

The Co-constitutiveness Nature of Organizations and Industrial Networks A Critical Realist Approach

Geoffrey Easton

g.easton@lancaster.ac.uk *United Kingdom Lancaster University*

Peter Lenney

p.lenney@lancaster.ac.uk *United Kingdom Lancaster University*

Alan Gilchrist

a.gilchrist@lancaster.ac.uk *United Kingdom Lancaster University*

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Abstract

In this paper we introduce and apply three concepts that are new to the field of Industrial Networks, using the Critical Realist ontology due to Margaret Archer. Constitutiveness is the property of an entity that makes it essential to the existence of another entity. For example communication is constitutive of organizations since they cannot exist without communication. Co-constitutiveness exists when two entities mutually constitutive one another. An example would be a manager and a subordinate in an organization. Micro-macro emergence describes the processes by which macro outcomes, such as the launch of a new product line, emerge from micro activities such as person to person conversations. These three concepts are exemplified through the use of a case study based on data collected in an organizational action research project. We conclude that this set of concepts offers a new and valuable way to understand the complexities of organizational and interorganizational worlds.

Keywords

**Organizational constitutiveness, co-constitutiveness, micro- macro emergence and
buyer – seller relationships**

INTRODUCTION

It could be argued, perhaps rather simplistically, that there are 3 stages in the development of any discipline. The first involves simply describing events. The second is to be able to explain why those events occurred as they did; what caused them. The third is to be able to suggest ways in which events could be influenced such that greater good is achieved. Different disciplines choose, or more likely drift into, one or more of these categories. The IMP paradigm currently sits mostly in the first stage with some literature verging on the second. In this paper we seek to boldly go into that second category.

We build on previous work concerning causality using, once again, Critical Realism as a major plank of our platform. It is an ontology which is becoming increasingly widely used across the social sciences. In particular it is beginning to be discussed and accepted most recently in the Industrial Marketing literature (Anderson and Kragh (2010), Easton, G. (2010), Järvensivu and Möller (2009), Järvensivu and Törnroos (2010), Macdonald, Wilson, Martinez and Toossi (2011), Meehan and Wright (2011), Ryan, Tähtinen and Vanharanta (2012), Tähtinen, and Blois (2011) and Veal and Mouzas, S. (2011)).

A second theme, the most significant, is that which entails using the related concepts of constitutiveness and co-constitutiveness. The former has been deployed by a section of the organizational communication community which has labelled itself the Communication as Constitutive of Organizations (CCO) movement. What they argue is that organizations cannot exist without communication and that this means that communication is not simply an organizational medium but a central causal power in organizational life.

An extension of this concept involves the recognition that entities can not only constitute other entities but that they can do so mutually; they can co-constitutive one another. For example a conventional marriage involves a husband and a wife and each necessarily constitutes the other. Organizations also constitute the communication that takes part within them. While there have been many examples quoted of co-constitutiveness in the literature, and some of these are cited in the paper, there has been little or no attempt to apply the concept and study how this mechanism might work in practice using empirical data.

The reason for this is that more conventional ontologies cannot really handle co-constitutiveness because of the mutuality involved. However Critical Realism offers a way of doing so. Margaret Archer, a key figure in the Critical Realist movement, has recently suggested a way in which this might be done. Put simply she argues that the only way to understand how co-constitutiveness between two entities operates is to follow the action. "Action of course is ceaseless and essential both to the continuation and further elaboration of the system, but subsequent interaction will be different from earlier action because conditioned by the structural consequences of that prior action" Archer (1982). The actions in the co-constitutiveness case will be complex because of their mutuality but, in theory, the two-way causal links can be teased out.

One particular important kind of co-constitutiveness is that which has been labelled the micro-macro issue. An organizational example would be how the strategy for an organization emerges from the actions of whole sets of individuals, interacting with other individuals within what might called meso entities such as boards, task groups and departments. And as Archer points out "Thus *the first implication* of a full acceptance of emergence is the need to *disentangle the micro-macro connections* which lead to the genesis of social structures." (Archer 1982).

Finally, we apply the concepts of constitutiveness, co-constitutiveness and micro-macro emergence to data from an action research project undertaken by the authors and come to some conclusions about their power and problems.

COMMUNICATION AS CONSTITUTIVE OF ORGANIZATIONS

One of the most influential groups of organizational researchers that has emerged over the last 30 years has been the Montreal School, or more descriptively, the Communication as Constitutive of Organization (CCO) paradigm. The researchers involved are mainly from linguistic and communication studies and have, until recently largely published in their own specialist journals. However, of late, the importance of the role of communication in organizations has become more readily recognised by organization and management scholars. Testament to that interest is the publication of two reviews of the CCO literature, Ashcraft et al (2010) in the Academy of Management Annals Review, and Cooren et al (2011) in Organization Studies.

In Ashcraft et al (2010), the authors point out that “Although the actual moniker communicative constitution of organization (CCO) is rather recent (Putnam and Nicotera, 2008), the notion that communication might be a building block of organization has been the central focus of the field for the past 30 years, inspired by the linguistic turn in social theory...”. In Cooren et al (2011) the introduction to the special issue begins as follows. “Across disciplines, scholars of organizations increasingly assert that organizations are constituted in and through human communication, a perspective that has recently been coined the CCO approach (for Communicative Constitution of Organization, see Putnam & Nicotera, 2009). Although several versions of this view can be identified (see Ashcraft, Kuhn, & Cooren, 2009; Kuhn, 2008; Manning, 1982; McPhee & Zaig, 2000; Taylor & Van Every, 2000), the general claim is that if communication is indeed constitutive of organization, it cannot be considered to be simply one of the many factors involved in organizing, and it cannot be merely the vehicle for the expression of pre-existing ‘realities’; rather, it is the means by which organizations are established, composed, designed, and sustained. Consequently, organizations can no longer be seen as objects, entities, or ‘social facts’ inside of which communication occurs. Organizations are portrayed, instead, as ongoing and precarious accomplishments realized, experienced, and identified primarily – if not exclusively – *in* communication processes.” Cooren et al (2010).

A central issue for the CCO school of thought has always been the meaning and use of the term constitutive.

CONSTITUTIVE

The word constitutive is central to the CCO paradigm. A recent set of dictionary definitions of constitutive includes;

“making a thing what it is; essential “(*Dictionary.com*) and

“having power to enact, appoint, or establish (*World English Dictionary*).

The current, and magisterial, Oxford English Dictionary has the following definitions;

“having the power to establish or give organized existence to something: for example, *the state began to exercise a new and constitutive function*;

“forming an essential element of something: for example, *language is constitutive of thought*.

“forming a part or constituent of something: for example, *poverty is a constitutive element of a particular form of economic growth*;

What is implied by these definitions is that constitutive means that a constitutive entity is an essential part of another entity or, perhaps, something rather less; simply a constituent. In terms of communication this implies that communication as an entity being more or less equivalent to organization or simply being a part or constituent of it.

