

# Competing logics in evaluating employee performance

## Building Compromises through Conventions

Julia Brandl und Arjan Kozica

*Beitrag zur Ad-hoc-Gruppe »Die krisenhafte Pluralität und die praktische Krise der institutionellen Routinen und Koordinationslogiken« – organisiert von Rainer Diaz-Bone*

Current research argues that competing institutional logics<sup>1</sup> can co-exist enduringly and investigates how organizations cope with such institutional complexity (Greenwood et al. 2011). Thereby, the role of practices for handling competing logics has been overlooked and it is currently only to limited extent understood how organizations establish compromises between competing logics. Therefore, we investigated the recent performance appraisal reform of a German public sector organization that occurred in 2008 (see also Kozica, Brandl 2015). BAND (the pseudonym for our organization) has been using performance appraisals for several decades, and performance appraisals have already become entrenched instruments (Zeitz, Mittal, McAulay 1999) for handling staff promotion decisions. While BAND accepted the accountability logic of the performance appraisal, the professional logic (which is based on trust and comradeship as a high value of being professional in our organization) is accepted too and BAND has established a fine-grained compromise between the different logics. During the recent reform of the performance appraisal system, however, this compromise has broken up and challenged organizational members to (re-) arrange a compromise. By using French convention school of thinking (Boltanski, Thévenot 2006) we address how BAND copes with conflicting logics by forming compromises in organizational practices. Thereby, we show that the concept of convention is particularly promising for understanding of how organizations deal with institutional complexity. More broadly, our argument contributes to the elaboration of an organizational theory for the institutional logics discussion that explains how organizational and individual actions are interlinked.

---

<sup>1</sup> Institutional logics are »the socially constructed, historical patterns of material practices, assumptions, values, beliefs, and rules by which individuals produce and reproduce their material subsistence, organize time and space, and provide meaning to their social reality« (Thornton, Ocasio 1999: 804)

## Conceptual Background

### Coping with institutional complexity: state of research

The institutional logics perspective states that different institutional logics operate in society, each representing its own sphere of norms, values, and accepted practices as well as providing different building blocks of identity (Friedland, Alford 1991; Thornton, Ocasio, Lounsbury 2012;). Organizations are exposed to multiple institutional logics, and this raises the question of how organizations internally respond to such conflicting demands (Pache, Santos 2010; Greenwood et al. 2011). Most answers of researchers on this question are anchored in basic assumptions about the nature of organizations as coalitions of members (Cyert, March 1963) and micro-political arenas (Crozier, Friedberg 1977). Yet, the question of how organizations establish an organization-wide compromise between competing logics in face of competing pressures remains only partially answered through research based on the coalition model of organizations. Our research contributes to addressing this gap by introducing the notion of convention. The next section elaborates how the French convention school deals with institutional complexity and how hybrid organizational practices are established.

### French convention school: organizations as compromises between logics

Along with the institutional logics perspective, conventions share an interest in explaining how actors and organizations cope with institutional complexity (Thévenot 2001a; Cloutier, Langley, 2013; Jagd 2011). Three assumptions on how French convention school conceptualizes organizations and their members are important within the discussion of institutional complexity.

First, French convention school sees organizations generally as »compromises« between different institutional logics (»modes of coordination«) (Thévenot 2001a: 405). In other words, French convention school generally assumes that organizations face institutional complexity. Further, convention theory explicitly stresses that actors have critical and reflexive competencies (Eymard-Duvernay 2002: 71) and that they are able to make compromises between different logics by establishing conventions. Such compromises are agreements that »bring local and temporal compatibility between« different logics (Thévenot 2001a: 410).

Second, the French convention school assumes compromises between logics are embedded in conventions (Thévenot 2001b). Conventions are frameworks or social heuristics (Beamish, Biggart 2010) that facilitate coordinated activities in (Gomez, Jones 2000; Thévenot 1984; Kozica et al. 2014) and between organizations (Eymard-Duvernay 2002; Lazega, Favereau 2002; Thévenot 2001a). They serve as interpretative schemes by which actors interpret rules and how they could be put into practice.

Third, conventions are not natural entities or simply »found« in the environment of organizations, but rather are established through organizational members. If rules change, organizational actors face uncertainty because they cannot take the existing conventions for granted any more. This is an opportunity for adjusting conventions.

