Beyond Hybridity: Accounting for the Values Complexity of All Organizations in the Study of Mission and Mission Drift

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Mission drift—the perceived discontinuity between an organization’s actions and its image—continues to garner attention primarily from scholars interested in understanding why “hybrid organizations” focused on creating social and environmental value shift away from such value creation (Ebrahim, Battilana, & Mair, 2015; Wolf & Mair, 2019; Wry & Zhao, 2018). Our recent study of mission drift (Grimes, Williams, & Zhao, 2019) broadens this discussion by theoretically grounding mission drift in longstanding research on organizational identity and adaptation; unpacking different types of mission drift; and theorizing about why such drift occurs and how organizations might respond. In Varendh-Mansson, Wry, and Szafarz’s (2019; hereafter VWS) response to our article, the authors’ primary critique suggests that our theorizing is “built on shaky foundations” based on the premise that mission should not be “conceptualized in simplistic terms as an organization’s single orienting purpose” (p: XX). In making this argument, the authors reference the literature on hybrid organizing and the distinction this literature often draws between organizations with a single purpose (e.g., economic) versus those with two or more purposes (e.g., economic, social, environmental). Although our desire is not to repeat ourselves, we are grateful for the opportunity in this dialogue to clarify how our prior article not only addresses VWS’s primary critique but also moves beyond the authors’ assumptions regarding the multiplex nature of organizations’ missions. After responding to this definitional issue, we then focus the remainder of this dialogue toward advancing scholarship on mission drift by drawing on two additional important questions raised in VWS’s arguments.

Revisiting our conceptualization of mission

Given VWS’s stated desire to better theorize the concept of mission, we were surprised with the lack of reference to and, thus, apparent mischaracterization of our actual
definition of organizational mission. Specifically, we defined organizational mission by noting that it “serves as a sociocognitive bridge between [the organization’s] identity and its actions by specifying why the organization should exist and how it should act (i.e., purpose), thereby focusing members’ attention and intentions in such a way that actions proceed from identity” (2019: P XX). To be clear, to argue that a mission might seek to specify an organization’s purpose is not in any way to argue that such a purpose must be singular or unidimensional.

Yet to the extent our definition might be interpreted equivocally, such that VWS might have inferred our definition of mission as implying its unidimensionality, we believe the proceeding arguments in which we consistently reference the multiplicity of values which guide every organization should have resolved any such potential for misinterpretation. For instance, we state, “as is the case for most if not all organizations, instead of being guided by a small number of stable and unambiguous values, organizations are instead confronted by multiple coexisting, dynamic, and often times incompatible values”, which we argue operate both internally and externally to the organization (2019: P XX). Importantly, we believe this emphasis on the multiplicity of values in and outside of organizations offers a stronger foundation from which to theorize about the multiplex nature of organizational mission—a foundation which is not premised on what we perceive as a false dichotomy between singular and multi-purposed organizations.

Although we of course welcome improvements to our stated definition of organizational mission, VWS do not offer a precise alternative other than to state that mission is a “nuanced and variegated construct”—a premise with which we readily agree and one we believe is fully commensurate with our existing article and definition. Ultimately, we concur with VWS in their call for research “upstream” that offers even more clarity about the nature of organizational mission(s) as well as a greater understanding of how and under what
conditions such missions increase alignment between organizational actions and organizational identities. We believe future research focused on “upstream” topics can build upon, extend, and clarify our arguments regarding the importance of values complexity to organizations’ identities, actions, and missions. We now take the opportunity to respond to two additional and important questions raised by VWS’s response.

**What is the relationship between strategic change and mission drift?**

Part of what animates VWS’s critique is the possibility that our article blurs the lines between mission drift and strategic change. Implicit in this argument is an assumption that strategic change represents intentional and deliberate action on the part of leaders and organizational members, whereas mission drift occurs only when those individuals stop acting intentionally. However, we believe this assumption is faulty for three reasons. First, it fails to consider the potential for unintended outcomes from intentional or deliberate action (Osborn & Jackson, 1988; Perrow, 1984). Specifically, it is clear that intentional action at one level of an organization might result in unintentional change or deviance at another level of that organization (Siggelkow & Rivkin, 2006). For instance, consider the relationship between strategies and tactics. While tactics may follow from their respective strategies, most would acknowledge the agency of individual actors to intentionally deviate tactically in ways that do not correspond to a particular strategy. Similarly, because organizational identities exist at a higher level of abstraction from organizational strategy, it is possible (and perhaps even probable) that intentional organizational strategies will at times deviate from those identities, thereby unintentionally creating the perceived misalignment between organizational action and identity. Such perceived misalignment we argue is characteristic of mission drift.

