Narrative Inertia: Stability and Change in Narratives of Organizational Identity

Abstract

Building on the linguistic turn in organization studies, which highlights the performative view of discourse, this paper explores the role of narratives of organizational identity as the means by which a distinctive and enduring organizing logic and positioning emerges. Drawing from recent adaptation of Actor-Network Theory, we argue that the organization secures material and symbolic resources from stakeholders by its reciprocated insertion within a narrative frame. The organization-as-protagonist that emerges is therefore a function both of historic commitments that construct a particular network and of the ongoing satisfaction of stakeholder interests that stabilizes and maintains the network. Accordingly, we suggest that the narrative structure of organizational performance exercises considerable constraint on organizational adaptability, and hence constitutes a form of path dependency. We illustrate this discursive conception of path dependency through a case study of a prominent HIV/AIDS organization.

KEY WORDS: Narrative; path dependency; Actor Network Theory; organizational identity

Introduction

A fundamental source of controversy in the study of organizational identity lies in the extent to which it is regarded in some way as an enduring or stable organizational property. Although Albert and Whetten (1985), in their foundational article, placed particular emphasis on its enduring quality, many contemporary theorists now suggest that organizational identity is constituted by what is perceived and experienced as central and distinctive about the organization and that this is a "potentially precarious and unstable notion, frequently up for re-definition and revision by organizational members" (Gioia, Schultz and Corley, 200: 64). Rejecting what they regard as "essentialist" perspectives that seemingly reify an abstract social categorization device, scholars invoke the linguistic turn in organizational analysis to highlight the way that organizational identity is constructed, maintained and negotiated through

ongoing and possibly adaptive discursive interaction (e.g. Fiol, 2002; Chreim, 2005; Hardy, Lawrence and Grant. 2005). Accordingly, organizational participants, and especially senior managers, are able to re-frame what is central and distinctive about the organization in light of aspirational ideals (Gioia and Thomas, 1996), of construed external expectations (Gioia et al., 2000) and of conflicts between social groups within the organization (Glynn, 2000). While limitations in such adaptability are recognized, these are attributed primarily to the propensity of organizational participants to defensively rationalize and glorify the status quo (Elsbach and Kramer, 1996; Brown and Starkey, 2000), to substitute symbolic from substantive action (Christensen, 1995) or to attempt the monological exercise of power (Humphreys and Brown, 2002). Given the openness of language to semiotic and semantic flexibility, it is implied that such organizational inertia is neither a necessary nor a desirable organizational outcome.

In a subtle extension of this line of reasoning, it is nevertheless accepted that the *claim* of an enduring organizational identity offers significant psycho-social benefits for participants. The assertion of continuity with the past, even if highly selective (Chreim, 2002), revisionist (e.g. Rowlinson and Hassard, 1993; Boje, 1995), or in name alone (e.g. Gioia et al, 2000; Chreim, 2005) is held to mitigate the fear of uncertainty and change and to maintain the bonds of attachment that members feel for their organization. Thus, a distinction is made between the core, flexible attributes of organizational identity and its representation in organizational contexts.

However, Whetten (2006), in a re-statement of the concept, argues that the identity of organizations resides in their deepest commitments, "what they repeatedly commit to be, through time and across circumstances" (Whetten, 2006: 224). From this perspective, organizational identity reflects organizing choices that exert a constraining influence on future organizational action, such as the social forms that have been adopted and the operating logics that have been employed. In order to maintain the unity and coherence that confers normative and cognitive legitimacy (Suchman, 1995), more flexible identity attributes, such as ties with organizations/ institutions and organization-specific attributes of participants, products and services, must tend to exhibit consistency with an organization's core structuring principles. Consequently, in keeping with theorists who highlight the path dependency of

organizational development (e.g. Stinchcombe, 1965; Boecker, 1989; Aldrich, 1999), organizational identity change may be characterized as a difficult, complex and comprehensive process that is rarely undertaken except in extraordinary circumstances, and with inevitably uncertain outcomes. The implication, then, is that organizational identity is "not a subjective, retrospective explanation of actions" (Whetten, 2006: 228) but rather depends on core organizational attributes that may or may not become fully articulated but whose effect is continuously experienced.

Ravasi and Schultz (2006) have attempted to reconcile these contrasting approaches to organizational identity by classifying them as different aspects of the same phenomenon. They argue that organizational identity consists of both deeply rooted institutional claims by which an organization can be understood as a social actor in an environmental context and a set of emergent collective understandings of the organization by its participants which may dynamically adapt over time. They further contend that there is an interplay between the sense-giving role of institutionally coherent narratives of the organization (social actor view) and the sense-making role of ongoing discursive interaction about what is, has been, or should be central and distinctive features of the organization (social constructionist view). In a case study of the Danish manufacturer, Bang and Olufsen, that covers two decades, they illustrate this dynamic interplay by showing that organizational change resulted from both evaluation of negative external feedback to projected images of the organization that stimulated discussion about the organizational identity and from the choices about product and capability development that depended on engrained values and commitments:

 "At Bang & Olufsen, as members engaged in reflections and discussions about central and distinctive features of their organization, they seemed to find in (the) visible and tangible elements of their organization's culture a reservoir of cues supporting and mediating interorganizational comparisons" (Ravasi and Schultz, 2006: 451). .

While we endorse this conception of the relevance of stabilizing and transforming identity dynamics during such periods of organizational crisis and transition, it is our contention that the restricted view of narrative contained in Ravasi and Schultz (2006) underplays the path dependency of organizational evolution that they observe. In their presentation of the social actor view of organizational identity, Ravasi and Schultz

(2006) view narrative as a formal claim of institutional isomorphism, which provides boundaries for what may be considered appropriate action in its chosen environmental niche. The performance of this role over time results in subtle and idiosyncratic variations from an ideal or generic type, which are carried forward in organization-specific customs, symbols and language and that hence produces a distinctive character for a particular organization. This is shown by Ravasi and Schultz (2006) to provide a sense-making frame for feedback from the environment and a set of decision options for an adaptive response during periods of organizational crisis. For example, managers at Bang and Olufsen framed adverse assessment of the organization's products by consumers and distributors in the 1990s as the result of a drift towards a luxury positioning that was inconsistent with its Bauhaus heritage. By returning to examples of early product designs and to the ethos behind the competencies that produced them, a new set of identity claims were generated that provided clear strategic focus within the organization and a strong set of messages for their external representation.