The French convention school can significantly contribute to understanding how organizations cope with institutional complexity. We show this in our empirical case study by analyzing

what happens when actors are exposed to a regulation, looking at how these organizational members establish a compromise between different logics and embed this compromise into a convention, and describing what the resulting convention looks like. These are the main questions our following case study addresses.

## Research Context and Methodology

### Performance appraisal systems and the setting of our study

Performance appraisals are formal mechanisms or rules for making systematic judgments about the achievements of employees, and they can enable the organization to make decisions on staffing, training, and rewarding employees (Tichy, Fombrun, Devanna 1982). As for the reasons for using performance appraisals, practitioners and researchers often invoke the fact that they bring higher efficiency and effectiveness to public organizations (e.g. Grote 2000). Performance appraisals are thus based on an accountability logic which is seen as a part of a wider managerialism that has increasingly permeated the public sector (Moynihan 2008; Townley 1997).

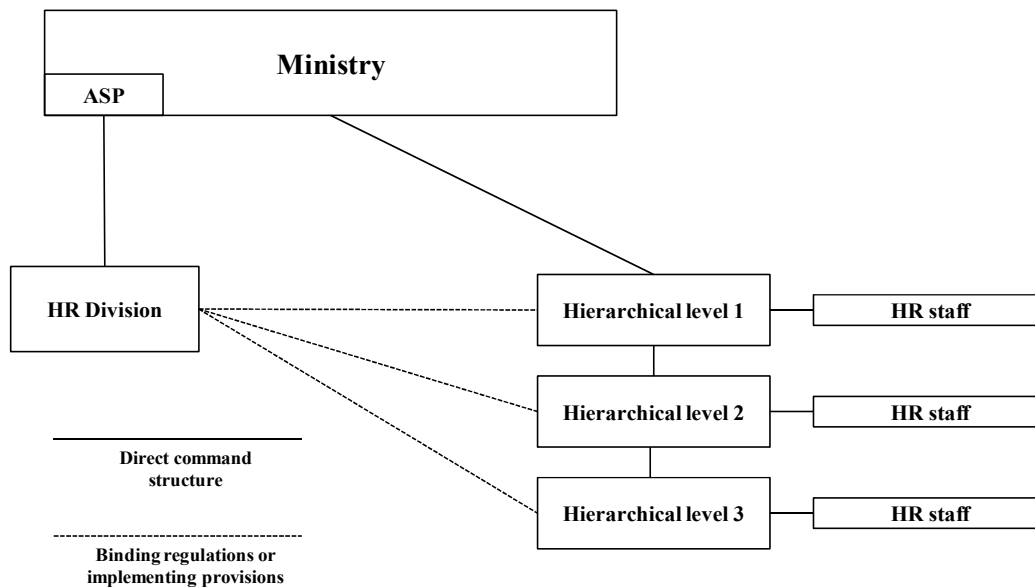
Research has primarily analyzed the process of permeation of the accountability logic and the conflicts that accompany this permeation. Performance appraisals are then seen as an instrument where different logics collide – especially in public sector organizations – and where different organizational coalitions struggle to use »their« logic to inform concrete practices. For instance, Townley (1997) has shown that the organizational members of universities are in a position of managerial responsibility to accept the accountability logic of performance appraisals and introduced this practice when the pressure to do so has increased. Academics of these universities, however, have resisted the emphasis on the accountability logic. »Their« institutional logic of academic professionalism forms a normative and cognitive basis of critique and resistance. By stressing different interests between actors, this research offers valuable insights when performance appraisals are introduced into public sector organizations and in this way, a new logic enters the organization. It fails, however, to explain settings in which the same organizational actors face institutional complexity. Our case study at BAND is one such setting.

### The personnel management and the performance appraisal system of BAND

BAND, the public organisation in our empirical case study, is a governmental organisation ruled by a ministry. It has over 10,000 members (civil servants and public sector workers). Personnel management is located in several different parts of the organisation. Hierarchically, the highest office of personnel management is a special department at the ministry, and is responsible for central **a**ffairs, **s**ocial affairs and **p**ersonnel (*ASP*). *ASP* is directly superior to the *HR Division*, which is the highest authority for personnel management at BAND. The *HR Division* shares responsibility with *ASP* for the principles of personnel management and for the most important operative decisions. At the operative levels of BAND, personnel management is carried out through first line managers (superiors) such as team leaders or department chiefs. A small staff of HRM pro-

professionals (HR staff) assists superiors, mainly with administrative tasks and by delivering specific knowledge. Figure 1 depicts the structure of personnel management at BAND.

