Entering pre-emerging markets:
the influence of actor legitimation on international network dynamics

- Jan Hermes & Tuija Mainela -
Dept. of Mgmt. and Intl. Bus., Oulu Business School, Oulu, Finland

ABSTRACT

This study examines actor legitimation for entry into institution-changing international networks in pre-emerging markets. Based on organizational legitimacy literature actor legitimation is regarded as an integral element of institutionalization as it allows for the emergence of international networks which promote institutional change toward a sustainable society and ultimately contribute to building peace. This discussion is enriched with research on networks in legitimation processes to conceptualize actor legitimation as a network-embedded process. Drawing on twenty interviews with governmental, non-governmental and private sector actors involved in the peace-building process in Myanmar/Burma, we explore the dynamics of the legitimation process of actors from a network perspective in a turbulent and unpredictable setting. Based on an investigation of 81 actor legitimation episodes we contribute to the discussion on dynamics of internationalizing networks through a conceptualization of actor legitimation for network entry in turbulent contexts. Actor legitimation in these settings is a recurrent, contextual process consisting of pragmatic legitimation episodes which over time entail profounder moral/normative actor legitimacy and segregation effects within the network structure.

Keywords: network entry, organizational legitimacy, legitimation, unpredictability, turbulence, Myanmar, Burma

INTRODUCTION

Long agreed in an entry to a new market the question is about entry to a new network and the ability to position oneself in it (Johanson & Mattsson 1988; Johanson & Vahlne 2009). Entering culturally and structurally challenging emerging market networks has been seen to set particular requirements to a new actor with respect to its relationship building (e.g. Elg, Ghauri & Schaumann 2014). Before (and while) an organization starts its day-to-day operations in these mostly unpredictable environments it needs to overcome political thresholds and collaborate with a variety of governmental, non-governmental and private sector actors (Webb et al. 2010). Similarly, non-business actors willing to participate in developing societies are dependent on collaboration with other actors (Hermes & Mainela 2014). In pre-emerging markets, with unstable institutions, particular social issues and minor participation in global value chains (cf. Hill & Mudambi 2010; Webb et al. 2010), the change of institutionalized practices and values is of vital importance to general social stability and the creation of legal and secure business conduct. Foreign entrants into these markets are inevitably involved with institutional change processes requiring their participation in the rebuilding of deeply embedded sets of practices that consist of the actions by many.

Therefore, in pre-emerging markets the entry and the activity of network positioning might need to be particularly innovative with respect to the ways of relationship development for mutual and social value creation (cf. Elg et al., 2014; Webb et al. 2010). Gebert Persson and Káptalan-Nagy (2009) suggest a set of factors that influence the market entry process; besides the entering organization's degree of internationalization and its network position within its home country the host country's government authorities' expectations, its network structure as well as the norms and values prevalent in the host country society play a crucial role in entering foreign markets (Gebert Persson & Káptalan-Nagy 2009). With a focus on required market entry abilities Elg and his colleagues (2014) advocate for the gaining of social acceptance and credibility through a unique and effective set of collaborating in local relationships. Owing to the ever changing nature of institutional settings in the host country environment and the targeted network, the gaining of legitimacy relies on an organization's relationships with already legitimate actors (Oliver 1990; Gebert Persson & Káptalan-Nagy 2009, Gebert Persson et al. 2011). This makes actor legitimation in international networks the focal issue of interest in our study. Possessed legitimacy is often mentioned as a prerequisite and enabler for network membership and mobilization in general (e.g. Hadjikhani et al. 2008; Ritvala & Salmi 2010) and for purposes of internationalization in specific (Gebert Persson & Káptalan-Nagy 2009). The actual processes of actor legitimation, however, have received less scholarly attention. In the present study we examine actor legitimation as a process intimately related with the dynamics of internationalizing networks in pre-emerging markets.

Dynamism is an incessant feature of business networks (Easton & Araujo 1994; Håkansson & Snehota 1995) and a driver of developments in pre-emerging markets, in particular. Further research on these dynamics and the underlying forces behind the variety of changes has been continually called for (e.g. Halinen, Salmi & Havila 1999; Halinen & Törnroos 2005; Bizz & Langley 2012). When an actor enters a new market network this inevitably changes the existing structures. The change needs to be accepted by many and often creates tension in the network. In pre-emerging markets an actor, able to position itself as an influential one, is likely to be the one that can legitimize itself so as to become a member of networked collectives capable of creating societal practices necessary for a functioning society (cf. Webb et al. 2010). In this activity the actors are involved with institutional change and are suggested to operate in the very core of present day internationalizing networks. The

examination of actor legitimation related to this type of profound change allows us to elaborate on the conceptualization of dynamics in entry to international, institution changing networks. We hence set to answer the question: *How do actor-legitimation processes influence institution changing international networks in pre-emerging markets?*

In the following, we first investigate the role of legitimacy in institutionalization processes based on the organizational legitimacy and institutional entrepreneurship literature. We then discuss network dynamics in actor legitimation processes. Our theoretical discussion ends with a conceptual framework on network dynamics in actor legitimation processes in entry to pre-emerging market networks. The empirical part of the study builds on interviews with 20 private sector, non-governmental and governmental actors who are all directly or indirectly involved in the peace-building process in Myanmar/Burma. The findings of the study are discussed through analysis of episodes of legitimation that allow for characterizing actor legitimation processes in terms of their induced network dynamics. We conclude with a discussion on the type of network dynamics associated with legitimation in a turbulent and unpredictable context of pre-emerging markets. The managerial implications center on private sector actors' abilities to maneuver in a politically and socially unpredictable context and how to contribute to the creation of social practices that help stabilize society in general and support business conduct in specific.

LEGITIMACY AND THE PROCESS OF LEGITIMATION

Dating back to the 1960s, sociologists Parsons (1960) and Weber (1968) gave direction to what constitutes legitimacy in today's organizational legitimacy discussion; legitimacy refers to congruence between an evaluated entity and reference values or norms that determine the social evaluation criteria (Kostova & Zaheer 1999; Deephouse & Suchman 2008). The legitimacy of an entity, for example, an action is in some way obligatory or exemplary for an actor (Weber 1968) and inherently collective as it depends on the values of a wider social community (Parsons 1960). Borrowing from social psychology accounts on legitimacy (cf. Johnson et al. 2006; Ridgeway & Berger 1986), the social dependency is rooted in individuals' presumption that the evaluated entity is accepted also by others too, who assumedly share the same societal values. "*Through this construal process what is becomes what is right.*" (Johnson et al. 2006: 57).

The social construction of legitimacy, based on the congruence between the entity and the shared beliefs of a social group, is dependent of collectives but independent of particular observers (Suchman 1995: 574; Kostova & Zaheer 1999: 65). Its assumptive and perceptive characteristics indicate that, rather than being a possession of an entity, legitimacy can be described as a reaction of observers as they see the entity in question (Suchman 1995). Legitimacy can also be seen as a relationship with a social system (Suchman 1995: 594) as it emerges out of the relation between the entity and social systems' rules, laws, values, norms, and cognitive frameworks (Deephouse & Suchman 2008: 54) or cultural models that embody common belief and knowledge systems (Meyer & Rowan 1977). For example, in their study about the legitimacy of multinational enterprises, Kostova and Zaheer (1999: 64) refer to organizational legitimacy as the acceptance of an organization by its institutional environments.

Leaning on Suchman's (1995: 574) strategic-institutional perspective on legitimacy we regard legitimacy as "*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." In the social psychology literature the term entity is mostly referred to as social objects, i.e. behaviors or interpersonal status hierarchies (Ridgeway & Berger 1986), while the organizational legitimacy literature regards entities as actions or behavior (cf. Deephouse & Suchman 2008). With entity we mean both object such as behavior or characteristic and subject such as actor.

Legitimacy of social entities has been ascribed both socio-political and cognitive characteristics (cf. Aldrich & Fiol 1994; March & Simon 1958). While sociopolitical legitimacy indicates conformity with recognized principles or accepted rules and standards, cognitive legitimacy refers to the cognitive state of taken-for-grantedness of a social entity. Sociopolitical legitimacy can be further distinguished by separating more pragmatic acts such as exchanges between entities, influences of entities on others or positive dispositions of entities in the eyes of others from moral or normative evaluations of entities regarding their consequences, procedures or structures (Suchman 1995). In addition to cognitive legitimacy, these pragmatic and moral/normative legitimacy types, respectively, produce a three-fold perspective on organizational legitimacy as suggested by Suchman (1995).

Legitimation, i.e. the process of an entity becoming legitimate (Kostova & Zaheer 1999) through an evaluating collective construing it as such (Johnson et al. 2006), eventually leads to it becoming embedded in taken-for-granted assumptions (Zucker 1977; Suddaby & Greenwood 2005: 37). According to Scott (1995) and Johnson et al. (2006: 59) the implicitness of an entity's cognitive legitimacy, i.e. its status of taken-for-grantedness, is a consequence of more explicit forms of legitimacy. In other words, there is a shift from explicit pragmatic and moral/normative to implicit cognitive legitimacy (see e.g. Scott 2000).