The limitation in this model of organizational narrative is that it never takes a tangible or material form. It is only available to (largely senior) participants through an interpretation of cultural artefacts and practices and the validity or accuracy of interpretation is demonstrated *ex-post* on the basis of the successful transformation for which it is credited. The critical feature of this model therefore lies in the contemporary (and seemingly flexible) development of shared understanding about the organization rather than concerning itself with the way that *ex-ante* commitments impose a particular interpretive frame on any and all participants. In the section that follows, drawing from Cooren (2001), Latour (1999), and Taylor and Van Every (2000), we present an alternative view of narrative as expressive and constitutive of an organizing logic that confirms both a set of central, distinctive and enduring competencies and stabilizes a network of allies for a focal organization. In this way, we are able to account both for the enduring impact of historic commitments, as suggested by Whetten (2006), and to simultaneously recognize the possibilities and constraints on organizational change that this conception of organizational identity implies.

The organizing logics of narrative

In keeping with the "linguistic turn" in organizational studies, where language is considered, above all, for its performativity (i.e. its ability) to accomplish things (Alvesson and Kärreman 2000: 137), increasing attention has been given to the way in which the "very fabric of organization is constantly being created and re-created through the elaboration, contestation and exchange of narratives" (Brown, 2006: 735). Building on the view of narrative as both a governing institutional logic (Czarniawska, 1997) and as a core sense-making process (Fisher, 1984), organisational identity is theorized as the expression and enactment of narrative structure and reasoning (Boje, 1991; Czarniawska, 1994, 1997; Boyce, 1995; Taylor and Van Every, 2000) by which current and past actions within an organisation are translated into the coherent activities of an organic being with defined characteristics, intentions and achievements (Czarniawska, 1994). A narrative conception of organizational identity therefore highlights its inherent textuality. In a process that she likens to autobiography, Czarniawska (1997) notes that organizations are continuously producing representations of organisational action in order to assert conformity to the attributes of efficiency, autonomy and dignity that define a protagonist in our modern society (Czarniawska, 1997, 1998). These autobiographical texts exist in an inter-textual relationship with consistent or divergent accounts produced by internal (e.g. Humphreys and Brown, 2002) and external audiences (e.g. Whetten and Mackey, 2002) who "edit, applaud or refuse" (Czarniawska, 1994: 198) the organizational identity narratives.

The tendency of narrative theorists of organizational identity has been to focus on the legitimating function of this narrative interaction. The assumption is that, provided an organization is perceived to conform to the narrative template, ideological conflicts between managers and employees may be suppressed, critical external evaluation may be symbolically attenuated, and the appropriateness of managerial control may be rationalized. Although this perspective usefully underlines symbolic processes that produce the hegemonic effects of organizations in society (e.g. Deetz, 1992) and that stratify organizations by power, gender and ethics, it has little to contribute to our understanding of the substantive effects of narrative on organizing processes themselves. Given that narratives of organizational identity are conceived as symbolic images of the organization, their relationship to "a unique pattern of binding

commitments" (Whetten, 2006: 220) is seen to be neither necessary nor particularly desirable for the buffering role that they play (Christensen, 1995). According to Chreim (2005: 571), "An author has a variety of resources, discursive and experiential, internal and external to the organization with which to compose the narrative (of organizational identity). The choice of resources depends largely on the overall meaning that the text is intended to construct". As a consequence, the referrant of organizational identity discourses can be manipulated according to the rhetorical exigencies of the context within very flexible boundaries of intelligibility and continuity. The implication of this approach to organizational identity narratives is to deny any basis for a fixed or essential organizational character that might constrain the content around which organizational understanding and representation is constructed.

An alternative view is offered by Cooren (2000, 2001) who considers the possibility that organization is constituted through the structuring possibilities of narrative. Drawing inspiration from the work of Callon and Latour (1981) and Latour (e.g. 1999) and from the narrative structuralism of Greimas (e.g. Greimas, 1987), Cooren suggests that in order to comprehend the association of interests that is at the heart of the organizational process, we may fruitfully explore the narrative translation by which divergent perspectives and interests are co-oriented and stabilized around a convergent programme of action. More specifically, we are concerned with how the organization comes to occupy a central and privileged role within a network of stake-holding agencies by identifying itself as a common solution to the particular problems that each potential stake-holder is facing. Seen in narrative terms, the organization identifies the unfulfilled quests of stake-holders and proposes a distinctive organizational quest that will enable the stakeholders to achieve their objectives. As stakeholders recognize their respective interest in the proposed solution, they lend their support to the organization and thus become enrolled as helpers in the organizational protagonism by which its quest is realized. This process of insertion within the narrative programme of an organization is illustrated in Figure 1.

PLEASE INSERT FIGURE 1 ABOUT HERE

The value of this model of narrative and organization is that it provides a link between the tangible, material commitments of the organization and its symbolic representation, as proposed by Whetten (2006). The assertion of an organizational quest in order to appeal to potential stakeholders is consistent with those who highlight the rhetorical quality of projected images of the organization. Yet, as Figure 1 shows, this is only an early stage of development of a fully articulated narrative of organizational identity. The organization-as-protagonist depends on the material and symbolic resources provided by stakeholders, which in turn depend on stakeholder acceptance of the validity of the definition of their unresolved quests and of the utility of the organizational role in providing a common solution. Although the effect of this exchange is to enact an insertion of stake-holders as helpers within the organizational narrative, there is always a risk of breakdown in the alignment of interests that will undermine the centrality of the organization among its network of allies. Moreover, in a dynamic context, where an organization must develop new resources and competencies in order to maintain the capability to effectively perform its role, we can appreciate the effort required to maintain a stable organizational identity in its environmental niche.

By considering the way that narratives of organizational identity are enacted through interaction between the organization and its stakeholders, we gain a means of exploring empirically the extent to which an organization's identity is in flux or is enduring (Brown, 2006: 744) and serves as a constraint or resource for organizational adaptation. Furthermore, we are able to combine the insights of Whetten (2006) who argues for an awareness of the impact of tangible historic commitments on the perception and experience of organizational identity with those discourse analysts who suggest that "it is impossible to give an account of what an organization or coalition is without understanding how language literally gives a structure to our social and physical reality" (Cooren, 2001: 196).