Fig. 1: The structure of personnel management at BAND



As with all public organisations in Germany, BAND operates under the German public service code (*Bundesbeamtengesetz*). This law requires organisations to hire and promote those candidates with the highest ›aptitude‹, ›qualification‹ and ›professional achievement‹ (BBG § 9, *our translation*). Although it is widely accepted that errors occur even in the most sophisticated performance appraisal, BAND takes for granted that performance appraisals are an appropriate tool for personnel decisions. BAND has been using performance appraisal systems since its foundation shortly after World War II. BAND's performance appraisal system is defined by the **Central Regulation for Performance Appraisals (CRPA)** and several implementing provisions.

Performance appraisal systems assemble many people with different organisational roles, competencies and responsibilities. Based on their position in the organisation they enact regulations and implement provisions (e.g. *ASP*), conduct performance appraisals (superiors) or distribute social goods (*HR Division*). The information which is codified in conducted performance appraisals is relevant for personnel decisions such as promotions, personnel placements, and the selection of civil servants who are able to graduate from middle-level to upper-level. The *HR Division* is responsible for such decisions. Table 1 lists the personnel who take part in the performance appraisal system.

Tab. 1: Task division in the performance appraisal system at BAND

Organisational units of BAND	Tasks in the performance appraisal system
Ministry/ <i>ASP</i> (Ministry and the special department for central affairs, social affairs and personnel)	<ul style="list-style-type: none"> <li>– Enactment of general regulations and implementation requirements</li> <li>– Leading of subordinate units, especially the <i>HR Division</i></li> </ul>
<i>HR Division</i>	<ul style="list-style-type: none"> <li>– Enactment of implementation regulations</li> <li>– Moderation of the performance appraisal process (e.g. timeline, different conferences for reconciliation of results)</li> <li>– Control of accuracy and completeness of performance appraisals</li> <li>– Distribution of social goods based upon the performance appraisals</li> </ul>
HR staff in subordinate units	<ul style="list-style-type: none"> <li>– Moderation of the performance appraisal process within their area of responsibility and within the superior regulations (e.g. timeline, conferences for reconciliation of results)</li> <li>– Control of accuracy and completeness of performance appraisals</li> </ul>
Superiors (Team leaders, etc.)	<ul style="list-style-type: none"> <li>– Appraisal of their subordinates, especially the accomplishment of their performance appraisals</li> </ul>
HR staff (related to superiors)	<ul style="list-style-type: none"> <li>– Assisting superiors</li> <li>– Moderation of the performance appraisal process within their organisational unit (e.g. timeline, different conferences for reconciliation of results) and within superior regulations</li> </ul>

*Comment: Pseudonyms are in italics (e.g. HR Division) whereas formal descriptions (e.g. HR staff) are in roman type.*

In the years 1987 and 1998, the *CRPA* was changed substantially, leading to an ever more sophisticated performance appraisal system. Basically, superiors appraise civil servants from a specific pay grade every two years. *ASP* is responsible for developing the *CRPA* regulation and is officially enacted by the undersecretary of the ministry. The *HR Division* develops most implementing provisions. Further, organisational subunits are allowed to enact implementation provisions for their scope of responsibility.

### The change of the performance appraisal system: tightening the rules

The most recent change in regulations took place in 2008. The reason for this reform was that people engaged in the old performance appraisal system (used until 2008) increasingly experienced dysfunctions. One of the main problems was that too many appraised civil servants earned high scores in their performance appraisal, making it difficult for personnel managers in

the *HR Division* to select the best from the good (a well-known phenomenon of evaluating performance; see Meyer, Gupta 1994; Thiel, Leeuw 2002). This can be illustrated by the following statement from our interviews:

The old systems had no power anymore because too many soldiers received a 6.8 [with an absolute best average of 7 out of 16 items, comment added by the authors]. A comparison was no longer possible; therefore something new had to be created.