Regardless of the type of legitimacy, its source is dependent on the issue at hand, i.e. the entity that requires legitimation, and its surrounding social system (Deephouse & Suchman 2008). Kostova and Zaheer (1999: 64) ascribe three sets of factors that shape legitimacy in the context of organizational legitimation processes: (1) the characteristics of the entity that is being legitimated, (2) the environment's institutional characteristics, and (3) the legitimation process by which the environment builds its perceptions of the legitimation target. Observers of organizations, for instance, assess their characteristics' conformity to specific standards or models based on their varying interests and positions in relation to the entity, e.g. organizations' external versus internal constituencies (Ruef & Scott 1998: 880).

Becoming pragmatically legitimate is the most straightforward and extrinsically most influenceable form of legitimation; pragmatic legitimacy can be bought by stakeholders and publicly influenced. Moral or normative legitimacy as evaluation of consequences, procedures or structures, in contrast, is publicly influenceable but not simply attained by means of, for instance, a transaction. Cognitive legitimacy, referring to the comprehensibility or taken-for-grantedness of an entity is rendered meaningful by surrounding cultural models and does not allow for alternatives. This cognitive legitimacy is difficult to attain by means of transactions, neither can it simply be publicly influenced by means of, for instance, discourses; it requires creating, over time, new cultural realities that support the legitimacy of the entity in question. (Suchman 1995).

The process of an entity gaining legitimacy has been claimed to proceed analogous to that of institutional change, i.e. novel institutions becoming institutionalized (Lawrence et al. 2001; Deephouse & Suchman 2008). Institutionalization is often triggered by precipitating jolts which create a need for institutional change (Greenwood et al. 2002) and are followed by

different measures to nurture its vigor. These include collective vision development techniques such as institution framing and theorization as well as actor and resource mobilization (cf. Hermes & Mainela 2015). With a critical mass of adopters being reached, the new institution is about to become "*taken-for-granted as the natural and appropriate arrangement*" (Greenwood et al. 2002: 61), in other words it is being institutionalized.

Similarly, legitimation processes as investigated by Johnson and colleagues (2006) are triggered by an impetus such as the need for novel entity in a locally confined space. The creation of acceptance for the novel entity requires, on the one hand, its assertion as functionally superior to the status quo and creates pragmatic legitimacy for the entity in a locally confined space. On the other hand, the creation of moral/normative legitimacy requires the novel entity to be construed as concordant with prevailing normative prescriptions (Greenwood et al. 2002), i.e. the more widely accepted cultural framework of beliefs, values and norms (Johnson et al. 2006: 60) through local level constituencies.

In order to spread the novel entity's idea and widen consensus about it beyond local actors, it needs to be diffused to and adopted by a broader constituency within the community. This is enabled through the broader constituency's construal of the entity as socially valid because of the expected acceptance by others in other local contexts (Johnson et al. 2006: 60). The diffusion leads to increased social consensus about the idea behind the entity, a higher degree of objectification and, as a result, stronger pragmatic legitimacy (Greenwood et al. 2002: 61) as well as moral/normative acceptance. Eventually, constituencies across contexts adopt the belief that the novel entity is a natural and acceptable arrangement for most other actors making it part of society's shared culture (Johnson et al. 2006: 61) and creating its implicit characteristic of taken-for-grantedness (Greenwood et al. 2002). The gained cognitive legitimacy of the novel entity ensures its survival throughout generations and uncritical acceptance as definitive way of behaving (Tolbert & Zucker 1996; Greenwood et al. 2002).

Hence, legitimation as described in our review of the organizational legitimacy and institutional entrepreneurship literature is a process triggered by an impetus, initiated through local consensus in a confined space and diffused to other, related contexts before it is being widely accepted on a societal level. Also, legitimation constitutes a process that moves from more explicit forms of acceptance, i.e. pragmatic and moral/normative legitimacy, to implicit cognitive legitimation of social entities. Analogue to institutionalization processes, the expansion of acceptance by a steadily growing number of constituencies is central to legitimation processes. In order to understand the dynamics between a certain constituency, here viewed as connected or networked collective, and a novel entity that requires its legitimacy to become a member of the collective we turn to scholarly studies of legitimation in and of networks.

NETWORKS IN LEGITIMATION PROCESSES

Institutionalization processes are dependent on networked collectives consisting of like-minded actors connected through relationships (Owen-Smith & Powell 2008: 600). No single actor or organization is able to change social sets of practices or gain legitimacy for a social entity, respectively. Instead, networks of individuals and organizations need to be mobilized to participate in and support the intended change (Ritvala & Salmi 2010; Hermes & Mainela 2015; Smothers et al. 2014). As the role and effects of networks in organizational legitimation processes have been investigated in only few studies (Human & Provan 2000; Elfring & Hulsink 2003; Walker et al. 2014; Klijn et al. 1995; Persson et al. 2011; Low &

Johnston 2008) we make use of analogous accounts from institutional theorists (Owen-Smith & Powell 2008; Scott et al. 2000; Galaskiewicz & Burt 1991), too.

Legitimacy is elementary to build and join networked collectives (e.g. Klijn et al. 1995; Human & Provan 2000; Persson et al. 2011). The creation of local consensus for a new entity in a network is dependent on its connection with already-legitimate entities, which connect them to others (Klijn et al. 1995: 450; Elfring & Hulsink 2003). Legitimacy of individual network members has been causally linked as interdependent with regards to the legitimacy of a network, illustrating the importance of a network's legitimacy and the difference in how it is attained in contrast to individuals or organizations (Human & Provan 2000; Walker et al. 2014). The legitimacy of a network refers to its status and credibility as well as activities and governance mechanisms as seen by its own members and outside constituents and is attained through strategic approaches that shape the institutional context of a network (Human & Provan 2000). Legitimacy within a network serves as basis for the creation of trust and commitment among network members. Newly gained legitimacy of a network member has the potential to increase the legitimacy level of the entire network (Walker et al. 2014: 628). In their study on a recovery mission for the Baltic Sea Ritvala and Salmi (2010: 901), for example, identified the benefits of a foundation's legitimation in the form of a "*holy aureole gleaming around it*" for consensus-building and political will within the entire project and its members.

Networks are accorded different roles in legitimation processes which refer to the diffusion of an entity's construal. On the one hand, networks take on a transmitting role (see Meyer & Rowan 1977). They transmit change from certain parts of it to others in a circular manner; i.e. the transmission mechanism does not work unidirectionally only from one network relationship to another but its influence is recurrent (Halinen et al. 1999: 780). In their study of a multinational telecommunication company in China Low and Johnston (2008) for instance found legitimacy activities of certain network members to affect the legitimacy of the whole network which, in turn, and in addition to institutional effects of the environment influences the actors' legitimacy activities. Networks are both relationally and institutionally embedded, i.e. besides the coordination of and control over relationships they need to symbolically respond to institutional requirements of their surroundings (Owen-Smith & Powell 2008: 597). DiMaggio and Powell (1983) explained the reproduction of other, central networks' structures and policies through mimetic isomorphism. In other words, in order to avoid the embarrassment of being the last one to adopt a novel, accepted social fact networks strive for structurally equivalent processes (Galaskiewicz & Burt 1991; Owen-Smith & Powell 2008). On the other hand, networks play an important role in changing the meaning of a social fact (see e.g. Scott et al. 2000 for how the boundaries of health care networks as well as the meaning of health care itself was transformed). Networks, especially when in a state of flux, generate categories and meanings that help (re-) define social facts and their legitimacy (Owen-Smith & Powell 2008).

While transmitting legitimacy perceptions, networks are under pressure to change, too. Human and Provan (2000: 328) maintained that "*legitimacy is crucial to the evolution of all social systems, whether the focus is on the evolution of interest groups, organizations, or networks*". In the case of managing policy networks, for instance, legitimacy has been described as a network resource that affects other network dynamics such as the interaction between its members (Aldrich 1979; Klijn et al. 1995). Thus, mimetic isomorphism and structural equivalence, for example, not only support the diffusion of a novel entity and its legitimacy but also transform the networks themselves.