This ambiguity is spelled out rather clearly by Putnam and Nicotera. “Namely, we say that communication is constitutive of organizations without fully understanding what that means, conceptually or empirically. We embrace it as an assumption that embodies disparate

orientations, different theoretical roots, and different aims for organizing. We also talk about communicating and organizing as dynamic activities without unpacking the nature of those processes and how they relate to the elements that form organizations.”

“Unpacking different ways that communication is constitutive adds to the theory development process.” (Putnam and Nicotera, 2009 p.5).

The CCO School concentrates its attention on the relationship between organization and communication. However there is a galaxy of entities that are constitutive of either or both. A test of intra-organizational constitutiveness would require that an organization could only exist if the entity in question was present and active in that organization. The following examples of entities that meet the criterion include communication, resources, human beings and actants (the last of these a concept from Actor Network Theory). All are clearly constitutive of organizations by any definition but all a rather broadly defined. However written communication, buildings, managers and computers are plainly not constitutive. The latter are clearly not essential to the existence of organizations. Organizations can exist without them. A similar test can be applied to entities that exist at a higher level of aggregation i.e. related collections of organizations. For example, organizations are necessarily constitutive of trade associations, B2B relationships and Industrial Networks.

Conversely, inside organizations, there are myriad possible constitutive relationships which can be identified. For example individual human beings constitute task forces, departments and corporate culture; computers constitute information systems and buildings constitute work patterns. These types of entities will be the focus for both the empirical and conceptual content of this paper.

It is important to note however that care should be taken in defining the aggregative nature of the entities involved and treating any relationship as constitutive. For example, a single organization is not constitutive of an industrial network. One such organization may affect an industrial network of which it is a part but it does not constitute it. It fails the constitutive test since if it is absent from the Industrial Network it does not mean that the latter cannot exist.

Finally it should be noted that while one entity may be constitutive of another that does not guarantee that it will be also be a sufficient condition for that entity to exist. For example a collection of human beings without resources, other than themselves, may not be able to constitute an organization.

CO-CONSTITUTIVENESS

DEFINITION

The related term co-constitutive implies that causality can operate bilaterally. In other words entity A can have causal powers over entity B but entity B can also have causal powers in respect of A. For example two actors in an organization may have a conversation during which they try to persuade one another of a particular course of action. Even if nothing comes of the discussion both have been changed, to a greater or lesser degree, in terms of what they have learned during the discussion. Even when a direct order is given by a manager to a subordinate, and is accepted, they are both changed by the event. In accepting the order the subordinate clearly has been influenced by the manager. But the manager has also been changed, perhaps subtly, in the sense that not only will the acceptance have influenced his or her future behaviour but also the interaction that occurred during the discussion will have provided the subordinate with opportunity to influence the manager. In practice, organizational life involves the continuous occurrence of co-constitutive causes and effects.

It is notable that there does not seem to be an extant dictionary definition of co-constitutive; it appears to be a neologism. Nevertheless the term has been widely and increasingly used in many different social sciences. The following citations provide examples of such usages

identifying sets of entities that are judged to be mutually constituted; the co-constitutive entities are italicised in what follows.

EXAMPLES

MATERIAL /LANDSCAPE / GEOGRAPHY

“We argue that the cemetery can be explored as a bricolage by which *human and nonhuman agency* have been recontextualized so as to resignify the symbolic meanings of place in context. Moreover, *nonhuman agents such as trees* are co-constitutive of monitoring and resistance.” “Through one detailed case study, this paper explores some of the complexities, uncertainties and dynamics which permeate the essential interdependence between *people, trees and places*.” (Cloke and Owain, 2004).

“That *landscape and memory* are mutually constitutive of one another is a fact well-established by several decades of careful research and original scholarship into the politics of collective memory and urban space.”

“..the metaphors and questions that geographers have used to explore the *socio-spatial* relations that are co-constitutive with *memorial landscapes*”
(Owen, Dwyer and Alderman, 2008)

“..*urban sexuality* is one of the bonds of integration in modern societies; it is also co-constitutive of many of the particular features to be found in the modern modes of life that are established on the background of the city (such as *therapy and 'communities of taste'*)”
(Bech, 1998)

“Coding Community is an inductive study of the relationships between technological innovation, urban neighbourhood revitalization, government-performance measurement, and quality-of-life indicators. It is a recognition that cities are increasingly being geocoded, that the *urban and code-work* are co-constitutive. As public and private spaces are being 'linked up' to expansive data networks through sophisticated mobile and wireless geographic information technologies, this research analyzes particular, everyday moments of mapping occurring in ten neighborhoods within Seattle,” (Wilson, 2009).

“Household level research offers a powerful lens through which to highlight the co-constitutive links between *social reproduction and city-regionalism*.” (Jarvis, 2007)

“To investigate the dialectical relationship between strategies and structures, Jessop (1990, 2001, and 2002) has opted for a strategic-relational approach (SRA). SRA proceeds from the assumption that *strategies and structures* are co-constitutive of each other, implying that it is impossible to draw an ontological line between them” (Uitermark, 2005).

“A map is brought into the world and made to do work through practices such as recognizing, interpreting, translating, and communicating and so on. It does not re-present the world or make the world (by shaping how we think about the world); it is a co-constitutive production between *inscription, individual and world*; a production that is constantly in motion, always seeking to appear ontologically secure” (Gregory, 2010).

“He argues that this fundamental threat to our *deepest convictions of what we always thought we knew for certain about nature* is co-constitutive of our *general unwillingness to take the ecological crisis completely serious*”(Swyngedouw, 2006).

“However, as far as these narrowly delimited *publishing spaces* represent the principal zones of exchange and interaction for economic geographers, they also recursively shape the ways in which the field comes to know itself, just as they are to some degree co-constitutive of the subdiscipline’s profound *Anglocentricity*.” (

Jamie Foster, Chris Muellerleile, Kris Olds and Jamie Peck).

MEDICINE / HEALTH

“Although we can conceptually tease apart *organizational, clinical, and jurisdictional* axes of change and their situatedness within a *politico-economic and sociocultural* sector however vast the ways in which these changes are simultaneous, co-constitutive, and nonfungible they inform our conceptualization of biomedicalization” (Clarke, Shim, Mamo, Fosket and Fishman, 2003).

“We argue that *knowledge and normative assumptions* are co-constitutive of each other and pivotal to the ways in which both experts and non-experts reason about health innovations.” (Lehoux, Daudelin, Demers-Payette and Boivin, 2009).

“Social context, the conceptual framework for this study, is defined as the sociocultural forces that shape people’s day-to-day experiences and that directly and indirectly affect health and behavior (Burke, Joseph, Pasick, & Barker, 2009; Pasick & Burke, 2008). These forces include *historical, political, and legal structures and processes* (e.g., *colonialism and migration*), *organizations and institutions* (e.g., *schools and health care clinics*), and *individual and personal trajectories* (e.g., *family, community*). Notably, these forces are co-constitutive, meaning they are formed in relation to each other.” (Galen, Burke, Tuason, Barker and Pasick, 2009).