Although the *HR Division* was still able to identify candidates for personnel decisions (it never stopped doing so), BAND faced difficulties in legitimising its decisions. This raised a problem and in tackling this problem, BAND decided to establish ›clearer structures‹ (Wilson, 2002: 628). *ASP* introduced a new central regulation for the performance appraisal system (*CRPA*). The new *CRPA* contained several new rules. In our study, we focus on the ›20/80‹ rule, because this rule caused the most uncertainty and intense critiques (as we found in our interviews). This rule is described below.

- Performance appraisals are conducted within defined reference groups of appraisees (e.g. following their ranks). In these reference groups, however, there are often subordinates of different superiors. Superiors hence have to coordinate the performance appraisal ratings of their subordinates with other superiors. Reference groups are governed and coordinated by, for instance, HR staff in a regional division (i.e. on a ›middle‹ hierarchical level).
- Superiors are rigorously forced to rank the appraised civil servants of a reference group in a sequential order (that means into the best, the second best, etc. down to the ›worst‹).
- Superiors have to separate a group of top performers. The top 20 per cent are allowed to have an arithmetical average score of 7.5 (with the best score being 9) and the other 80 per cent must have an average score of 5.5.

The difference between the old and new regulation is best described by the following statement of one of the interviewees:

However, in the old system there has been the opportunity for appraising superiors [...] How can I describe this? [...] I was in the function of a group leader. As a group leader, I have written appraisals for my superior [who was responsible for the appraisals of the civil servants, *comment added by the authors*]. When I told my superior that I have two high-performance team members, I was able to assess them both notably positively. Now when I have two high-performance team members, I have to tell one of them, ›You are worse, therefore you are assessed as downgraded‹.

It was this against background that we conducted our case study, of which the mythological aspects are explained in the next section.

## Data and methodology

Our primary data set consists of 30 interviews (approximately 30-60 minutes long) and internal written documents (regulations and implementation provisions). The interviews were conducted in 2009, when the first systematic rounds of performance evaluations took place, and cover different parts of the performance appraisal system. Thirteen are with staff members in the *HR Division* (mainly responsible for implementing provisions and the distribution of social goods

like promotions), eleven with HR staff in operative departments of the *HR Division*, and two interviews were conducted with the department head and her deputy. Six interviews were with HR staff at different hierarchical levels (division and units) and thirteen interviews were with superiors. Data collection was based on episodic interviewing (Flick 2000). This type of interviewing is designed to activate respondents to select relevant situations within a domain and to describe the objects, terms, and conditions that make these situations relevant to them. In each interview, respondents were asked similar questions, for example, if you look back, what were your most recent experiences with the performance appraisal in this organization? How do these experiences differ from your former experiences? Do you recall a situation where you made a positive [negative] experience with the performance appraisal in this organization? The issues raised in these questions were elaborated by questions for illustrations and specifications. We have depicted further details on our research method elsewhere (Kozica, Brandl 2015).

## Case Analysis

### Reactions to the changes of the performance appraisal system

The old system allowed superiors to follow the professional logic of being a good comrade to a certain extent. Within the old performance appraisal system, superiors were able to rate most of their appraised civil servants numerically with high scores. Thereby, it was partially possible to disguise (relatively) bad performance ratings. This is due to the average scores of all performance appraisals at BAND not being transparent. Overall, scores have inflated over the years. In some occupational groups and pay levels (e.g., technical middle-level civil servants), the average score of the 16 appraisal items was 6.4 on a 7,0 rating scale (!) for outstanding performance. Hence, even a score of 6.3 was beyond the average and not a good performance appraisal rating. This, however, has often not been recognized by appraisees who receive performance appraisals beyond the average scores. One reason for this was that average scores increased every year and, to say it simply, a 6.3 on a scale of up to 7,0 sounds good. Essentially, the old performance appraisal system allowed superiors to disguise performance ratings and to avoid responsibility. Our interviewees described this, for instance, as follows:

This juxtaposition [...] always existed. However, it wasn't openly communicated. Then there was the difference between 6,07 and 6,08, deciding who will become an upper-level civil servant and who not. But everyone had the feeling that he was judged well, the superior was out of the woods, and said, »I did all sorts of things for you.«

