of fragmented fields, with multiple institutional constituents that prescribe how organizations should act (Cooney, 2006; Greenwood et al., 2011; Pache & Santos, 2010; Thornton et al., 2012; Townsend & Hart, 2008). As a result, organizations attempt to incorporate elements from multiple aspects in order to address competing demands (Oliver, 1991; Pache & Santos, 2010). Alternatively, organizations may opt for hybrid legal frameworks, such as the community interest company. Independently, it is the external environment that prescribes the combination of aspects that will co-exist in the organization. For example, social enterprises must balance logics from public, private and third sectors in order to acquire resources (Pache & Chowdhury, 2012).

Studies that concentrated on internal factors, argued that organizations become hybrid because individuals are identified with a particular logic or identity and represent these aspects (Battilana & Dorado, 2010; Pache & Santos, 2010) or imprint them on the organization (Battilana et al., 2015; Dufays & Huybrechts, 2015; Fauchart & Gruber, 2011; Lee & Battilana, 2013; Wry & York, 2015; York, O'Neil & Sarasvathy, 2016; see also Boeker, 1988; Stinchcombe, 1965 on imprinting). These studies emphasise the top-down influence of a dominant aspect, commonly a collective identity and/or an institutional logic, on individuals and, as a consequence, on the organization. They imply that, due to previous experiences, individuals embody a particular aspect that is transferred to the organization. For example, Mair, Battilana and Cardenas (2012) observed that

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social entrepreneurs defined issues, stakeholders and activities, and created different models of SEOs, including a hybrid, according to their dominant logic of justification (Boltanski & Thévenot, 2006; Cloutier & Langley, 2013).

Although relevant, understanding hybridity as simply imposed upon the organization, externally or internally, is deterministic. It maintains organizational and individual actions, and/or responses, as institutionally bounded (DiMaggio & Powell, 1991). Furthermore, assuming organizational hybridity as imposed can also lead to perceiving it as potentially negative, as contradictory institutional demands and/or organizational members opposing values create tension (Greenwood et al., 2011; Pache & Santos, 2010).

Indeed, the literature on hybrid organizations has shown a strong concern with the tension inherent in hybridity. Multiple aspects are often seen to compete, imposing opposite and potentially incompatible demands on individuals and organizations (Albert & Adams, 2002; Albert & Whetten, 1985; Bishop & Waring, 2016; Friedland & Alford 1991; Greenwood et al., 2011; Hervieux, Gedajlovic & Turcotte, 2010; Nicholls, 2010; Pache & Santos, 2010; Whetten, 2006). As a consequence, a number of challenges arise that may jeopardize the survival and success of the organization.

Ambiguity and internal conflict are common negative outcomes attributed to hybridity. They are frequently seen as affecting the micro-level, for example, individual health (Pratt & Corley, 2007; Smith, Besharov, Wessels & Chertok, 2012), leaders' ability to decide (Battilana et al., 2012; Townsend & Hart, 2008) or organizational member commitment (Foreman & Whetten, 2002; Golden-Biddle & Rao, 1997). Studies also focused on the possibility of conflict within the organization (Battilana & Dorado, 2010; Fiol et al., 2009; Pache & Santos, 2010, 2012;

Pratt & Foreman, 2000; Zilber, 2002). Glynn (2000), for instance, showed how the difference between normative and utilitarian identities resulted in conflict between managers and musicians within an orchestra.

Other potential negative outcomes of organizational hybridity noted - although with limited empirical support - were mission split (Ashforth & Reingen, 2014) and mission drift (Battilana & Dorado, 2010; Battilana et al., 2012; Battilana & Lee, 2014; Billis, 2010; Cooney, 2006; Ebrahim et al., 2014; Kent & Dacin, 2013). Mission drift was considered especially relevant to social enterprises. Prioritizing economic instead of social goals was deemed harmful to these organizations (Jones, 2007; Mair & Martí, 2006; Weisbrod, 2004; Zahra et al., 2009), as it could lead, for example, to loss of legitimacy (Doherty et al., 2014).

Social enterprises have been depicted as the archetypical organization that struggle with hybridity's negative outcomes. Diverse streams of literature, such as social entrepreneurship, non-profit, hybrid organizations, touch on tensions between social and commercial aspects (Adams & Perlmutter, 1991; Battilana et al., 2012; Cooney, 2006; Dacin et al., 2011; Dees & Anderson, 2003; Defourny & Nyssens, 2012; Doherty et al., 2014; Nicholls & Cho, 2006). Smith, Gonin and Besharov (2013), for example, provided a comprehensive discussion about tensions in social enterprises. The authors suggested four types of tension and their possible outcomes: tensions stemming from different outcomes and leading to mission drift; tensions stemming from different internal dynamics and affecting intra-organizational practices, such as hiring and legal status; tensions stemming from various identities and leading to internal conflict and/or external legitimacy challenges; and finally, tensions stemming from different time horizons which might affect the strategic ability of the organization.

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Research that focuses on the tension between multiple aspects is revealing. Such studies provide insights into issues that might jeopardise the continuity and success of a hybrid organization. However, the focus on competition is reductionist. It often implies a winner aspect that is not only dominant, but will also eventually subdue other aspects (see Selznick, 1949) or a constant battle between aspects. In so doing, it emphasises structure over agency, overlooking the possibility of hybrid organizations to combine, and sustain over time, multiple aspects.

The emphasis on hybridity as negative also favoured the development of an instrumental approach to hybrid organizations. One in which scholars attempt to provide alternatives to avoid or resolve the tension, resulting in a profusion of studies exploring responses to hybridity (Battilana & Dorado, 2010; Johansen, Olsen, Solstad & Torsteinsen, 2015; Pache & Santos 2010; Smets et al., 2012; Smets, Jarzabkowski, Spee & Burke, 2015; Spicer & Sewell, 2010). One response frequently mentioned is related to assigning each aspect to a different structure, such as a department or unit, in order to manage them and/or their demands separately; so, compartmentalizing, decoupling, loose coupling (Boxenbaum & Jonsson, 2008; Bromley & Powell, 2012; Cooney, 2006; Hallett & Ventresca, 2006a; Kraatz & Block, 2008; Meyer & Rowan, 1977; Pratt & Foreman, 2000).

More comprehensive studies also considered individual and organizational ability to respond to hybridity by interpreting and/or combining competing aspects (Christiansen & Lounsbury, 2013; Pache & Santos, 2012). Pratt and Foreman (2000), for example, noted managers responded to conflict between multiple identities by compartmentalizing or deleting identities, as well as, by integrating or aggregating them.

Similarly, Battilana and Lee (2014) suggested organizations can *"make sense of and combine aspects of multiple organizational forms"* while organizing *"core organizational activities; workforce composition, organizational design, inter-organizational relationships and organizational culture"* (2014: 412).

Within this body of research, the importance of the micro-level is clear. Organizational members respond to multiple aspects and get the job done (Jarzabkowski et al., 2009; Smets & Jarzabkowski, 2013; Smets et al., 2012; Zilber, 2011). Yet, organizational member actions are only considered when aspects are already present and competing, implying agency not only as embedded (Seo & Creed, 2002), but also as reactive.

Responses are also restricted, for example, by individual's previous experiences with the aspect (Battilana & Dorado, 2010; Creed, Scully & Austin, 2002; Delmestri, 2006; Greenwood et al., 2011; Jarzabkowski & Smets, 2013; Lok, 2010; Rao et al., 2003; Smets et al., 2012) or their ability to apprehend contradictions (Voronov & Yorks, 2015). Therefore, in this body of research there lies a danger of repeating the same issue criticized in new institutional theory: an over-emphasis on structural constraints (Hirsch & Lounsbury ,1997; Seo & Creed, 2002).

It is worth mentioning that two other theories explore responses to competing organizational aspects and overlap with the hybrid organization literature: paradox theory (Poole & Van de Ven, 1989) and ambidexterity theory (March, 1991). For instance, Jay (2013) noted that some organizational outcomes are paradoxical. They can be interpreted as successes or failures depending on the logic used as a lens, public service logic or client service business logic. Smith and Lewis (2011) and Jarzabkowski and Smets (2013) also provided reviews of these literatures and their communalities with hybrid identity and/or multiple logics.

Although these theories are beyond the scope of this thesis, they certainly reinforce the emphasis given to competing aspects and organizational responses within organizational studies.

Overall, emphasising organizational hybridity as imposed, negative and demanding a response overlooks the role of the micro-level. In particular, it disregards the potential that organizational members have to manipulate institutional and organizational aspects and actively construct organizational hybridity. Nevertheless, studies providing alternative avenues to understand organizational hybridity are growing, especially within the institutional logics literature.

2.5. Challenging perspectives on organizational hybridity

The need to integrate and fully explore the micro-level within the hybrid organization literature has already been noted (Battilana & Lee, 2014; Bévort & Suddaby, 2016; Greenwood et al., 2011; Skelcher & Smith, 2015), and research on this level is increasing with important contributions. For instance, some studies suggest that organizational members do not simply represent or imprint a dominant logic within organizations. Instead, the influence of dominant aspects on individuals is relative (Ashforth, Harrison & Corley, 2008; Meyer & Hammerschmid, 2006). Pache and Santos (2013), for example, highlighted that individuals are not influenced by *one logic at a time* but by *multiple logics over time,* and adhere to these logics differently; as novice, familiar or identified.

Similarly, other studies showed that organizational members not only respond to hybridity, but are also able to manipulate and/or use multiple logics, forms and identities according to the

situation (Battilana & Lee, 2014; Billis, 2010; Binder, 2007; Christiansen & Lounsbury, 2013; Daft & Lewin, 1993; Dalpiaz, Rindova & Ravasi, 2016; Delbridge & Edwards, 2013; McPherson & Sauder, 2013; Pache & Santos, 2012; Ruebottom, 2013; Tracey et al., 2011). Voronov, De Clercq and Hinings (2013) observed that logics, such as aesthetics or market, provide individuals with specific scripts, for example, farmer or artist or business professional. These scripts can be used in day-to-day activities considering both the audience, which in their case were consumers or the Liquor Control Board of Ontario, and their own preferences and objectives to sell or to distribute wine.

The role of institutional entrepreneurs in manipulating and recombining, especially cultural elements, has also been comprehensively explored in institutional entrepreneurship and institutional work (Maguire et al., 2004; Thornton, Jones & Kury, 2005; and for reviews, see Battilana, Leca & Boxenbaum, 2009; Lawrence, Suddaby & Leca, 2010). However, these streams of literature focus on institutional and field levels and are beyond the scope of this thesis.

There are also more studies approaching competition between multiple aspects not as intractable, but as internally constructed (Albert & Adams, 2002; Bjerregaard & Jonasson, 2013; Delbridge & Edwards, 2013; Jay, 2013; Smets et al., 2015). For instance, Smets and Jarzabkowski (2013) showed that organizational members in a law firm resolved competition between a dominant Anglo profession logic and a new German one. Over time, the lawyers negotiated adaptations to practices and constructed the relationship between the two logics from strange and contradictory, to commensurable and complementary (2013: 1280). Another example, Bishop and Waring (2016) observed that health professionals used various

negotiation processes, such as forming coalitions, using rhetoric, and bargaining, to resolve the tension between multiple competing logics.

This research suggests that competition can be resolved and hybridity sustained over time, leading to positive organizational outcomes. In fact, it is recognized that organizational hybridity is not necessarily negative (Albert & Whetten, 1985; Jarzabkowski & Smets, 2013; Jay, 2013; Kodeih & Greenwood, 2014; Pratt & Foreman, 2000; Smets & Jarzabkowski, 2013). Some studies on SEOs, for instance, suggested hybridity increases efficiency and facilitates access to resources from multiple sectors (Book et al., 2010; Dees & Anderson, 2003; Doherty et al., 2014; Teasdale, 2011; 2012; York et al., 2016). However, there is still very little about the benefits of hybridity to organizations (Battilana & Lee, 2014; Smets et al., 2015).

Overall, research privileging the micro-level unpacks and illuminates the apparent paradox of embedded agency (Seo & Creed, 2002) reinforcing the partial autonomy of certain individuals inside institutional environments (Thornton et al., 2012; Thornton & Ocasio, 2008). Nevertheless, within this perspective, concern commonly lies with what happens when multiple demands or claims exist and are already competing; or with what happens when a new aspect is introduced to the organization and challenges the previously dominant one. Organizational hybridity is still considered mostly as imposed and requiring management rather than actively constructed at the micro-level.

An exception, Tracey, Phillips and Jarvis (2011) studied how two institutional entrepreneurs designed and founded a new hybrid organization by combining two established logics: for-profit retail and non-profit homelessness support. Their work showed that individuals can actively construct organizational hybridity by

using institutional logics as cultural resources; a point that underpins this thesis.

Although important, Tracey et al.'s study focuses only on the efforts of institutional entrepreneurs. This is a common feature of the entrepreneurship literature, which often prioritizes the individual who pursues opportunities and creates new ventures (Shane & Venkataraman, 2000). For example, social entrepreneurs are often depicted as *heroes* and their traits and actions are directly connected to the organization (Bornstein, 2004). This emphasis on the founder/ entrepreneur however has been criticized as anecdotal (Dacin, Dacin & Tracey, 2011) and overly positive (Dey, 2006). Other organizational members might affect how organizational hybridity is constructed and are therefore considered on this thesis.

Tracey et al.'s work also focuses on the moment of designing and founding alone. However, not all hybrid organizations are the result of entrepreneurship. For instance, it is common for non-profits to incorporate commercial activities as a mean to increase professionalization (Dees & Anderson, 2003), to acquire independence from grants (Teasdale, 2011), or simply as a model to better serve their social purposes (Alvord et al., 2004). Rather than being developed as hybrids, these organizations become hybrids over time through internal dynamics. Such organizations also present an opportunity for understanding how organizational hybridity is constructed at the micro-level, and are therefore the focus of this thesis.

Furthermore, organizations becoming hybrids can provide an opportunity for exploring organizational hybridity from all of its constitutive spheres. It is possible that organizational members will use institutional logics as cultural resources to shape or reshape elements of organizational forms /identities (Battilana & Lee, 2014; Foreman & Whetten, 2002) which are not

consolidated. Such possibility sets the basis for this doctoral research.

In summary, this thesis builds on Tracey et al. (2011) and other studies that prioritizes agency over structure to further answer: *How is organizational hybridity constructed at the micro-level?* In particular, it focuses on an organization that is becoming a hybrid, rather than being developed as one. It also explores hybridity as constructed by organizational members through the use of institutional logics as (cultural) *resources* in relation to organizational form and identity.

2.6. Deploying institutional logics as cultural resources

The idea of cultural resources is rooted in organizational culture studies (see Giorgi, Lockwood & Glynn, 2015 for a review on this and other perspectives on culture). This literature suggests that individuals, and organizations, have a cultural toolkit with multiple resources from which to support their actions (DiMaggio, 1997; Swidler, 1986; Weber, 2005). Lounsbury and Glynn, (2001), for instance, suggested that entrepreneurs can become *"cultural operatives"* (2001: 559) as they become skilful users of toolkits to create plausible stories to achieve legitimacy and, thus, acquire resources.

The metaphor of a toolkit resonates with the discussion presented in this thesis. It highlights the empowering, rather than inhibiting, side of culture (Swidler, 1986) and permits analysing individuals as embedded in an institutional environment without disregarding their ability to act. Therefore, the metaphor allows for approaching organizational hybridity not only as simply imposed but also as constructed at the micro-

level, such as done by Tracey et al. (2011). It also permits exploring organizational hybridity as constructed from the bottom-up, as cultural toolkits are not restricted to particular individuals at the organization. Finally, Swidler (1986) noted that individuals are more likely to use their cultural tools in "*unsettled*" times when there is a high level of social transformation (1986: 277). This suggests that the metaphor is also appropriate to explore instances in which organizations are not fully formed or are undergoing change, such as when an organization is becoming a hybrid.

Cultural toolkits can encompass various resources, such as symbols, meanings, vocabularies, codes, narratives, frames, emotions, institutional logics, etc. (Canato, Ravasi & Phillips, 2013; McPherson & Sauder, 2013; Rindova, Dalpiaz & Ravasi, 2011). Building on Tracey et al. (2011), this thesis focuses only on institutional logics. The concept offers a common ground with the hybrid organization literature, as logics can shape or reshape other organizational aspects, such as form and identity (Battilana & Lee, 2014; Foreman & Whetten, 2002).

The notion of institutional logics as tools (or resources) has been considered by few authors to date (Goodrick & Reay, 2011; Hills et al., 2013; Mair et al., 2015; Pache & Santos, 2012; see also Cloutier & Langley, 2013 for a comparison with the French pragmatist sociological approach). McPherson and Sauder (2013), for example, showed that the same individuals deployed different professional logics according to the situation in order to influence decisions at a drug court. Most of these studies highlight that logics can be manipulated and used as cultural resources to drive individual purposes forward.

This should not be taken to mean that we can disregard the taken-for-granted characteristic, or the influence of logics on individuals and organizations. Similarly, this approach does not

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imply that all individuals always use logics consciously and/or purposefully. Rather, this perspective argues that individuals will be exposed to, and can identify with, *multiple* logics throughout their lives (Pache & Santos, 2013). Wider toolkits create more space for agency, as the individual can opt between any available logic in order to act.

Logics become available to organizational members through the influence of the institutional environment in which their organizations are embedded (Besharov & Smith, 2014; Greenwood et al., 2011; Thornton et al., 2012). For instance, members of work integration social enterprises (WISEs) have both a social welfare logic and a commercial logic available (Pache & Santos, 2012). These logics are referred to here as *external* logics. External logics permeate fields and influence organizations and their members through interaction (Thornton et al., 2012); imposing pressures for compliance (Oliver, 1991; Pache & Santos, 2010) and prescribing norms, practices and symbols (Thornton & Ocasio, 2008).

Individuals also become familiarized or identified with multiple logics throughout their lives due to previous experiences (Lok, 2010; Pache & Santos, 2013). These logics affect how the individual relates with the organization (see Almandoz, 2012; Greenwood et al., 2011; Pache & Santos, 2010; Thornton, 2004). Luo (2007), for example, showed that the dominant logic in a country, in the case statist and corporatist or nonstatist and noncorporatist, shaped individual attitudes towards training differently. These logics are referred here as *personal* logics. Personal logics influence organizations through imprinting (Battilana et al. 2015; York et al., 2016) or representation (Pache & Santos, 2010).

External and personal logics are rarely considered together. An exception, Pache and Santos (2013) implied that when multiple

external logics co-exist in an organization, personal logics facilitate organizational member responses. The authors noted that the level of adherence of the individual (novice, familiar or identified) to each of the competing logics resulted in a different response, such as compliance, defiance, compartmentalization or combination. For example, the authors proposed that *"if individuals are novice with logic A yet identified with competing logic B, they will not only be knowledgeable about logic B but also very motivated to see it prevail"* (2013: 17).

Independently, if organizational members can opt between any available logic in order to act, hybridity is likely to be situated and dynamic. Organizational hybridity will be constructed differently and lead to different organizational outcomes depending on what logics are available, how they were used, and to what purpose within the organization. However, most studies considering institutional logics as tools, or resources, only touch the surface when it comes to understanding *how* and *to what end* organizational members use logics, and with what outcomes to organizations. McPherson and Sauder (2013), for instance, mention they observed *"a number of different ways in which logics were adapted as they were employed in the drug court (2013: 178)";* yet they only show instances in which the professionals *hijacked* logics from other professionals to *negotiate* court decisions. Their focus is on providing evidence that logics are tools, not on how and to what end they are used. This is indeed a gap that this thesis hopes to address.

In order to do so, and to further understand how organizational hybridity is constructed at the micro-level, it is essential to address these more specific questions empirically:

> (1) *What logics are available to organizational members when the organization is becoming a hybrid?*

(2) *How, and to what end, do organizational members deploy these available logics?*; and

(3) *What are the organizational outcomes of this deployment?*

These are the research questions which guide this doctoral research. They are explored during the moment when an organization is being restructured within a Community Interest Organization (CIC), becoming a hybrid. Furthermore, in order to narrow the scope of the project, the questions only consider how logics are used in relation to organizational forms and organizational identities. This is consistent with the hybrid organization literature and the discussion present above.

Overall, this thesis contributes to research challenging dominant assumptions of the hybrid organization literature. It shows that organizational hybridity is not simply imposed, requiring responses. Rather hybridity can be actively constructed by organizational members, not only founders, and lead to positive outcomes. The thesis also addresses gaps in the institutional logics literature related to how and to what end logics are used as cultural resources and to what organizational outcomes.

2.7. Chapter summary

The above literature review introduced the concepts that underpin organizational hybridity; located this doctoral project within the hybrid organization discussion; and explained how its research questions can advance knowledge on the subject. In doing so, it set the theoretical basis for the empirical research that follows.

Three concepts used to define hybrids and develop research on the topic were identified: organizational form (McKelvey, 1982), organizational identity (Whetten, 2006) and institutional logics (Thornton & Ocasio, 1999). Building on the overlap and interconnectedness of these literature streams, organizational hybridity was redefined as *the co-existence, within a single structure, of multiple institutional logics, organizational forms and/or organizational identities.* This more encompassing definition set boundaries to the study of organizational hybridity by locating it in the meso-level and within the limits of a single organization. It also provided a common ground to discuss organizational hybridity, binding together the various aspects that constitute hybrid organizations.

This definition was then used as a single lens to problematize the hybrid organization literature. This review suggested that organizational hybridity was primarily portrayed as imposed upon organizations (Battilana & Dorado, 2010; Battilana et al., 2015; Billis, 2010; Glynn, 2000), potentially negative (Greenwood et al., 2011) and requiring management/ responses (Pache & Santos, 2010; Pratt & Foreman, 2000). It was observed a tendency to overlook the role of the micro-level, disregarding the potential that individuals have to manipulate institutional and organizational aspects, and actively construct organizational hybridity.

Nevertheless, the review also revealed a shift in paradigm, especially within institutional logics research exploring the micro-level. This body of research showed that the influence of dominant aspects on individuals is relative (Ashforth, Harrison & Corley, 2008; Meyer & Hammerschmid, 2006; Pache & Santos, 2013); and that individuals are able to manipulate and/or use multiple logics, forms and identities (Binder, 2007; Daft & Lewin, 1993; Delbridge & Edwards, 2013; McPherson & Sauder, 2013;

Pache & Santos, 2012; Ruebottom, 2013; Tracey et al., 2011; Voronov et al., 2013). In spite of these studies relevant contributions, gaps were noted: few studies approached organizational hybridity as actively constructed at the micro-level, considering only the efforts of entrepreneurs at the moment of designing and founding (see Tracey et al., 2011).

Building on works that prioritizes agency over structure and on gaps observed, the outline of this thesis was proposed: to further explore how hybridity is constructed by organizational members through the use of institutional logics as (cultural) *resources;* focusing on an organization that is becoming a hybrid and on the link between logics and organizational form / identity.

Finally, the idea of institutional logics as cultural resources was reviewed and evaluated as a theoretical lens. This review suggested that organizational hybridity will be constructed differently and lead to different organizational outcomes depending on what logics are available, how they were used, and to what purpose within the organization. However, it was noted that most studies considering institutional logics as tools only touch the surface when it comes to understanding *how* and *to what end* organizational members use logics, and with what outcomes to organizations. To address these gaps, and to further understand how organizational hybridity is constructed at the micro-level, a set of three sub-questions were proposed for the empirical analysis:

> (1) *What logics are available to organizational members when the organization is becoming a hybrid?*

> (2) *How, and to what end, do organizational members deploy these available logics?*; and

> (3) *What are the organizational outcomes of this deployment?*

Outline and research questions guide the remainder of this research project. In the following chapters, the thesis methodological underpinnings are explained and processes pertaining the data collection and analysis are detailed.

Chapter 3 – Methodology

This chapter outlines the methodological approach and research design. The chapter introduces the research paradigm that underpins this thesis (3.2.); discusses how this led to the design of the empirical study (3.3.), including choice of setting and organization (3.4.); explains methods used for data collection (3.5.) and outlines the approach to data analysis (3.6.).

In addition, the chapter reflects upon the process of doing and writing an in-depth study (3.7.); and on the measures taken to guarantee the quality of the research (3.8.) and addresses the ethical issues raised by this study (3.9.).

Overall, the chapter shows how the empirical study enables answering the questions proposed in the previous chapter, and how challenges encountered along the way were dealt with.

3.1. Introduction

Edmondson and McManus (2007) noted that, in order to guarantee a robust approach to research, four elements need to be well integrated: research question, prior work, research design and contribution to literature (2007: 1156).

In Chapter 2, the focus was upon the first two elements; existing literature on hybrid organizations was reviewed and research questions outlined. I noted that, although research on the subject has increased in the past years, it still privileges certain perspectives (i.e. hybridity as imposed, negative and requiring responses) over others (i.e. hybridity as actively constructed and positive). Therefore, I suggested that building on alternative perspectives that challenge dominant assumptions would be a fruitful way to advance knowledge. I proposed addressing how

organizational members construct hybridity through the use of institutional logics as cultural resources. In order to do so, I suggested three specific questions as the starting point for this study:

(1) *What logics are available to organizational members when the organization is becoming a hybrid?*

(2) *How, and to what end, do organizational members deploy these available logics?*; and

(3) *What are the organizational outcomes of this deployment?*

Thus, in this chapter, the focus is on the third element – research design – and its consistency with prior research and the proposed questions (Edmondson & McManus, 2007). I begin by explaining the research paradigm (Kuhn, 1970) that underpins this thesis and the choice of a qualitative methodology.

3.2. Research paradigm

A research paradigm is a set of particular rules, standards and/or beliefs shared by a group of researchers in their scientific practice (Denzin & Lincoln, 2011; Kuhn, 1970). As such, a paradigm represents how researchers understand the nature of reality and the possibility of acquiring knowledge about this reality, as well as, how they approach the field (Lincoln, Lynham & Guba, 2011). For example, the review of the hybrid organization literature showed that organizations are often seen as ontologically objective entities upon which hybridity is imposed. This suggests that the dominant paradigm in the study of hybrid organizations could be realist. However, some works

suggested that hybridity is as likely to be constructed through the actions and interactions of organizational members. Such a perspective is grounded on a social constructionist understanding of reality.

Social constructionism suggests that, although reality might be perceived as objective, it is in fact constructed by and maintained by individuals through social interaction (Berger & Luckmann, 1991; Burr; 2015). Each iterative construction of reality "*sustains some patterns of social action and excludes others*" (Burr, 2015: 5). Institutional logics are a good example of social constructions. They are perceived as objective, imposing demands (Oliver, 1991; Pache & Santos, 2010) but are, instead, a representation of the *patterns of social action,* such as symbols, rules and practices of specific institutional orders (Thornton et al., 2012). As such, logics have been established and are sustained or changed over time through social interaction. They come into being as certain organizational aspects rather than existing as underlying real structures.

In social constructionism, society is at once objective and subjective (Berger & Luckmann, 1991). This leads to an understanding of agency as embedded (Seo & Creed, 2002) and organizations as inhabited institutions (Hallet & Ventresca, 2006b). In other words, organizational members are not only influenced by, but also affect their contexts through everyday actions and words. From this perspective, hybridity is not imposed but constructed. It reflects institutionalized societal constructions, such as institutional logics, however, it is also likely to be capable of reflecting individuals' uses and manipulations of these constructions in order to maintain or shape the organization. As a consequence, hybridity can be understood as a result of the interpretations, actions and interactions of organizational members.

Understanding reality as socially constructed also implies doing research in a particular way. Social constructionism sees knowledge as subjective, although taken-for-granted; situated so historically and culturally bounded; interrelated with human action; and maintained through social processes (Burr, 2015; Gergen, 1985). Therefore, in social constructionist research there is not a concerned about finding a single, objective 'truth' because such truth does not exist. Instead, in this type of research there is more interested in how individuals' accounts and experiences are, at the same time, influenced by and shape reality. This means addressing research questions that contextualize ('what' questions) and that investigate individuals' actions and interactions ('how' questions), such as those in this thesis.

Furthermore, social constructionism requires an approach to epistemology centred on individual accounts and experiences, as they are the basis from which these individuals will construct, maintain, or disrupt their reality. Interpretivism is such an approach. It prioritizes individual abilities to interpret reality and produce meaning (Denzin & Lincoln, 2011; Gephart, 2004) and to use this interpretation as the basis for their actions and interactions (Hughes & Sharrock, 1997). An interpretivist approach can account for individuals' embeddedness in society (see e.g. Giddens, 1984), including the existence of multiple meanings and competing understandings of reality (Berger & Luckmann, 1991; Gephart, 2004). Therefore, interpretivism is appropriate for studying institutional logics as cultural resources. It enables the use of individual personal accounts and organizational experiences in order to access how different individuals deploy multiple logics and, in the process, construct organizational hybridity.

Finally, specific ontological and epistemological positions require and legitimize certain methodological commitments (Gephart 2004; Johnson, Buehring, Cassell & Symon, 2006).

3.3. Research design

Focusing on reality as socially constructed and understanding meanings and social processes requires a methodology and a research design that is able to capture and analyse, in detail, aspects of language, interaction, social practices and processes (Burr, 2015). For example, how logics are deployed in personal accounts through particular words, and/or how interaction constructs hybridity in, for instance, documents or practices. Therefore, a social constructionist ontology and an interpretivist epistemology require a qualitative methodology (Denzin & Lincoln, 2011; Gephart, 2004).

Furthermore, in this thesis, organizations are explored as inhabited institutions (Hallet & Ventresca, 2006b), where individuals carry institutional logics, but also use these logics as cultural resources. This embedded understanding of agency (Seo & Creed, 2002) requires a research design that enables accessing organizational members experiences as contextualized, in order to understand their cultural toolkits; uses of available institutional logics; and organizational outcomes.

Qualitative research is primarily interested in *"how social experience is created and given meaning"* (Denzin & Lincoln, 2011: 8). It is also appropriate for field work (Kirk & Miller, 1986), and as such, it permits exploring hybridity as constructed from the bottom-up rather than as simply imposed. Another advantage of a qualitative approach is that it offers research designs that encompass multiple approaches to gathering data

(Denzin & Lincoln, 2011; Flick, 2009; Silverman, 2013); important for addressing the range of research questions proposed.

3.3.1. In-depth case study

The complexity of the research project proposed here required a type of qualitative research that suited exploratory, in-depth, contextualized investigations concerned with developing, rather than testing, theories; integrated multiple approaches for data collection; and encompassed an iterative process, allowing for ongoing analysis and necessary adjustments, such as ethnography (Burgess, 1990; Hammersley & Atkinson, 2007; Van Maanen, 1988) or case study (Hartley, 2004; Bryman, 2015; Yin, 2013).

After contact with the organization selected, an in-depth case study was considered the most appropriate design for this thesis. The chosen organization was comprised of various sites and a considerable investment of time would be necessary in order to interact, observe and interpret individual actions and words extensively in each location, as required by ethnography (Van Maanen, 1988; Watson, 2011; 2012). An in-depth case study suited the timeline of this doctoral research and permitted including observations that would not be considered as data otherwise.

Case studies enable the researcher to explore social contexts in detail and can be used to understand practices and their meanings for organizational members (Hartley, 2004). Therefore, an in-depth case study was suitable to explore how organizational members used institutional logics as cultural resources as proposed in this thesis. It permitted linking macro,

meso and micro-levels accounting for available logics; exploring how and to what end organizational members were deploying these logics; understanding the organizational outcomes of this deployment, and relating all levels of analysis in order to understand how organizational hybridity was constructed in the process.

3.4. Case selection

In case study research, the term case is commonly associated with a particular location which is to be investigated intensively (Bryman, 2015: 60). Cases can be selected by their criticality, uniqueness, representativeness, revelation and/or length (Bryman, 2015; Yin, 2013). In order to choose the most appropriate case for this thesis, setting, organizational characteristics and accessibility were considered.

3.4.1. Setting

The setting of this research is that of social enterprises (SEOs) in the United Kingdom (UK). Due to their multiplicity, social enterprises were considered the ideal type of hybrid organizations (Battilana & Lee, 2014) and discussed in several studies. In particular, this type of organization provided a fitting setting to explore organizational hybridity considering all of its constitutive aspects: multiple logics, forms and identities.

Furthermore, the United Kingdom (UK) offered the possibility of studying a SEO registered under a hybrid form – the Community Interest Company (CIC). CICs follow specific regulations that prescribe how to structure the organization, imposing organizational hybridity in a certain way. Therefore, CICs were

particularly appropriate for gaining insights into differences between organizational hybridity as imposed and constructed.

3.4.1.1. Contextualizing social enterprises

From inception, social enterprises are immersed in hybridity. Social enterprises were seen to have multiple goals (Dees & Anderson, 2003; Emerson & Twersky, 1996), multiple forms (Austin et al., 2006; Battilana & Lee, 2014; Ebrahim et al., 2014), multiple logics (Pache & Chowdhury, 2012) and/or multiple identities (Moss et al., 2011). Therefore, exploring SEOs provide the opportunity for considering organizational hybridity in all of its constitutive spheres.

Characteristically, SEOs need to combine and balance these diverse aspects (Battilana & Lee, 2014; Doherty et al., 2014). However, social enterprises do not have a rigid configuration. Townsend and Hart (2008), for instance, highlighted that SEOs can be set up as non-profits or for-profits depending on founders personal motivations, views of the enterprise goals; and/or perceptions of the external environment. In some countries, founders can also choose to set up SEOs as hybrids due to new types of legislation, such as the B-Corporation and the low profit limited liability company in the U.S. and the Community Interest Company in the UK (see Cooney, 2012 for a comparison of the three types).

This means that, even when an organization is labelled as a social enterprise or chooses a particular organizational form, the way in which founders - and as suggested in this thesis other organizational members – structure these aspects within the organization will matter, affecting how organizational hybridity is constructed. For example, although a double bottom line is a key

characteristic of SEOs (Dees & Anderson, 2003; Doherty et al., 2014; Emerson & Twersky, 1996), social and economic goals might have different weights according to interpretation. Zahra et al. (2009), for instance, noted that wealth can be measured on a spectrum from purely economic to purely social; while Mair and Martí (2006) proposed economic goals as a mean to organizational growth alone. Similarly, Daft and Lewin (1993) highlighted managers' ability to alter existing forms according to their *"intuition, past experience, imitation, and personal attitudes and preferences"* (Daft & Lewin, 1993: ii). Therefore, studying SEOs also facilitates accounting for differences between the top-down and bottom-up influences of multiple aspects on individuals and organizations.

Finally, as noted, SEOs have been depicted as struggling with hybridity's negative outcomes, such as mission drift and conflict (see Dacin et al., 2011; Doherty et al., 2014; Smith et al., 2013). However, they have also found to be benefiting from increased efficiency and access to resources due to hybridity (Book et al., 2010; Dees & Anderson, 2003; Doherty et al., 2014; Teasdale, 2011; 2012; York et al., 2016). Therefore, social enterprises also provide a fitting setting to challenge assumptions of organizational hybridity as primarily negative.

3.4.1.2. Contextualizing community interest companies

The Community Interest Company (CIC) is a type of hybrid organizational form that combines the non-profit and for-profit forms, for example, social outcomes and distribution of surplus to shareholders (Ebrahim et al., 2014; Haugh & Peredo, 2011; Brakman Reiser, 2010); characteristics that are commonly associated with social enterprises (SEOs) (Defourny & Nyssens, 2012).

CICs can be public or private companies limited by shares or companies limited by guarantee (Office of the regulator of community interest companies, 2008). However, the legislation includes measures (see Figure 2) to guarantee that the organization does not detract from working towards its social mission while seeking to be profitable. In addition, in CICs profit-sharing is controlled by a regulator - a governmental representative responsible for guaranteeing that the distribution of dividends is 'reasonable' (capped at 20% of share value and 35% for the maximum aggregate) and that the CICs' activities benefit the community (Office of the regulator of community interest companies, 2013).

Figure 2 - CIC requirements

Every CIC must:

■ meet the Community Interest Test;
■ file an annual CIC report with its accounts;
■ keep the community in touch with its activities;
■ only use its assets and profits for the community specified (or pass them to another body with similar features), known as the asset lock;
■ be registered at Companies House in the same way as a normal company with the same incorporation documents but supplemented by a Community Interest Statement.