“In this way, critical realist social constructionism (hereafter, CRSC) posits that *discourses* are co-constitutive of *subjectivity*. Our embodied practices run alongside our discursive practices, shaping and constraining them at the same time as they enable and facilitate them. On the one hand, then, *discourses* are constitutive and call realities into being; on the other hand, there are extra-discursive influences that both constrain and enable the discursive constructs we can viably deploy. These extra-discursive influences can be organised into three broad and related categories: *embodiment, materiality and power*.” (Cromby, 2004)

“Concerned with the co-constitutive work of *national and global imagination* [1, 2], and with what has been theorized as the unfinished and open-ended “new universalisms of global culture” [32], we study in particular how digital imagery employed within pharmaceutical marketing positions embodied subjects through appeals to both “the national” and “the natural” (Asberg and Johnson (2009)).

“...the mutual and co-constitutive relationship between the *users and the technology* and the continued coexistence of both *positive and negative attitudes* among the users” (Jensen and Anestad, 2007).

LINGUISTICS

“...another alternative is to examine the *representation and the reality* as co-constitutive, and assume that alternative linguistic systems (grammars) will organize and constitute our world differently (but still retain some fidelity towards the world outside the representations).” (Wysusek, 2006.)

“To be fractal, a distinction must be co-constitutive, so that the terms—like *right* and *left* or *east* and *west*— define each other. Such co-constitutive contrasts can be used to organize virtually any kind of social fact: spaces, institutions, bodies, groups, activities, interactions, and relations. Furthermore, whatever the local, historically specific cultural prototypes or images that motivate oppositions like public and private, the distinction can be reproduced repeatedly by projecting it onto narrower and broader comparisons” (Gal, 2005).

“The aim of discourse analysis, therefore, is to explore the co-constitutive relationship between *discourse and social reality*, how discursive meaning systems are created and particular discourses effect individuals, groups, and life systems (Gergen, 1999)” (Porter, 2005).

“Like *discourses, semantics* are both indicative and co-constitutive of the *differentiation of society and its subsystems*” (Jaeger, 2007).

POLITICS

“These *strategies, projects, and experiments* are co-constitutive; they work through ongoing encounters, engagements, and contingencies, and the active working of *agents, discourses, and tactics*” (Larner, Le Heron, and Lewis, 2007).

“More specifically, the *ideal* and its *transgressive* enjoyment will here be understood as co-constitutive. ... Or, to put it another way, the ideal and its transgressive enjoyment are co-constitutive (in so far as they both pass through the subject)” (Glynos, 2003).

“For example, scholars such as Bhaskar, Giddens, and Wendt point to the structured relationship of co-constitution between social roles or structural positions such as Marxian class categories, and how their social capacities are defined in direct and specific relation to other roles or positions. This is how Marxist approaches consider, for instance, the co-constitutive social relations of *capital and labor* in capitalism.”(Barnett and Duval, 2005).

“Which is not to say that the book's contributors agree with Lee Kuan Yew that authoritarian government can be necessary for interethnic peace, of which I say more below. Rather, they reveal how *political regimes and ethnic identities* are co-constitutive” (Henders (2004)).

“First, through processes of semiosis, *objects and subjectivities* are socially constructed; they are also co-constituted and co-evolve in wider ensembles and social relations. Second, CPE emphasises the co-constitutive role of semiosis. That is, *agents have agency but agency is shaped by the extra-semiotic features of social relations*” (Robertson, 2007).

“Clearly, both ‘*politics*’ and ‘*economics*’ are in fact rightfully understood in the (I)PE tradition as being not only mutually co-constitutive to each other (rather than analytically or practically ‘separate’ and separable), but, equally, both are truly necessary elements of analysis” (Gills, 2001).

ECONOMICS

“...the economic and extra-economic are intimately interrelated and co-constitutive.” (Jessop and Sum, 2001)

“Clearly, both ‘*politics*’ and ‘*economics*’ are in fact rightfully understood in the (I)PE tradition as being not only mutually co-constitutive to each other (rather than analytically or

practically 'separate' and separable), but, equally, both are truly necessary elements of analysis" (Gills, 2001).

INFORMATION SYSTEMS AND TECHNOLOGY

"It is not enough to say merely that these elements are dual and co-constitutive, that *networks are constituted by stories, and vice versa*. Rather, there are certain essential mediating constructs without which an understanding of this co-constitution is impossible" (Mische, and White, 1998)

"Unless, we see the intimate co-constitutive relationship between the '*technical*' and the '*social*' we will not grasp the full ethico-political import of our often unquestioned embrace of technology. Latour (2003) suggests that both *humans and non-humans* share a common and ongoing co-constitutive history: "Humans and nonhumans are engaged in a history that should render their separation impossible." (p. 39). More than that, they do not merely share a common history; they are each other's common history" (Introna, 2007).

"This view is challenged by other academics and HTA producers who stress the fact that *society and technology* are necessarily co-constitutive and that values are found in both" (Lehoux and Williams-Jones, 2007)

LAW

"...co-constitutive theory explores both *how law shapes society and how society shapes law*. Law and society researchers, for example, have "examined the ways in which the boundaries of *race, religion, social class, gender, ethnicity, and nationality* help constitute and give meaning to legal phenomena, as well as the ways in which the law's intended and unintended consequences help constitute these social categories" (Nice, 1999-2000).

"..we conceptualize the co-constitutive relationship between *law and politics*, and incorporate the multiple forms of legal-political expression that constitute *power relations and dynamics* into our analysis" (Bach and Lapointe, 2010).

INTERNATIONAL STUDIES

"Olof Palme (1968: 202) was a champion of this way of reasoning and his conviction was that 'solidarity has no boundaries', thus suggesting a mutually co-constitutive relationship between *domestic and international appeals to justice*. Phrased differently, the domestic and the international realms are part of the same narrative rather than two separate entities" (Bergman, 2007).

"What is important to clarify here is that the IIEU is co-constituted by the interplay of *polity perspectives and role representations*. In co-constitutive terms, because the EU is not perceived as representing, and does not seek, military power, it is unlikely to develop a Westphalian-type policy necessary for the legitimacy, capability and exercise of military power" (Manners and Whitman, 2003).

CONSUMPTION

"..recursive co-constitutive relation between *consumption and embodied but also materially distributed competence*,..(Watson, 2008).

"..that '*personal*' and *societal processes*, both local and extra-local, form a system in that they are inseparably interwoven and co-constitutive, though the grain of analysis moves from

one level to the other at different moments depending on the nature of the question” (Falmagne, 2004)

ORGANIZATION

“..an account of identities in organizations spun out from the concept of a *network-domain*, abbreviated as *netdom*, a term that attempts to capture the interweaving of network ties with domains of meanings and, as Grabher (2006) notes, is central to the entire *Identity and Control* framework. “While it is generally accepted that identities are socially constituted, our perspective implies that *identities and netdoms* arise interdependently and are therefore ‘co-constitutive’ in ways comparable to Bourdieu’s ‘theory of practice’ (e.g. 1977), Giddens’s ‘structuration theory’ (e.g. 1984) or Weick’s ‘enactment’ theory (e.g. 1979)” (Corona and Godart, 2010).

