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## **MANAGING LEGITIMACY: STRATEGIC AND INSTITUTIONAL APPROACHES**

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**This article synthesizes the large but diverse literature on organizational legitimacy, highlighting similarities and disparities among the leading strategic and institutional approaches. The analysis identifies three primary forms of legitimacy: pragmatic, based on audience self-interest; moral, based on normative approval; and cognitive, based on comprehensibility and taken-for-grantedness. The article then examines strategies for gaining, maintaining, and repairing legitimacy of each type, suggesting both the promises and the pitfalls of such instrumental manipulations.**

Early management theorists viewed organizations as "rational systems"—social machines designed for the efficient transformation of material inputs into material outputs (Scott, 1987: 31–50). In addition, theorists of the period often depicted organizations as tightly bounded entities clearly demarcated from the surrounding environment. Resources materialized at factory gates, production technologies "revealed" themselves to engineers, and products evaporated off loading docks, all *ex hypothesi*. Since the late 1960s, however, this imagery has undergone a dramatic change. "Open system" theories (Scott, 1987: 78–92) have reconceptualized organizational boundaries as porous and problematic, and institutional theories (Powell & DiMaggio, 1991) have stressed that many dynamics in the organizational environment stem not from technological or material imperatives, but rather from cultural norms, symbols, beliefs, and rituals. At the core of this intellectual transformation lies the concept of *organizational legitimacy*. Drawing from the foundational work of Weber (1978) and Parsons (1960), researchers have made legitimacy into an anchor-point of a vastly expanded theoretical apparatus addressing the normative and cognitive forces that constrain, construct, and empower organizational actors.

Despite its centrality, however, the literature on organizational

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legitimacy provides surprisingly fragile conceptual moorings. Many researchers employ the term *legitimacy*, but few define it. Further, most treatments cover only a limited aspect of the phenomenon as a whole and devote little attention to systematizing alternative perspectives or to developing a vocabulary for describing divergent approaches (witness, e.g., the "debate" between Hannan & Freeman, 1989, and Zucker, 1989). Without such integrative efforts, research on organizational legitimacy threatens to degenerate into a chorus of dissonant voices, fragmenting scholarly discourse and disrupting the flow of information from theorists to practitioners.

For example, many recent studies of legitimacy seem increasingly divided into two distinct groups—the *strategic* and the *institutional*—that often operate at cross-purposes. Work in the strategic tradition (e.g., Ashforth & Gibbs, 1990; Dowling & Pfeffer, 1975; Pfeffer, 1981; Pfeffer & Salancik, 1978) adopts a managerial perspective and emphasizes the ways in which organizations instrumentally manipulate and deploy evocative symbols in order to garner societal support. In contrast, work in the institutional tradition (e.g., DiMaggio & Powell, 1983; Meyer & Rowan, 1991; Meyer & Scott, 1983a; Powell & DiMaggio, 1991; Zucker, 1987) adopts a more detached stance and emphasizes the ways in which sector-wide *structuration dynamics* generate cultural pressures that transcend any single organization's purposive control. Although both bodies of literature offer extensive discussions of *legitimacy*, divergent assumptions about agency and cultural embeddedness often lead them to "talk past one another." Moreover, each tradition is further subdivided among researchers who focus on (a) legitimacy grounded in pragmatic assessments of stakeholder relations, (b) legitimacy grounded in normative evaluations of moral propriety, and (c) legitimacy grounded in cognitive definitions of appropriateness and interpretability (cf. Aldrich & Fiol, 1994). Once again, divergent metatheoretical orientations subtly but profoundly balkanize the debate.

As organizational legitimacy research moves into its third decade, the need for a careful and evenhanded synthesis is becoming increasingly apparent. This article attempts to provide such a synthesis. The discussion divides broadly into three parts: Part I lays a theoretical foundation by (a) defining legitimacy, (b) highlighting a number of ambiguities in conventional usages of the concept, and (c) exploring the distinction between strategic and institutional outlooks, introduced above. Part II builds on this foundation by identifying three main types of legitimacy—pragmatic, moral, and cognitive—and by explaining the workings of each. In Part III, I turn from reconceptualizing legitimacy to addressing the challenges inherent in legitimacy management. Because the problems of gaining, maintaining, and repairing legitimacy are somewhat distinct, in this section I examine them separately and outline a number of possible responses, drawing on both prior research and the typology introduced in Part II. To counterbalance this advice, however, I

conclude the discussion by sketching several types of unintended consequences and unexpected feedback loops that may plague attempts to manipulate legitimacy in a narrowly instrumental way.

## PART I: THEORETICAL INTRODUCTION

Within contemporary organizations theory, legitimacy is more often invoked than described, and it is more often described than defined (cf. Terreberry, 1968). This section addresses these issues in the reverse order. The discussion begins by *defining* legitimacy. It then describes several ways in which ambiguities about the purpose of legitimation may cloud discussions about the mechanics of legitimacy. The premise here is that the question "what is legitimacy?" often overlaps with the question "legitimacy for what?" The multifaceted character of legitimacy implies that it will operate differently in different contexts, and how it works may depend on the nature of the problems for which it is the purported solution. After identifying several contextual considerations, the section closes with an examination of two distinct rhetorics through which theorists have invoked the concept of legitimacy—one *strategic* and the other *institutional*.

### Defining Legitimacy

Over the years, social scientists have offered a number of definitions of legitimacy, with varying degrees of specificity. In one of the earliest genuinely organizational treatments, Maurer (1971: 361) gave legitimacy a hierarchical, explicitly evaluative cast, asserting that "legitimation is the process whereby an organization justifies to a peer or superordinate system its right to exist." Pfeffer and his colleagues (Dowling & Pfeffer, 1975; Pfeffer, 1981; Pfeffer & Salancik, 1978) retained this emphasis on evaluation, but highlighted cultural conformity rather than overt self-justification. In this view, legitimacy connotes "congruence between the social values associated with or implied by [organizational] activities and the norms of acceptable behavior in the larger social system" (Dowling & Pfeffer, 1975: 122; see also Parsons, 1960: 175). Meyer and Scott (1983a; Scott, 1991) also depicted legitimacy as stemming from congruence between the organization and its cultural environment; however, these authors focused more on the cognitive than the evaluative side—organizations are legitimate when they are *understandable*, rather than when they are *desirable*. "Organizational legitimacy refers to . . . the extent to which the array of established cultural accounts provide *explanations* for [an organization's] existence" (Meyer & Scott, 1983b: 201, emphasis added; see also DiMaggio & Powell, 1991).

In this article, I adopt an inclusive, broad-based definition of legitimacy that incorporates both the evaluative and the cognitive dimensions and that explicitly acknowledges the role of the social audience in

legitimation dynamics (cf. Ginzel, Kramer, & Sutton, 1992; Nielsen & Rao, 1987; Perrow, 1970):

*Legitimacy is a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions.*

Legitimacy is generalized in that it represents an umbrella evaluation that, to some extent, transcends specific adverse acts or occurrences; thus, legitimacy is resilient to particular events, yet it is dependent on a history of events. An organization may occasionally depart from societal norms yet retain legitimacy because the departures are dismissed as unique (cf. Perrow, 1981). Legitimacy is a perception or assumption in that it represents a reaction of observers to the organization as they see it; thus, legitimacy is possessed objectively, yet created subjectively. An organization may diverge dramatically from societal norms yet retain legitimacy because the divergence goes unnoticed. Legitimacy is socially constructed in that it reflects a congruence between the behaviors of the legitimated entity and the shared (or assumedly shared) beliefs of some social group; thus, legitimacy is dependent on a collective audience, yet independent of particular observers. An organization may deviate from individuals' values yet retain legitimacy because the deviation draws no public disapproval. In short, when one says that a certain pattern of behavior possesses legitimacy, one asserts that some group of observers, as a whole, accepts or supports what those observers perceive to be the behavioral pattern, as a whole—despite reservations that any single observer might have about any single behavior, and despite reservations that any or all observers might have, were they to observe more.

### **Legitimacy for What?**

Organizations seek legitimacy for many reasons, and conclusions about the importance, difficulty, and effectiveness of legitimation efforts may depend on the objectives against which these efforts are measured. Two particularly important dimensions in this regard are (a) the distinction between pursuing continuity and pursuing credibility and (b) the distinction between seeking passive support and seeking active support.

**Continuity versus credibility.** Legitimacy enhances both the stability and the comprehensibility of organizational activities, and stability and comprehensibility often enhance each other. However, organizational behaviors rarely foster continuity and credibility, persistence and meaning, in equal degrees.

Legitimacy leads to persistence because audiences are most likely to supply resources to organizations that appear desirable, proper, or appropriate (Parsons, 1960). Indeed, to the extent that legitimacy reflects embeddedness in a system of institutionalized beliefs and action scripts (see Part II), legitimate organizations become almost self-replicating, requiring little ongoing investment in collective mobilization. In essence,

legitimacy flips the valence of the *collective action* problem (Olson, 1965): Collaboration in support of institutionalized activities is built into the structure of everyday life; only opposition poses a prisoner's dilemma (Jepperson, 1991; cf. Zucker, 1988).

At the same time, legitimacy affects not only how people act toward organizations, but also how they understand them. Thus, audiences perceive the legitimate organization not only as more worthy, but also as more meaningful, more predictable, and more *trustworthy*. Part of the cultural congruence captured by the term *legitimacy* involves the existence of a credible collective account or rationale explaining what the organization is doing and why (Jepperson, 1991). As Meyer and Rowan (1991: 50) put it, "Organizations that . . . lack acceptable legitimated accounts of their activities . . . are more vulnerable to claims that they are negligent, irrational or unnecessary."

Because the actions that enhance persistence are not always identical to those that enhance meaning, it is important to keep these two dimensions of legitimacy conceptually distinct. One can, for example, seek to understand an institution in order to dismantle it (cf. Marx, 1978). Nonetheless, continuity and credibility are usually mutually reinforcing: In most organizational settings, "shared understandings are likely to emerge to rationalize the patterns of behavior that develop, and in the absence of such rationalization and meaning creation, the structured patterns of behavior are likely to be less stable and persistent" (Pfeffer, 1981: 14).