Legitimacy exerts force on network structures, including their relationships, and conditions their effects, too (cf. Owen-Smith & Powell 2008: 596). Halinen and her colleagues (1999) referred to the establishment of relationships with a new, legitimated actor as change which affects a network radically. The authors distinguished between effects on networks which stay in confined parts of a network and others which are forwarded through a network's relationships, referred to as confined change and connected change respectively (cf. Håkansson & Snehota 1995). These effects on networks are seen as stemming mainly from inside the network; either as intentional changes in actor structure and activities or as reaction to impetus from outside, e.g. changes in the surrounding institutional environment of the network (Halinen et al. 1999). As one of the basic assumptions of this study and outlined in the beginning of this section, legitimacy can be viewed, in addition, as necessity for entities to become part of a network.
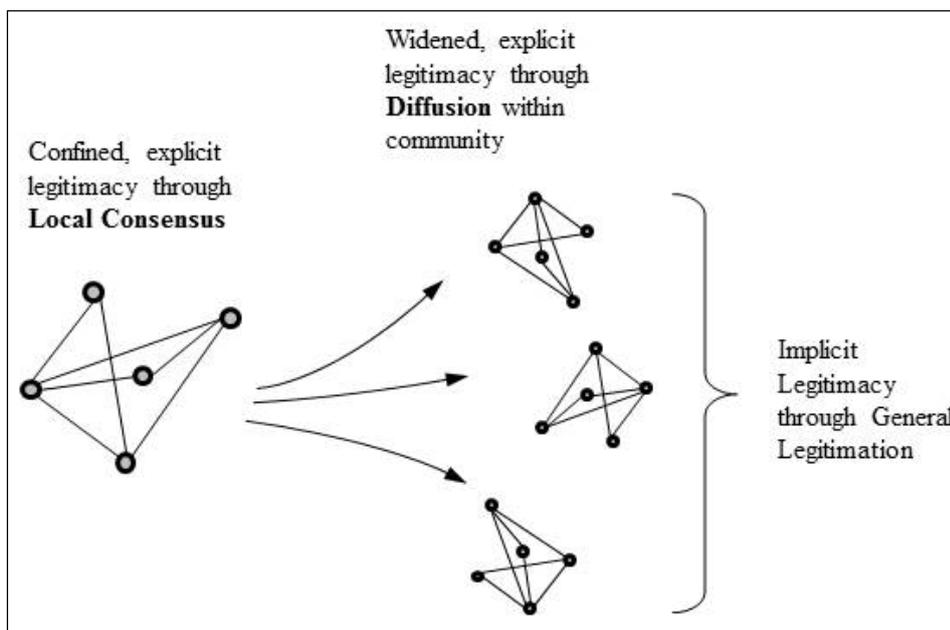

Figure 1: Legitimation Process

Figure 1 portraits a legitimation process of an entity and the roles that networks and legitimacy play in it based on the previous discussion about theoretical insights from organizational legitimacy, institutional change and network literatures. Legitimacy, firstly, enables entities to become part of an initially confined and later on wider network of constituents. Secondly, legitimacy shapes the structure of networks, i.e. its relationships, to differing degrees. Networks, in turn, are channels through which institutional effects, and legitimacy perceptions, flow and are shaped by broader institutional environments (Owen-Smith & Powell 2008). Triggered by an impetus, local consensus about a new social entity is made by means of theorization methods in a confined, local space as part of a wider network. Over time, legitimacy for the social entity is being diffused across the network into other, similar local contexts, before reaching general legitimation on a societal level. While the network transmits and diffuses legitimacy, it also influences the meaning about the novel social entity, and thus its legitimacy.

These influences become especially apparent in turbulent situations where *"…roles and identities are ambiguous, logics and institutions are conflicting or multiple, and networks span diverse audiences*" (Owen-Smith & Powell 2008: 618). Evidence from the reviewed

empirical studies from business and political networks in developed geographical regions, however, is coined by rather predictable and stable developments. Also, the utilized theoretical perspectives on legitimation, and institutionalization, processes have in common dominantly voluntarist and strategic assumptions, which are used to describe how legitimacy can be created utilizing long-term strategies. Suchman (1995: 593) emphasized that legitimation and institutionalization projects alike "*tend to be underdetermined, have poorly defined feedback-loops and highly chaotic path dependencies*". The course of these projects is hence difficult to predict (ibid.). Accordingly, and in line with Maguire et al. (2004) and Loohuis et al. (2011), we maintain that in order to understand how legitimacy is created for a social entity a turn to less stable and predictable environments is necessary.

The inherent characteristic of a turbulent context is "*changing in ways that are not expected or usual, not consistent or regular*" (Merriam-Webster 2014). In these unpredictable and uncertain contexts (Johannisson & Olaison 2007) the attainment of legitimacy from supporters and constituencies is particularly challenging (Suchman 1995: 587) as its economic, political, and cultural or, in broader terms, institutional development (Shane 2003; Hwang & Powell 2005; Battilana et al. 2009) is complex and fragmented due to multiple stakeholders and multiple institutional pillars (Kostova & Zaheer 1999). There are no clearly defined, dominant subject positions and concentrations of resources associated with leading actors (Maguire et al. 2004: 658). With a variety of changing actors and stakeholders and a rapidly changing institutional environment in play the dynamics of networks in actor legitimation are expected to become clearer.

METHODOLOGY

This study draws on a qualitative case study of actor legitimation for peace-building networks in Myanmar/Burma. The aim is to provide an extension to the existing conceptualization of legitimation processes through theorizing on the context presented in the following section.

Research Context

In the Republic of the Union of Myanmar, previously and by certain political groups also called Burma (herein further referred to as 'Myanmar/Burma' in order to maintain political impartiality) two main ongoing processes can be witnessed both of which are heavily intertwined: the democratization of the country and peace-building among different ethnic groups. Ever since the official end of the military regime in 2011, Myanmar/Burma has been undergoing a vast amount of political, social and economic reforms, while at the same time remaining a war-ridden nation. There are armed conflicts actively or inactively ongoing between the central government's military and the armed factions of seventeen ethnic based groups. Additionally, there are religious-based tensions, especially between the Theravada Buddhist majority, i.e. the Bamar population, in central Myanmar/Burma and a Muslim minority living predominantly in the eastern part of the country.

The overall situation in the country is complicated with partly contradictive information about the amount, characteristics and goals of different ethnic minorities, not to mention their political and armed groups as well as splinter groups thereof. Ethnic minority groups have established themselves in many regions as alternate governing forces providing social and health related services in their areas as so-called non-state actors. Splinter groups or factions, who broke off from their mother ethnic minority groups, however, are smaller, mostly armed and less stable or predictable in their activities and behavior which is guided by narrower, economic interests, such as revenues from often illegal raw material extraction in their areas,

drug trafficking or arms trading. Adverse political developments such as the government's legal attempts to ban the export of rolled timber logs may lead armed factions to suddenly break ceasefires and shake up the peace building process nation-wide.

The time of inquiry for this study coincided with the nation-wide census overshadowed by incidents of Rohingyas, i.e. the Muslim-minority in Myanmar/Burma, being prevented from stating their own religious identity. Moreover, the election campaign for the national by-elections in autumn 2014 went full speed in preparation for the general elections in late 2015; according to several informants the general elections are expected to have strong effects on peace negotiations. Also the long standing struggles between the central government/military and opposition organizations such as the political party National League for Democracy (NLD) or ethical minority parties/armed groups continued smoldering.

Myanmar/Burma has already earlier gone through attempts to stabilize its national crisis situation, rooted in tensions between different ethnic groups tracing back to religious beliefs. A ceasefire agreement e.g. in 2004/2005 broke suddenly followed by years of continued armed fights including geographic displacement of ethnic minorities and their forced submission. Broken ceasefires in certain areas have allowed for uncontrolled extraction of natural resources by both domestic and international actors as was the case in 2011 when the ceasefire agreement between the KIA (Kachin Independence Army) and the Tatmadaw (Myanmar/Burma's armed forces) broke down and illegal logging in the area sky-rocketed. In warzones resources are open to whoever has the power to take them.

The involvement of private sector actors in Myanmar/Burma is primarily dependent on and targeted at political stability, functioning infrastructure, cheap labor and assured land rights. The private sector thus contributes to political and social stability and, thus, often indirectly to lasting peace. Similarly, the government's incentives have been referred to as indirectly conducive to the peace-process; the government is interested in economic development and tries to promote it to international investors. Having visibly progressed to stabilize society is hence an important sign to attract foreign direct investment. While the government's efforts are to some extent targeted at supporting the peace and democracy, they are accused of being made over hastily and not sustainable but serve political and economic interests only.

Data Collection and Analysis

While the recognition of all factions in fragmented institutional environments such as Myanmar/Burma proved to be virtually impossible (cf. Suchman 1995) during the data collection, the multitude of actors opened up the possibility for identifying many and different legitimations. Authors' initial contacts in peace-building in the Mekong region were used in a snowballing manner to acquire new contacts on site. Challenging during the data collection was, on the one hand, the heterogeneity and unanticipated changes of constituents and their demands which made it difficult to clearly define who the main informant groups are. On the other hand, the authors' access to informants was exacerbated due to the delicateness of the topic of inquiry. Hence, the selection of informants does not represent any complete sample, nor does it attempt to provide a complete picture of the happenings in peace-building in Myanmar/Burma in general. Rather, the collected data represents a momentary picture of certain involved persons and their tasks as part of their organization in relation to the peace-building process in the country.

The data collected for this study draws on two periods of investigation based on personal interviews of one of the authors. With this study being of explorative nature and having

access to only a limited amount of possible respondents, an interview-based acquisition seemed most conducive to our goal of more thoroughly exploring the legitimation dynamics in a specific context (cf. Daniels & Cannice 2004). The initial focus was set on general collective crisis management activities of international peace-building actors, i.e. governmental actors, non-governmental actors, researchers, civil society representatives and corporate actors. A first set of inquiries with both governmental and non-governmental actors was conducted in January 2013, including eight face-to-face interviews in Finland and Switzerland. These interview series constituted a pilot study to setting the scene, understanding what crisis managers and peace-builders on a policy making level are dealing with and identifying main dynamics, issues and concepts in peace-building collaborations in humanitarian crisis contexts. Albeit their general characteristic, the interview series' informants were at least indirectly, most of them directly, knowledgeable about and assumed an active role in the peace-building and democratization processes in Myanmar/Burma.