“It is in this way that *appraisal and commitment* are mutually co-constitutive – and may be present as aspects of the same intervention – but are nonetheless for our purposes analytically distinct.” (Smith and Stirling, 2006).

TIME

“Reference is made to generic decision ‘dilemmas’ commonly experienced across the sample: housing affordability, childcare shortage, transport failure and school choice. These illustrate the co-constitutive nature of *urban inequalities and city time*. Nevertheless, to explain how urban inequalities and differential hurriedness are co-constitutive, a framework of theory is required which makes *time, space and situation specific social processes explicit*.” “Again, Sayer (2000) warns against the erroneous use of ‘space’ and ‘time’ as contentless abstractions (separately, or together). He argues instead for a concrete, situated analysis: space–time– matter. Thus, space and time are not considered important in a general or universal sense, but rather as a specific set of contingent relations (of time, and spaced persons) that may, or may not, enable a causal process” (Jarvis, 2005)

“Alternatively, the *socio-temporal and institutional* orders may be conceived as interdependent or co-constitutive domains. Just as Leibniz proposed that time is constituted through the passage of events it may be held that *social activities and institutions* are themselves constituted in part through their *temporal* organization.

As a practical matter, the scheduling of daily activities is precisely what permits institutional differentiation, specialization, and the segregation of various occupational and bureaucratic practices from other domains of social life” (Clayman, 1989).

EDUCATION

“In tracing the shifting relations of learning to teach through a pedagogy that spans different spaces or locales, I tell a story of the co-constitutive character of *pedagogy and spatiality*” (Mulcahy, 2011).

“*Practices* in which a person participates are co-constitutive for this person’s *identity*” (Lamber and Ramaekers, 2006).

INDUSTRY / ACADEMIA

“*Industry* is now increasingly present within *academia*, potentially co-constitutive of the knowledge production ... in an asymmetrical way, the university through these institutional innovations is also co-constitutive of its industrial environment (Leydesdorff and Etzkowitz, 2001)” (Laukkanen 2003).

RACE

“This intervention piece attempts to extend the ways *neoliberalism and race* are currently conceptualized in geography. Rather than thinking about these concepts as two separate entities, we insist on examining their co-constitutive qualities.” (Roberts and Mahtani, 2010)

SOCIOLOGY

“Gender and sex should be thought of as co-constitutive and inseparable. ... “(Weber, 1998)

MUSIC

“Poovey’s larger point is to demonstrate that *facts and theory* together produce knowledge and is co-constitutive. Further, she asserts that modes of representation not only “embody or articulate available ways of organizing and making sense of the world” but also “inform what we can know.” (Lockhead, 2006).

It is interesting to note that quite early on in the life of the CCO movement there was some recognition that organization and communication were actually co-constitutive. “We shape our environments as they shape us: how we shape them and are shaped by them is a matter of practice. We thus see organization and communication as co-constitutive; that is, organization emerges in and through communication (Dewey, 1916 [1944]), but the material, social, and linguistic residues of yesterday’s organization influence and enfold into communication. It is an enacted world that we occupy.” (Taylor and Robichaud, 2004).

A CRITICAL REALIST CO-CONSTITUTIVE MODEL

A simple example of a co-constitutive process is when an entity (such as a human actor), acts in order to elaborate or consolidate its structure (for example accessing some information via an actant such as a database). In the process the entity itself will be changed in that the information is now known to this, another, human actor. The distribution of that information to a new human actor could well be regarded as a part of the actant’s changed structure and an exercise of its power. The individual is also changed in that s/he now has not only the information itself but knowledge of what they themselves have done and, to some extent, its consequences.

Given the nature of organizations, the most obvious example of a typical co-constitutive process is an interaction, specifically a straightforward conversation, between two human actors. In the process it is inevitable that each actor will obtain information from the other actor and that, in addition, some material exchanges may have also occurred. Both actors would inevitably have been changed by such an exchange. A resource, any combination of their knowledge, perceptions, attitudes or intentions, might have been altered and future behaviours may have been affected, although the magnitude of those changes will vary from the substantial to the minute.

Another example would be when two actors in an organization have a conversation during which each tries to persuade the other of a particular course of action. Even if nothing comes of the discussion both have been changed, to a greater or lesser degree, in terms of what they have learned during the discussion. Of course those powers may not be consciously exercised.

Even when a direct order is given by a manager to a subordinate, and is accepted, they are both changed by the event. In accepting the order the subordinate clearly has been influenced by the manager. But the manager has also been changed, perhaps subtly, in the sense that not only will the acceptance have influenced his or her future behaviour but also the interaction that occurred during the discussion will have provided the subordinate with opportunity to influence the manager.

In any of these cases the information received and sent could be regarded by either or both actors as valueless; the conversation a waste of time. If so, eventually the memory of it will weaken and it will fade and give up the ghost. However until that occurs its traces will still form parts of each actors' mental structures and it may even be recalled and acted upon when triggered, most obviously when it helps to explain some aspect of a current situation. Of course the resulting "structural" changes may be minor or even negligible but they could also be crucial to either or both actors and to the organization as a whole. In practice, organizational life involves the continuous existence of co-constitutive causes and effects.

CO-CONSTITUTIVE PROCESSES
A MORPHOGENETIC APPROACH

While it is not necessarily difficult to argue that particular entities are co-constitutive of each other, it seems prudent to discuss both the ontology of constitutiveness, and its implications for co-constitutive processes, in order to ground the argument philosophically.

How two or more social entities relate to, or more specifically, affect one another has been a subject of academic debate for decades. One of the most useful approaches to the issue is provided by Critical Realism, an ontology which is becoming increasingly widely used across the social sciences, including, as pointed out earlier, in the Industrial Networks group.

The particular approach used here is one provided by Archer. It is a morphogenetic approach which she calls "analytical dualism". In terms of the key entities central to the approach they are the almost traditional; structure and agency. "First, structure and agency are *different kinds of emergent entities*, although space precludes entering the debate about emergence here. This is shown by the differences in their properties and powers, *despite* the fact that they are crucial for one another's formation, continuation, and development. As Bhaksar put it succinctly: "People and society . . . do not constitute two moments of the same process. Rather they refer to radically different things" (1989:76). Thus, an educational system can be centralized, while a person cannot, and humans are emotional, which cannot be the case for structures." (Archer, 2010, p275).

In terms of practice she identifies two basic processes, morphostasis and morphogenesis, and 4 sequences. "My generic aim is to account for what forms of interplay generate morphogenesis at one extreme and morphostasis at the other,..." (Archer (2010, p274). "Morphogenesis refers to "those processes which tend to elaborate or change a system's given form, structure or state" (Buckley 1967:58), and morphostasis to processes in a complex system that tend to preserve these unchanged." (Archer, 2010, p274). Figure 1 below is a diagram of the morphogenetic sequences.

