

Entrepreneurs, institutional entrepreneurship and institutional change. Contextualizing the changing role of actors in the institutionalization of temporary work in the Netherlands from 1960 to 2008¹.

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ABSTRACT

The intersection of entrepreneurship research and institutional theory has begun to attract increasing scholarly attention. While much recent research has studied “institutional entrepreneurs” credited with creating new or transforming existing institutions to support their projects, less attention has been paid to the institutions that constitute the menus from which choices are made, and delineate resources for entrepreneurial or other agentic activities. While models of institutionalization frequently break down the process into different categorical stages, how an evolving context affords changing agentic latitude for actors merits more attention. We study the institutionalization of ‘temporary work,’ a new employment practice led by temporary work organizations, a new organizational form in the Netherlands from the 1960s to 2008. Our account suggests an ‘ecological’ imagery of institutionalization; rather than entrepreneurs’ with predetermined agendas shaping and reshaping institutions, we observed distributed institutional entrepreneurship – entrepreneurs seeking change in concert and in conflict with other interdependent actors simultaneously creating, disrupting and maintaining institutions. By examining how an evolving context influences the role of “actor configurations,” whose actions, interactions and counteractions can collectively lead to change, but also unintended outcomes, we highlight the non-teleological nature of institutionalization. Finally, our findings suggest that while the legitimacy of a novel practice grows with increasing institutionalization, legitimacy contests may recur and that increasing institutionalization may provide the backdrop for novel practices to emerge.

(222 words)

Key words: Institutional work, institutional entrepreneurship, context, change, organizational fields, institutionalization, temporary work, labor market.

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The intersection of entrepreneurship research and institutional theory though neglected in the past, has begun to attract increasing scholarly attention (Aldrich 2011; Hwang and Powell 2005; Phillips and Tracey 2007; Tolbert, David and Sine 2011). Institutions shape how entrepreneurs identify and leverage opportunities while entrepreneurs and their activities are critical to the construction and institutionalization of new organizational practices, forms, and structures. While a growing body of research has studied “institutional entrepreneurs” credited with creating new or transforming existing institutions to support their projects (e.g. DiMaggio, 1988), less attention has been paid to the institutions that constitute the menus from which choices are made, and delineate resources for entrepreneurial and other agentic activities (David and Biketina 2009; Sine and David 2010). While the concept of institutional entrepreneurship has been argued to serve as “a key conceptual locus of efforts to advance the agency-structure debate” (Maguire 2007: 674), some accounts have been criticized for attributing too much agency, intentionality, and foresight to ‘exceptional’ actors with a “carte blanche” to shape new practices (Aldrich 2011; Purdy and Gray 2009) and unbridled ability to freely manipulate institutions (Thornton, Ocasio and Lounsbury 2011). Recently, a more ‘distributed’ view of institutional entrepreneurship has emerged emphasizing the collective dimension of the institutionalization process, including its emergent consequences and the embeddedness of entrepreneurs in social systems that shape both opportunities and the interactions enabling particular entrepreneurial responses to opportunities. (Delbridge and Edwards 2008; Hardy and Maguire 2008; Leca and Naccache 2006; Lounsbury and Crumley 2007; Meyer 2006; Wijen and Ansari 2007).

At various stages in the institutionalization of a practice, actors draw upon different contexts, have different temporal orientations (Emirbayer and Mische 1998), assume different subject positions (Maguire et al. 2004), and carry out different types of activities, entrepreneurial as well as supportive in creating, maintaining and disrupting institutions (Lawrence and Suddaby 2006). Stage models (e.g., Greenwood et al. 2002) have identified a series of categorical stages that circumscribe evolving institutional processes but the agency dimension underlying those processes needs further attention (Leca and Naccache 2006; Perkmann and Spicer 2007; Zietsma and Lawrence 2010). It would therefore, be fruitful to further examine how an evolving context influences and is influenced by the

agency dimension over time during the institutionalization of a novel practice. Scholars have acknowledged the recursive interdependence between institutions and actions (Barley and Tolbert 1997; Cooney 2007; Sewell 1992), but less attention has been paid to examining how the degree or varying levels of institutionalization might influence entrepreneurship and agency (Battilana, Leca and Boxenbaum 2009) and how different forms of agency manifest under different institutional conditions (Hensmans 2003; Zietsma and Lawrence 2010). Therefore, the intersection of entrepreneurship and institutional theory “remains rich with opportunities for further scholarship that can enhance our understanding of entrepreneurial phenomena and contribute to the intellectual tradition of institutional theory” (Tolbert et al. 2011:9).

We study the institutionalization of temporary agency work in the Dutch labor market over the last five decades that have seen work change from being characterized by long-term secure employment at a single or a few employers to being characterized by short-term insecure employment at multiple employers. Temporary agency work, where the temporary help agency – a new organizational form – serves as the employment intermediary between workers and companies is part of a new model of “flexible” employment, a radical departure from standard employment. Being a marginal labor practice in the 1960s, temporary employment today is widespread and normalized, with ABU, the dominant industry association for temping agencies playing a key role in the process.

We offer four contributions. *First*, we contextualize the notion of human agency involved in shaping and reshaping institutions, often termed as “institutional entrepreneurship” by focusing on actor configurations, not just entrepreneurs but also other field actors who assume and perform different roles, as the field changes over time. By illustrating the interdependencies among actors who share the discretionary space for change, we highlight the ‘ecological’ nature of institutionalization and show how an evolving context affords varying ‘degrees of latitude’ for actors to cultivate change. *Second*, our extended account allows us to examine the relatively unexplored role of agency during both early and late stages of institutionalization with changing interplay between existing and emergent field logics. In early stages, under conditions of “institutional scarcity,” and dominance of the existing logic, entrepreneurs tread a fine line between conformity and deviance in supporting a

novel project. Later, under conditions of “institutional munificence” as the project increases in legitimacy and the alternative logic gains traction, entrepreneurs are better able to manipulate institutional parameters to their advantage, at which point they may be anointed as ‘institutional’ entrepreneurs or leaders. Entrepreneurs therefore, balance their roles as conformists, innovators and defenders (Etzion and Ferraro 2010) simultaneously creating, disrupting and maintaining institutions. *Third*, to address concerns that many accounts of institutional change are characterized by a common attribution error, attributing purpose and intentionality to all actions, especially those with large consequences (Aldrich 2011; Ariely 2009), we offer a non-teleological perspective on institutionalization. Entrepreneurs with high interest in advancing a project do not necessarily begin with clear foresight and predetermined agendas, but continually adapt in concert and in conflict with other field actors, and change, if it ensues may be both the intended and unintended outcome of their activities. *Finally*, we show that while the legitimacy of a novel practice grows with increasing institutionalization, legitimacy contests may recur, and that building and maintaining institutions is a continual process that “does not end” once new practices have been adopted (Lawrence and Suddaby 2006). Increasing stability may thus provide the basis of deviance and innovation and “institutionalization bears, if not the seeds of its own destruction, at least openings for substantial change” (DiMaggio 1991: 287).

Next we present our theoretical framework and state our research question. We then describe our research method and case. We conclude with our findings and their implications.

THEORETICAL FRAMEWORK

Following several scholars, we view institutions as social orders or patterns that condition behavior (Jeppersen 1991); institutional change as a change in the “form, quality, or state over time” of the institutional characteristics of an organizational field (Van de Ven and Hargrave 2004) including a change in institutional logics – organizing principles for forms and practices in a field that provide ontological security to participants and guide their behavior (Friedland and Alford 1991; Thornton and Ocasio 2008); and institutionalization as a process involving the creation, diffusion and

perpetuation of enduring social arrangements (Tolbert and Zucker 1996). While institutional change can include change in governance structures and actors (McAdam and Scott 2005), often it is associated with a new institutional logic. It is now well established that most organizational fields are pluralistic and institutionally complex, characterized by multiple, and sometimes competing logics (e.g., Greenwood, Diaz, Li and Lorente 2010).

Institutions and entrepreneurship

Traditional institutional research has emphasized the constraints inherent in social structure, rather than the creation of new forms, practices, and industries and early entrepreneurship research has focused on individual entrepreneurs and their traits that “made” them entrepreneurs, rather than on how social structure enables and constrains individual action (Sine and David 2010; Tolbert et al. 2011). However, there has been increasing interest in exploring the links between entrepreneurship and institutional phenomena (e.g., Aldrich 2011; Phillips and Tracey 2007; Sine and David 2010; Thornton 1999). A key contribution to understanding how and why purposeful actors contribute to changing institutions – a puzzle posed as the paradox of embedded agency – falls under work on institutional entrepreneurship, where some actors, cast as “institutional entrepreneurs” leverage resources and skills to realize their interests and shape institutions accordingly (e.g., DiMaggio 1988).

Previous research has amply documented how institutional entrepreneurs construct justifications, often employing discursive strategies (Green 2004, Phillips et al. 2004, Suddaby and Greenwood 2005) to make their innovations appear congruent with popular discourses and wider ideological trends (Colomy 1998; Hoffman 1999; Rao 1998). These skilful actors draw on institutional logics and practices from other fields and apply them to settings where they had previously been absent (Oakes et al. 1998, Reay and Hinings 2005) or combine the logics of established fields to create new organizational forms (Tracey, Phillips and Jarvis 2010). They do not necessarily disengage from the social world to create change but, rather blend and segregate elemental categories of different institutional orders to visualize and reframe problems and solutions (Glynn and Lounsbury 2005; Thornton et al. 2011). For diffusing new practices and organizational forms, a key strategy they use is “theorization” (Strang and Meyer 1993) to highlight and recast problems, to problematize existing

systems as inadequate, to discredit their underlying theories as outdated or as supported by vested interests (Schneiberg 2005) and to translate interests to often-diverse constituents (Suddaby and Greenwood 2005). Their activities are frequently directed towards achieving normative legitimacy or moral acceptance – conformity within cultural norms and values – regulatory acceptance or official endorsement – conformity with governmental rules and regulations – and cognitive legitimacy or normalization – acceptance by external audiences as being necessary and expected (Aldrich 1999; Scott 2001; Suchman 1995).