Source: Office of the regulator of community interest companies, 2008: 3

According to official documentation, the CIC legislation *"was specifically designed to provide a purpose-built legal framework and a "brand" identity for social enterprises that want to adopt the limited company form"* (Office of the regulator of community interest companies, 2013: 20), regulating the hybridity of CICs in at least two spheres. That is, Community Interest Companies (CICs), such as the one studied in this thesis, are automatically attributed with two hybrid labels (SEO and CIC) and a hybrid

form. Therefore, studying CICs provide a unique opportunity for exploring the connection between agency and organizational hybridity as imposed. In CICs, external prescriptions are mandatory and could constrain members' ability to deploy logics as cultural resources in relation to organizational form and identity.

Finally, Haugh and Peredo (2011) noticed that discussions to develop CIC regulations in 2005 underplayed profit maximisation and self-interest and highlighted public benefit and community interests. This suggests that although hybrid, the CIC form is a combination of more elements of non-profits than for-profits, more social-welfare logic than commercial one (Pache & Chowdhury, 2012). This imbalance is important because it reinforces the argument that individuals can actively affect organizational hybridity. It also suggests that how organizational hybridity is constructed affects organizational outcomes. For example, while CIC imbalance resulted in more accountability and responsiveness to local needs and stakeholders (Haugh & Peredo, 2011: 14), it also constrained external investment (see e.g. Brakman Reiser, 2010; Katz & Page, 2013). Therefore, exploring CICs could provide further insights into the link between how members deploy logics and different organizational outcomes.

Historically, the third sector in the UK has primarily focused on welfare provision (see Billis, 2010 for comprehensive historical account of the development of the third sector in the UK). However, over the past 10 years, the UK government has gradually reduced support for charities, for example, the Charity Commission budget decreased around 48% since 2007, and enhanced the support to SEOs. This includes, for instance, new types of financial support, such as the Big Society Capital, and the specific legislation put in place in 2005 which provided for

the introduction of the Community Interest Company (CIC). Following these changes in the UK scenario, it is not uncommon to find charities that became SEOs in order to leverage opportunities to acquire resources, or that chose to compartmentalize existing commercial activities in a new entity, often a CIC. This is the case of Mercurius, the CIC at the heart of this research.

3.4.2. Case study

The CIC legislation was put in place in 2005; since this period nearly 12,000 organizations registered as CICs in the UK (Office of the Regulator of Community Interest Companies, 2016). In order to choose the most appropriate organization for this study several alternatives were considered. First, I decided upon the location of the organization, narrowing it down to the UK's East Midlands. This choice of region was pragmatic. I was based in the East Midlands during the period of the research, and that minimized problems that could influence on the feasibility of the project, such as time and travel constraints. Second, I searched for organizations becoming hybrids. As mentioned in chapter 2, organizational members are more likely to use their cultural tools at unsettled times (Swidler, 1986) and could use institutional logics to shape or reshape elements of form/identity (Battilana & Lee, 2014; Foreman & Whetten, 2002) which were not consolidated, providing the opportunity to analyse organizational hybridity from all of its constitutive aspects. Finally, I considered the size and complexity of the CIC, such as the number of departments, stakeholders and organizational members. These were important for gathering richer data.

The organization chosen – Mercurius CIC – reflected the desired complexity and included additional characteristics that

contributed to the findings of this thesis. Mercurius had been recently established (in 2012, around one year before the research start). The CIC was a spin-off from a charity – Vesta - and an umbrella for several small SEO units operating in different industries, such as food, catering, estate management, media and music. Its unique structure, in which multiple organizations were interrelated, suggested that multiple logics would be at play. Potentially, these could be used by organizational members as cultural resources. Mercurius' links with various sectors and types of organizations also suggested findings could be generalized. That is, this research could contribute to concepts, principles, explanations or theories that may be important for other similar contexts (Gioia et al., 2012).

When data collection started, organizational members were still in the process of understanding the new entity and its attributed identity labels (SEO, CIC), as well as, developing and organizing the internal structure and practices of the CIC. Most employees were TUPEd[3] from the charity when the spin-off was launched; thus, bringing with them the legacy of logics from the charity. In addition, the ties between the two organizations were still strong with an overlap of administrative departments, sites, artefacts, and sometimes roles. Thus, Mercurius provided the ideal momentum for gaining valuable insights about the influence of organizational members on organizational hybridity, as well as, on the link between logics, form and identity.

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[3] Transfer of Undertakings (Protection of Employment) Regulations - A term that refers to legislation in the UK in which employees from an organization are transferred to another.

3.4.2.1. Introduction to Mercurius CIC

Mercurius was established in 2012 as a Community Interest Company limited by shares. The CIC is a spin-off from Vesta and was separated from the charity to distinguish their commercial, profitable operations – liable to V.A.T.[4] – from the social activities of the organization. Nevertheless, the CIC maintains strong ties with Vesta. For instance, Vesta is the sole shareholder of Mercurius and some of its key executives are also part of the CIC's executive board. The charity agreed to provide Mercurius with its central resources (HR, finances, etc.) and investment until 2015. Furthermore, the Mercurius CEO and operations manager hold additional roles in Vesta. They are responsible for the management of Vulcanus, the *"employment side"* of Vesta and *"sister project"* of Mercurius, as mentioned by the business operation manager.

In November 2013, when the research commenced, the CIC had around 100 paid employees and 300 volunteers. The latter included a number of Vesta's past service users who were participating in training activities. This training, which facilitates employment and/or social inclusion for vulnerable people, is the social aim of Mercurius, and bridges the connection with the parent charity. In that respect, Mercurius' social aim is similar to that of work integration social enterprises (WISEs) which are often discussed in the hybrid organization literature (see Cooney, 2012; Pache & Santos, 2010, 2012, 2013). These types of organization focus on supporting unemployed people into paid positions by employing them for a short period where they can be trained (Battilana et al., 2014). However, instead of employing

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[4] Value Added Tax (V.A.T.) is a form of turnover tax in the UK. Organizations that sell or supply taxable products/services and receive above the threshold (£77,000 at the time of Mercurius' establishment) in a 12 month period need to register for and pay V.A.T.

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its beneficiaries, Mercurius CIC works with volunteering or unpaid positions, including those from compulsory and mandatory programmes established by the UK government.

Mercurius' association with Vesta is not the only characteristic that makes it unique. The CIC was established as an umbrella organization for several commercial activities that were already running, some for years, in Vesta or that were later perceived as opportunities worth pursuing. These small businesses provide diversity in training opportunities. They also operate services and sell goods across multiple domains, such as coffee shops, catering, estate management, media, music retail, recycling, and care provision. For the purpose of clarity, from this point onwards a distinction will be made between the CIC – Mercurius -, and the SEOs - the small businesses under Mercurius' management.

Mercurius' overall strategy is overseen by a CEO, Sarah, with the support of a business operations manager, Ruth. Under Sarah's management there are four business managers, located in different sites around the East Midlands. Each manager is responsible for a Unit and oversees the development of the SEOs under their responsibilities. This includes identifying and developing new opportunities for revenue and social impact. Furthermore, each SEO has a line manager who is responsible for its operation and for coordinating a fluctuating number of staff members. Figure 3 illustrates the structure of the organization and changes during the research.

Figure 3 - Mercurius' organizational chart[5]
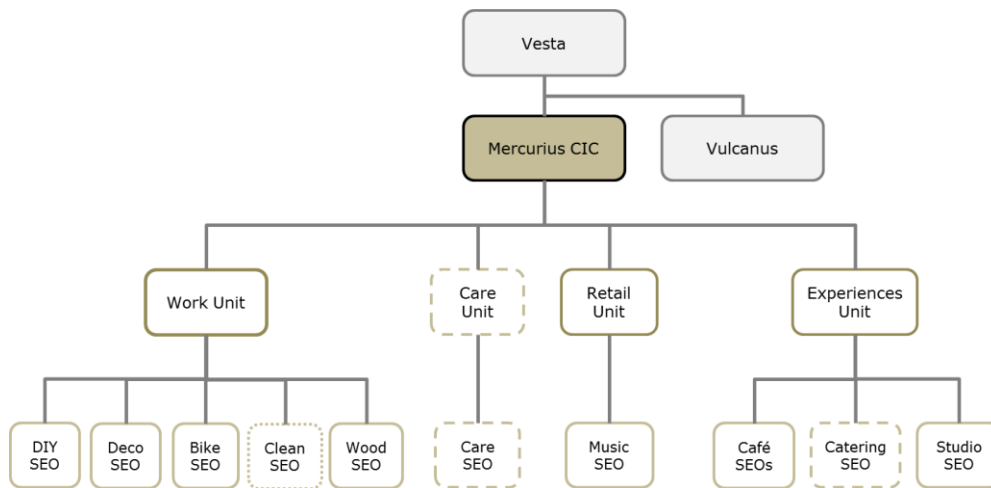
Source: Author's own

3.4.2.2. Introduction to Vesta

Vesta is a housing association: a non-profit organization whose objectives are to target homelessness, providing new opportunities to its service users to regain stability and independence. The charity has over 600 workers and provides a variety of services including accommodation, legal support, drug and alcohol work, training and employment, among others. It offices and hostels spread alongside the Midlands area in the UK, especially within deprived communities. Over its history, the association has supported more than 9,000 service users.

The charity was established in 2001, following the merger of two homelessness organizations created in the early 1970s. The first was a charity with religious connections, especially focused on supporting people with drug problems. The second was a community initiative created in response to a rough sleeping crisis and supported by the local city council. Vesta's history

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[5] Small dotted lines indicate SEOs that were created during the research. Large dotted lines indicate Units and SEOs that were closed during the research.

therefore suggests that a religious logic, a community logic and/or state logic (Thornton, 2004, Thornton et al., 2012) might all be at play, which possibly influenced the development of the charity and are available to employees that were transferred to Mercurius.

3.4.2.3. Introduction to Mercurius units and social enterprises

During the time of the research, Mercurius encompassed four business units accounting for the management of 10 social enterprises, some of which were already running for years as part of Vesta. Although the CIC shares its social aims with most of its SEOs, commercial activities vary widely in terms of operation, outcome and field, as summarized in Table 1.

Table 1 - Mercurius units and social enterprises

Unit	Manager	SEOs	Field/Industry
Work Unit	Paul	DIYSEO	Service - estate management
		DecoSEO	Service - painting and decorating
		BikeSEO	Retail/Service - bike recycling, fixing and sale
		WoodSEO	Retail - bespoke wooden products
		CleanSEO	Service - recovery of community spaces
Care Unit	Kate	CareSEO	Service - befriending and care
Retail Unit	Jake	MusicSEO	Retail - independent vinyl shop
Experiences Unit	Rebecca	CafeSEO	Service/Retail - coffee shops
		StudioSEO	Service - recording studio and space hire
		CateringSEO	Service - catering

Source: Author's own

The number of fields in which Mercurius' SEOs operated suggested that additional logics might have influenced, or be

available at Mercurius. Furthermore, each of these units and social enterprises had particularities, especially in terms of background and operation that contributed to enriching this research. These are briefly mentioned here for contextualization, and further elaborate on the following chapters.

All of the Work Unit businesses were located within a training centre funded by the Big Lottery, and focused on courses for developing individual practical skills, such as DIY, painting and decorating, bike mechanics or wood work. Volunteers could choose any, or all, of the available courses and were also able to put the knowledge into practice afterwards by joining staff members to deliver the services. The Unit was also closely connected with Vesta. Some of its SEOs started within the charity, due to the need to maintain their hostels and buildings (e.g. DYISEO, DecoSEO) or to assist service users with mental health issues to gain confidence and skills (e.g. BikeSEO). CleanSEO was also created to suit a demand from Vesta to provide opportunity for volunteers in compulsory and mandatory work, which are governmental programmes in the UK. The service is offered for free to the community and paid for by the charity.

MusicSEO, the only enterprise in the Retail Unit, also started within Vesta and was later incorporated to Mercurius. In fact, until April 2014, the management of the record shop was shared by both organizations. While at Vesta, MusicSEO's main objective was to help Vesta's service users with alcohol and drug abuse issues to engage in meaningful activity. Once the record shop was transferred to Mercurius a stronger emphasis in sales was noticed by its employees. This suggested a shift that could be attributed to the introduction of a new logic.

The Care Unit encompassed Mercurius befriending and care services (CareSEO) which was established simultaneously to the

CIC. At the time of the research, CareSEO was Mercurius'
biggest SEO, with over 50 paid carers and 1,000 hours of service
being delivered monthly. Although its services were tailored to be
different from competitors as more personalized and ethical,
CareSEO was primarily a for-profit venture in comparison with
other SEOs within Mercurius. The service was closed at 2014,
due to changes in the legislation related to the provision of care
in the UK.

Finally, the Experiences Unit included three social enterprises.
Different to the formal training provided at the Training Space,
these SEOs trainings were on-the-job and carried out by staff
members. The first, CafeSEO encompassed three coffee shops in
different locations: a park, a library and a town's high street
where Vesta's offices and a hostel are also located. All offered
similar services, limited by the needs and opportunities of each
one's location. The second, StudioSEO was established as a
partnership with a local organization to deliver media training
for young people. However, the interest in the course was very
low. The partnership was cancelled but the partner organization
donated all infra-structure to Mercurius. During the research,
StudioSEO was searching for opportunities to use the space for
activities that could contribute to its social and financial aims.
However, after a number of trials the CIC opted to close the SEO,
as neither aim was met (see chapter 6). Finally, CateringSEO
provided catered buffets, especially for Vesta's activities. Despite
being Mercurius' first social enterprise, the business was
deemed financially unsustainable, which together with a low
social impact, resulted in it being closed at March 2014.

3.4.3. Accessibility

Accessibility is key to the success of a research project (Silverman, 2014). Therefore, in order to gain the level of access required, I wrote a research proposal (appendix 2) and an information sheet for participants (appendix 3). The documents introduced the research project and were approved by the Nottingham University Business School's Ethics Committee. They aimed to build credibility with the organization.

Gaining access to Mercurius was easier than anticipated. After a meeting with Ruth (Mercurius' business operations manager) other opportunities unfolded and no additional formal agreements were sought by the CIC during the process. Furthermore, Ruth's position and autonomy made her an asset for further negotiating access with all units and SEOs, as well as, Vesta. Her interest in the research and in helping my development meant she would act more as a 'sponsor' than a 'gatekeeper' (Hammersley & Atkinson, 2007). Ruth usually agreed with my requests to participate in a meeting or conduct an interview, often negotiating time with the CEO and the other business managers on my behalf. Her support was even recorded in one of our conversations:

> *"The other thing [...][6] we have [...] is monthly [...] CIC meetings! [...] Business meetings [...] where some of the managers, or all of the managers, and a couple of other key staff get together on a monthly basis and [...] discuss whatever needs discussing really. So it might be worth coming and sitting in any one of those. Again, I'll just need to clear it with the boss"*

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[6] Brackets indicate excerpts edited by the author for clarity. The meaning of the quote remains unaltered.

When the role of a volunteer in social media became available and I said I was interested, Ruth supported my informal application. Becoming a participant observer in the organization allowed for a greater level of observation and interaction with organizational members through an extended period of time (18 months). This role gave me full access to documents, people and sites. It included approaching people in the organization and asking for details on what was being done and could be promoted through social media. This provided me with a reason for observing and interviewing participants about their practices, and thus, the internal dynamics of Mercurius could be observed as they would usually occur. The role also enabled me to identify and gather the data that were most relevant to the research project, including the flexibility and time to return to participants with new questions.

Importantly, the volunteering role supplied me with an ID card and an email address. These provided the legitimacy to visit the SEOs and talk to managers and staff members more freely, potentially reducing the influence of additional 'gatekeepers' and 'sponsors' on the development of the research (Hammersley & Atkinson, 2007). Finally, being a volunteer enabled access to other aspects of both Vesta and the CIC that I had not considered such as, events, volunteering training and Vulcanus' meetings, providing me with an in-depth overview of the organization and the logics available therein.

3.5. Data collection

Data collection in case studies is theoretically informed, can include a number of different methods, and be at the same time planned and opportunistic in order to suit the research project (Hartley, 2004). As mentioned before, the aim of this thesis is to

understand how organizational hybridity is constructed at the micro-level by understanding which logics are available to organizational members; exploring how and to what end these logics were deployed by organizational members; and understanding the organizational outcomes of this deployment. These questions are a result of the preferred perspective that organizational members have a relevant and active role in the hybridity of an organization. The individual is the centre of this research and therefore, theoretically, data collection needed to be able to gather the institutional influences, experiences, interpretations and practices of these individuals. The final design included multiple methods of data collection, such as interviews, observations and documentation, as explained below.

In terms of representativeness, the decision to include as many SEOs and participants as possible allowed for comparisons in terms of history, industries, and hierarchic levels that would not be possible otherwise, resulting in further insights. However, it required dividing attention between the different sites in which the SEOs were located. Therefore, while semi-structured interviews (Kvale, 2007; Rubin & Rubin, 1995) were organized according to the research design to include specific organizational members of each social enterprise; observations were opportunistic (Silverman, 2014). They followed the demands of the interviews and of the volunteer role, as well as, other opportunities that presented themselves during the 18 months at Mercurius, such as participating in events or joining the operation manager in various activities. So doing, enriched the data-set and expanded the reach and depth of the research. The final data-set includes 41 individual interviews, one group interview, 71 documents, 53 images, and over 200 hours of observations, as detailed in appendix 4.

3.5.1. Semi-structured interviews

Semi-structured interviews are particularly useful in capturing individual perspectives and experiences in a flexible manner (Kavle, 2007; Rubin & Rubin, 1995), including retrospective accounts (Gioia et al., 2012). They suited the exploratory characteristic of the research and were key for generating information about personal logics and organizational practices, as well as, about how these logics were being deployed.

Before approaching participants, I developed an interview guide (Appendix 5) informed by key themes identified in the literature (Kavle, 2007). It considered a few non-directive, open questions to probe participants about their experiences and actions. The guide touched on participants' previous experiences, their views of Mercurius and Vesta, and their daily activities. In practice, questions were used only as prompts and their order was changed as required (Ibid, 2007). This allowed space for participants to bring forward what they considered important (Alvesson, 2003; Gioia et al., 2012), and for relevant themes encountered to be followed up with additional questions that were not planned in advance (Kvale, 2007). One example was the inclusion of a question about the meetings that were being carried out to disseminate Mercurius' values.

In order to represent the organization, the sampling considered participants from all hierarchical levels. The final data set encompasses 41 individual interviews with various participants: two board members, the CEO, all business and line managers and at least one staff member per social enterprise. It also includes one group interview with three business managers and the business operation manager. Volunteers were deliberately excluded from the interviews; some had been Vesta's service users and could be considered vulnerable. Thus, their

participation represented a risk in terms of ethical issues related to consent and consequences (Burgess, 1990).

In order to minimize any potential ethical issues, interviews were recorded with the consent of the participants and provided an information sheet (see appendix 3) before the interview start. This document included information about confidentiality, anonymity, voluntary participation, future use of quotes and research's purpose, and was informed by others' observations on the subject (Burgess, 1990; Flick, 2009; Kvale, 2007; Oliver, 2010; Ryen, 2004). On occasions in which the sheet was not available, such as, unplanned opportunistic interviews, I included an initial project briefing so that this information was provided (Kvale, 2007).

As far as possible, I attempted to establish a good relationship with the participants by listening carefully and showing interest (Kavle, 2007). For example, in order to seem more approachable and gain trust, I usually introduced myself as a student rather than a researcher. Similarly, the role of volunteer was often used to facilitate the conversation and ask for further details on common practices, rules and behaviours within the organization. Personal characteristics, such as age, gender, and ethnicity, and how they could shape the interaction were also considered before conducting the interviews (Burgess, 1990; Hammersley & Atkinson, 2007). In that sense, initial observations from the business units provided important information on differences regarding dress code, behaviour and language, which informed for example, decisions on my appearance (Hammersley & Atkinson, 2007). I also tried to be particularly aware of any of my own personal taken-for-granted scripts and logics that could affect the conversation.

Overall, interviews lasted between 40-90 minutes. There were cases in which the environment was noisy or in which the

participant seemed uncomfortable or rushing through the answers to get back to work. There were also cases, especially during the first interviews, in which I made brief comments based on my own understandings that could influence the participant's responses. These details were annotated and considered as data themselves. This was consistent with the level of involvement of the researcher in the process, in which interviewing become a *"complex social event"* and therefore, requires a *"reflexive approach"* (Alvesson, 2003: 14). The researcher in this context becomes part of participant experiences and meanings (Kvale, 2007) and can change or affect the research, in as much as, be influenced by it (Burgess, 1990; Hartley, 2004). This is not a problem, especially from an interpretivist perspective; however, it can have an impact on validity (see section 3.8.1.).

Informal interviews (Hammersley & Atkinson, 2007) were also included as data sources. They were particularly common with the business operation manager, Ruth, as we spent a good deal of time travelling together from the headquarters to the SEO sites, spread across the Midlands region in the UK. Although some may argue this type of interview lacks structure and has the possibility of loaded questions or biases (Burgess, 1990), they can be included in case studies (Hartley, 2004) and are important for clarifying or elaborating on practices or behaviours. They were also highly informative as the more the relationship with Ruth developed, the more she revealed hidden organizational dynamics I would not have otherwise accessed. Therefore, relevant points from informal interviews were recorded in field-notes.

3.5.2. Observation

The second most important source of information for this research came from observations. Observations allow for exploring the organizational routines (Silverman, 2010, 2013; Watson, 2011), especially how organizational members act and interact within the organization. In addition, observations enable the researcher to access *"informal, emotional or cultural aspects"* that are not normally revealed through other methods (Brannan & Oultram, 2012: 310).

In particular, observations helped me to gain knowledge about the differences between Vesta, the CIC, and the various SEOs. This was essential for understanding what logics were available and how they were deployed in interactions and practices, affecting the hybridity of the organization. It is important to clarify that I was not interested in the interactions and practices themselves, but in how they were used by my respondents as a mean to deploy institutional logics. This distinction is subtle but important as it guides my analysis as further elaborated below (see section 3.6.).

Observations amounted to approximately 200 hours, as detailed in appendix 4, and followed the schedule of activities programmed with Ruth. Most of this time was spent on the headquarters, although I visited SEOs sites on several occasions. Sometimes, as a volunteer, I was also asked to join meetings or events that did not seem directly connected with the research such as, a team meeting at Vulcanus; the intranet launching day; Vesta's Talent Awards; and a day workshop on employment. However, I soon realised that these occasions provided me with relevant information about Mercurius' context and relationship with the other organizations. I was also able to obverse how some of Mercurius' employees interacted with members from the

other organizations. Therefore, field notes from these meetings were also registered and considered as part of the data-set. Furthermore, whenever I scheduled an interview I also spent time observing the routine of that particular location, such as a SEO or a Vesta's building. For instance, interviews with DecoSEO employees were carried out in one of Vesta's Hostels where they were working.

I recorded significant interactions, events and/or objects in field-notes (Hammersley & Atkinson, 2007). These extensive notes included descriptions of places and artefacts, promising analytical ideas, and personal reflections about my own influence on participants or practices (Burgess, 1990; Hammersley & Atkinson, 2007). I was particularly attentive to signs that indicated the availability or use of logics or an outcome of organizational hybridity, for instance, tension or conflict. To ensure the quality of the notes, all these aspects were written as soon as possible after the observation (Burgess, 1990; Hammersley & Atkinson, 2007), often on my mobile's notepad on the way back from the sites. They were later organized to summary documents, as in the example below:

Table 2 – Example of field-notes - 23.Jan.2014

Scenario	Situation	Comments
Arriving at Vesta's office	There was a sign with the saying: *"Cuts equal lives"* in Vesta's building.	Explore recent changes on government policy/spending cuts to the sector Indication of state logic – basis of strategy (increase community good)
Conversation with Ruth about the volunteering role (carried out at her desk and in the presence of the CEO).	I was informed that the role was mainly to keep social media up-to-date. When I asked if they had any particular strategy in relation to communication, including ways of speaking about the organization, Ruth replied that no, she was the one writing things up as she preferred and that using *"plain English"* was the way forward.	Suggests that individuals' preferences and perceptions (and possibly previous logics) might influence the organization more than formal practices which, when in place, do not seem to be strategized.
	At the end of the meeting, the CEO commented about how annoying it was to get permission for social media addresses. She told me - in what seemed an ironic tone - that Vesta was suspicious because these tools had been previously used for criticism of the charity. During the conversation the project manager also mentioned how they wanted to have a different attitude from Vesta.	The conversation indicates tension between how Vesta does things and the expectations of Mercurius. It shows gossip as an informal dynamic to cope with the dominant logic and to distinguish one organization from the other, portraying themselves as different.

At times, depending on the situation, it was difficult to know what to observe and annotate. For example, Mercurius' training space was a wide industrial unit where many interactions would be happening at the same time. On other occasions, especially in the beginning of data collection, I could not identify if something was relevant to the research. Furthermore, my position as a volunteer made saying no and leaving the field particularly difficult because I was constantly reminded that my presence was helpful.

Distinguishing between what people say they do and what they actually do, and balancing between immersion in the organization and detachment are common challenges of participant observation (Moeran, 2009). In order to cope with these challenges, I collected as much data as possible and created spaces in which I could distance myself from the field (Ibid.). For example, while at Mercurius, I focused on a particular space at a time and described situations in detail. These were later analysed in my office at the university, considering relevant theories and my research questions. As possible, I maintained *"a continuous balancing and rebalancing of involvement and detachment"* (Fox, 2004: 213). I elaborate on this in section 3.7.

3.5.3. Documents and images

Documents were used as an additional source in the research and primarily to identify the availability of logics within the organizations or contextualise the analysis. This source of data conveys meaning and imposes demands in constructing social reality in a similar fashion to interactions (Hammersley & Atkinson, 2007). Therefore, internal documents are likely to be embedded in logic prescriptions dominant to the organization

(Lammers, 2011). They can also communicate individual logics (Suddaby, 2011). For example, documents from stakeholders such as, Vesta, revealed logic demands to which the CIC was subjected; while internal communication such as, Mercurius newsletters, revealed logics that were used by certain participants such as, the CEO or the business operations manager.

Relevant documents were identified with the assistance of the operations manager, focusing mostly on Mercurius' and Vesta's normative documents, such as, codes and policies; and symbolic documents, such as, institutional communications, websites, advertisements and newsletters. A few documents from the SEOs and other external stakeholder were also collected for additional information.

During site visits, artefacts that could reveal the influence of an external institutional actor were noted. For example, while visiting the work unit, an old communication on rules for behaviour carried Vesta's logo instead of Mercurius. This suggested that Vesta's logics could still be dominant at that site. Therefore, the sign was photographed and a comment made on that day's field-notes.

It is important to highlight that when looking for/at documents I was not concerned with the shifting of logics throughout the history of these organizations, as often is the case in institutional research. Instead, I was looking for the availability of logics that could be used by organizational members as cultural resources. Therefore, the current scenario was more important to me than the historical one.

3.6. Data analysis

The collected material was transcribed in full and organized using the QSR Nvivo software. In case studies the researcher *"needs to be able to deal with theory and method concurrently rather than sequentially"* (Hartley, 2004: 332), considering patterns, surprises, relationships, accounts, and discrepancies over the course of the research. This means that, as data collection unfolded relevant themes, such as logics, practices, meanings, were identified that informed the following interviews and observations, and altered the course of the research. Data analysis was conducted in similar fashion through abduction (Burks, 1946), building upon pre-existing frameworks and moving *"back and forth between induction and deduction"* (Morgan, 2007: 71). As such, each step of the analysis informed the following step.

I started the analysis of the final data-set by coding relevant basic descriptive information, *"attribute coding"* (Saldaña, 2015: 83). For example, I separated documents and field-notes by organization and included demographic information about the participants. The remainder of the coding was undertaken with the overarching research question in mind, but in accordance with the aim of each of the specific questions. Therefore, in each step of the analysis I used the type of coding that better suited that particular step (Patton, 2002; Saldaña, 2015), as summarized in Table 3 and further detailed below.

Table 3- Data analysis summary

Data Analysis		Step 1	Step 2	Step 3
Overarching Question		How is organizational hybridity constructed at the micro-level?		
Research Questions		What logics are available to organizational members when the organization is becoming a hybrid?	How and to what end do organizational members deploy these available logics?	What are the organizational outcomes of this deployment?
Type of Data		Interviews and documents	Interviews and observations	Interviews and observations
1st Cycle of Coding	*Previous analytical step*		Available logics (Step 1)	Available logics (Step 1)
				How and to what end organizational members deploy logics (Step 2)
	Descriptive coding	Demographic information (age, organization, role)	Elements of organizational form Elements of organizational identity	Organizational outcomes (Access to resources, conflict, efficiency, failure, job satisfaction, mission-drift & success)
2nd Cycle of Coding	*1st-order codes*	Macro-societal logics (family, market, profession, religion, state, community & corporation) (Thornton et al., 2012)	Instances where organizational members deployed available logics in order to structure organizational aspects.	
	2nd-order codes	External logics Personal logics	**How** members used logics: independently, concurrently, in contrast and complementarily. **To what end** members used logics: adjust, create, criticize, define, differentiate, disseminate, explain, idealize, justify and resist organizational aspects.	
	Aggregated dimensions	Cultural toolkit	Signify attributed organizational aspects Articulate organizational aspects Materialize organizational aspects	

3.6.1. Identifying available logics

The first analytical step explored the first research question in context, assessing what logics were available to Mercurius CIC members. The starting point to answering this question was a common understanding that logics represent institutions (Friedland & Alford, 1991), and that institutions can be manifest discursively (Berger & Luckmann, 1991; Phillips, Lawrence & Hardy, 2004; Suddaby, 2011; Suddaby & Greenwood, 2005). Therefore, in order to identify available logics, I focused on interviews and documents.

It is important to note that by saying *identify available logics* it is not my intention to suggest logics exist and are present in the realist sense. In fact, and consistently with the social constructionist perspective I apply here, I believe they are not. Instead, during the analysis I was looking for a *"system of meaning whose content and properties can be analyzed to assess the presence and strength of one or several logics"* (Weber, Patel & Heinze, 2013: 361). These systems of meanings could include, for example, elemental categories such as, source of identity or basis of authority, highlighted by Thornton and colleagues (2012) or *"actor identities, classes of social practices, and dimensions of value"* (Weber et al., 2013: 356).

Therefore, key to the analysis was discriminating which elements were appropriate as the guiding system of meaning for this thesis. In this sense, another important observation is that it was not my intention to 'reinvent the wheel'. Although I could have analysed and coded the data in order to find these systems of meaning inductively, I pondered that this was not necessary. This question and step aimed simply to situate the research, highlighting logics that were available at Mercurius specifically, and therefore, were part of organizational member cultural

toolkits. How these logics were appropriated and used was indeed more important to the research. Therefore, this step of the analysis was abductive (Burks, 1946; Morgan, 2007), I based its coding on a previous, rigorously conducted, study that already provided a suitable system of meanings: Thornton et al.'s revised interinstitutional system ideal types (2012: 57; see also Thornton, 2004) (Table 4).

Thornton et al.'s table describes the content of seven macro institutional logics: market, state, religion, family, community, corporation and profession. Macro-level logics are the basis from which other field-level logics derive (Thornton et al., 2012). The dominance of these logics in society suggests they will be available to both organizations and individuals, even if in localized versions. As such, the table provided a common frame for identifying personal and external logics.

Additionally, using the table allowed me to gain time without compromising the quality of the project. For example, it increased clarity as to what constituted a logic in this study. In the current literature, logics are often approached as relative to the case studied. However, descriptions of the logics are not always provided, and can often lack clarity about the level of the logic being considered, such as, societal, field or organizational, and how it was identified.

Finally, the table allowed me to increase the number of logics considered. Although not all logics were expected to be available in individual cultural toolkits, the analysis provided a wider picture than that which was commonly found in the literature of only two or three logics (see Goodrick & Reay, 2011; Greenwood et al., 2011).

Table 4 - Revised interinstitutional system ideal types

Elemental categories	Institutional orders						
	Family (1)	**Community (2)**	**Religion (3)**	**State (4)**	**Market (5)**	**Profession (6)**	**Corporation (7)**
Root Metaphor **(A)**	Family as firm	Common boundary	Temple as bank	State as redistribution mechanism	Transaction	Profession as relational network	Corporation as hierarchy
Sources of legitimacy **(B)**	Unconditional loyalty	Unity of will Belief in trust and reciprocity	Importance of faith & sacredness in economy & society	Democratic participation	Share price	Personal expertise	Market position of firm
Sources of Authority **(C)**	Patriarchal domination	Commitment to community values and ideology	Priesthood charisma	Bureaucratic domination	Shareholder activism	Professional association	Board of director Top management
Sources of Identity **(D)**	Family reputation	Emotional connection Ego-satisfaction & reputation	Association with deities	Social & economic class	Faceless	Association with quality of craft Personal reputation	Bureaucratic roles
Basis of norms **(E)**	Membership in household	Group membership	Membership in congregation	Citizenship in nation	Self-interest	Membership in guild & association	Employment in firm
Basis of attention **(F)**	Status in household	Personal investment in group	Relation to supernatural	Status of interest group	Status in market	Status in profession	Status in hierarchy
Basis of strategy **(G)**	Increase family honour	Increase status & honour of member & practices	Increase religious symbolism of natural events	Increase community good	Increase efficiency/profit	Increase personal reputation	Increase size & diversification of firm
Informal control mechanism **(H)**	Family politics	Visibility of actions	Worship of calling	Backroom politics	Industry analysts	Celebrity professionals	Organization culture
Economic system **(I)**	Family capitalism	Cooperative capitalism	Occidental capitalism	Welfare capitalism	Market capitalism	Personal capitalism	Managerial capitalism

Source: adapted from Thornton et al., 2012: 57

The analysis was conducted as follows. The table was used as a flexible framework, rather than a methodology for identifying logics in the strict sense. In the first cycle of coding, I analysed documents and interviews to find quotes that represented the content of each institutional logic. For example, I searched the data for quotes that represented *"association with quality of craft"* (see *D6* at table above - elemental category: *source of identity* and institutional order: *profession*). When these codes were identified in interviews or documents, the quote was marked as indicating that particular logic, for example, the profession logic in the example above. Table 5 below provides additional examples of quotes coded as such.

Table 5 – Step 1 - 1st coding - Examples

Institutional Logic	Elemental Category	Content	Example of data
Community	Metaphor	Common Boundary	*"They kind of are very music-y people over at the MusicSEO. It's like, if something comes from somebodies internal passion. The MusicSEO is very much a reflection of Jake." (Sarah, CEO)*
Corporation	Source of authority	Board of Directors/ Top Management	*"It's that kind of: chain of power, isn't it? That kind of: 'we are not allowed to talk to you', something! I don't know! It's definitely hierarchy. […] I feel like there's Vesta and under them, Mercurius…" "It feels some decisions […] are not made from the ground level." (Jake, business Manager, Retail Unit)*
	Metaphor	Corporation as hierarchy	
Family	Metaphor	Firm as family	*"It's a really great bunch to work with. Mark is the coordinator now. So, yeah, we all get on great, it's like a nice little family. […] We have regular meetings, to make sure everybody is happy and everything like that. […] We get on really, really well. Yeah, couple of guys have been here for over a year now. So, […] one of the other guys just says: "you sound like an old married couple" […] We do get on very well, we do have a laugh, we are like that with everybody to be honest. Mark comes in in the morning and we go: "Good morning, Dad", yeah. So, it's great." (Tina, staff, The Training Space)*
	Sources of authority	Patriarchal domination	
Market	Basis of strategy	Increase efficiency/ profit	*"So you're constantly: 'are we gonna be here in a few years?', 'cause of course a lot of this work, you know, it can be profitable but it's not. […] So, we strive for sustainability, it's really what we're all working towards to, and it is a big challenge." (Patrick, line manager, BikeSEO)*
Profession	Source of identity	Association with quality of craft/ Personal reputation	*"I'm a musician". "People spend years learning how to do this, and then years in the industry doing their job before they actually consider themselves good in their job." (John, line manager, StudioSEO)*
State	Basis of strategy	Increase community good	*"We help a lot of people. I think a lot of people appreciate that we are here in the park, and when they find out that we are connected with a charity, they like that a lot. Literally, it's quite nice to be able to tell people a bit about what we do and how we help people." (Amber, staff, CafeSEO)*

After identifying which logics were available in the data, a second cycle of coding was carried out to separate these logics into *external logics*, derived from the context in which the Mercurius was embedded; or *personal logics*, derived from organizational member experiences (see also 2.5.3.).