In order to illustrate the usefulness of the method of analysis that has been proposed, we provide a case study of organizational growth and decline at a leading HIV/AIDS organization. By attending to the way in which the organization enacted its narrative of identity over time, we are able to offer an explanation for its puzzling ability to both flexibly adapt and then fail to adapt to its changing environmental context. In

this way, we are able to re-visit questions about the path dependency of organizational identity and we can explore the intriguing but under-explored proposition "that certain types of environments impose particular constraints or present unique barriers that severely restrict the range of identity management responses possible for organizations" (Pratt and Foreman, 2000: 23).

Research Design

The data for the following case study emerged opportunistically from a larger programme exploring organizational identity dynamics during the founding of non-profit organizations in the UK. One particular organization, London Lighthouse, stood out for its remarkable cycle of rapid organizational growth and development, followed by a notably rapid decline. London Lighthouse was founded as a registered charity in 1986 to provide care services for people with HIV/AIDS (PWAs). Over the next twelve years, it grew to become the largest HIV/AIDS voluntary organization in Europe. However, in 1998, the organization encountered a severe crisis which led to the closure of the majority of its services, the sale of a significant proportion of its facilities, and the forced redundancy of most of its staff. With research access granted to the first author in December 2000, and therefore the recent decline still fresh in the minds of the current and past organizational members and stakeholders that were interviewed, it proved impossible to limit discussion to the initial founding period. In contrast with prior research which has found different narrative genres employed by different social groups (e.g. Brown and Humphreys, 2003), the epic tales of organizational founding and development were inextricably entwined with the tragic tale of organizational decline. The researchers were therefore confronted with a dataset which went significantly beyond the original scope of enquiry, but which offered an unusual opportunity to explore the dynamics of identity stability and change associated with a single organization in a turbulent environment within a relatively short, yet manifestly significant, temporal duration.

Data collection took place over three months and primarily involved a total of 30 semi-structured interviews with organizational trustees, senior executives, staff, volunteers, National Health Service (NHS) officials and HIV/AIDS clinical specialists

and activists. These interviews, which lasted approximately 45 minutes each, were recorded on cassette and then fully transcribed. The emerging objective of the interviews was to elicit multiple internal and external perspectives on the extent to which the organization changed over time, on how this had been justified by reference to a representation of the organization within its environmental niche and on the perceived persuasiveness of the organizational positioning statements that were employed. Interview data were supplemented by archive data such as annual reports, business plans, fundraising material, press coverage, newsletters, correspondence and minutes of meetings, including those of the Board of Trustees. These served to triangulate the recollections of interviewees with contemporaneous accounts that they had produced, to resolve inconsistencies among informants and to provide additional insight into key events and issues. In an approach that was similar to that of Mueller and Carter (2005), verisimilitude with the experience of organizational participants was sought through the formulation of a 150 page descriptive case study (Maxwell, 2002), which was presented to the key participants on an ongoing basis for feedback.

This descriptive case study revealed a dynamic, changing relationship between the organization and two principal stake-holders: its client group (PWAs) and its principal source of revenue (the funding agencies of the NHS). Accordingly sensitized to the significance of the evolving interaction between the three parties, analysis became focused around how a reciprocated exchange in the roles of protagonist and helper was negotiated over time between London Lighthouse and two of its key stake-holders. Particular attention was given to notable changes in the terms or in the perceived acceptability of this exchange, which served to attach an episodic quality to the positioning of the organization within its environmental context. By attending to the scope that existed for the re-formulation of these relationships through the enactment of a narrative in which London Lighthouse was the central protagonist, our theoretical interest in the role of organizational identity as a source of flexibility or constraint could be empirically explored. By explicitly recognizing the multiple authoring of narratives in which London Lighthouse featured, and in seeking to relate these narratives to the resources, competencies and interests of the different parties, we could also respond to the "challenge to . . .engage in an analysis of change as a multi-story process while ensuring that other elements of agency and structure are not

jettisoned in an over-reliance on narrative analysis" (Buchanan and Dawson, 2007: 683).

The case study text that follows is thus a product of this analytical technique. Although it is derived from multiple data sources, filtered through a descriptive case study that was validated by participants, and that hence served as a representative sampling mechanism, it is important to recognise the limitations of the research. There is a frequent recognition among discourse analysts of the amenity of textual data to yield multiple interpretations (e.g. Phillips and Hardy, 2002), and we must therefore eschew any claim for the discovery of an ultimate truth as the warrant for the validity of the research (Brown, 2000; Watson, 1995). Rather, in recognizing our representation of the organization as "an artful process of selective re-appropriation" (Humphreys and Brown, 2003: 427), we explicitly highlight our role as narrators seeking to impose a particular, and necessarily partial, version of reality. In keeping with Czarniawska (1998), who challenges those employing narrative methods to relinquish "aspirations to power through the claim of factuality and one-to-one correspondence of theory and the world" (Czarniawska, 1998: 17), we acknowledge the interpretation that we impose as a fiction whose primary objective is to be interesting, plausible and capable of enriching the understanding of social phenomena (Nelson, Megill and McCloskey., 1987; Van Maanen, 1988; Denzin, 1994).

Case Study

Narrative 1: The Founding of London Lighthouse (1986-1989)

From 1985, a group of friends and colleagues with personal and professional experience of the growing impact of HIV/AIDS, under the leadership of Christopher Spence, Andrew Henderson and John Shine, became increasingly convinced of the need to establish a centre which would provide care services for people living and dying with HIV/AIDS. In1986, this commitment gained a particular focus when they identified the potential site of a new HIV/AIDS centre in a disused school in West London and secured a charitable loan to fund its purchase. However the viability of the initiative ultimately depended on their ability to attract statutory funding from the NHS and to appeal to their designated client group. This was achieved through the

ascription of two unfilled quests to these critical stake-holding audiences. On the one hand, people with HIV/AIDS (PWAs) were portrayed as engaged in a quest to cope with a brutally de-habilitating illness with very limited professional support. As an early project plan for London Lighthouse noted,

"(P)eople with AIDS have faced death alone, . . .confront(ing) the implications of an antibody diagnosis, and the overwhelming guilt which accompanies it in secret. This is a situation in urgent need of addressing".