Even when superiors appraise civil servants in accordance with their (perceived) bad performance, they have not been forced to communicate this in a face-to-face dialog. This was actually rationalized in the organization and followed their professional logic of being a good comrade and colleague as well as supporting and caring for each other. Although the consequences for the appraised organizational member had been the same (e.g., no promotion), the interpersonal relationship between a superior and their appraised civil servant was not negatively affected. The old performance appraisal system, as it was enacted in practice, was thus a compromise

between different logics (Townley 1997, 2002). However, the new system, especially the 20/80-rule, limited the scope of superiors since rankings have to be communicated and scores have to follow strict rules. This rules caused trouble because superiors did not enact purely on the accountability logic but rather still followed their professional logic.

### Making compromise by establishing a convention

About one year after the new regulation, *CRPA* initiated the first systematic round of conducting performance appraisals. In this first round, superiors had to appraise their middle-level civil servants (simultaneously at every part of *BAND*). Due to the fact that the former way of conducting performance appraisals was no longer amenable, a critical situation for superiors emerged. Since rules are generally incomplete, the question of how to put the new regulation into practice arose among HR staff and superiors. Organizational actors realized this, as we can see in the following statement from one of our interviewees:

Indeed, it is said that you are to abide by the regulation, but you have to learn that in time. Truly, the regulation is one side of the story, but how to put the regulation into practice [...]? Certainly, you have to work along the regulation, but experience shows you which opportunities you have.

Putting the regulation into praxis, however, is an interindividual effort rather than an individual one. Performance appraisal systems in organizations integrate different people within the organization (here, superiors, HR staff members, and personnel managers at the *HR Division*). All of these organizational members (despite being located in different areas of the organization) had to negotiate the rule change and had to establish a shared understanding.

What happened at *BAND* in this phase? Superiors evaluated the new situation, identified problems with the new regulations, and formulated criticisms in daily talks, meetings, written statements, and complaints. In other words, the organization was in turmoil (Hallett 2010). Superiors criticized the new system, for instance, increasing bureaucracy, lowering practicability, and creating the need to coordinate with other superiors when appraisees were in the same reference group. These criticisms did not trigger new reform processes in themselves, but rather are a part of the current reform process which has already been initiated. *BAND* recognized these criticisms and organized different ›round tables‹, workshops, and conferences. Furthermore, the new performance appraisal system was a topic at the highest hierarchical level beneath the ministry itself. These venues have been used for formulating criticisms and discussing possible solutions. The *HR Division* made some minor adaptations of the formal regulations by issuing new implementing provisions. Thereby, they ›absorbed‹ some of the criticisms.

With these activities, organizational members established a convention of how to conduct performance appraisals. In what follows, we depict the content of this convention and show how different logics are embedded in this convention. Hereby, we will focus on the ›20/80-rule‹ which has engendered massive criticism. Basically, we have identified two ways of how superiors reacted: they did identity work by stressing their ›proper role‹ and they negotiated a compromise between accountability and professional logic on how to perform the appraisal.



### *Stressing the proper role of superiors*

The new 20/80-rule and the need for a detailed ranking of appraised civil servants had a serious consequence: superiors were not able to partially disguise their performance appraisal ratings anymore. The following statement expresses the conflict which had been solved in the old system, but became a problem in the new performance appraisal system:

However, as the boss, I get into trouble, I have to explain that exactly. And I have – when I inform number 17, 18, 19 about their performance appraisal – a huge emotional problem. Formerly, I could write, »Yes, he is in the inferior third«. That was indeed bad, but it didn't let on that he was *the* worst. And that is exactly the different in the new performance appraisal system. As the boss, you have to be straightforward and you have to explain exactly. On the other hand, I have the advantage (there is an advantage) that the good ones, the number 1, 2, 3 are at least seen as what they are: the best three people.

Superiors coped with this problem by using identity work that binds their identity more strongly to the accountability logic (see also Lok 2010; Meyer, Hammerschid 2006). Superiors confirm to each other (and themselves) that the proper role of superiors in performance appraisal systems is to assess and rank their civil servants, even if this is part of directly communicating with their civil servants or not. One superior told us, for instance, that the old performance appraisal system offers the possibility of »avoiding responsibility«, another stressed that there are »only very few [superiors, added by the authors], who have the courage to say, ›you are a bad guy‹«. However, both cited superiors stressed that *this is exactly the role of superiors in a proper sense*. Following this idea, the new performance appraisal system reminds superiors or – more plainly – forces them to fulfill their role. From this perspective, the ›tightening of the iron cage‹ works, because superiors are forced to enact the accountability logic of the performance appraisal system.