The distributed and relational nature of agency

Studies of the activities and effects of institutional entrepreneurs (see Garud, Hardy and Maguire (2007); Pacheco et al. (2010) and Weik (2011) for reviews) have provided valuable insights into understanding the dynamic nature of institutional processes. However, several scholars have criticized some of these studies for privileging “mega actors” in explaining change, suggesting a “great men” approach to the social sciences (Lawrence, Suddaby and Leca 2009; Meyer 2006; Mouzelis 1992). Other more “process centric” (Hardy and Maguire 2008) studies adopt a far more “distributed” approach (e.g., Delbridge and Edwards 2008; Garud et al., 2007; Meyer 2006; Rao, Morrill, and Zald 2000) and focus more on the contested, political and ‘institutional’ aspects of the process (Purdy and Gray 2009), including the knowledgeable and situated “institutional work” of multiple individuals and organizations in creating and transforming institutions (Lawrence and Suddaby 2006; Wijen and Ansari 2007). This is consistent with a field-analytic approach that directs attention to the actions of not just focal “organizations that produce common outputs,” but also those that “supply resources, effect constraints, or pose contingencies” (DiMaggio 1983: 149, quoted in Lounsbury and Ventresca 2003: 467). To emphasize distributed agency, institutional entrepreneurs have been argued to be characters in a narrative of the emergence of institutions that emerge and evolve gradually (Carruthers and Espeland 1991) like an anthill – “not diminishing the heroism of ants, merely multiplying their number and character and stressing the connections” (Czarniawska 2009: 439). For instance, there were multiple actors at different levels that interactively produced intended and unintended change in

the creation of active money management practice in the US mutual fund industry (Lounsbury and Crumley 2007) and in the field of alternative dispute resolution (Purdy and Gray 2009).

Thus, while actors may contribute unequally to the construction of social orders, with particular actors contributing more significantly or robustly to change than others, several scholars have argued that entrepreneurial activities need to be seen in relation to the actions of other relevant actors and to an evolving context that produces their interests, skills and stocks of knowledge over time (Colomy 1998; Swedberg 2005). Agency is seen, not as a capacity to act that inheres in humans, but a capacity realized through social interactions (Meyer 2006) and is therefore, relational, emergent and shifting. Emirbayer and Mische (1998) in their relational view of agency suggested three forms of intentionality, each of which is associated with a different temporal orientation; past-oriented, manifested in actors' abilities to recall, select, and apply schemas of actions developed through past interactions; present-oriented, involving the pragmatic and normative exigencies of lived situations; and finally, future-oriented, manifested in the generation of alternative possible responses to the situations they confront over time. The temporal orientations of different interdependent actors may shift over time during the institutionalization process.

Temporal Dynamics of institutionalization

Scholars have developed several insightful models for examining the temporal dynamics of institutionalization in terms of stages of development (Perkmann and Spicer 2007; Reay, Golden-Biddle and Germann 2006). Tolbert and Zucker's (1996) three-stage model of institutionalization includes: "pre-institutionalization:" practice are adopted due to instrumental considerations; "semi-institutionalization:" practices become widespread, and "full institutionalization:" practices become social facts. Similarly, Greenwood et al. (2002) provide a six stage model, where external 'jolts' trigger deinstitutionalization, followed by theorization and diffusion of the practices developed, and finally to their becoming "taken-for-granted as the natural and appropriate arrangement" (2002: 61).

Process models provide valuable insights into understanding institutions; "what happens to them; how they are transformed; what states they take on and in what order" (Lawrence and Suddaby 2006: 219). Clearly, these models suggest varying degrees of institutionalization of an idea or practice over

time and changing interplay between existing and emergent field logics. But how does this process affect the nature of agency of actors in a field? Indeed, scholars have called for more attention to the “world inside” institutional processes (Lawrence and Suddaby 2006; Lounsbury and Ventresca 2003; Perkmann and Spicer 2007; Zietsma and Lawrence 2010) and to how an evolving context may provide different degrees of latitude for the actors involved in institutional processes and innovation. How do their activities contribute to the process of institutional entrepreneurship? When do we see entrepreneurship, institutional entrepreneurship and institutional defense in an evolving field?

Stated as a research question: How does an evolving context shape the activities and roles of different field actors in the institutionalization of a novel practice?

METHODS

Research Context

We examine institutional processes in the emergence of temporary agency work, a form of “contingent labor” (Bergström and Storrie 2003) also known as nonstandard, market-mediated, flexible, precarious and disposable employment (Kalleberg 2000) through temporary work agencies (TWAs) in the Netherlands during the second half of the twentieth century. While forbidden during the 1950s, with an emphasis on job security, long-term employment, and open-ended bilateral employment relationships, TWA jobs have, over time, changed the landscape of employment practices. Agencies act as labor market intermediaries and match the needs of employees seeking temporary employment and organizations seeking temporary workers (e.g., Bergstrom and Storrie 2003). They recruit and screen employees, provide training, allow employees to acquire skills and experience with a variety of employers and are responsible for hiring and firing, in effect constituting a modern-day “reserve labor army” (Kalleberg 2000). They allow employers to externalize non-core work and provide them with flexibility in their use of labor and avoid both understaffing as well as overstaffing through expensive full-time, permanent workers who may not be optimally utilized (Ashford et al. 2007). By supplying and managing temporary ‘arm’s length’ employees, TWAs buffer some of the risks of open-ended contracting and partly relieve organizations from the need to manage

‘people issues’ associated with permanent employment. As it is the TWA rather than the hiring organization that becomes the employer of record, organizations can also free themselves of legal obligations. The “transitory” role of temporary employment enabling organizations to adjust employment needs to fluctuating demands is considered by some as an essential and desirable solution to the problem of unemployment (Schmid 1995). Temporary employment is also seen as the “stepping-stone” for labor market entrants to test and develop their skills for entering or re-entering the workforce. However, while creating labor market flexibility, temporary employment is also regarded as precarious – “take-it or-leave-it” employment – as temporary workers are usually the first to be dismissed during downsizing, on average receive lower wages, and have fewer opportunities to receive benefits in case of illness or unemployment. Temporary work has been argued to lead to greater economic inequality, insecurity and instability by shifting risk from employers to employees and affecting the “very foundations” of middle-class society (Kalleberg 2009:8).

The organizational field

The field’s constituents include TWAs and their main industry organization (ABU), user organizations, temporary workers, public employment service (PES), unions, employer associations and governmental regulators. The institutional change examined over the last five decades in the Dutch labor market refers to the emergence and institutionalization of temporary agency employment. This refers to a triangular employment relationship involving employer, employee and an intermediary agency (a new organizational form) – as an alternative to the ‘standard’, permanent or open-ended employment involving a bilateral employment relationship between employer and employee. The two employment modes are characterized by two different employment logics as shown in table 1.

-----Insert table 1 about here-----

The traditional logic in part, stemming from Weberian democracy emphasizes employment protection, aiming long-term *job security* for incumbents. The temporary agency model focuses on

work security, arguably supporting labor market efficiency through frequent job transitions. It follows a logic of flexicurity (e.g., Wilthagen and Tros 2004) affecting a wide range of employment practices in the Dutch labor market: hiring and job search, strategic human resource planning and personal career planning, social insurance, pension plans and work force training and development, and shifts in work-life balance. The field's constituents face several conflicts regarding temporary employment (De Jong, Schalk and Goessling 2007). The government needs to balance worker rights with labor market mobility for economic competitiveness. The unions seek to balance equal employment rights for temporary workers with protecting the position of permanent workers and the standards of permanent employment. Firms need to choose between continuity (high commitment permanent workers) and flexibility (low commitment temporary workers hired on a stopgap basis) and between the model of equal work and pay and the model of temporary employment as a stepping-stone to permanent employment. Finally, employees need to choose between insecure but flexible temporary jobs and more secure but less flexible permanent jobs.

We chose to study temporary work in the Netherlands for four reasons. First, we wanted to examine a context where institutional change emerged through field actors working to shape social and legal structures, without involving a significant technological innovation, or the 'discovery' of unrealized user needs (Humphreys, 2010). Second, we wanted to examine a field with an identifiable entrepreneur with more at stake in leading a project. ABU, the dominant industry association, promoting the interests of most agencies was clearly present throughout the period under study (van Driel and Koene, 2011). Research has often ignored the role of collective actors, such as industry associations (Swaminathan and Wade 2001) that can generate a sense of legitimacy for new practices and organizational forms because they are exterior to any one organization (David and Sine 2011). Third, we sought to examine a field with ongoing and recurrent legitimacy struggles. Though legitimacy contests are not confined to controversial industries, instances of historically stigmatized products provide "vivid" accounts for institutional analysis (Galvin, Ventresca and Hudson 2005). Finally, the field of temporary work needs theory-based questions (Ashford et al. 2007) and its well-

documented history provided a useful setting for an extended examination; from the time the field is emerging to when it matures.

Data sources

We used multiple sources of data to develop our case. Archival sources include data on Dutch employment regulations, unions and the industry. We supplemented archival data by interviewing key field constituents selected through ‘purposive sampling’ (Patton 2002), including 15 senior managers and 3 public affairs managers of large TWAs, 3 union specialists involved in regulation of TWAs, 2 government policymakers, 3 ABU directors (past and present) and 2 senior representatives of other TWA sector organizations. The interviews lasted 1-2 hours and were taped and transcribed. Finally, we drew from personal exchanges with over 60 informal contacts in academia, government and the industry during several conferences and workshops we attended over the last decade. Throughout the analysis, we sought to increase the plausibility of our interpretations through “prolonged engagement” in the field, conducting “member checking,” a procedure in which preliminary findings are verified with respondents (Lincoln and Guba 1985: 314) and triangulating across data sources (Denzin 1978).