On the other hand, the NHS was characterized as itself striving under tremendous strain to fulfil its duty of care to this patient group. With the expectation that the incidence of HIV/AIDS would rapidly reach epidemic proportions, acute hospital wards had neither the physical capacity nor the expertise in palliative care to adequately match this need. As a document produced by London Lighthouse for a Parliamentary Committee examining the likely impact of HIV/AIDS in the UK stated,

"Even at this early stage of the epidemic, London hospitals are unable to cope. Our local AIDS wards have reported that costly acute beds, needed for AIDS patients requiring active medical treatment, are being occupied inappropriately by those who, while needing nursing care and support …do not need to be hospitalised".

The quest of the new centre, to care for PWAs from diagnosis with HIV to death from AIDS, was positioned as a means of helping these stake-holding groups to meet the dual needs that had been identified. Emphasis was placed on the design of a high quality environment tailored to the needs of PWAs that would relieve the burden on the costly resources of hospital wards, and, drawing from the counselling background of the founders, an ethos of active engagement of PWAs in their own care. Spurred on by early antipathy to the new centre from local residents, PWAs and campaigners on their behalf were quick to endorse the aims and hence lend their support to the new charity. As a result of this and the rapid and substantial voluntary fundraising for the centre, which thereby confirmed the cost and capacity benefits of community care, the NHS similarly committed itself to match voluntary capital funding for London Lighthouse and to allocate substantial on-going revenue funding for patient care. As the All-Parliamentary Committee Report on AIDS noted in May 1987,

"London Lighthouse. . .have pioneered a facility which could provide a model for such projects elsewhere, and which will save the NHS a great deal of money, but which above all will provide the type of care that people with AIDS actually want".

PLEASE INSERT FIGURE 2 ABOUT HERE

In this way, and as illustrated in Figure 2, both stake-holding groups - PWAs and the NHS - became helpers within a London Lighthouse narrative. Through the endorsement of PWAs, confirmation was provided both of their unmet needs and the validity of the organizational aims of London Lighthouse. Furthermore, the ties underpinning this relationship were strengthened through the recruitment of PWAs at every level of the organization, including in the role of members of the Board of Trustees. Indeed, the more embedded PWAs became within the organization, the more this demonstrated the clear commitment of London Lighthouse to respond to their needs and the more this signalled the effectiveness of the organization's model of care. Through the allocation of funding by the NHS, and the incentive that this created for further substantial voluntary funding, London Lighthouse acquired the resources by which it could recruit the most able care professionals and administrators, and by which it could deliver on its promise to provide the highest quality of care facilities. Moreover, the presence of a senior finance manager from North West Thames Regional Health Authority (NWTRHA) on the Board of Trustees also confirmed the significance of London Lighthouse for the NHS as a cost-effective and complementary care provider. In keeping with the model of network mobilization, proposed by Latour (1999), London Lighthouse had become an essential component – an obligatory passage point – for the agenda of both of these constituencies. By so doing, they had both become inserted within the identity narrative of London Lighthouse: an autonomous protagonist pursuing the quest of providing dedicated non-institutional care for PWAs.

Narrative 2: Elaboration of London Lighthouse (1990-1994)

Publication of the Day Report in January 1990 (Day et al. 1990) marked a notable and highly publicized reduction in the perceived public health risk associated with HIV/AIDS (see Berridge, 1996). With a less immediate threat of an AIDS epidemic, the NHS quest for extensive capacity to care for people infected with HIV was no longer as urgent as had been previously anticipated. This posed a very real threat to

the stability of the network that had been constructed around London Lighthouse, as senior managers recognized. In the London Lighthouse annual report of 1990, the chairman stated that,

"What concerns us most is the uncertain continuation of our statutory funding base – at the moment 65-70% of our total expenditure".

The response of senior managers at London Lighthouse was to significantly modify the organizational narrative, yet in such a way that neither the urgency of the organizational quests nor the support of its primary Helpers was adversely affected. Emphasis was placed on the fact that despite little evidence of exponential growth, the incidence of HIV and AIDS was still climbing and, with neither the development of a vaccine nor a cure for the virus, there remained a continuing demand from PWAs for the care services of London Lighthouse. Furthermore, managers highlighted the diverse needs of different social groups infected or affected by HIV that could only be addressed through the development of a new range of care programmes, including day care, homeopathic treatment, care for women with children and care for ethnic minorities. In this way, London Lighthouse maintained and extended its engagement with what had now become the more differentiated quests of PWAs. Consequently, endorsement, in terms of the numbers of PWAs using and participating in the provision of Lighthouse services, was secured from both an emerging and a continuing client base.

Although statutory funding for HIV/AIDS was becoming increasingly devolved to District Health Authorities (DHAs) from central government and the Regional Health Authorities (RHAs), reflecting the less urgent priority that HIV/AIDS had become, the active responsiveness of London Lighthouse to the evolving needs of PWAs served to justify a claim of high quality in the services that the organization provided. At the same time, new structures and systems of accountability were instituted that made transparent the unit costs of the treatments that were offered. In the new context of HIV/AIDS, where the disease was becoming treated as a matter of more local rather than national significance, and where the costs of treatment now fell under stricter budgetary constraints, this commitment to cost-conscious quality was argued by London Lighthouse managers to fulfil the quest of RHA and DHA commissioners

to provide cost effective care for PWAs. In the light of the supportive relationship that had built up between London Lighthouse and NHS managers, this trade-off between cost and quality was largely accepted by the statutory funding agencies, who looked favourably on the tangible responsiveness of the organization. As a commissioning officer for HIV/AIDS wrote in 1993,

"In the two years I have worked closely with Lighthouse, . . . I have been repeatedly astonished by the organisation's willingness to embrace new ideas, new ways of thinking about the service it provides to people affected by HIV",

PLEASE INSERT FIGURE 3 ABOUT HERE

Thus, as can be seen in Figure 3, consistency was maintained in the structure of the organizational identity narrative of London Lighthouse. By an accepted modification of the quests of its two key stake-holders, the organization could remain positioned as a Helper in the fulfilment of their objectives. In return these stake-holders continued to support the organization, thereby providing the legitimacy and the financial resources that enabled it to modify its services while retaining its underlying ethos of care. The major shift in the ascribed protagonism to London Lighthouse centred on a new emphasis on the concept of quality as its governing operating principle. Consistent with theorists of organizational identity who have highlighted the "management of meaning" associated with the adapted significance of enduring organizational labels/ slogans (Gioia et al. 2000; Chreim, 2005), the concept of "quality" not only addressed a continuing commitment to respond to the diverse needs of PWAs, but now also came to address questions of cost effectiveness. The assessment of the performance of London Lighthouse could not be made in absolute terms but rather depended on the extent to which its services were needed and appreciated by PWAs. In this way, London Lighthouse beneficially translated the

shift in the quest of the NHS from an urgent need for capacity for the care of PWAs to the provision of care within a controlled financial regime.