In a second stage, the focus was set on the resolution process of ethnic tensions in Myanmar/Burma, collecting data in spring 2014 in both Myanmar/Burma and Thailand. While there are many different peace-building processes on-going, we placed emphasis on non-armed conflict management activities as they are undertaken by diverse governmental, non-governmental, private sector and other civil groups. In partly concerted and partly unorganized efforts these actors try to provide facilitation, mediation, education, conversation and consulting platforms and services for and build capacities among crisis-afflicted individuals and groups in Myanmar/Burma. Twelve interviews from the second inquiry series with corporate, governmental and non-governmental actors were analyzed for the purpose of this study. The 20 interviews from both inquiry series with informants from 17 different organizations are presented in table 1.

Table 1: Interview details

Interviewee	Organization	Organizational type	Organizational origin	Position/task of informant	Length of interview
1	Alpha	Non-governmental	international	Program Director	50min
2	Beta	Governmental	international	Special Representative for peace mediation	50min
3	Gamma	Non-governmental	international	Deputy Executive Director	70min
4	Gamma	Non-governmental	international	Program Manager for business involvement	40min
5	Gamma	Non-governmental	international	Executive Director	40min
6	Gamma	Non-governmental	international	Project Manager for private and public sector risk management	30min
7	Delta	Non-governmental	international	Executive Coordinator	80min
8	Epsilon	Non-governmental	international	Secretary General	60min
9	Zeta	Non-governmental	international	Advocacy Manager	40min
10	Eta	Non-governmental	domestic	Director of ceasefire negotiations implementation	50min
11	Theta	Governmental	international	Deputy Head of Mission	60min
12	Iota	Governmental	international	Chargé d'Affaires	50min
13	Kappa	Non-governmental	domestic	Director	40min

14	Lambda	Private sector, telecommunication	international	Senior Vice President	30min
15	Mu	Private sector, consulting	international	Tax Director	30min
16	Nu	Private sector, consulting	international	Managing Partner	40min
17	Omicron	Private sector, luxury food industry	international	Founder	70min
18	Pi	Private sector, consulting	international	Development Consultant	70min
19	Rho	Governmental	international	Economic Advisor	60min
20	Sigma	Private sector, consulting	international	Policy Advisor	50min

Open questions about informants' personal and professional as well as their organization's role and involvement in the development of Myanmar/Burma were asked, aiming at understanding informants' view and perception of the Burmese peace process and accompanying developments. Through this individual level of inquiry the dynamics of actor legitimation on a collective level were analyzed. While maintaining an open focus throughout the interviews and letting the conversation evolve and flow, further questions were posed to understand the dynamics of informants' collaboration in building peace. The interviews lasted on average 50min, took place either at informants' work place or in public places such as cafés or restaurants and were afterwards transcribed and anonymized.

In addition to the face-to-face encounters, one of the authors attended a 1-day conference on Norwegian business opportunities in Myanmar/Burma and accompanied a Norwegian business delegation to Myanmar's/Burma's capital Naypyitaw meeting governmental ministers and secretaries of the office of the President and from the fields of Electric Power, Transport, Industry, Education, Hotels and Tourism, Agriculture and Irrigation, Planning and National Development. The researcher wrote a daily diary during the inquiry period, noting his thoughts and feelings of research related and other encounters; the diary was later on included in the data analysis to reflect individual encounters on the larger context of inquiry as perceived by the researcher.

After transcription of the interviews the complete data set including conference notes, business delegation notes and diary, was analyzed manually by identifying legitimation episodes as unit of analysis. We use the term 'episode' to indicate part of or a complete process (cf. Herbst et al. 2011: 969) of legitimation. In order to identify these episodes each interview was read focusing on informants' explicit and implicit construal processes of a novel entity in their peace-building related activities. While the main interest of analysis rests on the legitimation of actors, their legitimacy sources can vary depending on the contextualizing environments (Ruef & Scott 1998: 899) and the way actors are construed, i.e. through the actors themselves or through their action (cf. Suchman 1995).

This initially wide spectrum of possible legitimations produced a total of 81 episodes between different entities. Despite the complexity, imperfection and bounded rationality of legitimation processes (March & Simon 1958), much of their diversity can be comprehended "by closer attentiveness to the varying sources of legitimacy, the levels at which they operate, the institutional elements that they target, and the environments that contextualize their effects" (Ruef & Scott 1998: 898). In addition to the identification of legitimacy types, we coded the identified legitimation episodes according to Ruef and Scott's (1998) typology of

legitimation elements for analyzing legitimation dynamics holistically, as summarized in table 2.

Element of legitimation process	Legitimation episode and legitimacy-contextualizing environment	Legitimacy source	Legitimacy target	Legitimacy type	Level of operation
Focus of analysis	Comparison between entity and reference values/norms	Legitimation through who (subject) or what (object)?	Legitimation for whom (subject) or what (object)?	Pragmatic, moral/normative, cognitive legitimacy	Social, network, individual level

Table 2: Legitimation elements and respective foci in their identification and analysis

First, an episode itself was identified through looking for events in which an object or subject was compared to other subjects' reference values or norms (Kostova & Zaheer 1999). These episodes represent, at the same time, the legitimation environment that contextualizes legitimacy's effects (cf. Ruef & Scott 1998). Hence, we looked at the larger picture around one or several connected legitimation episodes to identify how they influence involved (networked) actors. Second, the source of legitimacy was identified, asking questions about *who* or *what* legitimizes a subject or object. Additionally, we asked *where from* and *through who or what* was legitimacy enabled, created or gained.

Third, and closed linked to legitimacy's source, we viewed the target of the legitimation process, asking *for whom or what* is legitimacy enabled, created or gained. Fourth, and on the basis of Suchman's (1995) legitimacy trinity, we identified the type of legitimacy in each episode as (1) pragmatic legitimacy in the form of publically influenceable exchanges or opinions and meanings, (2) moral/normative legitimacy in the form of influenceable, normative evaluations of entities such as the consequences of their acting, their procedures and structures or (3) cognitive legitimacy in terms of organizational activities which support wider cultural models or, in situations of disorder, make alternatives unthinkable.

Last, we traced the way that legitimacy travels from source to target. We asked *where or on what level* does legitimacy operate, i.e. where is it created and what is it targeted at? In addition to Hermes and Mainela's (2014) different level types in crisis management projects, we focused on structural, intermediary and individual levels. These represent, respectively, a societal level consisting of all organizations and individuals in the crisis region, a network level consisting of selected collectives of organizations and individuals pursuing a common goal, and an individual level on which individual actors or organizations are located (Ruef & Scott 1998).

In the following section we present the results of our empirical data analysis. We begin with depicting the sources, targets, types and levels of legitimacy identified in legitimation episodes. Thereafter, we turn to a more elaborate analysis of a few selected, combined legitimation episodes to investigate the influence of legitimation processes on the network which a new actor is gaining legitimacy for.

ACTOR LEGITIMATION IN PEACE-BUILDING NETWORKS

The identification of evaluations of subjects and objects among governmental, non-governmental and private sector actors has produced a wide range of legitimation episodes.

All legitimation episodes refer to incidents in which one or several peace-building actors perceive or assume a circumstance or the action or characteristic of another actor as (in-) appropriate according to their socially constructed system of values, beliefs and norms (Suchman 1995) or as conducive to or detrimental for a certain goal they pursue.

Analogous to Hermes and Mainela's (2014) division of crisis management spheres in their study about the mobilization process of peace-building networks, most actor legitimation episodes can be categorized in grassroots level activities, i.e. on-the-ground peace-building, and events taking place within the international policy making community. Actors of both domestic and international backgrounds are legitimated for the purpose of conducting confidential activities such as negotiating on others' behalf with contested parties, thus assuming an intermediary role or as proxies to gain or retain impartiality in the eyes of the negotiation partner. In the following, we highlight commonalities and particularities of the analyzed legitimation episodes in peace-building activities in Myanmar/Burma with regards to their elements, i.e. source, target, type and level, as well as effects on networks, as depicted in the previous section.

<div align="center">Legitimacy Sources</div>

The sources of legitimacy in peace-building are often manifold and difficult to identify. The multitude of constituencies both domestically and internationally as well as dependencies among them makes it complicated to tell legitimation sources apart. Most legitimation episodes have their seeds in actors and their characteristics or activities. That means that apart from pragmatic acts also an already existing construal about that actor leads to the creation of legitimacy for the actor. In other words, legitimacy often pre-exists.

