Functionaries: Institutional Theory without Institutions¹

Dustin S. Stoltz^a

dstoltz@nd.edu

Marshall A. Taylor^b

mtaylo15@nd.edu

Omar Lizardo^c

olizardo@soc.ucla.edu

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Abstract

In conceptualizing institutions, theorists tend to resort to conceptual metaphors of CONTAINERS or SUBSTANCES. We argue these construals are responsible for difficulties analysts encounter in conceptualizing the sources and mechanisms behind institutional change. We propose DISTRIBUTION as a more effective foundational metaphor for institutional analysis. From this perspective, institutions are conceived as non-random dispersals of activity and knowledge across people and not as containers encasing persons or substances endowed with an essence. Most of a population may know how to take interactional advantage of an institution but few know how to keep institutions going and are therefore usually powerless to change them. This means those who do have the requisite operational knowledge and engage in the required upkeep activities, whom we refer to as “functionaries,” play pivotal roles in institutional change and reproduction. We revise theories of institutional entrepreneurship around the role of functionaries, and distinguish between two ideal types of institutional change.

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¹ Reserved for acknowledgements. ^aDepartment of Sociology, University of Notre Dame, Notre Dame, IN 46556; ^bDepartment of Sociology, New Mexico State University, Las Cruces, NM, 88003; ^cDepartment of Sociology, UCLA, Los Angeles, CA, 90095

1 INTRODUCTION

In translating Max Weber's *Protestant Ethic and the Spirit of Capitalism*, Talcott Parsons ([1905] 1930:181) rendered part of a phrase (*stahlhartes gehäuse*) from the famous closing remarks as "iron cage." DiMaggio and Powell adopted Parsons's canonical phrasing fifty years later in the title of the classic article helping to launch the "new" institutionalism in sociology and organizational studies (DiMaggio and Powell 1983; Powell and DiMaggio 1991). In spite of its evocative pathos, the claustrophobic imagery of the "iron cage," we argue, has lead institutional theorists astray. As Weber-scholars have known for quite a while, an alternative, and more accurate, translation is "shell as hard as steel" or "steel-hard casing" (Baehr 2001; Kent 1983; Swedberg and Agevall 2016:172; Tiryakian 1981; Wells 2001).

That the two different metaphors have widely divergent conceptual entailments is important (Lakoff and Johnson 1980). Whereas a cage is a *container* surrounding a person, leaving them otherwise unchanged, a "shell" or "casing" is a *surface* that by making *contact* with the individual, has the potential to change her in a permanent way (Baehr 2001). To foreshadow our argument, we suggest that for some actors, institutionalized patterns remain a "thin cloak which can be thrown off at any time," while for others "the cloak...become[s] a shell as hard as steel" (Weber [1905] 2002:121). The extent to which individuals are (literally) transformed when they adopt patterns of conduct is unequally *distributed* (Reay 2010). While some can be complacent about the reproduction of a set of patterns, others must devote mind and body to its maintenance, transforming who they are in the process in a durable way (Tolbert and Zucker 1996).

Most contemporary institutional theories stress a complementarity between the objective and the subjective (Martin 2001, 2005, 2009). Objectively, institutions are repeated behavioral patterns and their consequences (or activities) external to any one actor (Jepperson 1991). Subjectively, institutions are schemas, skills, and habits (or knowledge) enabling such systematically patterned conduct (Powell and DiMaggio 1991). The typical strategy for integration between these two poles is to suggest a “dialectic of institutionalization” (Barley and Tolbert 1997; Martin 2001). Institutions are initially created via the fluid, creative action of individuals, but over time they become externalized as habitualized patterns of action and perception and are transmitted as taken-for-granted realities to the next generation; in effect, “it is sufficient for one person simply to tell another that this is how things are done” (Zucker 1977:726).

This model of institutionalization leaves us, however, with a widely acknowledged conundrum for institutional theory (Battilana, Leca, and Boxenbaum 2009; Dacin, Goodstein, and Scott 2002; DiMaggio 1988; Powell and DiMaggio 1991:29; Scott 2014:151). Once institutionalized, actors will *reproduce* a set of patterns: actors see the pattern externalized by other actors, internalize the pattern, and then externalize the pattern themselves, which provides more evidence of the pattern for other actors (Berger and Luckmann 1967). Aside from error and exogenous shocks, however, the theory cannot well account for how these patterns change (Clemens and Cook 1999).

Unfortunately, efforts to overcome the problem of change lead to an even more troublesome dilemma. If putative “change agents” encounter already crystallized patterns, then the other way to change is via the (embedded) “agency” of these actors. This dual imagery of

encrusted institutional patterns being faced by empowered actors interested in changing or disrupting such patterns leads analyst to resort to a “two-level” ontology to account for institutional change (Powell and Colyvas 2008; Weber and Glynn 2006). In this rendering, there is a micro level (for individuals, agency, and change) and there is a macro level (for institutions, constraint, and stasis). Attempts to “bring the actor back in” to account for change obscure the observation that institutions are nothing but people acting, accompanied by the physical consequences of those actions (Jepperson 1991). In more technical terms, these accounts commit the fallacy of “misplaced concreteness” (Whitehead 1925) or “vicious abstractionism” (James [1911] 1975:135–136) by conceiving of institutional orders as an ontological “level” separate from people and their actions (Jepperson and Meyer 2011). While recent research on “institutional work” (e.g., Lawrence et al. 2011) and “inhabited institutionalism” (e.g., Hallett and Ventresca 2006) are moving institutional theory in the direction we are proposing, both are encumbered by the legacies of both neo-institutional and the institutional logics perspectives.

In this paper, we elaborate the classic imagery of a dialectic of institutionalization (e.g. Barley and Tolbert 1997; Martin 2001; Tolbert and Zucker 1996), to develop a theoretically parsimonious way forward. We seek to replace the imagery of institutions as discrete *substances* (with generative essences) or reified *containers* (of people across “domains” or “spheres”; e.g. Weber 1946) with that of institutions as *distributions* (of knowledge and expertise across persons; see Carley 1991:332; Reay 2010; Schütz 1946). Specifically, institutionalization of any set of patterns of conduct involves a reorganization or radical change in the distribution of activities and knowledge.

In the container/substance version of the dialectic of institutionalization, activities and

knowledge are conceived as more or less homogeneously distributed within a person and across a population or within a sphere. If there are patterns of conduct in a population or “subsystem,” everyone knows how to produce the patterns, and everyone produces them. In this respect, the standard imagery conflates two kinds of expertise required to keep institutions going: *contributory* and *interactional* (Collins and Evans 2008). The distributional account, by contrast, makes a principled distinction between these two kinds of expertise. The proposal is that, while, in differentiated societies, the majority of the population have interactional expertise vis-à-vis institutions (i.e. varying degrees of “knowing that” (Ryle 1945) knowledge in reacting to certain standardized institutional outputs), far fewer have contributory expertise, (i.e. “knowing how” (Ryle 1945) to keep institutions going). In this respect, all “institutions” (in the substantive sense) rely on a small cadre of contributory experts we refer to as *functionaries*.²

The prototypical institutionalization process—what we refer to as centralized institutionalization—involves an *unequal* (heterogenous) distribution, in which the majority of the activities and knowledge relevant to the reproduction, maintenance (and possible modification) of the institution is more or less confined to “functionaries,” who are a small proportion of the population (Archer 2010:276). This is likely the modal form of institutionalization, at least for the “big” institutions (except, perhaps, the family) emphasized in the functionalist and post-functionalist container/substance tradition (e.g. “government,” “the economy,” “schools,” “religion,” etc.). Put more succinctly, for any pattern of conduct which may be meaningfully distinguished by everyday actors, and which sometimes figure as analytical

² The term “functionary” is another lost gem from Weberian sociology, which has had a more general cultural influence outside of social science proper. It was for instance, the inspiration for Kafka’s essay on “The Penal Colony,” via Alfred Weber’s popular essay “Der Beamte” (the “civil servant,” “official,” or “functionary”). For more details on this influence see Harrington (2007).

categories in official institutional theory as “subsystems,” it is likely only a small portion of the population is spending most of their time and effort in its reproduction, maintenance, and repair (Hilbert 1987).³

Because of their unique experience and perspective, functionaries are more likely to *alter* established patterns of conduct (i.e., engage in entrepreneurship) in a prospective manner, as they are the actors who are most structurally and dispositionally positioned to do so. Our account thus improves over previous formulations in not only sharpening our conception of *where* the (institutional) action is, but also providing the analyst with the ability to predict who will be the most likely source of change in those patterns (Tolbert and Zucker 1996).