**Passive versus active support.** A second underacknowledged distinction in studies of legitimacy centers on whether the organization seeks active support or merely passive acquiescence. If an organization simply wants a particular audience to leave it alone, the threshold of legitimation may be quite low. Usually, the organization need only comport with some unproblematic category of social activity (e.g., "doing business"). If, in contrast, an organization seeks protracted audience intervention (particularly against other entities with competing cadres), the legitimacy demands may be stringent indeed (cf. DiMaggio, 1988).

This contrast reveals one ramification of the aforementioned definitional distinction between legitimacy as cognitive taken-for-grantedness and legitimacy as evaluative approval (a distinction developed further in Part II): To avoid questioning, an organization need only "make sense." To mobilize affirmative commitments, however, it must also "have value"—either substantively, or as a crucial safeguard against impending nonsense. Significantly, much of the existing literature subtly fuses these two situations, despite their potentially divergent implications for the focal organization (see, e.g., Meyer & Rowan, 1991 [1977]: 50–51).

### **Strategic and Institutional Approaches to Legitimacy**

As was noted previously, the literature on organizational legitimacy falls fairly neatly into two camps—one *strategic*, the other *institutional* (cf. Elsbach, 1994; Oliver, 1991). The strategic approach, associated most

notably with the work of Jeffrey Pfeffer and his collaborators (Dowling & Pfeffer, 1975; Pfeffer, 1981; Pfeffer & Salancik, 1978; see also Ashforth & Gibbs, 1990), begins with the proposition that "one of the elements of competition and conflict among social organizations involves the conflict between . . . systems of belief or points of view" (Pfeffer, 1981: 9). Strategic-legitimacy studies consequently depict legitimacy as an *operational resource* (Suchman, 1988) that organizations extract—often competitively—from their cultural environments and that they employ in pursuit of their goals (Ashforth & Gibbs, 1990; Dowling & Pfeffer, 1975). In keeping with this instrumental view, strategic-legitimacy researchers generally assume a high level of managerial control over the legitimation process, explicitly contrasting the almost limitless malleability of symbols and rituals against the exogenously constrained recalcitrance of "tangible, real outcomes," such as sales, profits, and budgets (Pfeffer, 1981: 5). Thus, strategic-legitimacy theorists predict recurrent conflicts between managers and constituents over the form of legitimation activities, with managers favoring the flexibility and economy of symbolism, whereas constituents prefer more substantive responses (e.g., Ashforth & Gibbs, 1990). Legitimation, according to this view, is purposive, calculated, and frequently oppositional.

In contrast to this strategic tradition, institutional researchers (DiMaggio & Powell, 1983, 1991; Meyer & Rowan, 1991; Meyer & Scott, 1983a; Zucker, 1987) depict legitimacy not as an operational resource, but as a set of *constitutive beliefs* (Suchman, 1988). Organizations do not simply extract legitimacy from the environment in a feat of cultural strip mining; rather, external institutions construct and interpenetrate the organization in every respect. Cultural definitions determine how the organization is built, how it is run, and, simultaneously, how it is understood and evaluated. Within this tradition, *legitimacy* and *institutionalization* are virtually synonymous. Both phenomena empower organizations primarily by making them seem *natural* and *meaningful*; access to resources is largely a by-product. To the institutionalist, *explaining* a legitimation strategy by showing how it allows organizations to obtain support from constituents is akin to *explaining* the nuclear family by showing how it allows couples to obtain tax breaks from the Internal Revenue Service—the instrumental reward is, at most, a peripheral component of the larger cultural construct.

Thus, institutionalists downplay both managerial agency and manager-stakeholder conflict. In a strong and constraining symbolic environment, a manager's decisions often are constructed by the same belief systems that determine audience reactions. Consequently, rather than examining the strategic legitimation efforts of specific focal organizations, institutionalists tend to emphasize the collective structuration (DiMaggio & Powell, 1983) of entire *fields* or *sectors* of organizational life (i.e., health care, education, publishing, nuclear power). The distinction between symbolic and substantive outcomes fades into insignificance

when one considers organizations, managers, performance measures, and audience demands as being both products and producers of larger, institutionalized cultural frameworks.

To a large extent, of course, the distinction between strategic and institutional approaches is a matter of perspective, with strategic theorists adopting the viewpoint of organizational managers looking "out," whereas institutional theorists adopt the viewpoint of society looking "in" (cf. Elsbach, 1994). These differences in perspective have real consequences, however, often determining which legitimation dynamics researchers see and which they overlook. Because real-world organizations face both strategic operational challenges and institutional constitutive pressures, it is important to incorporate this duality into a larger picture that highlights *both* the ways in which legitimacy acts like a manipulable resource *and* the ways in which it acts like a taken-for-granted belief system (cf. Swidler, 1986).

Consequently, in this article I take a middle course between the strategic and the institutional orientations. On the one hand, like the strategic literature, I address the dilemmas that focal organizations may face in managing their symbolic relationships with demanding constituents. In particular, Part III explicitly assumes that organizations can and do formulate strategies for fostering legitimating perceptions of desirability, propriety, and appropriateness. On the other hand, like the institutional literature, I consider cultural environments to be fundamentally constitutive of organizational life, and I adopt a somewhat skeptical attitude toward the autonomy, objectivity, and potency of managers. Managers do enunciate supportive myths and prescribe culturally congruent rituals; however, managers rarely convince others to believe much that the managers do not believe themselves.

## PART II: THREE TYPES OF ORGANIZATIONAL LEGITIMACY

Within the existing literature, one can discern three broad types of legitimacy, which might be termed *pragmatic legitimacy*, *moral legitimacy*, and *cognitive legitimacy*.<sup>1</sup> All three types involve a generalized perception or assumption that organizational activities are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions. However, each type of legitimacy rests on a somewhat different behavioral dynamic. This section will outline these three dynamics and will identify a number of subtypes within each major

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<sup>1</sup> The institutional literature occasionally refers to *moral legitimacy* as *normative legitimacy*, highlighting the contrast between normative and cognitive behavioral mechanisms (see, e.g., Powell & DiMaggio, 1991). In other literatures, however, the term *normative* refers to *all* cultural regulatory processes, not just those involving a conscious assessment of right and wrong. The term *moral legitimacy* avoids this ambiguity.

category. At the end of the section, I will briefly examine the contrasts and interrelations among these disparate processes.

### **Pragmatic Legitimacy**

Pragmatic legitimacy rests on the self-interested calculations of an organization's most immediate audiences. Often, this immediacy involves direct exchanges between organization and audience; however, it also can involve broader political, economic, or social interdependencies, in which organizational action nonetheless visibly affects the audience's well-being. In either case, audiences are likely to become constituencies, scrutinizing organizational behavior to determine the practical consequences, for them, of any given line of activity (Wood, 1991). Thus, at the simplest level, pragmatic legitimacy boils down to a sort of *exchange legitimacy*—support for an organizational policy based on that policy's expected value to a particular set of constituents (e.g., Dowling & Pfeffer, 1975). Although cultural notions of appropriateness may color whether these exchanges are considered perquisites or bribes, at the limit exchange legitimacy shades into a somewhat generalized and culturalized variant of more conventional, materialistic power-dependence relations (Emerson, 1961; Pfeffer & Salancik, 1978).

A related, but slightly more socially constructed type of pragmatic legitimacy might be termed *influence legitimacy*. In this case, constituents support the organization not necessarily because they believe that it provides specific favorable exchanges, but rather because they see it as being responsive to their larger interests. Most often, influence legitimacy arises when the organization incorporates constituents into its policy-making structures or adopts constituents' standards of performance as its own. In a world of ambiguous causality, the surest indicator of ongoing commitment to constituent well-being is the organization's willingness to relinquish some measure of authority to the affected audience (to be co-opted, so to speak) (e.g., Selznick, 1949). Displaying such responsiveness is often more important (and easier) than producing immediate results (cf. Meyer & Rowan, 1991).

Although past studies of pragmatic legitimacy have focused almost exclusively on exchange and influence effects, a third variant, *dispositional legitimacy*, also merits explicit consideration. As Zucker (1983, 1987) noted, the modern institutional order increasingly personifies organizations and treats them as autonomous, coherent, and morally responsible actors (see also Coleman, 1974; Horowitz, 1986). Given this perception, it is hardly surprising that audiences often react as though organizations were individuals—possessed of goals, tastes, styles, and personalities (cf. Pfeffer, 1981; Tuzzolino & Armandi, 1981). Thus, constituents are likely to accord legitimacy to those organizations that "have our best interests at heart," that "share our values," or that are "honest," "trustworthy," "decent," and "wise." These kinds of dispositional attributions, although sociologically naive (Cyert & March, 1963; Scott,



1992), may nonetheless prove essential in extrapolating positive evaluations of specific organizational acts into generalized perceptions of organizational legitimacy. Also, in times of adversity, widespread belief in an organization's good character may dampen the delegitimizing effects of isolated failures, miscues, and reversals (cf. Wartick & Cochran, 1984). Further, beyond these pragmatic concerns, dispositional considerations can enter into assessments of an organization's moral legitimacy as well (see the following paragraphs).

### Moral Legitimacy

Moral legitimacy reflects a positive normative evaluation of the organization and its activities (e.g., Aldrich & Fiol, 1994; Parsons, 1960). Unlike pragmatic legitimacy, moral legitimacy is "sociotropic"—it rests not on judgments about whether a given activity benefits the evaluator, but rather on judgments about whether the activity is "the right thing to do." These judgments, in turn, usually reflect beliefs about whether the activity effectively promotes societal welfare, as defined by the audience's socially constructed value system. Of course, this altruistic grounding does not necessarily render moral legitimacy entirely "interest-free." As Part III of this article makes clear, organizations often put forth cynically self-serving claims of moral propriety and buttress these claims with hollow symbolic gestures; further, audience perceptions of "rightness" often unconsciously fuse the good of the evaluator with the good of society as a whole (cf. Festinger, 1957; Nauta, 1988). Nonetheless, at its core, moral legitimacy reflects a prosocial logic that differs fundamentally from narrow self-interest. For this reason, moral claims can be undercut by even an appearance of cynicism, and managers charged with enunciating such claims frequently find it difficult to avoid buying into their own initially strategic pronouncements (cf. Weick, 1969). Consequently, moral concerns generally prove more resistant to self-interested manipulation than do purely pragmatic considerations.