Especially certain policy making actors appear to be the cradle of legitimacy sources. Domestically, i.e. within Myanmar/Burma, the central government and Tatmadaw as well as certain regional non-state actors and selected individuals have been referred to as cornerstones of legitimacy. A Burmese man (Director at Kappa, Interviewee 13), for instance, living and educated in exile with ethnic roots in one of Myanmar/Burma's ethnic minorities and a family history based on resistance against the military junta has been approached by both the central government and international governmental representatives to become active in negotiations for the cause of peace. His wide acceptance among ethnic minorities in the country has legitimated him for leading roles on the policy making level. Similarly, a Policy Advisor working with consulting company Sigma described working groups of different international and national organizations, e.g. for economic development, to always be accompanied by central government representatives:

> *"[The central government] is present [in working groups] in a more supportive way. Working groups are headed by a lead-donor organization which is also in charge of managing [the working group]. I can't estimate how well this constellation works in the working groups, but [those activities] need backing from the side of the central government."* [Interviewee 20, private sector: consulting]

Governmental organizations and NGOs are often employed for peace-building activities for reasons of their impartiality in terms of non-vested interests or financial independency or because of their existing relationships with other organizations in the conflicted region. For instance, the international peace-building community consisting of inter-governmental organizations such as UN sub-organizations or global NGOs like the Red Cross is in certain circumstances dependent on establishing relationships with local, often informal networks

that are already embedded in the conflict environment:

> *"In [certain regions] it's not like UN or international roles are welcome, so the option of an international third-party mediator is often just not there. So it has to come from within."* [Interviewee 5, non-governmental organization]

Internationally, foreign governmental organizations as well as large, incumbent international NGOs and donor organizations are the main source of legitimacy for others joining their efforts. The Deputy Executive Director at Gamma, for instance, described how in so-called multi-party or insider mediation conflicts are dealt with through ad hoc coalitions of influential people who collectively possess legitimacy with all involved, contesting parties:

> *"There is no intervener that has legitimacy with all the parties. It's the fact that you have a kind of informal network, comprised of people that are, they're not impartial, they have a particular stake. But together, working together they can access the right people. And they can link them up to, or get the right people talking to each other."* [Interviewee 3, non-governmental organization]

Through spill-over effects certain actors are able to utilize the gained legitimacy of affiliated actors for their own purposes. In the case of developing their business activities nationwide a private sector actor in the information and communication technology sector was able to benefit from its nation state's reputation and legitimacy among the civil population and central government, according to the Senior Vice President of Lambda (Interviewee 14).

Also those cases of legitimation that are based on objects can be assigned to indirectly leading to actor legitimation; the accentuation of the crucial role of investment in Myanmar/Burma as described by the Tax Director of consulting company Mu (Interviewee 15), often serves indirect subject or actor legitimation, i.e. in this episode international private sector actors. An Advocacy Manager at Zeta (interviewee 9) maintained how different perspectives on peace-building in general are conflicted. There are struggles over which perspective (government vs. opposition; ethnic conflict vs. civil society focus; etc.) is the prevailing one and, in consequence, which actors and actor types are able to coordinate and participate in the peace-building efforts.

Legitimacy Targets

The targets of legitimacy are in most analyzed episodes multiple. Within the international policy making community the target of legitimation revolves around becoming part of prestigious, exclusive and powerful networks such as certain donor networks or working groups. On the grassroots level, larger and smaller non-governmental actors compete for joining ad-hoc groups who are ordered and funded by donor or policy making networks:

> *"A lot of [tenders for NGO involvement] are rather large tenders and they're won by international NGOs, who actually often have sub-, we call it IPs, implementing partners. Sub-IPs who are local NGOs who [carry out the actual peace-building work on-the-ground]"* [Interviewee 18, private sector: consulting]

While legitimating others for becoming part of a network, some actors legitimate themselves in the eyes of third parties, such as donors or governmental organizations, at the same time. The Chargé d'Affaires of a foreign nation state in Myanmar/Burma noted that through selecting certain NGOs as on-the-ground partners his foreign governmental organization legitimates both the NGOs as officially appointed members of a peace-building network and, simultaneously, itself as a governmental organization (as representative of the nation state)

active in peace-building in the eyes of other active nation states:

> *"[…] we feel we have found a very nice way of [assisting in peace-building]. And we are not, by the way, we are not a member in the, in this [donor network], that functions here in Myanmar. So we are quite independent in this field. […] we have asked several times [governmental actors of the donor network] that actually with this involvement and this kind of support we should be a full member of the [donor network]."* [Interviewee 12, governmental organization]

Viewed from the perspective of the donor network the preceding episode shows how the exclusivity of the donor network and its activities grants access to certain organizations and de-legitimates other nation states and their governmental organizations on the ground, too.

Similarly, multinational enterprises receive help from established and legitimated NGOs in entering the crisis field in order to provide alternative, non-armed employment for the contested civic population or improve local and regional infrastructure which, in turn, improves people's life standards and alleviates tensions among contested groups (Interviewee 3, Deputy Executive Director at Gamma). Besides legitimating private sector actors, the NGO itself is able demonstrate its achievement towards the wider peace-building community. From the side of the multinational enterprise, its legitimation may be primarily sought to gain information about the crisis region and attain legitimacy among the contested parties for, for instance, permissions to operate its business (Interviewee 8).

Another example of multiple legitimation is Tatmadaw's activities as domestic actor; they tend to focus on self-legitimation in the eyes of the wider population since the results of Myanmar/Burma's upcoming general elections in autumn 2015 will decide over their existence. Through their self-distinction they discredit alternative non-state actors in ethnic minority areas. Hence, actor legitimation is often targeted, too, at de-legitimating others.

Besides the delimiting and exclusionary targets of legitimation acts some actors pursue legitimacy from several sources parallel. The Director at Kappa (Interviewee 13) mentioned how despite the normative legitimacy that his organization enjoys through presidential boon and governmental mandate his organization applied for an official Memorandum of Understanding (MOU) that formally legalizes the existence and activities of NGOs in Myanmar/Burma:

> *"[…] unless we have the MOU, the next government may not give us all the permission to do anything if you're not officially [registered in Myanmar/Burma]"* [Interviewee 13, non-governmental organization]

The turbulence and unpredictability of the political and social environments in the country move many actors to secure their status through additional pragmatic or moral/normative legitimation. Moreover, the multitude of actors and actor requirements leads organizations to engage in different activities through supporting different actors. Being represented through different actors legitimates them in the eyes of the differing constituencies and, thus enlarges their sphere of influence. So does for example a European nation state through being present in policy making matters as a governmental organization and in on-the-ground peace-building projects through its publicly owned development consultancy.

Legitimacy Levels

The levels of legitimacy are, like its sources, multiple. Legitimation takes place among all

actor types (governmental and non-governmental organizations, private sector actors, donor organizations, civil population, central and alternative governments) and thus crosses also many levels. These refer to individual, organization, network and societal levels as well as to distinctions between international and domestic levels or legal and illegal levels. One episode refers to a foreign NGO focusing on human rights violations in Myanmar/Burma. Its legal status in the country is illegal due to a missing Memorandum of Understanding with the central government. According to a Project Manager at Gamma (Interviewee 6), the NGO is able to feed its reports about human rights abuses to the international community through Western embassies and the United Nations.

Seldom, however, is legitimacy in peace-building created between individual persons or individual organizations only. Many analyzed episodes suggest that legitimacy among policy making actors and grassroots actors alike passes through networks of actors. As becomes apparent from the preceding episode descriptions these networks are often NGO networks, donor networks or working groups consisting of both policy making and grassroots actors.

Legitimacy Types

The types of legitimacy occurring in legitimation episodes in Myanmar/Burma's peace-building are most often pragmatic acts of exchanges of services or financial support as well as (mutual) influences of actors over one another. They take place with the aim of creating more deeply anchored moral/normative legitimation for an actor in the peace-building community. The Deputy Head of Mission at Theta (Interviewee 11) attributed the selection of NGOs for on-the-ground peace-building activities to, among others, their history and track record in peace-building. For NGOs, as well as private sector actors, it hence is important to create over time moral/normative legitimacy through being repeatedly pragmatically legitimated. Cognitive legitimacy, in turn, occurred only among the domestic, contesting actors, i.e. the central government and ethnic minority governments, who fought over cognitive legitimacy as ruling authority in respective regions in Myanmar/Burma. Among the other peace-building actors, with the exception of large international NGOs and governmental organizations, the turbulent and unpredictable social environment did not give enough time for the development of deep-rooted cognitive legitimacy of actors.