Second, the characterization of strategic change as intentional (in contrast to mission drift) does not consider how strategic change is often highly determined. As Mintzberg and
Many planned strategies in fact seem to have this determined quality to them—pursued by organizations resigned to co-operating with external forces. One is reminded here of the king in the Saint-Exupéry (1946) story of The Little Prince, who only gave orders that could be executed. He claimed, for example, that he could order the sun to set, but only at a certain time of the day. The point is that when intentions are sufficiently malleable, everything can seem deliberate.

Therefore, it could be argued that assumptions of intentionality in strategic actions are at a minimum overstated and, at worst, grossly exaggerated (Balogun & Johnson, 2005). As such, there is considerable opportunity to explore the effects of strategic action which is framed by the organization and its leaders as intentional yet appears to be driven by forces which leave little room for agency or intentionality. For instance, drawing on Mintzberg and Waters (1985), scholars might ask under what conditions do strategic intentions become “sufficiently malleable,” such that strategic actions are more likely to cater to exogenous forces rather than uphold the organization’s identity?

And third, the assumption fails to consider how audiences may perceive an organization’s actions as lacking intentionality, regardless of whether those actions were strategic and/or intentional. In other words, mission drift is difficult to determine objectively, and as such can be more usefully represented as a type of audience judgment of organizations and their actions—judgments which are the focus of Grimes, Williams and Zhao (2019). And thus, as we previously argued, it is the perception of intentionality that is likely to shape judgements of mission drift rather the actual intentionality exhibited by organizations.

This third point, we believe, holds important implications for future empirical research on the topic of mission drift. Should scholars wish to study mission drift, how might they go about theoretically conceptualizing and empirically capturing instances of such drift? We suggest two possibilities, both of which account for the evaluatory or reputational nature of the construct. First, one possibility is to study mission drift as a socially constructed outcome linked to organizational legitimacy. In this way, stakeholder judgments of the
alignment between an organization’s actions and its image should be captured. The degree of consensus and cultural diffusion of such judgments would then provide scholars with an opportunity to comment on the reputational or legitimacy-related liabilities of those judgments. Second, another possibility is to study mission drift as a feature of organizational action which can be captured and studied separately from stakeholder perceptions and judgments. To do so requires care, as this approach essentially places scholars in the role of evaluating how and in what ways the organization’s actions have deviated from its identity—a difficult role, given the typical need for rich, longitudinal data in order to assess any identity changes which may or may not have preceded inconsistent organizational action. Although there are various ways to go about this process, we would encourage future research to make use of organization’s publicized mission statements as a particularly important artefact by which those organizations seek to clarify the central and distinctive values they wish to uphold (Besharov, 2014). And web archives now make it increasingly easy for scholars to track changes to these statements over time. In concert with such data collection, scholars might then measure and model shifts in patterns of organizational actions over time using in-depth longitudinal and qualitative research or drawing on third-party evaluations of those patterns such as those available in MSCI’s ESG datasets (https://www.msci.com/esg-sustainable-impact-metrics).

In sum, we propose that strategic change and mission drift are fundamentally distinct constructs, yet they can have important interdependencies. As such, strategic change may or may not result in mission drift depending on whether the ensuing actions deviate from the respective organization’s identity, and perhaps more critically, the extent to which audiences perceive those actions as deviating from identity.

**What are the boundary conditions of our theory of mission drift?**
In general, we would like to join VWS’s call for future work which would test the contextual applicability of the propositions laid out by our theory. We would hope, for instance, that such work would expose important contingencies or boundary conditions of that theory. As such, with the desire to advance scholarship in this area, we take the opportunity to (1) respond directly to VWS’s proposed boundary condition and (2) introduce several possible conditions of our own.