Data analysis

We use historical narrative analysis (Miles and Huberman 1994) in order to trace the development of temporary work in the Netherlands from the 1960s to 2007. Narrative techniques are particularly helpful “when time plays an important role and where a single case provides rich and varied incidents” (Chiles, Meyer and Hench 2004: 505).

From an analysis of our articles, transcripts, conversations and notes, totaling about 2200 pages, we created first order concepts around institutional context and agentic behavior (See table 2 below). *Institutional context* was operationalized in two ways: first, we documented developments in explicit rules and regulations defining the field. Second, we identified main issues and debates in the field (cf. Hoffman 1999; Wooten and Hoffman 2008), both internal and external. If issues ensued from within the emerging TWA industry itself, we labeled them internal issues. If issues were societal and labor market issues with a direct bearing on the development of temporary agency work, we labeled them

external issues. For *agentic behavior* we identified field actors and their activities. We consider actors as part of the field as soon as they take note of one another (Wooten and Hofmann 2008) in relation to the debate around the emerging practice. We labeled actors according to their role in the debates; illegal actors avoiding regulation and clearly operating outside the boundaries of law; grey market actors operating legally, but involved in activities outside the scope of regular employment regulation; ABU, the industry association formally representing temporary work agencies from 1961 onwards, representing over 80% of the TWA activities in the Netherlands during important years of industry growth from 1970 to 2000 (even after 2000, the ABU has remained the largest and most influential industry representative); government and political actors engaged in the socio-political debate around agency work; the public employment service (PES) providing employment intermediation services and finally labor market actors; unions and employers.

To capture (institutional) entrepreneurship in context, we subsequently engaged in a procedure called “temporal bracketing,” an effective strategy for “dealing with fundamental process drivers” that involves the decomposition of data into successive adjacent periods and “enables the explicit examination of how actions of one period lead to changes in the context that will affect action in subsequent periods” (Langley 1999: 703-704). Bracketing was done around moments where the institutional context and/or space for agency changed significantly. In 1961 (the first industry association was founded and agency work attracted much political debate); 1965 (legal regulation of the TWA industry); 1982 (significant change in government’s attitude towards the private TWA industry); and 1990 and 1999 (significant legal changes).

We iterated between data and literature to develop second-order themes. For the institutional context, we identified relevant field practices related to the two competing labor market logics (logic of employment protection and flexicurity logic) to document change and the institutional context for subsequent agentic behavior. We identified the notions of “institutional scarcity” – new logic underdeveloped – and “institutional munificence” – new logic well established. For actors, we identified changes characterizing their joint contribution to institutional entrepreneurship (i.e. “Joint field defining contribution”). Furthermore, we identified the *institutional effect* of the activities of

various actors. We use the term “effect” rather than “work” that seems to attribute intentionality to different activities, which could not always be argued. We labeled these effects following the categories of institutional work (create, maintain, disrupt) and how they related to the two employment logics (protection or flexicurity).

Finally, we grouped together second-order themes into aggregated conceptual categories, characterizing actor configurations and the way in which they contributed to institutional entrepreneurship – “the collective action of individuals and other entities that transform institutions” (Aldrich 2011:2). Our analysis provided us with six such categories such as ‘Dialectal engagement around temping as viable practice’ and ‘Recalibration of institutional parameters.’ We developed these categories, based on salient activities of the field actors during each period in the industry’s development, rather than by relying on the bracketing events that separated the categories. Taking this approach makes our bracketing more robust and less dependent on specific periodizations or events (Langley 1999: 704). As Nigam and Ocasio (2011) note: “Events have duration and history and are best understood, not as instantaneous occurrences or happenstances, but as a sequence of overlapping activities and processes that occur over time.” Table 2 depicts the data structure.

-----Insert Table 2 about here-----

The Dutch TWA Industry from the 1960s to 2008

From being considered illegal and undesirable, with severe restrictions and outright bans on its use, it took five decades for temporary work to become widely accepted, legally recognized and a vital part of the labor market. Temporary work constituted almost 5% of overall Dutch labor market in 1998 (Zijl et al. 2004). However, a much larger part (about 40%) of the labor force and 70% of women have experienced temping since many temps eventually shift to permanent jobs. Figure 1 shows the growth of the TWA industry from 1970 to 1999.

-----Insert Figure 1 about here-----

Besides growth in numbers, there has also been a *qualitative* change in service offerings. From simple matching and placement of temporary personnel until the late 1970s, the portfolio of employment services has expanded to include: outplacement of personnel, provision of onsite personnel, reintegration services, payroll management, and the placement of highly skilled ‘temps’ on interim management assignments (e.g., Eurociett 2007).

Discussions about placement of temporary workers in the Netherlands surfaced as early as the end of the 19th century, leading to a prohibition of private placement services and a public monopoly on employment services after 1945. There has been a strong societal reluctance to accept temping as a legitimate employment practice. During the 1950s, a ‘black market’ emerged in the private sector, especially in the construction and harbor industries, where operators opportunistically supplied companies with temporary labor, sent workers to illegal jobs, and generally avoided labor market regulations. A ‘grey market’ also flourished, as many typing bureaus increasingly performed their services at client premises, rather than in specialized offices developing into de facto TWAs (35 years of ABU 1996). In 1961, several major employment agencies in clerical and administrative work founded ABU, the industry association, to differentiate a ‘legitimate’ TWA business from the thriving illegal one. Early agencies, seen to be extensions of the ill-reputed black market agencies faced strong opposition from policy makers, union representatives, and human-resource practitioners that undermined the foundations of long-term employment and industrial relations. An economic crisis in many European countries, including the Netherlands between the mid-1970s and mid-1980s, led to changes in regulations for hiring and firing personnel to allow employers to use staffing strategies to achieve financial gains. This led to rapid growth of the temping industry. By late 1990s, temping had become widely accepted as a major pillar of employment. The rise of this industry was not simply a natural response to changes in the economy and forces of globalization that forced employers to cut costs and increase flexibility. Rather, temporary agencies, led by ABU actively sought to create a market for temping by offering employers productivity advantages through hiring flexible temps.

CHANGING ACTIVITIES OF ACTOR CONFIGURATIONS IN AN EVOLVING CONTEXT

After briefly chronicling the Dutch TWA industry, we describe the changing roles of actors and actor configurations in the process of institutional entrepreneurship that led to the establishment of temporary agency work in the Dutch labor market. We include the contributions of the most important actors in the field over time, addressing the role of ABU (the industry's key representative), and that of other salient field actors; government, unions, PES, and independent agencies (ranging from legal, to grey market, to illegal actors). Organized into different phases, we highlight different aspects of the interactions between actors and context in the collective process of institutional entrepreneurship.

Phase I: Early Years: Black and Grey Markets as Precursors of Change

To understand the process of institutionalization of a practice, we need to examine the period *before* purposeful institutional activities began, where actors without formal agendas seek technical solutions to local problems. A tight labor market with upward pressure on wages fuelled activities from opportunistic actors offering employers temporary placements (“help”), while “avoiding” formal engagement with institutional actors (Oliver 1991) and engaging in illegal practices, such as circumventing maximum wages, tax and social security payments, and worker abuse. In an overheated economy, these illegal activities, mostly in the construction and harbor industries were seen as the undesirable side effect of political efforts to contain wage-growth in a tight labor market.

At the same time, a grey market emerged where typing bureaus, steno typists, and placement agencies began to use temp placements for trials. These entrepreneurial actors aimed to stay ‘under the radar’ and operated in a legal grey zone, as placement through an agency providing ‘administrative services’ to ‘self-employed’ clerical workers did not break existing laws. Over time, the technical viability of their activities (offering employers a potential ‘solution’ to manage fluctuating employment demand and their ability to access new sources of labor in a tight labor market) began to problematize the historical stigma attached to temporary work and generate a wider interest in the practice. This was similar to what Leblebici et al.’s (1991) found in their study of the radio field, where the idea of ‘broadcasting’ (that was to later transform the field) came “from an unsavory group at the periphery of the industry” – sellers of questionable commodities.

These actors not only exposed, but also channeled energy from changes in the economy, including a tight labor market and created a window of opportunity for enterprising actors to pursue the formal development of this novel employment practice. However, by staying ‘under the radar,’ they did not challenge the reigning logic of employment security. In fact, growing problems with illegal activities dominated conversations around temping and, in some ways, their activities confirmed the supremacy of the existing employment model, and even strengthened its socio-political desirability.

Phase II: Limited Vision for a Novel Practice

In the early 1960s, problems with illegal actors – tax evasion, social security fraud, poor working conditions – dominated the debate in the field. The founding entrepreneurs of temping agencies seeking to profit from opportunities in this controversial space, formed an industry association, ABU in 1961 and began to give a possible ‘face’ to what eventually became a respectable and viable temporary employment industry. When ABU entered the stage in 1961, it framed temping as an institutional issue, not just one of control and enforcement. ABU was a response to uncontrolled proliferation of both black and the grey market operations at the time in the Netherlands and growing political concern for problems caused by illegal placements in the harbor and construction industries. An ABU founder notes:

“The temporary employment sector was looked down upon. To counter this negative image, a number of agencies formed an association. Building societal respect was the first objective” (Quote from 35 years of ABU 1996: 12).

ABU founders began to give an organized voice to the tensions exposed by illegal agencies and advocated the potentially valuable societal role of ‘respectable’ temporary agencies.