Logics directly connected to Mercurius stakeholders, such as, funders, the government and Vesta, were coded as *external.* External logics were primarily identified in communications from these stakeholders or documents to which Mercurius was subjected to. These logics were then identified in Mercurius through documents and organizational member accounts of the CIC. Logics directly connected with organizational members' previous experiences were coded as *personal.* Personal logics were first identified in interviews, and then compared to Mercurius' documents. Table 6 below provides examples of this coding.

Table 6 – Step 1 – 2nd coding – Examples

Type of Logic	Source	Example of data
External	Government (Office of the regulator of Community Interest Companies)	**State logic** - *"[CICs] primary purpose is to provide benefits to the community, rather than to the individuals who own, run or work in them. In the legislation, this core principle is set out as the 'community interest test'. A company satisfies the community interest test if a reasonable person might consider that its activities (or proposed activities) are carried on for the benefit of the community."*
	Mercurius' articles	**State Logic** - *"The objects of the Company are to carry on activities which benefit the community."*

Type of Logic	Source	Example of data
Personal	Monica, staff, CafeSEO	**Family logic** - *"We were required to work at night which I can't do 'cause I got two children, so this day job fits me a lot better."*
	Mercurius' behaviours	**Family logic** – *"Staff happiness – Managerial [behaviour expected] - Facilitate supportive environment by believing in staff and being there."*

External and personal logics available formed organizational members cultural toolkits. Once these logics had been identified, the focus became how members used them as cultural resources.

3.6.2. Identifying uses of logics

The second analytical step explored the question: *How and to what end do organizational members deploy available logics?* As noted in the literature chapter, this thesis is based on an understanding that logics can be manipulated by individuals according to the situation (Binder, 2007; Delbridge & Edwards, 2013; McPherson & Sauder, 2013; Ruebottom, 2013; Tracey et al., 2011; Voronov et al., 2013). Therefore, in order to answer both this specific question and the overarching one, I needed to be able to capture situations where: individuals were using logics and affecting how hybridity was constructed in the organization. The complexity of the second question required an inductive analysis to generate categories and abstractions (Elo & Kyngäs, 2008) about how logics were deployed in this organization, such as the Gioia methodology (Gioia, Corley & Hamilton, 2012).

This methodology is particularly appropriate for exploratory research questions (Ibid.). It focuses on *"the means by which organization members go about constructing and understanding their experience"* (Gioia et al., 2012: 16). Therefore, it aligned with my socially constructed understanding of organizational hybridity. Furthermore, the Gioia methodology assumes that *"people in organizations know what they are trying to do and can explain their thoughts, intentions, and actions"* (Gioia et al., 2012: 17). It focuses on lived experiences privileging data generated through semi-structure interviews. This was particularly important for this step, as it gave voice to the participants balancing interpretations I provided through observations.

Following the advice of the authors, I did not use the methodology as a *"rigid template"* or *"formula"* (Gioia et al., 2012: 25). Instead, I used it to inform the analysis, making adjustments when necessary to maintain the quality of the project. For example, in order to narrow down the scope of the analysis and guarantee an answer to the proposed questions, I based this step on the previous one. This meant analysing only quotes in which logics had already been identified.

In spite of this initial abductive (Burks, 1946; Morgan, 2007) step, I became completely lost, as expected, when attempting to *"faithfully"* follow *"informant terms"* (Gioia et al., 2012: 20), during the first-order coding. I had over 300 codes after just the first few transcripts. Discussing the issue and the coding with my supervisors, I realized that I needed another cycle of descriptive coding (Saldaña, 2015) to further narrow down the scope of the analysis to those quotes related to the organizational aspects relevant to organizational hybridity.

As discussed in chapter 2, organizational hybridity is constituted by three aspects: institutional logics, organizational form and organizational identity. Therefore, this coding separated between

quotes that took into consideration *elements of organizational form* (McKelvey, 1982), such as governance, roles, internal practices and rules; and *elements of organizational identity* (Whetten, 2006: 220), such as identity labels and core organizational attributes. Finally, I continued the analysis coding each organizational aspect separately.

Upon these decisions, I returned to the first-order coding, and examined quotes where logics were used in relation to organizational form or identity. As anticipated, this step resulted in a large, but more manageable, number of codes: around 90 per organizational aspect. Table 7 shows examples of first-order codes related to organizational identity, and how they were summarized to increase clarity in the data structure (Figure 4 below).

Table 7 - Step 2 – 1ˢᵗ order codes – Example: organizational identity

Example of codes	Final 1ˢᵗ order codes
"A SEO is a business" *"A CIC is a legal structure"* *"A SEO is a community"* *"A SEO is a company"* *"A SEO is an alternative to funding"*	SEOs / CICs are X, Y, Z
"SEO give opportunity for people" *"A SEO is about doing good"* *"A SEO is a way to get cheap labour"* *"A SEO is about the business"*	SEOs / CICs are about X, Y, Z
"A SEO is not a charity" *"A SEO is not a company"* *"A SEO is not an enterprise"*	SEOs /CICs are not X, Y, Z
"A SEO is not about self-interest"	SEOs / CICs are not about X, Y, Z
"A SEO is about balancing the social and financial side"	SEOs / CICs are about X and Y
"We are a family" *"We are a business"* *"We are a SEO"* *"We are part of Vesta"*	We are X, Y, Z

Example of codes	Final 1st order codes
"Mercurius is about training/ employment" *"We are a business, we need to make money"* *"We are about making a difference"* *"This organization cares about people"*	We are about X, Y, Z
"We are not just a business, we are a SEO" *"We are not just a shop"* *"We are not just about making money"*	We are both X and Y
"Mercurius is about profits but" *"We are not just about making money"*	We are about both X and Y
"We are not a business" *"We are not a charity"* *"We are not Vesta"*	We are not X, Y, Z
"We are a SEO, but we should be professional"	We are X but we should be/do Y
"We want to portray professionalism" *"We want to be a community"*	We want to be X, Y, Z
"We've done many sessions with Vesta's staff to show who we are" *"We've done a massive exercise on branding"* *"Value disseminations meetings gave all the staff a clear and concise feel of what Mercurius is"*	We are doing this to show who we are

After the first-order coding, I had a list of quotes where logics had been used in relation to organizational form/identity. However, it is important to remember that I was not interested in the elements of form/identity per se, but in how they were used by my respondents as means to deploy institutional logics. Therefore, in the second-order coding I focused on analysing *how* and *to what end* organizational members deployed logics in each group of first-order codes. For example, if a quote indicated that logic A was used *in contrast to* logic B to *differentiate* Mercurius' identity from another organizational identity I coded under *"in contrast to differentiate"*, so *how; to what end*. Second-order coding was carried out until saturation (Gioia et al., 2012).

In order to guarantee the quality of the process, second-order codes were discussed and adjusted during supervision meetings,

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and took into consideration relevant studies on process of organizational identity formation (e.g. Gioia et al., 2010; Gioia et al., 2013) and organizational form emergence (e.g. Battilana & Lee, 2014; Tracey et al., 2011). Table 8 shows the final list of second-order codes and examples of quotes.

Table 8 - Step 2 - 2nd order coding – Examples

2nd order coding	Logics	Organizational aspect	Example of quote
Complementarily to disseminate	Profession with State	Identity / Form	*"We want to portray professionalism, you know, sort of having a very high standard delivery. […] we've taken all of Vesta's logos of our stuff, we created our own image… and we wanted press to know: 'Yes, we are a social enterprise but we're working with vulnerable people and unemployed people to give them work based opportunity' and that's what we wanted to sell. That's our […] message to the public." (Sarah, CEO)*
Complementarily to justify	Market with State	Form	*"We're allowed to make money so this thing can continue, so, you know, with Mercurius we make a profit so we can carry on providing free training." (Patrick, line manager, BikeSEO)*
Concurrently to create	Profession and State and Market	Identity / Form	*"These events [value disseminations] were about introducing myself, introducing them [members] to the organization and saying: 'This is what Mercurius actually is; and this is how it came about and why it's different from Vesta; and these are our values and this is […] how you are going to be measured in your work going forward'[…] And I've done a series of work on what behaviours I expect to see […] and it will hopefully be embedded to their supervision appraisal process and people will see: […] we are concerned about the environment, we're concerned about clients, we're concerned about our end service users. So, you know, we want to be ethical in our practices […]. So I'm being, I'm being marked, if you like, or I'm being accessed on what difference I'm making to the environment, or what difference I'm making, you know, in terms of our ethical stance, or what difference I'm making in terms of innovation or, you know, whatever the value is." (Sarah, CEO)*

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2nd order coding	Logics	Organizational aspect	Example of quote
Concurrently to define	Market and State	Identity	*"I think we all had got in our heads that we are business, but we are not just a business, we are a social enterprise! And we've got not only to meet business targets; we've got to meet our social aims target. So, we in that kinda of middle, really; because while we are doing one we can sacrifice the other, if that makes sense." (Rachel, line manager, CafeSEO)*
Concurrently to explain	Corporation and State	Identity	*"[A social enterprise] I would say it's a normal business activity but where social purpose lies at the heart of the operation of it." (Tom, board member)*
In contrast to criticize	State versus Profession	Identity / Form	*"Obviously being a social enterprise, you know, we have to have volunteers. [...] I am not sitting here saying I don't want them[...]. I would love to have a team of volunteers; but it's going to be the right people. And I think maybe at times there's a little bit too much pressure on getting volunteers in just to have the volunteers in." (John, line manager, StudioSEO)*
In contrast to differentiate from	State versus Market	Identity	*"I think it's really good how they can, like, kind of put something back into the community. How, it's not just, like, an organization that sells coffee!" (Megan, staff, CafeSEO)*
In contrast to explain	State versus Market	Identity	*"We have the social enterprise that we need to meet. And it's quite a positive thing. I like the fact that it's not just about making money like [Company]. It's about putting into the community and helping people who needs help, or helping people who needs a little bit of guidance." (Ellen, line manager, CafeSEO)*

2nd order coding	Logics	Organizational aspect	Example of quote
In contrast to idealize	Market versus State	Form	*"It's really a question of seeing what you think is achievable, making the best case for it and manipulating the situation to get where you want to. […] Of course anybody would like more money, but I'm not talking about things like that. It's just I suppose really about offering a better service, you know, to service users. You know? We supply this equipment, this will enable us to get into this area of things and raise their awareness and so on." (Matt, tutor, The Training Space)*
In contrast to justify	Profession versus Corporation	Form	*"I think sometimes it's difficult to be part of a bigger organization […] 'cause […] the person in charge doesn't necessarily understand what each business does individually. We get, you know, sort of get pressured about certain things, while […] you wonder why they are kind of concerned about it. Like, I think Jake got asked about the records he'd been ordering and got criticized about the records he'd ordered: 'Oh, they can't possibly be popular'. But they are really popular records, you know. […] We know our customers really well and, you know, people come in and they buy those [records] and they get excited about them." (Jen, staff, MusicSEO)*
Independently to adjust	State	Form	*"If you really want to move people away from the risks of homelessness, you have to deal with the issues that are more related to economic and employment, involvement and engagement. We worked with a lot of people who hadn't completed their education. […] So, we started to develop training courses. […] We evolved also into this notion that we sort of will assist people to develop work-based training and hopefully move into employment." (Leo, board member)*
Independently to create	Market	Form	*"As soon as we moved to Mercurius, we realized we needed to really step up what we were doing; that's why we moved to the bigger premises. That's why we are moving onto that online sales as well; to increase profits." (Jake, business manager, Retail Unit)*

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2nd order coding	Logics	Organizational aspect	Example of quote
Independently to criticize	Corporation	Form	*"I'm not called a coordinator and I don't get coordinator wages but that's what I'm bloody doing, you know. I'm expected to come in here, work out what goods we can make, you know, sort of try and decide on the items out there that people might want, you know, come up with the designs, teach people how to make them and then to find places, how to sell them. You know, so I'm doing everything really. I'm not just teaching." (Kerry, tutor and line manager, WoodSEO)*
Independently to define	Corporation	Form	*"Now we have a structure in which you have the board, the senior management team, the operational management team and then you have a service. So, each service has its own manager. So, you now have a link to the key structure, of hierarchical structure—which is where accountability and responsibility can flow and, hopefully, communication as well as information." (Leo, board member).*
Independently to explain	State	Identity	*"A Community Interest Company, I don't know if you know, is kind of like a legal structure for a social enterprise, basically. So, so that's what we are." (Ruth, business operations manager)*
Independently to idealize	Community	Form	*"I think it would be nice to have something where all the new staff could be a bit more sociable. Maybe something a bit informal, but something a bit more social to actually get to know people." (Amy, staff, The Training Space).*
Independently to justify	Family	Form	*"We have regular team meetings every two weeks for DIYSEO. It's to make sure everybody is happy." (Tina, staff, DIYSEO)*

Finally, the second-order codes were aggregated in three dimensions. The first dimension compiled instances where members used logics to *signify attributed organizational aspects*, that is, identity labels such as CIC or SEO or the hybrid form; imbuing these aspects with multiple meanings. The second dimension grouped instances where members used logics to *articulate organizational aspects;* subjectively constructing these aspects according to their personal aims or interpretations of organizational needs. The third dimension aggregated instances where members used logics to *materialize organizational aspects*; formally affecting the structure of the organization.

Overall, the second step of the analysis provided me with a picture of how and to what end organizational members were deploying available logics within the organization, and in the process constructing organizational hybridity in relation to logics, forms and identity. The coding is summarized and illustrated in the data structure below (Figure 4), separated according to the organizational aspect for clarity. The meaning and relationship between each aspect of the data structure is further discussed in the findings of chapter 5.

Figure 4 - Data structure – Deploying logics to structure organizational identity/form

1st order codes – Elements of org. aspects where members deployed logics

2nd order codes – How/ To what end members deployed logics

Aggregated dimensions

Organizational identity
SEOs / CICs are X, Y, Z or are about X, Y, Z
SEOs / CICs are about X and Y
SEOs /CICs are not X, Y, Z or are not about X, Y, Z

Organizational form
We do X, Y, Z because we are a SEO / CIC

How - Independently, concurrently & in contrast

To what end – explain

Using logics to **signify** attributed org. aspects

Organizational identity
We are X, Y, Z or are about X, Y, Z
We are both X and Y or are about both X and Y
We are not X, Y, Z
We are X but we should be Y
We want to be X, Y, Z

Organizational form
This (X, Y, Z) is what we do
This is how we do X, Y, Z
We do X, Y, Z because
We should do X, Y, Z
We should not do X, Y, Z

How – Independently, concurrently, complementarily & in contrast

To what end – define, differentiate from, criticize/resist, idealize & justify

Using logics to **articulate** org. aspects

Organizational identity
We are doing this to show who we are

Organizational Form
This (X, Y, Z) is what we are doing now
This (X, Y, Z) is what (I/we) changed in what we do

How – Independently, concurrently & complementarily

To what end – adjust, create & disseminate

Using logics to **materialize** org. aspects

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3.6.3. Understanding organizational outcomes

The final analytical step explored the organizational outcomes of how Mercurius CIC members deploy logics. As discussed in chapter 2, studies on organizational hybridity have a tendency to focus on its negative outcomes, especially to SEOs, such as mission drift, conflict and tension. (Battilana & Dorado, 2010; Battilana & Lee, 2014; Cooney, 2006; Doherty et al., 2014; Fiol et al., 2009; Glynn, 2000; Pache & Santos, 2010; 2012; Pratt & Foreman, 2000; Smith et al., 2013; Zilber, 2002). These studies commonly conceptualize multiple aspects as incompatible. However, recent research has noted that organizational members can construct the relationship between logics leading to various outcomes (Delbridge & Edwards, 2013; Jay, 2013; Smets & Jarzabkowski, 2013; Smets et al., 2015). I suggest that one way that they do so is by deploying logics in different ways.

Therefore, this step aimed to provide insights into the role of organizational members in constructing hybridity as problematic or beneficial to organizations through the use of logics as cultural resources. So doing could potentially inform hybrid organizations of how to construct more beneficial types of organizational hybridity. As noted, some studies of SEOs suggested that hybridity can be positive. For example, it increases efficiency and facilitates access to resources from multiple sectors and stakeholders (Book et al., 2010; Dees & Anderson, 2003; Doherty et al., 2014; Teasdale, 2011; 2012; York et al., 2016).

In order to achieve its aim, this analytical step is purposefully simple. It is abductive (Burks, 1946; Morgan, 2007), building on what was identified in the previous steps (available logics and how/ to what end they were deployed) in order to gain insights

into the impact that deploying logics have to organizations. First, I used thematic coding (Gibbs, 2008) to analyse interviews and field-notes, coding outcomes noted in the literature as negative such as, conflict, tension, mission drift and failure; or positive, for example, efficiency and additional access to resources. Other relevant outcomes noted at interviews or during observations were also coded. Table 9 below exemplifies quotes of organizational outcomes that were identified.

Table 9 - Step 3 – 1st coding – Examples

Codes	Example of quotes
Access to resources	*"A lot of funding is for charities only, a lot of funding is for all sorts of organizations, and a lot of funding is for social enterprises. So you, kind of, be creative and fit in whichever one you can do, really. We're quite good in being creative." (Ruth, business operations manager)*
Conflict	*"In management there's nobody with any technical expertise. So any initiative, any improvements, any advancement technically has to come from me or another tutor. You know, normally in industry, there's usually somebody in a more exalted level than you, who understands the technical side of things. […] I see incompetence in the management. […]The man at the top of this organization here doesn't chose to engage. I mean, he doesn't know, because he's not technical, nor does he engage adequately. So […], you'll always get a verbal response but it's usually one that sweeps you aside." (Matt, tutor, The Training Space)*
Efficiency	*"We've tried to knowledge our customers, give them information […] We've put things like that poster[…] that explains to the customers that it isn't just a business, a normal coffee shop, we're more than that. […] At the minute we all, kind of, look the same, but we are trying to show that: 'this is a member of staff, this is a trainee, this is a volunteer', so that they can be a bit more acceptable. […] I think it makes a difference if the customer understands, definitely. If they see that that person is learning." (Rachel, line manager, CafeSEO)*

Codes	Example of quotes
Failure	*"We are gonna close CateringSEO. Because it's become very unprofitable and its social returns are now quite weak largely because the business is falling off." (Sarah, CEO)*
Job satisfaction	*"I think I never had a job that I had so much job satisfaction from, honestly. [...] Is that I never had so much [...] flexibility to kind of put my ideas forward, you know? The job changes so much, it's always interesting and it's really rewarding and nice. [...] It just feels nice. You feel like, you know, a person working there and not just a member of staff." (Jen, staff, MusicSEO)*
Mission drift	*"It was a lot for us to learn because when we were part of Vesta it was more about the support and when we moved to Mercurius it became clear that we had to be a business and we had to make money." (Jake, business manager, Retail Unit)*
Success	*"One of the biggest efforts over the past six months has been growing external income. Not relying on income from partners and from friends, and actually going out and selling, more, which has been pretty successful, actually. For DIYSEO we had 200% increase last year in our external customer." (Paul, business manager, Work Unit)*
Tension	*"We do a lot of training; and I'd imagine all of that is relevant but, you do a job like I do and you've got a certain amount of time to do it. And you need a lot of breaks to go training. Annoys me, it pisses me off, sorry but, it pisses me off because I've things to do." (Ali, staff, DecoSEO)*

These quotes were then compared to the previous steps of the analysis in order to identify links between how organizational members used logics and the organizational outcomes. For example, if there was a dominant logic or use of logic that could explain each outcome, and ultimately why some of Mercurius' social enterprises were closed while others continued to exist. In doing so, this final step opens the discussion about why this research matters theoretically and empirically, and how future research can continue to explore organizational hybridity.

3.7. Reflections on doing and writing an in-depth case study

Conducting an in-depth case study implies a level of immersion in an organization that makes the line between the researcher and the researched even thinner than in most qualitative studies. Case studies are emotionally charged as they require constant attention to the different actors who take part in these interactions: the participants, the researcher and the audience (Hartley, 2004; Yin, 2013).

The focus of my research is on the micro-level which implies that the views and experiences of those in the field are at the centre of the research. This does not mean that these views are without bias. It is often the case that participants will attempt to say or show what they think will contribute to the research (Delamont, 2004: 212). Indeed, many participants asked me if they had *been helpful, answered my questions, gave me what I needed.* Similarly, Ruth seemed to constantly make sure I was *getting what I needed for the research.* Also, as a gatekeeper she had a considerable impact on the development of the research (see Burgess, 1990: 49), constantly offering her views including in follow up meetings once the data collection was over. This is not negative, especially in the context of my research in which this also reflected logics at play. For instance, a concern with helping, or with doing good, is characteristic of a state logic. Yet, being mindful of possible biases introduced by the participants was important for maintaining the quality of the research (see section 3.8. below).

Similarly, I was also a source of bias: through my own experiences, intentions and questions (Brannan & Oultram, 2012; Ferdinand et al., 2007), my own characteristics, as well

as, my own logics (Pache & Santos, 2013). This became clear upon two occasions: at a group interview with business managers and when I became a volunteer. The interview was one of the first interviews I undertook at Mercurius. While I was explaining the research I used my own corporation logic, implying a hierarchy that did not exist in that particular level:

> *"Researcher: I talked to Ruth if I could come and understand about Mercurius and she was very kind to say yes, and she was very kind to say: 'yes, I'll introduce you to **my** managers'.*
>
> *Ruth: **My** managers [laughs]."*

As I came to realise throughout the research there were other logics being used in that situation and organization that were far more relevant to those people, such as a state logic or a family logic (see Chapter 4). Although not strictly relevant to the research, that brief interaction above was key to remind me early on to maintain a reflexive approach throughout the process. That is, constantly *exposing* and *questioning* the *ways of doing* my research (Hibbert, Coupland & MacIntosh, 2010: 48). In order to do that, I registered my own impressions, doubts, feeling on field-notes, and considered them as part of the data (see also 3.8.1. below).

Therefore, when I became a volunteer in the organization, three months after initial interviews and observations, I was already aware of possible implications. Having previously worked in internal communications, I knew social media tools could be used as means to legitimize particular views. Therefore, I took measures to guarantee those views were primarily Mercurius' views instead of mine. For example, I decided I would only upload information on Mercurius' social media when at the headquarters, and after clearing each post with Ruth. I also

decided that in spite of these measures, there was still a risk that this material would reflect my own interpretation of the CIC and its SEOs. Therefore, I decided not to integrate them to the data set, in an attempt not to taint the sample with my own logics.

Likewise, when visiting sites and even interviewing people, I aimed to be more *fly on the wall* than *centre of attention.* My interest was in other people's experiences therefore, it was more important for me to be a good listener and observer rather than interviewer or participant. However, as suggested by these pictures extracted from Mercurius' internal documents, my measures were not always sufficient.

Figure 5 – Examples of communication

Source: Mercurius Annual Reports and newsletters, Vesta letters

These moments and pictures were a constant reminder that there is no such thing as a detached, impartial researcher. No matter how much I tried to be invisible, the fact was that I was still there, interacting with people. In fact, my role as a researcher and social media volunteer were vital to provoke some of the interpretations and perspectives from the participants about the organizations, and about attributed identities or forms. I was actively part of the answers these individuals gave me. However, the important thing is that the views provided, and the logics used, were mostly theirs, and that my influence is relatively small in relation to theirs and the whole picture.

On the other hand, *"'the field' is always what each researcher understands it to be"* (Ely, 1997: 16). In a written account, decisions about what to include and how to include it are influenced by expected audiences (Van Maanen, 1988), as well as, by the researcher's epistemological and ontological positions, aims, previous experiences, characteristics and style (Burgess, 1990; Ely, 1997). As part of a conversation, a thesis has indeed to reflect my own stance. Nevertheless, as an academic project it has also to be grounded and informed to guarantee rigor, therefore decisions were not only supported by relevant literature, but constantly reviewed after the feedback of recognized scholars in the field.

3.8. Quality in qualitative research

As mentioned at the beginning of this chapter, constructionist and interpretivist positions understand reality and knowledge as socially constructed. The boundaries between the researched and the researcher are thinner. This closer involvement between both has often been the source of criticism regarding qualitative research's rigour (Gioia et al., 2012; Pink, 2004). Therefore, in

this section I discuss the measures I took in order to guarantee the quality of my research. I focus particularly on issues of *validity, reliability and generalizability[7]*.

3.8.1. Validity (or trustworthiness)

Validity in qualitative research refer *to "whether the researchers see what they think they see"* (Flick, 2009: 387), or in other words, if the research in fact conveys the perspectives and experiences of organizational members. This was achieved by taking a number of measures:

1. Being attentive to methodological fit (Edmondson & McManus, 2007; see also Lincoln et al., 2011). That is, maintaining coherence between my research questions, my ontological and epistemological position, and the decisions I made throughout the process. This was an iterative process, where decisions were often pondered in conversations with other researchers in order to check that consistence was maintained.

2. Focusing on richness instead of size (Patton, 2002: 245) in relation to both case selection and sampling of participants. For example, I chose Mercurius because its structural complexity potentially provided the opportunity to observe members deploying several logics (see section 3.4.).

3. Using multiple data collection methods, triangulation, to generate appropriate data to my research questions (Silverman, 2014: 92). For example, I conducted semi-structured interviews

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7 I acknowledge these terms have been questioned as positivist (see Lincoln & Guba, 1985; Silverman 2014; LeCompte & Goetz, 1982). However it is not my intention to enter this debate here. Quality in qualitative research has been widely discussed using a variety of terms (Denzin & Lincoln, 2011; Kirk & Miller, 1986; Silverman, 2014). Validity, reliability and generalizability are applied here with similar understanding.

with open questions in order to privileged participant views (Patton, 2002); gathered normative documents to analyse available logics; and used observations to understand how organizational members interacted and deployed logics within Mercurius.

4. Maintaining reflexivity throughout the research (see section 3.7) to account for the influence of participants, audiences and my own. For instance, when possible I recorded interactions about the research with Ruth. I did not have a research diary (Flick, 2009) per se but constantly registered my own comments, emotions, insights, etc., in field-notes and transcripts, including them in the data and considering them in the analysis.

5. Using a unique approach to data analysis in order to suit the characteristics of the project (Patton, 2002), however basing it on previous work recognised by their rigour and concern with quality (Gioia et al., 2012; Thornton et al., 2012). For example, I opted to combine more than one method of analysis in order to answer each part of the question adequately.

6. Finally, writing myself into the thesis (Kilduff & Mehra, 1997) to make my own presence and constructionist perspective clear to my audience.

3.8.2. Reliability (or credibility)

Reliability is closely connected with maintaining a *"higher-level perspective necessary for informed theorizing"* (Gioia et al., 2012: 19). In order to do so, and avoid *going native* as a participant observer, I paid close attention to the research process. In particular, I:

1. Followed clear procedures during and used multiple methods of data collection. For example, I digitally recorded and

personally transcribed or checked professionally transcribed interviews (Silverman, 2014); chose documents according to representativeness and meaning (Flick, 2009); and made detailed field-notes that, for example, distinguished between observations and personal comments (Flick, 2009; Kirk & Miller, 1986; Silverman, 2014)

2. Followed clear procedures for analysing data and reporting findings. For example, I frequently checked for consistency (not consensus) in relation to coding, discussing the process and challenges with other researchers, and making adjustments when required (Richards, 2015, see also Gioia et al., 2012); I used extracts from the data and provided additional examples in tables to avoid anecdotalism (Silverman, 2014).

3. Provided detailed information, being transparent about each step of the process (Goldbart & Hustler, 2005; Silverman, 2014). For example, I included examples extracted directly from the data to illustrate points about the process, as well as, relevant additional information in the appendix.

3.8.3. Generalizability (or external validity)

Finally, generalizability is concerned with the ability to replicate the research to other settings (LeCompte & Goetz, 1982: 31). This can be particular difficult depending on "*researcher status position, informant choices, social situations and conditions, analytic constructs and premises, and methods of data collection and analysis*" (1982: 37). Therefore, case studies are not about identifying typical cases (Bryman, 2015; Yin, 2013), rather generalizability can be derived from producing concepts, principles, explanations or theories that may be important for other contexts (Gioia et al., 2012). In order to achieve the desired

richness, I was particularly attentive to having exploratory research questions that could be approached in other contexts, as well as, making appropriate choices of setting, case, sampling, data collection and analysis.

3.9. Ethical issues

Throughout this chapter I stressed that qualitative research, especially in depth case studies, implies a close relationship between researcher and participants that can affect the research in several ways. This is especially so in relation to ethical issues. Hennink, Hutter and Bailey (2010) noted that the qualitative researcher has a greater ethical responsibility due to the closeness with participants, which can, for example, lead to the disclosure of sensitive or personal information (2010: 63-64). In these cases, for example, guaranteeing anonymity and/or confidentiality (Burgess, 1990; Kvale, 2007; Ryen, 2004) becomes even more important. Although my research and its setting were not particularly sensitive, I did touch on personal information during my interviews and I spent a considerable amount of time observing organizational members. Therefore, I took several measures in order to deal with potential ethical issues in this sense:

1. I made my role as a researcher as overt as possible. Although some authors consider that covert research can improve the quality of observations (Van Maanen, 1988; Ferdinand et al., 2007), as mentioned before, it is unlikely that the researcher will be unnoticed. Furthermore, covert research has been criticized as unethical (Brannan & Oultram, 2012; Bulmer, 1982; Hammersley & Atkinson, 2007). Therefore, I was formally introduced and re-introduced as a researcher in emails, newsletter, and personally, to organizational members. I also

introduced myself as a PhD student or researcher even when undertaking a task that was related to the volunteering to avoid conflict in terms of role, including to myself (Oliver, 2010).

2. I provided as much information about the research as possible to participants. For instance, I wrote and approved with the University's Ethical Committee a research proposal (appendix 2) and an information sheet (appendix 3) including information about voluntary participation, anonymity and confidentiality (Burgess, 1990; Flick, 2009; Hammersley & Atkinson, 2007; Kvale, 2007; Oliver, 2010; Ryen, 2004). These documents were made available to the organization before the start of the research, and to the participants before each interview. Permission for recording and using participant information (Hennink et al., 2010; Oliver, 2010) was also sought before each interview.

3. I tried to minimize the possibility of harm to participants (Hennink et al., 2010). For example, I made a conscious choice of not including volunteers in the research, as some of these could be vulnerable (Oliver, 2010; Silverman, 2014). I also informed participants they could stop the interview at any point if uncomfortable (Oliver, 2010). I increased anonymity by changing names of all individuals and organizations (even those not directly included in the research) in transcripts, field-notes, images, drafts, as well as, in this thesis.

4. I was attentive to other ethical issues that concern the process of the research as a whole, such as authorship, plagiarism, conflict of interest and limitations (Oliver, 2010). In this sense, it is important mention that this thesis is the product of my own work. However, it builds upon existing research. These studies have been referenced following the guidelines provided by the University of Nottingham. In addition, although this doctoral research is sponsored by Fundação CAPES and the University of

Nottingham these organizations did not interfere with any step of the process. Finally, the limitations of this thesis are addressed in the conclusion chapter.

3.10. Chapter summary

There are several possible research avenues available for investigating how organizational members construct hybridity within organizations from the bottom-up. The aim of this chapter was to ground and clarify this thesis' chosen path.

First, I explained choices of methodology and their connections to the research paradigm that underpins this thesis: social constructionism. In terms of research design, I highlighted several aspects of in-depth case studies which shaped my belief that it was the most appropriate approach for addressing my research questions. For example, case studies are exploratory, indicated to access social contexts, and encompassing of multiple methods of data collection and analysis.

Second, I mentioned that the choice of organization was based on the fact that Mercurius CIC: was a recently established social enterprise, and had unique characteristics that suggested multiple available logics that could be used by organizational members as cultural resources. Furthermore, I provided an introductory overview of the setting and organizations in order to better contextualise the research.

Third, I elucidated decisions about data generation: how I accessed the organization, chose the sample in order to guarantee representativeness and increase the potential for insights, and organized the different methods used in order to gather relevant information to input the analysis. The final data-set included 41 individual interviews with employees from

different levels in the organization, one group interview with Mercurius' business managers, 71 documents, 53 images and 30 field-notes that represent approximately 200 hours of observation (see appendix 4).

Fourth, I detailed my data analysis approach by accounting for three complementary steps: first, using Thornton et al.'s (2012) ideal type descriptions to identify available logics; second, coding the data using the Gioia Methodology (Gioia et al., 2012) to identify how logics were used in the organization; and third, using thematic coding (Gibbs, 2008) to understand the outcomes of how members deployed logics in the organization.

Finally, I presented relevant insights and measures taken to guarantee reflexivity, rigor and ethic throughout the process. In the next chapter I begin to introduce my findings, focusing on the first specific research question and step of the analysis.

Chapter 4 – Available institutional logics

This chapter presents the findings of the first analytical step (see chapter 3, section 3.6.1.) regarding the macro-level logics available to organizational members. The chapter starts by looking at the context where Mercurius is embedded. It briefly describes key stakeholders and presents the dominant external logics they imposed upon the CIC (4.2.). It then explores Mercurius' internal configuration. The chapter introduces organizational members' personal logics and comment on their influence on the CIC (4.3.). It concludes by commenting on the initial insights provided by these findings about the cultural toolkits of organizational members in a hybrid organization (4.4.).

4.1. Introduction

The findings of this chapter describe the institutional logics available to organizational members within Mercurius; the cultural toolkit that each member can access and deploy, for example, in relation to organizational form/identity, thereby constructing organizational hybridity.

Studies to date suggested that there are two types of logics available to organizational members: those external logics derived from the context and the influential stakeholders of the organization; and those personal logics derived from the previous experiences of each organizational member (see chapter 2, section 2.6.). Independently, these logics reflect dominant institutional orders, such as family, market, profession, state, religion, community and corporation (Friedland & Alford, 1991; Thornton, 2004; Thornton et al., 2012). As such, they provided a common ground between individuals and organizations.

Therefore, available logics were identified using descriptions provided on Thornton et al.'s (2012) table of revised interinstitutional system ideal types (see Table 4). In order to increase clarity in this chapter, I use *italics* to signpost content extracted from this table. I also indicate where to locate the content/logic in the table by using letters (A-H) for each elemental category; and numbers (1-7) for each institutional order.

The findings are presented below and illustrated by relevant excerpts from the data. Additional quotes and examples are provided in appendix 6 (see also Tables 5 and 6 in section 3.6.1.). The implications of these findings are later discussed in chapter 7.

4.2. External logics

Upon entering Mercurius I had several expectations about its context and influential stakeholders; and, therefore, about which external logics would be imposed upon the CIC. Social enterprises' logics, such as commercial, social-welfare and public field-level logics, were extensively debated in the literature (Pache & Chowdury, 2012.). Similarly, various stakeholders were found to influence SEOs: fellowships, foundations, universities, researchers, academic journals and practitioner magazines, governments, alliances, funders and consultancies (Hervieux et al., 2010; Nicholls, 2010).

In reality, stakeholders who could impose logics upon Mercurius were rare. Only a handful of stakeholders were mentioned by participants as relevant. These influenced the CIC through prescriptions and demands, such as in the example below:

> *"The Training Space is funded by the Lottery. We've just been awarded another three years funding. [...] And then we have a monitoring on an annual basis and I think every six months they do [...] a catch up call, as well."*
> *(Ruth, business operations manager)*

These relevant stakeholders included governmental bodies, such as the local council and the Office of the Regulator of Community Interest Companies; funders, such as the Big Lottery Fund and the European Regional Development Fund, as well as, Vesta. Stakeholders connected with the context of each SEO under Mercurius were primarily local and, according to the participants and to my observations, had limited influence. I also found that only a few members, commonly the CEO and the business managers, had direct contact with funders and governmental bodies. This suggested that external logics were not equally available to Mercurius' members.

In order to identify available external logics, I analysed documents from the relevant stakeholders, such as guidelines and communications (full list at appendix 4). The analysis showed the availability of four logics: state, market, corporation and religion. These are introduced below with comments on their availability within Mercurius.