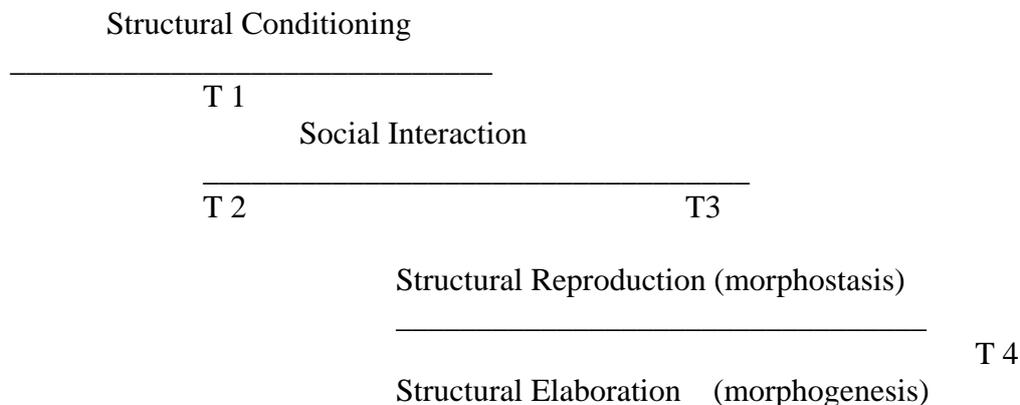


Figure 1 The basic morphogenetic sequence

During period T1 the system is conditioned by either habit or reflexivity. Between times T2 and T3 social interaction takes place which leads to situation T4 when either or both of morphogenesis (structural elaboration) and morphostasis (structural reproduction) occur.

In terms of the mechanisms involved Archer argues that “Nothing social is self-sustaining; a myriad of agential doings (including reflecting, believing, and imagining) and social relations alone (the cohesive and conflictual relationality of groups) keep any higher level social entity in being and may render it relatively enduring.” (Archer, 2010, p275). Put another way, energy and action are required simply to stand still.

However sustenance is not the only process that is involved. The entities involved and their actions have to be identified. (“...some actors and actions are irrelevant to sustaining centralization, some are more important than others, and further doings counteract one another so that the *status quo* continues *pro tem*. The point of the morphogenetic approach is precisely to specify the “who’s who” and “who does what” in social transformation.” (Archer 2010, p276)

And, of course, organizations do not simply stand still; they evolve and change. “Action of course is ceaseless and essential both to the continuation and further elaboration of the system, but subsequent interaction will be different from earlier action because conditioned by the structural consequences of that prior action. Hence the morphogenetic perspective is not only dualistic but *sequential*, dealing in endless cycles of – structural conditioning/social interaction / structural elaboration – thus unravelling the dialectical interplay between structure and action. (Archer, 2010, p258) (Italics added)

In practical terms, this means that the entities involved and their actions and effects over time have to be discovered and from that, explanations suggested.

THE “PARTS- WHOLE” / MACRO-MICRO ISSUE

The model of co-constitution at the level of individual actors and their activities described above refers largely to what might be described as the micro level of behaviour in organizations. There is an ontological issue involved in this statement. Most activities in organizations are undertaken by individual human actors and / or actants. Without actors resources could never be utilised; without resources actors could achieve nothing. However it is the multiple combinations of activities by individual actors and actants in relation to sets of individual resources that ultimately constitute organizations at the macro level. These “macro” resources, for example a good brand image, excellent logistics capacity or stable interorganisational buyer –seller relationships, support continuous exchange processes which provide access to a variety of external resources which, in turn, allow the organization to continue to exist, and perhaps grow and flourish.

The ‘parts–whole’ issue, (also known as the micro-macro issue) is concerned with how to understand the various relationships between and among these entities. For example, as in the case discussed below, how a particular project in an organization led to particular changes in the relationship between that organization and another.

Once again Archer has discussed this issue (Archer, 1982, p471). “The ‘parts–whole’ account proffered from the morphogenetic perspective links structure and interaction in an entirely different way – the structured whole being understood in terms of the social processes which articulate relations between individuals and groups.

“In contrast to the (*Giddens*) structuration approach there is investigation of *processes* instead of imputation of ‘principles’, and identification of *mechanisms* in place of the interpolation of ‘modalities’. This account of the whole as a negotiated order is based foursquare on the following assumptions which Giddens barely acknowledges and grossly underplays:

- interaction generates emergent properties which must figure in explanatory statements;

- scope is a crucial variable which precludes an undifferentiated theory covering the micro- and macroscopic;
- the dynamics producing the elaborating the complex whole *can be modelled*.

By working through these sequentially I will seek to show not only that a better ‘parts whole’ account results but also one which fulfils Giddens’s desiderata of treating society as consisting of parts in tension and of understanding the totality as implicated in its parts (Giddens 1979: 111).”(Archer, 1982, p475).

The key issue is the relationship between micro and macro entities in this dynamic model and, particularly, the nature of scope in this context. She points out that “As Blau puts it, ‘although complex social systems have their foundation in simpler ones, they have their own dynamics with emergent properties’ (Blau 1964: 20). The latter can arise at all levels from small scale interaction upwards, although as scope grows they are increasingly distanced from everyday psychological dispositions but are never ultimately detached from interaction. The highest orders of emergence are nothing more than the relations between the results of interaction. Nevertheless these ‘feed back’ to condition subsequent interaction at lower levels.” (Archer, 1982, p475).

A key point here is the relationship between interaction and institutional structure. “Emergence is embedded in interaction: in the latter ‘we are dealing with a system of interlinked components that can only be defined in terms of the interrelations of each of them in an ongoing developmental process that generates emergent phenomena – including those we refer to as institutional structure’ (Buckley 1967: 125). Emergent properties are therefore relational: they are not contained in the elements themselves, but could not exist apart from them.” (Archer, 1982, p475).

Archer then comes full circle when she writes “Thus *thefirst implication* of a full acceptance of emergence is the need to *disentangle themicro–macro connections* which lead to the genesis of social structures.” (Archer, 1982, p476). She then provides more detailed advice as to how this might be achieved. “In this perspective the task ‘is to specify and conceptualize the *processes and mechanisms* by which the more complex and indirect sociative structures or communication matrices are generated out of less complex, less indirect and patterned sociative processes – on how the former feed back to help structure the latter; and on how each may continually interact to help maintain or to change the other.’ (Buckley 1967: 128).” (Archer, 1982, p476).

She then adds “The second implication of emergence is the need to grapple with the ongoing interplay between micro- and macro-levels, where the broader context conditions the environment of actors whose responses then transform the environment with which the context subsequently has to deal, the two jointly generating further elaboration as well as changes in one another.” (Archer, 1982, p475).

Further, Archer quotes work by Blau as an example of how this process might be carried out. “Blau provides a starter motor at the micro-level in exchange relations, derives integration (reciprocal exchange) and differentiation (power stemming from lack of reciprocity) directly from these elementary transactions, and shows how macro-level political organization with its inherent tension between legitimation and opposition are indirect consequences of them. (Blau, 1964. p246)(Archer, 1982, p476)”

Finally Archer, unwittingly perhaps, points out a link between her concept of morphogenetic process and the co-constitutive literature. “From the morphogenetic perspective the whole is implicated in the parts in two senses – it emerges from them and it acts back upon them – though the full implicative force can only be grasped *over time* since feedback takes time.” (Archer, 2010 p246).