‘We were pioneers, stimulators and designers. He (Schukking) wanted to clearly show the difference between illegal labor subcontractors and respectable TWAs. The original name of ABU was “General Association for temporary office workers”... Very quickly, rules of conduct were established’ (former ABU Chairman, quoted in 35 years of ABU 1996: 29).

While ABU sought to present the vision of a socially acceptable form of temporary agencies, rising political pressure to tackle illegal placements and worker abuse by ill-reputed operators reinforced the reigning importance of worker rights and employment protection. Without a regulatory base for temporary agency work in Dutch labor market, ABU worked to construct justifications for change and “skillfully frame” (Rao et al. 2000) the innovation, engaging in a number of strategies

including using the right “vocabulary” that reflected both institutional conformity and change (e.g. Suddaby and Greenwood 2005). For instance, ABU emphasized ‘office workers’ rather than ‘temporary workers,’ the latter being often associated with worker exploitation and abuse. ABU also carefully limited placement by its member agencies to uncontroversial clerical and administrative personnel, often women², where it was relatively easy to be seen as a ‘responsible’ entrepreneur, while disassociating itself from problem sectors such as construction that were under the imminent threat of restrictive legislation. In his elegant description of a parallel development in the US, Hatton (2008) notes how temporary agencies took the idea of the creation of a new occupation for women, especially married women who needed extra income but did not want to compromise their role as housewives to “feminize” the industry’s image. They used it to justify an entirely new category of “respectable” but marginal work in order to reduce any perceived threat the industry might pose to “breadwinning” male jobs and placate the unions that represented them. In both cases, this could be seen as an attempt by temporary agencies to connect “technical feasibility” with “institutional legitimacy” (Garud and Rappa 1994) and “select friendly audiences” to gain “pragmatic legitimacy” (Suchman 1995).

Meanwhile ongoing parliamentary debates led to the formal regulation of social protection in the industry in 1965 setting legal parameters for acceptable practices in the sector. However, even though ABU aimed to establish a respectable TWA industry, it still saw temping as only a marginal employment practice. For instance, it widely opposed the government’s regulatory interventions to impose taxes and social security payments on temping agencies. Here we see how even the vision of early ABU founders was limited, viewing temporary work as a means of dealing at best with frictional unemployment in the labor market, and providing cheap labor through a quasi-legal model. They thus perceived legal curbs with significant increase in tariffs as disastrous for an industry (expensive temps would become less attractive to employers) whose business model was based on providing low cost

² Women represented “weaker workers,” like younger workers, older workers, and immigrants typically under-represented in the workforce and seen as an extra source of income for the family (Goldin 1990).

services. However, as tariffs rose, the industry took off as businesses preferred to hire insured, even if more expensive temps. A respondent acknowledged this to be an unanticipated outcome:

‘In 1965 we got this legislation ... and temporary workers all had to be insured and we had to start collecting income tax and hand it over again of course. At that time, our tariffs went up 30%. I still see us sitting there together... “friends, we had a good time, but let’s go do something else, because nobody will put up with a 30% tariff increase.” ... What happened? We thought that demand would plunge, but many companies said “no, now we will make use of temporary employees, because we don’t want employees within our gates who are not insured. So, demand did not plunge, it just exploded!’ (TWA founder).

Thus despite envisioning a novel institutional project, an entrepreneur may have only a limited understanding of the potentialities of the project. At this time, other field actors, in this case, the government can be influential in advancing the institutional project. Considering the agentic orientation of field actors (Emirbayer and Mische, 1998), the government, with less at stake in the project and thoroughly embedded in the reigning logic of job security, was more future oriented, while early TWA entrepreneurs were rooted in the present and the past, defending the relevance and acceptability of their practice at that time.

Phase III: Dialectical engagement around temping as a viable practice

In the slipstream of closing the net on illegal actors, the 1965 legislation regulated many aspects of temporary agency work including a licensing system that legitimated the sector’s activities under specific conditions (limited duration of placements, placements only for specific reasons in selective industries). The novel practice of temping developed a basic institutional base, with tax and social security payments, collective agreements, a licensing system, and clear definitions of the conditions for its operation. However, legitimation of the industry was pragmatic at best, allowing it to deal with shortcomings in existing labor market institutions, but retaining many aspects of job security, still the dominant labor market logic in the Netherlands. As such, phase III is characterized by dialectical engagement of actors working to further clarify the desirability of temping as a viable practice.

From 1970 onwards, the government constantly challenged the conditions for pragmatic legitimation of the industry, aiming to tighten the licensing conditions it had introduced in 1970. This led to a string of legal battles between the ABU and the government over new restrictive regulations. Although ABU won most court cases, it was always on the defensive, not yet being able to openly challenge the government.

‘From 1970 onward, everybody needed to have a license. You were not allowed to sell more hours than the previous year, wages were limited, etc. For this we went to court at the Council of State (the country’s

highest administrative court) 22 times, about all these things, between 1970 and 1982. 21 times we won. But, as soon as a rule was dismissed by the Council of State, they just created a new one' (TWA founder). As the growing industry gained visibility, in the mid-1970s, the debate around temping was no longer

dominated by the activities of illegal actors but focused on the desirability of temporary agency work.

Adapting to their changing environment, the TWA industry began to explore connections with other relevant constituents on whom it depended. As the industry's representative, ABU co-founded Ciett, the international association of TWAs in 1967 and in 1970 merged with NOVU, an agency association representing problematic industries that it had earlier tried to avoid. In 1978, it joined the employers association VNO that after initial resistance, accepted it as an 'employer'³ rather than as just an employment intermediary (Knecht 1995). It also began negotiations with the unions, leading to the first collective labor agreement in 1971.

However, due to its continuing popular association with the ill-reputed illegal operators, mistrust of the industry persisted. The desirability of permanent employment was still self-evident, and the normative position clearly was one of employment protection and centrality of permanent open-ended contracts for employees. From a more ideological perspective, agencies were still accused of opportunistically making money by exploiting temps – placing them in insecure jobs – and of weakening the labor market position of workers seeking secure jobs. For reflections on similar debates in the US, see Smith and Neuwirth (2009: 56) describing how temporary work agencies were at best, regarded “as a necessary evil, and, at worst, as machines that eat up and spit out workers” that allowed employers to bring in “disposable” and “interchangeable” workers on a short-term, stopgap basis to cover for permanent employees. The table of contents of an ABU booklet from 1976, aiming to “set straight some of the popular myths” provides a glimpse of some of the negative perceptions:

“One should not earn money from other people working; only government should provide placement services; temporary workers reduce the number of permanent jobs; advertisements for temporary work negatively affect work morale; not committed members of business community; good jobs are not for temporary workers; TWAs are a disaster for women's emancipation (ABU 1976).”

³ See Gonos (1997) and Hatton (2008) for how temporary work agencies fought long and costly legal battles for achieving the status of “legal employers” in post World War II United States and Manpower Inc., a temporary help firm was declared as the “largest private employer in America” (Castro 1993: 43). Temporary agencies, they argued, did not simply match workers to employers but were official employers of temps in their own right, providing specialized workers to firms as needed.

ABU thus faced strong opposition on several fronts. Agencies were seen as unwelcome intruders in the employment space threatening to undo all the good work of worker unions in securing employment rights and protections. Besides the tense relationship with government officials, they also faced growing opposition from unions determined to defend these rights. In 1976, the major socialist union pulled out of the collective agreement with TWAs, accusing them of overstepping their remit. A union officer noted that TWAs had “started to play a role in the labor market that had moved far beyond that of absorbing peaks, sick leave and leave in business,” and that in practice TWAs often sent workers on long-term placements to one client organization (Passchier 2002: 14).

Interestingly, the dynamics in this period again highlight the non-teleological nature of the process of institutional entrepreneurship, where situated institutional action (Lawrence and Suddaby 2006) does *not* always have the expected effects. In an effort to contain the activities of private agencies, the Public Employment Service (PES) joined hands with the unions to establish a competing public agency, ‘Start’ in 1978. Private TWAs were accused of matching only ‘strong’ unemployed workers against available vacancies and ignoring the less employable ‘weak’ such as the long-term unemployed. Start was set up to deal with these groups, but also to counter the development of the private temporary employment industry. Exempted from a 19% value added tax, Start could offer lower prices. Although strongly criticized by ABU as unfair competition, the success of Start nevertheless contributed to the acceptance of agency work as a useful labor market instrument. Start thus had the unanticipated outcome of symbolizing the official endorsement of the TWA ‘formula.’

Meanwhile, private agencies continued to prosper despite the cost disadvantage. With its growing experience in the field, ABU worked to develop professional knowledge to offer ‘proof’ of success of a formal TWA industry, arguing, through statistical evidence, how it was now “impossible to imagine life without agency work” (ABU 1976). It was a challenge for ABU and its members to convince hiring managers of changing long-standing employment practices of hiring permanent workers to using temps. Many businesses tended to harbor misconceptions about temps as workers and found the notion of using agency service that involved a division of administrative labor and raised questions about who ‘owned’ the workers. Agencies also had to allay employers’ fears that using temps would

not compromise trade secrets, that the costs associated with training and retraining workers would not be prohibitive, and that temps could be loyal and committed to the companies that employed them (cf. Vosko, 2000; Smith and Neuwith 2009). The larger agencies opened more local branch offices to gain visibility and demonstrate “their long-term societal commitment” (interview with TWA founder).

In all, in phase III, there was little technical change in the actual practice of TWAs. However, many actors attempted to have temping socially accepted. In this process, ABU played the role of a linchpin as it sought to debunk negative sentiments and convince stakeholders of temping being an effective, legitimate and even necessary hiring practice that increased organizational efficiency and created new employment opportunities. It sought technical legitimation by providing ‘proof’ that the innovation improved organizational competitiveness and stimulated economic growth. Given persistent mistrust of the industry and its own insecure position, ABU had to build connections, increase visibility and show the merits of temping to appease, but not yet defy the often skeptical and, at times hostile field constituents, including unions, employer associations and the government.