4.2.1. State logic

The state logic represents the government as an institution and is often the dominant logic in the public sector. Organizations with a dominant state logic are commonly bureaucratic, politically engaged and focused on the local community[8]

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[8] It is important to distinguish between **local community** and **community as social group**. The first, which is connected to society/region, indicates a state

(Thornton, 2004; Thornton et al., 2012). The analysis showed that the state logic was available in governmental bodies, funders and in Vesta.

These stakeholders had a wide range of detailed codes, policies and procedures that regulate their actions and their relationship with Mercurius, indicating, for example, *bureaucratic domination* (C4). Furthermore, documents from these organizations commonly focused on the *status of interest group* (F4) and on *increasing community good* (G4):

> *"We are an outcomes funder and are **driven by the difference its funding makes for individuals and communities**." (The Big Lottery Fund's guide to outcomes)*

> *"We **change and save lives** in three main ways: by preventing homelessness; by **helping people** who are homeless; by **helping people** to live independent lives." (Vesta's website)*

> *"The essential feature of a CIC is that its **activities are carried on for the benefit of the community** and it is therefore important that before creating a CIC you have a clear picture of **the community you intend to serve**." (Information pack for CIC's)*

The availability of the state logic in key stakeholders meant that the logic could be imposed upon Mercurius, for example, through practices and regulations, and drive the CIC to become e.g. bureaucratic and focused on the local community.

Indeed, the level of bureaucracy at Mercurius seemed excessive, considering that the CIC had been recently established. Mercurius adapted a number of codes, policies and procedures from Vesta, as well as, create a few of their own. Examples

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logic. The latter is connected to social identification and interests and indicates a community logic (Thornton et al., 2012).

included a bribery policy and procedure, child safeguarding policy, volunteer and employee handbooks, equality and diversity policy, among many others. Similarly, among Mercurius' social enterprises, CareSEO seemed to be the one with the higher amount of procedures. Many of these put in place because the SEO provided services primarily to local councils.

Furthermore, Mercurius often highlighted its focus on *community good* (G4) in documents and communications, such as these in Figure 6. The use of stories to do so was also a common practice at Vesta.

Figure 6 - Examples of the state logic in Mercurius

Source: Mercurius Annual Report 2012-2013

The state logic at Mercurius therefore seemed closely connected with the influence of its key stakeholders, especially Vesta. This

did not mean that the logic was simply imposed. As an available external logic, the state logic could also be deployed by Mercurius' organizational members, as required. The analysis showed that, for example, some members would use the state logic to justify profit, a market logic (see chapter 5).

4.2.2. Market logic

The market logic represents trading as an institution, and is often the dominant logic in the private sector. Organizations with a dominant market logic commonly focus on transactions, and prioritize shareholders, efficiency and profitability (Thornton, 2004; Thornton et al., 2012). Interestingly, the analysis showed that the market logic was only available in documents from the Office of the Regulator of Community Interest Companies.

As a CIC, Mercurius follows a specific regulation (see chapter 3, section 3.4.1.2.). This regulation highlights public benefit and community interests, the state logic, and underplays profit maximisation and self-interest, the market logic (Haugh & Peredo, 2011). Nevertheless, it is common to find detailed procedures in the regulation and its guidelines related to shareholders, shares, profits, dividends and other distributions. Therefore, the market logic *(market capitalism-I5*; *shareholder activism-C5* and *increase profit-G5)* is available, even if not dominant. This quote highlights the co-existence of state and market logics in one of these documents:

> *"CICs are limited **companies which operate to provide a benefit to the community they serve**. They are not strictly 'not for profit', and **CICs can, and do, deliver returns to investors**. However, the purpose of CIC is primarily one of community benefit rather than private*

*profit. Whilst **returns to investors are permitted**, these **must be balanced and reasonable**, to **encourage investment** in the social enterprise sector **whilst ensuring true community benefit** is always at the heart of any CIC." (Information pack: 5)*

If imposed, the market logic could drive Mercurius to become, for example, focused on increasing profitability and return on investment to Vesta, its only shareholder. However, Mercurius' articles of association, for example, which is a mandatory document for a CIC, seemed primarily influenced by a state logic. Mention of shares, dividends and shareholders were few and commonly restricted by the state logic *(increase community good – G4)*:

> *"3.1 The Company shall not transfer any of its assets other than for full consideration.*
>
> *3.2 Provided the conditions in Article 3.3 are satisfied, Article 3.1 shall not apply to: [...]*
>
> > *3.2.2 the transfer of assets **made for the benefit of the community** other than by way of a transfer of assets to an asset-locked body;*
> >
> > *3.2.3 the **payment of dividends in respect of shares** in the company; [...]*
>
> *3.3 The conditions are that the transfer of assets: [...]*
>
> > *3.3.2 **must not exceed any limits imposed** by, or by virtue of, Part 2 of the Companies (Audit, Investigations and Community Enterprise) Act 2004."* *(Articles of Association of Mercurius: 3-4)*

This indicated that the market logic was not imposed upon Mercurius through its relationship with the Office of the Regulator of CICs. However, the analysis showed that the logic

was available in Mercurius, especially through a focus on *increasing efficiency and profit* (G5):

> "DIYSEO's greatest achievement during the past year is a **200% increase in income** from external customers. This is partly attributed to an entry on the Age UK Business Directory, partly because of our new CHAS (Contractors Health and Safety scheme) accreditation and mostly because of DIYSEO's reputation for honesty, **reliability and great work**." (Mercurius' Annual Report 2013-2014)

Interviews and observations also highlighted that the market logic was often deployed by different organizational members, including those with no direct contact with the CIC regulations. This suggested that the availability of the market logic in Mercurius was not derived from external logics but possibly from the influence of organizational members, through their personal logics (see 4.3.5. below). Thus, personal logics were not simply facilitating external, imposed, logics.

4.2.3. Corporation logic

The corporation logic represents the model of large companies as an institution. Organizations with a dominant corporation logic are frequently hierarchical and focused on creating an internal structure that facilitates scaling and diversification (Thornton, 2004; Thornton et al., 2012). The corporation logic was available at Vesta.

The logic (e.g. *hierarchy - A7; F7; bureaucratic roles -D7)* was particularly evident in interviews with Vesta's organizational members:

> "So we built a **more structured approach** which continues today, about how we're structured as an

*organization and the **layers within the organization**, and the **groups that those layers manage**." (Leo, Vesta's operations director and Mercurius' board member)*

The corporation logic was also evident in the distribution of space at Vesta's headquarter. For example, offices with doors, big chairs and meeting tables were only available to those in the higher hierarchical positions, such as, the CEO and other directors. If imposed upon Mercurius, the corporation logic could, for example, increase the distance between hierarchical levels and encourage the CIC to focus on diversifying its social enterprises in order to grow.

Coincidently, the analysis suggested that the corporation logic was indeed, imposed upon Mercurius; possibly, as a consequence of Vesta sharing its infrastructure with the CIC. The data revealed that *bureaucratic roles (D7)* were clearly defined at Mercurius. Only *top management (C7)* had separate offices and were invited to strategic meetings with the CEO. Line managers and administrators eventually participated in these meetings if invited by the business manager or the CEO. Similarly, only Sarah (the CEO) and Ruth accessed the *board of directors (C7).* Business managers were invited only when important decisions on their SEOs were planned. Sarah seemed particularly protective of the board and I was not granted permission to observe a board meeting.

Internal communications also implied attention to hierarchical levels. Newsletters to the employees privileged individuals in managerial roles. Each quarterly newsletter had two sessions called *"spotlight".* One introduced a board member and the other, a business manager. Mercurius' annual report for 2013-2014 also had business managers and the CEO each introducing one of Mercurius' values.

Importantly, although the logic was externally imposed, the initial analysis indicated that organizational members were not simply responding to it. As with the state logic, interviews and observations suggested that organizational members deployed the corporation logic in different circumstances (see chapter 5). For example, the logic was often used by Mercurius' business managers to criticize Vesta:

> *"If you are not accessible to the people who are working with you and doing all the hard work you become a bit of **an ivory tower person**. And you hear that quite a lot with Vesta staff. They […] would say: 'oh, no, **they** [the directors] will not show their faces' or […] 'I've never seen him in a year'." (Rebecca, business manager, Experiences Unit)*

4.2.4. Religion logic

Finally, the last external logic highlighted by the first step of the analysis was the religion logic. This logic represents the institutionalization of a particular system of faith or worship, and is often dominant in religious organizations. Organizations with a dominant religion logic commonly use religious symbolism to explain or guide decisions and actions (see Thornton, 2004; Thornton et al., 2012).

Vesta's background suggested availability of the religion logic. The charity was established in 2001, following the merger of two homelessness organizations: a community initiative created in response to a rough sleeping crisis and supported by the local Council, and a charity with religious links that supported drug addicts. Indeed, while volunteering at the Vesta headquarters, I spotted posters at the office doors, a common communication practice, that implied *importance of faith and sacredness in*

economy and society (B3). It was just before Christmas, and the posters were inviting employees to gather at a partner church in gratitude for the achievements of the year. Yet, this was an isolated case. There was also no indication of the religion logic in Mercurius. The logic was available, but was neither imposed nor deployed.

4.3. Personal logics

External logics are not the only logics that integrate organizational member cultural toolkits. Organizational members can also deploy personal logics, available from experiences (Pache & Santos, 2013). To date, personal logics have been seen as imprinted on organizations (Battilana et al., 2015; York et al., 2016) or facilitating the relationship between multiple external logics (Pache & Santos, 2013).

In order to understand the availability of personal logics and their influence on Mercurius, I asked participants about their previous professional experiences. Some participants also made comments about their families and personal interests, indicating the availability of additional personal logics. The aim of this analysis was not to provide an in-depth description of organizational members and their personal logics. Rather, I wanted to understand if Mercurius logics were simply a reflection of its external, imposed, logics. I also wanted to understand if personal logics were being simply imprinted or, in fact, deployed.

The personal logics identified are summarized in Table 10. The table highlights the diversity of logics that organizational members brought to Mercurius. Overall, six macro-societal logics were available: corporation, community, family, market,

profession and state. The table also shows communalities between individuals in managerial roles and within a unit or social enterprise. For example, the profession logic is available to most participants working at CafeSEO. These logics are further discussed below through relevant examples. Additional quotes are also provided in appendix 6.

Table 10 – Summary of personal logics per participant

Organization	Participant	Role	Personal logics
Vesta	Zoie	Business partner[9] - communication	Corporation, Market & Profession
Vesta / Mercurius	Leo	Board member	Corporation, Profession & State
Vesta / Mercurius	Tom	Board member	Corporation & Market
Mercurius	Sarah	CEO	Corporation
Mercurius	Ruth	Business operations manager	Family & State
Experiences Unit	Rebecca	Business manager	Corporation, Family & Market
CafeSEO (City)	Rachel	Line manager	Corporation, Family, Market & Profession
CafeSEO (City)	Monica	Staff	Family & Profession
CafeSEO (City)	Ian	Apprentice	Community & Profession
CafeSEO (Library)	Ellen	Line manager	Community & Profession
CafeSEO (Library)	Ben	Staff	Community
CafeSEO (Library)	Megan	Staff	Family

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[9] A business partner was someone from Vesta chosen to support Mercurius in an administrative function. Mercurius had business partners at HR, finance and communication departments.

Organization	Participant	Role	Personal logics
CafeSEO (Park)	Gloria	Line manager	Family, Market & Profession
CafeSEO (Park)	Amber	Staff	Profession
StudioSEO	John	Line manager	Profession
Care Unit	Kate	Business manager	Profession & State
CareSEO	Sophia	Staff	Community
Retail Unit	Jake	Business manager	Community, Corporation & Family
MusicSEO	Jen	Staff	Community & Corporation
MusicSEO	Lena	Staff	Community, Corporation & Profession
Work Unit	Paul	Business manager	Community, Corporation, Family & Market
BikeSEO	Patrick	Line manager	Community, Family, Market & State
BikeSEO	Harry	Staff	Community & Profession
DecoSEO	David	Line manager	Market & Profession
DecoSEO	Ali	Staff	Community
DIYSEO	Mark	Line manager	Corporation & Market
DIYSEO	Andy	Staff	Family, Market & State
DIYSEO	Tina	Staff	Family
The training space	Amy	Staff	Community, Family & State
The training space	Matt	Tutor	Corporation, Market, State & Profession
The training space	Seth	Apprentice	Family
WoodSEO	Kerry	Line manager	Corporation & State

4.3.1. Community logic

The community logic represents organized groups, based on social identification and common interests, as institutions. Organizations with a dominant community logic are commonly united by values, ideologies and a focus on its members, who are emotionally connected and invested in the organization (Thornton et al., 2012).

Participants were not asked about social groups. However, the community logic was evident as a personal logic in many interviews. Ali's interview, for example, suggested her community logic was derived from a previous work experience. Elements of the logic (e.g. *belief in trust and reciprocity -B2, emotional connection - D2, personal investment in group -F2)* were often implied in her connection between "*banter*" and the job that she was doing:

> *"Oh the banter, I **loved the banter** and **enjoyed being in the trucks**. […] Yeah, **we all got on**. So, that was, it was fun. That was five years back, no probably seven years back now, I think!" (Ali, staff, DecoSEO)*

The community logic was particularly available to employees at BikeSEO and MusicSEO. In these social enterprises, members started as volunteers or applied to open positions due to personal connections or interests:

> *"I was really looking for something else I could feel happier about […] **I'm a big bike enthusiast**. Anyway, I won't bang on about that too much, but yes, **I can talk about bikes all day** long, and what I do." (Patrick, line manager, BikeSEO)*

> *"**I just loved MusicSEO.** […] I knew the guys a little bit from **mutual friends**, and my boyfriend actually works at*

> *Vesta in another service. So, I knew about this shop, and **I knew it was possible to get involved** through volunteering." (Lena, staff, MusicSEO)*

The availability of the community logic as a personal logic meant that members could represent or imprint the logic on Mercurius, driving the CIC to become similar to a social community by, for instance, developing common values, membership rules, and practices focused on organizational members' interests.

There was no clear indication of the community logic in Mercurius as a whole, such as common documents or practices. However, the analysis showed that the logic was available in specific situations and social enterprises. Frequently, situations and SEOs where there were members with the community logic as a personal logic. At MusicSEO, for example, the logic was flagged by the constant events done to the *"music community"* (Jake, business manager, MusicSEO). The SEO would not earn any direct income from these events. Instead, they provided a *common boundary (A2), group membership (E2)* and/or *emotional connection (D2)* to those who appreciate music as a social activity, including staff members:

> *"The one thing everyone has got in common, really, is a passion for the shop and a passion for music." (Lena, staff, MusicSEO)*

These localized observations suggested that the logic was not imposed upon Mercurius but existed internally through *unmanaged spaces* (Gabriel, 1995). Members were not transferring the logic, but consciously deploying it in situations and places in which such flexibility existed. For Ali, for example, this flexibility existed at *"the site"*, that is, the place where the painting/decoration was done:

*"But in doing the job I do, I get to go and I meet a lot, a lot of different people, really nice, and **we chat, not the way Vesta says you gotta chat**, but we chat! [...] I mean, **if you know banter everything goes**. So, you know, **this is what we do** and [...] it's really enjoyable." (Ali, staff, DecoSEO)*

The existence of unmanaged spaces also suggested that personal logics could become available to other organizational members depending on where they were located or with whom they interact with.

4.3.2. Family logic

The family logic represents the household as an institution. Organizations with a dominant family logic are commonly paternalistic, united by loyalty to the organization and its members, and concerned with reputation and honour (Thornton, 2004; Thornton et al., 2012).

The family logic was also a common personal logic. Participants commented on the importance of, or on their roles in, their families. Often, these comments implied no connection with the organization. However, as was the case with the community logic above, to some individuals this family logic was the basis for their interactions. This was particularly the case for members of the CafeSEO and DIYSEO.

Rebecca was an example. Interactions with Rebecca, including formal interviews, highlighted elements of the family logic, for instance, *unconditional loyalty* (B1), *patriarchal domination* (C1), *family reputation* (D1), *membership in the household* (E1) and *increase family honour (G1).* The following quote illustrates the

influence of Rebecca's husband and their family traditions on her business decisions:

> *"I have said **my husband is Italian-Polish**, and I, **we embrace the Italian culture**. And **I wanted to bring the Italian culture into our coffee shop** in the respect of encouraging people to come in with children. […] And in order to bring children in you have to have something that […] the children will want to come in. So, I said, we do the colouring sheets, and if they get a sweet or a lolly... Because, […] they're gonna be advocates, the children: 'I want to go to that place' and, you know, 'they give me a sweet'. **And the mums will come because they are happy**."*

The CIC was also Rebecca's 'organizational family'. Her *loyalty (B1)* was translated into her protective, caring, maternal behaviour towards her staff, and her demanding, child-like behaviour towards her direct manager (the CEO) and Mercurius. As a business manager, Rebecca was in a particular strong position to *formally* deploy the logic and influence the organization through practices. There are a number of examples, elaborated upon in the ensuing chapters, which illustrate how Rebecca's family logic permeated the SEOs under her management and Mercurius as a whole.

The presence of the family logic meant that Mercurius would, for example, demand loyalty from its members but care for their well-being and happiness. Indeed, emotions such as *caring for* and *happiness* were often used to explain Mercurius or some of the SEOs:

> *"A lot of **Mercurius is about us being happy**. […] The rest of it kinda get pushed to the side. **As long as we are happy** and not got anything major that is causing us*

problems than, yeah, that's quite a big thing for Mercurius." (Ellen, line manager, CafeSEO)

*"I think, places that I've experienced on, this one [...] **feels more like family**. All the other places that I worked it was kind of: you go in, you do your hours... **here you actually care**! **You care what people want**, and you **know someone cares**, so **everyone is really caring about the role, about you**." (Amber, staff, CaféSEO at the park)*

The family logic was also evident in documents. Mercurius' Values and Behaviours were one of the most illustrative examples. In this document, *staff happiness* was noted as an organizational value and attached to the following behaviours:

"Organization

- *Working conditions and T's & C's to be the best that we can possibly deliver at that time*

- ***Promise to invest in staff** in a quality way from induction*

- ***Provide a supportive environment***

Managerial

- ***Giving staff time through 1 to 1 meetings** regularly*

- *Continuous Professional Development*

- *Clarity of expectation and responsibility*

- ***Facilitate supportive environment** by **believing in staff** and **being there***

Staff

- ***Engage fully***

- *Bring feedback*

- ***Embrace*** *all opportunities*

- *Proactive (to improve/change)*

- *Take responsibility for your experience."*

Importantly, the family logic was not available as an external logic (see 4.2. above). This indicated that its presence in Mercurius' official documents was a result of personal logics being deployed by organizational members. Thus, personal logics do not simply mediate external logics, but potentially construct organizational hybridity from the bottom-up.

4.3.3. Profession logic

The profession logic represents occupations as institutions and is often common in, for example, faculties and professional associations. Organizations with a dominant profession logic are relational and focus on expertise, member reputation and quality of craft (Thornton, 2004; Thornton et al., 2012).

The profession logic was available as a personal logic to many organizational members. John, the line manager of StudioSEO, indicated the profession logic as one of his main *sources of identity (D6)* before the official interview started. He introduced himself to me by saying *"I'm a musician"*. His initial statement was reinforced by numerous comments on the *quality of craft / personal reputation (D6)* and *professional expertise (B6),* such as this quote about *"recording a band or musician"*:

> *"People **spend years learning how** to do this, and **then years in the industry doing** their job before the actually consider themselves **good in their job**." (John, line manager, StudioSEO)*

The interview with John was full of examples of how his profession logic was the basis from which he interacted with his role in StudioSEO and Mercurius. The logic was so clearly a personal rather than an external one that it was frequently associated with him. For instance, it was common to hear a comment from some of the managers about his *expertise (D6)*:

> *"He is very knowledgeable, our studio engineer (Ruth, business operations manager)*

Although extreme cases such as John's were rare, the profession logic was also available in other members' toolkits. The logic was especially deployed by those with previous experiences on the provision of services:

> *"People can think you're **just making a cup of coffee**, but you don't; **there's more to it**. You've got your beans, your ground beans, you've got to do your grounding, toast it, **everything just got to be just bang on for that coffee to be what it is**. It's not just making a cup of coffee!" (Rachel, line manager, CafeSEO)*

The influence of the profession logic in Mercurius could drive the CIC to focus on, for example, increasing the quality and reputation of its activities and/or on developing the expertise of its employees. Instead, according to the analysis, the logic was primarily associated with Mercurius' commercial side and an intention to bring legitimacy or promote the CIC. The logic was often, but not uniquely, evident in communication materials. This interaction was extracted from one of my visits to Training Space. Paul was showing me around and explaining BikeSEO:

> *"We sell about 10 [bikes] a week, about 400 Pounds a week on average. Twelve to 16 thousands a month on second hand bikes, is not bad! [...] **Everything we charge has a month guarantee**. Any problems, no quibble, bring*

> *it back,* **we'll sort it, we'll replace it, we'll do**
> **whatever**. *And* **that's why we have that little bit of a**
> **reputation**.*" (Paul, business manager, Work Unit)*

There were other instances in which professionalism was highlighted. However, the profession logic did not seem connected to any particular industry/field in which Mercurius' SEOs were located. Rather, it was used more broadly at the societal level. This reinforced that the presence of the profession logic in Mercurius was likely due to organizational members influence.

4.3.4. State logic

The state logic (see above) was evident in many interviews, especially through an interest in *increasing community good (G4)*. However, as discussed above the state logic was also available as an external logic imposed by Vesta and other stakeholders. Most Mercurius members had worked for long periods in Vesta; many still had ties with the charity. For example, DIYSEO and DecoSEO employees undertook most of their activities at Vesta's properties. In addition, all administrative activities were conducted directly by the charity.

Therefore, it was challenging to understand if organizational members were simply imprinting the state logic in Mercurius, responding to external demand or deploying it. Some cases seem to indicate the former (see also appendix 6). In this example, Kate's use of the state logic (*increasing community good -G4, status of interest group -F4, democratic participation -B4)* is closely connected with her previous professional experience:

> *"**I've always worked in the public sector.** But, and*
> *when I came into the care sector I was quite shocked*

*how, what bad reputation it had. So, it was quite a challenge at first, to think how am I going to deliver a service I feel comfortable with, and happy with in a sector where there's a lot of news stories about **people being neglected**? […] you know, **how can I change that?** How can I deliver a service I feel confident that, you know, that doesn't happen? So, you know, I feel that we […] went in with the idea that **it would be personal**, you know, **it would fit to times that people want us to be there**." (Kate, business manager, Care Unit)*

Irrespectively, the state logic was particularly evident at Mercurius, not only in documents but also in the way in which organizational members interacted. For example, as a volunteer I was also able to observe a form of *backroom politics (H4)* as an informal control mechanism. I noticed that Ruth visited the training space and the coffee shops more often than CareSEO and MusicSEO. Meetings were also different, longer and over coffee, suggesting Paul and Rebecca were more positively regarded. These seemed to provide these business managers with a different status than Kate and Jake. For example, it allowed them to have a different say during official meetings by using a friendly, rather than a professional, tone to make complaints and request Ruth's support.

The logic also permeated the SEOs located at the Training Space (DYI, Deco, Clean, Wood and BikeSEOs). This was possibly a reflection of the Training Space's connection with the local community and clear social aim. This quote is illustrative:

*"**It is an outlet for** people who […] can't get jobs and who won't fit in for some reason […]. And if the money is going back into paying people and **providing more***

> *opportunities for people less advantaged* then that is
> good." (Kerry, tutor and line manager, WoodSEO)

The wide availability of the state logic within Mercurius suggested that the logic was at the same time imposed and deployed by organizational members (see also chapter 5). As noted, many Mercurius members had previously worked in Vesta and maintained a close relationship with the charity. Therefore, these individuals were nor only familiar with Vesta's state logic but also likely used to deploying the logic in their activities.

4.3.5. Market logic

Dart (2004) observed that the business logic, a variant of the market logic, is increasingly prevalent in society. As such, it is likely to be available to most individuals as a personal logic. Such prevalence might explain why the market logic was particularly evident at Mercurius, in spite of its weak influence as an external logic (see above 4.2.2.).

Elements of the market logic as *self-interest (E5)* or a *focus on increasing efficiency or profit (G5)* were evident in a number of interviews. Mark, DIYSEO's line manager, provides an interesting example. Like John, Mark's identity was grounded on a professional logic: *"I'm an engineer by profession".* However, Mark had not been working as an engineer for over 20 years. Instead, his previous experiences were in warehouse companies and included managerial roles. As the interview unfolded, it became clearer that his profession logic had been combined with other logics, such as market and corporation logics, that were prevalent in his more recent experiences. In the quote below, for example, it is the market logic through *efficiency (G5)* instead of the profession logic through *expertise (B6)* that is related to his

engineering background. It is also evident that the logic was the basis for his criticism of Vesta.

> *"I mean coming from an engineering background, **I'm a practical person**." "When I first joined Vesta, 9 years ago, I was given the Manual to read of policies and procedures […] Puff, and within ten minutes you are falling asleep because, you know, the procedures and policies are that long and that wordy! You forget what the hell the procedure you're reading is, you know. **So we managed to get rid of lot of that**, and slim them down 'cause **I rather see a policy and procedure that someone will read**." (Mark, line manager, DIYSEO)*

Curiously, in most cases, the analysis suggested that the individual was identified with the personal logic. The market logic was one of the exceptions. The corporation logic was the other. Several people drew on it, but while some, like Mark, identified with the logic, others, like Patrick below, were critical of its influence. *Self-interest (E5)* was particularly condemned:

> *"**I did have a mercenary attitude** towards work, initially; it's just the money really, isn't it? **You can take whatever you can get**. But no, I really wanted to change that." (Patrick, line manager, BikeSEO)*

Nevertheless, the logic was not considered in the same negative light when related to Mercurius or the SEOs. The same could be observed in relation to the corporation logic. This suggests that identification with the logic is not necessarily needed in order for a logic to be used.

4.3.6. Corporation logic

Elements of the corporation logic, such as *status in hierarchy (F7), bureaucratic roles (D7)* and *employment in firm[10] (E7)* are often part of the modus operandi of organizations, even those which are not in the private sector, as suggested by the presence of the logic in Vesta above. Indeed, the analysis highlighted instances in which the logic was part of an individual's cultural toolkit before joining Vesta or Mercurius. In some cases, this logic was also deployed to affect these organizations. Rebecca is a good example:

> *"I sort of brought a lot of the good stuff from [Retail Company] in, with the people having **routine**, and people knowing exactly **what they're supposed to do**, **when they are supposed to turn up**, that there's always going to be rules." (Rebecca, business manager, Experiences Unit)*

The corporation logic was another example of a personal logic available and deployed without previous identification. Members who criticized particular elements of the logic, for instance, *top management (C7)* in previous experiences would often be the ones deploying the logic in Mercurius. Paul is a good example:

> *"When I worked in other industries, I used to sit there… and, you know, **the boss** would turn up in an Aston Martin, coming out from the golf court, **never done a days' work in the last six months**. And **I'm working my fingers to the bone** and, you know: 'Not enough!' **And he is living like a king**, and I'd think 'Oh, this is broken!'" (Paul, business manager, Work Unit)*

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[10] That is, structured employment rules as basis of norm.

Yet, Paul was the only employee with access to a private office at the Training Space. Line managers and administrative staff shared another two offices. Most staff remained in the other public spaces. This hierarchical difference was also often criticized (see 6.2.1.):

> *"There's a **level to it**! **There's management** […] offices and stuff […] I don't like being **up there** when there are **people down there**. I like to be in one floor. So, that's why I don't like going to the Training Space." (Ali, staff, DecoSEO)*

Overall, the availability of the corporation logic as a personal logic reinforces what had been observed with the other logics: members deploy personal logics and influence the organization, even when not identified with the logic.

4.4. Available logics

The aim of the first step of the analysis was to provide insights into the cultural toolkits of hybrid organizations' members. Two types of logics were considered: external logics and personal logics.

In relation to what external logics are available, the findings suggest that only a handful of stakeholders impose logics upon an organization. Furthermore, not all logics imposed are formally integrated by the organization. Therefore, some external logics are only available to those in direct contact with the stakeholder and its demands.

In relation to what personal logics are available, the findings indicated that identification is not necessary for a logic to be deployed. This means that the relationship between organizational members and logics is agentic, with individuals
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being able to deploy any logic with which they had previous contact. Furthermore, personal logics are formally and informally integrated to the organization. Therefore, different personal logics are available to organizational members depending on where they are located or with whom they interact.

Importantly, the combination of logics available within Mercurius (see Table 11 below) suggests that external and personal logics are equally available and relevant to a hybrid organization. Individuals are not simply carrying logics and representing or imprinting them on the organization. Similarly, organizational members are not simply responding to external logics through their personal logics. According to the findings above, organizational members not only can, but also often do, deploy these personal logics. This also suggests that, as is argued, organizational hybridity is not simply imposed but actively constructed at the micro-level. This is further elaborated in the next chapter.

Table 11 – Organizational members toolkits

Type of Logic	Level	Organizations	Institutional Logics
External	Field	Government; Funders	State & Market
		Vesta	State, Corporation & Religion (peripheral)
Internal	Meso	Mercurius	State, Corporation, Market, Profession, Family & Community
Personal	Micro	Organizational members	Family, Profession, State, Community, Market & Corporation.

4.5. Chapter summary

In this chapter, I presented findings regarding my first research question. I looked at the context in which Mercurius was embedded, and at the CIC's key stakeholders to understand which imposed logics were integrated to Mercurius and made available to its members. I also analyzed Mercurius' organizational members to understand which logics they brought to Mercurius. Finally, I explored how both external and personal logics influenced Mercurius, to understand which logics were commonly available to all organizational members. The logics found were summarized in Table 11 above.

Overall, the analysis revealed that several external and personal logics are available to members of a hybrid organization. They can be accessed and deployed by its organizational members, irrespectively of identification with the logic. However, it was apparent that not all external logics were formally integrated by the organization. Similarly, some personal logics were only deployed at unmanaged spaces. Therefore, logics available vary from member to member according to context and experiences.

Finally, the findings in this chapter suggested that organizational hybridity is a consequence of how organizational members use their toolkits. Therefore, in the next chapter I turn to the second step in the analysis in order to understand how logics were deployed within Mercurius.

Chapter 5 – Deploying available logics

This chapter presents the findings of the second analytical step (see chapter 3, section 3.6.2.) regarding how and to what end logics are deployed by organizational members. Four different ways in which Mercurius members used logics as cultural resources to structure organizational form/identity are described (5.2.). The chapter also details to what end members deployed available logics (5.3.). Finally, the chapter provides initial insights on how available logics are deployed within an organization and construct organizational hybridity from the bottom-up (5.4.).

5.1. Introduction

The overarching aim of this thesis is to understand how organizational hybridity is constructed by organizational members through the use of institutional logics as cultural resources. In chapter 4, I showed that Mercurius' members could access and deploy seven macro-level logics: community, corporation, family, market, profession, religion and state logics (Thornton et al., 2012). These were available to members, in differing degrees, due to interactions with Mercurius' stakeholders (*external logics*) and/or past experiences (*personal logics*).

I now turn to explore *how* and *to what end* these available logics were used as cultural resources within Mercurius. In order to do so, I analysed members' personal accounts and collective situations. This analysis was two-fold (see also 3.6.2.): first, I focused on elements of organizational form, such as governance, roles, rules and practices; and second, on elements of organizational identity, such as, labels and core attributes. The

relationship between two or more logics can be constructed differently (Smets & Jarzabkowski, 2013). Therefore, how and to what end members use logics in their day-to-day activities matter. How logics are deployed can influence, for example, the construction of hybridity within an organization. This is especially the case when logics are used to structure elements of organizational form and/or organizational identity.

As the data reveals, organizational members deployed logics independently, concurrently, complementarily and in contrast. They did so in order to signify attributed organizational forms/identities; to articulate and/or materialize elements of organizational form and/or identity. These findings are presented below, and their implication for theory and practice are discussed in chapter 7.

5.2. How organizational members deploy available logics

According to the analysis, Mercurius' members deployed available external and personal logics in four ways: independently, concurrently, complementarily and in contrast. Each variant is presented and explained below.

Members used logics in any or all of the four ways according to their aims. There was no indication that variants were connected or part of a cyclical or linear process. Uses of logics were not sequential, such as, first in contrast and then complementarily. Instead, members used them on a contingent basis in order to suit personal aims and/or interpretations of organizational needs.

5.2.1. Deploying logics independently

When members deployed logics independently, they used elements of a single logic unilaterally in order to achieve their purpose. For example, board members, especially those with a role in Vesta, used elements of the state logic such as, *increasing community good (G4)* to define Mercurius as a part of the charity, a subsidiary. As such, Mercurius was paid to deliver social outcomes:

> *"We worked out the governance structure. And part of that was that it is a wholly owned **subsidiary**, that **we don't want it to be totally independent from Vesta**. We didn't put it adrift. We knew that, economically, there would be a dependency on us still. But **what we were paying for was the social returns**, in some respect. […] So there's a set number of board members from Vesta's board who have to be on Mercurius' board." (Leo, board member and Vesta's operations director)*

This conversation with Leo, and various informal conversations with business managers, also suggested the state logic was primarily used independently as the basis of board member interactions with the CIC.

Note that, using one logic does not imply compliance to that logic (Pache & Santos, 2013). Other logics were used in different situations by the same organizational members. In this case, Leo is using the market and the profession logics (*transaction – A5; quality of craft – D6*) to explain a social enterprise:

> *"Social enterprise […] is about— **you buy something, you get something**, you can expect in that **transaction** for it to be a **certain quality**, of a **certain standard**, and if you didn't want to buy from there you can go and buy it somewhere else." (Leo, board member)*

Furthermore, deploying a logic independently resembles, but is not the same as, compartmentalization (Pratt & Foreman, 2000; Kraatz & Block, 2008) or decoupling (Meyer & Rowan, 1977). Compartmentalization restricts logics to different organizational structures, such as a department or business unit; while decoupling restricts each logic to a different level, for instance, the organization endorses a logic externally but uses another logic internally. Conversely, deploying logics independently does not restrict the logic. Rather, members choose the logic they will deploy according to the situation and their purpose (such as in McPherson & Sauder, 2013). In Mercurius, logics were used independently to explain attributed organizational aspects, as well as, define, justify, idealize, adjust and create elements of organizational form and organizational identity.

Importantly, when logics are deployed independently, organizational hybridity is constructed as a consequence of the interaction with other members deploying different logics. For example, board members and operational managers used different logics to define Mercurius. In so doing, they introduced multiple logics to the CIC's governance mechanisms. While board member used a state logic and defined Mercurius as a subsidiary of Vesta; managers deployed market and corporation logics to define Mercurius as a separate business entity, and differentiate it from Vesta:

> "***Businesses struggle in this environment!*** *Vesta is very much a charity, it approaches its end game always as a charity, the culture, you know, the finance […]* ***The businesses couldn't function within the structures of a charity.*** *So it's saying: Well,* ***if we separate the business out, you are wanting us to be business-like and to account for ourselves.*** *We can't do that while also part of Vesta; we need a bit of distance. […] I need to*

*be able to implement different **terms and conditions,***

different salaries**; I need to have different **systems and

***procedures.** I can't be following Vesta systems and*

*procedures and **make a business work**. Just doesn't*

happen, just doesn't work like that, Vesta is not a

business and doesn't operate along business lines."

(Sarah, CEO)

It is important to highlight that this is not a case of some members representing a dominant logic (as in Battilana & Dorado's 2010 article) and/or defying (c.f. Pache & Santos, 2013) another one. State, market and corporation logics are all available at Mercurius and are used by these individuals on other occasions. Furthermore, all of the management team were previously employed by Vesta. In fact, the CEO and the Business Operations Manager still hold concomitant roles in the charity.

Instead, in this case, board members and managers deploy different logics, such as, state, market and corporation logics, to advance a particular form, which these individuals deem necessary for the organization to function, at least during the transition from Vesta. While those in Mercurius sought independence, those in Vesta sought to maintain the control over the CIC. The result is that these logics are forced to co-exist and hybridity is constructed through internal dynamics. The outcomes of this are discussed in chapter 6.