We proceed in five steps. First, we engage in constructive theorizing (Swedberg 2017) drawing on insights from conceptual metaphor theory (Cornelissen 2005, 2006; Lakoff and Johnson 1980). We show the motivating metaphors for much of institutional theory (specifically the old-, neo-, and logics traditions) is CONTAINER and SUBSTANCE—but a better motivating metaphor is DISTRIBUTION. Therefore, we propose the primary concept in institutional theory should not be the “institution” as a substantive entity but rather “institutionalization” as process (Barley and Tolbert 1997; Tolbert and Zucker 1996; Zucker 1977); essentially, *institutional theory without (container/substance) institutions*. We then outline the steady state distributional outcomes that should be most empirically likely. Third, we outline the role of functionaries in our distributional formulation, underscoring how they are involved in the constant, deliberate “upkeep” of institutions. This points to the routine affinity between stability and change in a more effective way than recent lines of institutional theory. Fourth, we compare functionaries to

³ The rest of the population can be complacent about these “institutions,” and only occasionally contribute to such activities (we might say they “take them for granted”).

institutional entrepreneurs. In doing so, we outline three forms of substantive, and two forms of formal institutional change, focusing on the latter which entail changes in the distribution of institutional knowledge (either away or toward centralization). We argue the dimension of centralization is empirically distinct from that of hierarchy, as movement in either direction can be accompanied by either a decrease or intensification of hierarchical distinctions.

2 COMPETING IMAGERIES IN INSTITUTIONAL THEORY

2.1 INSTITUTIONS AS CONTAINERS AND SUBSTANCES

Two basic intuitions motivate institutional theory: (1) the existence of more or less regular patterns of activity and (2) their persistence over time and across generations (see for example Hughes classic definition; 1936:180). To everyday actors, social life *feels* as though it has a regularity to it that can be identified and engage with (Martin 2001). These regularities are durable enough such that individuals can expect them, more or less, across distances, persons, and time (Tolbert and Zucker 1996). These observations inspire the most “minimalist” set of definitions of institutions in the literature: a set of persistent patterns of conduct with (more or less) self-correcting tendencies in cases of deviation (Durkheim [1895] 2014:47; Jepperson 1991; Martin 2001:194; Simmel 1950:9).

Many definitions go further, however, by attempting to incorporate a third intuition: actors often (but not always) sense these regularized patterns as being “out there” *independently* of their activity. Actors presume the pattern will continue even when some people stop actively instantiating it; it feels as though it “hangs above” social life and constrains their action as a

container or substantive entity. It is in trying to cash in analytically on this third intuition where many of the theoretical discussions go awry (Martin 2001). Hence the proliferation of institutional “substances” (Friedland 2013) and “deep structures” (Sewell 1992) aimed at codifying what sort of essence of the institution is it that accounts for its “sameness” over time even as people (and their actions) cycle through.

We wish to explore the viability of an institutional theory that addresses the above hunch without the (substantive) concept of “institutions” *per se*, honing its attention on the study of institutionalization *processes*. Our reasoning is based on an analysis of the cognitive foundations of theory building (Cornelissen 2006, 2005; Lizardo 2013; Swedberg 2014). As analysts are, in fact, human just like actors, slipping into the fallacy of reifying actors’ practical categories is seductive and pervasive (Brubaker and Cooper 2000).

There are two important differences between practical and analytical categories. The first is the partiality of actors’ practical categories. Simmel, for instance, talking about one’s individuality, argues our self-conception is always fragmentary and supplanted by the fragments of others’ views of us. This ongoing process “results in something that we never are purely and wholly” (Simmel 1971:11). If we were to aggregate actors’ practical categorizations of patterns of conduct, each description is never a pure, nor a whole, description of all the actual conduct making up an institution (Martin 2011). To be sure, there is likely to be a great deal of correspondence between actors’ practical categories, but neither one nor the aggregate refers to a single empirical entity (Taylor, Stoltz, and McDonnell 2018). We do not deny the material existence of institutions “in the world,” but from the point of view of an actor, these aspects are *fragments of patterns, pieces of evidence* from which actors construct the “whole” institution *in*

situ. Therefore, a key difference between actors and analysts, is that the latter is more than satisfied with provisional, non-exhaustive, and sometimes contradictory snapshots.

From this perspective it is easy to see “the whole is always smaller than its parts” (Latour et al. 2012). What we often refer to as “macro” is actually just a “summary representation actively constructed and pursued within micro-situations” (Knorr-Cetina 1988:39). Whenever actors encounter a part (i.e., evidence), they assimilate this part to a possible (simplified) whole in their minds. Each individual definition of the “whole” may partially overlap, but “without those various definitions ever coalescing into a second level that would unify all of them” (Latour et al. 2012:604).

In this last respect, a *complete and discrete* institution, say, “policing” only exists *as a complete and discrete entity* as summary representations in minds and conversations (or sketched on paper or screen). What exists in the world are police cars and officers, badges, paperwork, buildings, pictures, signs, and on and on (Bittner 1967). And in fact, any mental or material representation of the “whole” institution is actually just an additional constituent “part” of the institution—that is, whenever the social analyst sits down to define an “institution” they have succeeded in increasing its parts further. To theorize an institution *as a whole in the world* is a reification, which is perhaps essential for actors, but optional, and probably harmful, for analysts (Martin 2011).

The second difference is closely related; *categorizing* for an analyst is a very different (situated) process than for the lay actor. Actors categorize in an ad hoc way, for pragmatic purposes using exemplars, prototypes, idealized cognitive models, and other heuristics to fill in the gaps in the fragmentary evidence they encounter. These forms of categorization do not

require a match between the attributes of the entity encountered and default expectations (as in a checklist model of categorical inclusion; see Fillmore 1975 for an early critique). Actors can get by with all forms of “graded” categorizations of partial fit (Barsalou and Medin 1986; Clark 1993:87–112; Lakoff 1987).⁴

One problem, however, is if analysts were to apply the graded model of categorization to identify what makes up an institution the analyst would continue down the road of enumerating all the different “spheres” or “sectors” which might make up a society—and (needlessly) debating which ones are “real,” or which can and cannot be subsumed under (or nested within) a broader category of institutions (e.g. is the “military” a discrete institution or a constituent part of the “state”?) We contend that such a task feels intuitive not because there are actual bounded institutions in the world which can be identified in this manner, but rather that the conceptual metaphor that supports the analyst’s thinking is an “institution-as-container” or “institution-as-substance.”

This analogical mapping sanctions the intuition actors are “inside,” “nested in,” “embedded in” an institution, or that “[i]nstitutions are... inhabited by people and their interactions” (Scott 2014:57) or even that institutions have “boundaries.”⁵ This imagery leads to the presumption (central to functionalism) that there are distinct institutional “subsystems” (separate from people) which “make up” the society, and which could be in principle observed and classified. Society is presumably “comprised of multiple institutional orders or societal

⁴ Categories in social science, by contrast, aspire to be more rigorous; as such, social scientists endeavor to develop explicit categorization rules which generate mutually exclusive and globally exhaustive assignments of objects to categorical slots. Although this is only aspirational, and fuzzy categorization systems can even be subject to formalization (Hannan, Pólos, and Carroll 2007).

⁵ In this respect, a more apt (housing related containment metaphor) is that (some) actors are inhabited by institutions. This is also more faithful to the “steel hard casing” translation.

sectors” (Thornton, 2004: 42) or it is an “inter-institutional system” (Friedland and Alford 1991; Thornton and Ocasio 2008; Thornton, Ocasio, and Lounsbury 2012).

The conceptual metaphor of institutions-as-containers/substances also shapes the relevant analytic tasks in the tradition of sociological institutionalism (see, e.g., Schneiberg and Clemens 2006). Once each discrete container is identified, the analyst finds out what criteria makes each a valid instance of its “kind.” Because kinds (as classical categories) need to have essences that define each token as a valid member, institutional theorists are forced to come up with ways of identifying what is necessary and unique about each discrete substances/container. This is where the analyst posits a set of rules (or orders, or logics, or grammars, or organizing principles, etc.) which both define the “substance” and generate the distinctive qualities of each “container” (e.g., Thornton 2004; Thornton et al. 2012).

The analyst may for instance, trace the history of what actor or set of actors first systematized the rules and then produce evidence these rules diffused through the relevant structures or population of actors (Haveman and Rao 1997; Strang and Meyer 1993). The final analytic task is to show how, once critical mass is achieved, the container reproduces itself. This takes the form of how the rules—previously abstracted from empirical facts—are imparted onto incoming actors. Not only is this approach committed to a reification of actors’ categories, but it is also committed to the “scholastic fallacy”: “proceeding as if the constructs (theories, models or rules) that one has to produce in order to make practices or works intelligible to an observer who can only grasp them from outside after the event (with the aid of instruments of thought whose use takes time, such as genealogies or statistics) were the effective and efficient principle of those practices” (Bourdieu 2000:60).

Our skepticism of this procedure parallels Marx's characterization of the German philosophy of his day: "First of all, an abstraction is made from a fact; then [the fact] is based upon the abstraction. That is how to proceed if you want to appear German, profound and speculative" ([1846] 1965:530).⁶ In sum, this "sector" or "subsystem" tradition (see Zucker 1977), relying on a conceptual metaphor of institutions as containers/substances, first identifies different containers or substances, identifies the rules that define each container or substance, then (analytically) conceptualizes institutional activity as dependent on the internalization of these rules by actors so they will reproduce the substance or container (or shore up its boundaries).

Since these rules for reproduction are themselves functions of the container/substance, this tradition largely relegates accounts of institutional *change* to separate theories that play out at a "lower level" (the actor level) than the institution itself (e.g., Greenwood and Suddaby 2006; Hallett and Ventresca 2006; Lawrence, Suddaby, and Leca 2009). For instance, actors that have multiple memberships in different containers (Friedland and Alford 1991:248; Thornton 2004:42) may take the rules of one container and combine them with the rules of the other to generate a new "hybrid" set of rules (which when they are not compatible, may also be seen as "competing"). At a later point, these may become the basis, after the kinks are ironed out, for the creation of a new container or substance (e.g. Kraatz and Block 2008; Reay and Hinings 2009; Skelcher and Smith 2015).