What this argues is that co-constitutive relations can exist between entities at different macro and micro levels as well as entities at the same level. Indeed understanding such relations is

crucial in order to help explain the complexities of organizations, their inner workings, and their outer relationships.

EMPIRICAL DATA

In order to demonstrate both the power of the approach described above, and its limitations, a case study was chosen as the most appropriate form of data to use. The case study description provided below does not begin to mirror the richness of the data that was generated by the actual action research study. However it does offer some insights into how the concepts previously described can be used and to demonstrate their power even these limited circumstances. We would like to acknowledge the generosity of its employees, at all levels, in allowing us to tinker with their organization. However we are, for obvious reasons, not identifying it.

THE FITCORP UK CASE STUDY

Fitcorp UK was a subsidiary of a US corporation, Fitcorp US, which manufactured and marketed consumer durable products. The product ranges were very wide and there was a relatively rapid turnover of individual products and ranges. The retail market structure was highly oligopolistic in the UK with just 4 retailers accounting for the vast majority of sales to consumers. In addition Fitcorp UK was facing strong competition in the UK from subsidiaries of major international competitors. As a result of contacts between a UK management school and Fitcorp UK a mature, experienced action researcher was given permission to study the operations of the organization. It was further agreed that he would convene and facilitate a task group involving senior managers from all the key departments in the organization. Their objective would be to improve Fitcorp UK's account strategies, Key Account Plans, Key Account Managers, and business improvement processes. It was believed that these current deficiencies resulted in poor customer relationships and trading positions with the retailers, the retailer SHOP being the worst case.

The task group met a number of times and tasks were allocated to group members in between the meetings. From the beginning an atmosphere of free speech and a "let's face facts" attitude from all functional managers became the norm. It soon emerged that the group agreed that Fitcorp UK personnel were neither very clear about SHOP's requirements (*I think that we all have a differing understanding of where we are with SHOP at the moment.*) nor very happy about Fitcorp UK's ability to coordinate their relationships with customers (*"Why are we doing this project? ...you asked this – well, it's about putting all the elements of the business togetherto provide a fully integrated approach to doing business with the retailer. This is across customer operations, across marketing, and across product"*).

On the positive side, Fitcorp US had developed and marketed a new product, RED a new US sub-brand, which had been very successful there. It was planned that it be launched in the UK in around 7 months from the first meeting. The task group recognised early in the process that RED was a great opportunity to better relationships with, and improved profits from, SHOP (*"What this hope's to achieve with RED is to elevate our brand status in SHOP because it takes it to another level."*). The task group worked hard to ensure that the RED launch would be managed by the task force. (*"It has to be this (task group) who will take responsibility for the RED launch and to make it happen. This is about embracing change and working differently.*) It was agreed but it was also made clear by the board that "failure would not be an option". It was also agreed that Marketing would be the lead actor for the project (*"Globally, it's a [RED] marketing initiative and I think you (X) have a closer hand on what all this means."*). The issue of appointing a SHOP Key Account Manager was suggested and hotly debated. (*"We need someone who is going to be responsible for all of this RED – who would be up to the task of being the SHOP Key Account Manager?"*).

(“What we are doing here is getting into the usual Fitcorp thing of having a load of people running about in all directions. Give someone an opportunity that their life depends on it, and don’t bring in all the others to try and share the management of the situation”. Eventually it was agreed to and an appointment was made. In addition a substantial Account Support Team was also chosen (“There has to be enough feedback from the AST teams and to coordinate the activity and to involve all the relevant individuals in the business to make it happen. They have to make it happen but we are here to help them.”)

The task group’s and the project’s legitimacy with the UK board became an issue. *“Is it too soon, have we thought about it enough, have we nailed it down?”* (Sarah) *“Do you think they’re really going to let us do this with RED?”* The marketing representative in the group was to present the task force’s initial thoughts and forward plan and he said *“All of us have to be talking when we present this brief (to the board) – not just me from Marketing.”* The action researcher commented *(... are we right in saying that we are going to take this to them and make it out as a recommendation of the way we will be doing business?)* *(“With the board, we need to be saying to them, this is what we are doing as a group in the immediate term. (The MD) has to have backing for this (project team) and back it blind!”)*

At the same time there was increased pressure on the UK board and consequently, on the managers making up the Steering Group, to successfully land the concept. *“This (RED) is something which we can use to make a difference with how we are currently having to deal with the likes of SHOP. We can really take back some control here.”*

The team next developed a positioning document for the RED at SHOP launch, taking into account all the functional viewpoints around the grouping. *(“This process gets you to the stage of having to define what RED is and what it is not.”)* They also discussed what effect RED could have for SHOP in relation to one of RED’s main retail competitors, DED as well as *(...trying to define who those consumers are who are going to go and shop in SHOP and how RED can help them with that”)* .)

The task group also began to be concerned about how the RED US product line would appeal to the UK market. *(“How can we make this work – it has to be American, but not American – this is the dilemma we are facing here.”)* *(“There are not many synergies here (for RED) with what SHOP will be getting or what we will be able to offer them....)* *(“I think we need to be making the important distinction between the US feel of the product and the US marketing as being US and the feeling from the SHOP account that it has to be urban here in the UK. The point of view coming from the SHOP account is that they see RED as being a key driver for success, but they do not want it to be forced Americanism”.*

Another outcome of the detailed planning process concerned the longer term. *“We need a critical path about how this is going to go in the future – we are all well and good at getting this ramped up, but then what about the next quarter – shit, what’s going to happen in Q4?”* One possibility was suggested. *“Yeah, we have to force the issue with the US – and get them to keep coming up with good product to keep the momentum up here in the UK. We need to get a couple of us on a plane and give them in the US the run down of where we are and what we need to continue in the future.”*

In addition they felt in a position to get tough *““We have got to challenge RE and push them because that’s what RED is about”. “They (SHOP) should have no say in this. How we will look in store, is a no go area for them...from a marketing point of view, we should have all the control and they should have no say in this. With the product, I can see the need for a degree of flexibility with RE and we need to retain some control.”*

Another key issue was what volume of product the UK RED launch should have as a target. The options were to use RED to pull through via branding and limited levels of exclusive stock versus the US pressure to sell mass volume RED product in order to hit hefty, short term financial targets. *“I am quite nervous if we go to heavy into figures, turnover and*

volume – I feel we will have to go into marketing overspend in order to make this work.” The sales view was immediate and frank “No – it’s all about sell through and getting big figures.” “If the US come over and say this has been an absolute dream for us in the US (RED), then the pressure is on.” In addition another problem emerged “– the product that we put in (SHOP) from May onwards this year - has just been a catalogue of disasters, and we cannot afford to let that happen again because we will just be out of there. I think there is more to lose by doing that, i.e. going for the volume sell.” Nevertheless this was a first for Fitcorp – to have members from all business functions participating in a debate regarding the best line of attack for a new product launch.