5.2.2. Deploying logics concurrently

The example from Mercurius managers also illustrates another way in which members deployed logics: concurrently. When logics were used concurrently, two or more logics were combined *without being blended*. Each logic had the same weight in the situation, remained identifiable and maintained its contents.

Logics were used concurrently by combining certain elements. In the quote below, for example, Paul combines the *basis of strategy (G)* of both state and market logics to articulate what Mercurius do:

> "What we're doing **is for people**, is for individuals. I can see every day the **impact we're making to people**, saving lives. We're helping families to stay together, getting people closer to employment, employing people that have come through that programme; and in the meantime, **putting surpluses**, **hopefully, or breaking even**." (Paul, business manager, Work Unit)

Alternatively, Kate combines different elements to explain her interaction with CareSEO's members. She uses the *root metaphor* (A) and *basis of strategy* (G) of the community logic (2) with the *basis of authority* (C) of the corporation logic (7) and the *basis of strategy* (G) of the market logic (5). Note how she alternates between supporting and disciplining, the real world and belonging to Mercurius:

> "We feel it's important for the staff to come and feel that, you know, **they're coming to be supported**, as well, not to be abused. And that will then, you know, transfer on to the climate at the end. So, it is about, I think we've learned lessons about sort of **disciplining staff**, and **making them understand they are in the real world** […] So, also feel **it is important to engage them and for them to feel part of Mercurius**." (Kate, business manager, Care Unit)

In Mercurius, logics were used concurrently to explain attributed organizational aspects, to define and create organizational aspects.

Importantly, hybridity is always implied when logics are deployed concurrently. Multiple logics co-exist and, as a result, can be incorporated to the organization. However, when logics are used concurrently it is unlikely that a new, local logic will be generated. This contrasts to what happens when logics are used complementarily.

5.2.3. Deploying logics complementarily

When logics were used complementarily, two or more logics were blended together to achieve the individual's aims. In these cases, the logics are intertwined with different weights and elements can be given a new meaning in order to facilitate the blending. For example, members would frequently use a state logic to justify a market logic:

> *"With Mercurius, because each of the nine businesses are actually businesses that **need to make money**, **profit isn't a bad thing** in social enterprise, **we need profit because** we get to **put it back into the charity** again." (Zoie, communication business partner)*

> *"We were more aware of what we were spending in something, **we begun to charge for anything**, as we became a business more than a charity. Really, **we need money**. Whereas when we first started it was more: 'this is for the charity'. But now it's business for ourselves, we need to make money, **we need to survive**." (Amber, staff, CafeSEO)*

In these cases, elements of the state logic were used to eliminate the tension between the potentially competing external logics that underpin the core attributes of this organization as a CIC. The conflict is diminished by using logics complementarily, in

order to exclude possible undesired attributes. In the examples above, for instance, *increase profit (G5)* became attached to survival and the ability to increase social impact instead of *self-interest (E5)*. In Mercurius, logics were also used complementarily to define and disseminate elements of organizational form/identity (see below).

When members deployed logics complementarily, logics were also combined. However, there is an important difference between using logics concurrently and complementarily. In the first, two logics are used *together* to achieve something, for example, to state that Mercurius is about profit *and* about helping people. In the latter, one logic is deployed *in relation to the other* to achieve something, for example, to state that Mercurius is about profit *only because* it is helping people. As a consequence, a new, localized logic that blends elements of the original ones starts to take shape (such as in Tracey et al., 2011). Therefore, while using logics concurrently can culminate in organizational hybridity, using logics complementarily can potentially resolve it by creating a new hybrid logic.

5.2.4. Deploying logics in contrast

Finally, the data revealed that logics were also used in contrast to other logics. In these cases, two or more logics are compared. Often, some logics are valorised while others are diminished in order to achieve the individual's aim. In Mercurius, logics were used in contrast to explain attributed organizational aspects and/or to differentiate from, justify, idealize and criticize elements of organizational form/identity. John, for example, used elements of his profession logic, *personal expertise* (B6) and *reputation* (D6) in contrast to Mercurius' state logic, *increase community good* (*G4*) to criticize the inclusion of 'unskilled'

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volunteers at StudioSEO. My conversation with him was full of comments such as this below (see another example from John at Table 8, section 3.6.2.):

> *"People **spend years learning how** to do this and then **years in the industry doing the job** before they actually consider themselves good at their job. So, you know, **it's different to a normal business in regards to the volunteers**. I don't know if Mercurius understands that or sees that the same way as I do." (John, line manager, StudioSEO)*

Logics used in contrast frequently implied tension. However, tension did not mean competition between logics or negative organizational outcomes. During interviews, participants were asked to compare previous experiences to their current one. Logics were often used in contrast to articulate the answer. In this example, Patrick combines a family, state and community logics and contrasts them with a market logic, especially to *self-interest – E5*:

> *"I think it's who I was working for: the banks. I think **the real change came about because I had children**. It started to matter, **what I did matter**. My other half she works in a hostel, she can say she does **a nice job helping people**; and what could I say: 'I work for the bank, **helping rich people get even richer'**. I was really looking for something else I could **feel happier about**, and **feel happy telling my children about**. […] 'Cause, I did have **a mercenary attitude** towards work, initially. It's just the money, really, isn't it? You can **take whatever you can get**. But no, I really wanted to change that. **I'm a big bike enthusiast anyway** […] So, yeah, that was the big reason, you know, Vesta is a charity housing*

association, **I could feel happier about who I was working for**.*" (Patrick, line manager, BikeSEO)*

Note that the logics do not compete because they do not co-exist. *Self-interest* is associated with the past. Furthermore, Patrick deploys the logics in contrast to justify his career change and to highlight his current post at BikeSEO as positive. These cases indicated positive organizational outcomes, such as job satisfaction, rather than negative ones.

The analysis also suggested that deploying logics in contrast does not necessarily construct organizational hybridity. If one logic was deemed more important by all members involved in the situation, the other could be excluded avoiding hybridity. Alternatively, if all logics were considered important, they could be allowed to co-exist, leading to hybridity. In these cases, resolving the tension between logics is important, as it could result in negative outcomes. In John's case mentioned above, the tension between his personal logic and Mercurius' external logics eventually resulted in the closing of StudioSEO (see chapter 6).

5.3. To what end do organizational members deploy available logics?

Exploring *how* organizational members deploy logics provides only a partial picture of how organizational hybridity is constructed at the micro-level. It is also important to understand *to what end* members deploy logics.

The analysis revealed that members deployed logics within Mercurius to: signify attributed organizational aspect; articulate; and/or materialize organizational aspects. Deploying multiple logics to *signify* attributed identity/forms constructs hybridity

within the attributed aspect, potentially changing its meaning. Deploying logics to *articulate* form/identity constructs hybridity across organizational aspects, creating multiple versions of form or identity within the organization. Finally, deploying logics to *materialize* form/identity incorporates particular versions of hybridity to the organization. These are further explained below.

5.3.1. Deploying logics to signify attributed organizational aspects

As has been argued, organizational hybridity is not simply imposed upon organizations. However, there are instances in which multiple logics, forms and/or identities can be imposed. Registering an organization as a CIC is one of these instances. It automatically provides the organization with a hybrid form and two hybrid identity labels (CIC and SEO). These *attributed organizational aspects*, in theory, dictate how to structure the organization, and impose, for example, a certain combination of logics.

For a CIC this arrangement implies being profitable and accountable to a shareholder, represented in and by the board, which is common in the case of a for-profit form. It also implies setting up rules and practices that facilitate achieving social goals which are common to a non-profit form (see previous chapters for an explanation of CICs). As a consequence, CICs balance two main, external logics: the market and state ones.

Indeed, the analysis showed that Mercurius members attempted to adjust practices as attributed. That is, to simultaneously reinforce non-profit and for-profit goals, such as, training unemployed people and selling products/services, and to balance state and market logics. For instance, the inclusion of

volunteers was prioritized in all SEOs that focused primarily on commercial activities, for instance, the CafeSEOs and StudioSEO. Similarly, profitability was prioritized in the SEOs that focused on social outcomes, such as MusicSEO:

> *"We get quite a lot of work to do with MusicSEO 'cause they're really good with music but not good with money, you know. They didn't even understand that they have to charge V.A.T. on everything. So, I've got a bit of work to do there." (Sarah, CEO)*

There were also attempts to introduce Mercurius as a CIC/SEO to employees. These attempts were primarily driven by Sarah, the CEO, or Ruth, the business operations manager. Sarah and Ruth were closely involved with the registering of the CIC. Therefore, they often deployed the state and market logics concurrently and/or complementarily:

Figure 7- Internal communication

Source: Mercurius' Newsletter 01 - Summer 2013

However, the analysis also revealed that members did not simply comply with attributed organizational aspects and their dominant logics. Instead, members deployed multiple logics to

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signify the CIC/SEO form and identity; providing these aspects with their preferred meanings. This was observed on how board members and managers deployed different logics to explain the governance of Mercurius. It was also apparent when participants explained what the labels CIC or SEO meant for them.

In this quote, Seth deployed logics concurrently, in contrast and complementarily, deconstructing the term social enterprise to explain its meaning and Mercurius' identity. First, he combined the corporation (*hierarchy – A7, C7, F7*) and market logics (*profit – E5, G5*). Then, he contrasted these logics with a combination of state (*increasing community good - G4*) and market logics (*increasing profit - G5)* as the core attributes of Mercurius. He finalized his explanation by combining the three logics into a definition of identity that is attributed to the CIC:

> *"I'm honest, I don't, I know a bit about it, from what I'm gathering it's like **a big company has a boss at the top that always makes the money**, but **here they sell products and services** to people **but it comes straight back in**, so it's social bit **is putting money back into the community** so, it's an enterprise, so it's a business, obviously, 'cause it's an enterprise. So social enterprise for me would be **a company that makes money and puts that back into social**, which is what we are." (Seth, apprentice, Work Unit)*

Similarly, Lena used three logics complementarily to signify CIC, market, state and community:

> *"I feel that I understand exactly where a Community Interest Company falls in the spectrum of businesses. […] It is not that you are not for profit, necessarily, 'cause **you need to sustain**, but also, it's not purely to stock up any profits, but just to **give back**, you know? And I think it just*

*works perfectly; 'cause **we're on a community, the music lovers of that community will see the record shop as the centre of that anyway**. So, to be a community interest company and have, you know, **people from the community volunteering** in here, for me it just makes perfect sense, it works really well." (Lena, staff, MusicSEO)*

These findings reveal that although organizational aspects can be attributed, and formally communicated, it should not be assumed that all individuals will attach the same meaning to them. In reality, members deployed logics and signified attributed aspects in order to suit their own vision of Mercurius. In so doing, they incorporate hybridity within these aspects. The attributed identity or form becomes hybrid because it encompasses the multiple logics deployed to signify it. That is, Mercurius is a social enterprise, but being a SEO acquires multiple meanings such as, a business with social aims and/or a professional organization, and/or a community, etc.. I have called this type of organizational hybridity: *intrinsic hybridity*.

5.3.2. Deploying logics to articulate organizational aspects

As suggested above, choosing an organizational form/identity does not mean that its elements will coherently fall into place as attributed. That is, legally registering a CIC does not translate immediately into an organization that combines social and financial outcomes, as noted by Leo:

"I think that there is still a high degree of ignorance between the Vesta board and the Mercurius board, and they seem to have very short memories sometimes […] When the enterprises were services in Vesta they didn't

make a profit. They were always needing subsidy […] and it is almost like, just because we made them enterprises, they automatically thought they'd be profit making. And no, they're not! Surprise, surprise: it's tough! Because we're actually trying to do something quite commercially challenging by sort of offering opportunities for individuals." (Leo, board member)

Members can use prescribed models to structure organizational aspects. However, they can also replace existing models with new alternatives by deploying available logics to articulate elements of form/identity. Within Mercurius, members deployed available logics to define, differentiate, criticize, idealize and justify, as illustrated below.

In doing so, organizational members symbolically constructed multiple versions of identity and form. These versions, which represented member views of the organization, were communicated to other members and/or used as the basis of these individual actions. Thus, they set the basis for hybridity across organizational aspects.

5.3.2.1. Deploying logics to define

The analysis showed that one manner in which Mercurius members deployed logics to articulate organizational aspects was by defining them. For example, members used different logics independently or concurrently to provide the label and the core attributes that reflected their views of Mercurius' identity. For instance, the market logic was used to describe the CIC and some of its SEOs as a business. This identity was consolidated by associating core attributes that were also based on the same logic, for example highlighting profit, *"we are about making*

money", and efficiency , *"business pace"*, *"real world",* as a basis for strategy (G5).

> *"DIYSEO and DecoSEO don't really have specific partnerships. We have **people that we trade with**; we have **customers**, [...] Because that's about **business.** We might have, sort of, supporters or friends. But, actually, **they are trading businesses**." (Paul, business manager, Work Unit)*

Other logics were similarly used. This example highlights the use of the family logic to define Mercurius' identity. Core attributes included caring and supporting the organizational *"family"* members, focusing on *increasing family honour (G1)* and *unconditional loyalty* (B1):

> *"There are times when it's a family, and **your family have to support you**. So, and I think it's important, and it's a bit fluffy but I think it's important that you are supported professionally." (Paul, business manager, Work Unit)*

Organizational members also used logics to define their roles, responsibilities and relationship with other members within Mercurius. Rebecca, for instance, used her family logic and Mercurius' corporation logic complementarily to define her role as a business manager and her relationship with those under her supervision. She uses the family logic of *loyalty* (B1) and *membership in the household* (E1) to soften a structure based on the corporation logic of *bureaucratic, managerial roles (C7, D7)* and *status in hierarchy (F7)*:

> *"I mean for everyone that works within my section, **I am their 'boss'** to use, to coin a phrase, and Sarah is my boss, so for them is the boss and the big boss, you know.*

> *But the boss and the big boss are just Rebecca and Sarah. You know, and we come down, **we're accessible**."*
>
> *"My style of management is that they can come to me at any time and I, you know, and **I allow them to be who they are**, and, **I embrace who they are** and we bring that into business."*
>
> *(Rebecca, business manager, Experiences Unit)*

When members deployed logics to define they imbued organizational aspects with their preferred meanings. These versions are communicated and acted upon, setting the basis for organizational hybridity.

5.3.2.2. Deploying logics to differentiate from

The analysis also highlighted that organizational members used logics in contrast (see above 5.2.4.) with other logics to differentiate Mercurius from other organizations. In the quote below, for instance, Vesta is associated with a state logic so that Mercurius can stand out as a business. Vesta's focus on the *status of interest group (F4),* state logic, is criticized in order to highlight a more *realistic support.*

> *"So, [staff members] at Vesta, in my opinion, were a little bit too: 'oh', **hand holding** [...] And then what happens, in my experience and my opinion, is that **people become very dependent** [...] on you, and then they never actually grow as a person because **they are constantly wanting you to do this for them**. So for me once going into Mercurius, [...] which we know **it's a business**, it was easier for me to leave the hand stroking behind, in a way, and **be supportive in a realistic environment**."*
> *(Rebecca, business manager, Experiences Unit)*

Using logics in contrast often implies tension. One logic is imbued with a more positive meaning, an organizational characteristic that is desired and celebrated, while the other logic illustrates the characteristics deemed undesired, such as a state logic dependence as a consequence of *welfare capitalism (I4),* in the previous quote, or a market logic *self-interest (E5),* in the next one:

> *"For me, the social enterprise is […] a collective thing. The way I speak to the managers and staff is:* **there is no fat cat***; which is what I like. Nobody is* **driving around in a fabulous car** *and, you know,* **earning hundreds of thousands of pounds** *on the back of what is happening here." (Rebecca, business manager, Experiences Unit)*

Nevertheless, because the undesired elements of the logic are attributed to another entity, in this case the organization, the conflict is externalised. Mercurius' identity remains intact, even if it assumes different alternatives. For example, in the first quote Mercurius is highlighted as a *business*, while in the second, it is a *social enterprise.* Therefore, by deploying logics to differentiate Mercurius from other organizations, members reinforced favourite meanings/logics and weakened undesired ones.

Note that differentiation does not imply dominance of one logic over another within the organization. In the first quote, the market logic is used in a positive light, while in the second quote it is attributed to another organization and perceived through a negative light. This is done by the same individual within the organization. Rebecca used both logics with opposite meanings according to her purpose at the time.

5.3.2.3. Deploying logics to justify

The findings showed that Mercurius members also deployed logics to justify different elements of organizational aspects. For example, logics were used complementarily to justify particular organizational attributes being associated with the CIC's identity. One of the most common examples was the use of elements from a state logic to justify profit (see also 5.2.3 above). Managers, business partners and employees used this approach to legitimize the organization and its practices, both internally and externally:

> "We are not **just about making money**. The key thing is, that people need to understand in the context of Mercurius is that **our main purpose for being here**, whilst we do have to wash our own face, **is to deliver opportunity to vulnerable people**." (Sarah, CEO)

> "I guess **we are still selling things but** there's also the part **we are trying to support people** and look after people." (Jen, line manager, MusicSEO)

Similarly, logics were used to justify changes in practices. For example, David combined elements from the market and profession logics to justify changes in the recruitment of volunteers:

> "When it was Vesta […] all volunteers were Vesta's service users. […] They're trying to get them, you know, to do some kind of meaningful activity. […] Since we've been to Mercurius, I don't think we've got any… actually, yeah, there's a couple of volunteers that are Vesta's service users but everybody else […] has come from […] either the courses or the MWA [Mandatory Work Activity] that have finished their work placement and carried on volunteering. […] I think in some level they decided in the past that

> *Vesta's service users weren't good enough to turn it into a business and rely on financial returns. I think in some areas [...] services users wouldn't be able to deliver that aim." (David, line manager, DecoSEO)*

When members deployed logics to justify they legitimized meanings and decisions that could be considered undesirable by the individual or a stakeholder within organizational aspects. As these versions are disseminated (see 5.3.3.3. below), they also construct organization hybridity externally.

5.3.2.4. Deploying logics to idealize

Members also used logics to idealize organizational aspects. In these cases logics were used independently and in contrast to imagine desired characteristics and practices. In this quote, Ali uses a corporation logic (*employment in firm – E7*) to do so:

> *"I don't know much about Mercurius! What I know is they employed me and [...] what would be nice is: they do a bit more, **employ a few more**. So we got some good volunteers. It just would be nice if, you know, if one is pick as staff." (Ali, staff, DecoSEO)*

Similarly, Jen used elements of the community logic, such as *common boundary (A2); emotional connection (D2); visibility of actions (H2)* to idealize MusicSEO's identity:

> *"**We want to make the shop a hub**. It's a place where people can come to, sort of… it's more about [...] an experience of enjoying your time than just being all business all of the time." (Jen, staff, MusicSEO)*

At times, deploying logics to idealize meant a desire to alter the organization or an attempt to hide from undesired characteristics or practices, such as, hiding from *'being all*

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business all the time' in the example above. My visits to the record shop and conversations with its staff members indicated that the community logic was dominant in the SEO. However, they were being pushed to become profitable by the board and by Mercurius. Idealizing MusicSEO as a community therefore, became a way to protect them from, or resist, the official version.

In cases such as this, tension remained and could possibly escalate if employees were not allowed the space to entertain their idealised versions. Again, unmanaged spaces (Gabriel, 1995) become important for organizational members to use logics informally creating personal versions of the organization. The record shop was, in itself, one of those spaces.

5.3.2.5. Deploying logics to criticize

Finally, members deployed logics to criticize organizational aspects. John, for example, used elements of his profession logic to criticize the inclusion of volunteers at StudioSEO.

Similarly, Ali used her community logic to criticize Vesta guidelines on the interaction between employees and volunteers. From her perspective these rules are unnecessary as they are all part of the same group. Therefore, guidelines should be that of the community rather than the organizational:

> *"We chat, **not the way Vesta says you gotta chat**, but we chat! […] There're guidelines, Vesta book guidelines and stuff and you can't… I mean, if you know **banter**, 'everything goes'. So, you know, **this is what we do**."*

Deploying logics to criticize often implied an attempt to undermine or resist versions of organizational aspects that members considered negative. Interestingly, on these occasions the contrast between logics implied the possibility of conflict

within the organization. When escalated, this dynamic could lead to intractable conflict and failure (c.f. Battilana & Dorado, 2010) as in the case of the closing of StudioSEO, discussed in the next chapter.

5.3.3. Deploying logics to materialize organizational aspects

Deploying logics to articulate organizational aspects set the basis for organizational hybridity. However, it is only when these logics are materialized in symbols, norms and practices that hybridity is incorporated into an organization (see Thornton et al., 2012 on the materiality of institutional logics). In Mercurius, organizational members deployed logics independently, concurrently and complementarily to adjust, create and disseminate organizational aspects, as presented below.

Importantly, elements of form/identity are materialized by virtue of how they are articulated and negotiated (c.f. Bishop & Waring, 2016) within the organization. Therefore, although most organizational members can deploy logics to signify and/or articulate these organizational aspects, only a handful will be able to materialize favourite logics in symbols, norms and practices that are recognized by the organization. Those members in the position to formally materialize logics, for example, through representation or power (such as in Pache & Santos, 2010) are more likely to create an organization that reflects their own purpose and logics. In Mercurius, legitimacy was a matter of hierarchy and affinity. For instance, Rebecca's influence as a business manager and as a friend to Sarah and Ruth allowed her to formalize her family logic within the organization. Eventually, logics formally materialized dictate what is appropriate within an organization and set the basis of

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other member actions. As such, organizational hybridity is cemented in a particular combination.

Alternatively, as noted, some organizational members can access unmanaged spaces (Gabriel, 1995) and can deploy logics locally to materialize organizational aspects in symbols, norms and practices unrecognized by the organization. For example, MusicSEO's members developed a number of practices to the *'music lovers community'*, introducing a community logic to Mercurius. Logics materialized informally also contribute to construct hybridity within the organization, disrupting official logics and providing alternative combinations.

5.3.3.1. Deploying logics to adjust

Mercurius was a new organization; however, many of its social enterprises already existed and were transferred from Vesta when the CIC was established. Consequently, one manner in which members deployed logics to materialize organizational aspects was through adjusting existing elements of form/identity.

As revealed by the analysis, some adjustments were simply responding to attributed aspects (see 5.3.1. above). However, there were cases in which members deployed other available logics to suit their views of the organization. In this quote, Mark used his personal market logics to adjust existing norms (see quote at 4.3.5.).

Similarly, Ali (DecoSEO) told me she preferred to spend time at the *"site"*, any space where the painting and decorating took place, rather than at the Training Space. She commented that there was no hierarchical *"level"* at the site. For her, work relationships are horizontal; her co-workers, often volunteers

under her supervision, are part of her unit. The analysis showed that Ali's community logic was deployed in that space to adjust the meaning of her role in relation to the volunteers, as highlighted in this quote:

> *"If you want somebody to work with you **on the level where you can have a laugh with them**, then you need to be talking to them. It shouldn't be up there. It's the wrong level as far as I'm concerned. So, everybody on here I worked with for a while. […] There's a good banter going, […] we work well! […] **So, yeah, it's just me and them. It's me and them as a unit rather than me, the boss, and them.** It can be done!" (Ali, staff, DecoSEO)*

There is *emotional connection (D2), membership and personal investment in the group (E2; F2).* This is in spite of the imposed organizational chart and corporation logic, which the data shows were often criticized (see also 5.3.2.5.)

Although deploying logics to adjust elements of form/identity is more likely to happen in organizations undergoing change, new organizations can also adjust, for instance, practices from other organizations. Irrespectively, deploying logics to adjust often combines existing logics with new ones, introducing hybridity to the organization.

However, the analysis also shows instances in which members would not deploy a new logic, but simply copy the existing one, to adjust organizational aspects. Most of Mercurius normative documents, for example, were copied and pasted from Vesta and only had small adjustments. As a consequence, these documents reflected Vesta external demands as a housing association instead of those of Mercurius as a CIC. Some rules seemed out of place or applicable only to a few of the SEOs, instead of to the organization as a whole. For instance,

Mercurius adapted a number of safeguarding policies and procedures, including one with a focus on children. This policy was relevant to the SEOs providing services within people houses or Vesta hostels (e.g. Care, DIY and Deco), but were unnecessary in the context of the others SEOs.

It is important to note that Mercurius was not responding to Vesta's logic, as adapting documentation was not a demand from the charity, but rather a mechanism to save time. Similarly, Ruth – who did most of the adjustments - was not actively deploying other available logics in the process. Instead, she was simply copying the content from the documents. In doing so, she was also transferring the logics used to develop these documents in the first place. Such as the state logic in this adapted document excerpt:

> *"[Mercurius] recognises that to safeguard children who are suffering or at risk of suffering, significant harm is a shared responsibility. We are committed to achieving inter-agency working; working together in a committed and co-operative way to safeguard children and to promote their welfare." (Source: Child Safeguarding Policy: 2)*

Importantly, this particularity from Mercurius suggested how hybridity can be materialized within organizations even without any external pressures or member active influence.

5.3.3.2. Deploying logics to create

The analysis also showed that members deployed logics to create new organizational aspects. For example, Rebecca used her family logic to create suitable spaces for mothers and their children in the coffee shops (see quote in Chapter 4, section

4.3.2.). Kate used the state logic as the basis to structure the service provided by CareSEO (see her quote in 4.3.4.).

Similarly, business managers were invited to construct Mercurius core values in a meeting. Rebecca, consistent with her family logic, mentioned how her focus on the day was on incorporating staff *happiness* and costumer *happiness* to the values:

> "**When we did the values** *[...] my point was staff happiness and things like that. So, I* **was happy to contribute to that: staff happiness** *and content, and customer feedback. So, all things that I could focus on, and that I do focus on." (Rebecca, business manager, Experiences Unit)*

The final set of values suggests that managers also deployed other logics in the process, such as the profession logic and corporation logic:

> "Our values are an important part of who we are. We strive to be the best at what we do and ensure that our staff, volunteers, learners, customers and partners are aware of our values and the behaviours that go with them. Our values are: **Continuous Improvement**; **Innovation**; Integrity; Ethical Social Financial Environmental; Customer **happiness**; Staff **Happiness**." (Mercurius Website)

These values were then communicated to most employees on value dissemination meetings.

When different combinations of logics are materialized in organizational aspects, they construct multiple versions of organizational hybridity. Over time internal dynamics can make some versions more salient than others, leading to different outcomes. For example, if a combination of logics from Mercurius values, such as profession, corporation and family,

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becomes more salient than its combination as a CIC, state and market, practices focusing on quality, innovation and the welfare of employees could gain more attention than social and financial outcomes.

Indeed, there was evidence that the family logic was already informing decisions within the CIC. For instance, Mercurius hiring processes suggested that elements such as *membership in the household (E1)* and *unconditional loyalty (B1)* had been incorporated by the organization. Vacancies at the CafeSEO were frequently filled by friends or family of staff members. Two of Rebecca's family members worked in the coffee shops and she was in the process of hiring Ruth's daughter as a staff member at the end of data collection.

It is important to remember that the aim of Mercurius is to get vulnerable people into employment. Therefore, from a state logic perspective, hiring family could be negative as those positions could have been taken by volunteers in training. Nevertheless, the analysis showed no evidence of nepotism or unethical practice associated with hiring family members. Instead, as long as, the person was not directly managed by their relative, hiring family was expected and accepted.

5.3.3.3. Deploying logics to disseminate

Finally, members deployed logics in communications and practices to disseminate particular versions of form/identity externally. For example, a combination of market and profession logics was used in Mercurius communications to disseminate the identity of the organization externally and legitimize attributes considered key to the CIC. This explanation from Zoie was especially revealing:

*"With Mercurius, because each of the nine businesses are actually **businesses that need to make money** […] **We wanted to have quite a professional look**, for instance the paper that we print on is different. We print everything on coated stuff for Vesta, so it has that nice, kind of not grainy but it's got a nice feel to it. Whereas Mercurius stock, all of their professional signs are on silk, so they're just really smooth and the colours are really nice. **They just look professional basically.** You can put them on a wire rack next to load of others similar companies and you wouldn't think it was necessarily from a homelessness charity, unless you looked into it." (Zoie, communication business partner)*

Another example, the state logic was independently deployed in posters to disseminate Mercurius social aims to customers at CafeSEO and MusicSEO:

Figure 8 - Communication with clients
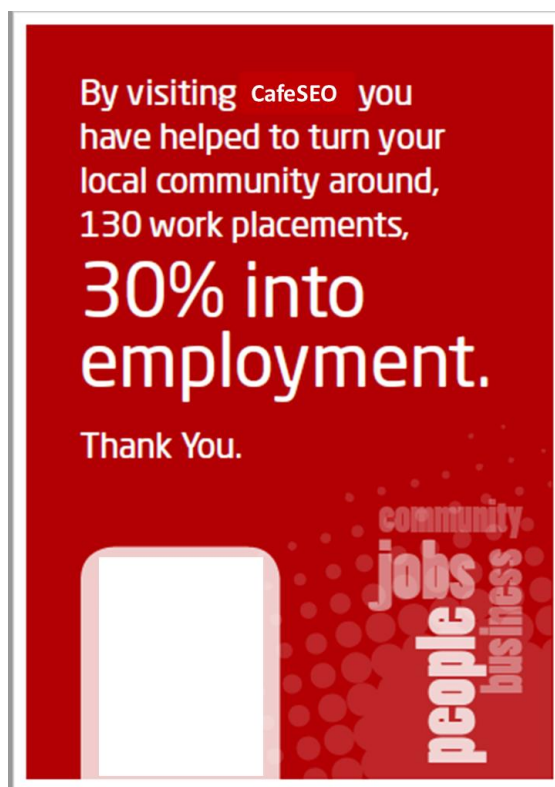
Source: Mercurius

These posters aimed to legitimize practices that could be perceived as lacking quality, as noted by Rachel:

> *"**We've tried to knowledge our customers**, give them information […] We've put things like that poster […] that **explains to the customers that it isn't just a business**, a normal coffee shop, **we're more than that**. […] At the minute we all kinda look the same, but we are trying to show that: 'this is a member of staff, this is a trainee, this is a volunteer', **so that they can be a bit more acceptable**." (Rachel, line manager, CafeSEO).*

Deploying logics to disseminate reinforced specific logics externally. In doing so, it contributed to the salience of these logics within the organization, cementing organizational hybridity in particular ways. If Mercurius is externally recognized through profession and state logics, as in the

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example above, its members will be more likely to further deploy these logics in the CIC.

5.4. How members deploy available logics

The second analytical step aimed to gain insights on how and to what end organizational members deploy available logics as cultural resources in relation to elements of organizational form/identity, as well as, to gain insights into how organizational hybridity is constructed from the bottom-up.

In relation to *how* logics were deployed, the findings showed that organizational members deploy available logics in four ways: independently, concurrently, complementarily and in contrast. When logics are deployed *independently*, organizational hybridity is constructed if multiple logics are forced to co-exist through internal dynamics. When logics are deployed *concurrently*, hybridity is always implied. Multiple logics co-exist and, as a result, can be incorporated to the organization through official and unofficial symbols, norms and practices. When logics are deployed *complementarily*, multiple logics are merged and a new logic can be created, resolving hybridity. Finally, when logics are deployed *in contrast*, multiple logics compete. Hybridity will only be incorporated if these logics co-exist; otherwise the logic deemed less important is dismissed thus avoiding hybridity. Importantly, I found that members used logics in any or all of the four ways according to their aims/needs. There was no indication that variants were connected or part of a cyclical or linear process.

Regarding *to what end* logics were deployed, the findings revealed members deployed logics to: signify attributed forms/identities; articulate and/or materialize these

organizational aspects. Deploying multiple logics to *signify attributed form/identity* construct hybridity within the attributed aspect, potentially changing its meaning. Deploying logics to *articulate form/identity* construct hybridity across the organization, creating multiple versions of the organizational aspect. Finally, deploying logics to *materialize form/identity* incorporates particular versions of hybridity to the organization or communicate those particular versions externally.

Evidently, *how* and to *what end* did not occur separately as one at a time per situation or conversation. In fact, there were many instances, in which multiple logics were used by the same members, in different ways to signify, articulate and/or materialize organizational aspects. This can be found in the examples provided above and in appendix 7.

Table 12 below summarizes the findings above and provide an extended picture of how organizational hybridity is constructed through the use of institutional logics as cultural resources.

Table 12 - Deploying logics as cultural resources and constructing organizational hybridity

To what end	How	Institutional logics	Form/identity
Signify	Independently	Co-exist through representation	Multiple versions of the same form/identity are created (hybridity within the organizational aspect)
	Concurrently	Co-exist	
	Complementarily	Merged	
	In contrast	Compete	
Articulate	Independently	Co-exist through representation	Multiple identities / forms are created (hybridity across the organization)
	Concurrently	Co-exist	
	Complementarily	Merged	New hybrid identity / form
	In contrast	Compete	A particular logic / identity / form is reinforced
Materialize[11]	Independently	One logics is dominant or introduced	One or multiple identities / forms are incorporated
	Concurrently	Co-exist	
	Complementarily	Merged	New hybrid identity / form is incorporated

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[11] The analysis did not reveal instances in which logics were deployed in contrast to materialize. Nevertheless, it is likely that in these cases a particular logic / identity / form will be reinforced.

Finally, the analysis highlighted that organizational members deployed logics formally and informally within organizations. This finding suggests that those members that can access formal channels are in a better position to incorporate their preferred logics. However, those members who can access unmanaged spaces can also incorporate alternative logics. Over time these logics can challenge dominant versions depending on how they are appropriated by other members.

In summary, the findings provide insights into how organizational members deploy logics as cultural resources, affecting organizational hybridity. The implications of these findings for theory and practice are discussed in chapter 7.

5.5. Chapter summary

In this chapter, I presented findings that answer my second research question. I showed that logics available in organizational members toolkits were used independently, concurrently, complementarily and in contrast, as well as, both formally and informally. These logics were used to signify, articulate and materialize elements of organizational form and/or organizational identity.

Finally I highlighted that how and to what end logics are used affect how organization hybridity is constructed and, eventually, incorporated to the organization and communicated externally. These differences are likely to result in a variety of organizational outcomes, which I explore in the next chapter.

Chapter 6 – How members deploy logics: organizational outcomes

This chapter presents the findings of the third analytical step (see chapter 3, section 3.6.3.). I show that how Mercurius members deployed logics led to different organizational outcomes (6.2. and 6.3.), contributing to the fate of the CIC and its social enterprises (6.4.). Finally, I comment on the insights the findings provide regarding the organizational outcomes of hybridity as constructed (6.5.).

6.1. Introduction

The findings in this chapter explore different organizational outcomes, and their connection with how members deployed available logics within Mercurius. Studies to date focused primarily on negative outcomes of hybridity in organizations (see chapter 2). This research highlighted mission drift, conflict and the tension between social and commercial aspects as particularly relevant to SEOs (Battilana & Dorado, 2010; Battilana & Lee, 2014; Cooney, 2006; Doherty et al., 2014; Fiol et al., 2009; Glynn, 2000; Pratt & Foreman, 2000; Pache & Santos, 2010; 2012; Smith et al., 2013; Zilber, 2002). Nevertheless, some studies suggest that hybridity can be positive to SEOs. It increases efficiency and facilitates access to resources from multiple sectors and stakeholders (Book et al., 2010; Dees & Anderson, 2003; Doherty et al., 2014; Teasdale, 2011; 2012; York et al., 2016).

Therefore, in the third analytical step, I explored different outcomes considered negative and positive in Mercurius. I found that how members deployed logics and interacted with other members affected what happened with the CIC and its social

enterprises. It explained tension, conflict, employee satisfaction, efficiency and, eventually, the success or failure of the SEO. The implications of these findings for theory and practice are discussed in chapter 7.

6.2. Negative outcomes

At first sight, Mercurius was 'doing well'. The CIC was constantly improving its social enterprises and their social and financial results. During interviews, participants frequently complimented the organization, suggesting a good environment and a high level of satisfaction. Nevertheless, as I immersed myself in the organization, tension and even conflict became evident. In some cases, such as the ones discussed below, tension escalated and resulted in structural changes, such as, the closing of the SEO or the dismissal of an employee.