### *Pawn Sacrifice*

Stressing the role of the superior was not the only reaction to coping with the new rule. By establishing average scores with a compulsory distribution over the performance rating scale, the new performance appraisal system limited space for good performance appraisals. Simply stated, every good rating has its bad counterpart. As a brief illustration: a superior has ten civil servants to appraise, the best two (20 per cent) are allowed to have an average score of about 7.5. This could be matched by giving them both a 7.5 or through giving them an 8 and a 7. Following the abstract idea of a performance appraisal system, this decision should be solely based on individual performance. Superiors, however, feel responsible for supporting »their soldiers« to achieve, for instance, by promotion. This requires performance appraisals which are ›good‹ enough (in comparison to others) to get access to social goods distributed by the *HR Division*. Since the 80/20-rule limits good performance appraisals, superiors negotiated a new mechanism: the ›pawn sacrifice‹. By conducting performance appraisals, superiors tried to identify civil servants who were currently not dependent on a good performance appraisal, independent from their individual performance. This offers the opportunity to score other civil servants higher and support their careers. The following quotation illustrates this argument:

You try to bend the system [...]. Well, who has not had a turn for career advancement? That is, a middle-level civil servant, 28 years old, newly given his civil service status, will become upper-level civil servant in 7 years at the earliest. He doesn't need a 7,5 right now. I will explain that to him and say: Hey, you get a 4,0 right now and you have the chance in the next 12 years / six benchmarks, to build yourself up (...). Sure, they are wondering, »Didn't I achieve anything so far?«.

The »pawn sacrifice« – albeit, against the official regulation – is an accepted mechanism used to conduct performance appraisals. It is not an individual interpretation or an individual attempt to extract advantages. Rather, superiors negotiated the legitimate use of pawn sacrifices as a culturally accepted way to put the new regulation into practice. For instance, the new regulation was intensively discussed at a meeting where the superiors and HR staff from a regional division and representatives from the *HR Division* discussed the new performance appraisal system. In this discussion, superiors confirmed each other that this, although not covered by the regulation, is a commonly accepted strategy in conducting performance appraisals. Representatives of the *HR Division* (at this meeting but also through house journals, information letters, etcetera), however, stressed that pawn sacrifices are an applications error). They rhetorically threatened to diminish the use of pawn sacrifices through, for instance, education or tight leadership. This, however, has actually not inhibited superiors from openly confirming to each other in conferences and daily talks that using pawn sacrifices is a legitimate way to conduct performance appraisals. The use of the pawn sacrifice is generalized through negotiation which leads to a relatively stable compromise between different logics. The accountability logic of the performance appraisal system is generally accepted, but superiors strive to support ›their‹ subordinates because of a sense of comradeship and feelings of care (professional logic) (Townley 2002). Thereby, they counteract the basic idea of the performance appraisal system.

### Entrenchment of the compromise

Negotiated results were anchored in a commonly shared understanding of how to conduct performance appraisals and further in written documents (implementation provisions, reports, emails). This process resulted in an organizational performance appraisal convention in which artifacts (written documents) and shared understandings emerged from complexes which frame individual actions (here, in performing performance appraisals). As previous arrangements were no longer operating, the convention enables organizational members to anticipate how to handle the regulation, and in particular to prioritize people in the rankings. Furthermore, it enables them to locate themselves in the organization, and to exercise their roles as superiors. In doing so, the convention reduces insecurity in coordination. At the same time, this stability is a compromise between different institutional logics (Townley 2002), namely between accountability logic (represented mainly by the performance appraisal system) and professional logic (being a good comrade and colleague).