2.2 INSTITUTIONS AS DISTRIBUTIONS

⁶ To paraphrase an example: First of all, an institutional logic (or rule, or order) is abstracted from patterns of conduct; then patterns of conduct are produced by that institutional logic (or rule, or order).

As intimated, the tension between stability and change built into the institutions-as-containers/substances framework is partly the byproduct of conceptualizing institutions as things “outside of” the activity of actors themselves. Another way to put this is that the existing institutional framework relies on an unnecessary and unsustainable “two-level” ontology—the micro and macro level (e.g. Weber and Glynn 2006)—which results in the sometimes frustrating search for “microfoundations” (Powell and Colyvas 2008) and devising “meso-level” links (Barley and Tolbert 1997) between micro and macro levels (for broader challenges to a two-level ontology see Cicourel 1981; Collins 1981a, [b] 1981; Fine 1991; Harré 1980; Knorr-Cetina 1981, 1988; Latour et al. 2012; Weick 2003; Zucker 1977). The solution, however, is not attempting to include both “top-down” and “bottom-up” processes in a single model (e.g., Gray, Purdy, and Ansari 2015), but rather to abandon the underlying assumption of a two-level ontology (Dépelteau 2008).

To build some new intuition, let us consider the possibility of an institutional theory without (container) institutions. While a set of patterns can be objectively institutionalized at a point in time, and thus empirically measurable, categorizing such patterns as “*an* institution” should be understood either as a phenomenological claim (for lay actors⁷) or as an entirely provisional claim (for the analyst). With this in mind, we can see that people never confront “institutions” *per se* (Schatzki, Knorr-Cetina, and von Savigny 2001:33–38); rather, people (empirically) confront other people acting and the material support for their activity, such as objects and physical environments, and associated “downstream” relational and cognitive

⁷ Collins (1981a:95–96) refers to the situational invoking of entire “wholes” by actors as “macro references,” and Knorr-Cetina (Knorr-Cetina 1981:41) refers to the same as “macro-representations.”

consequences of those actions.⁸ Jepperson and Meyer (2011:56, 68) refer to this as the “ontological truism” (see also Berger and Luckmann 1967:75; Felin, Foss, and Abell 2014; Selznick 1957:4). It is these people, objects, environments, and consequences that account for the relevant regularities glossed as whole “institutions,” and which can be measured empirically.

Actors, however, need not know about all these empirically measurable actions and consequences, as this would be impossible in most cases. Rather, they can orient toward certain *patterns as institutions* because of the ability to develop cognitive summaries (e.g., prototypes, scripts) of experience (Lakoff 1999; Rosch 1999). Therefore, what is and is not an institution, and the supposed boundaries between them, are empirical questions. They cannot be identified or individuated via the use of explicit rules (either of the inclusion/exclusion or generative sort). Certain “patterns” can be considered more or less a part of this or that institution by actors, and this always depends on their experience and position in a field.

To reiterate, we argue that analysts should focus less on defining and identifying institutions—as classical categories with an “essence” defined by a unique logic (Taylor 2003)—and more on understanding processes of institutionalization. This, we argue, requires that we understand institutionalization as dynamic and ground it in human cognition, activity, and materiality (and never deriving from an institutional substance or transcendental necessity). Put plainly, an institutional theory without institutions rejects a two-level ontology (Bauwens 2018; DeLanda 2006; Dépelteau 2008; Latour et al. 2012; Schatzki 2016). This avoids the problems previously discussed and brings us much closer to Simmel’s vision of a processual image of society:

⁸ Likewise, people never really confront “organizations” or any other reified “collective” actor, only evidence of the collective actor (Callon and Latour 1981).

The large systems and the super-individual organizations that customarily come to mind when we think of society, are nothing but immediate interactions that occur among men constantly, every minute, but that have become crystallized as permanent fields, as autonomous phenomena . . . society certainly is not a “substance,” nothing concrete, but an event... (1950:10).

Rather than assuming that social life is an inherently stable “substance,” we presume that social, cultural, and material entropy is the norm (McDonnell 2016; Vaughan 1999), with most institutional action being (literally) closer to “housekeeping”; the separation of the institutional order from the inevitable “dirt,” entropy, and disorder that seeps in from next door (Douglas 1986; McDonnell 2016). Even in so-called “high reliability” organizations, accidents, disruptions, and unanticipated consequences are “normal” (Perrow 2011; Vaughan 1997). All of this must be “continually countered by active intervention” (Zucker 1988:26), as even the observation of cultural stability is made possible by small, incremental moments of creativity on the part of particular actors trying to maintain the semblance of a pattern (Taylor, Stoltz, and McDonnell 2019). The existence of this “error correction” process is a prime signal of institutionalization (Jepperson 1991).

Yet, rather than providing evidence that the pattern is “broken,” the existence of committed “pattern reparation experts” may be a signal of the strongest form of institutionalization possible in human societies (Weber [1922] 1978). The reason for this is that committed repair experts are likely, in their attempt to “fix” the malfunction, to produce “more” instances of the same pattern (Hilbert 1987). To this processual toolbox we add the proposition that (contributory) knowledge and activity necessary to (re)produce patterns of regularized conduct are unevenly distributed and concentrated in a set of persons who engage in the relevant reproductive activity.

3 TWO TYPES OF INSTITUTIONALIZATION

It goes almost without saying that no one person can actively maintain all regular patterns of conduct, nor can they be a knowledgeable expert in every possible pattern. Similarly, it is unlikely that every person knows how to produce all patterns and will actively maintain all patterns. When it comes to an institutionalized pattern, not everybody is a “contributory expert” (Collins and Evans 2008). This implies that the activities and knowledge that *produce* patterns are unevenly distributed in a population (Carley 1991:332; Reay 2010); persons can take part in an institution without having “full knowledge” of all the regulatory, technical, and normative details that make it work.

Institutional patterns can be exhaustively accounted for by looking at the distribution of two elements, *activity* and *knowledge*, in a population.⁹ We assume that patterns are maintained only to the extent to which the majority of actors in the population who also have contributory knowledge of the pattern and are committed to furthering the activity necessary to carry out the pattern. Pattern maintenance requires a source of motivation for the majority of the relevant people to “carry out” the pattern over and over again. Substantively, we suggest that actors may be motivated to do so when (1) there is a felt moral obligation to the pattern or otherwise an expected payoff for recreating the pattern (intrinsic motivation), or (2) where actors recreate the pattern because they think there is a normative motivation by other actors (extrinsic motivation) (see Warner, 1978).

⁹ While we occasionally use the term “boundaries,” the reader should bear in mind that any “boundedness” is itself a pattern within the sets of patterns being institutionalized. Therefore, knowledge of a boundary, and activity which constitutes it, are also distributed in a population.

As shown in Figure 1, we can focus on one key *formal* characteristic of this distribution, which is its spread or concentration. This yields two ideal typical patterns of institutionalization: Centralized and decentralized. Case study 1 in the Appendix uses examples of modern currency to illustrate each type of institutionalization. Case study 2 uses a well-worn example (an historical comparison between Protestantism and Catholicism) to illustrate contentious interaction between each type and how one may emerge from the other. These are meant to be primarily illustrative and recommended mainly as intuition builders. The bulk of the discussion that follows stays at an analytical level.

Figure 1. Ideal-Typical Distributions of Institutionalization

Note: Dashed line is the distribution of knowledge (i.e., contributory expertise). Solid line is the distribution of activity.

3.1 DECENTRALIZED INSTITUTIONALIZATION

We begin with the (limiting) case of decentralized institutionalization, which is when a set of patterns is maintained evenly by most people in a relevant population to which the pattern can be ascribed (see the top panel of Figure 1). The theoretically interesting cases of decentralized institutionalization (when the pattern requires deep expertise and commitment) are exceptional. Another set of commonplace cases (when the pattern requires trivial amounts of energy and knowledge) are of lesser theoretical interest (e.g. the “institution” of the handshake (Sewell 1992)). We concentrate our discussion on the former kind.

Pure cases of decentralized institutionalization are not common for a variety of reasons. First, individuals only have limited time and energy (McPherson 2004). If the majority of people contribute an equivalent amount of their day to reproducing a set of patterns, then we would refer to these patterns as decentralized. Therefore, the telling question is, if a person is selected from the population at random, what is the probability they devote a significant portion of their day to whatever behaviors make up a pattern? If the probability is high, as the top panel of Figure 1 shows, this is a case of decentralized institutionalization.

Second, individuals face limits in what they can know and learn at a contributory level (Collins 2010). Here the most superficial and economical form of knowledge is “knowing that” a pattern exists and being able to refer to it in summary fashion and perhaps maintaining minimal “interactional” expertise (Collins 2004). “Knowing how” to produce a pattern (i.e. contributory expertise) is much more time and effort-intensive. One way of simplifying this limiting factor is to conceive of knowledge in terms of the extent to which an individual would have the skills

necessary to reproduce a set of patterns of conduct should they be so required. If a person is selected at random, what is the probability they know nearly everything there is to know about producing a pattern? Again, if this probability is high, we would refer to this as decentralized institutionalization.