Phase IV: Recalibration of Institutional Parameters

As the industry gained experience, there was increasing evidence of its effects on employment (Knegt 1995). By the early 1980s, the industry had offices in every Dutch city and ABU represented over 90% of the market for temporary agency work. The success of Start led to growing normative acceptance of the TWA business model and broader changes in the economic and political climate led to increasing diffusion of a market logic, also in the labor market (Visser and Hemerijck 1997). While regulation was still tight, government began to view the industry as a useful professional partner providing a “stepping stone function” for people entering the labor market and providing employment flexibility for businesses (Knegt 1995). In this process, agencies could now also challenge the prevalence of the old job security logic more explicitly. TWAs argued that they ‘freed up’ government resources by putting more people into work, reducing unemployment benefits and simultaneously providing new sources of tax revenue by matching individuals and jobs more effectively than public employment services (e.g., Ciett 2000). In 1986, the socialist union returned to

the negotiation table to sign a collective agreement that extended industry coverage to all economic sectors and created a level playing field for ABU. A chief union negotiator notes:

‘This fitted the new vision of the services union within the union federation that agency work by now should be seen as a type of “commercial service”. That implicitly accepted the right of the TWA sector to exist as an independent economic sector’ (Passchier 2002: 14).

With increasing knowledge of the labor market, especially in terms of skill shortages, and access to an extensive pool of available workers covering a broad range of skills and experiences, ABU improved its standing in the community and began to assert its role more assertively, openly challenging the government-backed Start, and promoting the industry as a superior private-sector alternative for handling Public Employment Service (PES’s) activities. ABU consistently positioned itself as the *de facto* professional ‘expert’ on temporary employment and lobbied with policy makers to challenge existing legislation.

‘In 1979 Mr. Lubbers visited the ABU annual meeting... When he was asked to form a government in 1982, we were alert. He had been kind of impressed by the organization of the agencies we visited together and had remarked “the way you bring people to the labor market would really be something to put in the coalition agreement.” I remembered that remark well and told Garritsen: “he is now working on the coalition agreement, write him a letter.” ...I believe we were the only real sector that was mentioned in that coalition agreement’ (Former ABU chairman, quoted in 35 years of ABU 1996: 65-67).

Eventually in 1990, the government finally passed the Work Provision Law to formally lift the Public monopoly on placements services, even though the government-led PES retained a coordinating role. Making use of growing legitimization of the practice, including a broader societal shift towards ‘free market’ thinking, ABU could now be more ‘self-referential’ in promoting industry ambitions and defying existing norms and rules as being outdated and ill-suited for new challenges. From 1985 onwards, the industry grew rapidly, almost doubling its volume in five years. However, industry boundaries continued to be narrowly defined; agency contracts were limited to a maximum of six weeks, certain sectors were excluded, and placement was only allowed under specific conditions, i.e., to solve temporary employment problems, not structural ones (Sol 2005). With increasing expertise in labor market, ABU openly challenged some of the existing conceptions about temping. However, temping was still seen as dealing with shortcomings in the ‘old’ institutional logic that lacked provision for transitional employment, rather than as an employment practice that was valuable in its own right. The new logic had emerged but not yet gained widespread acceptance.

Phase V: Mainstreaming of Temping

Over time, agency work began to be seen not as the problem, but rather as part of the solution – innovating employment practices. Exogenous developments played their part. The economic boom of the 1990s stimulated industry growth, while the individualization of work and increasing workforce diversity led to higher demand for (mostly highly skilled) temporary jobs from people seeking a flexible alternative to permanent contracts (cf., Barley and Kunda 2006). Changes in education policies in many parts of Europe – reduced higher-education subsidies – led to more students seeking temporary jobs to finance education (Bergström and Storrie 2003). Women's emancipation movement led to more women entering the workforce with many seeking flexible temping rather than permanent jobs to balance work and family needs. The Public Employment Service (PES) was criticized for failing to deal with the growing market for temporary work and lost its monopoly on placement services around 1990.

ABU now played a part in shaping regulation along with the government. When the issue of flexibility and security in employment came under debate, ABU representatives were invited as professional experts and actively influenced key policymakers:

‘...Of course we have our contacts in the ministries, so at some point we got to see a draft of the flexicurity act [from ministry of Social Affairs] and that was a disaster. Then I spoke to the minister of Economic Affairs and said: “Hans, tomorrow there is a proposal on the agenda of the council of ministers, and that is completely opposed to your line of policy.” He called in two civil servants and asked them: “Is this true?” and they told him “Yes sir it is.”... And after that it all came round a bit... Later, I thought, this is becoming a complicated mess of words. ... Well, but that was exactly what I needed, because now we could rewrite the whole thing. And then I told [our people]: Now you will rewrite it and make a proposal along the lines of our own initial proposal’ (TWA founder).

The difference in positions towards agency work between the ministries of Social Affairs and Economic Affairs led to a deadlock in the development of the new flexicurity legislation. The government asked the social partners (unions and employers representatives) to suggest a new way forward. ABU representatives played a central role in designing the innovative flexicurity legislation. Parallel to the development of the 1999 flexibility and Security Act, ABU representatives also negotiated an innovative collective agreement with unions that introduced pension, sick leave and training rights for temporary agency workers, based on their employment histories.

The novel legislation changed the institutional landscape for temporary employment. Through the 1998 Waadi Act, the government formally deregulated the industry removing the licensing system. At

the same time, the 1999 flexicurity Act regulated temporary employment under regular Dutch labor law, leaving the singular focus on job security in statutory labor legislation. For the industry, these were important developments. Throughout the 1990s, ABU had campaigned to increase the industry's discretionary space by having restrictive industry regulations lifted to allow TWAs to expand their portfolio by adding specialist high value-added services such as outplacement services next to developing niche markets for temping services such as engineering, nursing and finance.

The legal change indicated the normative and cultural-cognitive acceptance of temporary agency work as an employment practice. Interestingly, the developments were a mirror image of the dynamics driving the process of institutional entrepreneurship in phase II. Considering the agentic orientation of field actors (Emirbayer and Mische 1998), we see that here the TWA entrepreneurs, now arguing from the novel logic of work security and flexicurity were more future oriented, while the government was rooted in the present and the past, defending practices rooted in the old logic of job security and stability. The role of temporary agencies was now firmly established as labor market intermediaries and suppliers of workers for all kinds of staffing needs, rather than simply as suppliers of a particular kind of contingent workers. They became gatekeepers and a pivotal point in the labor market, seeking and satisfying unfilled employment niches and educating business about the ways in which agencies could help solve their employment problems. Indeed, the use of temps was no longer peripheral to the company's main business or limited to helping out with special projects at busy times. Rather temping became an integral feature of business' personnel strategy in adapting to the business cycle. The notion of triangular employment had taken a firm foothold.

Phase VI: Recurrence of Legitimacy Contests and Institutional Defense and Extension

The landmark legal changes in the late 1990s, high temporary worker satisfaction rates (80% in the Netherlands) and routine hiring of temps by businesses, symbolized the widespread acceptance of temporary work in the Dutch labor market and societal confidence in the industry's ability to self-regulate (Ciett 2000). Temporary employment had become a regular element in the strategic labor sourcing mix in many organizations (e.g., Goudswaard et al. 2008). In 2001, the government passed the SUWI Act for "employee reintegration services," whereby the government offices could use

TWAs to bring back people into the labor market, de facto creating a market for reintegration services. However, even with the novel practice firmly embedded, ongoing work was needed to ensure its institutional survival. Changing environmental conditions attracted novel actors that affected the further development of the industry in unforeseen ways. An ABU interviewee emphasized the need to continually scan the field for threatening developments:

‘There have been moments when everything seemed to be going our way. I said: Well, we’re done; there is nothing to lobby for anymore...but here comes a threatening new law. A good example is the ‘contracts of limited and unlimited duration’ that were going to make us much more expensive. By rapid action, we were able to show some members of parliament what had gone wrong (the law was later modified). All areas of law and regulation need to be continuously monitored for the emergence of threatening things’ (Senior ABU manager).

Increasing demand, widespread acceptance of temporary work and the lifting of licensing requirements made it easier and attractive to start an agency business. This posed new challenges. In 2006, there were 90% more (mostly small) TWAs than in 2000 (CBS, 2008). Two new industry associations emerged, NBBU and VIA representing small agencies that provided local and international placements, respectively. A senior ABU manager expressed concern about rapid growth in the numbers of agencies, some of them involved in illegal employment activities.

‘Essentially, we have been bigger. Before the removal of licensing [with WAADI Act in 1998], we [the ABU] covered approximately 90% of the market, now [2005] that is just over 60%. We are still the largest one but the playing field has changed because of the number of unorganized players and the freedom for everybody these days to call themselves temporary work agency without conforming to any standards’.

Official reports highlighted the re-emergence of exploitative practices, fuelled partly by an influx of illegal foreign workers. Worried about these developments, the government and unions threatened to reinstate a restrictive licensing system. To protect the sector’s image, ABU then had to walk a fine line between maintaining its autonomy and relinquishing some of its discretionary power in cooperative efforts with the government to develop enforcement systems for exposing malpractices. In collaboration with new industry associations (NBBU and VIA) and the unions, ABU engaged in both “valorizing and demonizing” activities (Lawrence and Suddaby 2006) to set up an independent NEN (NEN 2006) monitoring and enforcement system in to distinguish respectable agencies from ‘the crooks’ through a system of “naming and praising.” ABU thus collaborated with other field members to maintain a clear distinction between the responsible legal

sector and newly emerging illegal sector by spotting and weeding out illegal agencies. This highlighted its ‘dual role’ – serving the economic interests of its members while also maintaining societal legitimacy.