Importantly, the analysis indicated that the tension within Mercurius was constructed by how members were deploying available logics and interacting with other members. Tension existed when members deployed some logics in contrast to others. Tension escalated to conflict when members deployed logics they identified with. Tension also existed between groups, when members from each group used different logics independently/concurrently to articulate organizational aspects.

In particular, the analysis highlighted the importance of agency and internal dynamics in resolving or escalating tension. When members found means to make different logics co-exist, tension was managed or resolved. However, when members continued to use logics in the same way tension escalated, leading to intractable conflict and failure.

6.2.1. Deploying available logics in contrast

As noted (5.2.4.), tension can be a by-product of deploying logics in contrast, as some logics are invalidated while others are valorised in order to achieve individual aims. So doing constructs logics as competing and impedes their co-existence within the organization. Tension can escalate if the individual feels pressured, by the organization or by other members, to abandon the preferred logic and/or integrate the rejected logic. As indicated by the analysis, unresolved tension can lead to conflict and eventually jeopardize the survival of the organization. The case of StudioSEO is exemplary.

John, StudioSEO's line manager, commonly used his dominant profession logic (see 4.3.3.) in contrast to Mercurius' state logic to criticize, and avoid, the inclusion of unskilled volunteers at the SEO (see 5.2.4.). Consistent with his profession logic, John was more concerned with StudioSEO's *reputation* (D6) than its social or financial outcomes:

> *"So with volunteers **they've got to have the experience** of being in this line of work, and **having to be professional** and confident. Nobody likes a person in a studio who's not confident." "**We can't just go get people off the street** to go and be in here… I mean in this room alone there is probably thousands of pounds worth of equipment. So **trust is a big thing**."*

Interestingly, John was not opposed to having volunteers. In fact, he was a volunteer in Mercurius before becoming an employee. However, he also understood volunteering from his profession logic perspective as a professional job:

> *"It's an industry that I wanted to work and **I just done five years learning all the ins and outs** and I was very eager to work on this industry. So, even when I was*

volunteering, **I took everything very seriously and treated it as though it was a job***.”*

Eventually, his determination to remain faithful to his personal logic turned criticism of Mercurius logics into resistance, creating tension, especially with Rebecca, his business manager. While John wanted to craft quality records for professional musicians, Rebecca was pressuring him to take in more volunteers and to rent the studio for other activities, such as Pilate classes. Consistent with Mercurius market and state logics, Rebecca was concerned with increasing social outcomes and profitability:

> *"John is very passionate about the studios and the recording and the music that people make… I am, but I'm also passionate about the business side of things where* **we have to make money***." (Rebecca, business manager, Experiences Unit)*

Through time, the distance between John logics and Mercurius ones increased. StudioSEO was closed at the beginning of 2015 and John was made redundant. Ironically, Sarah used a profession logic to justify closing the SEO:

> *"John* **wasn't really the right person***. He was [right] probably for a sound engineer but we needed more of him in the end. We needed him to get out there and publicize the place a bit, you know, generate a buzz, and you know, you've met John, he is not a buzz creator,* **he neither had the confidence nor the skills to promote,** *and so…" (Sarah, CEO)*

The case described above highlights the importance of identification to personal logics in creating and escalating tension within the organization. John's insistence in deploying his profession logic *in contrast* to Mercurius logics resulted in

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conflict with his manager, and ultimately affected social and financial outcomes. These developments were decisive in the closing of StudioSEO.

Inversely, the ability to incorporate and deploy Mercurius logics was crucial for allowing members of the Work Unit to achieve their aim. The unit was managed by Paul and its social enterprises operated within the Training Space. Before becoming a business manager, Paul had worked in the private sector and at Vesta for over 10 years. His interviews revealed different logics available in his toolkit (see table 10, 4.3.). Paul seemed especially comfortable using the market and corporation logics:

> *"I run our **supervisions** […] or appraisal meetings. I will look through my plans, and I think: 'well, **that sits with you, this part of that plan sits with you, this part of this strategy sits with you'**, and **from mine we then make one up for them**. 'So how are you gonna **support my activities**? If I go out and **grow the business**, if I go out and get some external business, you then might have to **grow capacity'**. They might have to train up staff; they might have to get some new equipment or whatever. […] And that would be something that I would look for them to do. […] I'm a little bit lazy sometimes; **I might ask them to write a strategy**: 'what is your **market**? If you were to market this, it is your own business, so what would you do?'"*

Paul prioritised these logics over others available in his toolkit in order to run the Work Unit, in spite of his own critiques of the logics (see 4.3.6.). This created tension with those under his management to whom community, or profession, logics were more relevant. These members commonly used these logics in contrast to market and corporation ones to criticize Paul:

*"**The man at the top of this organization** here doesn't choose to engage. I mean, he doesn't know, because **he's not technical**, nor does he engage adequately. So he's always, you'll always get a verbal response but it's usually one that sweeps you aside.[…] The head of DecoSEO team, the head of DIYSEO team, and all three tutors are unanimous in condemning this man's shortcomings." (Matt, tutor, The Training Space)*

*"I don't spend a great deal of time at the Training Space. So, all my time I spend on site […] To be honest, I prefer to be here […] [R: Why?] To get away of all the drama that seems to occur in the Training Space. […] Sometimes things just descend into chaos, […] **some people's organization skills aren't as good as they should be**." (David, line manager, DecoSEO)*

Tension existed but was not obvious or escalating. On one hand, Paul's integration with the organization gave him the latitude and freedom to act as he pleased. The business manager incorporated and used dominant logics within Mercurius. He also had a good relationship with the CEO and the other business managers. This kept the tension hidden from the whole of Mercurius. Indeed, Sarah mentioned that the distance from the Training Space made Ruth and her detached and unaware of the problems that existed.

On the other hand, members under Paul's supervision found spaces away from him where they could express their community and profession logics. These spaces enabled organizational members not only to use preferred logics, but also to manage the tension for a period of time. Furthermore, these members were able to deploy other available logics, such as state and market, when at the Training Space. This contributed to developing their social and financial outcomes (see 6.3. below).

The issue was only resolved when a new employee made an formal complaint about Paul's management style through Vesta's grievance policy; the business manager was made redundant as a result.

Similar to StudioSEO's case, members of the Work Unit identified with personal logics and used them in contrast to other logics, leading to tension. However, in this case, tension was dealt with through the use of unmanaged spaces (Gabriel, 1995). Compartmentalizing where and with whom personal logics were used, allowed these members to incorporate and deploy Mercurius logics with positive outcomes (see 6.3. below). This was irrespective of their criticism to how Paul deployed these logics. As a consequence, when the conflict came to light, it resulted in change at the Work Unit instead of failure of the SEOs.

Importantly, these examples suggest that tension and competition between logics is closely connected with agency and interaction, instead of inherent to logics (c.f. Greenwood et al., 2011) or constructed within practices (c.f. Smets & Jazarbkwoski, 2013). This finding was also highlighted in the analysis when logics were used independently, or concurrently, by different groups, as described below.

6.2.2. Deploying different logics independently or concurrently

The analysis also identified tension when individuals or groups deployed different logics independently or concurrently. In these cases, logics were constructed as competing through interaction. Tension resulted from the dynamic between individuals or groups, as well as, how and to what end logics were used. If

logics are not incorporated and perspectives negotiated, tension can escalate over time and lead to conflict and/or failure. The relationship between Vesta and Mercurius was illustrative.

When the data collection commenced, Mercurius had recently become a CIC, and members commonly deployed different logics to define the organization. These definitions set the basis for different identities/forms and affected how individuals related to the organization. At board level, members representing Vesta used a state logic to define the CIC as part of the charity; while those representing Mercurius, the CEO and business managers, used a combination of market and corporation logics to define it as a separated business (see 5.2.1.). This resulted in tension and conflict, as each logic underpinned how decisions were made and/or justified at board level:

> *"The people that come after the Board for Vesta are very much […] about **supporting people**, and we have had a couple of **clashes**, because **we are running businesses**. And one of the clashes has been that we wanted to apply for a licence here, an alcohol licence. And the guy who actually chairs the Vesta Board threatened to resign if we went ahead with that. Because he felt that Vesta is helping people that drink and we shouldn't be selling it as well. So the lines again got very blurred with, you know, what we can do." (Rebecca, business manager, Experiences Unit)*

Similarly, administrative departments at Vesta deployed a state logic to define Mercurius and respond to its needs. The CIC was treated as another *project* within Vesta and subjected to the *bureaucratic* procedures in place. This approach frequently created tension with Mercurius members who, based on a market logic, defined the organization as a business and demanded efficiency:

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*"At the moment we rely on Vesta's central resources and we do our, sort of HR, our finance, and things like that, and **they don't always work very quickly**, you know, in terms of the change needed. So, […] as a subsidiary, how Mercurius can move quickly, **in a business pace**, when you're kind of tide out to a very, sort of, **rigid system** that mainly don't work well?" (Kate, business manager, CareUnit)*

*"Sometimes, like, we'll send invoices over and they [Vesta finance department] just keep them in the pile, and **they pay them when they get to the MusicSEO pile**. But sometimes that makes […] the records distribution companies to cut off our account: 'right, you haven't paid for these yet so you can't have any more records'. […] **If we can't get in the popular new titles just because the bill hasn't been paid because somebody has been keeping it to one side for a week; […] that's a real problem**. […] People are gonna keep coming to our shop and be like: 'oh, you haven't got the new single yet! Oh, I'll go to [Name] and just buy it from there'; and **we just lost the customer**." (Jen, staff, MusicSEO)*

It is important to note that these individuals were not simply representing the dominant logics of their organizations. Often, other logics, including those used by the opposite group, were available in the organization or as a personal logic. In fact, some members deployed the '*other logic*' to define the CIC on different occasions (see also 5.2.1.). Furthermore, groups did not aim to achieve different goals; both wanted to make Mercurius successful. Instead, tension existed because members chose, consciously or unconsciously, to deploy the available logic(s) that they deemed appropriate. As a result, success acquired different meanings to each group (c.f. Jay, 2013).

In order to solve the issue, Mercurius attempted to disseminate its definition and associated logics to Vesta through different means, such as, internal communication and a development day to board members. These socialization efforts (Battilana & Dorado, 2010) allowed for an alternative logic/definition and more prominence to the CIC's business side. For example, the Board altered Mercurius articles of association, reducing the number of members connected to Vesta:

> *"I think because we are either doing it or we are just playing at it, and it just feels that **you got to give Mercurius a chance to really establish itself as an entity** and to build its confidence and its […] own decision-making authority. […] So it needs to have a good **sense of independence** from the pressures in Vesta. […] Because it's very different being a board member for a housing association or a charity – Vesta - and to a small social enterprise community interest company. It demands a different set of business skills, a different sort of commercial acumen. **We need to give room in the governance structure** to allow it to recruit people from a more business environment […], who are socially minded, […] **so it can develop its own expertise**, its own governmental expertise." (Leo, board member)*

Nevertheless, this change did not mean a shift in logics, but in how they were deployed. In fact, consistent with its initial position, the management of Vesta decided to reincorporate Mercurius (see 6.4. below).

The tension between Vesta and Mercurius reinforces the role of agency and the importance of internal dynamics in the outcomes of organizational hybridity. Similarly to what was observed above, tension was not inherent to logics. As such, the fact that

each group deployed a different logic was as important as how and to what end logics were used.

Something similar happened with MusicSEO. Different logics were used independently or concurrently to articulate its identity and to create its practices. This allowed the SEO to thrive as a community but eventually fail as a business. MusicSEO started within one of Vesta's hostels as meaningful activity for service users. Hence, elements of the state logic, such as *increase community good (G4)* and *status of interest group (F4)* were dominant in the social enterprise. Its concern with volunteers was illustrative of the presence of this logic, used by many employees in their activities. However, over time, the record shop grew and was separated from the hostel. It became an "*unmanaged space*" (Gabriel, 1995) where employees and volunteers were free to experiment. This allowed a strong, unofficial community logic to develop (see 4.3.1.).

Until MusicSEO was incorporated to Mercurius, state and community logics formed the basis for employee actions. The attention to volunteers and to the music community was the primary focus of the SEO and its members:

> "*I think a big part of being a social enterprise is the fact that **we stock local artist music and don't charge them commission for it**. 'Cause we want them to be, **we want to support the local music scene**." (Jen, staff, MusicSEO)*

The logic was also used to define and idealize the social enterprise as a community of "*music lovers*" (see Lena's quote 5.3.1.). As a consequence, MusicSEO had one of the highest social outcomes of Mercurius - as well as extensive debt.

Once MusicSEO was formally included under the CIC's umbrella in April 2014, the SEO was expected to produce better financial

results. Mercurius managers often deployed a combination of state and market logic to define its social enterprises. Therefore, MusicSEO not only needed to excel in social outcomes but also to be more *efficient* and *profitable (G5)*. The SEO was also required to answer to Vesta as a *shareholder (C5)*, justifying their actions to the board. This created tension between Mercurius and MusicSEO.

The SEO's lack of business expertise was often discussed (see section 5.3.1.) and its attention to music, and the music community, diminished by Mercurius. MusicSEO members were seen as living in a particular world that those at the CIC did not understand. For instance, initiatives developed for the community, such as developing a newspaper, were ridiculed and questioned as disconnected from Mercurius, and even Vesta.

Conversely, MusicSEO members resented changes introduced by becoming a CIC. Jen told me that the attention given to business could jeopardize the relationship with volunteers:

> *"Sometimes when there's a lot to do, and when everyone has a lot on their plate, you can miss things; [...]not do things as well as you could be doing them. You could be not focusing on certain elements as much as you used to do. Like, you know, for **instance if we didn't look after the volunteers as much as we could 'cause we're all too busy in the office** with our heads down or something. Or none of us could be in the shop anymore. **I think it is very important for some of us to be in the shop** [...] and not just stay hold in the office over there all the time." (Jen, staff, MusicSEO)*

Similarly, Jake - at the time a line manager - told me he was disappointed to go back to retail as he wanted to support people instead. Notably, once Jake became a business manager in July

2014, his use of the market logic increased. This change was possibly a consequence of Jake becoming part of Mercurius' formal structure. He now joined CIC meetings with the other business managers and had dedicated meetings with Sarah, the CEO, to develop MusicSEO's business side.

> *"I'm being more focused on the business side, I mean, I've always been focused on the business side, but more kind of like very aware of one's spending, **trying to cut down spending,** getting less stuff in. Also, trying to make a bit more money where we can, as well; **maybe increasing money on stuff we are selling**. […] yeah, it's just I've been a bit more business minded, I guess. Which isn't something I'm really trained for, but, you know, you just got to do it!" (Jake, business manager, Retail Unit)*

Nevertheless, when distant from the formal structure, Jake still prioritized state and community logics rather than market logic. This was evident in his reaction when a well-known independent record shop decided to open nearby. Although Jake considered how to remain competitive, for example, by increasing opening hours to match the competitor, he was primarily focused on the opportunity it represented for volunteers:

> *"I'm actually gonna meet with the manager and talk to him about, like, **if he can take some of our volunteers** and stuff. I think **that would be brilliant for us**. […] **We'll lose our good staff but at least they'll be going in employment**."*

Over time, in spite of efforts to make MusicSEO profitable, Vesta decided to close it down. According to Ruth, the decision was closely related to the context at the time (early 2016). There were cuts in the support to non-profits in the UK, and Vesta was unable to make a surplus. MusicSEO social returns were still

excellent; however, they were not enough to justify maintaining a debt:

> *"**MusicSEO is now closed**. It had lots of debts and the board decided to close it. **It was a business decision** actually. It was the first year that Vesta did not had any surplus and they decided it should be closed. It is not that Vesta does not have money, they have a lot of reserve on the bank, but they didn't get any surplus." (Ruth, business operations manager)*

MusicSEO closed its doors and its website at March 2016; consistent with their still strong community logic, the shop was closed with a big farewell party. Importantly, MusicSEO was closed not because logics deployed were incompatible. Rather, these logics were given different weights by those at the SEO, Mercurius and Vesta. The emphasis on the community/state logics benefited MusicSEO social returns but jeopardized its financial ones. However, at that particular point in time, Vesta used a market logic, rather than a state logic, to decide on the fate of the SEO.

The case also reinforces the importance of unmanaged spaces (Gabriel, 1995) to the use and maintenance of logics within an organization. The record shop was able to be a community and focus on its volunteers for as long as it was relatively independent from Mercurius. It survived in spite of its lack of business expertise, which became obvious and relevant only when the SEO became managed under Mercurius logics.

6.3. Positive outcomes

What is considered beneficial to an organization is closely connected with the logic employed (Jay, 2013). For example, a

successful organization from a market logic perspective is that which is able to *increase efficiency or profit (G5)*; while a successful organization from a corporation logic perspective is that which is able to *increase size and diversification (G7)*. Therefore, hybrid organizations can define positive outcomes in multiple ways. Social enterprises and Community Interest Companies frequently use a combination of market and state logics, increasing *profit* and *community good*. Mercurius was no exception.

According to the analysis, the most successful SEOs at Mercurius were those able to deploy the market/state logics to increase their social and financial outcomes. Nevertheless, the analysis also showed that how organizational members deployed these and other available logics was also relevant to explain the success of these SEOs. In these organizations, members deployed multiple logics independently, selectively using or compartmentalizing them. They were also able to deploy available logics concurrently or complementarily with the market/state logics to increase their social and financial outcomes. These are discussed below.

6.3.1. Deploying available logics independently

Positive outcomes were often connected with member abilities to selectively deploy or compartmentalize available logics. Mentioned above, DYISEO and DecoSEO were good examples. Members in these organizations deployed multiple logics independently in order to achieve their aims. Market, state and corporation logics were deployed at the Training Space, in order to increase financial and social outcomes and to formally interact with other members. For instance, when at the Training Space, these members spent time prospecting new clients and

volunteers or participating in meetings especially with their business manager. Alternatively, community and profession logics were deployed at the site. Without organizational restrictions, these members could focus on the quality of their service and on horizontal relationships.

Similarly, members of the CafeSEOs integrated well several logics, such as, state, market, profession, corporation and family. These examples from Gloria, line manager at the CafeSEO at the Park, are illustrative. Each logic is used to highlight a different aspect of Mercurius, such as the importance of profit and quality, its social purpose or its internal dynamics:

> Market logic: *"When people walk through the door and, you know, we want them to enjoy what they are having but, **you're after their money**!"*
>
> State logic: *"To me, that [SEO] means […] **giving something back, helping local people,** or maybe maintaining yourself."*
>
> Profession logic: *"When you are trying to deliver business services to people, people don't have so much difference on what they expect. **They expect you to be on par with everyone else** whether it is gardening, fixing things, decorating, preparing coffee, catering a buffet, **it's got to be on the par with everyone else or better**!"*
>
> Family logic: *"Rebecca **supports you**! It's great to know she's there to **have your back**, which is brilliant! But yeah, no, it's quite a relaxed relationship. She comes in. She is **very understanding**."*

According to the analysis, these individuals used available logics independently to support their arguments and actions. As a consequence, logics are allowed to co-exist because they represent different aspects of the same organization. There is no

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tension between the logics, and members can use multiple logics to improve the organization as required. For example, by deploying different logics to create new practices:

> Family logic: *"My relationship with the staff… I've been here three months, I think, and I feel **like I'm one of the family now.** […] I try and **keep closer contact with all of my staff**. I see all of them at least twice a week and **we're trying to start doing social stuff** […] [R: What do you do when you see them?] We have a quick chat: 'how are you?' […] If somebody is looking a bit down or whatever, take them off to the side: 'anything I can do? Is anything here or is it at home?'" (Ellen, line manager, CafeSEO)*

> Profession Logic*: "When we first opened here, we opened it with a clear mind of what we wanted to do… **Standards… making sure the coffee was better** than anywhere else around here, **making sure the food was good quality**." (Rachel, line manager, CafeSEO)*

> Market logic*: "We were more aware of **what we were spending** in something, **we begun to charge for anything** as we became a business more than a charity." (Amber, staff, CafeSEO)*

> State logic*: "We're to introduce here to people, and see **what we can help them** [the new volunteers] **with**." (Gloria, line manager, CafeSEO)*

Ultimately, the ability to selectively deploy logics meant organizational members could adapt their SEOs to suit different demands, increasing social and financial results. These results were key to guarantee their survival.

6.3.2. Deploying available logics concurrently and/or complementarily

According to the analysis, positive outcomes were also connected with an ability to deploy available logics concurrently or complementarily with the market/state logics to increase their social and financial outcomes. Rebecca, for example, found several ways to deploy her personal logics within the coffee shops, such as using her corporation logic to adjust practices (see 4.3.6.) or her family logic to create new ones (see 4.3.2.).

Similarly, other organizational members at the CafeSEOs found similarities and compatibilities between logics, using them concurrently and complementarily. When Ellen became the line manager at CafeSEO at the Library, she deployed the family logic to (re)define her responsibilities and soften the new and more managerial role (c.f. with Rebecca at 5.3.2.1.):

> *"I was a supervisor so **I stepped up a level** to manager. So I'm a lot more responsible for everything: ordering, staff, etc. […] **I feel a lot more responsible for my staff**, in the sense of **their happiness**, **well-being**, etc. If somebody comes in and they are not looking their usual self, then I feel it's my responsibility to then see: 'well, what can I do? How can I help?'" (Ellen, line manager, CafeSEO)*

Ellen deployed the family logic complementarily with the existing corporation and market logics, as implied in Ben's comment below. As a result, customers and employees noted an improvement on the SEO's environment.

> *"I think it's **more friendly atmosphere** now… than it used to be. It's used to be all work, just work oriented, whereas, **we're still work oriented business**, but it's a **friendlier atmosphere** as well." (Ben, staff, CafeSEO)*

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*"And customers have mentioned that since the change over management its felt a lot more comfortable within the staff and **everybody seems a lot happier**." (Ellen, line manager, CafeSEO).*

The family logic was frequently connected with employee satisfaction. Many participants mentioned that Mercurius *cared* and that *being supported* was one of the benefits of working at the CIC. The other source of satisfaction, which was frequently associated with Vesta, was the opportunity for *doing good*, closely connected with the state logic. This suggested that positive outcomes are not only a consequence of how logics are used but also, of which logics are used, and to what end.

Finally, Mercurius members frequently used the state logic complementarily to justify the market logic (see also 5.2.3 and 5.3.2.3). Linking *profit (G5)* to survival and the ability to increase social impact instead of *self-interest (E5)* allowed the CIC to develop its business acumen. This business acumen, represented by a focus on *efficiency* and *profit*, was essential for the survival of some social enterprises, such as DIYSEO, DecoSEO and the CafeSEOs. The social outcomes of these SEOs were not as high as, for example, MusicSEOs. Nevertheless, their profitability helped these organizations to avoid the scrutiny of the Mercurius board, guaranteeing their continuity.

6.4. The fate of Mercurius CIC

In one of my last days at the CIC, Ruth told me that *"big changes"* were on the way: Vesta's CEO was stepping down, Mercurius' CEO, Sarah, was likely to be promoted to Operations Director at the charity, and Vulcanus would be re-incorporated to the Mercurius structure. The business operations manager

was hopeful that these changes would lead to opportunities for the CIC, and for herself.

After I left Mercurius in May 2015, I met with Ruth in a couple of catch-up meetings. In the first at June 2015, Ruth told me that Vesta discovered it needed to register and pay V.A.T.. Since avoiding the tax was the driver behind Mercurius, there were now talks of the CIC being reincorporated to Vesta structure. A decision Ruth did not fully support:

> *"The advantage would be less scrutiny […] in the financial sense. **The board seems to think we spend money as we please.** As a part of Vesta that wouldn't happen so much. Other than that, **it feels like a waste**. All that time investing in branding, in being recognized as separate, 3.8 million of investment. Just the other day someone came and looked at the [logo] and said: 'that's Mercurius'. So **now that we are finally being recognized**, I feel that **if we go back to Vesta we will have to have Vesta all over our things**, logo and those dreadful [colours]."*

However, the Mercurius CEO already had a new role in Vesta. Sarah was overseeing not only Mercurius, but also several of the charity's services; this already shifted her focus:

> *"The other day, for example her [Sarah], Mark and I were talking about DIYSEO and **she mentioned that he should focus on internal [Vesta] jobs; while before it was the opposite**." (Ruth, business operations manager)*

My second follow-up meeting with Ruth happened in March 2016. Vesta had registered for V.A.T. and was re-incorporating Mercurius to the charity's structure to close the CIC. Ruth attributed the closure to a lack of business expertise:

> *"I think **we lacked the expertise to make it work**: the marketing, the sales, the finance. We still do not have the*

numbers for this year. How can you make decisions like that? We had the support from Vesta but…"

When charities incorporate commercial activities mission drift is often seen as a potentially negative possibility (Doherty et al., 2014; Jones, 2007; Mair & Martí, 2006; Weisbrod, 2004; Zahra et al., 2009). There is a concern that the focus on business will turn the attention of the organization from its social impacts to its financial outcomes. However, the Mercurius case suggests otherwise. The lack of business acumen eventually meant the failure of many of its social enterprises, such as CateringSEO and MusicSEO. At the same time, the CIC introduced a market logic to Vesta that also contributed to change the charity's focus from *increasing community good (G4)* to *increasing efficiency and profit (G5)* when considering Mercurius SEOs. Yet, the availability of the market logic was not enough to persuade Vesta that the CIC was an independent entity (see 6.2.1. above).

These outcomes support my argument that logics are used not because they are imposed, but because they suit personal and organizational aims in particular situations. The relationship between individuals and logics is agentic, in spite of logics taken-for-granted characteristics. In fact, as shown by the outcomes above, as institutionalised scripts logics are limited tools. The ability to deploy a market logic did not make Mercurius members skilled managers. Instead, the findings suggest that for logics to become relevant cultural resources to organizations, members need to have the means to materialize the logic, such as expertise, flexibility, etc.

As for the social enterprises, some continue but in a different guise:

*"**People are back in the charity mind frame**. They just wait for things to happen, for the charity to sort things out.*

DIYSEO and DecoSEO are now Mercurius' Estate Management and work for Vesta's Property services. They still get outside clients but will eventually be fully re-incorporated. The Training Space, WoodSEO and BikeSEO are funded by the Big Lottery until the end of 2016. The grant will not be renewed, and their continuity relies on new funding opportunities. CleanSEO is doing fine. Their contract with Vesta finished but they gained external, paying clients. Robin, its line manager, is looking for volunteers to continue the social enterprise. The CafeSEO at the City will continue to operate, as it runs in one of Vesta's properties. However, the coffee shop at the Library will only continue if its contract gets renewed; and the one at the park is now closed. It was a partnership with the local council; which decided to take the coffee shop back. As for herself, Ruth told me the future is unclear and she is looking for new opportunities.

That are two ways in which to read what happen with Mercurius. The first and more obvious one is: it failed. Maybe Vesta and Mercurius perspectives were incompatible. Or the freedom given to organizational members to use logics as they pleased, ultimately affected the CIC's survival. In this sense, to allow for hybridity to be constructed from the bottom up is in fact detrimental to an organization.

Nevertheless, the findings presented above, and in previous chapters, suggest that organizational members will continue to deploy logics as cultural resources. This is irrespectively of organizational efforts to manage hybridity. As individuals and priorities change, new logics will be articulated and materialized formally and/or informally constructing hybridity from the bottom up. Therefore, organizational members, their logics,

actions and interaction with other members need to be integrated to how we understand and manage organizational hybridity. So doing, will allow us to find alternatives of organizational hybridity that are more beneficial to the organization as a whole.

The second way in which to understand what happen to Mercurius is to read it through Vesta's point of view. From this perspective, Mercurius did not fail nor ceased to exist. It changed because, ultimately, it served its purpose. For Vesta, Mercurius was a subsidiary; never independent from the charity. Therefore, once it no longer helped Vesta with its V.A.T., it no longer needed to resemble to a separated entity.

Furthermore, by temporarily separating Mercurius, Vesta could incorporate and deploy a market logic. The focus on profit and efficiency helped Vesta to distinguish commercial activities that were relevant, and social enterprises which social returns were a good investment. Those social enterprises able to contribute socially and financially to Vesta still exist, and are growing stronger.

Similarly, the re-incorporation of Mercurius made a family logic available within Vesta. Deploying this logic concurrently, or complementarily, with other logics available at the charity presents opportunities. It might, for example, aid Vesta to reduce the distance between executives and staff members and increase the level of satisfaction within the charity; or avoid mission to drift over time. Nevertheless, in order to benefit from the available logics, Vesta needs to not only acknowledge its existence but also understand how to use it, as suggested by the findings presented in this chapter.

6.5. Organizational outcomes

The aim of the third step of the analysis was to assess the connection between how organizational members deploy logics and different organizational outcomes; as well as, provide an overview of the challenges and benefits of organizational hybridity as constructed from the bottom-up.

In relation to how logics were deployed, the findings showed that when members identify with particular logics and deploy them in contrast to other logics, organizational outcomes are negative. Inversely, when members deploy multiple logics concurrently or complementarily with other logics, organizational outcomes are positive. However, when members deploy logics independently outcomes depend on individual aims and on internal dynamics. The findings also show that, when using logics results in tension, members resort to different strategies to resolve it, such as socializing other members to the logic deployed, selectively using multiple logics, and/or accessing unmanaged spaces to compartmentalize preferred logics.

Overall, the findings support the argument that members deploy logics to suit personal aims and interpretations of organizational needs. Therefore, understanding *which* logics are used, as well as, *how, to what end, by whom* and *where* is paramount to explain positive or negative organizational outcomes. Additionally, the findings suggest that identification, agency and internal dynamics are relevant to the failure or success of organizations. Ultimately, it is the decisions and actions of members that matter, as logics are limited resources by themselves. The implications of these findings for theory and practice are further discussed in the next chapter.

6.6. Chapter summary

In this chapter, several instances of failure and success within Mercurius were illustrated. The analysis of these examples was utilized to show that how logics are deployed affect the organization differently.

First, I noted that deploying logics in contrast implies tension. StudioSEO's case was exemplary. It revealed that when members identify with personal logics and deploy them in contrast to internal logics, tension escalates and jeopardizes the organization. Nevertheless, the example of the Training Space showed that tension can be managed if organizational members can access unmanaged spaces and compartmentalize how they deploy logics.

Second, I highlighted that deploying logics concurrently or complementarily benefited Mercurius. I mentioned this was particularly evident at the CafeSEOs, where organizational members found several ways to deploy available logics to increase social and financial outcomes.

Third, when members deployed logics independently, and sometimes concurrently, outcomes relied on individual aims and internal dynamics. Vesta and Mercurius deployed different logics to define the CIC which led to tension and conflict. Similarly, MusicSEO members deployed logics that improved their social outcomes but jeopardized their financial ones, and resulted in failure. Inversely, DIYSEO, DecoSEO and the coffee shops selectively used multiple logics to support their arguments and actions. As a consequence, multiple logics were allowed to co-exist and these SEOs were successful.

Finally, Mercurius' fate was discussed. It was noted it could be interpreted as a sign that constructing organizational hybridity

from the bottom-up is negative. Nevertheless, it could also be interpreted as a sign of how Vesta deployed available logics. Either way, understanding how members deploy logics is vital for the success of a hybrid organization. The fate of Mercurius SEOs also indicates that, as taken-for-granted scripts, institutional logics are limited. Instead, awareness, agency, and internal dynamics are crucial for allowing logics to be beneficial cultural resources to organizations.

In summary, these findings provide an answer to the third and final research question regarding the organizational outcomes of how logics are deployed. I now turn to discuss the contributions to theory and practice of the findings presented here, and in the previous chapters (4 and 5).

Chapter 7 – Discussion

This chapter discusses the findings presented in chapters 4 to 6 and their implications for theory. It explains how this thesis refines our understanding of cultural toolkits (7.2.) and deepens our knowledge of logics as cultural resources (7.3. and 7.4.). It then discusses contributions to the hybrid organization literature (7.5.). It concludes with a reflection on the bottom-up construction of organizational hybridity (7.6.).

7.1. Introduction

I started this thesis by problematizing the lack of an integrative definition of organizational hybridity and the deterministic, reductionist and instrumental characteristic of the majority of research on the topic. In particular, I noted that many studies tend to overlook agency and the role of organizational members in the construction of organizational hybridity.

Based on alternative works that prioritize agency over structure, I approached the topic from social constructionism with the aim to understand instead how organizational hybridity is constructed at the micro-level. The review of these studies suggested that organizational hybridity was also a consequence of how individuals access and deploy available, external and personal, logics as cultural *resources*.

I observed that the idea of institutional logics as cultural resources had rarely been used to explore organizational hybridity, and that the exception focused only on the efforts of entrepreneurs at the moment of designing and founding alone. Therefore, I concentrated this doctoral research on organizational members efforts to structure elements of form/identity when an organization is becoming a hybrid. This

allowed me to integrate the three concepts that constitute organizational hybridity by exploring how they connect in practice at the micro-level.

I also noted gaps in our knowledge of how and to what end logics are deployed and with what outcomes to organizations. In order to address these gaps I proposed three sub-questions that guided the empirical stage of this doctoral research. The questions explored the metaphor of institutional logics as tools/resources in order to better understand the role of organizational members in using logics and constructing organizational hybridity.

The empirical research was conducted through an in-depth case study and after a rigorous data analysis process (see chapter 3), I presented a number of findings. These are summarized in the following table:

Table 13 - Summary of the findings

Research questions	Key findings
1. What logics are available to organizational members when the organization is becoming a hybrid?	Available logics at a hybrid organization vary according to how external/personal logics are integrated. However, members can deploy any external or personal logics they can access. Identification is not necessary for a logic to be available/ deployed.
2. How, and to what end, do organizational members deploy these available logics?	Members deploy logics independently, concurrently, complementarily and in contrast. They do so according to their personal aims and interpretations of organizational needs. Members deploy logics formally and informally, depending on their legitimacy within the organization. Members deploy logics to: signify attributed, articulate and/or materialize

Research questions	Key findings
	elements of organizational form/identity.
3. What are the organizational outcomes of this deployment?	Negative outcomes are a result of members identifying with particular logics and deploying them in contrast to other logics. Positive outcomes are a result of members deploying logics concurrently or complementarily with other logics. Outcomes vary according to members' aims and internal dynamics when members deploy logics independently/ concurrently. Tension can be temporarily resolved through selectively using logics, and accessing unmanaged spaces to compartmentalize logics.
Overarching question: How is organizational hybridity constructed at the micro-level?	What logics are available affect how organizational hybridity is constructed. Some combinations of logics are more beneficial than others. How and to what end logics are used affect how hybridity is constructed. When members use logics to signify they construct hybridity within organizational aspects. When members use logics to articulate/materialize they construct hybridity across the organization.

These findings have important implications for understanding institutional logics and hybrid organizations, as discussed below.

7.2. Cultural toolkits

Studies examining institutional logics as tools have not analysed in-depth what logics are available within organizational member cultural toolkits. These studies often only consider the logics derived from the external environment in which the organization is embedded (Goodrick & Reay, 2011; Pache & Santos, 2012). The same can be said regarding research on organizational member's ability to manipulate and use logics (Battilana & Lee, 2014; Binder, 2007; Smets & Jarzabkowski, 2013). The exceptions consider only dominant personal logics (McPherson & Sauder, 2013) or personal logics as facilitators of organizational responses to external ones (Pache & Santos, 2013). The findings presented in this thesis refine and challenge these assumptions.

The findings show that personal logics available are not limited to a dominant logic. While logics can be dominant, as shown by John's case, members have multiple opportunities from which to become familiar with additional logics through their past experiences (Lok, 2010; Pache & Santos, 2013). This is especially the case considering macro-level logics which are dominant societal logics. Thus, members do not necessarily represent a dominant logic within organizations (Pache & Santos, 2010) nor *"hijack"* logics from other members (McPherson & Sauder, 2013). Instead, organizational members can access different logics according to their needs/ preferences. This suggests members have a wider impact upon organizations and organizational hybridity than previously considered, as their cultural toolkits are more extensive, in terms of available logics, than considered in literature thus far. This reinforces the importance of addressing more than two logics within organizational studies (see Goodrick & Reay, 2011; Greenwood et al., 2011), as has been the case in this thesis.