**Responding to VWS’s proposed boundary condition.** As stated in the beginning of this dialogue, VWS’s arguments are largely based on the assumption that our theory and the relationships we proposed would apply exclusively to the context of organizations with singular or unidimensional missions. Yet as we noted earlier, we believe very few organizations are likely to operate under such conditions. Indeed, to suggest that our theory of mission drift is contingent on whether an organization operates according to a singular mission or according to multiple missions would require embracing a seemingly false dichotomy (Battilana, Besharov, & Mitzinneck, 2017). As such, if we acknowledge that all organizations’ missions are to some extent multi-dimensional and exposed to values complexity both inside and outside those organizations (Barney, 2018), we see little reason to bound our theory of mission drift to “unidimensional” organizations.

However, is it likely that our theory of mission drift would apply in contexts wherein there is a high degree of values complexity, such as social entrepreneurship? For the sake of brevity, we will consider our proposed main effect, that: “By exposing misalignment between the organization’s identity and its audiences, values-based complexity increases an organization’s propensity for inconsistent organizational action” (2019: XX). And let us take the microfinance sector as a seminal example of social entrepreneurship and of a setting with a high degree of values complexity. As this sector grew across the last several decades, many commercially-oriented investors became enticed by the opportunities for financial gains.
However, such gains were premised on minimizing the risks often associated with lending to the poor and vulnerable. As such, to attract these commercial investment sources, a number of microfinance institutions have shifted their loans away from the most vulnerable customers, who had previously comprised the core of their lending portfolio (Armendáriz & Szafarz, 2011; Wry & Zhao, 2018). In sum, as our proposition predicts, the values misalignment between capital providers and lending institutions was accentuated in this setting characterized by high values complexity, leading to inconsistent action, which at present many audiences interpret as mission drift (Beisland, D’Espallier, & Mersland, 2019).

Clearly, as VWS indicate, there is the capacity for productive tensions within settings of values-based complexity like this, such that mission drift might be avoided, and yet VWS appear to incorrectly attribute these productive tensions to the mere presence of values complexity. Smith and Besharov’s (2019) case study of the social enterprise Digital Divide, for instance, does not illustrate how the mere presence of groups with divergent values prevents one set of interests from dominating over others; on the contrary, the study illustrates the arduous and ongoing work that continues to be necessary within this organization to ensure that one set of interests does not dominate over others amidst such diversity. In sum, we believe that a closer look at our definitions of organizational mission and mission drift emphasize the relevance of our argumentation to fields such as social enterprise, which many have labeled as “hybrid organizations.”

**Our proposed boundary conditions.** While we disagree with the boundary conditions suggested by VWS, we continue to recognize opportunities to refine our theory through empirical testing and/or further conceptual work. Indeed, the back half of our proposed model of mission drift and mission work raises opportunities for further scholarly advancement by theorizing the relationship between different types of inconsistent action and perceived mission drift. Although we drew on existing research on the requisite variety of
complex systems to support our premise that core changes in an organization might be viewed by audiences as responsive, our study also recognizes the capacity for such inconsistent action to introduce risks, inasmuch as they lead audiences to question that organization’s authenticity (Barnett & Carroll, 1995; Hannan & Freeman, 1984). A deeper understanding of the conditions that encourage audiences to focus in on either an organization’s authenticity or responsiveness when evaluating an organization’s inconsistent action would clearly help to push scholarship in this area forward. Our model also suggested particular types of mission work which may help organizations to overcome or address perceived mission drift; however, there may be conditions that importantly moderate the effectiveness of such reactive work. For instance, as we previously argued (2019: p. XX), there may be settings within which “audiences perceive inconsistent action not merely as a violation of the organization’s image but also as a violation of some threshold standard of appropriate behavior.” It may be, for instance, that in those settings where mission drift is viewed in terms of moral or ethical failure (e.g., social entrepreneurship), mission work may prove less effective.

To conclude, we wish to once again express gratitude to Varendh-Mansson, Wry, and Szafarz for pushing this conversation forward. We too see much room for continued debate and refinement regarding existing scholarly understanding of mission and mission drift. We are particularly hopeful that this debate and refinement will be inclusive—moving beyond the exclusive purview of research on “hybrid organizations”—recognizing the challenges (and opportunities) faced by all organizations in responding to and navigating values-based complexity.
REFERENCES