In general, moral legitimacy takes one of three forms: evaluations of outputs and consequences, evaluations of techniques and procedures, and evaluations of categories and structures (cf. Scott, 1977; Scott & Meyer, 1991). A fourth form, evaluations of leaders and representatives, is rarer but nonetheless conceptually important.<sup>2</sup>

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<sup>2</sup> These four types of moral legitimacy roughly parallel Weber's (1978) discussion of legitimate authority. Consequential legitimacy and procedural legitimacy both reflect legal-rational authority, although the former is *instrumentally rational* (based on the pursuit of particular goals), whereas the latter is *value-rational* (based on the fulfillment of rules of proper behavior) (Weber, 1978). Structural legitimacy reflects traditional authority, based on the longstanding designation of certain types of actors as worthy of exercising certain types of power. Finally, the personal legitimacy of leaders and representatives corresponds to the Weberian ideal-type of charismatic authority.

**Consequential legitimacy.** According to the rationalist mythology of the modern order (Meyer & Rowan, 1991), organizations should be judged by what they accomplish. And, indeed, this is sometimes the case. Many industries sell their products in impersonal markets, where consumer judgments of quality and value—two obvious but important outcomes of production activity—determine the level of rewards to each producer. Further, even in sectors lacking market competition, superordinate regulatory audiences may apply essentially consequential measures of organizational effectiveness, “focus[ing] attention on specific characteristics of materials or objects on which the organization has performed some operation” (Scott, 1977: 75). Under this heading, Scott and Meyer (1991) included automobile emission standards, hospital mortality rates, and academic test scores.

When thinking about consequential legitimacy, however, one must bear in mind that “the technical properties of outputs are socially defined and do not exist in some concrete sense that allows them to be empirically discovered” (Meyer & Rowan, 1991: 55). Further, the charter of some organizations may center on outputs that are inherently difficult to measure—either because of ambiguities in their definition or because of extreme “lumpiness” in their distribution over time. Thus, for example, nuclear aircraft carriers face competing demands for instantaneous response and error-free operation, and their actual proficiency is measurable only in the rare event of war (cf. Roberts, 1990). In such high-ambiguity settings, consequential claims may serve primarily as signals of disposition, and certain measures of performance may become morally proscribed, “such as attempts to apply economic criteria to a public social welfare agency” (Hinings & Greenwood, 1988: 56).

**Procedural legitimacy.** Although prevailing rational myths celebrate consequential effectiveness, they also often specify extensive webs of causality, identifying some methodologies as “science” and others as “quackery,” regardless of isolated outcomes. Thus, in addition to producing socially valued consequences, organizations also can garner moral legitimacy by embracing socially accepted techniques and procedures (e.g., Scott, 1977). Such procedural legitimacy becomes most significant in the absence of clear outcome measures (Scott, 1992), when “sound practices” may serve to demonstrate that the organization is making a good-faith effort to achieve valued, albeit invisible, ends. Even when consequences are easily monitored, however, it is still quite common that “the proper means and procedures are given a positive moral value” (Berger, Berger, & Kellner, 1973: 53). This is particularly true in professional activities, where cultural beliefs (a) define certain outcomes as largely stochastic and (b) exalt certain methodologies as ritual enactments of central societal organizing principles, such as science, citizenship, and free will (cf. Abbott, 1981). A hospital is unlikely to lose legitimacy simply because some patients die; however, it is quite likely to lose legitimacy if it performs involuntary exorcisms—even if all patients get well.

**Structural legitimacy.** A third type of moral legitimacy might be termed *structural* (Scott, 1977) or *categorical* (Zucker, 1986). In this case, audiences see the organization as valuable and worthy of support because its structural characteristics locate it within a morally favored taxonomic category. Thus, Scott (1977, 1992) described structures as indicators of an organization's socially constructed capacity to perform specific types of work, and Meyer and Rowan (1991: 50) asserted that institutionally prescribed structures convey the message that an organization "is acting on collectively valued purposes in a proper and adequate manner." Admittedly, because organizational structure largely consists of stably replicated procedures (March & Simon, 1958; Weick, 1969), procedural and structural legitimacy blend together at the margins; however, whereas procedural legitimation focuses on discrete routines viewed in isolation (e.g., "Does the organization inspect its products for defects?"), structural legitimation focuses on the general organizational features that arise when entire systems of activity recur consistently over time (e.g., "Does the organization have a quality control department?").

As Meyer and Rowan (1991) suggested, structures, like procedures, often serve as easily monitored proxies for less visible targets of evaluation, such as strategies, goals, and outcomes (cf. DiMaggio & Powell, 1983; Scott & Meyer, 1991). In addition, however, structural characteristics also become markers of organizational form, locating the organization within a larger institutional ecology and thereby determining with whom it will compete and from whom it will draw support (cf. Hannan & Freeman, 1989; Suchman, 1988). As Dowling and Pfeffer put it, "competition over organizational domains can be resolved . . . through recourse to social norms and values that define and delimit legitimate spheres of organizational activity" (1975: 125–126). The structurally legitimate organization becomes a repository of public confidence because it is "the right organization for the job"; however, this sense of rightness has more to do with emblems of organizational identity than with demonstrations of organizational competence. Educational organizations, for example, demonstrate that they are "right for the job" by displaying the structural traits of a "modern school"—classrooms, grade-level progressions, and so on—rather than by adopting specific pedagogical procedures or producing specific student outcomes (cf. Meyer, 1977).

**Personal legitimacy.** The fourth and final type of moral legitimacy rests on the charisma of individual organizational leaders. As a general matter, such personal legitimacy tends to be relatively transitory and idiosyncratic. In Zucker's words (1991: 86), "acts performed by actors exercising personal influence are low in objectification and exteriority, and hence low in institutionalization." Perhaps because of these instabilities, the sociological understanding of charisma remains limited, at best. Nonetheless, the literature offers numerous assertions that individual "moral entrepreneurs" play a substantial role in disrupting old institutions (Weber, 1978: 245) and in initiating new ones (DiMaggio, 1988).

Whether valid or not, the perception that charismatic individuals can transcend and reorder established routines often allows organizations to dodge potentially stigmatizing events through such strategies as blaming a scapegoat or replacing an executive (see Part III).

### **Cognitive Legitimacy**

As noted in the previous discussion of active versus passive support, legitimacy may involve either affirmative backing for an organization or mere acceptance of the organization as *necessary* or *inevitable* based on some taken-for-granted cultural account. As Jepperson (1991: 147) noted, such taken-for-grantedness "is distinct from evaluation: one may subject a pattern to positive, negative, or no evaluation, and in each case (differently) take it for granted." This observation suggests a third general set of legitimacy dynamics based on cognition rather than on interest or evaluation (Aldrich & Fiol, 1994). Two variants are particularly significant: legitimacy based on comprehensibility and legitimacy based on taken-for-grantedness.

Theorists who focus on the role of **comprehensibility** in legitimation generally portray the social world as a chaotic cognitive environment, in which participants must struggle to arrange their experiences into coherent, understandable accounts (cf. Mills, 1940; Scott & Lyman, 1968). Legitimacy, according to this view, stems mainly from the availability of cultural models that furnish plausible explanations for the organization and its endeavors (Scott, 1991; Wuthnow, Hunter, Bergesen, & Kurzweil, 1984). In the presence of such models, organizational activity will prove predictable, meaningful, and inviting; in their absence, activity will collapse—not necessarily because of overt hostility (although this is certainly possible, given the threatening nature of the inexplicable), but more often because of repeated miscues, oversights, and distractions.

Significantly, studies of comprehensibility suggest that not all explanations are equally viable: To provide legitimacy, an account must mesh both with larger belief systems and with the experienced reality of the audience's daily life (DiMaggio & Powell, 1991; cf. Geertz, 1973). A prosaic example of this dynamic can be seen in the initial efforts of semiconductor manufacturers to gain legitimacy for early microprocessor technologies:

At a conference in the late 1960s, when [Intel founder Robert] Noyce predicted the coming of a computer-on-a-chip, one of his critics in the audience remarked, "Gee, I certainly wouldn't want to lose my whole computer through a crack in the floor." Noyce responded: "You have it all wrong . . . you'll have 100 more sitting on your desk, so it won't matter if you lose one." (Rogers & Larsen, 1984: 105)

In 1969, daily life offered few experiences to support the analogy between silicon chips and computers (which, at the time, cost millions of dollars and filled entire rooms); only by likening microprocessors to paper clips could Noyce make the benefits of miniaturization seem plausible.

In contrast to the image of a social landscape teetering on the brink of cognitive chaos, partisans of *taken-for-granted* legitimacy depict a more sedate scene of cognitive coherence and glacial, integrative change (compare Powell, 1991, with Zucker, 1983). According to this view, institutions not only render disorder manageable, they actually transform it into a set of intersubjective "givens" that submerge the possibility of dissent. In an archetypical statement of this perspective, Zucker (1983: 25) identified legitimacy with cognitive "exteriority and objectivity"—in other words, with the removal of an aspect of social structure from the presumed control of the very actors who initially created it, so that "for things to be otherwise is *literally* unthinkable."

To the extent that it is attainable, this kind of taken-for-grantedness represents both the most subtle and the most powerful source of legitimacy identified to date. If alternatives become unthinkable, challenges become impossible, and the legitimated entity becomes unassailable by construction. Unfortunately, this type of legitimation generally lies beyond the reach of all but the most fortunate managers: Although technologies and policies occasionally attain taken-for-granted status, market economies and pluralist political cultures rarely go so far as to assume that only one organization can wield a given technology or pursue a given program. Thus, even organizations engaging in highly objectified and exterior practices may still fail to achieve taken-for-granted status for themselves as practitioners: Nonmedical treatment of acute appendicitis may be unthinkable in our society, but patients and malpractice attorneys routinely challenge the legitimacy and competence of particular surgeons and hospitals.