To be seen as a trustworthy, committed and a professional entity, ABU maintains a web of relationships with relevant field members, educates policy makers and sponsors research for improving knowledge about the industry and given increasing integration in the European Union, is seeking market expansion by actively engaging in not just Dutch, but also European policy debates on temporary employment (Eurociett 2007). In this phase, the actor configuration changed yet again. In moving from institutional entrepreneurship to institutional maturity and defense, we observed the actor base expanding the scope of services and reinventing the practice and its remit in the labor market. At the same time, core actors developed collaborative relationships to defend industry norms and reputation. While basic drivers for this cooperation differed somewhat among different actors, (unions wanted to curb the negative side effects of agency work, while agencies mostly wanted to maintain “a level playing field”), actors sought to pragmatically share the burden of enforcement, even if it meant yielding some degree of autonomy.

DISCUSSION

Scholars have called for more research at the intersection of entrepreneurship and institutional phenomena (e.g., Aldrich 2011; Phillips and Tracey 2007; Tolbert et al. 2011). While the literature on institutional entrepreneurship has made important advances in explaining change, there is still a need to understand the contextual influence on agentic activities in the process of institutional entrepreneurship (e.g., Aldrich 2011). In tracing the emergence and maturation of the TWA industry in the Netherlands, we identified not only an entrepreneur at the forefront of the temp industry project but also other actors. These actors at different times, played cooperative, adversarial and complementary roles, both leading and supportive in transforming temporary work from being a marginal employment practice to being an integral, legitimate and formal part of the labor market. An evolving context coincided with changing actor configurations driving the process of institutional entrepreneurship. Our analysis shows how, following localized innovation by unorganized actors,

TWA entrepreneurs represented by ABU framed, theorized and advanced their project in different ways at different times. In this process, the role of the entrepreneur (ABU) constituted a negotiated position within an evolving actor configuration. If anything, what made the entrepreneurs institutionally effective was that they continually adapted to the shifting institutional landscape over time, simultaneously acting as conformists, innovators and defenders. We documented six phases in the institutionalization of temping as a practice. Table 3 summarizes these phases, the institutional context, and actor configurations, highlighting the most salient actors in each phase.

-----Insert table 3 about here-----

Over time, we saw how localized innovations to solve labor market tensions, reminiscent of pre-theoretical praxis (Scherer and Steinmann 1999) provided “demonstration events” (Suchman 1995) for subsequent action, creating opportunities for more organized activity by formal entrepreneurs.. The industry association, ABU then worked to gain technical competence and win social approval for the practice as temporary employment became a “path of mobility” for diverse worker groups such as high-risk hires by offering them opportunities to gain work experience and the disadvantaged job seekers by enabling them to access social networks often vital to finding a good job (cf. Benner, Leete and Pastor 2007). However, as the practice got normalized, opportunistic entrepreneurs threatened to undermine the legitimacy of the practice and the industry sought to control potential damage.

The role of macro context and actor configurations

The institutionalization of temping and the role of actors need to be seen alongside broader socio-economic and political changes, both national and transnational. Global competitive pressures, demographic changes in labor force composition, increased employment among women, shift in employer focus from employment stability to employment flexibility (Pfeffer and Baron 1988), change in nature of work, breakthroughs in information and communication systems that made it easier for organizations to rely more on outsiders, regulatory changes leading to increased costs of

permanent employment, growing marketization that encouraged private sector involvement in labor issues, all fueled the growth in temporary work (Visser and Hemerijck 1997).

Yet, it is also important to consider the efforts of multiple actors contributing to the process of institutional entrepreneurship over time: temporary help agencies led by their industry association alongside an array of other actors including opportunistic innovators showing the way, but avoiding institutional engagement; government setting standards for acceptable agency work and involving TWAs in setting labor market policies; employers increasingly accommodating temporary workers in their employment portfolios; and unions working out collective agreements with temping agencies to protect workers (Ofstead 1999). To have an impact, macro-order developments needed to be continually theorized by multiple actors with stakes in the practice (Munir 2005). While ABU acted as a ‘magnet’ for activities towards establishing temporary work as a legitimate institutionalized employment practice, it was dependent on key contributions from other field constituents. What was eventually achieved was thus contingent on the iterative work of multiple actors, not just cooperative and supportive (Lawrence and Suddaby 2006), but also adversarial and leading what Zietsma and Knight (2009) describe as “collaborative co-creation” and “competitive convergence.” Restating the arguments as a proposition:

Proposition 1: While there may be an entrepreneur with more at stake in the change agenda than others, the process of institutional entrepreneurship involves the collective actions of multiple collaborating and competing actors in a field who jointly create conditions for transforming institutions.

The non-teleological nature of change

Change in our case was both the intended and unintended outcome of actors’ activities and the project did not follow “a set logic in advance” (Callon 2008). For example initially, ABU had only a limited vision for temporary work, and opposed any ‘restrictive’ legislation for this transitory solution to employment problems. However, the government’s insistence to regulate agency work to curb the industry’s activities in 1965 de facto legalized a controversial practice and, while imposing ambitious standards for employment protection (a move initially opposed by ABU as an unnecessary curb on its activities), paved the way for a sustainable TWA industry. Also, while ABU had earlier wanted to

avoid regulation of industry activity, it later sought increased regulation along with unions and government to curb growth in the number of opportunistic new entrants that threatened the industry's legitimacy. And while the formation of the public temporary agency, Start was meant to check the growth of the private TWA industry, its founding also heralded the normative recognition of temporary agency work in the labor market, and contributed to the private industry's acceptance growth. Restating the arguments as a proposition:

Proposition 2a: Institutional change does not always follow entrepreneurial intentionality, foresight and purposefulness, but may also be the unintended outcome of actors' collective interactions and activities.

As the novel practice evolved over time, we saw how the stances of individual actors changed. While ABU had earlier wanted *less* regulation of industry activity, it later sought *more* regulation together with unions and government to deter illegal players and sustain the industry's legitimacy. Similarly, unions changed their stance towards the industry from opposing it as undesirable to tolerating it under specific conditions (to address ad hoc shortages and as stepping stone into the labor market), to supporting it as a desirable way for organizing employment flexibility compared to, for instance, informal employment. They thus changed their position from antagonism to cooperation over time. Over time, we also saw the government change its position towards agency work triggered by shifts in political orientations, changing economic conditions, and growing evidence (various commissioned reports) on the effectiveness of temporary agency work to address labor market problems. An entrepreneur cannot a priori take into account or factor in all the connections, relations and effects emerging from the interactions among a set of interdependent constituents in its project to establish a new industry (Callon 2008). Rather, unanticipated developments and evolving interdependencies during the journey can conspire to continually shift its orientations and preferences, as well as those of other field constituents with "muddles, conflicts and loose ends" likely to be attendant features of institutional processes (Blackler and Regan 2006). Rewording the arguments as a proposition:

Proposition 2b: As a response to unanticipated developments during the evolution of a novel practice, field constituents are likely to continually shift their orientations, and adapt their stances vis-à-vis the evolving institutional project.

Institutional entrepreneurship and actor configurations

We find that different actor configurations at different times with changing portfolios of roles – both leading and supportive – contribute in different ways to institutionalization over time in line with changing opportunities available during the process. Various field constituents worked to accommodate the new logic without vilifying the old logic even if exposing its limitations under certain conditions such as a tight labor market. They were simultaneously engaged in skilful combination of *creating* a novel employment logic (flexibility, work security), partly *disrupting* the old employment logic (permanence, job security) as well as partly *maintaining* it (employee rights). Actor configurations and their activities therefore, continually reflect the precarious balance between legitimacy and novelty, where moments of institutional creation, maintenance, and disruption are “empirically coterminous,” with instances of each category of institutional work visible at various points in the institutionalization process (Hargrave and Van de Ven 2009). Table 2 shows how in every phase of change, different institutional effects disrupted, created and maintained aspects of the existing and novel logics. Restated as a proposition:

Proposition 3: Actor configurations involved in institutional entrepreneurship do not just disrupt but also maintain parts of the old logic, with multiple actors simultaneously engaging in the creation, disruption and maintenance of institutions.

Changing temporal orientations of field constituents: Institutional scarcity and munificence

We have argued that an evolving context may shift the project’s ambitions and the nature of agency. As entrepreneurs accumulate experience, and grow in stature and expertise they assume different roles. Also, depending on the field conditions, action at different times is “more (or less) engaged with the past, more (or less) directed toward the future and more (or less) responsive to the present” (Emirbayer and Mische 1998: 972; Battilana and D’Aunno, 2009; Zietsma and Lawrence 2010). We show how, as the entrepreneur oriented towards the past, present and future at various points, assumes different roles and engages in different modes of action, other field constituents themselves also vary in their temporal orientations during the institutionalization process.

In the early stages, ABU was rooted in the past and guided by the existing institutional logic in offering a solution to the “first order” collective action problem arising from tensions in the labor market) (cf. Holm 1995). Without a full-fledged new logic to drive the project forward, purposeful actors need to act within existing contextual restraints and reinterpret prevailing institutional logics that other constituents could be expected to be familiar with (cf. Reay et al. 2006). Indeed, entrepreneurs who operate in fields with high levels of institutionalization frame discourses that resonate with the interests and values of members of the dominant coalition (Suddaby and Greenwood 2005). However, while ABU early on guardedly sought discretionary space for their *existing* practice by trying to avoid legislative curbs, the government took the bold step of regulating the practice while setting ambitious standards that subsequently contributed to legitimizing the TWA industry.