The first presentation of the RED product line to SHOP senior buyers and board was due to take place four weeks hence in Fitcorp US’s offices in New York City. *“We have to take full advantage that this group of people – the SHOP decision makers are going to be in the Fitcorp NY building and we need to close this deal when they are there. For the first time ever with Fitcorp, this team can plan ahead so we should be therefore in a position where they walk out of that room, and we have to close them on exactly what number of units they have agreed to take from us and in which ranges.” “What I want, and what I think this team can deliver, is a listing of what we are going to do and when – bit by bit over all the marketing media campaign leading up to the launch of the RED at SHOP – and how we are going to link SHOP back into it.” “One thing, we need to have some different options up our sleeves, cos with SHOP, you never know what they’re going to do next.” This last comment proved to be prophetic.*

“It was a resounding success [the RED Launch with RE] and what it has allowed us to do is to really break into some new areas and get the marketing meetings up front ahead of the product which is always a challenge for us. And right the way through so that it can take into account the marketing and customer ops – so that we can call them and say, ok, this is the programme that will be coming through.”

“Yeah, right down to the number of stores we were asking to go into. We knew there might be a fight about this but then they realized we had done a lot of ground work and we had been working with the field teams and visited the stores. That had been a criticism by the major accounts before – that Fitcorp UK does not know its accounts.” ““At the moment, and touching a lot of wood, it’s far more positive than I think we could have hoped for.”

Finally, despite six months of increased levels of coordination from the task force in fashioning a viable RED proposition for SHOP, the same problematic relationship issues with the brand conscious SHOP product buyers came through; neither the Fitcorp brand, nor the RED sub brand had enough strength to fend off the competition in the eyes of the RED buyers. Fitcorp UK were offered only 10% of SHOP’s windows and RED was judged a resounding failure by Fitcorp UK’s staff.

““SHOP are prone to a non collaboration and combative attitude in doing business...there’s a lack of strategic planning, no long term thinking. [They] are reactive only to current opportunity...they do not have a 3 year analysis of business plan, either.”

“Again, this might well be yet another perfect example of Fitcorp UK’s internal mechanisms coming up with fantastic plans of Marketing, Sales planning, and seeding for their newest and, some would say, most vital product for years, and yet they have no idea of what their retailers are thinking.” “(See the contact report from RE regarding the fact that “Fitcorp are not on RE’s radar” and that they are not even in the top 4 manufacturers this year).

“Again, this can be seen in terms of a total lack of communication and moreover and more importantly, and complete lack of understanding from Fitcorp UK’s point of view, of exactly what their main customers are actually asking for.”

Once again, despite all the task group’s best endeavours, a lack of insight into, and understanding of, SHOP had been Fitcorp UK’s undoing.

CONSTITUTIVE, CO-CONSTITUTIVE AND MICRO-MACRO RELATIONS

In providing examples of constitutive entities and co-constitutive and micro-macro relationships from the case material we will adopt the strict definition of constitutive provided previously i.e. a constitutive entity is an essential part of another entity without which the latter entity could not exist; an essential element. In Critical Realist terms such an entity causes another to exist and function.

CONSTITUTIVE ENTITIES

An obvious case of constitutiveness in the case study is the task group, which was constituted by a particular set of human actors. Clearly if those actors had not been involved then the task group could not have existed. One interesting aspect of the task group was that it did not always involve exactly the same group of people. There was a core group and others who attended some of the time. Moreover the task group comprised actors from very different back grounds and organizational roles and positions as well as displaying diverse individual psychological elements (knowledge, perceptions, attitudes, commitments etc). Yet, on the whole, despite sometimes heated debates, the actors came to agree about the fundamental issues facing Fitcorp UK and what actions were actually to be carried out, singly and jointly. Thus the task group, despite its varied composition, acted as a powerful and coherent agent in its attempt to change key aspects of the organizations' culture.

Another group, somewhat different in character, was Fitcorp UK's board. First of all it was a permanent entity although the actors changed over time. In addition it could well have been necessarily constitutive of the organization depending on its legal form. Forgetting the legal position it would be difficult to argue that, in this case, the board was not constitutive of the organization. Almost every organization, of any size, has a group vested with powers to manage the organization whatever that group might be called. However the size criterion alone immediately suggests that boards in general cannot be regarded as constitutive of all organizations. Also, in this situation, it would also have depended on the nature, legal and otherwise, of the relationship between Fitcorp UK and Fitcorp US.

RED, the new product line launched successfully by Fitcorp US is not constitutive of Fitcorp US since while its demise might be a major problem it would not necessarily lead to the end of Fitcorp US. However RED can be regarded as most likely constitutive of the task force since without RED the rationale for an attempt to gain ground with SHOP would have been far more difficult and either or both of the task force members and the board would probably have axed the task force before it had a chance to change the situation.

Finally moving to the market / network relationships level, Fitcorp UK cannot be seen to be constitutive of their market and industrial network in the UK. If Fitcorp UK disappeared that market and industrial network would remain though in a different form.

CO-CONSTITUTIVE RELATIONSHIPS AND PROCESSES

Co-constitutiveness means that entities mutually constitute one another. For example parents and children co-constitute one another. Buyers and sellers are also co-constitutive. Co-constitutiveness means that causality is operating bilaterally. Entity A has causal powers in respect of entity B and vice versa. In practice, organizational life involves the continuous occurrence of co-constitutive causes and effects.

One of the most obvious co-constitutive situations in the Fitcorp UK case study was that which existed in the retailer market. Each retailer had causal powers over the other retailers by virtue of the oligopolistic nature of the market. Any actions that one retailer might take would be recognised by the human actors in the other retailers and might result in market actions of some kind. However even if there was no overt market action it would still cause

changes in the knowledge that human actors in those retailers would then know and that could then lead to other changes in individuals, groups and possibly the whole organization. Finally, it might causally influence actions taken.

The Fitcorp UK task group as an entity, and its constituent members provides, a good example of internal co-constitutive relationships. There were, firstly, processes by which the task group members, inside and outside the meetings had causal powers in relation to the other task group actors. The processes involved both face to face and remote discussions and included, for example, putting forward ideas, listening to others, debating options and agreeing course of action. These were some of the ways in which the actors involved influenced others and were themselves influenced.

Secondly, in their original discussions the actors created a (largely) common view of what the issues were and how they might be resolved. This can be described as a bottom up, or more precisely, an emergent, process. The task group took on an identity which was recognised by both its members and those outside the group. The actors then undertook a series of actions which can be represented as actions in the name of the task group, which had become a powerful entity in its own right. By virtue of the power devolved to the task group by the organization, this led to further outcomes. These consequences then informed the ensuing discussions, decisions and further actions until the task group was finally disbanded.

MICRO-MACRO RELATIONSHIPS

The term micro, in this case, refers to the powers and actions of individuals and the non human resources they command. The term macro refers to the powers and actions of identifiable organized aggregations of such individuals and their non human resources. However it should be noted that micro-macro in this situation refers to a continuum of positions rather than two polar opposites.