Legitimation Effects on Networks

An actor legitimation process influences the network which the actor gains legitimacy for in different ways and is interwoven with the target of legitimation. Local non-governmental actor networks are often subject of legitimation in peace-building due to other actors' needs. NGOs act as intermediaries when official national dialogues are launched between conflicted parties and require mutually trusted and impartial interlocutors, argue Program Director at Alpha (Interviewee 1) and Deputy Executive Director of Gamma (Interviewee 3). In addition, non-governmental actors in conflict areas often possess experience in the conflict region and long-standing relationships with key afflicted actors:

> *"[…] we react to requests from peace-builders and we provide expertise for them".* [Interviewee 5, non-governmental organization]

The Director of Kappa, a non-governmental NGO in Myanmar/Burma described his becoming involved in higher level peace-building through his relationships with armed groups:

> *"[…] almost three years ago the government, they had announced peace talks and nobody was responding, so they, the [Burmese] minister in charge come to*

see me in [location], and asked what I thought about the government's offer of peace talks. And I said that's possible but it's gonna take a lot of work because after 65 years of fighting it's not gonna be easy. So [the minister] said 'Can you help?' So, that's how I started, so I got involved in introducing [the minister] to the different groups. I don't get involved in negotiation but I helped the armed groups to coordinate their [negotiation] efforts [...]" [Interviewee 13, non-governmental organization]

Non-governmental actors thus take over the role of proxies for governmental organizations which cannot work as governmental actors in certain sensitive situations, as a European governmental official at Beta argued:

"[…] it's easier to put the NGO as a proxy, do a job [for us]." [Interviewee 2, governmental organization]

Also international private sector actors take use of NGOs' embeddedness in conflict environments in order to gain understanding about local (key) actors and the institutional situation more generally, according to Deputy Executive Director of Gamma (Interviewee 3). With regards to indirectly affected parties in these legitimation processes, many third party actors and their networks experience changes, too. For instance the connection of an NGO with a policy making community led to other illegally operating NGOs as well as armed groups becoming legitimate in the eyes of the wider peace-building community as they were introduced and represented by the intermediating NGO. The Director of Kappa described how, before being appointed by the government, the illegal status of his and connected organizations inside Myanmar/Burma influenced their work:

"We've always been illegal in the eyes of the government because no, they don't like us. We cannot get a handle; we could not even come into the country. So we were used to work across the border, with many of [our affiliated] groups inside the country." [Interviewee 13, non-governmental organization]

He continued with showing how he created initial legitimacy for his connected organizations, too, when being asked to support the national peace-building effort:

"[…] if you want political solutions, you want transition to democracy, you have to allow us to work with armed groups." [Interviewee 13, non-governmental organization]

On the side of non-governmental organizations in general the demand for their services creates opportunities for funding and prestige as well access to influential actors, too, as for instance a non-governmental employee at Eta (Interviewee 10) explained. It is primarily the track record of NGOs that, according to Deputy Head of Mission at Theta (Interviewee 11), enables them to be chosen and funded in future peace-building activities. These opportunities, in turn create competition among NGOs and their networks. Development Consultant at Pi (Interviewee 18) explained that having to win tenders for peace-building projects creates pressure for NGOs to proof their effectiveness and efficiency as peace-builders; this need drives the kinds of support that NGOs provide toward more physically visible than intangible goods and services:

"[…] to get that funding they need to show results in some way. So what you can have happen is a focus on branding and physical goods. A very simple example would be an education NGO might build a lot of schools but they wouldn't really train teacher that well. Because you can take a picture of a nice shiny new school; but you can't take a picture of [better versus worse] trained

teachers [...]." [Interviewee 18, private sector: consulting]

Competition also enhances the overall inefficiency of the larger peace-building network as it supports the creation of segregated networks, among governmental and non-governmental actors alike, consisting of main and sub actors which will potentially collaborate in other projects again. On the policy making community level, exclusive influential donor networks are created. These coalitions position themselves against other nation-state organizations as the example of a coalition of about a handful of nation states shows before shows. While the informants for this study claimed not to know the reasons behind the exclusivity of donor coalitions, national economic interests of their members seem to play a significant role. For instance, the engagement of a certain private-public organization on grassroots level was supported to a large degree through bilateral ties with Myanmar/Burma, according to a Policy Advisor at Sigma (Interviewee 20).

Other legitimation episodes of NGOs indicate how their networks are being disrupted through losing (perceived) impartiality. The official appointment of Burmese non-governmental organizations as representing a certain governmental organization in peace-building matters led to them gaining a reputation of partiality and hence losing legitimacy among the wider peace-building community and certain opposing actors:

> *"[...] the [NGO] was originally envisaged as, a place where both the ethnic communities and the government could go, to get, have resources available, to learn about different issues related to the peace process. I think it's evolved in such a way that it's become, it's the secretariat for the Ministry and the President's office who works on the peace process [...] and it's been very, it's definitely viewed by the ethnic partners as the government. [...] how can we sit in the same secretariat with them because we're still technically enemies?"* [Interviewee 10, non-governmental organization]

DISCUSSION

"Sometimes, the whole conflict is about legitimizing [...] actors." [Interviewee 1, non-governmental organization]

Legitimation processes of peace-building actors are to a large extent characterized by their surrounding turbulent and complex environments. The multitude of constituencies and dependencies among them coins sources of legitimacy for actors. New actors without track record or reputation in peace-building often need to create legitimacy from scratch through, for instance, building relationships with already legitimate actors. Their history and affiliations to yet other actors, also referred to as relationship sediments (Agndal & Axelsson 2002), play a crucial role in establishing these relationships. New actors can also benefit from spill-over effects of other actors. Hadjikhani and Håkansson's (1996) analysis of the Bofors scandal in India showed how a crisis in one relationship affects the relationships with other firms from the same, Swedish, country of origin. As the example of a private sector actor in telecommunications showed, it derived advantage from its headquarters' nationality which was linked to generous and active peace-building involvement. While the company itself did not have direct relationships with its nation's peace-building organizations, the peace-building community in Myanmar/Burma, Burmese governmental organizations as well as the wider civil population construed the company as similarly legitimate.

More well-established actors who already possess normative or moral legitimacy within the

peace-building community draw legitimacy from the relation with the context area. Firstly, their embeddedness in the context area makes them legitimate in the eyes of certain constituencies. Particular relationships with key actors, specific knowledge about the crisis, experience in peace-building in the context area or possessing a powerful position in relation to key peace-building actors entitles actors for involvement in peace-building. Secondly, neutrality and wide respect among the affected actors is a source for legitimacy. The Executive Director of an NGO explained how specifically non-vested interests and financial independency support organizations in creating legitimacy for themselves. Thirdly, the membership in networks that are legitimate with (most) affected actors and consist of embedded and neutral actors creates legitimacy, too. Hence, in addition to the actions of an entity (cf. Suchman 1998), also its characteristics, which create pre-existing legitimacy, are sources for further legitimation.

The analysis of data from peace-building actors showed also the multiplicity of legitimation targets. Depending on constituencies and context, actors pursue often simultaneously multiple legitimations which come about in different ways. While legitimating other actors, the transmitting actor legitimates itself, too, in the eyes of its own constituencies such as donor organizations. The legitimation of certain actors in some cases also meant de-legitimating yet other actors as for example the case of nation states' involvement in donor and peace-building organization networks showed. The exclusivity of certain networks creates legitimation for some and de-legitimation for others at the same time.

Furthermore, one act of legitimation in some cases includes multiple, different aims. While an NGO aims to support the peace-building process through the introduction of a private sector actor and its business activities, the company's goal of involvement may be primarily of economic nature. Finally, multiple legitimation takes place in cases of applying multiple means simultaneously. Actors create legitimacy for themselves through for example pragmatic and moral/normative acts at the same time or through assuming different roles parallel, as the example of a governmental actor demonstrated; a publically owned private actor functioned as representing proxy in on-the-ground activities.

Legitimacy is found to be a level-crossing construal or assumption. The manifoldness of levels, which is certainly due to the author's chosen perspectives (cf. Hermes & Mainela 2014), can be traced back to the large amount of different actors, their positions in relation to each other as well as their interdependencies. Hence, legitimacy travels across many different levels of analysis. Most remarkably is the realization that legitimacy of actors in peace-building, if looked at from by means of an organizational division in individual, organizational, network and social levels, passes through networks such as donor networks or working groups. Legitimacy for both new actors in the crisis area was often created through smaller, incumbent, intermediating networks of actors.

The analyzed legitimation episodes display the creation of pragmatic legitimacy in the majority. The exchanges with or influences on other actors aimed in most episodes at creating a profounder evaluation as valued peace-builder among the peace-building community. While pragmatic acts where targeted at creating moral/normative legitimacy in the short or medium turn, smaller actors especially among non-governmental and private sector organizations did not achieve taken-for-grantedness, i.e. cognitive legitimacy. Cognitive legitimacy as the result of a longitudinal legitimation process is dependent on a wider time frame and does not seem possible in this turbulent and unpredictable context of changing circumstances and changing actors.

