

**Book Review – *Global Projects: Institutional and Political Challenges*.
Edited by W.Richard Scott, Raymond E.Levitt, and Ryan J. Orr (2011).**

**By
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Beyond analyzing the institutional and political challenges of global projects, this book demonstrates academic skill in theory building and development – transporting one established, dominant framework (institutional theory) in organization and management theory into new empirical settings, contributing to theory development in the fields of international business and project management. Through a process of bricolage (or some might argue colonization), a theoretical framework that is well understood in one field, is made novel and innovative in another. In writing this book the authors also address, albeit indirectly, concerns over organizational and institutional theory’s relevance and future (for example see Walsh, Meyer, & Schoonhoven, 2006; Suddaby, 2010) in showing its applicability and value as a framework in analyzing global projects – projects that are now commonplace in today’s business environment. Global projects, as an organizational phenomenon, are defined by the author’s as “a temporary endeavor where multiple actors seek to optimize outcomes by combining resources from multiple sites, organizations, cultures and geographies through a combination of contractual, hierarchical and network-based modes of organization” (page 17).

Scott opens the volume with an articulate, historical review of projects as a form of organising, positioning ‘projects’ as something that has always been present yet perhaps peripheral in the broader organizational and institutional literature. He thus situates this study of global projects from an organizational perspective as a legitimate and well reasoned

pursuit. For example, organization and management scholars have implicitly studied project organizations via Mintzberg's (1979) classification of 'adhocracies', and the work of Powell (1990) and Miles and Snow's (1992) intermediate 'network' forms. "It was not until the close of the twentieth and opening of the twenty-first century that scholars began to examine more closely this subtype of network forms: project-based firms" (page 3). Scott suggests that while contingency and resource-based theoretical approaches to project organizations are currently dominant, institutional theory is an emerging and necessary approach – an agenda to which this book no doubts contributes. The argument made by Scott is that the context in which global projects occur is an important area that is in most need of "elaboration and development, both theoretical and empirical" (page 7), and institutional theory is an appropriate and worthy approach that can assist in addressing this need.

This book introduces institutional theory, specifically Scott's three pillars framework of institutional theory (1995; 2001; 2008) to international business and project management literatures. The use of Scott's three pillar's (regulative, normative, cultural-cognitive) is presented as a way of understanding and systematically parsing global projects, with the editors also incorporating social movement theory to more fully understand the institutional and political processes that surround global infrastructure projects as they confront cross-national and cross-sectoral institutional differences. The empirical chapters focus on the *how* of global projects, and in using an institutional approach are consequently attentive to the cultural, political, legal and normative institutional differences and conflicts that are present in global projects. The authors' consider managerial decision making in these global projects as "intendedly rational but more cognitively circumscribed", taking a sense-making perspective to understand the dynamics of global projects (page 140).

Many of the authors are associated with Stanford University's Collaboratory for Research on Global Projects, and seek "better ways for financing, governing, constructing and sustaining infrastructure projects over their lifecycles worldwide" (page xv). While the aim of the book is to "inspire scholars from multiple academic disciplines worldwide to join...the pursuit of knowledge and tools to advance the development of more sustainable global infrastructure development projects and global projects of all kinds in our increasingly interconnected and fragile world economy and polity" (page xix), there is a common reference across the chapters on the findings and implications for practitioners. This seems to be the weaker of the contributions, as many of the practitioner findings appear unsurprising. The primary value of the volume would seem to be for scholars in project management and international business, given its detailed operationalization of institutional theory, who are seeking to more rigorously develop the normative and cognitive emphasis in their respective literatures, as recently initiated and pursued by Peng and others (for example, Peng 2002; Peng, LiSun, Pinkham and Chen 2009).

This book is comprised of an original introduction by Scott and 11 chapters (seven of which are co-authored by Scott) comprising of original and reprinted works (Chapters' 5, 7, 8 and 10). The chapters are organized into four parts. The first part, (1) *Foundational Themes*, outlines the nature of global projects and provides the intellectual groundwork for the other sections and empirical chapters. The initial chapter in this part is by Orr, Scott, Levitt, Artto and Kujala, and examines the emergence and increasing presence of global projects, and the frequent cultural and normative challenges that they confront. In Chapter 2, Scott presents his definitions and framework of institutional theory, revisiting his classic writings (1995; 2001; 2008). Perhaps unsurprising to scholars of institutional theory, emphasis here is placed on the notion and value of fields, and consequent multi-level applicability of institutional

theory to global projects. Interesting is the inclusion of social movement theory, in Chapter 3 by McAdam, revealing the Western view of social movements that is dominant in the literature and the opportunity to overcome this by studying global projects. Throughout the book, the inclusion of social movement literature as a framework for global projects shifts attention to the political aspects of global projects, many subject to local opposition, but also in the way that global projects may shape political activity.