In our case, the new performance appraisal convention at BAND ›works‹ and paves the way for an efficient accomplishment of performance appraisals for the coming years. Organizational members try to avoid the fragility that is still inherent in the convention for as long as possible. For instance, they repeatedly confirm to each other in daily communications, routines, and

rituals that the social order is ›objectively‹ existent and that this order is more or less just and reasonable (Boltanski, Thévenot 2006). These stable times, however, are not enduring. Rather, there are situations in which uncertainty becomes obvious, disturbance prevails, and where people are assailed by doubts (Wagner 1999: 424–425; see also Brunsson 1985: 37–43). This probably will lead to a new reform of the performance appraisal system.

## conclusion

The aim of our research was to understand how organizations internally cope with competing institutional logics. Faced with institutional complexity, as our study shows, organizational members actively search for solutions on how to combine different institutional logics that they are exposed to. Since actors cannot independently interpret and apply the regulation in organizational practices bringing different actors together, organizational members must negotiate shared understandings on how to combine different logics. We found that over time organizational members established a shared understanding about how they make compromises between different logics when they conduct performance appraisals. In order to capture this phenomenon, we use insights from French convention school (Thévenot 1984; Boltanski, Thévenot 1999, 2006), a perspective that is receiving an increasing amount of attention in the field of organizational studies (Cloutier, Langley 2013; Jagd 2011). One core assumption of French convention school is that organizational members handle uncertainty in dealing with regulations by establishing conventions. Conventions impart information on how organizational members shall align conflicting institutional logics. By analyzing this organizational reform, we show how the conflict between different logics is resolved by establishing a convention. The notion of »conventions« improves our understanding of how hybrid practices are employed in organizations. It allows us to, first, describe what a hybrid practices consists of (in order to be employable) and how these practices relate to organizational actors (i.e. the situations in which they are employed), and second, describe how these practices come into existence by the activities of organizational members.

Our case study shows that the new performance appraisal convention at BAND tends to stress the formal responsibilities of superiors and increases the importance of accountability logic, while still recognizing professional logic for conducting appraisals. This outcome may be specific to the circumstances of our case setting and further research would be needed to show what causes variation in reform outcomes. In spite of this, there are also findings that are more general. First, we assume that such compromises can also be found in performance appraisal systems in other public sector organizations, but that there might be specific logics that differ between organizations. This is due to debates (or institutional demands) varying across time and space. Second, our study shows how organizational members negotiate a compromise between different logics after a new ambiguous regulation has been issued. Activities of organizational members such as raising criticism, issuing several implementing provisions, and negotiating shared understandings in daily talks and in conferences, are generally part of establishing compromises between competing logics.