Furthermore, at Mercurius, personal logics not only facilitated organizational responses (c.f. Pache & Santos, 2013) but they also supported member actions; thus, confirming that organizational members can access and deploy both external and personal logics. However, access to internal logics, that is, those external and personal logics that manifest within the organization, varies amongst members. Some external logics are only available to members in direct contact with those logics. Similarly, some personal logics are only deployed and, as a result, made available to other members, in particular organizational settings such as units, departments, etc.. This variance affects which members can further deploy logics and construct organizational hybridity within the organization. Therefore, it needs to be integrated to future studies on the subject.

Finally, Pache and Santos (2013) suggested that organizational members are only able to *activate* logics with which they identify. However, the findings revealed that the level of adherence by the individual to the logic is less relevant to action than Pache and Santos (2013) predicted. Identification is not needed for a logic to be accessed and deployed. In Mercurius, members were able to deploy logics they were simply familiar with, and even deploy those logics that they personally rejected. The Mercurius case suggests that personal aims and interpretations of organizational needs are a better explanation of why members activate particular logics.

Overall, these findings contextualize individuals cultural toolkits by relating them with macro, meso and micro influences that may expand or limit organizational members ability to use, in this case, institutional logics as resources to act. At the same time, these findings reinforce the relative autonomy of

individuals in relation to the logics available in their toolkits by further challenging the ideas of dominance and identification.

7.3. Logics as cultural resources

If organizational member cultural toolkits encompass multiple external and personal logics, how and to what end these logics are deployed by such members is central for understanding their organizational outcomes. However, many studies tend to simply note that logics are used as cultural resources to achieve several aims within organizations. Binder (2007), for example, highlighted that: *"Logics are not purely top-down: real people, in real contexts, with experiences of their own, play with them, question them, combine them with institutional logics from other domains, take what they can use from them, and make them fit their needs" (2007: 568).* In particular, previous research showed that personal logics are used to respond to competing external logics (Pache & Santos, 2013) or to influence decisions (McPherson & Sauder, 2013). External logics are used to create new organizational forms (Tracey et al., 2011) or to gain legitimacy (Voronov et al., 2013). Although there are exceptions (such as Tracey et al., 2011), little insight has been provided into how or to what end logics are used. The findings presented in this thesis help to fill this gap.

First, based on the evidence provided, I found that Mercurius members deployed available logics: independently, concurrently, complementarily, and in contrast[12]. Importantly, members did not deploy logics in a continuous, circular process (c.f. Smets &

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[12] Other cases found on the literature can also be categorized within using logics independently (e.g. Binder, 2007; Goodrick & Reay, 2011; McPherson & Sauder, 2013) and complementarily (e.g. Christiansen & Lounsbury, 2013; Tracey et al., 2011).

Jarzabkowski, 2013). Rather they deployed them on a contingent basis, adapting logics and uses to suit particular aims/needs within the organization.

These findings deepen our knowledge of how the relationship between logics is negotiated and constructed by organizational members (c.f. Bishop & Waring, 2016; Smets & Jarzabkowski, 2013). They show that members are not only concerned with balancing external competing logics or with representing a particular logic within the organization. Rather all available logics become resources and their relationship is constructed by how they are deployed as required. Logics are malleable because their deployment is flexible, not only because they can be manipulated in their content (Thornton et al., 2012) or separated into different structures/levels (Boxenbaum & Jonsson, 2008; Bromley & Powell, 2012; Cooney, 2006; Hallett & Ventresca, 2006a; Kraatz & Block, 2008; Meyer & Rowan, 1977; Pratt & Foreman, 2000).

Second, I found that available logics are deployed as resources to signify attributed; articulate and/or materialize elements of organizational form/identity. Existing studies had only hinted that institutional logics shape organizational form/identity (Battilana & Lee, 2014; Foreman & Whetten, 2002). Mercurius provides empirical evidence that this is the case when organizations are being restructured to become hybrids.

More importantly, the analysis highlights that this process is driven, not simply mediated, by organizational members. That is, logics shape organizational aspects because they are actively deployed by members rather than imposed by the external environment (Besharov & Smith, 2014; Greenwood et al., 2011; Pache & Santos, 2010; 2012; Thornton et al., 2012) or imprinted by founders (Battilana et al. 2015; York et al., 2016). This was particularly evident when members deployed logics to signify

attributed forms/identities, subverting institutionalized models with their preferred logics.

Third, I found that logics can be deployed formally and informally. As mentioned in the empirical chapters, members who used logics formally were those recognized as legitimate by other members through affinity or by the organization through hierarchy. These findings suggest that a member's legitimacy amongst colleagues affect which logics get formally articulated and materialized. Notably, I also found that less recognized members could also deploy logics informally, if given the space and flexibility to do so.

Therefore, the findings show that, when it comes to deploying logics, there are no powerless individuals. Rather, there are more or less favourable organizational arrangements which permit or limit the ability of its members. Irrespectively, members can still deploy preferred logics to signify attributed organizational aspects, altering their meanings to relate with the organization in alternative ways (see also 7.5.).

Evidently, uses of logics are not limited to what was observed in this research. Yet, these findings deepen what was known about logics as cultural resources in organizations. Taken together, these findings have an important implication for how we conceptualize the relationship between institutions and agency within organizations. They reinforce agency as embedded in and supported by (c.f. Seo & Creed, 2002; Kraatz & Block, 2008), rather than constrained by, institutions.

This is not to say that using logics is necessarily a fully agentic, conscious process. Ultimately, logics represent the taken-for-granted content of existing institutions (Friedland & Alford, 1991; Thornton et al., 2012). However, individuals and organizations are not hostages to these institutions. This is

especially the case when considering dominant macro societal contents that are available to most individuals in one way or another.

The lack of clear prescriptions at times when an organization is going through unsettled times (Swidler, 1986), creates a situation that allows individuals the freedom to draw from their toolkits according to their personal aims and/or interpretation of organizational needs. In these cases, organizational members will have access to multiple cultural resources and can pick those logics that they prefer, being those which are dominant, or not. Ultimately, logics can support rather than hinder individuals actions as often suggested in the literature (DiMaggio & Powell, 1991; Luo, 2007; Pache & Chowdhury, 2012).

I found that how and to what end logics are used lead to different organizational outcomes as discussed below. They also affect how institutional and organizational aspects interrelate, and how organizational hybridity is constructed. These findings and their implication to the hybrid organization literature are further elaborated upon in section 7.5.

7.4. Organizational outcomes

Studies approaching multiple logics commonly emphasize that logics compete and thus create tensions that need to be managed (Battilana & Dorado, 2010; Fiol et al., 2009; Greenwood et al., 2011, Pache & Santos, 2010; Pache & Santos, 2012; Zilber 2002). However, logics are not incompatible per se; instead it is organizational members who construct logics as competing (Smets & Jarzabkowski, 2013). As shown in chapter 6, they do so by deploying available logics independently/concurrently or in contrast.

At Mercurius, tension existed when multiple external logics were deployed independently/concurrently by different groups, such as board members and business managers in the example discussed before. It is important to remind that these were not cases in which groups *represented* dominant logics (c.f. Battilana & Dorado, 2010; Pache & Santos, 2010). Rather, in these cases, logics were constructed as competing through interaction. Tension resulted from the dynamic between individuals or groups, as well as, how and to what end logics were used. The difference is subtle but important. It suggests the relevance of intentionality and of dynamics internal to the organization in contrast to that of external pressures/demands or institutionalization.

This difference is especially highlighted by the fact that outcomes were positive when individuals deployed logics independently. In these cases, individuals selectively deployed logics to match their needs/aims (c.f. Voronov et al., 2013). There was no dispute; and logics could peacefully co-exist. The same happened when members found alternative spaces in which to deploy their preferred logics and avoid conflict. Importantly, to date, compartmentalization had been observed at meso, rather than micro level although suggested as a possible micro-level response to competing logics (c.f. Pache & Santos, 2013). Separating logics into different structures was suggested as an alternative to avoid competition between these logics (Battilana & Lee, 2014; Kraatz & Block, 2008; see also Pratt & Foreman, 2000). However, the Mercurius' case highlights that logics can also be compartmentalized by organizational members through their deployment.

Continuing with the theme of negative organizational outcomes, the analysis also revealed tension when logics are used in contrast. In these cases, logics are constructed as competing

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and the misalignment is between what each logic represents to the member. Tension can escalate and lead to negative organizational outcomes, such as conflict and failure, if the individual is particularly identified with a personal logic and feels pressured by the organization, or by other members, to abandon the preferred logic and/or integrate the rejected one. StudioSEO was a good example.

This finding complements recent research. Bévort & Suddaby (2016), for example, found that *"individual subjective identification with the new logic is a critically important precursor to successful integration and diffusion of that logic through the firm"*. As seen here, identification with personal logics can also affect how the individual will respond to a new logic. The finding also resonates with research on multiple identities; in which members' identification with one identity over another was seen to influence organizations (Besharov, 2014; Foreman & Whetten, 2002; Golden-Biddle & Rao, 1997; Glynn, 2000; Pratt & Rafaeli, 1997).

Finally, the Mercurius case also refines studies focusing on tensions between social and commercial aspects within social enterprises (Adams & Perlmutter, 1991; Battilana et al., 2012; Cooney, 2006; Dacin et al., 2011; Dees & Anderson, 2003; Defourny & Nyssens, 2012; Doherty et al., 2014; Nicholls & Cho, 2006; Smith et al., 2013). According to the analysis, the lack of business expertise and attention to financial outcomes might be more harmful to social enterprises than mission drift (Doherty et al., 2014; Jones, 2007; Mair & Martí, 2006; Weisbrod, 2004; Zahra et al., 2009). To date, there seems to be no empirical evidence that prioritizing economic instead of social goals leads to negative organizational outcomes.

Taken together, these findings highlight that tension between logics and negative organizational outcomes are a result of how

logics are deployed. As proposed before, the co-existence of logics is not inherently negative; instead it is internally constructed through action and interaction (Albert & Adams, 2002; Bishop & Waring, 2016, Bjerregaard & Jonasson, 2013; Delbridge & Edwards, 2013; Jay, 2013; Smets et al., 2015; Smets & Jarzabkowski, 2013). Therefore, blending multiple logics in, for example, a hybrid organizational identity is not necessarily a solution to competition between logics as previously proposed (Battilana & Dorado, 2010; Greenwood et al., 2011). Instead, competition and conflict will depend on how logics are used and negotiated within the organization (c.f. Bishop & Waring, 2016). If elements of the logics are used in contrast, blending is unlikely to happen; however, if logics are used concurrently or complementarily blending is possible.

On the other hand, the Mercurius case showed that using logics concurrently/complementarily to achieve organizational goals led to positive outcomes, such as increased efficiency and business acumen. These outcomes in turn helped some of Mercurius SEOs, such as the coffee shops, to survive Vesta scrutiny. Interestingly, the Mercurius case also indicated that certain combinations of logics can be more beneficial to an organization than others. For example, employees' satisfaction seemed to be particularly connected with elements of the family and state logics. Overall, these outcomes emphasize the positive potential of multiplicity in organizations noted by a few previous studies (Albert & Whetten, 1985; Besharov, 2014; Jay, 2013; Kodeih & Greenwood, 2014; Kraatz & Block, 2008; Pratt & Foreman, 2000; Smets & Jarzabkowski, 2013) and answer calls to further explore the benefits of hybridity to organizations (Battilana & Lee, 2014; Smets et al., 2015).

The findings indicate that the role of management is not only to avoid or respond to competing, external, logics. Rather it is also

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to understand internal dynamics that affect how available logics are deployed: which logics are used by organizational members, how these logics are used and to what ends, who are using the logics and where they are being used. More importantly, it is necessary to identify when members uses of logics and internal dynamics result in negative/positive organizational outcomes. For example, if a social enterprise wants to understand and avoid mission drift, it is crucial to identify how elements of the market logic, such as *self-interest*, are being deployed, why, by whom and where in the organization. Some of these answers have been presented and discussed here. However, as I suggest in the following chapter, there are still opportunities for future research on the subject.

7.5. Organizational hybridity

In the beginning of this thesis I pointed out that assuming that hybridity is simply imposed and negative, requiring responses, limited our understanding of organizational hybridity. To address these issues I proposed further answering: *how organizational hybridity is constructed at the micro-level?* I now turn to explain how the findings presented in chapters 4 to 6 provided an answer to my overarching question.

As proposed, and supported by the empirical research, organizational hybridity can also be constructed by how and to what end organizational members deploy available logics as cultural resources within the organization. In particular, I found that when organizational members used logics to articulate and/or materialize organizational aspects, hybridity was constructed across the organization from the bottom-up. Similarly, when organizational members used logics to signify

attributed organizational aspects, such as form/identity, hybridity was constructed within these aspects.

7.5.1. Hybridity across the organization

Organizational hybridity has been mainly conceptualized as a consequence of a fragmented institutional environment in which the organization is embedded (Haveman & Rao, 2006; Pache & Santos, 2010). Besharov and Smith (2014), for instance, discussed *"how and to what extent organizations embody multiple logics"* (2014: 365). The authors attributed organizational hybridity to the compatibility between the logics being imposed upon the organization, and the centrality of the logics to the organization.

Following the contemporary literature, if hybridity was simply imposed upon the organization, as a CIC/SEO, Mercurius would show a combination of state and market logics derived from its external context. However, six of the seven institutional logics from Thornton et al.'s (2012) ideal types table were present within the CIC: state, corporation, market, profession, family, and community logics. Therefore, the structuring of Mercurius was not simply a top-down process whereby, once the organization was legally founded as a CIC, elements of form and identity, such as governance, roles, rules, practices and core attributes, unfolded to reinforce its hybridity.

Similarly, studies that concentrated on internal factors argued that organizations become hybrid because individuals are identified with a particular logic or identity, and represent these aspects within the organization (Battilana & Dorado, 2010; Pache & Santos, 2010) or imprint them on the organization (Battilana et al., 2015; Dufays & Huybrechts, 2015; Fauchart &

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Gruber, 2011; Lee & Battilana, 2013; Wry & York, 2015; York et al., 2016; see also Boeker, 1988; Stinchcombe, 1965 on imprinting).

According to these studies, Mercurius internal logics should reflect the dominant logics of certain powerful groups or individuals. Nevertheless, as shown, groups and individuals deployed multiple logics, not only a dominant one, to structure elements of form/identity. Therefore, the structuring of Mercurius was not exclusively a top-down process whereby, powerful groups/individuals transferred their dominant logics to the organization when they structured elements of form and identity.

Instead, as shown, the combination of logics in Mercurius resulted both from the influence of various stakeholders, as well as, organizational members. This means that Mercurius has a hybrid form/identity not only because it is a CIC, but also because members internally found ways to combine available logics to suit personal aims and organizational needs. Indeed, as shown in chapters 4 to 6, organizing the structure of Mercurius involved the effort of various members to structure elements of form/identity internally. In particular, the findings highlighted that organizational members deployed available logics to articulate and materialize elements of form/identity, constructing these aspects, and their hybridity, from the bottom-up.

In Mercurius, members deployed logics to define, differentiate from, justify, idealize and criticize elements of form/identity. These ends represented means of articulation. When members deployed logics to *articulate*, they created multiple versions of the form or identity. For example, in terms of governance/identity: *Mercurius as a subsidiary* and *Mercurius as an independent entity*. As a consequence, organizational

members set the basis for hybridity to be constructed across the organization.

In Mercurius, members also deployed logics to adjust, create and disseminate elements of form/identity. When members deployed logics to *materialize,* particular versions of form/identity were incorporated to the organization or communicated externally. These versions resemble logics used, which were also formally integrated within the organization once materialized in symbols, norms and practices (Thornton et al., 2012). The presence of the family logic in Mercurius values is illustrative.

As these particular versions spread through interactions and practices, they started to become an official part of the organization. Elements need to be agreed upon in order to be formally recognized. For example, agreement over an identity is part of the identity formation process (Gioia et al., 2010). It is only when multiple versions remain and are materialized *within a single structure* that an organization becomes hybrid (see chapter 2).

How logics were used to articulate and materialize organizational aspects has a central role in internal configuration. As shown, when logics were deployed *independently* or *in contrast,* organizational hybridity was constructed through internal dynamics, such as negotiation (c.f. Bishop & Waring, 2016). When logics were deployed *concurrently* or *complementarily,* hybridity was automatically incorporated to the organization. Irrespectively, the relevance of organizational members, and of internal dynamics, for organizational hybridity is clear.

Legitimate organizational members due to affinity or hierarchy are in a privileged position to deploy their preferred logics, and accordingly, are more likely to shape the organization. Nevertheless, organizational member who cannot participate

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formally in this process find spaces, internally and externally, in which to deploy their preferred logics. As a consequence, they articulate and materialized unofficial versions that can potentially compete with official ones, such as in the example of MusicSEO. This means organizational hybridity is plural; it can vary in each organizational level, department, unit, etc. That is, hybridity is articulated and materialized in an organization in multiple formats and with various positive and negative outcomes.

Significantly, it is the plurality of organizational hybridity and the influence of organizational members that make it impermanent. As different logics are used to articulate and materialize organizational aspects, new versions can be incorporated. As a result, it could be said that Mercurius is not only hybrid, but also that its hybridity is dynamic. This means that not only desired combinations of logics can be nurtured, as mentioned above, but changed over time.

Overall, these findings especially refine research looking at micro-process of hybridization (Battilana & Lee, 2014; Skelcher & Smith, 2015; Tracey et al., 2011; Bishop & Waring, 2016; Smets & Jarzabkowski, 2013). First, they show that organizational members construct hybridity from the bottom-up, using not only external but also personal logics available. Second, they highlight the importance of agency, uses of logic, internal dynamics and unmanaged spaces (Gabriel, 1995) to the dynamic construction of organizational hybridity.

7.5.2. Intrinsic hybridity

Although it was argued that seeing hybridity as simply imposed is limiting, there are instances in which multiple aspects can be imposed upon organizations. Because Mercurius was founded in the UK, its hybrid form is attributed and as such clearly defined. As a CIC limited by share, Mercurius follows specific instructions for governance, roles, rules and practices, as well as, the prescriptions of specific logics. Similarly, Mercurius introduced two official attributed identities (CIC and SEO) once it became separated from Vesta.

However, as shown here, organizational members not only use logics to respond to attributed forms/identities, but also to signify then. When members use logics to *signify*, organizational aspects are imbued with multiple meanings. New meanings not only regulate how the individual relates with the organization, but can also be communicated and negotiated with other organizational members. As a result, hybridity can be constructed within an existing form/identity through the use of logics. I call this *intrinsic hybridity*. Intrinsic hybridity emphasizes the role of the micro-level and of institutional logics in shaping form/identity even when these aspects are imposed upon organizations.

So far within the hybrid organization literature, organizational form had only been associated with a set of formal rules that represents a type of organization or a particular sector (see 2.2.1.; c.f. Billis, 2010). As such, organizational forms were treated as imposed upon organizations once they are formalized. For example, a private organization was expected to develop internal characteristics that follow the private model, in order to achieve its purpose to be profitable. The same was expected from hybrid forms, such as CICs. Although previous studies

recognized individuals' ability to alter existing forms (Daft & Lewin, 1993), they only focused on managers.

Similarly, in spite of considering the role of the micro-level and of collective dynamics (see 2.2.2.), research in the hybrid organization literature attributed a somewhat rigid link between individuals and organizational identities, with each individual/group representing a particular identity or claim. As a consequence, hybrid identities were divided between *ideographic*, multiple identities associated with multiple departments within the organization; or *holographic*, multiple identities that co-exist in the organization as a whole (Albert & Whetten, 1985). This was in spite of recent research on organizational identity pointing out that organizational identities overlap, and that individuals are able to attribute different saliences or to shift between identities (Ashforth, Harrison & Corley, 2008; Ashforth & Johnson, 2001).

Therefore, acknowledging intrinsic hybridity in form and/or identity contributes to deepen the discussion about the relative autonomy of individuals within institutionalized environments (Seo & Creed, 2002) and of organizations as inhabited institutions (Binder, 2007; Hallett & Ventresca, 2006b). The finding reveals that even when organizational aspects are attributed and mandatory, their meanings are not fixed. Members are not only able to manipulate logics in various ways, but also to use these *available* logics to alter the meaning of other attributed organizational aspects (form/identity), acting in spite of imposed demands and constrains.

Finally, the finding also refines other studies focusing on organizational identity. First, it shows that organizational members use logics to signify attributes that are externally ascribed to the organization, such as *attributed identities* (Soenen & Moingeon, 2002: 20). Soenen and Moingeon (2002)

noted that organizational identities are not only multiple but also have *"multiple facets"* (2002: 1). These facets, professed, projected, experienced, manifested and attributed, reflect both external and internal views of the organization and were suggested to interrelate in various ways. The authors, however, had not considered that identities constructed by organizational members could influence attributed identities, as it was shown here.

Second, the findings enhance studies on organizational identity that stress the difference between identity labels and identity meanings (Corley & Gioia, 2004; Gioia et al., 2000). As seen, prescribing an identity does not keep members from altering their meanings and core attributes. In Mercurius, organizational members used logics to provide the organization with several identities, as well as, to provide each label with several meanings. Not only there is a distinction between labels and meanings, but also individuals use multiple logics to imbue an attributed label, such as social enterprise, with multiple meanings. As a result, this label or identity becomes hybrid.

7.6. The bottom-up construction of organizational hybridity

The discussion provided so far does not ignore the fact that multiple aspects can be imposed upon organizations or that, in certain circumstances, organizational members have to respond to these aspects. However, it presents a wider picture than the one provided to date. The findings presented in this thesis depict hybridity as both imposed upon organizations and dynamically constructed.

Such findings reinforce my initial argument that studying only one side of hybridity narrows our understanding of and potential to contribute to those working in hybrid organizations. Most of all, this thesis makes clear that organizational members have a crucial role in organizational hybridity. This role is embedded and reactive at some times, but it is also agentic and active, at others.

So far, few studies considered the role of the micro-level in structuring organizations as hybrids. This body of research commonly focused on hybrid organizing as a top-down process in which existing pairs of logics/forms get combined (Battilana & Lee, 2014), often through the efforts of founders (Tracey et al., 2011). However, the findings presented in chapters 4 to 6 showed that hybrids are organized according to how organizational members deploy available logics to articulate and materialize, for example, elements of organizational form/identity. They show *hybrid organizing* as an agentic and negotiated process that constructs organizational hybridity from the bottom-up.

As such, hybrid organizing entails more than *"making sense of and combining multiple organizational forms"* (Battilana & Lee, 2014: 397). It also involves more than making sense of and combining multiple logics (Tracey et al., 2011). Instead, hybrid organizing stems from organizational members using logics as the basis of their *"activities, structures, processes and meanings"* (Battilana & Lee, 2014: 397). As a consequence, managing hybridity is not only a matter of responding to or manipulating multiple external aspects, be they logics, forms or identities. The internal manifestations of these aspects and the dynamics that influence on the relationship to such aspects are also crucial to the management of hybrid organizations.

Furthermore, although hybridity can be imposed, only hybrid organizations at specific locations (such as the UK or the US) have specific legislations that formalize hybrid forms and were developed to suit their purposes. CICs, such as Mercurius, are the exception, not the rule. Most hybrid organizations opt for a sector (Townsend & Hart, 2008) and have to adapt rules from other sectors in order to develop a structure that fits their purposes, for example, charities that incorporate commercial activities cannot avoid V.A.T. in the UK in spite of being registered as non-profits. In these cases, the role of organizational members in organizational hybridity becomes even clearer. Personal aims and interpretations of organizational needs will likely affect which logics are used and how they are used to make adjustments.

Importantly, this role is not restricted to founders or entrepreneurs, as studied so far (Tracey et al., 2011). Some hybrid organizations are not created by a typical "entrepreneur". Instead, they emerge as spin-offs from charities, such as what happened with Mercurius. In these cases, there is often a team of people shifting over that will actively participate, if not directly contribute, to the restructuring of the organization. Thus, it is ever more important to consider organizational members other than the "founder" or even the "manager", as it done in this doctoral research.

Overall, this thesis provides a wider, empirical picture of how organizational hybridity is constructed at the micro-level. In summary, organizational member cultural toolkits are composed of multiple available logics. Organizational members deploy these logics independently, concurrently, in contrast and/or complementarily according to their aims/needs. In particular, when an organization is becoming a hybrid, members deploy logics formally and informally to signify attributed, articulate

and/or materialize elements of organizational form/identity. Importantly, how and to what end logics are deployed have an impact on organizational outcomes, including hybridity. This is a dynamic and continuous process, as organizations are in constant flux. Organizational hybridity is at once imposed and constructed, situated and yet, dynamic.

7.7. Chapter summary

In this chapter, I discussed how this thesis deepens, refines and challenges existing theories. In summary, I noted that this research contributes to works on multiple institutional logics in three ways:

> 1. It refines and challenges research into the logics available within organizational members' cultural toolkits (c.f. Goodrick & Reay, 2011; McPherson & Sauder, 2013; Pache & Santos, 2012, 2013). It does so by showing that: access to logics varies amongst organizational members; and dominance of a logic and/or identification with a logic are not necessary for it to be accessed and deployed.

> 2. It deepens our knowledge of institutional logics as cultural resources within organizations (c.f. Binder, 2007; McPherson & Sauder, 2013; Tracey et al., 2011). In particular, it details how and to what end logics are used by organizational members when an organization is becoming a hybrid, rather than being developed as a hybrid.

> 3. It challenges the dominant assumption within this literature that the co-existence of multiple logics is primarily negative and needs to be managed (Battilana & Dorado, 2010; Fiol et al., 2009; Greenwood et al., 2011, Pache & Santos, 2010; Pache & Santos, 2012; Zilber

2002). Rather, it shows that tension between logics, and negative/positive organizational outcomes, are a result of how logics are used; and that certain uses and combinations of logics can be more beneficial to organizations than others.

The thesis contributes to the different streams of research on hybrid organizations as follows:

1. It empirically demonstrates the connection between the key concepts that underpin organizational hybridity (c.f. Battilana & Lee, 2014; Foreman & Whetten, 2002), by showing that logics can have an important role in shaping organizational form and identity when an organization is being restructured as a hybrid.

2. It deepens studies on the micro-process of hybridization (Battilana & Lee, 2014; Skelcher & Smith, 2015; Tracey et al., 2011; Bishop & Waring, 2016; Smets & Jarzabkowski, 2013). In particular, it shows how organizational members can construct hybridity, by using available logics to signify attributed, articulate and/or materialized organizational aspects, such as form/identity. In addition, it highlights the importance of agency, internal dynamics and unmanaged spaces (Gabriel, 1995) to this process.

3. It refines studies on hybrid organizing (Battilana & Lee, 2014; Tracey et al., 2011) by showing how organizational hybridity can be constructed from the bottom-up and by focusing on the efforts of other organizational members, not only founders/entrepreneurs.

These contributions also have important implications for practice. These are elaborated in the final chapter, along with limitations and opportunities for future research.

Chapter 8 – Conclusion

This final chapter presents a brief summary of the thesis (8.1.); discusses the implications for practice (8.2.); acknowledges limitations and elaborates on opportunities for future studies (8.3.). It concludes with final considerations on hybrid organizations (8.4.).

8.1. Thesis summary

In this thesis I explored: *How is organizational hybridity constructed at the micro-level?*

I reviewed the different streams of the hybrid organization literature and highlighted two problems. First, I noted that when studied alone, the concepts that underpin each stream, organizational form, organizational identity and institutional logics, were insufficient to define and explain organizational hybridity. Second, I observed that these streams were founded on dominant assumptions that hybridity is imposed and negative, and agency is reactive, which overlooks the role of organizational members in actively constructing organizational hybridity.

In order to address these issues, I explored alternative perspectives that focused on the micro-level and privileged agency over structure. Based on current studies, I argued that organizational hybridity could also be a consequence of how and to what end organizational members accessed and deployed available logics as (cultural) *resources*, to structure elements of organizational form/identity when an organization as being restructured as a hybrid. I concluded my theoretical discussion by proposing three sub-questions related to theoretical argument that guided the empirical stage of this doctoral research:

(1) *What logics are available to organizational members when the organization is becoming a hybrid?*

(2) *How, and to what end, do organizational members deploy these available logics?*; and

(3) *What are the organizational outcomes of this deployment?*

In my methodological considerations, I explained the social constructionist paradigm that underpins this thesis. I also accounted for the decisions related to the design and executing of the empirical research, such as, choice of setting and organization, methods used for data collection and data analysis. Additionally, I introduced the setting - SEOs and CICs in the UK, and the case of Mercurius CIC. Finally, I reflected upon the process of doing and writing an in-depth case study and on the measures I took to guarantee the quality of this research.

In the empirical chapters, I presented the findings generated after three consecutive analytical steps (summarized in Table 3, section 3.6.). In summary, I found that:

(1) Several external and personal logics were available simultaneously to members of the hybrid organization. However, access to internal logics (i.e. those external and personal logics that manifest within the organization) varied amongst its members. The analysis also revealed that identification with a logic was not necessary for a member to access and/or deploy it.

(2) Organizational members deployed available logics in four ways: independently, concurrently, complementarily and in contrast. This step also revealed that members deployed logics, formally and informally, to: signify

attributed; articulate and/or materialize elements of organizational form or identity. Organizational hybridity was constructed in accordance with *how* and *to what end* logics were deployed. Importantly, I also found that members used logics according to their personal aims and their interpretations of organizational needs. There was no indication that variants were connected or part of a cyclical or linear process.

(3) When members identified with particular logics and deployed them *in contrast* to other logics, organizational outcomes were negative. Inversely, when members deployed multiple logics *concurrently/complementarily* with other logics, organizational outcomes were positive. However, when members deployed logics *independently/concurrently* outcomes depended on individual aims and on internal dynamics. When doing so, created tension, members resorted to different strategies to resolve it, such as, socialization, selective using logics, and accessing unmanaged spaces and compartmentalizing logics.

Overall, these findings showed hybridity as both imposed upon organizations and actively constructed by organizational members, not only founders, from the bottom-up. Furthermore, they revealed what logics are available to members of a hybrid organization, how and to what end these logics are deployed, and with what organizational outcomes.

I concluded the empirical discussion explaining how this thesis answered calls to further integrate the role of the micro-level in the hybrid organization literature (Battilana & Lee, 2014; Skelcher & Smith, 2015). Furthermore, I commented that this thesis contributed to deepen our knowledge of cultural toolkits and institutional logics as cultural resources (Binder, 2007;

McPherson & Sauder, 2013; Tracey et al., 2011), addressing gaps in the institutional logics literature related to how and to what end logics are used as cultural resources, and with what organizational outcomes, especially when an organization is being restructured as a hybrid.

Having given an overview of the thesis so far, I now turn to discuss its practical implications.

8.2. Practical implications

This thesis provided insights that can aid those managing and working in SEOs and other hybrid organizations. First, this doctoral research has practical implications for Vesta. As a result of its experiences with Mercurius, Vesta now has a market logic and a family logic available within its structure. In order to benefit from these logics, the charity needs to not only acknowledge their existence, but also understand how to use them advantageously. As suggested by the findings presented here, for example, deploying the market/family logics concurrently or complementarily with other logics available at the charity presents opportunities. The market logic might aid Vesta to further distinguish between projects with strong or weak social returns. The family logic can be used to reduce the distance between executives and staff members and increase the level of employees' satisfaction.

Furthermore, the dissolution of the CIC suggests that its SEOs can become unmanaged spaces (Gabriel, 1995) within Vesta, as they used to be before being aggregated in Mercurius. As shown by the MusicSEO case, such spaces can provide the opportunity for unofficial logics to be deployed, as well as, new, localize logics to emerge. Locating and exploring these spaces can help Vesta to

incorporate positive elements of logics, as well as, identify sources of mission drift, for instance.

Second, this thesis has practical implications for Community Interest Companies and social enterprises. In order to allow for these organizations to succeed in their social mission, not only in their survival, it is necessary that we understand these organizations in depth, especially their hybridity. As shown by the findings, CICs and SEOs do not simply combine elements of business and charity (Battilana & Lee, 2014). Acknowledging other available logics can help these organizations to use these logics concurrently/complementarily with their common market/state logics to improve social and financial goals. The successful examples provided by DIY, Deco and the CafeSEOs are a good starting point. Furthermore, the failure of some of Mercurius SEOs draws attention to the importance of supporting the market logic with business expertise. Within SEOs, it is important that the concern with mission drift (Doherty et al., 2014; Jones, 2007; Mair & Martí, 2006; Weisbrod, 2004; Zahra et al., 2009) does not, in turn, affect the development of the business acumen needed for the continuing success of the organization.

Third, this thesis also contributes to the management of hybrid organizations. The Mercurius case suggests that restricting hybridity to something only founders and managers can manipulate and control is naïve. Organizational members will continue to find spaces in which to deploy logics as cultural resources, affecting organizational outcomes. The creative ways in which MusicSEO members deployed their community logic in localized practices is indicative of members' ingenuity (c.f. Binder, 2007). Therefore, organizations need to understand who deploy logics, as well as, how, to what end and where these logics are deployed. Hopefully, I have provided insights that can

help, for instance, CEOs and Human Resources managers in this sense.

This knowledge should not be used in attempts to limit member participation. Especially in organizations that aim to achieve social change, such as SEOs, ignoring personal logics and curbing member uses of available logics might lead to undesirable outcomes, such as in the example of StudioSEO. Instead, I advocate co-constructing hybridity by using logics that reflect the heterogeneity of the organization to materialize organizational aspects that better suit a hybrid organization needs/aims. For example, market and profession logics can be used complementarily, instead of in contrast as in StudioSEO, to materialize practices that increase simultaneously efficiency and professionalism. Evidently, this might be achieved more easily in smaller, newly formed organizations. Ultimately, within hybrid organizations, finding more beneficial combinations might be the difference between keeping on track or drifting to undesired aspects of an increasingly dominant business logic in society today, such as profit-maximising and self-interest (Dart, 2004).

Finally, this research provides organizational members with the chance to adopt a more active role in relation to institutional logics and within their organizations. At the introduction of this thesis, I mentioned that I was motivated by the opportunity to aid those, such as myself, working to promote social change through or within business. The findings presented here are particularly empowering. They show that organizational members are not fated to repeat institutionalized prescriptions. Instead, they can find formal and informal alternatives to achieve personal and organizational aims. In particular, the findings draw attention to deploying logics independently and discovering unmanaged spaces as alternatives to articulate and materialize preferred logics. Furthermore, they warn about

deploying logics in ways that can escalate tension (i.e. in contrast or independently if particularly identified with the logic) and lead to negative organizational outcomes.

Evidently, in order to contribute to practitioners, it is first necessary to familiarize them with the concepts of institutional logics as cultural resources and of organizational hybridity. Universities, and specially Business Schools, have an important role in this sense. Pache and Chowdhury (2012) noted the importance of educating "for" social entrepreneurship, providing students with skills to bridge competing logics (2012: 495). Similarly, I believe in the relevance of educating "for" organizational hybridity, developing skills that allow future organizational members to effectively deploy, especially macro-level logics as cultural resources to structure and change their organizations. Using the findings provided here to update curriculums touching on, for instance, the structuring and management of organizations, can aid organizations and their members to incorporate and balance multiple aspects, achieving the positive potential of hybridity.

8.3. Limitations and opportunities for future research

This thesis is not without its limitations. Potential weaknesses include the focus on a single case, the choice of social enterprises as setting for the research, the use of Thornton at al.'s (2012) table as a methodological tool, and the extensive scope of the research project. Each of these issues is addressed in turn, with suggestions of future research.

First, Mercurius specific characteristics and the point of time in the organization's development could mean a limited scope for

theoretical generalization. However, the process in which Mercurius was established and incorporated Vesta's commercial activities is not necessarily unconventional. In the UK, it is common to find charities that introduced commercial activities or became a CIC/SEO to, for example, respond to increasing governmental cuts and professionalization demands (Dees & Anderson, 2003; Salamon, 1993; Weisbrod, 2000) and/or a dominant business logic in society (Dart, 2004). The exploratory characteristic of this research means its insights can potentially be applied to organizations with similar situations, such as public organizations undergoing privatization and multinationals incorporating social responsibility practices.

Furthermore, although studying Mercurius when it was still largely unstructured could have limited my contributions, it was essential for connecting logics, form and identity. However, it is relevant to explore how organizational hybridity continues to be constructed. As discussed, organizational hybridity is dynamic. This dynamism invites follow-up questions such as: how do members use logics when the organization is consolidated? How do logics, forms and identity connect and hybridity is constructed in this case? Hopefully, these can be approached by future studies on the subject.