Part 2, *Institutional differences and global projects: empirical studies*, consists of empirical studies applying Scott's three pillars. Mahalingham, Levitt and Scott (Chapter 4), adopt a qualitative approach due to the exploratory nature of their study (like many of the empirical chapters), in analyzing two engineering projects in India that were part of a single metro railway system being built. The focus of their analysis is on the institutional conflicts – often arising from differences in cultures and norms – between public officials adopting a rules based and hierarchical approach, and international contractors adopting a results-based and collegial approach in global projects. It is an interesting summary but rather descriptive, lacking a strong theoretical or practical contribution. In Chapter 5 Orr and Scott, recognizing the vast literature on cross-national cultural values (including Hofstede 1984; Hall and Soskice 2001; Kogut and Singh 1988), present a process model to examine the underlying dynamics and conditions “by which cross-societal variations in rules, norms and cultural beliefs are translated into the kinds of complications and costs that have been documented by mainstream researchers (Shenkar 2001)” (page 135). The process model is well developed from 23 case studies (page 173) and is one of the more valuable chapters for practitioners (page 180) in its findings. This work also develops the concepts of ‘institutional exceptions’ and ‘institutional ignorance’ (page 138), that are interesting to both international business literature and that of institutional theory, providing opportunity for future research.

Still in Part 2, Orr and Levitt (Chapter 6), propose that the more embedded a project is in the local environment, the more important is the local knowledge requirement. They explore the challenges of local embeddedness for international entrants, and strategies entrants use to cope with local embeddedness i.e. essentially what IB scholars describe as the 'liability of foreignness' (see Goshal and Nohria 1989, among others). They use a multiple case study design and open-ended interviews, and consider the strategies available for the different actors involved (contractors, developers, project consultants etc). Chapter 7 (Javernick-Will and Scott), extend this work on the local knowledge requirements in global projects, and focus on identifying the different kinds of institutional knowledge needed for global projects, using data from 15 case studies. Using Scott's three pillars, they lay out the regulative, normative and cultural-cognitive types of institutional knowledge needed in global projects, noting similarities and differences among different types of firms, with the differences rooted in different sources of revenue and time horizons. The contribution of this chapter lies more in its findings for the international project-based literature rather than institutional literature.

Part 3, *Political conflicts and global projects*, incorporates the social movement literature as a theoretical lens for global projects and is particularly compelling for doing so. McAdam, Schaffer Boudet, Davis, Orr and Levitt (Chapter 8) provide an elegant overview of social movement theory and the institutionalization of the 'western form' of social movements in the literature. The Chapter has a worthy if not ambitious goal of understanding the reactive resistance to such projects and in part "reducing Western exploitation of the developing world" (page 281). It was refreshing to see consideration of the opposition to infrastructure projects in developing countries as an important empirical setting practically and also for extending the empirical base for social movement scholars in testing theory. Using

Qualitative Comparative Analysis (QCA) the authors present interesting findings, including that external resources (such as ties to NGOs) did not figure in explaining the rise of resistance (see page 304 for a fuller explanation), and how threat and opportunity appear to work jointly to shape opposition to global projects. It is only in this Chapter that one sees some consideration of world society literature in understanding movements in the contemporary world, as countries are integrated into the world society (Meyer, Boli, Thomas and Ramirez 1997). A deeper consideration of this literature may be revelatory in future work in global projects, for example in understanding global norms and ideas around the environment and so on. Chan and Levitt (Chapter 9), focus on the empirical setting of renegotiation episodes in Public-Private Partnerships (PPP). Again using QCA, specifically fuzzy set QCA, the authors look at the influence of strategic factors, cultural dimensions, and the institutional environment on the renegotiation process. Like many of the chapters, the qualitative approach is well articulated, well presented, and is arguably as example of best-practice QCA methodology. Such an approach and study, the authors' conclude, provides practitioners with a more holistic view of renegotiation processes.

The final part, Part 4 *Governance strategies and structures*, includes two chapters. Chapter 10 (Henisz) presents a descriptive piece on the value of network-based strategies in understanding risk management in global projects, yet missing is a consideration of the network literature. A 'caselet' of ChevronTexaco is presented as a 'best practice' example, of how Chevron adopts an integrated approach to stakeholder consultation. Key questions presented in the Chapter (how did Chevron build and maintain its political and social coalition? What direct and indirect channels of communication and influence did they employ?) are left unanswered – perhaps unsurprisingly given Chevron would not hand over such data. In Chapter 11, Jooste and Scott apply a field approach to public-private

partnerships. This chapter sees the Scott legacy at its best – transferring the field approach into a new empirical setting (global projects) and suggesting how very useful it is – across multiple levels, given that PPP projects need to increasingly be seen as operating in various constellations of field configurations (page 379). To support their field argument, they present three descriptive cases from South Africa, Canada and South Korea that analyze state fields.

Across the book, the global projects considered are from the sectors of architecture, engineering and construction. One wonders if the institutional framework suggested would be even more revelatory if it was used in global projects with ‘softer’ outputs – such as international aid and development, where projects focus on education, health and governance systems and processes. In general, the book contributes to a growing group of organizational and management scholars studying projects and project-based organising – an emerging field itself, with increasing numbers of journals, academic programs and research centres dedicated to the area (see for example Oxford University’s BT Centre for Global Programme Management, and the work of Flyvberg, Bruzelius and Rothengatter 2003 on Megaprojects amongst others). Overall, Scott’s intellectual legacy is dominant throughout this book and Scott should be commended for showing the value and relevance of institutional theory to yet another empirical setting – one of great importance to a range of stakeholders and policy makers - as he has done previously in fields such as healthcare.

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