Narrative 3: Re-structuring and Retrenchment at London Lighthouse (1995-98)

From 1995 onwards, the results from major clinical trials in the USA and in the UK provided substantial cause for optimism at the potential efficacy of a new combination drug treatment regime. In this context, the managers of London Lighthouse sought to re-articulate an organizational protagonism and quest in order to remain aligned with the interests of its key stake-holders and thereby justify their continuing support. The commitment of London Lighthouse as a protagonist responding adaptively to the needs of PWAs was demonstrated by the launch of a 10th Anniversary Appeal in 1996, in order to extend the existing facilities with a new Children's Centre, and to re-design the residential facilities around single occupancy rooms. It was underlined that although combination therapies might well significantly extend the lives of PWAs, they did not constitute a cure for the disease and therefore the need for the services of London Lighthouse remained. As the chairman of London Lighthouse recalled,

"When we looked at the vision and the philosophy, there was nothing that needed to be changed, because the experience of people with HIV/AIDS was different but not fundamentally different. They were still facing an incurable and potentially mortal disease" (Personal interview with Chairman of Trustees, London Lighthouse).

The role of London Lighthouse in providing cost effective care for the NHS was thought to depend on its ability to maintain high quality standards of client service while absorbing a steadily decreasing allocation of statutory funding. Given the high cost of combination therapy, which DHAs would have to meet from largely stable budgets, it was asserted by senior managers at London Lighthouse that the

demonstrated competence to manage a progressive re-structuring of services was

particularly beneficial within the new constraints of the financial context. According

to the Deputy Chairman of London Lighthouse,

"Management always argued that they could deliver what the health authorities
wanted, that they could tailor the services to the money that were receiving" (Personal
interview with Deputy Chairman, London Lighthouse).

Furthermore, London Lighthouse managers pointed to its substantial accumulated

expertise, which represented a transferable knowledge asset that would continue to be

relevant both within the UK and for the increasing number of British Government

development initiatives focused on the treatment and care of PWAs in lesser

developed countries.

PLEASE INSERT FIGURE 4 ABOUT HERE

Hence, London Lighthouse managers and trustees sought to maintain the structure of

its organizational identity narrative, as shown in Figure 4. Indeed, as a function of its

historic commitments as a social actor within its organizational field, managerial

discretion to adapt the positioning of the organization was severely restricted. Its role

as the best known, and largest, HIV/AIDS service provider in the UK meant that

consideration of provision for alternative client groups beyond that of HIV/AIDS was

problematical in the extreme. As the finance director of London Lighthouse recalled,

"We didn't consider providing services for non-HIV users . . . We certainly discussed
it informally, but we thought that the resources were always needed for HIV clients,
and we were concerned at the possible effect on our core services" (Personal
interview with London Lighthouse Finance Director).

Any change in the client group was seen, by funding agencies as much as internal

audiences, to be inconsistent with a governing ethos that involved the on-going

participation of people with HIV/AIDS in the fabric of the organization, and with its

dedicated facilities, programmes of care and human resources which could not be

disassembled except at a prohibitively high cost. Thus, whenever the chief executive

offered proposals to expand the client group beyond HIV/AIDS, she was repeatedly

forced to acknowledge that,

"It was an idea that I knew would be difficult to implement, but regardless of the practical challenges, it met with immediate opposition from some members of the Council (The Board of Trustees) and from the health authorities who couldn't see us as anything except an HIV/AIDS service provider" (Personal interview with Chief Executive, London Lighthouse)

Equally, the option of consolidating the provision of HIV/AIDS services by voluntary

service providers around London Lighthouse, through a series of mergers, could not

address the scale of income shortfall if the DHAs were no longer prepared to fund its

residential services. The Deputy Director of London Lighthouse highlighted this

intrinsic isolation of the organization, associated with its commitment to residential

care:

"The residential unit was the cash cow around which all of the contracts were built, and which subsidized the cost of many of the other programmes. This made us very internally focused on what we could do to keep our funding intact. We didn't think there was any point looking outside of the organization to share the challenge we were facing" (Personal interview with Deputy Director, London Lighthouse).

As a consequence of this continuing engagement with its historic commitment to

residential care, London Lighthouse was, however, particularly vulnerable to the

changing agendae of its key stake-holders. On the one hand, representative surveys of

PWAs, conducted on behalf of the NHS, confirmed that their central concern was for

the universal availability of combination drug therapies rather than for respite or

palliative care. This prioritization was also reflected in the falling utilization rate at

London Lighthouse for its day care and residential services. On the other hand, the

London DHAs, in addition to seeking to reduce the cost of care services in order to

fund the new drug therapies, also had separate interests to maintain their own local

service providers wherever possible. Thus, there was little support beyond its own

DHA for a regional resource such as London Lighthouse. As the chief executive of Kensington, Chelsea and Westminster District Health Authority (KCWDHA) noted,

"As funding became increasingly to be at the discretion of the London Health Authorities individually, the more distant (those outside of inner London) could see no reason why they should be paying for residential care here, rather than developing different kinds of services locally" (Personal interview with chief executive of KCWDHA).

In March 1998, the organization reached a crisis point when it became clear that the majority of DHA funding would be withdrawn, with the effect that London Lighthouse was faced with insolvency and closure. Although this eventuality was ultimately avoided, the impact of the adverse funding decisions was that by the end of 1998 its residential unit was closed, a significant part of its building had been sold, the majority of its staff had been made redundant, and the range of its day-care services had been significantly curtailed.