Figure 1 summarizes the various types of legitimacy that have been described in the preceding pages. In addition to the primary pragmatic/moral/cognitive trichotomy, the figure arrays legitimation dynamics along two cross-cutting dimensions, as well. The first of these reflects the *focus* of legitimation, dividing dynamics that focus on the organization's actions from dynamics that focus on the organization's essence. This contrast distinguishes between the organization's operating in a desirable, proper, and appropriate manner and the organization's being desirable, proper, and appropriate, *in itself*. The second dimension captures the *temporal texture* of legitimation, separating dynamics that operate on an episodic or transitory basis from those that are continual or long lasting. This contrast turns on the cross-temporal generalizability of the various forms of legitimacy. In order to fill out the resulting  $3 \times 2 \times 2$  matrix, the initial nine-category typology requires some minor elaboration: Figure 1 subdivides dispositional legitimacy into two halves: the episodic issue of whether the organization and its constituents share common interests and the more lasting question of whether the organization "has good character." Figure 1 also subdivides both comprehensibility (an episodic cognitive dynamic) and taken-for-grantedness (a more lasting form of cognitive support): The comprehensibility of actions could be labeled *predictability*,

**FIGURE 1**  
**A Typology of Legitimacy**

	<b>Actions</b>	<b>Essences</b>	
<b>Episodic</b>	Exchange	Disposition Interest	Pragmatic Legitimacy
<b>Continual</b>	Influence	Character	
<b>Episodic</b>	Consequential	Personal	Moral Legitimacy
<b>Continual</b>	Procedural	Structural	
<b>Episodic</b>	Predictability	Comprehensibility Plausibility	Cognitive Legitimacy
<b>Continual</b>	Inevitability	Taken-for-Grantedness Permanence	

and the comprehensibility of essences could be called *plausibility*. In a parallel fashion, the taken-for-grantedness of actions could be termed *inevitability*; the taken-for-grantedness of essences, *permanence*.

Although the literature to date has rarely invoked such fine-grained distinctions, they are not trivial. The fully elaborated legitimacy matrix suggests a number of interesting parallels and contrasts. If one reads across the "panels" of Figure 1, for example, one can identify four "consistent" archetypes: permanent, structurally legitimate organizations of good character (churches, banks, nation states); predictable, consequentially legitimate organizations engaged in valued exchanges (commodity producers, fast-food restaurants, gas stations); inevitable, procedurally legitimate organizations subject to constituent direction (law firms, medical clinics, local schools); and plausible, charismatically legitimate organizations sharing constituents' interests (advocacy groups, political parties, social movements). Whether or not these archetypes are either more common or more successful than other "mixed" forms is a worthy empirical question.

#### **Linking Legitimacies**

As the preceding discussion suggests, pragmatic, moral, and cognitive legitimacy co-exist in most real-world settings, and before proceeding, a few words about their interrelations may be in order. Although these legitimacies do not constitute a strict hierarchy, they do reflect two important underlying distinctions. First, pragmatic legitimacy rests on audience self-interest, whereas moral and cognitive legitimacy do not:

Audiences base pragmatic assessments largely on self-regarding utility calculations, and organizations often can purchase pragmatic legitimacy by directing tangible rewards to specific constituencies; in contrast, moral and cognitive legitimation implicate larger cultural rules, and side payments in contravention of these rules tend to diminish the organization's stature and coherence, often even in the eyes of the favored constituency, itself. Second, both pragmatic and moral legitimacy rest on discursive evaluation, whereas cognitive legitimacy does not: Audiences arrive at cost-benefit appraisals and ethical judgments largely through explicit public discussion, and organizations often can win pragmatic and moral legitimacy by participating vigorously in such dialogues; in contrast, cognitive legitimation implicates unspoken orienting assumptions, and heated defenses of organizational endeavors tend to imperil the objectivity and exteriority of such taken-for-granted schemata.

Together, these observations suggest that as one moves from the pragmatic to the moral to the cognitive, legitimacy becomes more elusive to obtain and more difficult to manipulate, but it also becomes more subtle, more profound, and more self-sustaining, once established. Further, the foregoing analysis suggests that although different types of legitimacy often reinforce one another, they occasionally can come into conflict, as well. Crass pragmatic appeals may debase lofty moral claims, and hollow moral platitudes may signal shirking in pragmatic exchanges. Partisan moral fervor may undercut "naturalizing" cognitive reifications, and narrow-minded cognitive complacency may encourage iconoclastic moral challenges. Even pragmatic and cognitive legitimacy, which differ so greatly that they often seem to operate in mutual oblivion, may nonetheless pull in opposite directions when new constituencies prove difficult to satisfy through established practices, or when old constituencies resist the adoption of emerging models. As a general matter, frictions among pragmatic, moral, and cognitive considerations seem most likely to arise when larger social institutions either are poorly articulated with one another or are undergoing historical transitions. Better integrated, more firmly established regimes tend to hold these diverse legitimacy dynamics in close alignment, for example, by defining certain arenas in which self-interest is considered morally laudable, or in which social conscience is considered personally rewarding.

### **PART III: CHALLENGES OF LEGITIMACY MANAGEMENT**

The multiplicity of legitimacy dynamics creates considerable latitude for managers to maneuver strategically within their cultural environments (Ashforth & Gibbs, 1990; Oliver, 1991). Admittedly, no organization can completely satisfy all audiences, and no manager can completely step outside of the belief system that renders the organization plausible to himself or herself, as well as to others. However, at the margin, managerial initiatives can make a substantial difference in the extent to which

organizational activities are perceived as desirable, proper, and appropriate within any given cultural context.

Like most cultural processes, legitimacy management rests heavily on communication—in this case, communication between the organization and its various audiences (see, e.g., Elsbach, 1994; Ginzel, Kramer, & Sutton, 1992). Significantly, however, this communication extends well beyond traditional discourse, to include a wide range of meaning-laden actions and nonverbal displays. Thus, skillful legitimacy management requires a diverse arsenal of techniques and a discriminating awareness of which situations merit which responses. In this section I examine three general challenges of legitimation—gaining legitimacy, maintaining legitimacy, and repairing legitimacy—and I offer a selection of strategies for responding to each at the pragmatic, moral, and cognitive levels. Although most organizations seek several types of legitimacy simultaneously, different legitimation strategies operate on different logics, and by distinguishing among pragmatic, moral, and cognitive techniques, I acknowledge that few organizations pursue all three forms of legitimacy with equal zeal. In addition, of course, not all legitimation attempts meet with equal success, and after elaborating various approaches to legitimacy management, I close this section with a brief cautionary examination of some ways in which such efforts may go awry.<sup>3</sup>

### Gaining Legitimacy

**The challenge.** Upon embarking on a new line of activity, particularly one with few precedents elsewhere in the social order, organizations often face the daunting task of winning acceptance either for the propriety of the activity in general or for their own validity as practitioners. This "liability of newness" (Freeman, Carroll, & Hannan, 1983: 692; Stinchcombe, 1965: 148) has at least two distinct aspects. First, when new operations are technically problematic or poorly institutionalized, early entrants must devote a substantial amount of energy to *sector building*, that is, to creating objectivity and exteriority, a sense that the new endeavors define a sector that exists independent of particular incumbents (Aldrich & Fiol, 1994). Zucker (1983: 25) suggested that such "facticity" arises primarily through the integration of new activities under the umbrella of pre-existing taken-for-granted; however, sectoral pioneers also may need to disentangle new activities from certain preexisting regimes, in which the activities would seem marginal, ancillary, or illegitimate. Thus, for example, government and industry officials in the 1950s actively

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<sup>3</sup> Stylistically, in this section I adopt the perspective of a manager seeking legitimacy for his or her organization. Consequently, some of my "observations" may strike nonmanagerially inclined readers as uncomfortably callous or Machiavellian. The intention here, however, is simply to survey the range of legitimation tactics without euphemism. A careful reading should thus hold as many lessons for organizational critics pursuing delegitimation as for organizational leaders pursuing the reverse.



constructed the concept of "civilian nuclear power," simultaneously linking it to the inevitable forward march of technology and differentiating it from the incompatible logic of nuclear weapons manufacture (cf. Gamson & Modigliani, 1989).

The second challenge of legitimacy building applies with equal force both to new sectors and also to new entrants into old sectors. This challenge is the two-pronged outreach task of (a) creating new, allegiant constituencies and (b) convincing preexisting legitimate entities to lend support. Ashforth and Gibbs (1990: 182) noted that both constituents and supporters are likely to prove most grudging when organizational technologies are uncertain or risky, when organizational objectives are contested or unconventional, and when the anticipated relationship with the organization is lengthy and difficult to exit.

**Strategies for gaining legitimacy.** Legitimacy building is generally a proactive enterprise, because managers have advance knowledge of their plans and of the need for legitimation. Roughly, legitimacy-building strategies fall into three clusters: (a) efforts to conform to the dictates of preexisting audiences within the organization's current environment, (b) efforts to select among multiple environments in pursuit of an audience that will support current practices, and (c) efforts to manipulate environmental structure by creating new audiences and new legitimating beliefs. All three clusters involve complex mixtures of concrete organizational change and persuasive organizational communication (cf. Dowling & Pfeffer, 1975); however, they clearly fall along a continuum from relatively passive conformity to relatively active manipulation (cf. Oliver, 1991).

*Conform to environments.* Often, managers seeking legitimacy find it easiest simply to position their organization within a preexisting institutional regime. Such conformity can be achieved by individual organizations acting alone, manipulating only their own structures (or, more modestly, their superficial appearances). Conformist strategies signal allegiance to the cultural order and pose few challenges to established institutional logics (Meyer & Rowan, 1991). Equally important, this type of adaptation does not require managers to break out of prevailing cognitive frames (Oliver, 1990); rather, the conformist can turn a liability into an asset, taking advantage of being a cultural "insider" and asking, "What would make this organization look more desirable, proper, and appropriate to me?"

Not surprisingly, the nature of conformism varies somewhat, depending on whether the organization seeks primarily pragmatic, moral, or cognitive legitimacy. To achieve pragmatic legitimacy through conformity, an organization must either meet the substantive needs of various audiences or offer decision-making access, or both. The former task involves the familiar marketing challenge of responding to client tastes; the latter task involves the technically easier but managerially more problematic challenge of co-opting constituents without succumbing to goal

displacement (Clark, 1956; Messinger, 1955; Selznick, 1949; Zald & Denton, 1963). Significantly, organizations seeking to gain pragmatic legitimacy rarely can rely on purely dispositional appeals, because assumptions of good character generally require an established record of consistent performance. Occasionally, however, an organization may overcome this obstacle by trading on its strong reputation in related activities or on the reputation of its key personnel in previous endeavors. These dispositional spillovers may be reinforced by the use of character references, who are willing to vouch for the untested entity's innate reliability (cf. Bernstein, 1992; Suchman, 1993).