The existence of these two constraints leads us to three propositions with regard to decentralized institutionalization. First, we presume that overall persistence of a set of patterns over time will be confined to a small population. However, within these groups nearly everyone engages in the same activities and has almost the same knowledge. Therefore, if someone were to stop reproducing a set of patterns, any member of the relevant population could take their place (i.e., there is little specialization, and high redundancy). Note that this parallels' Durkheim's ([1893] 2014) argument for what constituted the strength (and weakness) of "mechanical" solidarity (Breiger and Roberts 1996).

Second, if a set of patterns extends beyond a few people, consistency will be significantly reduced and the relative "cost" of enacting the pattern (in terms of time and energy commitment) will increase. This type of institutionalization would exhibit a large amount of heterogeneity over space and time. There may be so much change that at some later point it may barely resemble the original set of patterns. As noted earlier, the exception to this rule is when the pattern is simple and relatively "costless" to maintain. For instance, nearly everybody in certain parts of the West or everybody in Japan maintains the "handshake" and "bowing" pattern for greeting people. Here, this element is institutionalized in a decentralized way and it is exceptional because the number of people who take part in it can be staggeringly large. In this respect, practices subject to decentralized institutionalization in large-scale populations is likely to be thought of as

“shallow” and not “deep” (Sewell 1992).

Finally, we assume that those who devote most of their life and day to expertise-greedy decentralized patterns, and where the relevant population maintaining the pattern is both small and highly identified with it, will also feel a strong sense of insider-outsider boundaries (Douglas 1986). In the case of decentralized institutionalization, the primary boundary is between “believers” and “nonbelievers,” and the primary boundary mechanism of interest is proselytization (or how nonbelievers are incorporated into the relevant population) and excommunication (or how waning believers—or “free riders”—are removed from the group). The “outsiders” or “non-believers,” however, may be only minimally impacted by the activity of “insiders,” if at all.

3.2 CENTRALIZED INSTITUTIONALIZATION

We have centralized institutionalization when a set of patterns is maintained by only a few people in a relevant population, but most everyone in the population is impacted by or comes to have interactional knowledge of the products of their activities. We can recast our question, if a person is drawn at random from the relevant population, what is the joint probability they do *not* devote most of their day to sustaining a pattern but at the same time *know* about the existence of the pattern? If the probability is high, as the bottom panel of Figure 1 would suggest, this is a case of centralized institutionalization.

The second distribution, of knowledge (procedural, contributory, or “know how”), is likely even more unequally distributed than is activity. This is because not only is knowing how to produce a set of patterns embodied in a few persons, it is also more likely that no *single* person

knows how to produce the *entire* set of patterns. Knowledge of how to reproduce the institutional patterns is “distributed” in Hutchins’s (1995) sense, such that “running” an institution is closer to steering a large naval vessel than it is to driving a car. Actors may specialize in one fragment of the total pattern or another, and together these specialists can produce the full set of patterns. This stands in contrast to decentralized institutionalization, in which nearly everyone in the relevant population has nearly the same knowledge about a set of patterns. We argue that this centralized institutionalization is likely to be the modal type, especially as it relates to the most durable and historically significant sets of patterns.

This leads us to three propositions regarding this form of institutionalization. First, unlike decentralized institutionalization, *the number of people impacted by the centralized patterns is potentially quite large, even without losing consistency over space* (Giddens 1984). This also means that patterns of conduct are likely to be more persistent over time. Second, although the boundary that divides insiders and outsiders remains important, *centralized institutionalization includes a significant boundary between the “laity” and the “functionaries”—or, those who devote most of their time and knowledge to a pattern, and those who only devote a minimal amount* (Weber [1922] 1978:251). It is this type of institutionalization in which many in the relevant population can “take it for granted” (Berger and Luckmann 1967) that patterns will persist and yet do not know *how* to make the pattern persist. In this sense, for the majority of the population the insider-outsider boundary is less salient, and people are likely to feel that the pattern has a life of its own. Finally, while incorporating new people into the laity (through proselytization) remains an important mechanism, removing deviant actors from the laity (through excommunication) is less significant for centralized institutionalization. Instead,

recruiting, training, and retaining functionaries—and the cultivation of a functionary’s “ethos”—are the most significant mechanisms of interest in this form of institutionalization.

4 THE FUNCTIONARY

4.1 FUNCTIONARIES AS MAINTAINERS AND REPAIRERS

Institutional patterns are maintained by the contributory activity of experts, with the limiting case being the universal expertise of an entire population in a low-cost pattern (Collins and Evans 2008). As noted earlier, with decentralized pattern maintenance and repair, this form of expertise and activity is (more or less) evenly distributed in a relevant population. With centralized maintenance and repair, the majority of the relevant population engages (as either “goods” or “bads”) the downstream outcomes or products of the institution and therefore only requires interactional expertise, leaving the contributory role to a smaller portion of the population. In this section, we focus on the processes underlying this last form of institutionalization, with a focus on the small cadre of experts that keep them going. This is important, given the key role centralized institutionalization plays in differentiated societies and the centrality of “professionally mediated” institutionalization in the literature (DiMaggio and Powell 1983).

Mainly, we argue that within centralized institutionalization, there is a special class of individuals who have extensive contributory knowledge of pattern production and repair. This practical knowledge results from actively partaking in the (re)production process: These people (1) actively maintain a pattern, and, as a result, develop (2) specialized contributory knowledge

allowing them to maintain the pattern and repair it when it is subject to natural processes of entropy and dissipation (or is actively disrupted by maintainers of other patterns, such as professional armies). This cadre uses this knowledge to *either adapt administrative practices in the service of maintaining the phenomenological relevance of the institution for the larger, non-specialist portion of the population or otherwise radically repurpose these practices to create a new set of patterns*. We refer to actors that satisfy these two criteria as *functionaries*.¹⁰ In relation to the population that does not satisfy these criteria, this class of actors is significantly smaller in number.¹¹

At the risk of over-simplification, we suggest that these two criteria respectively highlight the role of functionaries for *institutional stability* and *institutional change*. This section delineates the role of functionaries for stability—i.e., the development, maintenance, and repair of patterns. Put tersely, we argue that in maintaining these patterns, functionaries ensure that these are confronted and “felt” by the majority of the non-contributory population. As a result, most of the population so affected comes to experience these as objective, durable, and stable, and even feel like they “live” in them; this generates the sense (among non-contributors) that the pattern *would* persist even if no particular people were manning the ship. These are the “container” institutions of institutional theory, with the “power-container” of the state being probably the most (experientially) prototypical one for most humans in recorded history (Giddens 1985), although the (Western Catholic) “church,” especially during

¹⁰ As we elaborate in what follows, Max Weber’s classic discussion of the “civil servant” as an ethically committed maintainer of the bureaucratic institutional pattern, serves as the *locus classicus* here (Weber 1946b).

¹¹ The centrality of functionaries, as a class of actors, has been (implicitly) suggested elsewhere (Selznick 1996; Stinchcombe 1997). In fact, as alluded to above, a particular type of “modern” functionary, namely, “the professional” have been the star of sociological institutionalism from the beginning (DiMaggio and Powell 1983; Meyer and Jepperson 2000).

counter-reformation efforts, was not far behind (Gorski 2000). It is no wonder that states (or more experientially likely, their armies) are also the source domain for so many of the abstract “structures” that somehow stand opposed to “agency” (Martin 2009).

4.2 FUNCTIONARIES AND INSTITUTIONAL PATTERN REIFICATION

Swidler and Jepperson (1994) argue that cultural elements lie on a continuum of living to dead: on one end elements are highly contested and contestable (and therefore living) while on the other end elements are highly institutionalized (and therefore dead). In making this argument they suggest, in passing, a distinction between “most people” and “specialists” as it relates to institutions:

Perhaps some *specialists* directly debate, manage, or reiterate the defining rules that [for example] make an entity a university...But for *most people* these are simply objective structures, not matters of “culture.” Our point is that they are indeed culture, but culture congealed in forms that require less by way of maintenance, ritual reinforcement, and symbolic elaboration than the softer (or more “living”) realms we usually think of as cultural. (Swidler and Jepperson 1994:362-363, italics added)

We build on this insight and argue that centrally institutionalized patterns of conduct require specialists, referred to here as functionaries, who engage in direct and deliberate maintenance (see also DiMaggio 1988:14). For functionaries, the patterns of conduct will seem more “living” and perhaps “softer,” “malleable,” “fragile,” and less “taken for granted.” For “most people” the same patterns are objective structures which can be taken for granted, sometimes decried (e.g. courts, the IRS), but most of the time ignored, or kept in abeyance until they become relevant.