Discussion and Conclusion

Our study of London Lighthouse therefore confirms the view of narratives of organizational identity as social constructions which constitute the alliances among interest groups. Consistent with Cooren's (2001) extension of Actor Network Theory (Callon and Latour, 1981), insertion of the organization within a narrative frame has the effect of problematizing a social situation, of enrolling multiple agencies around the problem and of aligning the interests of those agencies into a stable coalition. Furthermore, although the content of this collective narrative of identity could be adapted through new services and new organizational structures and processes in order to respond to a changing context, the core structure of the identity narrative appeared to represent a form of organizational inertia (e.g. Gilbert 2005) or path dependency (e.g. Barnett and Burgelman, 1996). Indeed, through this focus on organizational identity narratives, we have been able to highlight a form of organizational architecture that establishes and stabilizes a network of intra-organizational and inter-organizational ties and to specify the "characteristics of dyadic ties (that) reflect relation-specific assets and previous attachments between

partners that make tie changes harder to achieve (Kim, Oh and Swaminathan, 2006: 709).

This discursive perspective therefore provides a multi-perspective methodology to explore how collective goals among disparate interest groups are negotiated and maintained (Huxham and Vangen, 2000) and the benefits and drawbacks associated with this form of structural inertia (Schwarz and Shulman, 2007). As we saw in the case of London Lighthouse, the constructive decision over which organizational programmes or processes to develop was justified by its effect in maintaining the network of allies and its coherence with pre-existing resources, competences, values and commitments. As was also evident when London Lighthouse was faced with a fundamental threat to its viability, following the emergence of combination drug therapies and of the new priorities with which they were associated, the commitments associated with the narrative structure also impeded organizational flexibility to respond to such radical environmental change. We have therefore been able to support Gilbert's (2005) model of differentiated interpretive responses to an environmental threat, with its proposed likelihood in this context of increasing resource commitments but inertial constraints on the organization's underlying operating logic. From a narrative perspective, we suggest that the narrative frame with its predominantly epic structure (Czarniawska-Joerges, 1994; Beech, 2000; Brown and Humphries, 2003) depends on an attributed reverence towards the protagonist, which favours an escalation of commitment if new and unanticipated conditions arise (Brockner, 1992). Furthermore, reversals or disruptions which call into question the stature of the organization-as-hero are highly problematic and may lead - as in our case study – to attempts to preserve order and confidence by making unrealistically small changes to roles and plotline.

We thus provide empirical support for Whetten's (2006) argument that identity is an enduring organizational property, which frames the scope for organizational elaboration and the limits that may be considered contextually appropriate. As Child (1997) argues, managers have initial discretion over the environments in which they choose to operate, and may play a substantial role in constructing and defining the organizational relationship with stake-holders. Yet, once an organization is established within an environmental niche, the expectations of these stakeholders and

the resources and competencies that the organization develops to meet these expectations – that are manifested in the structure of a narrative of organizational identity – channel the range of strategic possibilities. In this way, we have been able to explore the practical limitations that an environment imposes on the definition of an organization's identity and on the associated possibilities for effective identity management.

Our approach lies in contrast with those theorists of organizational identity who emphasize managerial discretion over the selection of central and distinctive elements of the organization (e.g. Gioia et al. 2000; Chreim, 2005). While we recognize that organizational spokespeople continuously endeavour to offer new representations of the organization, and that this may involve the management of meaning of organizational labels, through rhetorics of association and/or disassociation with the past (Chreim, 2002, 2005), it is our contention that, in keeping with a performative view of language (e.g. Oswick et al., 2000), evaluation of whether this corresponds to identity change must depend on the effect that this implies for an underlying narrative structure of reciprocated alliances between the organization and its key stake-holders. While we do not suggest that such identity change is impossible, we concur with Whetten (2006) in viewing this process as having profound, disruptive and inevitably uncertain consequences for the organization.

Although we underline the enduring quality of organizational identity, we are able to nevertheless support those scholars who emphasize the constructive potential of dissonance between internally and externally constructed images of the organization as a catalyst for the re-evaluation of organizational objectives or processes (e.g. Whetten and Mackey, 2002). Although the received images may only address very limited aspects of a focal organization, they can generate significant and legitimate internal attention if the issues challenge core attributes of the organization-as-protagonist (Dutton and Dukerich, 1991). Moreover, as participants seek to re-align projected and received images of the organization, they undertake a new cycle of organizational action that justifies the continuing validity of the identity narrative. Thus, as Tsoukas and Chia (2002: 579) suggest, the role of managerial intervention lies in amplifying a particular discursive template "to make it possible for

organizational members to notice new things, make fresh distinctions, see new connections and have fresh experiences".

The case study of London Lighthouse points the way towards further potentially fruitful avenues of empirical research. In order to highlight the structuring dynamics of organizational identity narratives, we selectively focused on the relationship between the organization and two key stake-holders. This involved a necessary reduction in the number of stake-holder narratives that we followed in order to capture narrative interaction in sufficient detail. Further research might take a more synchronic approach by seeking to explore the inter-relationship between a more representative number of key internal and external stake-holders. In this way, it may be possible to explore the extent to which organizations are the subject of several competing sub-narratives, how they are linked by stable or changing quests, and whether flexibility exists for new directions to emerge or to be re-discovered within these alternative roles and plots. London Lighthouse also represented an extreme case, as a charity with an unambiguous objective, and a single primary client group and source of funding. While this served effectively to underline inherent dynamics of stability and change associated with narratives of identity, the study of complex, multiple-identity organizations may provide insight into the political processes by which narratives gain internal support, achieve consistency over time and stabilize potentially conflicting interest groups. Indeed, the question about how multiple narratives might be deleted, integrated, differentiated or aggregated (Pratt and Foreman, 2000) remains an empirical question that has yet to be addressed.

Furthermore, by recognizing the role of identity narratives as both expressive and constitutive of organizations within their social context, we also gain the accompanying possibility of reflexive awareness of the act of narration. Such reflexivity may promote polyphony (Gergen and Whitney, 1996; Barry and Elmes, 1997), by de-constructing the impersonal, authoritative and heroic unitary account in favour of a recognition of multiple and potentially conflicting perspectives and plotlines. Accordingly, the homeostatic and yet seductive representation offered by the predominantly epic structure of the organizational narrative may in fact be potentially moderated by dialogic processes which ensure "maximal contact with the present (with contemporary reality) in all its openendedness" (Bakhtin, 1981: 11). It is

in this way that the inertial constraint of historically legitimized frames of co-orientation may be moderated by sub-texts which increase the range of responses to which an organization can turn in times of crisis and uncertainty.