We describe conditions characterized by lack of a fully developed alternative logic, and associated practices as “institutional scarcity.” Initially, ABU could not disembody itself from the prevailing logic that saw temping, at best, as a cheap, regulation-free and transitory solution in situations where traditional employment was not feasible. The lack of a viable alternative logic limited scope for new activity. Under institutional scarcity where the new logic is underdeveloped and ill-defined, actors are thus more likely to be rooted in the old logic, even as they strive to promote the alternative logic.

Restated as a proposition:

Proposition 4a: Under conditions of institutional scarcity for a novel practice, proponents of the practice are likely to argue for its relevance based on the shortcomings of the old dominant logic.

Over time, we saw the institutional project mature with the evolution of a growing number of practices that supported the novel logic. (e.g., labor laws, industry regulation, and collective bargaining). This evolution led to a condition of growing “institutional munificence.” Only after accumulating experience and increasing institutional support for temporary agency work, the association could focus on shaping legislation (e.g. the 1999 Flexibility and Security Act) and expand the scope of the practice (e.g., provide advanced human resource services) that had been almost inconceivable during the early stages. As the new temping logic gained traction, ABU sought to manipulate existing institutional parameters to address the “second order” collective action problem of institution building (Holm 1995) once it was allowed and even supported to do so by other actors.

This led to increasing reliance on the new logic and the “recalibration of institutional parameters” and the “mainstreaming of temping” later on in the process.

Accumulating experience with the project increases the ‘transparency’ of opportunities and the potential for their recognition (Dorado 2005) and expands the ‘menu’ of choices that allow the now less isolated entrepreneurs to draw on the evolved context and act more self referentially in promoting the novel logic. For example, new for-profit entities in education, such as the University of Phoenix initially couldn’t raise funds from venture capitalists or commercial banks as it didn’t fit within the conceptual categories used by regulators, higher education consultants, and others in the established system. The founder Sperling benefited from the sacrifices endured by the many failing operations and growing pressure put on government agencies and regulators to accommodate the “new” student population as it promoted a market logic in a sector dominated by a logic of professions (Aldrich 2011). It was therefore, not just the founder’s heroic efforts but also a more favorable institutional landscape that enabled institutional entrepreneurship in education. Similarly, Etzion and Ferraro (2010) argued that as the Global Reporting Initiative (GRI’s) guidelines gained more acceptance, the organization reduced the extent to which it emphasized the similarity between sustainability reporting and financial reporting and also began to emphasize the dissimilarities and incongruence between the two forms of reporting. Restated as a proposition:

Proposition 4b: Under conditions of institutional munificence for a novel practice, practice proponents are likely to draw on the increasingly influential emergent logic for promoting the practice.

While the first and second orders of action are defined by each other, examining changing agentic possibilities for the entrepreneur alongside other actors in an evolving context uncovers the shifting interconnections between these actors, and the ways in which they link themselves to the past, present and future at different times. Entrepreneurs are not always future oriented as is often argued, but may also be past and present oriented just like others in an actor configuration. In other words, social actors are interwoven with the context and the evolving context affords varying latitude for action for different actors in a field. Rewording the arguments as a proposition:

Proposition 4c: In an evolving context that affords varying degrees of latitude for promoting change, entrepreneurs may not always be future oriented but, alongside others in an actor configuration may, at different times, draw on the past, present and future.

Entrepreneurs and institutional entrepreneurship

In our study of the process of institutional entrepreneurship over time, from when the field of temporary agency work in the Netherlands emerged to when it matured, we show the changing role of actors engaged in advancing the project. While different actor configurations supported the process of change, the dominant industry association (ABU) was part of the process all along taking on different roles in relation to the changing actor configurations. As ‘advocate’ it explained the relevance, potential and distinctiveness of the project; as ‘maverick’ it further developed the practice but had limited latitude being under constant scrutiny of skeptical or hostile actors; as ‘challenger’ it began to defy the restrictions imposed by other actors; as ‘leader’ it authoritatively shaped institutional parameters; and finally as ‘defender’ it preserved the established institutional space against forays from emerging opportunity seekers (see table 2). The role of ABU has been the strongest in the process of second-order collective action institution building in phases 2-5, where the definition of agency work and its contribution to society were fiercely debated. Stated as a proposition:

Proposition 5: Over time, the role of entrepreneurs in the process of institutional entrepreneurship is likely to change: from establishing the basic premise for activities in early stages to expanding their scope and defending the new space in later stages of institutionalization.

While it can be argued to have acted as bricoleur, making do with the resources at hand (Baker and Nelson 2005) at each stage of the process, ABU built bridges, connected actors, and engaged in debates to make temping more acceptable overall. Connecting its entrepreneurial role to the condition of institutional scarcity and munificence, we add a dimension of context dependence to the three elements of institutional work identified by Lawrence and Suddaby (2009). This is depicted in table 4 that shows how relative environmental conditions affect the influence of actor configurations including the role of entrepreneurs in the process of institutional entrepreneurship.

-----Insert table 4 about here-----

To sum, the institutionalization of a practice – triangular employment relationship – required the intended and unintended activities of multiple actors in a field. Contextualizing the changing role of multiple actors shows how the institutionalization of a practice is an ongoing collective accomplishment, with agency differentially distributed among multiple field constituents throughout the process and contextual developments leading to continual shifts in the orientations and preferences of these constituents.

While we examined institutionalization in a single industry, we argue that our study has implications for other settings, particularly those confronted with historically stigmatized practices and facing challenges of legitimation such as life insurance (Zelizer 1979), casino gambling (Humphreys 2010), and human cadavers trade (Anteby 2010). We would expect similar dynamics in the credit card industry where the industry had to first legitimize a ‘plastic debt’ culture and now strives to prevent credit getting a bad name. Even technology-centric innovations such as Bluetooth headsets for cell phones faced considerable normative and cultural-cognitive challenges in the adoption process. Consumers lacked a cognitive schema for understanding a device like a Bluetooth headset, as well as the social norms for using it – talking in public, seemingly to oneself, without a visible conversational partner (Humphreys 2010).

In all these cases, entrepreneurs may begin more modestly, but over time, if and as the project gains social acceptance, the actors are conferred with varying degrees of agency and access to resources from the institutional context to advance their projects. Strategies effective at early stages of institutionalization are unlikely to be as effective in later stages (Rao and Giorgi 2006). Entrepreneurs and other actors thus need to continually assess the evolution of their institution and the associated logic and accordingly adapt their strategies over time.

CONCLUSION

We responded to calls for studies at the intersection of entrepreneurship and institutional phenomena. Studies on institutional entrepreneurship have advanced the longstanding agency-structure debate and contributed to bridging the old and new institutionalisms in organizational and

institutional analysis (Maguire 2007). However, some accounts have been criticized for overstating the contributions of institutional entrepreneurs in engineering institutional change and drawing from the atomistic “abstract voluntarism of rational choice theory” (Emirbayer and Mische 1998: 963) that institutional theorists have aspired to critique. Accounts emphasizing the collective dimension of change have begun to redress the balance by emphasizing the role of not just entrepreneurs but also other actors in the field working in concert and in conflict. However, what merits more attention, we argued is how an evolving context affords varying latitude for entrepreneurship and agency.

Focusing only on a specific slice of history during an industry’s evolution, we would argue, could have led to inaccurate attributions of agency to the actors involved. For example, in the 1980s and 1990s, ABU could have been seen as a game-changing “institutional entrepreneur.” However, in the 1960s, it would have been seen as an economic entrepreneur seeking profits from market opportunities without disrupting the status quo. Context therefore, matters in allowing latitude for entrepreneurship and institutional entrepreneurship (Battilana et al. 2009). We therefore, traced the evolution of temporary agency work in the Netherlands from infancy to maturity. We documented the changing role of the industry association, ABU, as it transformed from being a cautious ‘maverick’ representing a fledgling industry struggling for legitimacy to an authoritative leader advancing industry interests to a status quo ‘defender’ fighting to protect and expand the boundaries of an established practice.

Contributions

We state our main contributions. *First*, we contextualize the notion of human agency involved in shaping and reshaping institutions often termed as “institutional entrepreneurship.” Rather than privilege only focal entrepreneurs as enabling change, we also depict the degree of dependency of entrepreneurs on other actors and the resources they control, and how they need to continually take other actors into account when attempting to realize their valued interests (cf. Swedberg 2005). This is consistent with an “inhabited” perspective on institutions (Hallett and Ventresca 2006) that view institutional contexts and social interactions as “doubly embedded.” Examining how an evolving

context provides differential latitude for actions in collectively shaping the evolution of a field, we argue, is a fruitful endeavor for enhancing our understanding of institutional change and survival.

Our *second* contribution is to contextualize the role of field actors for the entire period of an industry's evolution in order to examine the role of agency during both early and late stages of institutionalization. Initially, under conditions of "institutional scarcity," ABU could, at best, be seen as an economic entrepreneur bearing risk in return for profit by establishing new organizations and striving to accommodate the alternative temping logic alongside the dominant permanent employment logic. Over time, as temping gained social acceptance, under conditions of "institutional munificence" it was able to more authoritatively and self-referentially theorize the emergent logic and act like an 'institutional' entrepreneur or leader (DiMaggio 1988). And, when threatened by opportunistic insurgents, ABU strove to defend industry interests and image, and even expand the domain of the practice through 'institutional extension.' Entrepreneurs must thus, delicately balance their roles as conformists, innovators and defenders (DeClercq and Voronov 2009; Etzion and Ferraro 2010; cf. Hensmans 2003). Agentic activity therefore, works differently under different levels of institutionalization with a different mix of existing and new logics guiding activities, as actors subvert or integrate existing logics, mutually adjust between existing and new logics or segregate, blend and retain them in innovative ways (Mars and Lounsbury 2009; Thornton, Ocasio and Lounsbury 2011), simultaneously engaging in institutional creation, disruption and maintenance.