In *Economy and Society* ([1922] 1978:221, 234–36, 251, 425–65, 948–52, 967–88, 1314–1447), Weber identifies historical examples of the functionary in statecraft, military,

private enterprise, charitable organizations, and religion. For Weber, the key distinction between the functionary and the laity was the form of expertise commanded by the functionary. What linked all the distinct functionaries together, however, was a committed purpose in institution-maintenance: namely, to act as the bureaucratic vehicles through which “objective” tasks were carried out:

Bureaucratization offers above all the optimum possibility for carrying through the principle of specializing administrative functions according to purely objective considerations. Individual performances are allocated to functionaries who have specialized training and who, by constant practice increase their expertise. “Objective” discharge of business primarily means a discharge of business according to calculable rules and “without regard for persons.” (Weber [1922] 1978:975 original emphasis omitted)

Interestingly, in carrying out tasks perceived by the laity to be “objective,” (and sometimes even seemingly “disinterested” (Bourdieu 1998)) functionaries also work to perpetuate the notion that institutions are discrete entities “out there” in the world—containers, substances—that exist above and beyond people and their upkeep and repair activities. As Meyer and Jepperson (2000:116) memorably put it, in “enacting” institutional patterns, functionaries pull off the trick of seeming to be “agents of no real principal.” Therefore, although we (as analysts) should avoid reifying actors’ sense of institutions as objective entities, functionaries (in service of their duties) will seek to generate this very impression.

Within centralized institutionalization, pattern maintenance does not require the majority of the population to be intrinsically or extrinsically motivated to maintain and repair the pattern. As we will see below, the motivation for pattern upkeep is an important source of variation (and distinction) among functionaries. However, besides knowledge and motivation, the other way in which we may distinguish functionaries from the laity is in the *work* functionaries carry out to

ensure that the majority of non-specialists rely on these patterns and “take them for granted” (Berger and Luckmann 1967; Stoltz and Lizardo 2018).

4.3 FUNCTIONARIES AND INSTITUTIONAL WORK

We point to two general (but not exhaustive) types of “institutional work” by which functionaries achieve pattern maintenance: (1) *administrative* work, whereby the functionaries handle the background, often mundane task of keeping the machinery of institutionalization operational and producing the expected physical evidence (e.g., sending and reading emails, disseminating forms, replenishing office resources, etc.), and (2) *regulative/coercive* work, whereby the functionaries exert “pressure” on non-specialists when the required adherence to the pattern (however minimal) is slipping or is being directly challenged.

Institutional upkeep work includes both passive reminders of social expectations (such as when a university administrator emails faculty and staff about codes of conduct when representing the university off campus), legal structures such as formal rules and laws, and perhaps even physical force or violence, a task which, naturally, may be delegated to its own set of functionaries or “violence specialists” (Collins 2008). In this last respect, it has been theoretically disastrous for (sociological) institutional theory to equate “institutionalization” with the *lack* of regulation or coercion regarding maintenance of that pattern among the laity (Scott 2014). This is doubly counterproductive, given that previous institutional theories, from Durkheim onward, have highlighted the importance of regulative work in maintaining institutional patterns. That being said, we contend that the mundane tasks and physical evidence involved in *administrative work* is more often overlooked in institutional theory and yet proportionally more significant for institutional stability.

Logically, if functionaries devote most of their learning and activity to one set of patterns, they cannot devote this time to the production of other sets of patterns. This means that individuals who may become functionaries are placed on specialized occupational trajectories, and these occupational trajectories are themselves institutionalized to provide for the continuation of the patterns of conduct. The relatively totalizing role of “the priest” as the main functionary in the Catholic church is a rather extreme, but clear, expression of this tendency. We may also predict that, unlike the majority of the population, who can take both the pattern’s existence and persistence for granted, functionaries are likely more intimately aware of the complexity, both practical and ethical, of pattern maintenance and the importance of their role in this maintenance. There are certain forms of knowledge and activity which only a few people maintain; without these few, the contributory expertise may be lost entirely. Therefore, within centralized institutionalization, we would likely find mechanisms by which this specialist knowledge can be passed, lest it die with those few.

In the same way, there may be a lot of “dirty little details” involved in such maintenance, and functionaries usually decide at their discretion that the laity need not know of such unpleasanties. This is especially the case if such knowledge would threaten the laity’s “belief” in (the unproblematic functioning of) the institution (Bourdieu 1980). Centralized institutions thus develop bifurcations of knowledge into “esoteric” (what few know) and “exoteric” (what “everybody” knows) kind, with the former including not only technically complex (and probably banal) knowledge, but also morally or ethically compromising knowledge about the “real workings” of the institution, to which only a few insiders are privy. Functionaries thus may possess special conceptions as to “how the sausage is made” only discussed with other

functionaries. In the same way, revelations of the possession of this insider knowledge to the laity can cause major disruptions (and, in extreme cases, existential threat) to the institutional pattern being maintained. For instance, dramatic processes of deconversion and disaffiliation among both Irish and American Catholics following the revelations of decades of pedophilic practices among priests, show that no pattern, however old and strong, is invulnerable to this “loss of faith” among those who engage it mainly via interactional expertise.

There is also the matter of recruitment, motivation, and retention of functionaries. Should a person learn what is necessary to perform their role as a functionary, the set of institutionalized patterns would still decay without a critical mass of people with the appropriate contributory knowledge being motivated to engage in the activity. The job of specialized pattern maintenance enacted by functionaries *could* be performed in a purely perfunctory, ritualistic way driven primarily by the extrinsic motivations provided by the institution to keep functionaries from not shirking on their repair and maintenance work (Merton 1940). However, it is unlikely that institutional patterns could be maintained properly if *all* functionaries operated this way (Stinchcombe 1997).

Instead, as argued by Weber, successful centralized institutional patterns are likely to be maintained and repaired by functionaries who have developed an appropriate “ethos” in relation to the pattern (McDonnell 2017; Lizardo and Stoltz 2018). The functionary is more likely to care about the pattern of conduct being maintained and be intrinsically motivated to do the work necessary to maintain the pattern. The functionaries that do not develop such an ethos may either depart entirely from the field or fail to maintain the patterns of conduct. This also means that were the social conditions for the production of this ethos are disrupted or weakened, recruitment

of properly motivated functionaries into the institution can be disrupted, as recent work on priestly vocations suggests (Fishman, Gervasoni, and Stater 2015). In addition, it is also likely that institutional patterns that are maintained (and spread) by “true-believing” functionaries will have a competitive advantage over patterns that are being maintained for largely ritualistic or extrinsic reasons (Merton 1940). These latter types of patterns for instance, may have the impression of dominant and widespread, and yet “collapse” rapidly in the face of competition from patterns fostered by alternative cadres of true-believing functionaries especially if these are also committed “evangelizers” (Stinchcombe 2002), and news about this spread among the laity negating their previous “belief” on the externality and obduracy of the old pattern (Kuran 1991).

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4.4 FUNCTIONARIES AS TINKERERS AND ENTREPRENEURS

The distributional account of institutionalization, the concept of the functionary, and their role in institutional pattern maintenance and repair have several implications for how we approach institutional change (Clemens and Cook 1999). Mainly, we contend, the distributional framework leads seamlessly into a general conception of (institutional and other kinds of) *entrepreneurship* as a source of change in institutional patterns. In the now well-established (container/substance) approach, institutional entrepreneurs break out of the dialectic of institutionalization (e.g., by straddling multiple “domains” or exploiting “contradictions” across containers[(see Rao, Monin, and Durand 2005a; Seo and Creed 2002)) and alter the pattern that is being reproduced in a sphere. As noted earlier, this literature relies upon the conceptual

¹² As a somewhat literal example of this last case, we may cite the stunning spread of the evangelical christianity pattern through formerly almost universally Catholic Latin American countries (Smilde 2007).

metaphor of CONTAINER as the entrepreneurs act “inside” (or at the “interstices” (Morrill 2006)) of the much “larger” institution or even “larger” institutional field (a recursive application of the conceptual metaphor in which a mega-container encases smaller containers (Lakoff and Johnson 1980)).

Whereas others (i.e. non-entrepreneurs) more or less mindlessly reproduce a practice even when it is not in their “best interest” to do so. In this literature, the entrepreneur is an agent who by virtue of her structural position, either possesses a heroic perspective on the overall layout of the field, or possesses a heightened capacity to “apprehend institutional contradictions” (Voronov and Yorks 2015) and can thus identify viable pathways for change and accumulate the resources necessary to instigate change. This is the strategy that the traditional approach in institutional theory deploys to account for “endogenous” change (Greenwood and Suddaby 2006).¹³

Breaking with the containment (and by implication “straddling”) imagery, the distributional approach allow us to specify a different set of processes and mechanisms accounting for institutional change. We outline three theoretical implications of our approach for our understanding of processes of institutional entrepreneurship. We define entrepreneurship as *the concerted effort by a functionary to mobilize knowledge in the service of producing more or less permanent change in an existing pattern or set of patterns*. This definition of entrepreneurship is general enough to encompass all forms of entrepreneurship, whether of the economic (especially as developed in neo-Schumpeterian and Kirznerian approaches in Austrian economics[(see, e.g., Kirzner 1997)), cultural, social or “institutional” kind (DiMaggio 1988;

¹³ Exogenous change is explained as arising from some conflict between institutions (i.e., colliding containers).

Dimaggio 1982a, [b] 1982; Lounsbury and Glynn 2001).