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Figure 1: Narrative mobilization of organization-network

Stakeholders

Quests

helper

helper

Organizational
Quest

Organizational
Protagonism
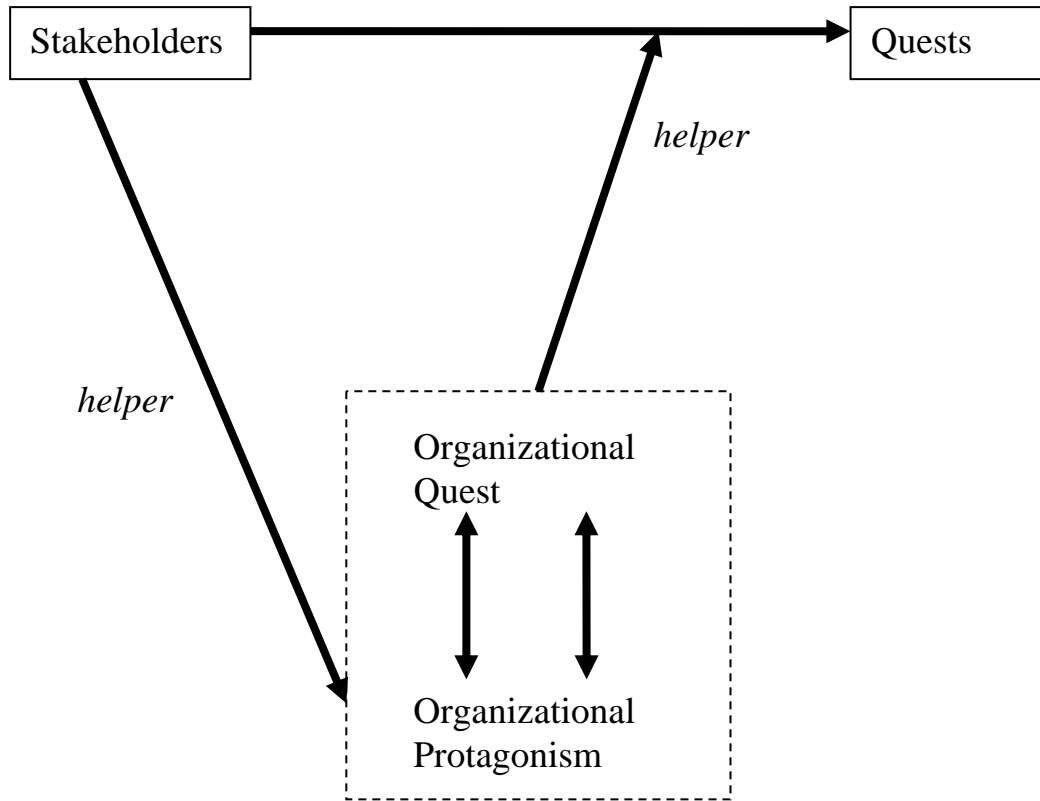
Figure 2: Narrative mobilization of London Lighthouse 1986-1989

PWAs

NHS

Quest 1 - New approach to care

Quest 2 - Capacity for non-acute care

Helpers

Support via funding

Support via attendance and participation

London Lighthouse as Helper

London Lighthouse Quest
- to provide dedicated centre for PWAS

High quality, non-institutional care

London Lighthouse Protagonism
- New purpose built building
- Programmes of care based on
  philosophy of empowerment
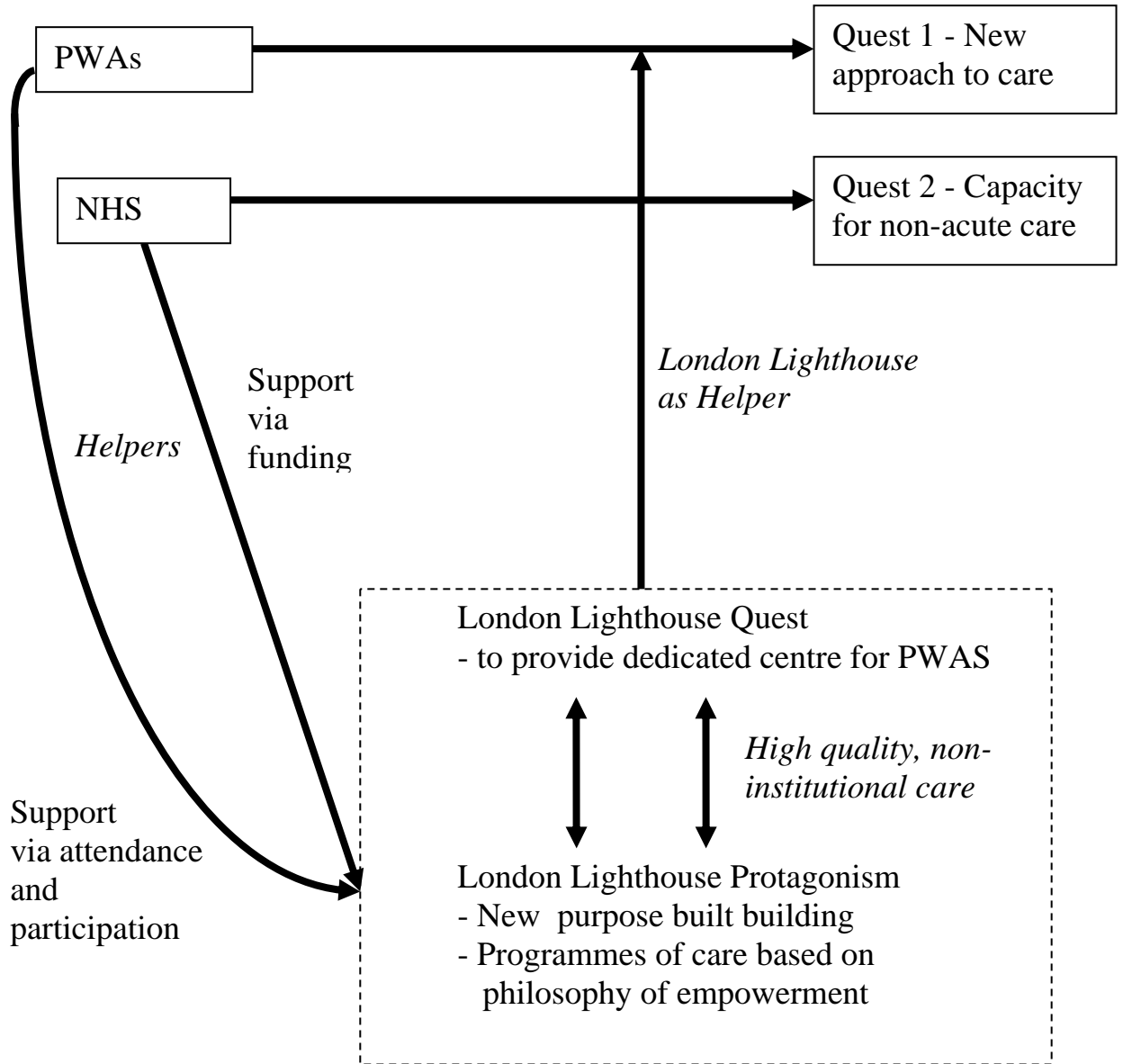
Figure 3: Narrative mobilization of London Lighthouse 1990-1994