Organizations also may adopt conformist stances in pursuit of moral legitimacy. In doing so, however, they must conform to principled ideals, not purely instrumental demands. Thus, for example, one obvious moral legitimation strategy is for the organization actually to produce concrete, meritorious outcomes. This is, in a sense, the equivalent of achieving pragmatic legitimacy by satisfying constituent tastes. Unfortunately, concrete moral outcomes often are difficult to attain or impossible to document, and organizations frequently opt for less direct approaches. Among the most common of these approaches are efforts to embed new structures and practices in networks of other already legitimate institutions. Thus, for example, managers occasionally employ co-optation as an essentially *moral* strategy, not to incorporate the pragmatic concerns of exchange partners, but to associate the organization with respected entities in its environment (Dowling & Pfeffer, 1975; Galaskiewicz, 1985; Oliver, 1991). Less directly still, carefully chosen displays of *symbolism* may circumvent the need for substantive change entirely (DiMaggio & Powell, 1983; Meyer & Rowan, 1991; Pfeffer, 1981). Outputs, procedures, structures, and personnel can all signal that the organization labors on the side of the angels—even if these supposed indicators amount to little more than face work (Goffman, 1967). At the extreme, because organizational goals often serve primarily as rationales for existence rather than as technical directives, managers can cynically revise even their core mission statements in order to give off a false appearance of conformity to societal ideals (Ashforth & Gibbs, 1990; Pfeffer & Salancik, 1978).

Nonetheless, despite ample evidence of such symbolic responses (e.g., Selznick, 1949; Zald & Denton, 1963), the argument that organizations insincerely manage symbolism in order to dupe naive audiences may be somewhat overdrawn. Occasionally, audiences will actually desire a symbolic response, in order to further their own cultural or political objectives (cf. Pfeffer, 1981). Further, even initially superficial changes can prove quite profound over the long run, as cognitive dissonance and self-selection gradually produce a new generation of organizational members who adhere to the announced goals, rather than to the hidden agenda. These dynamics suggest that moral legitimation, perhaps even more than pragmatic legitimation, carries with it a substantial likelihood of unanticipated goal displacement (cf. Selznick, 1949).

If organizations gain pragmatic legitimacy by conforming to instrumental demands and moral legitimacy by conforming to altruistic ideals, they gain cognitive legitimacy primarily by conforming to established models or standards. Along these lines, institutionalists point out that organizations in uncertain environments often pursue comprehensibility and taken-for-grantedness through *mimetic isomorphism*, that is, by mimicking the most prominent and secure entities in their fields (DiMaggio & Powell, 1983; Suchman & Eyre, 1992; Tolbert & Zucker, 1983). Even in new sectors without such established models, however, pioneers can protect their cognitive legitimacy by conforming to prevailing "heuristics." Within a legal-rational order (Weber, 1978), for example, novel organizations often gain cognitive legitimacy through *formalization*, that is, by codifying informal procedures (Zucker, 1988), bringing previously marginal activities under official control (Zucker, 1991: 86), and establishing hierarchical links with superordinate environmental units (Scott & Meyer, 1991). In a related manner, organizations often pursue *professionalization*, thereby linking their activities to external definitions of authority and competence (Scott, 1991).

*Select among environments.* If managers wish to avoid having their organizations remade in the image of the environment, they must move beyond conformity to other, more proactive strategies. The simplest of these is selecting an environment that will grant the organization legitimacy "as is," without demanding many changes in return. Although cognitive taken-for-grantedness may prevent individuals (including managers) from formulating alternatives to the prevailing institutions of any given context, the fragmented and often conflictual nature of the larger cultural terrain frequently creates gaps in which actors can select among preexisting (but not necessarily consistent) logics (cf. Friedland & Alford, 1991; Hinings & Greenwood, 1988; Scheid-Cook, 1992). Thus, rather than simply conforming to the demands of a specific setting, managers may attempt to locate a more amicable venue, in which otherwise dubious activities appear unusually desirable, proper, or appropriate.

Again, this approach to legitimation includes pragmatic, moral, and cognitive aspects. Pragmatically, selecting a favorable environment is usually a matter of *market research*: The organization must identify and attract constituents who value the sorts of exchanges that the organization is equipped to provide (Ashforth & Gibbs, 1990). Along similar lines, if the organization seeks *influence legitimacy*, it must also recruit co-optation targets who are credible to key constituents, yet who are unlikely to demand dramatic changes in organizational activities.

Because moral legitimacy reflects more generalized cultural concerns than does pragmatic legitimacy, organizations are somewhat more limited in their choice of moral standards than in their choice of exchange partners. Nonetheless, the range of moral criteria remains quite broad, and the relative weighting of various desiderata depends largely on the goals that the organization sets for itself and on the *domain* of activity

that those goals imply (Scott, 1991). Organizations, for example, face higher standards of responsibility for the direct consequences of core activities than for other, more remote impacts (Wood, 1991; Zenisek, 1979). Additionally, society imposes heavier obligations (such as "fiduciary duty" and "strict liability") on those entities that hold themselves out as providing certain particularly important or problematic goods and services. Consequently, by adjusting organizational goals, managers often can select among alternative moral criteria, such as efficiency, accountability, confidentiality, reliability, responsiveness, and so on (cf. Carroll, 1979).

Finally, managers also may exert at least a small amount of selection over the cognitive environments that their organizations face. Although this third variety of environmental selection, too, may operate in part through the strategic manipulation of goal statements, many highly institutionalized environments contain formal gatekeepers and labeling institutions that limit access to privileged categories, definitions, and accounts. To position an organization within such restricted arenas, management must obtain explicit certification, usually by conforming to detailed formal requirements. An intention to sell produce may make an organization a grocery; however, an intention to sell drugs does not necessarily make an organization a pharmacy. Thus, sectors differ in the degree of cognitive selection that they allow, and choice often is the most free in precisely those sectors that offer the weakest institutional supports. For this reason, among others, centrally institutionalized sectors provide the most favorable environments for organizations that conform to prevailing standards (Scott, 1991), whereas fragmented sectors offer the most leeway for organizations that wish to promote unconventional alternatives. With regard to cognitive legitimation, dissensus "levels down," undercutting gatekeeping and reducing the authority of even the most central sectoral actors (Meyer & Scott, 1983b).

It is worth noting that organizations occasionally find themselves unable to operate in a single, coherent environment, despite their best efforts. When this problem occurs, managers may attempt to control conflicts by selectively reconfiguring environmental constraints, either by segregating environments and catering to one at the expense of the other, or by integrating environments and demonstrating that organizational behaviors would be legitimate under any applicable standard. Meyer and Rowan (1991) identified three segregation strategies: (a) *exalting ceremony while ignoring performance*, (b) *displaying cynicism* and openly acknowledging that entrenched rituals serve no purpose, and (c) *promising reform*, thereby segregating today's reality from tomorrow's ideal. Unfortunately, ceremonialism impedes pragmatic exchange, cynicism makes the organization appear irrational and out of control, and reformism delegitimizes the current structure and undercuts morale. Consequently, for some organizations, efforts to segregate environments must give way to more integrative claims of "inter-environmental robustness."

First, managers can exercise entrepreneurship, "construct[ing] an organization out of a diverse set of legitimated practices" (Powell, 1991: 197; cf. Pfeffer, 1981: 22). Second, managers can decouple activities, diligently performing contradictory tasks while leaving formal coordinative structures underdeveloped (Elsbach & Sutton, 1992; Meyer & Rowan, 1991; Oliver, 1990). Finally, managers can attempt to implement multi-institutional or institutional/technical *matrix structures* (Scott, 1987; cf. Powell, 1991; Scott & Meyer, 1991). Even though no one has yet devoted sustained empirical or theoretical attention to such matrix forms, military academies and Catholic universities might offer good case studies.

*Manipulate environments.* Even though most organizations gain legitimacy primarily through conformity and environment selection, for some, these strategies will not suffice. In particular, innovators who depart substantially from prior practice must often intervene preemptively in the cultural environment in order to develop bases of support specifically tailored to their distinctive needs (cf. Aldrich & Fiol, 1994; Tushman & Anderson, 1986; Tushman & Rosenkopf, 1992). In this case, managers must go beyond simply selecting among existing cultural beliefs; they must actively promulgate new explanations of social reality (see, e.g., Aldrich & Fiol, 1994; Ashforth & Gibbs, 1990). Such proactive cultural manipulation is less controllable, less common, and, consequently, far less understood than either conformity or environment selection (Ashforth & Gibbs, 1990; Dowling & Pfeffer, 1975); however, the limited literature on "institutional entrepreneurship" suggests that one key may lie in the capacity of affected organizations to reach beyond their boundaries and act in concert:

In order to render its public theory plausible . . . an institutionalizing organizational form requires the help of subsidiary actors . . . Recruiting or creating an environment that can enact their claims is the central task that institutional entrepreneurs face in carrying out a successful institutionalization project. (DiMaggio, 1988: 15; see also Aldrich & Fiol, 1994; DiMaggio, 1991; Hinings & Greenwood, 1988; Suchman, 1994)

Thus, promulgating novel legitimacy claims is less a matter of management than of evangelism. As the following pages illustrate, the need for such collective mobilization becomes increasingly pronounced as the focus of legitimation moves from pragmatism to morality to cognition.

Because pragmatic legitimacy reflects direct exchange and influence relations between a focal organization and specific constituents, it is generally the easiest form of legitimacy to manipulate. Usually, such manipulation takes the form of product advertising, as the organization attempts to persuade particular exchange partners to value particular offerings. In addition to molding constituent tastes, however, organizations also may use strategic communication to highlight (or exaggerate) the extent of constituent influence and to channel demands for participation

into nondisruptive arenas. Further, organizations may employ *image advertising* to accelerate the pace at which discrete exchanges and decision-making procedures foster more generalized attributions of good disposition (Aldrich & Fiol, 1994).