Under the distributional understanding, an act of entrepreneurship happens if those reproducing a set of patterns suddenly change one or more of the patterns, or combine the set with a new set of patterns, or expand the pattern's reach to a population previously unexposed (Rao and Giorgi 2006). In this respect the mechanisms that produce change do not differ across kinds of entrepreneurship (e.g. economic versus institutional). What differs are the particular knowledge, processes, and activities necessary to maintain the newly formed set of patterns (i.e. the tasks of the functionaries).

5 INSTITUTIONAL CHANGE

In the container/substances approach, institutional change is conceived as a change in the container or the recipe to produce the container, or as a “mixing” of the different substances inherent in each container. For instance, Rao and Giorgi argue that what is involved in institutional entrepreneurship is “exploit[ing] the pre-existing logic within the social system, or import[ing] a logic from a different domain” (2006:270). In the distribution approach, change is not conceived as the alteration of a “logic” (or template, or code, or recipe, etc.), but rather as the modification of local practices and expertise. This follows directly from the grounding of institutionalization in the functionary's routine activities and accrued contributory expertise. As functionaries are less likely than the laity to “take for granted” the production of a pattern of conduct because of their contributory expertise, it is unsurprising that those at the heart of institutional activity (and often the most intrinsically committed) will also be those most likely to alter the pattern of conduct (often in service of a patterns' reproduction as discussed in the

previous section).

In the institution-as-container/substances approach, “change” is understood as a deviation from some “dominant institutional template” (Battilana 2006; Battilana et al. 2009; Van Wijk et al. 2013). In the distributional approach, the extent to which a set of patterns has “changed,” or how novel or innovative a particular pattern may be, cannot be established by comparison to some global standard. This is because, as we have argued, there is no “global” set of institutional containers (e.g. “the state,” “the economy,” “religion,” and so on) to be enumerated, classified or ostensibly pointed to. Any attempt at this form of boundary specification is a simplification of the actual institutional processes from a perspective in the field, as the perception of patterns is always local. All this means, however, is that the novelty (or lack thereof) of a pattern is always based on a (temporally, spatially, and socially) situated perspective; what is novel here may be old news over there. The extent to which some people are acting as entrepreneurs matters only for those already familiar, even if only minimally, with the local institutional patterns.

This implies that decentralized institutions, despite experiencing a high rate of volatility (Troeltsch 1992), are unlikely to experience entrepreneurship *qua* innovation. Even though we should expect far more pattern variability in decentralized institutionalization, the relevant actors are unlikely to perceive a potential entrepreneurial “project” as novel or useful (Colomy 1998); in fact, since there are very few stable and unique positions in a decentralized field, it is unlikely (but not impossible) that the pre-existing activities and knowledge structures defining the field are even perceived as inefficient or problematic in the first place (Abrutyn, Van Ness, and Taylor 2016). In contrast, centralized institutions are far more likely to generate the phenomenological experience of entrepreneurship. In this respect, there is a necessary role complementarity

between the functionary and the entrepreneur.

The implication of this is that entrepreneurs are disproportionately more likely to arise from the realm of functionaries. This is for two reasons. First, because of their familiarity with highly persistent patterns, and their possession of hard to gain and relatively circumscribed knowledge, the functionary may “see” the potential impact of novelty in a way that non-functionaries cannot. This is what accounts for the “vision advantage” of true entrepreneurs and their capacity to break stable institutional equilibria (Kirzner 1997). Functionaries are structurally and culturally equipped to see “cultural holes,” opportunities, and contingencies when and if they arise (Abrutyn et al. 2016; Collins 1987; Stark 2011:118–52). Second, with highly centralized distributions of contributory expertise and activity, only a relatively small number of people needs to alter their activity to generate major institutional change, with the potential to affect a very large population. The innovation travels quickly among the group of relevant functionaries and then is imposed on the (complacent) majority with or without their knowledge. Opposition from the laity only occurs if changes in the pattern of conduct requires changes in their previously gained interactional expertise.

Figure 2. Types of Institutional Change

5.1 SUBSTANTIVE INSTITUTIONAL CHANGE

The distributional approach sees the most socially consequential types of institutional change as those impacting the distribution of knowledge and activity in relation to a set of patterns. Most contemporary institutional theories focus on a different set of mechanisms which we refer to as “substantive” mechanisms. As we have argued, this approach is sanctioned by the thing-like (containment and substance) conception of institutions and their functioning. From this perspective, institutional change can only happen when a container is altered because of a new

substance (e.g., a “logic”) being brought into a place where it was absent before (e.g. Rao and Giorgi 2006), when a new substance is produced by blending or mixing two existing substances (“hybrid logics”) (e.g. Glynn and Lounsbury 2005; Rao, Monin, and Durand 2005b), or when new people are exposed to a pre-existing substance (e.g. Colomy and Kretzmann 1995; Schofer and Meyer 2005). We may refer to these substantive mechanisms as importation, recombination, and expansion, respectively. These are depicted in the right-hand side of Figure 2.

Importation occurs when new patterns of conduct, compete with, and eventually replace, old patterns of conduct, and is currently the most commonly discussed form of substantive change in the literature relying on the “institutional logics” perspective (Rao and Giorgi 2006; Reay and Hinings 2009; Thornton and Ocasio 1999). For example, in a study of the education publishing industry, Thornton and Ocasio (see also Powell 1985; 1999) found that the dominant “editorial logic” (characterized by the importance of reputation and professionalism) of the 1950s and 1960s was displaced by the importation of a “market logic” (characterized by the significance of market position and financial performance) into the industry during the 1970s and onward. In our distributional approach, this amounts to the establishment of a set of patterns of conduct, by a new cadre of functionaries, that were uncharacteristic of the setting, requiring either retraining of constituents and/or the recruitment of those who already possess the necessary contributory expertise.

Recombination is similar to importation insofar as it occurs with the introduction of a new logic to an organizational field, but differs in that it involves the “blending” (rather than the supplantation) of the new logic with the old one. Recombination is commonly construed as the mechanism of change that emerges when a “shock” is introduced to the field in question, where

the shock can be either internal (Rao et al. 2005b) or external (Glynn and Lounsbury 2005). From our distributional perspective, recombination occurs when a new pattern of conduct emerges from the innovative “mixing” of two or more pre-existing patterns of conduct by a given set of functionaries—typically a pattern endogenous to the field with a pattern exogenous to it. Recombination, therefore, either leads to two or more previously exclusive sets of functionaries conjoining in order to maintain the emergent pattern, or the retraining of an existing set of functionaries—though existing functionaries may be reluctant to adopt new forms of contributory expertise, especially when recombination is caused by external shocks outside of their immediate control.

Expansion involves the adoption or diffusion of a pattern of conduct by, or the forced assimilation of, new populations such that they are now impacted by an existing pattern of conduct. Diffusion is key concern in the “world society” tradition (Krücken and Drori 2009; Meyer et al. 1997; Meyer and Bromley 2013), whereby patterns of conduct that emerge in one location (primarily the West) serve as “models” (cf Colomy and Kretzmann 1995; DiMaggio and Powell 1983) which are adopted by governmental and non-governmental organizations around the globe (Schofer and Meyer 2005). Commensurate with our distributional approach, this literature suggests that “adoption” of new “substances” is achieved through the demographic transfer of those already with contributory expertise, or the systematic training of a local cadre of functionaries who then serve as “carriers” of world cultural patterns. Spread of a pattern of conduct also occurs in the case of, for example, state territory expansion whereby populations previously lacking interactional expertise with this set of institutional patterns are (more or less) forced to acquire at least minimal knowledge necessary to navigate new requirements and take

advantage of potential benefits. This kind of expansion also includes the common sense of entrepreneurship, for example, when McDonald's opens up a restaurant in a new location.

5.2 FORMAL INSTITUTIONAL CHANGE

The container/substance model has led to an overemphasis on these type of “substantive” mechanisms and a neglect of conceptually simpler (yet probably more powerful) sources of institutional change. These have to do with “formal” (distributional) properties of the knowledge and activities that institutions depend on. These are depicted in the left-hand side of figure 2. These kinds of institutional change are as likely to feature innovation, contestation, creativity, and conflict as are the substantive mechanisms highlighted in recent discussions. The two kinds of formal institutional change naturally track our two types of steady state institutionalization.

First, a previously centralized set of patterns may become increasingly decentralized. This is perhaps the most drastic form of institutional change and is exemplified by the, once again, well-worn example of the Protestant Reformation vis-a-vis the Catholic church. Contemporary attempts to “democratize” access to and the production of scientific knowledge represent an incipient (and obviously not yet successful) attempt in the same direction (McCormick 2009). Obviously, the reverse can also happen; a set of patterns that is relatively decentralized can, over time, become centralized. Western science itself, may have followed that path, beginning as a decentralized gentlemanly hobby among a set of (usually aristocratic) equals (most of the early scientific discoveries were made in their spare time by non-experts), and turning into the seemingly unwieldy, anti-democratic, centralized “Golem” that it is today (Collins and Pinch 1998).

The other “formal” pattern of institutional change involves moving in the reverse direction: A previously decentralized patterns comes to be “hoarded,” expanded, and refined by a set of incipient functionaries, creating a bifurcation in the population. Now people can be divided into those who possess a high level of contributory expertise in the pattern and those who now depend on these functionary-experts to see the particular pattern (whether wanted or unwanted) reproduced. This newly formed “laity” may only possess interactional expertise with respect to the new and more complex pattern and are no longer contributory participants (as was the case in the previous decentralized stage). They may even begin to speak of *the* institution as something above and beyond their actions, which is formally and phenomenologically correct.