In order to explore the data further it is helpful to repeat Archer's views on how it might be done. "...the task is to specify and conceptualize the processes and mechanisms by which the more complex and indirect sociative structures or communication matrices are generated out of less complex, less indirect and patterned sociative processes – on how the former feed back to help structure the latter; and on how each may continually interact to help maintain or to change the other." Further, Archer argues that "The second implication of emergence is the need to grapple with the ongoing interplay between micro- and macro-levels, where the broader context conditions the environment of actors whose responses then transform the environment with which the context subsequently has to deal, the two jointly generating further elaboration as well as changes in one another."

It is implied from the Archer quotes above that she is discussing continuous processes in organizations. She largely concentrates on their reproductive nature. However the study described here was project based. The project had a beginning, a middle and an end. In one respect therefore it was not fully representative of organizational life. On the other hand, it was very insightful to follow the creation of new entities when the actors concerned had to talk through what the problems were and how they might be resolved.

The nature of the macro concept, in an organizational context, can be analysed in terms of two characteristics. Firstly, an organization, as a macro entity, has the capacity to undertake a vast number of activities and comprises a huge number of different kinds of resources, including human beings. However these are not separate or separable entities since organizations act in a coordinative fashion, in the world and by doing so, survive. Knowing how they achieve this is very difficult to fully comprehend. Micro – macro analysis is an attempt, however challenging, to understand how this might be done.

The second characteristic is that human actors in and working with, and against, other organizations can never fully comprehend the totality of the micro to macro complexity they

face and so simplify their models in order to make their decisions. For example the following comment from the case study provides an example of such simplification and generalization. *“No – it’s all about sell through and getting big figures.”*

In what follows a summary attempt is made to identify some of the causal processes of the described in the case study relating the micro level and macro level to each other. Several key mechanisms were identified; only two are described here. However they were really rather crucial to the organization. .

Firstly, the largely serendipitous, and initially micro level involvement of the action researcher in Fitcorp UK, was hugely influential in terms of the subsequent events. The suggested mechanism involved is catalysis. A catalyst is an entity which is actually involved in a process but which is regenerated and not consumed or totally modified by that process. Since the action researcher was not employed by Fitcorp UK he could act rather more independently and wield more power than members of the organization. Without the involvement of the action researcher the resultant actions would have been very different. For example Fitcorp UK’s Managing Director initially agreed to the appointment of the action researcher who then suggested and got permission to create the somewhat more macro level “task group”. The MD also agreed to the original rather open terms of the project, “...to improve Fitcorp UK’s account strategies, Key Account Plans and business improvement processes”.

The second mechanism, evident throughout the project, was the classic differentiation - integration duality (Lawrence and Lorsch, 1967). It was clear that Fitcorp UK was out of balance with respect to this basic organizational attribute. Overall there was a high degree of organizational differentiation and a much lesser degree of organizational integration. In setting out the goals for the project the Managing Director implicitly identified this as a key problem.

The attempt to use Fitcorp US’s RED sub brand was an example of an integrative organizational mechanism. Its appearance, at a macro level, was seen as a way of getting into the SHOP account. Red was a very complex macro entity, comprising a whole variety of different, even more micro entities such as various materialities, a brand, sub brands, country of origin images and a reputation of being successful in the US. The task group fought and won the battle to use RED as the spearhead for their SHOP campaign. However it was also made clear that they had to “...successfully land the concept.” In the short term it appeared to provide a readymade solution to the SHOP problem.

This macro level decision was cascaded down into a whole series of differentiated micro level tasks such as appointing marketing as the lead department and designating a Key Account Manager and Support Team. For the first time all business functions were involved in the process of deciding the best way to pitch the business. Key strategic and macro level issues included the US brand image of RED, which it was thought would not go down well in the UK, overcoming the resistance that SHOP might have to the RED campaign and whether to go for sales volume or exclusivity. In all these cases the decisions to be taken were debated with the departments concerned (marketing, sales, product management etc) in macro to micro mode. The first presentation of the RED product line to SHOP senior buyers and board members duly took place in Fitcorp US’s offices in New York City and was described as a “resounding success”.

However a few weeks later the SHOP buyers more or less discarded the RED products in favour of other competitor’s offerings. This was said to be due to rejection of the basic US based RED proposition in the UK, SHOP’s short term horizons and the strength of Fitcorp UK’s competitor offerings. Quoting one of the key Fitcorp UK’s staff “Again, this can be seen in terms of a total lack of communication and moreover and more importantly, and complete lack of understanding from Fitcorp UK’s point of view, of exactly what their main

customers are actually asking for.” It is difficult not to conclude that while Fitcorp UK’s integration had improved; parts of its differentiated organization were simply not up to the task.

CONCLUSIONS

In this paper we believe we have attempted to demonstrate an alternative ontological approach, not just to the study of organizations but to the study of any social entities. The concepts of constitutiveness, co-constitutiveness and micro-macro emergence provide a powerful set of related concepts that offer a novel approach to theorising about organizations and their internal and external relationships. If adopted, it would move researchers from a situation in which concepts are created and are used to describe, rather generally their nature and the way they act, to one in which we conceptualise the powers and liabilities of identified entities and attempt to discover whether and how their interactions are morphostatic or morphogenetic, in Archer’s terms. In particular, this approach is particularly useful to IMP research topics since it links the local within organization to the general between organization situations.

However while we believe that the ontology works really well we are somewhat concerned about epistemology and research methods. It seems evident that the only way to carry out research in this vein is via rather detailed and searching case studies. Such studies are evidently expensive and time consuming to conduct. Moreover we were also aware that the data we used for the case study was not collected with this ontology in mind. If it had been there would have had to have been much more detailed follow up of some of the actions that were taken. And some actions were not recorded properly because their importance could not have been recognised at the time. In particular, micro-macro emergence processes have to be described in a rather gross way and be evident in terms of their effects to be predicted in advance, clearly a major research stumbling block. However the above caveats could be true of almost any kind of research method.

There are important ontological implications that follow generally from the acceptance of the notions of constitutiveness, co-constitutiveness and micro-macro emergence. To constitute means that one entity cannot exist without another. Many, if not most, of the concepts we use in IMP research and conceptualizations are constitutive of other entities. Actors and resources for example are constitutive within and between themselves. Moreover, actors and resources are also largely co-constitutive. Yet these important aspects of their relationships are generally ignored. Finally micro-macro relationships are a matter of enormous importance to the IMP community but their co-constitutive nature is almost never researched and certainly never considered in co-constitutive terms. Of course it would be difficult to do so but one starting point would be to study a particular buyer seller incident and work backwards and “downwards” through both organizations to see what actions were involved using the Archer approach. Apologies, in advance, to all those who have already done!

Finally, there is one interesting exercise that might be worth someone carrying out. It would be to examine some of the correlational research which implies that the organizational variables being measured assumes that the entities involved are not co-constitutive when clearly they should be. Put another way, are feedback loops being ignored?

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