Establishing new grounds for moral legitimacy poses a somewhat greater challenge. For isolated organizations, the best hope is simply to accumulate a record of technical success (see, e.g., Ashforth & Gibbs, 1990). Within the contemporary rationalist order, technical performance not only establishes consequential legitimacy, but it also exerts spillover effects on other moral dynamics as well, with attention-grabbing "demonstration events" providing lasting validation for procedures, structures, and personnel (e.g., Baron, Dobbin, & Jennings, 1986; Meyer, Stevenson, & Webster, 1985; Mezias, 1990; Suchman & Eyre, 1992; Tolbert & Zucker, 1983). Moreover, because success is in large part socially constructed (e.g., Powell, 1991), an emphasis on performance hardly precludes skillful impression management—including, for example, "the selective release of . . . numerous indicators of inputs at the same time information about processes and particularly outcomes is not released" (Pfeffer, 1981: 30; for a more extreme example, see Elsbach & Sutton, 1992). Nonetheless, isolated performance demonstrations rarely represent the quickest or most effective route to moral change. Even technical successes become most convincing when they proliferate across many organizations, and more concerted collective strategies usually are more potent still. In particular, groups of organizations may exert major pressures on the normative order by joining together to actively *proselytize* for a morality in which their outputs, procedures, structures, and personnel occupy positions of honor and respect (cf. Aldrich & Fiol, 1994; Suchman, 1993). Over time, such collective evangelism helps to build a winning coalition of believers, whose conceptions of socially desirable activity set the terms for subsequent moral debate.

When the focus of environment manipulation turns from moral to cognitive legitimacy, the need for collective action becomes even more apparent. Admittedly, individual organizations do enjoy some ability to foster comprehensibility and taken-for-grantedness merely by *persisting*; however, even this basic strategy rests on the fundamentally *collective* nature of reproducible organizational action: "The history of transmission provides a basis for assuming that the meaning of the act is part of the intersubjective common-sense world" (Zucker, 1991: 87; see also Zucker, 1983, 1988). Further, simple persistence rarely matches the transformative power of true collective action. In the cognitive realm, such collective action usually takes the form of either *popularization* (promoting comprehensibility by explicating new cultural formulations) or *standardization* (promoting taken-for-grantedness by encouraging isomorphism) (Aldrich & Fiol, 1994). Regarding popularization, Pfeffer (1981: 23) suggested that managers can enhance the comprehensibility of a new perspective "through continually articulating stories which [illustrate] its reality."

Concrete examples of this strategy include lobbying, advertising, event sponsorship, litigation, and scientific research (Hinings & Greenwood, 1988; Miles, 1982; Nielsen & Rao, 1987). Regarding standardization, Hannan and Freeman (1989: 132) argued that the "simple prevalence of a form tends to give it legitimacy," and Pfeffer and Salancik (1978: 201) observed, conversely, that "legitimacy appears to be especially problematic when organizations of different distinguishable types compete for the same resources." Thus, organizations may enhance their taken-for-grantedness by remaking others in their own image, either through success and modeling, or through coercion and regulation (DiMaggio & Powell, 1983; Tolbert & Zucker, 1983; but cf. Zucker, 1988).

Other than these broad commonalities among reported instances of institutional entrepreneurship, the legitimacy literature offers few detailed strategic prescriptions for managers seeking to promote new myths. This may, in part, reflect that institutionalization projects tend to be underdetermined, having poorly understood feedback loops and highly chaotic path dependencies (cf. Arthur, 1990; David, 1986). DiMaggio highlighted one such feedback pattern when he noted that

the success of an institutionalization process creates new sets of legitimated actors who, in the course of pursuing distinct interests, tend to delegitimize and deinstitutionalize aspects of the institutional forms to which they owe their autonomy and legitimacy. (1988: 13; cf. Singh, Tucker, & Meinhard, 1991)

As this cultural tumult settles, outcomes will often reflect "point[s] of critical intervention at which elites can define appropriate models . . . which then go unquestioned for years to come" (DiMaggio & Powell, 1983: 157). Alternatively, however, institutionalization projects occasionally take on lives of their own, reflecting entrepreneurial activities, but departing dramatically from entrepreneurial objectives. Unfortunately, such transitions are difficult to predict beforehand, and social scientists may be hard put to formulate useful intervention strategies without falling victim to the cardinal methodological sin of sampling on the dependent variable (Aldrich & Fiol, 1994).

### **Maintaining Legitimacy**

**The challenge.** In general, the literature depicts the task of maintaining legitimacy as a far easier enterprise than either gaining or repairing legitimacy. According to Ashforth and Gibbs (1990: 183), "once conferred, legitimacy tends to be taken largely for granted. . . . Reassessments of legitimacy become increasingly perfunctory if not 'mindless' (Ashforth & Fried, 1988) and legitimation activities become increasingly routinized." Similarly, Zucker (1991) suggested that the institutional order generally acts as a cybernetic system (Boulding, 1956), resisting or repairing accidental fluctuations in any single component. Nonetheless, as Zucker noted (1988), entropy is a persistent feature of social life, and few

organizations can safely ignore the task of legitimacy maintenance entirely. Anomalies, miscues, imitation failures, innovations, and external shocks threaten the legitimacy of even the most secure organization, especially if such misfortunes either arrive in rapid succession or are left unaddressed for a significant period of time.

Three aspects of legitimacy make its maintenance at least intermittently problematic: (a) audiences are often heterogeneous, (b) stability often entails rigidity, and (c) institutionalization often generates its own opposition. The first of these centers on the fact that legitimacy represents a *relationship* with an audience, rather than being a *possession* of the organization. In a fragmented institutional environment, satisfying, or even recognizing, all factions may prove virtually impossible (Ashforth & Gibbs, 1990; Scheid-Cook, 1992). Over time, this problem leaves the organization vulnerable to unanticipated changes in the mix of constituent demands. This vulnerability is then aggravated by a second problematic aspect: the tendency for legitimation to become a "house of cards," as mutual adjustment, isomorphism, and taken-for-grantedness impede responsiveness to shifting conditions (Jepperson, 1991). If organizations become homogeneous while cultural environments remain heterogeneous, unsatisfied demands will create niches for "outlaw" entrepreneurs, who devise and adopt innovative, albeit peripheral, organizational forms (Hannan, 1986; Powell, 1991).

Such endogenous instabilities play into the third problematic aspect of legitimation: the tendency for any degree of institutionalization, short of total taken-for-grantedness, to generate its own opposition. Legitimation projects (particularly proactive attempts at advertising, proselytization, and popularization) usually attract attention, and often this attention proves hostile—if only because proactive managers will already have enlisted most of the potentially supportive audiences during the project's earlier stages. Some of the new critics may hope to delegitimize the whole sector by attacking its least institutionalized member. Others will simply oppose institutionalization *per se*, either on ideological grounds (Rothschild-Whitt, 1979) or because they experience the newly institutionalized organization as an unwanted external constraint (Jepperson, 1991). Still others may precipitate a legitimation crisis in order to appeal to particular idiosyncratic audiences of their own (cf. Elsbach & Sutton, 1992). In any case, each of these hostile responses produces a so-near-but-yet-so-far dynamic, in which every victory seems to mobilize a new, more radical opponent. For this reason, managers rarely can afford to treat legitimation as a completed task.

**Strategies for maintaining legitimacy.** Strategies for maintaining legitimacy fall into two groups: perceiving future changes and protecting past accomplishments. Although neither group is as active as the foregoing strategies for gaining legitimacy, protective strategies generally require more initiative than purely perceptual techniques.

**Perceive change.** The first cluster of legitimacy-maintenance strate-



gies focuses on enhancing the organization's ability to recognize audience reactions and to foresee emerging challenges. As Hinings and Greenwood (1988: 16) noted, "a common theme in the [organizational] decline literature is that decision-makers often delude themselves into believing that a problem does not exist or that it is not serious." Thus, managers must guard against becoming so enamored with their own legitimating myths that they lose sight of external developments that might bring those myths into question. With advanced warning, managers can engage in preemptive conformity, selection, or manipulation, keeping the organization and its environment in close alignment; without such warning, managers will find themselves constantly struggling to regain lost ground. In general, perceptual strategies involve monitoring the cultural environment and assimilating elements of that environment into organizational decision processes, usually by employing boundary-spanning personnel as bridges across which the organization can learn about audience values, beliefs, and reactions (Levitt & March, 1988; Scott, 1992).

The nature of these bridging efforts, however, depends upon whether they emphasize pragmatic, moral, or cognitive concerns. To perceive emerging pragmatic demands, the organization must monitor *multiple interests*, and, to this end, it may co-opt audiences into organizational decision making—not to provide symbolic reassurances to constituents (Pfeffer, 1981), but rather to provide cultural insights to managers. To perceive emerging moral beliefs, the organization must incorporate *multiple ethics*, and to this end, it may pursue professionalization, chartering certain organizational members to participate in external normative discourses (DiMaggio & Powell, 1983). Finally, to perceive emerging cognitive understandings, the organization must explore *multiple outlooks*, and to this end, it may establish specific subunits as "doubting Thomases," with a mandate to question others' taken-for-granted assumptions (cf. Ashforth & Gibbs, 1990; Mitroff & Kilmann, 1984). Significantly, in all of these cases, the use of bridging strategies to track external culture suggests a flip side to traditional concerns regarding environmental absorption of peripheral subunits (e.g., Selznick, 1949): Where organizations seek to perceive changing audience beliefs, the risk is not that centrifugal forces will lead boundary spanners to "run wild," but rather than centripetal forces will lead them to become lapdogs (cf. Arrow, 1974).

*Protect accomplishments.* In addition to guarding against unforeseen challenges, organizations may seek to buttress the legitimacy they have already acquired. In particular, organizations can enhance their security by converting legitimacy from episodic to continual forms. To a large extent, this task boils down to (a) policing internal operations to prevent miscues, (b) curtailing highly visible legitimation efforts in favor of more subtle techniques, and (c) developing a defensive stockpile of supportive beliefs, attitudes, and accounts.