PWAs

NHS

Quest 1 - Responsive approach to care

Quest 2 - Cost effective non-acute care

Helpers

Support via funding

London Lighthouse as Helper

Support via attendance and participation

London Lighthouse Quest
- to provide dedicated centre for PWAS

*High **quality**, non-institutional care*

London Lighthouse Protagonism
- New structures and systems of accountability
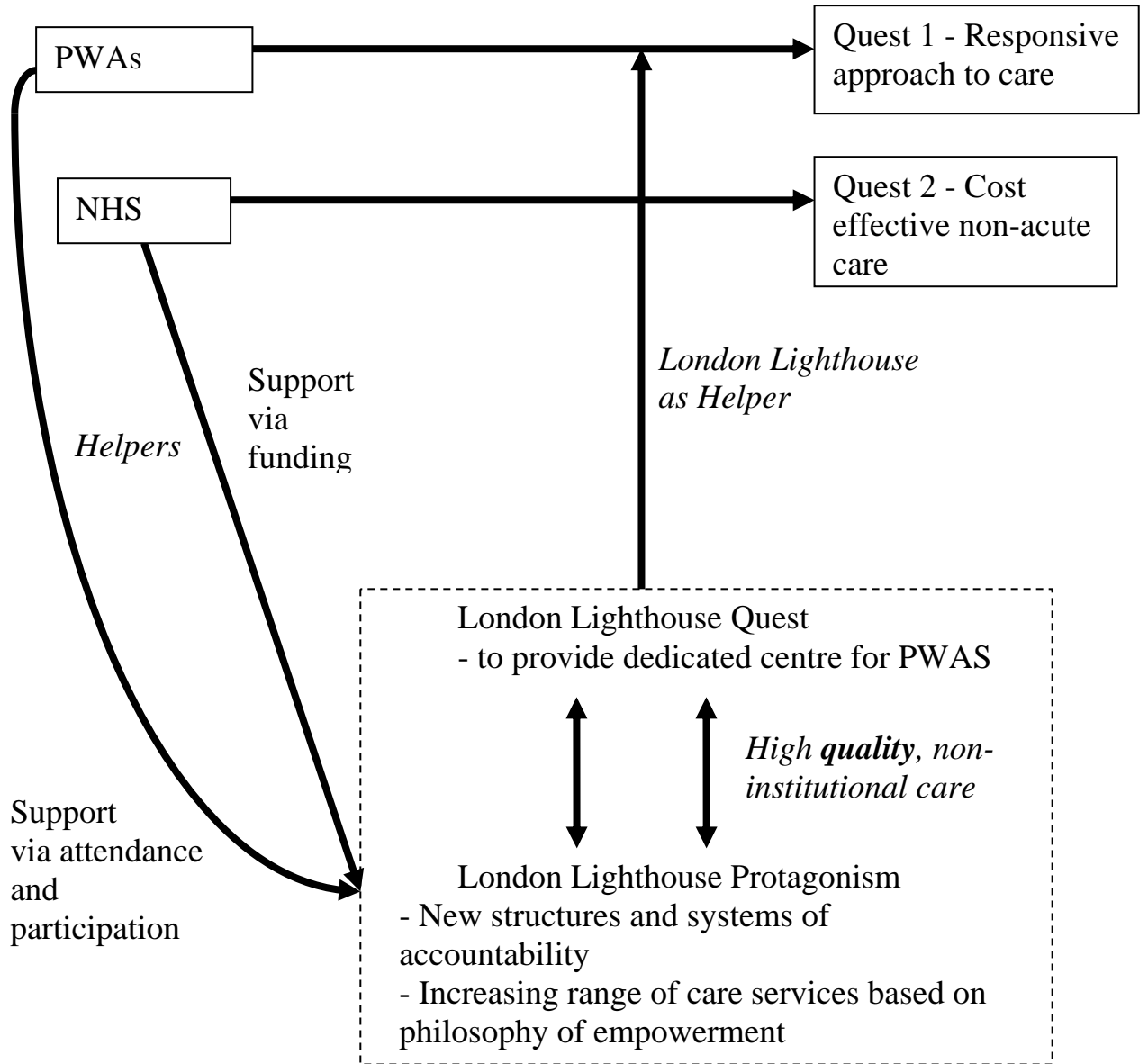- Increasing range of care services based on philosophy of empowerment

Figure 4: Narrative mobilization of London Lighthouse 1995-1998

PWAs

NHS

Quest 1 - Responsive approach to care esp. combination therapy

Quest 2 - **Cost** effective non-acute care (locally assessed by DHAs

Helpers

Support via funding?

London Lighthouse as Helper?

Support via attendance and participation?

London Lighthouse Quest
- to provide dedicated centre for PWAS

High quality, non-institutional care

London Lighthouse Protagonism
- New capital development to maintain quality and to extend services to new client groups
- Extension of overseas consultancy and training programmes
- On-going cost control of care services