## References

- Beamish, T. D., Biggart, N.W. 2010: Social Heuristics. Decision Making and Innovation in a Networked Production Market. Working Paper 0056, Collaboratory for Research on Global Projects at Stanford University, Stanford, <http://crgp.stanford.edu>.
- Boltanski, L., Thévenot, L. 1999: The Sociology of Critical Capacity. *European Journal of Social Theory*, 2(3): 359–377.
- Boltanski, L., Thévenot, L. 2006: *On Justification: Economies of Worth*. Princeton, NJ: Princeton Univ. Press.
- Brunsson, N. 1985: *The Irrational Organization. Irrationality as a Basis for Organizational Action and Change*. Avon, UK: Bath Press.
- Cloutier, A., Langley, A., 2013: The Logic of Institutional Logics: Insights from French Pragmatic Sociology. *Journal of Management Inquiry*, forthcoming (online first already available).
- Crozier, M., Friedberg, E. 1977: *Actors and Systems*. Chicago: Chicago University Press.
- Cyert, M., March, J. G. 1963: *A Behavioral Theory of the Firm*. Englewood-Cliffs, NJ: Prentice-Hall.
- Eymard-Duvernay, F. 2002: Conventionalist Approaches to Enterprise. In O. Favereau, E. Lazega (Eds.), *Conventions and Structures in Economic Organization. Market, Networks and Hierarchies*: 60–78. Celsdenham, UK; Northampton, MA, USA: Edward Elgar.
- Flick, U. 2000: Episodic Interviewing. In M. W. Bauer, G. D. Gaskell (Eds.), *Qualitative Researching with Text, Image and Sound*: 75–92. London: Sage.
- Friedland, R., Alford, R. R. 1991: Bringing society back in : Symbols, Practices, and institutional Contradictions. In Powell, W. W., P. J. DiMaggio (Eds.), *The new Institutionalism in Organizational Analysis*, Chicago : University of Chicago Press, 232–266.
- Gomez, P.-Y., Jones, B. C. 2000: Conventions: An Interpretation of Deep Structures in Organizations. *Organization Science*, 11, 696–708.
- Greenwood, R., Raynard, M., Kodeih, F., Micelotta, E. R., Lounsbury, M. 2011: Institutional Complexity and Organizational Responses. *Academy of Management Annals* 5(1): 317–371.
- Grote, D. 2000: Public Sector Organizations. *Today's Innovative Leaders in Performance Management. Public Personnel Management*, 29(1): 1–20.
- Hallett, T. 2010: The Myth Incarnate: Recoupling Processes, Turmoil, and Inhabited Institutions in an Urban Elementary School. *American Sociological Review*, 75(1): 52–74.
- Jagd, S. 2011: Pragmatic Sociology and Competing Orders of Worth in Organizations. *European Journal of Social Theory*, 14(3), 343–359.
- Kozica, A., Kaiser, S., Friesl, M. (2014). Organizational routines: Conventions as a source of change and stability. *Schmalenbach Business Review (sbr)*, 66, 334–356.
- Kozica, A., Brandl, J. 2015: Handling paradoxical tensions through conventions: The case of performance appraisal, *Zeitschrift für Personalforschung (ZfP)*, 29(1), 49–68.
- Lazega, E., Favereau, O. 2002: Introduction. In O. Favereau, E. Lazega (Eds.), *Conventions and Structures in Economic Organization. Market, Networks and Hierarchies*: 1–28. Celsdenham, UK; Northampton, MA, USA: Edward Elgar.
- Lok, J. 2010: Institutional Logics as Identity Projects. *Academy of Management Journal*, 53(6), 1305–1335.
- Meyer, M.W., Gupta, V. 1994. The Performance Paradox. *Research in Organizational Behavior*, 16: 309–369.
- Meyer, R. E., Hammerschmid, G. 2006: Changing Institutional Logics and Executive Identities: A Managerial Challenge to Public Administration in Austria. *The American Behavioral Scientist*, 49: 1000–1014.
- Moynihan, D. P. 2008. *The Dynamics of Performance Management: Constructing Information and Reform*, Washington D.C.: Georgetown University Press.
- Pache, A., Santos, F. 2010: When Worlds Collide: The Internal Dynamics of Organizational Responses to Conflicting Institutional Demands. *Academy of Management Review*, 35(3), 455–476.
- Thévenot, L. 1984: Rules and Implements: Investments in Forms. *Social Science Information*, 23(1): 1–45.

- Thévenot, L. 2001a: Organized Complexity: Conventions of Coordination and the Composition of Economic Arrangements. *European Journal of Social Theory*, 4(4): 405–425.
- Thévenot, L. 2001b: Pragmatic Regimes Governing the Engagement with the World. In K. Knorr-Cetina, T. Schatzki, E. Savigny (Eds.), *The Practice Turn in Contemporary Theory*: 56–73. London: Routledge.
- Thiel, S. v., Leeuw, F. L. 2002: The Performance Paradox in the Public Sector. *Public Performance and Management Review*, 25(3): 267–281.
- Thornton, P. H., Ocasio, W., Lounsbury, M. 2012: *The Institutional Logic Perspective. A New Approach to Culture, Structure, and Process*. Oxford: Oxford University Press.
- Tichy, N. M., Fombrun, C. J., Devanna, M. A. 1982: Strategic Human Resource Management. *Sloan Management Review*, 23(2): 47–61.
- Townley, B. 1997: The Institutional Logic of Performance Appraisal. *Organization Studies*, 18(2): 261–285.
- Townley, B. 1999: Practical Reason and Performance Appraisal. *Journal of Management Studies*, 36(3): 287–306.
- Townley, B. 2002: The Role of Competing Rationalities in Institutional Change. *Academy of Management Journal*, 45(1): 163–179.
- Wagner, P. 1999: After Justification: Repertoires of Evaluation and the Sociology of Modernity. *European Journal of Social Theory*, 2(3): 341–357.
- Zeitz, G., Mittal, V., McAulay, B. 1999: Distinguishing Adoption and Entrenchment of Management Practices: A Framework for Analysis. *Organization Studies*, 20(5): 741–776.