As Ashforth and Gibbs (1980: 183) noted, "having adjudged the

organization credible, constituents tend to relax their vigilance and content themselves with evidence of ongoing performance vis-à-vis their interests and with periodic assurances of 'business-as-usual.' " Consequently, organizations should avoid unexpected events that might reawaken scrutiny. At a pragmatic level, exchanges should be consistent and predictable, not only meeting constituent needs, but also eliminating uncertainties and fostering a sense of constituent control. At a moral level, activities should exemplify responsibility, not only refraining from impropriety, but also downplaying the role of purely instrumental or consequential concerns. At a cognitive level, accounts should be simple or even banal, not only explaining organizational behavior, but also making it seem natural and inevitable.

Further, in all actions, managers should carefully weigh the direct benefits of new legitimation initiatives against the scrutiny that these efforts might attract. When legitimacy is even partly cognitive in nature, any overt attention—including supportive attention—may have the detrimental side effect of problematizing comprehensibility and disrupting taken-for-grantedness. Thus, direct value-based appeals should give way to "cooler" techniques, such as matter-of-fact explanations of "common knowledge" (Pfeffer, 1981: 15), and managers should avoid validating the opposition by overtly treating it as a threat. In particular, raw coercion (Oliver, 1991) rarely represents a productive legitimacy-maintenance strategy, because it is morally problematic and tends to undercut exteriority and objectivity (Zucker, 1988). Instead, organizations should manage challenges by invoking legitimate authority (Scott, 1991), by manipulating language (Pfeffer, 1981), and by simply waiting for demographic processes to replace cohorts of critics with new generations of supporters (Reed, 1978).

As a final legitimacy-maintenance strategy, organizations may stockpile goodwill and support. Generally, such stockpiles are dispositional in character, reflecting either pragmatic attributions (such as trust) or moral attributions (such as esteem). These dispositional perceptions act as a kind of capital reserve, "whereby management can occasionally deviate from social norms without seriously upsetting the organization's standing" (Ashforth & Gibbs, 1990: 189). Significantly, just as organizations that maintain financial war chests must distinguish between *working capital* and *potential capital* in order to avoid letting cash on hand obscure looming debts (Hambrick & D'Aveni, 1988), so, too, must organizations in highly institutionalized sectors distinguish between elite and popular support in order to avoid letting regulatory backing obscure looming public doubts. Beyond such pragmatic and moral reserves, however, managers also can stockpile cognitive legitimacy, primarily by constructing communication links between the organization and its social surroundings. Frequent and intense interaction creates dense webs of meaning that can resist, survive, and repair disruptions in individual strands of understanding (cf. Pfeffer, 1981). Consequently, the more tightly intercon-

nected an environment becomes, the more likely it is that institutions and beliefs will approach the homeostatic ideal (Scott, 1987).

### Repairing Legitimacy

**The challenge.** In many ways, the task of repairing legitimacy resembles the task of gaining legitimacy. Unlike legitimacy creation, however, legitimacy repair generally represents a *reactive* response to an *unforeseen* crisis of meaning. Such crises usually befall managers who have become enmeshed in their own legitimating myths and have failed to notice a decline in cultural support, until some cognitively salient trip wire (such as a resource interruption) sets off alarms. By the time these reactive managers begin to address their problems, familiar legitimation strategies and familiar legitimacy claims may already be discredited. Suddenly, the successes of the past become impediments to the future: "[P]revious claims to legitimacy . . . constrain the ability of management to respond, [and] scrutiny makes it difficult to decouple activities . . . and to engage in routine impression management or puffery regarding role performance" (Ashforth & Gibbs, 1990: 183).

In addition to impairing management's ability to maneuver, an unfolding legitimacy crisis may also sever managers from previously reliable external allies. Indeed, legitimation crises tend to become self-reinforcing feedback loops, as social networks recoil to avoid guilt by association. At the most concrete level, this retraction of support can exacerbate performance failures simply by disrupting critical resource flows (cf. Sutton & Callahan, 1987); however, the "retraction cascade" becomes still more threatening when the networks in question provide legitimacy, rather than purely material exchanges. Because legitimation is frequently mutualistic, the risk of negative contagion may drive even long-standing allies to disassociate themselves from a troubled counterpart and to engage in ritualistic sniping and ostracism.

**Strategies for repairing legitimacy.** In the abstract, most of the legitimacy-building strategies described previously also can serve to reestablish legitimacy following a crisis, provided that the organization continues to enjoy some modicum of credibility and interconnectedness with the relevant audiences. Often, however, the delegitimated organization must first address the immediate disruption, before initiating more global legitimation activities. In particular, organizations must construct a sort of "firewall" between audience assessments of specific past actions and audience assessments of general ongoing essences. The limited literature on this topic suggests three broad prescriptions: (a) offer normalizing accounts, (b) restructure, and (c) don't panic.

Although legitimacy crises may coalesce around performance issues, most challenges ultimately rest on failures of meaning: Audiences begin to suspect that putatively desirable outputs are hazards, that putatively efficacious procedures are tricks, or that putatively genuine structures are facades. Consequently, the initial task in mending a breach of legitimacy

usually will be to formulate a *normalizing account* that separates the threatening revelation from larger assessments of the organization as a whole (cf. Giacalone & Rosenfeld, 1989; Marcus & Goodman, 1991; Scott & Lyman, 1968). At least four types of accounts are possible (cf. Ashforth & Gibbs, 1990; Elsbach, 1994; Staw, McKechnie, & Puffer, 1983). First, managers may attempt to *deny* the problem, hoping to allay constituents' pragmatic concerns, at least until the organization can assemble a compensating side payment. Unfortunately, unless such denials are sincere, subsequent revelations may severely deplete the organization's long-term legitimacy reserves. Thus, rather than denying the problem, managers may choose to *excuse* it by questioning the organization's moral responsibility. Unfortunately, this second tactic, which often amounts to blaming individual employees or external authorities, also has a double edge, because it suggests an underlying lack of managerial control (Ashforth & Gibbs, 1990; Salancik & Meindl, 1984; Staw et al., 1983; Sutton & Callahan, 1987). To avoid this implication, managers may attempt, instead, to *justify* the disruption, redefining means and ends retrospectively, in order to make the disruptive events appear consonant with prevailing moral and cognitive beliefs. Finally, if managers cannot devise an account that eliminates moral responsibility, they may nonetheless preserve a modicum of cognitive legitimacy simply by *explaining* the disruptive events in a way that preserves an otherwise supportive worldview. This, for example, is the principle behind Perrow's (1984) concept of the *discrete accident*.

Beyond offering denials, excuses, justifications, and explanations, organizations also may facilitate relegitimation through strategic restructuring (Pfeffer, 1981). Although indiscriminate structural shifts may make the organization appear unstable and unreliable (Hannan & Freeman, 1984), narrowly tailored changes that mesh with equally focused normalizing accounts can serve as effective damage-containment techniques: Rather than straining audience credulity with a blanket exoneration (often followed by a contradictory restructuring), the organization can *selectively* confess that limited aspects of its operations were flawed and can then act decisively and visibly to remedy those specific faults (cf. Perrow, 1981, 1984). Two types of restructuring play particularly large roles in this regard. The first—creation of *monitors and watchdogs*—allows the organization to "post a bond" against future recidivism by, for example, inviting government regulation, chartering ombudspersons, or instituting grievance procedures (Pfeffer, 1981). Although such bonding cannot reestablish legitimacy directly, it symbolizes contrition and may persuade some constituents that they can safely resume pragmatic exchanges with the troubled organization. The second major form of restructuring—*disassociation*—employs structural change to symbolically distance the organization from "bad influences." Perhaps the most common form of disassociation is executive replacement, which invokes the symbolism of charismatic authority to signify a desire for change (Gephart, 1978; Pfeff-

fer, 1981; Weber, 1978); however, organizations also may disassociate themselves from delegitimated procedures, structures, and even geographic locales. Thus, for example, when it launched its Saturn project, General Motors sought to regain legitimacy by creating a new division with new vehicles and new sales procedures and by locating this "different kind of car company" not in Detroit, but in Spring Hill, Tennessee.

Finally, managers facing a legitimacy crisis should avoid panic. Although this injunction (Adams, 1979) may sound facetious, it is not. Staw, Sandelands, and Dutton (1981) argued that "precipitous crises lead to a threat-rigidity response that severely impairs decision making and promotes [organizational] failure." Even though legitimacy repair may resemble legitimacy creation in that both call for intense activity and dramatic displays of decisiveness, legitimacy repair also resembles legitimacy maintenance in that both require a light touch and a sensitivity to environmental reactions. Delegitimated organizations that seek too frantically to reestablish legitimacy may dull the very tools that, if used with patience and restraint, might save them (Ashforth & Gibbs, 1990).

Table 1 locates the foregoing legitimation strategies within a  $3 \times 3$  matrix. The vertical dimension corresponds to the pragmatic-moral-cognitive trichotomy, whereas the horizontal dimension corresponds to the acquisition-maintenance-repair trichotomy. Following Oliver (1990), strategies within each block are arrayed "from conforming to resistant, from passive to active, from preconscious to controlling, from impotent to influential, and from habitual to opportunistic." Significantly, within this table, legitimacy acquisition strategies outnumber legitimacy maintenance and legitimacy repair strategies, combined. This pattern both reflects the biases of the existing legitimacy literature and indicates the need for further research.

### Two Caveats in Closing

The preceding discussion identified a number of risks that attend specific legitimation strategies. Past research, however, also suggests at least two dangers that attend legitimacy management in general. The following review is intended primarily to highlight the possibility of dangerous feedback loops in the dynamics of legitimation. It offers no solutions, and it almost certainly is not comprehensive. It merely sounds a cautionary note in the hope of encouraging reflection and further research.