In this last respect, centralization and the bifurcation of the population into functionaries and laity implies an increase in “hierarchy.” However, in the distributional approach hierarchy and centralization are analytically distinct: knowing a pattern is centrally institutionalized does tell us that its maintenance also depends on any given configuration of power relations. That is, the concentration of expertise and responsibility for institutional upkeep, maintenance, and repair on functionaries is not equivalent to the concentration of *authority* in the same group (Weber 1978:948–9).

For instance, one can imagine a situation in which centralized institutionalization results in a traditional hierarchy where the majority of the population is at the will of a powerful minority because they have monopolized the means of producing a set of patterns, as seems to have been the case with the emergence of historical state systems (Mann 1986). Alternatively, it may be the case that the majority of the population can afford the leisure of *ignoring* how certain institutionalized patterns are maintained, and appreciate the various outputs produced by

functionaries. Some of these downstreams goods, such as the outputs coming out of human resource offices, may even serve a hierarchy-attenuating function (Dobbin 2009). However, functionaries may realize that, as they are the few with the knowledge to produce a set of patterns, they may use their unique position to leverage power. This gives them an incentive to further manipulate the knowledge distribution in their favor. For instance, it is likely that the priests monopoly over the “literacy” pattern and the functional use of this pattern for large-scale coordination of big populations by state authorities gave this class more power than we would have guessed otherwise (Giddens 1985).

6 A DISTRIBUTIONAL RESEARCH AGENDA

Starting from an analysis of the cognitive foundations of theorizing (Cornelissen 2006, 2005; Lizardo 2013; Swedberg 2014, 2017), we argued that the motivating metaphor for much of contemporary institutional theory is “container” and “substance.” This links “container” institutional sectors or domains with the substances that individuate each domain and are contained therein, usually something like an “institutional logic” (Thornton et al. 2012). This is now the dominant way in which institutions are understood both in sociology and organizational studies more broadly.

The container/substance approach leads to a “substantive” conception of institutional change relying on the spatialization of abstract domains (e.g. “straddling,” “inhabiting,” etc.) coupled with the creation of new substances via the mixing of previously existing ones (“hybrid logics”). The distributional approach, on the other hand, brings back a focus on “formal” bases of institutional changes based on the distribution, dissemination, and monopolization of knowledge

and activities. This recovers fundamental insights from both the classical (Durkheim [1893] 2014; Hilbert 1987; Weber [1905] 2002, [1922] 1978), and contemporary traditions (Berger and Luckmann 1967; Bourdieu 1980; Giddens 1984, 1985; Reay 2010; Schütz 1967), otherwise obscured in the substance and container-centric approach.

We argued that the tension between stability and change built into the containers/substances approach is partly the byproduct of conceptualizing institutions as things “outside of” the activity of actors themselves. Such a conceptualization creates a two-level ontology that separates macro-level institutions from micro-level agency, leading to more-or-less implicit theories of institutional action that (1) favor identifying the causal structures of institutional stability at the expense of understanding how these macro-level domains evolve over time and space, and (2) *a priori* places the search for mechanisms of stability and change at different levels of analysis.

While thinking of institutions as containers or substances is perfectly fine as a phenomenological impression for the laity (and even “data” for the analyst), it is a dubious assumption to import into institutional analysis. Based on this critique, we suggested that the primary concept in institutional theory should not be the “institution” as a container or substantive entity but rather “institutionalization” as process. In particular, we argue that patterns of institutionalization can be exhaustively accounted for by looking at the distribution of two elements, activity and knowledge, in a population. In particular, we argue that (contributory) knowledge and activity necessary to (re)produce patterns of regularized conduct are unevenly distributed, and often concentrated in the hands of specialists, which, following Weber, we refer to as functionaries. We argue that two steady state distributional outcomes should be most

empirically likely, which we refer to as *centralized* and *decentralized* institutionalization.

Decentralized institutionalization is constrained to exist at the level of relatively small communities (due to the knowledge-acquisition and behavioral commitment bottleneck), and is subject to “church-sect” dynamics that guarantee temporal dynamism. Centralized institutionalization, on the other hand, can enjoy economies of scale, and via the upkeep role of functionaries develop into the “big” institutions that can encompass large populations for long temporal scales (e.g. millenia). These are the experience-near models for most of the “container” institutions of institutional theory. Functionaries play a central role in the distributional formulation, underscoring how they are involved in the constant, deliberate “upkeep” of institutions, within the substantively significant centralized patterns. This points to the routine affinity between stability and change in a manner different, and we argue more productive, from recent lines of institutional theorizing.

To outline what the proposed distributional approach to institutional analysis might look like in practice, we present a research agenda divided first by the (1) formal and (2) substantive aspects of institutionalized patterns of conduct, followed by a consideration of the (3) intellectual and practical significance of studying functionaries.

The first consideration involves specifying whether the patterns of conduct of interest are centralized or decentralized. This will determine whether we should seek out functionaries (as in most current work in organizational studies of expert and professional fields), or whether those sampled at random from a population are equally suited as informants. For instance, Small’s (2004) canonical study of “Villa Victoria” can be thought of as an examination of the decentralized institutional pattern maintaining a particular “narrative” of the neighborhood; as

such, local sampling of lay informants was adequate for this task. We also noted the dimension of centralization is empirically distinct from that of hierarchy. A movement toward either centralization or decentralization can be accompanied by either a decrease or intensification of hierarchical distinctions. This raises the question of under what circumstances are those with concentrations of contributory knowledge—and therefore considerable influence over patterns of conduct—both at the bottom of a hierarchy and yet still engaged in the reproduction of their own subjugation. In the standard container/substance approach, this is presumed to be most people, most of the time—save for the few heroic change agents. However, in the distributional approach, this becomes a key empirical question.

Turning to substantive aspects of institutionalization, both centralized and decentralized patterns must deal with question of *recruitment* and *training*. Some decentralized patterns are greedy, requiring a lot of time and energy from all relevant members of a population (Shi et al. 2017), the continuous bringing of new members into the fold, and the establishment processes in place to make sure that new members are trained accordingly to reproduce the pattern (e.g. “socialization”). Protestant evangelicalism along with bible-studies and church is a prototypical example of this process.

Similarly, *turnover* and *retention* will be a concern for the persistence of both kinds of institutionalization (Shi et al. 2017), but in the case of centralized patterns, turn-over matters mostly for functionaries. In this latter case, the majority of the population can come and go—for example, immigration and emigration in the case of nation-states—without much change in institutionalization patterns of conduct. However, demographic shifts among functionaries is likely the prime threat to institutional persistence as with the Catholic priestly recruitment crisis

in some national cases (Fishman et al. 2015). This means that research should concentrate on examining the mechanisms accounting for how functionaries, after investing time and resources into the acquisition of contributory knowledge, are retained. In addition, processes of deinstitutionalization, and even the “death” of some institutions, could be recast as studies of failure of mechanisms of recruitment, socialization, and retention of functionaries.

Finally, the distributional approach points to the need of a more sustained effort for the *comparative* study of functionaries across institutions (Weber [1922] 1978). As discussed above, decentralized patterns lack the economies of scale of centralization, and are therefore less likely to be implicated in crafting the lives of large populations across large time-spans. Therefore, studying the strategies used by functionaries trying to maintain seemingly incommensurable patterns (e.g. military officers and journalists) can be both methodologically strategic and generative of theoretical insight.

As bottlenecks of institutional reproduction and change, a central question of concern is where in the social structure functionaries come from—also a classic Weberian question. This can lead distributional institutional analysis with classical questions in the sociology of stratification. For example, questions on where functionaries come from dovetail nicely with the renascent study of elites in sociology (Khan 2010; Rahman Khan 2012; Reeves et al. 2017; Rivera 2015, 2012), in particular those considering the educational and career pipelines of functionaries—both how certain people get these positions, but also what sort of contributory knowledge they acquire along the way. Although presidents, prime ministers, and CEOs are functionaries that easily come to mind—and of primary concern for power-structure researchers—they are not always the most consequential. “The power elite are not solitary

rulers,” Mills reminds us, “Advisers and consultants, spokesmen and opinion-makers are often the captains of their higher thought and decision” (Mills [1956] 2000:4).

The distributional approach also has straightforward implications for applied sociology. Consider, for example, mass incarceration in the United States. Rather than consider this trend as precipitated by changes in intangible logics or templates, recent research has revealed that prosecutorial discretion—that is, the directed and “free” activity of flesh and blood functionaries—played a key role in the rise in rates of incarceration (Pfaff 2017). The concentration of power in the criminal justice system in the hands of prosecutors is not confined to the United States, but also in Europe, Latin America, and Asia (Luna and Wade 2012). More importantly, as a result of their undue influence on the broader system, the particular dispositions of these relatively few prosecutors—who tend to espouse a “punitive ideology” (Sklansky 2018)—can have lasting effects on a large population of people. What the distributional approach means, however, is that real institutional change is not an abstract process of swapping one (ontologically dubious) logic for another, but of constraining the activity of functionaries (with the only way being using other functionaries) and reforming the organizations in which functionaries acquire their contributory knowledge and hone their upkeep and repair activities.

