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Introduction to the special issue in honor of Arndt Sorge

About the Guest Editors

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This special issue of *Journal of Strategy and Management* features four articles selected from the papers presented during a special issue research workshop organized in honour of Professor Arndt Sorge's contribution to the societal effect approach. The scope and purpose of this Special Issue is to draw interconnections between domains of strategy and the societal effect approach. Specifically, the four articles contribute to: highlighting the connections between strategy and societal influences; and advancing the ways in which nationally shaped institutional logics are fostered in strategy research.

Introduction

At the occasion of Professor Arndt Sorge's valedictory lecture on 19 November 2010 in Groningen, The Netherlands, a Special Issue Research Workshop was organized to honour Professor Arndt Sorge's contribution to the societal effect approach. The purpose of the workshop was to provide a platform for contemporary research that highlights the connection between strategy on the one hand and societal influences on the other. To what extent is strategy universal, and to what extent is strategy influenced by the local cultural and institutional context within which the strategising enterprises are embedded?

Arndt Sorge's work laid an important foundation for this type of strategy research, as the central argument in his work has been that different industrial and organisational templates develop in different societies due to cultural, historical and institutional path dependencies. A clear example of this line of work is his early article with Marc Maurice from France and Malcolm Warner from Great Britain, published in the first issue of *Organization Studies*, titled "Societal differences in organizing manufacturing units: a comparison of France, West Germany and Great Britain" (Maurice *et al.*, 1980). This title signals Arndt Sorge's permanent interest in societal differences in organising, particularly in this set of three countries. As succinctly explained in the abstract of this study, "Organizational processes of differentiation and integration can be seen to consistently interact with processes of education, training, recruiting, and promoting manpower, so that both develop within an institutional logic that is particular to a society, and bring about nationally different shapes of organization" (p. 59).

In a follow-up piece in 1991, Arndt Sorge (1991) extends this logic to issues of competitive advantage and strategic fit in the broader context of what has become known as the societal effect approach. His work has always recognised the interactionist and dialectical nature of institution building and decoupling, supported by his actor-centric perspective. In the wake of recent calls for greater role for agency in institutional theory, Arndt Sorge's continuous emphasis on practical and pragmatic involvement of actors in creating, maintaining and disrupting institutions comes as an early insight into the rubric of institutional entrepreneurship. In his latest book *The Global and the Local* (Sorge, 2005), he forcefully argues that the outcomes of globalisation are not what many expect them to be. For one, seemingly universal templates such as business process re-engineering or shareholder value turn out to be interpreted and implemented differently in different countries. Moreover, in response to globalisation processes, many societies strengthen their local identities, reinforcing the practices that make them different from other societies.

So, theoretically, the societal effect approach implies the need to carefully mix insights from different theoretical lenses, such as contingency and institutional theories. Empirically, the societal effect argument generates a plea for cross-country comparative work. The four contributions to this special issue each highlight different aspects of the societal effects of reasoning in relation to strategy. Two contributions analyse aspects of strategic change, and address how the internal functioning of the organization in this context is shaped by societal influences. The other two contributions examine external aspects of strategy by focusing on internationalization patterns and lobbying campaigns. An overview of research questions and findings of each of the contributions is described next.

Strategic change and the societal effect

Mara Brumana and Giuseppe Delmestri ("Divergent glocalization in a multinational enterprise") investigate how global and local processes affect organizational strategy and structure in a multinational enterprise (MNE). Using a longitudinal case study design, they examined the processes and mechanisms driving glocalisation of corporate and subsidiary strategies through interviews with 60 managers in France, Germany and Italy, participant observation and company document analysis. With their focus on sensegiving and sensemaking, they capture a relatively neglected aspect of the societal effect on strategising. Their findings show that cognitive processes do not occur in a cultural vacuum. Understanding and influencing are driven by globally anchored rationalisation and nationally embedded governance systems such as national regulation as to employee protection and involvement in times of economic crisis. Their model of strategic change opens up new avenues for research linking the micro cognitive processes to the macro structural features in which they are embedded.

Sigrid Quack ("Recombining national variety: internationalization strategies of American and European law firms") explores whether the internationalisation strategy of law firms from Europe follows a similar or a different pattern compared to that of their US counterparts. Through a comparative analysis of internationalization strategies, governance modes, organizational forms and the archival analysis of lawyer qualification profiles of top-ten law firms in the world, she shows that both have followed different paths. She suggests that the dynamic interaction between organizational, market and societal conditions that is uncovered in the article is by no means restricted to the legal industry. She expects that this type of dynamic would extend to any other

industry in which the functioning, effectiveness and competitiveness is driven by the composition and combination of the managers' and expert staff's knowledge across national participants.

Elen Riot and Emmanuel de la Burgade ("Stamping La Poste: an illustration about the influence of societal effects on the strategic change") look into the societal effects on the implementation of strategic changes in the service industry. Specifically, they analyse strategic change at La Poste using a longitudinal case study design. Data were gathered through interviews, participant observation and internal document analysis. They observe institutional effects regarding the current strategy on service delivery and production, as well as on industrial relations and education training practices. They furthermore focus on the different reactions to change at La Poste. Elements of the societal context, such as the French legal system, labour regulations and existing norms among professionals of independence and free mind, are put forward as potential explanations of the reactions to change that they discovered. They conclude that the adoption of global norms combined with local contexts creates both consolidation and fragmentation in change patterns because of the existence of societal effects.

Societal effects, and internationalization and lobbying strategies

Madina Rival ("Are firms' lobbying strategies universal?") analyses whether the lobbying strategies of French and UK firms are universal or country-specific. Using a multiple correspondence analysis of 679 French and UK lobbying campaigns, she uncovers patterns in corporate lobbying showing similarities but also differences between French and UK practices. Similarities exist with respect to target body involved: both French and UK firms engage in similar European lobbying strategies. Differences in organisational resources, economic structures and national political environments account for the differences between the French and UK firms. The French firms appear to adopt a dispersed model of lobbying, while the UK firms resort to a concentrated model.

Conclusion

All four studies demonstrate the continuing relevance of the societal effects approach as an explanatory lens in comparative strategy research. The diversity of perspectives that they examine also underlines Sorge's (1991) proposition that any given company or industry profile is always subject to a societal effect as each advances, in their own particular way, our understanding of the dynamic interaction between strategy, work organization and human resources, on the one hand, and the economic and institutional environment, on the other hand.

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