The first caveat revolves around what Ashforth and Gibbs (1990: 186) identified as the *self-promoter's paradox*: Because audiences are active participants in the process of meaning construction (Ginzel, Kramer, & Sutton, 1992; Nielsen & Rao, 1987), audience interpretations may occasionally diverge from organizational expectations. In particular, the more codified and consistent legitimacy-management strategies become, the more likely it is that audiences will cynically interpret such activities as clues that something is amiss. Such skepticism effectively removes

**TABLE 1**  
**Legitimation Strategies**

	<b>Gain</b>	<b>Maintain</b>	<b>Repair</b>
<b>General</b>	Conform to environment	Perceive change	Normalize
	Select environment	Protect accomplishments - Police operations - Communicate subtly - Stockpile legitimacy	Restructure
	Manipulate environment		Don't panic
<b>Pragmatic</b>	Conform to demands - Respond to needs - Co-opt constituents - Build reputation	Monitor tastes - Consult opinion leaders	Deny
	Select markets - Locate friendly audiences - Recruit friendly co-optees	Protect exchanges - Police reliability - Communicate honestly - Stockpile trust	Create monitors
	Advertise - Advertise product - Advertise image		
<b>Moral</b>	Conform to ideals - Produce proper outcomes - Embed in institutions - Offer symbolic displays	Monitor ethics - Consult professions	Excuse/Justify
	Select domain - Define goals	Protect propriety - Police responsibility - Communicate authoritatively - Stockpile esteem	Disassociate - Replace personnel - Revise practices - Reconfigure
	Persuade - Demonstrate success - Proselytize		
<b>Cognitive</b>	Conform to models - Mimic standards - Formalize operations - Professionalize operations	Monitor outlooks - Consult doubters	Explain
	Select labels - Seek certification	Protect assumptions - Police simplicity - Speak matter-of-factly - Stockpile interconnections	
	Institutionalize - Persist - Popularize new models - Standardize new models		

certain strategies from the legitimation arsenal, impeding the flexibility of individual legitimacy seekers and impoverishing the symbolic repertory of society as a whole.

A similar impoverishment also forms the basis for a second caveat, which might be termed the *sector-leader's paradox*. In this scenario, difficulties arise because legitimation is too successful, rather than because it is not successful enough. Specifically, efforts to legitimate a sector-leading organization (particularly a government agency) may inadvertently remake the entire sector in the leader's image (cf. Jepperson, 1991). Sometimes, this process proves unproblematic or even beneficial, for example, when sector members streamline and coordinate their routine interactions (Powell, 1991; Suchman, 1993). At other times, however, leadership may foster far less desirable forms of uniformity, such as faddish mimicry and the indiscriminate emulation of ineffectual facades (Kimberly, 1981; Neilsen & Rao, 1987; Nystrom & Starbuck, 1984). Further, sector leaders often find themselves caught between, on the one hand, wishing to encourage isomorphism in order to establish moral and cognitive hegemony, and, on the other hand, wishing to restrain isomorphism in order to monopolize competitive (pragmatic) advantages (Aldrich & Fiol, 1994).

At the extreme, sector leadership occasionally produces outcomes that benefit neither the leader, the followers, the sector, nor the society as a whole. Thus, for example, Suchman and Eyre (1992) examined the international military order and concluded that the sector-defining high-tech mythology of the superpowers has driven a massive mimetic proliferation of ever-more-deadly weapons to third-world countries that neither need such armaments nor possess the political structures to control them. Another particularly significant example of a leadership effect that ultimately benefits no one is the isomorphic rigidification of highly institutionalized orders:

To the extent that centralization of power and resources results in increasing homogenization of structural forms within an organizational sector (see DiMaggio & Powell, 1983), then one must be concerned with the loss of this diversity. As Hannan and Freeman (1989: 7) point out, such a reduction may diminish "the capacity of a society to respond to uncertain future changes." (Scott & Meyer, 1991: 140)

This loss of diversity may prove particularly regrettable in emerging industries and in "social problem" sectors, where the "best" technologies are often only barely adequate.

#### IV. CONCLUSION

This article has attempted to bring some coherence to a literature on organizational legitimacy that is, in reality, several distinct literatures—strategic and institutional; pragmatic, moral, and cognitive; legitimacy

building, legitimacy maintaining, and legitimacy repairing. The reformulated conception of legitimacy introduced here suggests a number of directions for future research. First, and most simply, it highlights the need for explicit scholarly attention to the existence of many distinct legitimation dynamics. Researchers who study legitimacy either should address the full range of the phenomenon or should clearly identify which aspect(s) they have in mind—pragmatism, morality, or cognition; acquisition, maintenance, or repair. Such care might go a long way toward quelling unproductive debates over the operationalization of legitimacy in specific studies. Further, beyond clarifying terminology, the typologies introduced in this article also suggest important dividing lines along which both the sources and the effects of legitimacy may diverge. Though researchers currently possess little systematic evidence comparing the effects of organizational activities on multiple types of legitimacy, or comparing the effects of multiple types of legitimacy on organizational outcomes, the preceding pages suggest that legitimation is hardly homogeneous and that, in fact, the different facets of legitimacy are not always fully compatible.

Future research must explore both the conflicts and the synergies among various legitimation dynamics. Thus, for example, Part II of this article suggests that selective affinities might exist among legitimacies with similar structural foci (actions-essences) and/or similar temporal textures (episodic-continual); despite such speculations, however, theorists currently know little about how legitimacy differs from one industry to another, from public organizations to private organizations, from new sectors to old sectors, or from the beginning of the organizational life cycle to the end. One could, nonetheless, imagine constructing indicators of different types of legitimacy (based, perhaps, on audience/constituent surveys) and then employing those indicators to ascertain the *legitimacy profiles* of specific organizations, professions, industries, or sectors (cf. Elsbach, 1994). In this way, researchers could examine (a) the incidence of particular legitimacy profiles across social locations, (b) the dynamics of profile patterns over time, (c) the relationship between profiles at, say, the organizational and the industrial levels, and (d) the impact of specific profiles on short-run performance and long-run mortality. In addition, by exploring the empirical correlates of assorted legitimacy profiles, investigators could test whether indirect measures of legitimacy, such as *population density* (Hannan & Carroll, 1992; Hannan & Freeman, 1989), can provide valid proxies in settings in which direct data are unavailable (cf. Zucker, 1989).

The understanding of legitimacy also might benefit greatly from empirical research on the use and effectiveness of various legitimacy-management strategies across social locations and through time. Because we lack studies that address the full range of legitimation techniques, we currently can say very little about the nature (or even the existence) of "typical" legitimation progressions. Do organizations em-



ploy limited repertoires of techniques in relatively fixed sequences? Does the sequencing of legitimation efforts affect the ultimate success of a legitimation project? Can certain legitimation progressions become institutionalized and meaning laden? All of these questions remain unanswered, yet all merit close empirical attention. One could, for example, extract legitimacy-management histories from press accounts or from key-informant interviews and then subject these histories to qualitative narrative interpretation (Polkinghorne, 1988) or to quantitative sequence analysis (Abbott, 1990). One could also study the impact that particular legitimacy-management strategies and progressions have on the legitimacy profiles described previously, using either naturalistic field observations or experimental interventions and vignettes (Elsbach, 1994).

Beyond such general exploratory questions, the preceding pages hypothesize a number of more specific relationships that all merit future empirical attention. These include (a) the aforementioned affinities between corresponding cells in the pragmatic, moral, and cognitive areas of Figure 1; (b) the predicted tensions between instrumental and sociotropic effects, and between discursive and nondiscursive effects in situations in which multiple legitimation dynamics collide; and (c) the suggested correspondences between specific legitimacy-management strategies and specific challenges of legitimacy creation, maintenance, and repair. In addition, researchers might profitably conjoin the typologies introduced above with other characterizations of organizational environments elsewhere in the literature, in order to predict which conditions bring which legitimation dynamics to the fore.

Consider, for example, Scott and Meyer's (1991) four-fold typology, which cross-classifies societal sectors according to the strength of both technical and institutional pressures: Noting that a strong environment is not necessarily the same as a hostile environment, these authors argued that technical and institutional constraints offer criteria, not impediments, for organizational legitimacy. This observation implies a pattern of differential affinities between specific environment types and specific legitimation dynamics. In brief, technical considerations favor organizations (such as commodity manufacturers and emergency response teams) that "get the job done" or that "do what it takes," even if such proficiency requires cutting a few corners. Consequently, the stronger the technical environment, the greater the need for pragmatic legitimacy of all kinds and for moral legitimacy based on consequences and procedures. Institutional considerations, in contrast, favor organizations (such as schools, churches, and courts) that "make sense" and that "play by the rules," even if such conformity reduces the immediate payoff to constituents. Therefore, the stronger the institutional environment, the greater the need for cognitive legitimacy of all kinds and for moral legitimacy based on procedures and structures. In some sectors (such as banking and health care), both technical and institutional constraints operate simultaneously, requiring organizations to emphasize their public-spirited

dispositions and their relative permanence, in order to lubricate the inevitable friction between achieving specific objectives and following general rules. Such sectors often develop relatively high levels of macro-structure, as member organizations collaborate to channel competition and to protect the legitimacy of the sector as a whole. Finally, certain sectors (such as fitness training, day care, and grass-roots politics) possess neither technical nor institutional structure. In these cases, outcomes are too poorly defined to permit truly satisfying exchanges, control is too uncertain to allow assessments of influence and disposition, causality is too ambiguous to generate principles of good practice or proper structure, and behavioral patterns are too fleeting to support clear cognitive models. In such settings, organizations usually rely on the most superficial forms of pragmatic and cognitive legitimation (e.g., convenient locations, frequent newsletters), fortifying these with heavy doses of personal charisma.

Scott and Meyer's typology is only one of many that have potential relevance. Others can be found in the works of Emery and Trist (1965), Thompson (1967), Doeringer and Piore (1971), Jurkovich (1974), Lammers and Hickson (1979), Oliver (1991), and Aldrich and Fiol (1994), to name but a few. In each case, researchers might productively ask whether particular environmental conditions are distinctively congenial to particular types of legitimacy or distinctively conducive to particular legitimation strategies. The typologies and analyses outlined previously should prove helpful in the framing of such questions.

Clearly, this article constitutes only one step in a long journey. After several decades, researchers have come far enough to understand that legitimacy is not the unitary phenomenon that many previous investigators assumed it to be. However, researchers also have come far enough to understand that legitimacy is more than merely an artificial hodgepodge of unrelated concepts. Indeed, given their disparate foci, the multiple legitimacy literatures display remarkable consistency, and their assertions, remarkable compatibility. In a discipline dominated by theoretical traditions that disagree even when they focus on a single phenomenon, such unexpected congruence is reassuring, to say the least.

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