Second, and related, the focus on social enterprises could be interpreted as a weakness or a missed opportunity. Many studies of hybrid organizations have already touched on SEOs (Battilana & Dorado, 2010; Battilana & Lee, 2014; Doherty et al., 2014; Pache & Santos, 2010, 2012, 2013; Tracey et al., 2011) and even noted the opportunity to tap into new settings (Battilana & Lee, 2014). Indeed, considering other settings and types of organizations through social constructionism for example, might be a fruitful alternative to challenge assumptions brought by the characteristic emphasis on social enterprises of

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the hybrid organization literature. However, in my case a dominant setting was ideal to achieve the aim to challenge dominant assumptions within this literature.

Additionally, as noted by recent reviews, SEOs are still a fruitful area of study (Doherty et al., 2014). For example, mission drift has not been fully explored in spite of being recognized (Jones, 2007; Mair & Martí, 2006; Weisbrod, 2004; Zahra et al., 2009). The findings presented here provide interesting starting points for future research on mission drift. For instance, the dynamism implied in organizational hybridity construction suggests that mission drift is not an irreversible situation or may occur in parts of an organization but not affect what the organization achieves. If this is the case, it is important to ask, for example: which uses of logics are likely to result in mission drift? What combinations of logics and/or uses of logics can help SEOs to avoid mission drift? And, what are the micro-processes involved in reconstructing a SEO's hybridity to recover from mission drift?

Similarly, there are few studies that focus on organizations with formalized hybrid forms, such as CICs, B-Corporations and low profit limited liability companies. These organizations provide several opportunities for future research, including comparative studies with this thesis. This type of research, for example, can highlight differences in terms of context that will refine our understanding of how logics are used and how organizational hybridity is constructed at the micro-level.

Third, my decision to use Thornton et al.'s (2012) ideal types table could be questioned. The table was not conceived to be a methodological tool. However, it represented gains in terms of clarity and consistency (see 3.6.1). Qualities that I believe are of the utmost importance to advance research on institutional logics. In the current literature, logics are often approached as

relative to the case studied, allowing little room for comparison and generalization. Macro-level logics are not only dominant within society but also the basis for other field-level logics (Thornton et al., 2012). Therefore, they need to be further explored. Interesting questions in this sense include: what are the differences in macro-level institutional logics across different cultures? Are there other institutional orders or elemental categories that need to be included/ revised in Thornton et al.'s table? And, how do the different uses of macro-level logics further affect these logics?

Finally, the extensive scope of the research project presented another potential weakness. Studying institutional logics as cultural resources empirically is a complicated matter in itself, as institutional logics encompass simultaneously symbolic, normative and material dimensions and intertwine different levels of analysis (Thornton & Ocasio, 2008). Further, connecting this research with the construction of organizational hybridity by organizational members was challenging. Yet, the in-depth case study allowed for the involvement and reflection required to achieve the proposed aims of this research.

Ultimately, the exploratory characteristic of the case study offers a great opportunity for future research. Topics that could not be fully considered in this thesis can lead to interesting works, especially when integrated with current research. One example would be to investigate additional micro-processes of hybridization. Bishop and Waring (2016) noted that negotiation constructs the relationship between logics within hybrids. Therefore, it would be interesting to explore the relationship between negotiation and how members deploy logics to signify, articulate and materialize.

Another example, McMullen & Warnick (2016) recently inquired if *"every new venture should be required to be a hybrid*

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organization". The findings presented here suggest that they might not have a choice, as the boundaries between dominant societal institutions are ever thinner. Therefore, another interesting avenue of research would be to explore hybridity in organizations that on the face of it are considered non-hybrids.

A final example is that, in spite of growing interest, the micro-level remains largely unstudied (Bévort & Suddaby, 2016). More research is needed to understand why members identify with certain logics. In this regard, Bévort and Suddaby's (2016) study can provide an interesting framework for comparison with, for example, Voronov and Yorks' (2016) work on how individuals apprehend institutional contradictions differently or Besharov's (2014) work on identity identification and dis-identification.

8.4. Final considerations

"We presently find ourselves in a time of 'interregnum' – when old ways of doing things no longer work, the old learned or inherited modes of life are no longer suitable for the current conditio humana, but when the new ways of tackling the challenges and the new modes of life better suited to the new conditions have not yet been invented, put in place and set in operation." (Bauman, 2013: 6)

This is a quote from Bauman's foreword to the first edition of his book 'Liquid modernity'. It presents a view of our reality as fluid and constantly changing which strongly resonates with me. The appeal of Bauman's viewpoint is not the focus on the pressing matters and challenges that this era presents or on our lack of useful references. Rather, I am interested in the perspective of the void. In the space created by constant instability, there lies the potential for change. There lies the hybrid organization.

Ultimately, hybrid organizations are a reflection of the uncertainty of our time. They arise as attempts to manipulate *"learned or inherited modes"* to suit current needs. Social enterprises, for example, adapt the traditional business mode to address current social challenges (Dees, 1998). Therefore, hybrid organizations represent the opportunity to create new types of organizations that can bridge the gap between what we have and what we need. In order to do so, I argue it is essential that we further integrate the human element to our theories and practices in relation to hybrid organizations.

Organizations are not created nor operated in a vacuum. They do not simply reflect the institutional environment in which they are embedded. Individuals matter. As organizational scholars, we have an important role in doing research that supports members and founder alike to overcome constrains from *"learned or inherited modes"*, such as institutional logics. Ultimately, our studies can provide valuable knowledge to these individuals, aiding in the creation of hybrids that are better suited for today challenges. Hopefully, this thesis contributes in this direction, and inspires other researchers to do the same.

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Appendices

APPENDIX 1 - KEY CONCEPTS AND DEFINITIONS

Concept	Definition
Organizational hybridity	The co-existence, within a single structure, of multiple institutional logics, organizational forms and/or organizational identities.
Organizational form	*"Elements of internal structure, process and subunit integration which contribute to the unity of the whole of an organization and to the maintenance of its characteristic activities, function, or nature"* (McKelvey, 1982: 107).
Organizational identity	*"The central and enduring attributes of an organization that distinguish it from other organizations"* (Whetten, 2006: 220).
Social enterprises (SEOs)	Hybrid organizations that aim to achieve social and financial goals concurrently
Community interest companies (CICs)	*"A special type of limited company which exists to benefit the community rather than private shareholders"* (gov.uk)
Institutional logics	*"The socially constructed, historical patterns of material practices, assumptions, values, beliefs, and rules by which individuals produce and reproduce their material subsistence, organize time and space, and provide meaning to their social reality"* (Thornton & Ocasio, 1999: 804).

Concept	Definition
Institutional orders	*"Represent a governance system that provides a frame of reference that preconditions actors' sensemaking choices"* (Thornton et al., 2012: 54). Examples of institutional orders include the market, the state, professions, religions, communities, the family and the corporation (Friedland & Alford, 1991; Thornton, 2004; Thornton et al., 2012)
Elemental categories	*"Represent the cultural symbols and material practices particular to that [institutional] order"* (Thornton et al., 2012: 54). Elemental categories or elements of logics include an institutional order's root metaphor; sources of legitimacy, authority and identity; basis of norm, attention and strategy; informal control mechanism, and economic system (Ibid: 57).
External logics	Logics available in an organization due to the institutional environment in which the organization is embedded (c.f. Besharov & Smith, 2014; Greenwood et al., 2011; Thornton et al., 2012)
Personal logics	Logics available to organizational members due to their previous experiences (c.f. Lok, 2010; Pache & Santos, 2013).
Cultural toolkits	A range of cultural resources (e.g. institutional logics, symbols, meanings, vocabularies, codes, narratives, frames, material elements, emotions, etc.) that support individuals' actions (c.f. Swidler, 1986; Weber, 2005)

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APPENDIX 2 - RESEARCH PROPOSAL

This information sheet is designed to give you full details of the research project, its goals, the research team, the research funder, the ethical measures in place, and what the organization will be asked to do as part of the research. If you have any questions that are not answered by this information sheet, please contact the lead researcher for further clarification.

1. *The research project*

"Institutional logics in social enterprises" aims to study how individuals working and/or volunteering in social enterprises (SEOs) experience, accommodate, resolve, manage and/or challenge complexity.

The project focuses especially on the type of complexity which results from the presence of multiple institutional logics within the organization. A common example for SEOs is the combination of a social logic (coming from social welfare and/or third sector institutions) with a business logic (i.e. consideration of economic profit and/or a focus on customers as opposed to service-users).

The research is conducted by Leticia Cortes Ferreira, a doctoral researcher supported by the Nottingham/CAPES PhD Scholarship for Research Excellence from Brazil, and supervised by Dr. Robert Caruana, Prof. Laurie Cohen and Dr. Isobel O'Neil.

2. *Why Mercurius?*

To gain useful insights and generate appropriate findings, the project requires a local, recently established social enterprise

whose size and number of employees and/or volunteers allows an extensive study.

Mercurius' portfolio of SEOs (across different sectors) and unique holding-subsidiary characteristic offers a perfect setting for the research. The developments at Mercurius such as switching employees from Vesta over to Mercurius, should provide interesting and rich data that will contribute to advance knowledge that can be transferred to practitioners within social enterprises, for the academic community and for policy-makers.

3. Research requirements

The participation in this research is voluntary, and Mercurius and any of its employees may withdraw from the research at any time, and without giving a reason.

The project is expected to last between four to six months and includes three simultaneous stages of data collection. These stages will be finalised with Mercurius and organised to suit Mercurius' availability, but are tentatively described below.

1. <u>Analysis of documents</u> such as websites and social media, annual reports, internal policies, among others made available by Mercurius.
2. <u>Interviews</u> with managers and employees. These will last approximate one hour and will be semi-structured whereby participants are asked to share their experiences of working at Mercurius. The participation is entirely voluntary and participants will receive a version of this information sheet about the project beforehand.
3. <u>Observation</u> of the daily routine of the organization (daily activities, internal and external meetings, etc.) for an extended period of time. Units observed and the period/hours for the observation will be previously agreed

with Mercurius. The researcher and the project will be formally introduced to all participants beforehand and the observation will only occur with their consent.

4. Data use and ethical procedures

All information collected will be transcribed and stored, analysed and used as input to different research documents, such as, the researcher's doctoral thesis, book chapters, peer reviewed publications, conference papers and presentations, case studies, reports to funders (University of Nottingham and CAPES).

Public information (such as names, logos, quotes from documents, websites, etc.) about Vesta, Mercurius and its SEOs will be considered confidential and anonymised.

All processing of data collected from individuals inside Vesta, Mercurius or any of its SEOs will be anonymised before storage and or use (e.g. in quotes), as required by the terms of the Data Protection Act 1998. If transcription is not conducted by the researcher a confidentiality agreement will be signed with the professional transcriber.

All research conducted by Nottingham University Business School is approved by the University of Nottingham's ethics committee prior to commencement, and as such it must comply with its "Code of Research Conduct and Research Ethics" (Copy provided). However, if at any time you wish to complain about the way in which the research is being conducted you may contact the School's Research Ethics Officer directly:

Adam Golberg

Phone: 0115 846 6604

Email: adam.golberg@nottingham.ac.uk

5. *Benefits to Mercurius and final observations*

Through participation in this project Mercurius will contribute to the development of our understanding about SEOs and therefore assist other organizations in this sector cope with social enterprises' inherent complexity.

Specifically, the principal researcher will contribute to Mercurius by providing useful overall, anonymised feedback to the organization which will have been gained by a neutral academic researcher. Additional contributions, such as reports and/or participation as volunteer in activities, can be discussed as appropriate.

If you would like any additional aspects to be added to this information sheet or have any questions that are not answered by it, please contact us.

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APPENDIX 3 – INFORMATION FOR RESEARCH PARTICIPANTS

Thank you for agreeing to participate in the research project. Your participation in this research is voluntary, and you may change your mind about being involved in the research at any time, and without giving a reason.

This information sheet is designed to give you full details of the research project, its goals, the research team, the research funder, and what you will be asked to do as part of the research. If you have any questions that are not answered by this information sheet, please ask.

What is the research project called?

Institutional logics in social enterprises

Who is carrying out the research?

The research is conducted by doctoral researcher Leticia Cortes Ferreira and supervised by Dr. Robert Caruana, Prof. Laurie Cohen and Dr. Isobel O'Neil from Nottingham University Business School. It is also funded by an international partnership between the University of Nottingham and CAPES, the Brazilian Office for High Education Improvement through the "Nottingham/CAPES PhD Scholarship for Research Excellence from Brazil".

What is the research about?

The research aims to study how individuals working and/or volunteering in social enterprises (SEOs) experience, accommodate, resolve, manage and/or challenge complexity. It focuses especially on the type of complexity which results from the presence of multiple institutional logics within the

organization. A common example for SEOs is the combination of a social logic (coming from social welfare and/or third sector institutions) with a business logic (i.e. consideration of economic profit and/or a focus on customers as opposed to service-users).

What groups of people have been asked to take part, and why?

In order to achieve the wider picture possible, all managers and employees from Mercurius were asked to take part and to be observed in their daily routine.

To individual interviews participants have been chosen according to their role in the organization and their availability.

What will research participants be asked to do?

As a participant you will be asked to allow the researcher to observe you while you carry your everyday activities, eventually sharing your thoughts about what you are doing.

You may also be invited to an hour long interview to answer some questions and share stories about your experience working at Mercurius and at other organizations. This may include, for example, your role in the organization, how long you have been working for Mercurius, and how it is to work for Mercurius, among others similar questions.

What will happen to the information I provide?

Any information you provide that is recorded will be kept in its original file and latter transcribed to a Word document. All files will be kept in a password protected folder. This will be accessible only to the researcher. If transcription is not conducted by the researcher a confidentiality agreement will be signed with the professional transcriber.

Before this information is further used (e.g. for the analysis or quotes) it will be anonymised which means that any personal

information (name, role, age, gender, etc.) that could identify you will be replaced. No information will be shared with supervisors or with Mercurius before this step is done.

What will be the outputs of the research?

The information provided will be analysed and used as input (eventually adding quotes as examples) to different research documents, such as, the researcher's doctoral thesis, book chapters, peer reviewed publications, conference papers and presentations, case studies, reports to funders (University of Nottingham and CAPES).

Contact details

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Complaint procedure

If you wish to complain about the way in which the research is being conducted or have any concerns about the research then in the first instance please contact any of the supervisors directly or the School's Research Ethics Officer:

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APPENDIX 4 – DATA-SET

Method	Description
41 Individual Interviews (approx. 1500 minutes)	Business manager 1 (04Dec13) (cont.)
	Business manager 1 (04Dec13)
	Business manager 1 (26Jun14)
	Business manager 2 (06Dec13)
	Business manager 3 (17Feb14)
	Business manager 4 (23Jul14)
	Board Member 1 (12Mar14)
	Board Member 2 (03Sep14)
	Business Partner 1 (03Sep14)
	CEO (17Feb14)
	CEO (19Mar15)
	Line Manager 1 (17Feb14)
	Line Manager 2 (27Mar14)
	Line Manager 3 (27Mar14)
	Line Manager 4 (27May14)
	Line Manager 5 (18Jul14)
	Line Manager 6 (24Jul14)
	Line Manager 7 (28Jul14)
	Line Manager 8 (25Jul14)
	Line Manager 9 (20Aug14)
	Line Manager 10 (23Mar15)
	Business Operations Manager (10Oct13)
	Business Operations Manager (12Dec13)
	Business Operations Manager (24Jun14)
	Staff 01 (04Dec13)
	Staff 02 (04Dec13)
	Staff 03 (17Feb14)
	Staff 04 (26Jun14)
	Staff 05 (26Jun14)
	Staff 06 (26Jun14)

Method	Description
	Staff 07 (16Jul14)
	Staff 08 (17Jul14)
	Staff 09 (18Jul14)
	Staff 10 (23Jul14)
	Staff 11 (24Jul14)
	Staff 12 (24Jul14)
	Staff 13 (25Jul14)
	Staff 14 (28Jul14)
	Staff 15 (28Jul14)
	Staff 16 (20Aug14)
	Staff 17 (20Aug14)
01 Group Interview (60 minutes)	Business managers (20Nov13)
71 Documents	External (Ext) - Big Lottery - Application Form
	Ext - Big Lottery - Monitoring Report
	Ext - Community interest companies: guidance chapters
	Ext - Social Impact Training - SROI Guide 2012
	Ext – Website – Big Lottery
	Ext - Website - European Regional Development Fund (ERDF)
	Vulcanus - Minutes (13May14)
	Vulcanus - Minutes (15Jul14)
	Internal (Int) - Annual Report (2012-2013)
	Int - Annual Report (2013-2014)
	Int - App Form Guidance
	Int - Application Form
	Int - Board Member Job Description
	Int - Bribery Policy and Procedure

Method	Description
	Int - Business Plan (2013-2014)
	Int - Business Plan (2014-2015)
	Int - Child Safeguarding Policy
	Int - CIC Articles (Oct 2013)
	Int - CIC Minutes (17Jun14)
	Int - CIC Minutes (22Jul14)
	Int - Code of Conduct
	Int - Complaint Procedure
	Int - DBS Consent Form
	Int - Disciplinary Policy and Procedure (Jan2013)
	Int - Employee Handbook (Aug 2013)
	Int - Equality and Diversity Policy (DRAFT)
	Int - Health Safety Policy (May 2012)
	Int - Individual Grievance Policy and Procedure (Jan13)
	Int - Intranet post
	Int - Lone Worker Policy (Draft)
	Int - Maintenance Procedures
	Int - Newsletter 01 - Summer 2013
	Int - Newsletter 02 - Autumn 2013
	Int - Newsletter 03 - Winter 2014
	Int - Newsletter 04 - Spring 2014
	Int - Newsletter 05 - Summer 2014
	Int - Newsletter 06 - Autumn 2014
	Int - Organizational Chart
	Int - Policy and Procedure List
	Int - Quality Assurance Policy
	Int - Recruitment Monitoring
	Int - Safeguarding Adults Policy
	Int - Safeguarding Vulnerable Adults Procedure

Method	Description
	Int - Smoking Policy
	Int - Social Impact Presentation
	Int - Value Dissemination Exercise
	Int - Values and Behaviours
	Int - Volunteer application form
	Int - Volunteer Handbook
	Int - Volunteer Recruitment Monitoring
	Int - Website - Various Pages
	Int - Whistle Blowing Policy
	SEO - CafeSEO - Complaints Form
	SEO - CafeSEO – Posters
	SEO - CareSEO - Complaint Procedure
	SEO - DIYSEO - Feedback Form
	SEO - Example of Application Form
	SEO - Food Hygiene Procedures
	Vesta - Annual Report (2012-2013)
	Vesta - Annual Report (2013-2014)
	Vesta - Code of Conduct
	Vesta - Lone Working Policy
	Vesta - Newsletter - Issue 6
	Vesta - Organizational Chart
	Vesta - Talent Awards Invitation
	Vesta - Website - CIC Information
	Vesta - Whistleblowing Policy (Jan 2014)
	Volunteering (Vol) - Vesta Christmas Party Invitation
	Vol - Volunteer of the Quarter Certificate
	Vol - Volunteer of the Year 2014 Nomination
	Vol - Volunteer Role
53 Images	Pictures from sites and internal communication

Method	Description
Observation (approx. 200 hours and 30 Field-notes)	Mercurius - Value Dissemination Meeting – 4 hours (Nov 2013)
	SEOs – 16 visits - approx. 4 hours per visit (Dec 2013 to Oct 2014)
	Volunteering Training – 8 hours (Feb 2014)
	Vesta – Hostel – 2 hours (Mar 2014)
	Mercurius - Managers Monthly Meeting – 2 hours (Jul 2014)
	Vulcanus - Managers Monthly Meeting – 2 hours (Jul 2014)
	Mercurius - Volunteering – 4 hours per week on average (Jan 2014 to Apr 2015)
	Vesta - Intranet Launching Day (different locations) – 6 hours (Oct 2014)
	Vesta – Events – 12 hours (Nov 2014; Dec 2014)

APPENDIX 5 - INTERVIEW GUIDE

Themes	Questions
Briefing	The research explains about recording, consent, anonymity and confidentiality; and introduces the research. 0. Do you have any concerns or doubts?
Past experiences and availability of logics.	1. Can you tell me a little about you and what you did before working at Mercurius?
Organizational identity and core attributes	2. How is Mercurius different from what you did before?
	3. What it is like to work at Mercurius? What are the positives? What are the challenges?
Organizational form (practices, structure, etc.)	4. What do you normally do at your work?
	5. Do you normally participate in meetings? Can you tell me more about them?
	6. Do you have any contact with the board of Mercurius? Can you tell me more about them?
	7. How is your relationship with your manager?
Mercurius' establishment; organizational identity; organizational form	8. Can you tell me about the transition from Vesta to Mercurius? Were there differences after the transition? Can you tell me more about them?
	9. What are the differences between Vesta and Mercurius?

Themes	Questions
Organizational Identity; Definitions	*If mentioned by the participant:* 10. You mentioned (charity, social enterprise, community interest company) what does it mean to you?
	If not mentioned by the participant: 10b. Have you heard the term "social enterprise" being used in relation to Mercurius? What does it mean to you?
Mercurius establishment, organizational form	11. Have you participated of the recent value dissemination meeting? Can you tell me about it?
Debriefing	12. Are there any stories, examples you think represent Mercurius and you would like to share?
	13. Is there anything else you think it is important and would like to talk about?

APPENDIX 6 – ADDITIONAL EXAMPLES OF PERSONAL LOGICS PER PARTICIPANT

Participant	Role/ Organization	Personal logics	Additional Quotes
Ali	Staff / DecoSEO	Community	*"I was made redundant […] I think, you know, the feeling of not being wanted keeps you… […] so I did something stupid […] got arrested and did community service with DecoSEO/ […] and as soon as my community service was done, I volunteered"*
Amber	Staff / CafeSEO at the park	Profession	*"We were here from start and set everything […] Rebecca […] was aware that we probably had more experience with the business than she did, so it was quite nice to be able to put your own input in things like that"*
Amy	Staff / The Training space	Family / State / Community	State - *"I have a natural interest in people as well. I have a natural feeling to help people"*
Andy	Staff / DIYSEO	Family / State / Market	Market - *"Everybody comes to work for money. There is no one that can deny that. I'd call somebody a liar if he says, "oh no" […] No, you come for the money to pay the bills"*.

Participant	Role/ Organization	Personal logics	Additional Quotes
Ben	Staff / CafeSEO at the library	Community	*"I've always been interested in cooking."*
David	Line Manager / DecoSEO	Profession / Market	Profession - *"Before I was a painter and decorator self-employed but when the banks messed up, about six years ago, I needed a proper job!"*
Ellen	Line Manager / CafeSEO at the library	Community / Profession	Community - *"Coffee was something that clicked for me and I worked in one of the main chains of [Company name] and hated the company but loved the job."*
Gloria	Line Manager / CafeSEO at the park	Family / Profession / Market	Profession – *"We're employed, myself and Amber, from a professional background. So, it's not, we didn't come in through a volunteering group, and getting into that we were employed only because we've got a professional background in it [coffee shops]."*
Harry	Staff / BikeSEO	Profession / Community	Profession - *"I'm a bicycle specialist."*

Participant	Role/ Organization	Personal logics	Additional Quotes
Ian	Apprentice / CafeSEO at the city	Community / Profession	Community - *"I love, I love food. that's it really, I like eating food, so I like to cook food too."*
Jake	Business manager / Retail Unit	Community / Family / Corporation	Corporation - *"But it kind of felt like: it's time to grow up. […] It wasn't completely serious [...] It was not a career."*
Jen	Staff / MusicSEO	Corporation	*"The problem with the teaching it was a zero hours contract […] I didn't get paid for holidays either, so it was just really hard when I didn't have students. So I wanted something that was[…] a bit more, you know, reliable."*
John	Line manager / StudioSEO	Profession	*"We studied all aspects of music which was a very good thing because I mean there's a lot of theories and things that are kind of specific to one aspect of music, like music technology or production or… but we did it all."*

Participant	Role/ Organization	Personal logics	Additional Quotes
Kate	Business manager / Care Unit	State / Profession	Profession - *"Mental health is my background, really. So I know a lot about mental health."*
Kerry	Line manager / WoodSEO	Corporation / State	Corporation - *"It's a nightmare working for people."*
Lena	Staff / MusicSEO	Corporation / Profession	Profession – *"It was very much like the in front of the house role that I was doing for the airline, so I pulled my experience with trade before like customer service."*
Leo	Board Member	Profession / Corporation / State	State – *"I suppose I saw myself more involved in community development and local responses, working with local partners, local agencies."*

Participant	Role/ Organization	Personal logics	Additional Quotes
Mark	Line manager / DIYSEO	Market / Corporation	Corporation - *When I first joined Vesta I said this is a little of scruffy […] "How can someone have respect for you when you are walking through the door like you just being out on a piss? Your hair is all over the place, you haven't even shaved, your clothes are all dirty and you're scruffy as hell, you know. […] I went for my interview wearing a collar and tie, a pair of trousers […]and I'll be honest with you I was sitting and looking at these poor people thinking: what have I let myself into?"*
Matt	Tutor / The training space	State / Profession / Market / Corporation	Corporation – *"This is what we do best. Condemn the management![…] I've always done that. I've always been in the union, to use a vernacular term that I'm sure you're familiar with, I've always "stirred the shit.""*
Megan	Staff / CafeSEO at the library	Family	*"I'd been a full time mom for three years, I think it was."*

Participant	Role/ Organization	Personal logics	Additional Quotes
Monica	Staff / CafeSEO at the city	State / Family	State - *"Where I used to work, it was just, it was just everything was run by the book."*
Patrick	Line Manager / BikeSEO	Family / Market / Community / State	Community - *"I'm a big bike enthusiast anyway, I won't bang on about that too much, but yes, I can talk about bikes all day long."*
Paul	Business manager / Work Unit	Corporation / Family / Market / Community	Community – *"I'm not a natural salesman, but when I'm on my passion, when I'm talking about things I believe in, then yeah, I am! If you asked me to sell you the financial advantage of a pension, I probably wouldn't! but if you ask me to tell you why you should ride that bike every week for next six months, I can probably give you something."*
Rachel	Line manager / CafeSEO at the city	Corporation / Market / Family / Profession	Corporation – *"Started as a member of staff, then became a supervisor, and then became a manager."*

Participant	Role/ Organization	Personal logics	Additional Quotes
Rebecca	Business manager / Experiences Unit	Family / Corporation / Market	Market - *"I can't say that I'm proud of the person that I was. […] I was very driven, I didn't care who I hurt. […] Every time I went into the office and said: I'm not happy then give me more money."*
Ruth	Business Operations Manager / Mercurius	State / Family	State – *"I feel like I'm making a difference and I feel that the work that I do is making a difference. And to me that's really important. I don't just want to go to work and sit and put some numbers in the computer. I want to be out there, I want to support people, […] I do want to make a difference to people's lives."*
Sarah	CEO / Mercurius	Corporation	*"At that point, I kept the floating support but handed back the accommodation and look to sort of grow what, it was called WVT by then, just sort of grow what that was doing!"*
Seth	Apprentice / The training space	Family	*"parenting takes a big part of it, the environment they've brought up in."*

Participant	Role/ Organization	Personal logics	Additional Quotes
Sophia	Staff / CareSEO	Community	*"Because it gave me something to get off the bed for [...] I really felt that I was valued and I just absolutely love it."*
Tina	Staff / DIYSEO	Family	*"I think you got to be happy on the work you do. [...] We get on really well. [..] One of the other guys just say: "you sound like an old married couple" We do get on very well, we do have a laugh, we are like that with everybody to be honest. Mark comes in the morning and we go: 'good morning, dad'."*
Tom	Board Member	Market / Corporation	Market - *"We should be setting our own story to say that this is what we want to do and why, and using measurement and metrics as part of it, in my view. But I'm not in majority let's put it that way on the board. [...] I mean that is a personal view."*
Zoie	Business Partner / Communication / Vesta	Corporation / Profession /Market	Market - *"The private organization was just really strict. I felt like it was quite sort of two-faced, a lot of the staff there. It was two guys that had set this company up and they [...] made loads of money [...]. There were no regulations as such. There didn't seem to be any proper structure, like here."*

APPENDIX 7 – DEPLOYING LOGICS - ADDITIONAL EXEMPLARY QUOTES

Logic	Use	End	Quote
Community and Market	Concurrently	Signify	*"They will always remember what the whole social enterprise is, but because it's a community thing. […] in here, in the Training Space, it's a community. People when they go out they talk about this community, they talk about, they see it as a business." (Amy, staff, The Training Space)*
State	Independently		*"I know we're a social enterprise. We're a community-interest company. Obviously that was all set up along with the training space and the […] services that we run and it's a big mess so… but I don't think they intended there to make a profit because all the profit will go back into, you know, different services. I think it was, it's just trying to make a success of what we're doing and trying to give people something that they can't access." (Sophia, staff, CareSEO)*
Market and State	Concurrently		*A social enterprise is a for-profit business but it… puts something back in the community in which it is based. Either, you know, helping volunteers… giving some work experience, a better chance of getting employment, that's kind of things we are aiming to do." (David, line manager, DecoSEO)*

Logic	Use	End	Quote
Profession	Independently		*"People often don't know what a social enterprise does; or they think of it as being not a very professional set up; or just something that people have just got together and done, rather than… When you go to CafeSEO, which is a string of coffee shops, […] they deliver just a fantastic service. Their coffee or food is […] it's not that expensive, but, you know, it's not really cheap. It's not like someone's just come in […] It's really nice. So, some people find it hard when they're just going there. They're like: 'This is a social enterprise?'" (Zoie, communication business partner)*
State with Market	Complementarily		*"Mercurius and is it CIC's or something, you know these… It's an organization that's obviously there to make a profit because it has to, but its main consideration is you know, giving employment to people and that sort of thing." (Andy, staff, DIYSEO)*

Logic	Use	End	Quote
State versus Market	In contrast		*Because it's a social enterprise. It's not an enterprise, you know? You're not for profit enterprise. So if it was not for profit, then that's one thing but if we're going further than that, it's a social enterprise, so we want social return. So everything we do has got to have social return. If it doesn't have social return, we should be asking ourselves over and over, why are we doing this? What's the point? Whether it's profitable or not is irrelevant, we shouldn't be doing it. Doubly dangerous, if it is profitable. Because if it is profitable and it's not generating social return, then I think it's corrupting the whole reason for having the social enterprise and it can get in your head that because it's profitable, we should doing more of it. Well, no, we should be doing less of it because it's not generating social return."* (Tom, board member)
Community	Independently	Articulate	*"I think people really respond to the fact that when they come to the shop. It's not just a music record store […] I think people feel part of something, when they go to their local record shop in a way, and it's just sort of taking that even further. […] We've an open access to everything. People can see that it's an option to them if they want to get involved, if it would help them in some way. They can be part of it even more than being in a local shop." (Lena, staff, MusicSEO)*

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Logic	Use	End	Quote
Corporation versus Community	In contrast		*"It's definitely hierarchy, yeah, yeah, definitely. I feel like there's Vesta and under them, Mercurius… I mean, I'd say we're much more a team and Sarah is really approachable but then when it goes above Sarah, it's just like, you know… it IS strange! It is a large company, thought! But it feels some decisions might be made… they are not made from the ground level, sort of thing." (Jake, business manager, Retail Unit)*
Family	Independently		*"I've got quite a close relationship with Rebecca. I can speak very openly with Rebecca and she can take that, she can also do the same with me, which is lovely. Neither of us takes offence on how something might come across, and so, that's really good. She's more of a friend than a boss. So I feel very supported by her." (Ellen, line manager, CafeSEO)*
Market	Independently		*"I guess, ultimately it is a business and that's kind of how I view it." (Gloria, line manager, CafeSEO)*
Market and Profession	Concurrently		*"CareSEO was set up in response to the government's personalisation agenda in 2010. However our very unique, client-centred approach to providing care, choice and control to vulnerable people could not compete on price." (Newsletter, issue 7, Autumm 2014)*

Logic	Use	End	Quote
Market and State	Concurrently		*I believe if we were able to put some values, financial values on to some of that social return, I think the social enterprise would be in a much stronger place to then ask for the subsidy because if we were able to put some good values on the jobs creation, the opportunities and the training that are going through those social enterprises then I actually think that in terms of pounds per job, pounds per qualifications, it would look very, very good value for money. And therefore, you can justify the spend more easily. So one of the things, again I'm very keen that we develop is that measurement of social return." (Tom, board member)*
Market with Corporation	Complementarily		*"Although we have to make profit, you know, we have, otherwise we couldn't survive, we need to make money, a lot of people in third sector think that profit is a dirty word, but absolutely it isn't, you know, we need this money."* (Ruth, business operation manager)
Market versus State	In contrast		*"So we were finding that when HR was doing say, the reference, requests and things like that, it wasn't getting done as quickly as we needed it to do. And so that's when it was agreed that I would be able to do that part of work now. Because then at least I knew that it was getting done straight away and if there was any problem."* (Sophia, staff, CareSEO)

Logic	Use	End	Quote
Profession	Independently		*"There's no other bike shop in Nottingham that will do that for you, everything we charge has a month guarantee. Any problems, no quibble, bring it back, we'll sort it, we'll replace it, we'll do whatever. And that's why we have that… little bit of a reputation." (Paul, business manager, Work Unit)*
Profession versus Market	In contrast		*"It's frustrating some times because, like I said, with volunteers is not a steady, predictable workforce, so someone sets you a target but you might not get any volunteers turning up for that period and it's going to be difficult to achieve the targets." (David, line manager, DecoSEO)*
State with Market	Complementarily		*"We're not here to run a gardening company or run a café. We are here to provide opportunities for people to gain skills in catering, skills in gardening, skills in, you know, painting and decorating, skills in retail, so… it's about who gets support and goes through those businesses, really. And what comes out the other end rather than […] just the selling of the coffee, or just the selling of the records." (Sarah, CEO)*

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Logic	Use	End	Quote
Corporation	Independently	Materialize	*"We've done many sessions with the staff, Vesta staff, to sort of show the differences between a community interest company and a charity… and the fact that we are separate, we have our own board, we have our own, you know, we are registered separately, we have our own account audited." (Ruth, business operations manager)*
Market and State	Concurrently		*"When I first started with Vesta it perhaps wasn't what is the real world because there was a lot of funding involved. And if you wanted a new pen that costs seven pounds, you could go and buy it, seven years ago. And now we nick them from hotels, you know. It's like if we've taken this side, and we've taken that side and we've brought them into the middle." (Rebecca, business manager, Experiences Unit)*
Profession	Independently		*"I tried to stay away from Ebay […]. Our bikes, even though they are second hand, they've got 30-days of warranty […] As far as I know I'm the only person doing that. But if I sell on Ebay they can go nationwide and I can't hold that warranty if anything goes wrong. So I like to sell them sort of locally, […] and if anything should go wrong with the bike I can repair. And, you know, reputations can get damaged quickly […]; so doing in a local way like this it means I get the chance to sort of repair anything, if anything goes bad I'm on that warranty." (Patrick, line manager, BikeSEO)*

Logic	Use	End	Quote
State	Independently		*MDF is a wood... […] so, if you sort of sand it too much, cut it with a saw it comes up in the air. Obviously, breathing it like with dried glue is not good to your body. So we created a new policy in a meeting we had last week that it is not to be heavily sanded, heavily shaped; any cut needs to be by hand saw. […] Paul stated that he wasn't happy with the way it was being used, how regularly it was being used and that we should […] be more proactive about it." (Seth, apprentice, Work Unit).*
State with Market with Profession	Complementarily		*"We have a volunteer handbook and an agreement […] which basically sets out what we would do and what we expect them [the volunteers] to do because we are trying to run a business. But, we do understand that these people are giving their time up for free. […] So we will work around their sort of caring commitments or, you know, if they have appointments either with the health services or criminal justice services, we will work around all of that, but we do expect them to be professional, we do expect them to keep on time, and we expect them to turn up when they say they are going to turn up. So, yes they are volunteers, we don't exploit them but we do expect them to at least let us know if they can't do something." (Ruth, business operations manager)*