An integrated investigation of legitimation episodes and their elements, finally, produced insight into the different ways that actor legitimation for network entry influences these networks. While actors and their networks benefit especially resource- and prestige-wise through e.g. official appointments, legitimation opportunities create competition within the wider peace-building networks among governmental and non-governmental actors, too. Legitimation leads to segregations within networks and disruptions of relationships with legitimated actors and influences also the activities that are carried out by the network, as the visibility orientation of services and goods of peace-building NGOs has shown.
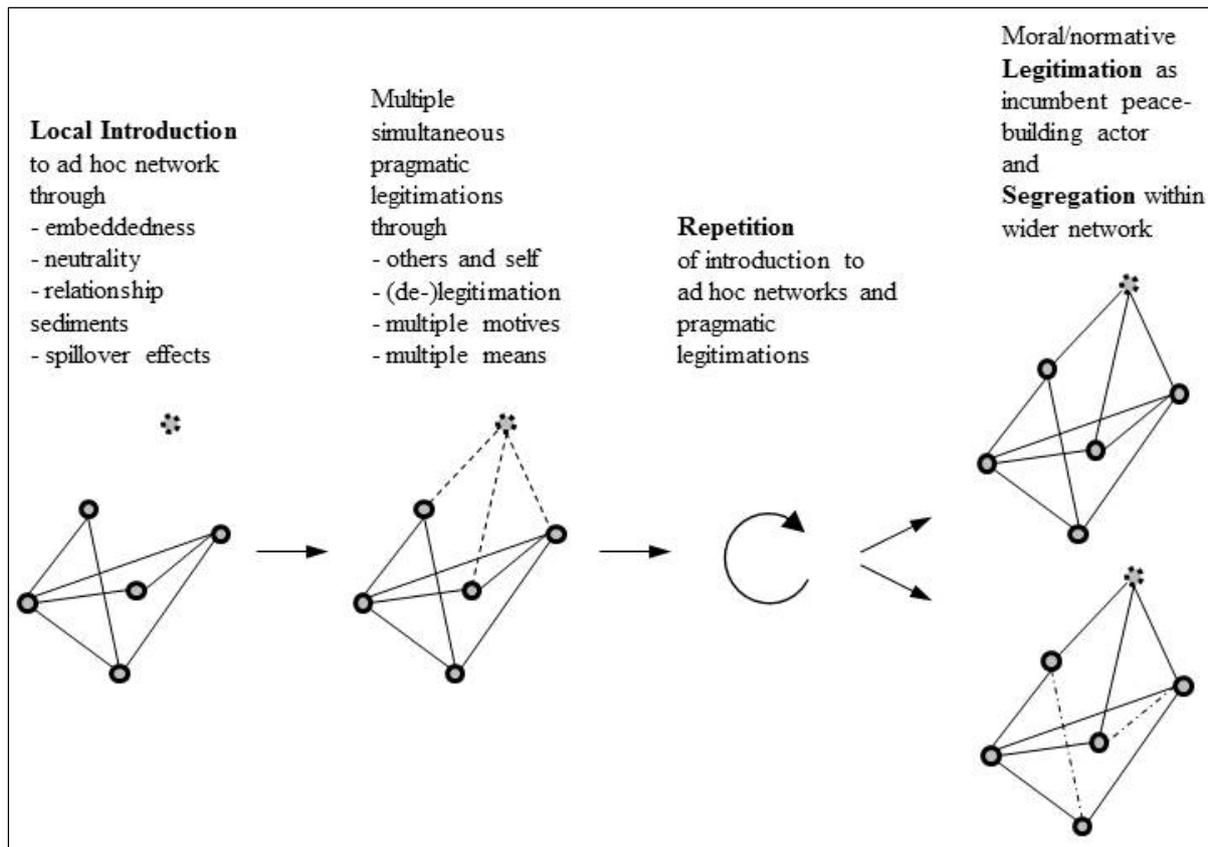

Figure 2: Actor Legitimation Process in Turbulent Contexts

Figure 2 summarizes the actor legitimation process in turbulent contexts such as peace-building in Myanmar/Burma. The sources and subjects of legitimacy, so Deephouse and Suchman (2008: 68) maintain, are embedded in complex networks of social influence and communication. While the analysis of legitimation episodes focused less on rhetoric means in legitimation processes, empirical support for the importance of influence or power to attain certain positions (cf. Maguire et al. 2004) was found within the peace-building community in Myanmar/Burma. In line with previous studies on organizational legitimacy (e.g. Aldrich & Fiol 1994; Suchman 1995) we found that already legitimated actors legitimate others in peace-building. While in the existing literature initial informal collaborations between organizations have been referred to as starting point for development toward formalized strategic alliances (cf. Aldrich & Fiol 1994), we maintain that certain characteristics of actors which are of benefit to incumbents pose an alternative source for developing relationships with a network.

Analogous to Owen-Smith and Powell's (2008) elaboration on the mutual influence of institutions and networks, also legitimacy affects networks. Despite the conducive effects of actor legitimation for involved parties, it has the potential to affect these networks in incisive ways, too. The entry of actors into networks was found to entail competition in the wider network which in certain cases led to disrupted relationships and even segregations of networks into rival camps. Also the activities that networks carry out are influenced by the legitimation of actors or the opportunity thereof.

The existing organizational legitimacy (and institutional entrepreneurship) literature refers to diffusion as means to create profounder legitimacy for social entities. In the case of actor legitimation we, however, find repetitions of local introductions to ad hoc networks and pragmatic legitimation acts as means to create moral/normative legitimacy for actors to become incumbent peace-building actors. This finding stands in contrast to studies about organizations' pursuit of cognitive legitimacy in uncertain contexts (cf. Suchman 1995). We maintain that unpredictable and quickly changing environments do not allow for attaining cognitive legitimacy, i.e. comprehensibility and taken-for-grantedness of actors. That kind of legitimacy is subject to mainly large international NGOs such as the UN.

CONCLUSIONS

Studying the influence of actor legitimation processes on network dynamics in entry to pre-emerging markets, this qualitative study drew on the analysis of legitimation episodes in the international peace-building community in Myanmar/Burma. After reviewing the discourses about organizational legitimacy as well as institutional entrepreneurship we theoretically framed the process of networked actor legitimation in turbulent contexts. Through elaborating this initial framing and the findings of the empirical data we were able to infer types of network dynamics associated with actor legitimation processes.

Peace-building networks in pre-emerging markets reflect only limited stability. Due to the unpredictability and turbulence of the institutional environment these networks are characterized as rather ad-hoc structures in which it is crucial to find a legitimate intermediating actor or entity to rely on. While, for example, Elg et al. (2014) emphasize socially recognized activities of the firm itself for its legitimation our findings elaborate legitimacy bases with respect to bridging (see e.g. Granovetter 1983) in network entry. Bridging is an activity that inevitably creates radical change in the existing network as it brings in a new relationship (Havila et al. 1999). A particularly interesting feature of the peace-building networks examined in the present study is the activity of actor de-legitimation that may be a prerequisite for the legitimation of a new actor. This again means radical change but now in the form of dissolving or disrupting existing relationships. Other forms of creating initial pragmatic legitimacy are the simultaneous legitimation of self and other as well as utilizing multiple means or motives to legitimate oneself as new network member.

More generally, the sources of legitimacy lie in contrast to previous studies not only in relationships with already legitimate actors but in the characteristics of new actors in relation to the (peace-building) context, too. As actors entering pre-emerging markets are often willing and aiming to get involved with change in the institutional structures of the volatile society, typical to their network entry is the need to take a stance between opposing groups of actors. Certain situations require the actors to intentionally and visibly drive the interests of certain networks in an effort to create profound connected change (Halinen et al. 1999) in the network while other situations necessitate actors to act more reticently in order to gain

legitimacy (see Hermes and Mainela (2014) for an elaboration on paradox behaviors of institution changing actors in crisis situations). We suggest segregation between networks to be a specific characteristic of network dynamics in relation to legitimation in this type of international networks. This adds to the existing discussions on legitimacy in network formation (e.g. Persson et al. 2011) and network mobilization (Ritvala & Salmi 2010).

The creation of profounder moral or normative legitimacy, i.e. becoming a more deeply legitimated member of networks in pre-emerging markets, is dependent on the repetition of pragmatic legitimation episodes. In contrast to previous studies about legitimation processes in unpredictable contexts (e.g. Low & Johnston 2008), we maintain that deeply rooted, cognitive legitimacy is subject to large and universally accepted, incumbent organizations and cannot be attained by other peace-building actors. The turbulence and unpredictability of the context does not provide sufficient time to develop cognitive legitimacy.

Despite few studies which aimed to clarify the role of legitimacy in networks (e.g. Persson et al. 2011; Low & Johnston 2008) a more explicit conceptualization of legitimation processes in networks is missing. Based on our theoretical elaboration and empirical investigation and in order to provide such a conceptualization we maintain that actor legitimation for network entry in turbulent contexts is a recurrent, contextual process consisting of pragmatic legitimation episodes which over time entail profounder moral/normative actor legitimacy and segregation effects within the wider network structure.

Managerially, this study allows insight into required private sector actors' abilities to maneuver in a politically and socially unpredictable context and how to contribute to the creation of social practices that help stabilize society in general and support business conduct in specific. The findings suggest that individuals and organizations, especially private sector actors, which aim at entry and positioning in pre-emerging markets, need to carefully select entry points into the context in question. In order to acquire necessary information about the region and ongoing institutional developments therein and to gain legitimacy for operating in such a region, companies need to get connected with wider peace-building networks consisting of other private sector and political actors. Smaller (NGO) peace-building networks can support them to make necessary connections and gain legitimacy in the eyes of the wider peace-building community.

This study relies on selected and partial insights from a specific context, i.e. interviews with non-systematically identified actors in the peace-building process in Myanmar/Burma. The results of this study are therefore not statistically generalizable and do not represent a full picture of the real-life processes. We maintain, however, that our findings, which are based on the turbulent characteristics of the analyzed crisis situation, produce analytic contributions to the scientific discourse about actor legitimation processes for network entry and provide an elaborated conceptual basis for further studies. Future research could for example deepen knowledge about the role of legitimation of a peace-building network itself (cf. Human & Provan 2000; Low & Johnston 2008) and how it affects its members' legitimacy in a turbulent context. Furthermore, we assumed the levels across which legitimacy travels to be stable over time; in turbulent contexts, however, also these may change as the crisis situation evolves (Klein et al. 1999). Future accounts in this field could expand the knowledge about fluctuating levels and their effects on legitimation processes.