Taken together, this positive critique of institutional analysis reveals how sociologists’ abstract thinking is constrained by the metaphors at their disposal, as are the people whose lives they seek to explain (Lakoff and Johnson 1980). Thinking critically about the metaphorical reasoning that undergirds our theory building does more than simply check against the ever-present possibility of making cognitively untenable claims (Ignatow 2007). We suggest that these sorts of efforts, specifically swapping one theoretical metaphor for another, can help shed

light on questions of fundamental importance to sociological theory—in the present case, locating the loci of institutional change and stability.

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8 APPENDIX

CASE STUDY I: CURRENCIES

National Currencies as Centralized Institutionalization

Nearly every contemporary nation-state maintains a national currency (and many unrecognized states print their own currencies). The US Dollar (USD), for instance, is likely used by every occupant of the United States. Although most U.S. citizens use this currency, it is a safe assumption that few actively engage in the actions to produce it, or even know how one would produce the national currency if one were given the opportunity. We may give dollars at the local coffeeshop, transfer money on our phones, grab cash from an Automatic Teller Machine (ATM), or write a check to pay rent—all without knowing the social and material processes which underly these transactions. We do not know how money is made, or how our phones can interact with bank computers to transfer money in our accounts, or how ATMs are stocked with

cash and able to reconcile with distant banking centers, or what is needed for our check to transfer of money between two legally and geographically unconnected banks.

In addition, most of us can use money without engaging in the activity, or acquiring the knowledge, required for its production (i.e., we are not contributory experts to fiscal and monetary policy). As it relates to national currencies, both this knowledge and activity is unevenly distributed such that some people know far more and do far more to sustain it. Therefore, national currencies are a prime example of centralized institutionalization. Taking the printing of monetary notes as an example of a small aspect of national currencies, a single company (De La Rue) plays a role in printing paper currency for the majority (about 140) of the current 195 nation-states¹⁴ on the globe (Tovey 2015). In fact, De La Rue sold about seven billion banknotes between 2015 and 2016 alone (printing 200 banknotes per second) and generated about 81% of its revenue from the international banknote market (La Rue plc 2016).

Local Currencies as Decentralized Institutionalization

There are however, monetary systems whose organization approximates decentralized institutionalization. Local currencies (sometimes referred to as complementary currencies or LETS) are institutionalized in such a way that requires almost full participation in maintenance and repair by the relevant population of users. According to some estimates (Grover 2006; Lietaer and Dunne 2013:60; Werner 2008:144) there are between 2,500 and 5,000 local currencies in the world (mostly in Europe, North America, and Asia), the most well-known being the *Ithaca Hour* in Ithaca, New York.

¹⁴ The number of recognized nation-states varies depending on the source. This particular estimate comes from U.S. Department of State (Bureau of Intelligence and Research 2016) and does not include (but not without controversy) Taiwan, Palestine, and other partially-recognized states.

Within the relevant population of a local currency system, a large proportion of the people engages in activities necessary to reproduce local currencies. This means that local currency systems, being decentralized, should show much greater volatility, which is exactly what we see. On one hand, how the local communities structure their currency differs over space. For example, the Complementary Currency Resource Center (Anon 2016) tracks twenty-three different currency systems. The maintenance of a currency system over time is often very uncertain. As Chris Sunderland, co-founder and director of the Bristol Pound in the United Kingdom, notes “It is relatively easy to launch a local currency. It’s much more difficult to sustain it” (Kermeliotis 2014). Although in an already established local currency there are more who have the requisite contributory expertise to maintain the currency, if the system is to be successful (i.e., persistent), a greater proportion of the relevant population are required to continually engage in maintenance. Therefore, this form of institutionalization runs into commitment problems.

CASE STUDY II: CATHOLICISM AND PROTESTANTISM

Challenging Centralization Via Decentralization

While a rather well-worn historical example in the comparative analysis of institutions, we believe the contrast between Catholicism and Protestantism in the Western church provides a privileged example of the contrast between centralized and decentralized forms of institutionalization and their tradeoffs and social consequences. It is also a privileged instance of a centralized pattern being directly challenged by a decentralized one and thus provide a window into the interplay between these two forms of institutionalization when representatives of each

are engaging in direct competition for the same “turf” (Abbott 1988).

The centralization and hierarchy of the Catholic Church lead many to overlook that, as Weber argues, “the Reformation meant less the entire *removal* of ecclesiastical authority over life than the replacement of the previous form of authority by a *different* one” ([1905] 2002:2 original emphasis). Catholicism is an exemplar of centralized institutionalization, control of the vast majority of the relevant population involved “an extremely relaxed, practically imperceptible, and scarcely more than formal authority.” Protestantism was founded on the “repudiation” of such distant and relaxed control in favor of “an infinitely burdensome and earnest regimentation of the conduct of life [*Lebensführung*], which penetrated every sphere of domestic and public life to the greatest degree imaginable” ([1905] 2002:2)

Protestantism—specifically Calvinism in the sixteenth and seventeenth century—required that most members of the relevant population invest considerable time and effort into training their minds and bodies for the maintenance of the new pattern, a key signature of decentralized institutionalization. No activity, even previously “profane” ones (most importantly, for Weber, work and industry), escaped the implications of the pattern, but was instead transformed in character and purpose to instantiate the pattern. For instance, work went from being a “curse” and a “burden” and thus outside of *la vie religieuse* in the old pattern, to being a central part of the new pattern as a “calling.” As Weber argues, being Catholic made far fewer demands over the everyday lives of followers. Most of the (ritual) work of producing the “Catholic Church” was consolidated in the hands of far fewer functionaries and kept away from the masses.

This characterization implies that, at least during the early stages of the Reformation,

Catholicism and Protestantism differed in terms of the mechanisms accounting for their institutional pattern maintenance. First, although few members of the relevant population (those who may refer to themselves as Catholics) knew how the ecclesiastical activities of the church were produced, they likely felt as though it would continue despite their ignorance; just like moderns using an ATM at a bank regarding national currencies, they can take it for granted because someone else is handling the administrative tasks (e.g., ecclesiastical functionaries) and maintaining churches and physical implements of rituals. Should members of the laity directly challenge institutional patterns, designated authorities (e.g., the Pope and Cardinals) will ensure there are mechanisms in place to extract compliance and repair the pattern (e.g. “punishing heretics, but treating sinners gently” ((Weber [1905] 2002:2))).

In contrast, early Protestants (particularly instantiated in the American sects according to Weber) operated in a different institutional maintenance universe. They for instance, could not “count” on their “church” being maintained by unseen others independently of their own activity. They were in charge. This required a complete reconfiguration and redistribution of the knowledge required to keep a church or even a congregation going. Although many knew how to reproduce the patterns of conduct which they believe make up their faith, they were also likely to have felt as though it is a potentially fragile production and required everyone to have the extrinsic or intrinsic motivation necessary to devote time to its reproduction.

This required the creation of very “strong” (and for some unbearable) social monitoring and control systems precisely designed to punish “shirkers” who were not doing their fair share of institutional upkeep (Iannaccone 1994), a mechanism was quite absent (because superfluous) in Catholicism. In terms of knowledge distribution, early Protestants had to continually “teach

themselves” how to produce the patterns, which resulted in a proliferation of guides and other pedagogical material and literature regarding every action involved. This also meant that religion, which in Catholicism functioned (from the perspective of the laity) as a bounded “subsystem” (to use the container/substance formulation) now “spilled” over every other “institutional” realm. Therefore, Calvinists were likely to devote a great deal of time and effort in the service of their faith, “penetrat[ing] every sphere of domestic and public life” (Weber [1905] 2002:2).

Second, and closely related, we would expect that the centralized organization of Catholicism incorporated many people, with relatively lower loss of fidelity to the original patterns of conduct. This is a key characteristic of a well-maintained centralized pattern (a dollar bill is more or less same everywhere). Therefore, despite the contemporary Catholic church boasting a membership of one billion (counting three-times a year members), a Catholic should be able to attend mass in the Vatican City, Manila, Madrid, or Boston and identify few dramatic differences in overall conduct.

In contrast, to this day, even as most of the major (especially “mainline”) Protestant denominations have picked up the trappings of centralized pattern maintenance, evidence of “institutional legacies” (Greve and Rao 2014) of its decentralized origins is abundant. For instance, attempting to label the core practices and beliefs that would fall under the label “Protestant” is relatively problematic (Green 1996; McNeill 1926; Woodberry and Smith 1998). Even within far more delimited Protestant denominations, such as contemporary Evangelicals (Dayton and Johnston 2001; Guth et al. 1988), it would not be surprising to find that the service of one Evangelical church differs from another Evangelical church in some significant ways (e.g.

relative participation of women) in the same city. Finally, while both Protestantism and Catholicism are subject to controversy over practice, interpretation, scriptural reading, and values, only in Protestantism do we observe periodic “schisms” and “church-sect” split dynamics, whereby a new set of actors, having all the knowledge to produce the pattern among themselves decide to “pack it up” and choose the “exit” option to form a new (labeled) pattern (Troeltsch 1992).

9 APPENDIX REFERENCES

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