REFERENCES

Agndal, H., & Axelsson, B. (2002). Internationalization of the firm — The influence of relationship sediments. In H. Håkansson, & V. Havila (Eds.), Critical perspectives on internationalization (pp. 437–456). Amsterdam etc.: Pergamon.

Aldrich, H. E., & Fiol, C. M. 1994. Fools rush in? The institutional context of industry creation. Academy of Management Review, 19: 645-670.

Battilana, J., Leca, B. & Boxenbaum, E. (2009). How actors change institutions: Towards a theory of institutional entrepreneurship. The Academy of Management Annals, 3(1), 65-107.

Bizzi, L. & Langley, A. (2012). Studying processes in and around networks. Industrial Marketing Management, 41(2), 224-234.

Daniels, J. D., & Cannice, M. V. (2004). Interview studies in international business research. In R. Marschan-Piekkari & C. Welch (Eds.), Handbook of qualitative research methods for international business (pp. 185-206). Cheltenham, England: Edward Elgar.

Deephouse, D. L., & M. Suchman 2008 "Legitimacy in organizational institutionalism." In R. Greenwood et al. (eds.), The Sage Handbook of Organizational Institutionalism: 49–77. Thousand Oaks, CA: Sage.

DiMaggio, P. (1988). Interest and agency in institutional theory. In Institutional patterns and culture, L. Zucker (ed.), Cambridge, MA: Ballinger Publishing Company: 3-22.

DiMaggio, P. & Powell, WW. (1983). The iron cage revisited: institutional isomorphism and collective rationality in organizational fields. Am. Sociol. Rev. 48:147–60

Easton, G. & L. Araujo (1994). Market exchange, social structures and time. European Journal of Marketing, 28(3), 72–84

Elfring, T. and W. Hulsink, 2003, 'Networks in Entrepreneurship: The Case of High-technology Firms', Small Business Economics 21, 409–422

Elg, U., Ghauri, P.N. & Schaumann J. (2014). Internationalization through sociopolitical relationships: MNEs in India. Long Range Planning, http://dx.doi.org/10.1016/j.lrp.2014.09.007

Galaskiewicz, J., & R. S. Burt. (1991). Interorganization Contagion in Corporate Philanthropy. Administrative Science Quarterly 36:88–105.

Gebert Persson, S. & Káptalan-Nagy (2009). Understanding legitimacy in the foreign market entry process. International Journal of Business Environment, 2(4), 453-467.

Gebert Persson, S., Lundberg H., & Andresen, E. (2011). Interpartner legitimacy in regional strategic networks. Industrial Marketing Management 40(6), 1024–1031.

Hadjikhani, A. & Håkansson, H. (1996) Political actions in business networks: a Swedish case. International Journal of Research in Marketing, 13(5), 431–447.

Hadjikhani, A., Lee, J.-W., Ghauri, P.N., (2008). Network view of MNCs' socio-political behavior. Journal of Business Research 61 (3), 912-924.

Halinen, A., & Törnroos, J.-Å. (2005). Using case study methods in the study of contemporary business networks. Journal of Business Research, 58(9), 1285–1297.

Halinen, A., Salmi, A., & Havila, V. (1999). From dyadic change to changing business networks: An analytic framework. Journal of Management Studies, 36(6), 779–794.

Herbst, U., Voeth, M., & Meister, C. (2011). What Do We Know About Buyer–Supplier Negotiations in Marketing Research? A Status Quo Analysis. Industrial Marketing Management, 40 (6), 967–978.

Hermes, J.W.S. & Mainela, T. (2014). Mobilizing crisis management networks – Entrepreneurial behavior in turbulent contexts. Industrial Marketing Management, 43, 967-976.

Hermes, J.W.S. & Mainela, T. (2015, *forthcoming*) Institutional Entrepreneuring in Erratic Environments. Frontiers in European Entrepreneurship Research.

Hill, T.L. & Mudambi, R. (2010). Far from Silicon Valley: How emerging economies are re-shaping our understanding of global entrepreneurship, Journal of International Management, 16 (4), 321-327.

Human, S.E., and K.G. Provan. 2000. Legitimacy building in the evolution of small-firm networks: A comparative study of success and demise. Administrative Science Quarterly 45:327–65.

Hwang, H. & Powell, W. W. (2005). Institutions and Entrepreneurship. In S. Alvarez, R. Agrawal, and O. Sorenson (eds.), Handbook of Entrepreneurship Research: Disciplinary Perspectives. Kluwer Publishers, 200–227.

Håkansson, H. & I. Snehota (1995). Developing Relationships in Business Networks. London: Routledge.

Johannisson, B. & Olaison, L. (2007). The moment of truth: reconstructing entrepreneurship and social capital in the eye of the storm. Review of Social Economy 65(1), 55–78.

Johanson J. & Mattsson L. G. (1988). Internationalisation in industrial systems – A network approach. In Ford (1997) (2nd ed.) Understanding Business Markets: Interaction, Relationships and Networks, 194–213. London: Dryden Press.

Johanson, J. & Vahlne, J.-E. (2009). The Uppsala internationalization model revisited – from liability of foreignness to liability of outsidership. Journal of International Business Studies, 40, pp. 1411–1431.

Johnson, C., T. J. Dowd, C. L. Ridgeway, K. S. Cook & D. S. Massey (2006) "Legitimacy as a social process." Annual Review of Sociology, 32: 53–78

Kostova, T., & Zaheer, S. 1999. Organizational legitimacy under conditions of complexity: The case of multinational enterprise. Academy of Management Review, 24: 64-81

Low, B., & Johnston, W. J. (2008). Securing and managing an organization's network legitimacy: The case of Motorola China. Industrial Marketing Management, 37(7), 873–879.

Maguire, S., C. Hardy, and T.B. Lawrence (2004) 'Institutional entrepreneurship in emerging fields: HIV/AIDS treatment advocacy in Canada'. Academy of Management Journal 47/5: 657–679.

March, J. G., & Simon, H. A. 1958. Organizations. New York: Wiley

Meyer, J. W. & Rowan, B. (1977). Institutionalized organizations: Formal structure as myth and ceremony. American Journal of Sociology, 83: 340-363

Owen-Smith, J., Powell, W.W., (2008). Networks and institutions. In: Greenwood, R., Oliver, C., Suddaby, R., Sahlin-Andersson, K. (Eds.), The Handbook of Organizational Institutionalism. Sage, New York, NY, USA, pp. 594–621.

Parsons, T. (1960). Structure and process in modem societies. Glencoe, IL: Free Press.

Persson, S. G., Lundberg, H., & Andresen, E. (2011). Interpartner legitimacy in regional strategic networks. Industrial Marketing Management, 40 (6), 1024–1031.

Ridgeway CL, Berger J. (1986). Expectations, legitimation, and dominance behavior in task groups. Am. Sociol. Rev. 51:603–17.

Ritvala, T. & Salmi, A. (2010). Value-based network mobilization: A case study of modern environmental networkers. Industrial Marketing Management, 39(6), 898–907.

Ruef, M., & Scott, W. R. 1998. A multidimensional model of organizational legitimacy: Hospital survival in changing institutional environments. Administrative Science Quarterly, 43: 877-904.

Scott WR. (1995). Institutions and Organizations. Thousand Oaks, CA: Sage

Scott, WR, Ruef M, Mendel PJ & Caronna CA. (2000). Institutional Change and Healthcare Organizations. Chicago: Univ. Chicago Press.

Smothers, J., Murphy, P. J., Novicevic, M. M., & Humphreys, J. H. (2014). Institutional entrepreneurship as emancipating institutional work: James Meredith and the Integrationist Movement at Ole Miss. Journal of Management History, 20(1), 114-134.

Suchman, M. 1995. Managing legitimacy: Strategic and institutional approaches. Academy of Management Review, 20: 571-611.

Suddaby, R. and R. Greenwood: 2005, Rhetorical Strategies of Legitimacy, Administrative Science Quarterly 50, 35–67

Tolbert, PS & Zucker, LG. (1983). Institutional sources of change in the formal structure of organizations: the diffusion of civil service reform, 1880–1935. Admin. Sci. Q. 30:1–13

Vaara, E., Tienari, J., & Laurila, J. 2006. Pulp and paper fiction: On the discursive legitimation of global industrial restructuring. Organization Studies, 27: 789–810

Webb, J., Kistruck, G., Ireland, R.D. and Ketchen, D. (2010). The Entrepreneurship process in base of the pyramid markets: the case of multinational enterprise/nongov- ernment organization alliances. Entrepreneurship Theory and Practice, 34, pp. 555–581.

Weber, M. 1978. Economy and society. Berkeley: University of California Press.

Zucker, L. G. 1977. The role of institutionalization in cultural persistence. American Sociological Review, 42: 726-743.