Third, we offer a non-teleological perspective on institutionalization, where entrepreneurs with high interest in advancing a project do not necessarily have a clear 'end game' to drive the project forward, but continually adapt its agenda alongside others in the face of unanticipated developments and evolving interdependencies. Change, if it ensues does not necessarily follow a set logic and is both the intended and unintended outcome of their actions. We therefore, address concerns that many accounts of institutional change are characterized by a common attribution error – attributing purpose and intentionality to all actions (Aldrich 2011).

Finally, our extended account shows that even with increasing institutionalization and societal acceptance of a practice, unanticipated developments can unsettle a field. The establishment

of temporary work as a legitimate practice led to fragmentation rather than consolidation with the breaking away of ‘new’ entrepreneurs (opportunistic agencies) who wanted to build their own version of the practice. The ‘old’ institutional entrepreneurs then became defenders of the new logic and counter-mobilized to fight the ‘new’ mavericks seeking to undermine industry legitimacy. Legitimacy contests, we would argue do not only occur during nascent moments in the institutionalization of a novel practice (cf. Aldrich 1999), but may also recur. Stronger institutionalization does not necessarily lead to stability and stasis. Instead, it may make deviation from institutionalized rules more profitable and create new interests and problems. For example, in the airline industry, prices, routes, and entry controls led to fierce service rivalries as carriers increased flight frequencies, and upgraded facilities. Increased service, however then triggered capacity and “lounge wars” and saddled airlines with mounting costs leading to fare investigations and challenges by upstart carriers (Schneiberg 2005). Institutions can therefore, be their own gravediggers.

Future Research

The entrepreneurs initiating change may not always be relevant in seeing it through. In our study, the ‘technical’ aspects of the product did not change radically, and the industry association was able to stay relevant throughout. Similarly, in the field of photography, Kodak’s key role remained relevant for over a century in transforming and establishing the meaning of photography (Munir and Phillips 2005). However, Kodak’s position suffered with the advent of digital imaging that again transformed the meaning of photography in late 1990s, as new actors became dominant. Different kinds of disruptions – technological, cultural, political and environmental – may thus lead to changes in the composition of actor configurations including the relevance of the entrepreneur over time.

Does an ‘institutional’ entrepreneur, once anointed as such, ever cease to be one? How does it maintain its relevance as the institutional project matures? What happens when institutional entrepreneurs begin to encourage enforcement of the established logic? When do “yesterday’s extremists become today’s moderates” (Poole and Zeigler, 1981) as frequently observed in social movements. How does this mainstreaming happen?

While we did not focus on parallel developments in broader society, our study suggests the need to juxtapose actors' contributions in a particular field alongside societal developments. The institution of employment appeared to have changed along with a growing marketization of society and social movements such as women's emancipation that led many to view nonstandard work as an opportunity to effectively combine participation in the workforce with childcare (Wienns-Tuers and Hill 2002).

The current notion of fields may not clearly specify the relationships at the intersection of different interfering fields or, among "areas of overlap and confluence between institutional spheres" (Scott 2001: 188). Studies can adopt a more 'ecological' perspective on institutionalization processes and change, examining not just intra-institutional field-level interdependencies among different actors including the entrepreneur, but also inter-institutional societal-level interdependencies among 'target' and 'parallel' institutions that may need to co-evolve for change to occur. Future research at the intersection of society, field and organization levels can examine some of these issues in different settings to further nuance situated or contextualized human agency in not only cultivating but also resisting change in institutions.

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Table 1: The Two Modes of Employment

Employment type	Standard, open-ended, bilateral	Nonstandard, flexible (temporary), triangular
Logic:	Traditional logic: Job security	New logic: Work security
Relation flexibility and security	Flexibility <i>or</i> security: seen as opposites: flexibility erodes job security	Flexibility <i>and</i> security: flexibility strengthens competitive position: supports work security
Main issue	Protect employees from exploitation	Addresses labor market segmentation
Basis for security:	Job protection	Facilitate transition from work-to-work
Engine for contribution:	Protected workers more creative, skilled and productive, leading to higher labor productivity	Better fit with workers – job fit increases worker effectiveness, productivity and happiness
Employment relationships	Bilateral permanent jobs, long-term employment relationship; strong organization-employee attachment	Multiple three-way employment relationships, manage employment transitions; weak organization-employee attachment
Shift in dominant logic over time, tipping point around 1980s.	Dominant until end of 1970s. Good companies provide job security. TWAs contested by unions and governments until 2 nd half of 1970s. Govt. founded Start to stop growth of private TWAs.	Emerged early 1980s: Flexibility stimulates competitiveness leading to job growth and work security (job security is worthless if company disappears). 2000s: Flexicurity improves agility labor market.
Attitude towards TWAs:	Agencies undercut job security. Temp jobs displace ‘better’ permanent jobs.	Agencies support transition from work-to-work, increase labor market efficiency
Norms	Protect the employed Membership in household (family) Citizenship in nation (State)	Provide employment Self -Interest (market) Employment (corporate)
Investment rationale	Create prosperity by ensuring societal stability	Create prosperity by increasing competitiveness
External developments	Rise of unions and welfare state in 20 th century, decrease in national competitiveness, economic deceleration, rising unemployment	Global competition, market thinking, competitiveness (‘Netherlands Inc’), technological specialization, acceptance of temporariness

Table 2: Data structure

First order concepts	Second order themes	Aggregated conceptual categories ↓
Before 1961 Phase I: Early years, Black and Grey markets as precursors of change		
<p><i>Regulation field:</i></p> <ul style="list-style-type: none"> - Legal prohibition of TWAs - Social security regulations connected to permanent contracts <p><i>Issues & debates defining the field:</i></p> <p>Internal:</p> <ul style="list-style-type: none"> - None, actors ignore each other <p>In relation to wider society:</p> <ul style="list-style-type: none"> - Growing black market, opportunistic illegal activities exploiting tight labor market (mostly in harbor, construction industry) - Emergence of grey market (changing business models: typing bureaus and ‘independent’ steno typists) 	<p><i>Institutional base:</i></p> <p><u>Logic of employment protection (P):</u> (legal employment relation, basis for tax and social security, cultural-cognitive legitimacy, public monopoly on placement)</p> <p><u>Logic of flexicurity (F) (scarcity):</u> (technical experience, Informal and unorganized placement activities)</p> <p><i>Field defining debates:</i> Undefined: no shared issues under debate, no mutual recognition among actors</p> <p><i>View novel practice:</i> Undesirable illegal actors Insignificant grey market actors</p> <p><i>Legitimacy for the project:</i> none</p>	Early Years: Black and Grey Markets as Precursors of Change
<p><i>Field actors and their activities</i></p> <p>Illegal actors</p> <ul style="list-style-type: none"> - Technical experience in temping, avoid rules <p>Grey market actors</p> <ul style="list-style-type: none"> - develop new business model, ‘stay under the radar’ <p>Government</p> <ul style="list-style-type: none"> - Limited, enforcement of prohibition <p>Unions</p> <ul style="list-style-type: none"> - no data 	<p><i>Joint field defining contributions:</i> Technical innovation creates institutional tension Avoiding engagement with institutional actors</p> <p><i>Institutional effect of activities⁴:</i></p> <p><u>Maintenance P:</u></p> <ul style="list-style-type: none"> - Institutional tensions ignored, focus on enforcement of prohibition (adherence to rule system) (MP) - By staying under radar and avoidance actors actually support maintaining norms & belief systems (MP) <p><u>Disruption P:</u></p> <ul style="list-style-type: none"> - create institutional tension (DP) <p><u>Creation F:</u></p> <ul style="list-style-type: none"> - show technical viability (CF, but also DP) - develop new business model (CF) <p><i>Role industry representation:</i> None</p>	

⁴ Institutional effect: M=maintenance, D=disruption, C=creation; P=logic public employment protection, F=logic flexicurity

Table 2: data structure (continued) II

First order concepts	Second order themes	Aggregated conceptual categories ↓
1961-1965 Phase II: Limited vision for a novel practice		
<p><i>Regulation field:</i></p> <ul style="list-style-type: none"> - No change <p><i>Issues & debates defining the field:</i></p> <p>Internal:</p> <ul style="list-style-type: none"> - Tight labor market driving up prices for temps - Grey market actors concern about external image. Need to differentiate from illegal opportunistic actors. <p>In relation to wider society:</p> <ul style="list-style-type: none"> - growing problems with black labor market - Growth of grey market (clerical jobs) - Increased visibility temporary work (on political agenda: debates on problems with illegal actors and desirability of temp agency work) - Should TWAs be included / regulated for containing illegal practices? 	<p><i>Institutional base:</i></p> <p><u>Logic employment protection (P):</u> (legal employment relation, basis for tax and social security, cultural-cognitive legitimacy, public monopoly on placement)</p> <p><u>Logic flexicurity (F) (scarcity):</u> (technical experience, ABU, grey market actors association)</p> <p><i>Field defining debates:</i> Labor scarcity; political debate connects temping to illegal actors, differentiate respectable industry</p> <p><i>View novel practice:</i> Institutional tensions exposed (grey market actors not same as 'opportunistic illegals')</p> <p><i>Legitimacy for the project:</i> Nascent</p>	Limited Vision for a Novel Practice
<p><i>Field actors and their activities</i></p> <ul style="list-style-type: none"> - Illegal actors (e.g. harbor and construction) avoid rules - 1961 grey market actors around Amsterdam establish ABU to differentiate agency work and act as advocate for 'respectable TWAs' - ABU members still aim to stay 'under the radar.' Practice aimed at specific role in labor market (only clerical work), counters inclusion in proposed legislation as inconsistent with business model - Politics: 1962 onwards growing political attention to illegal temporary placements - 1965 Government passes Act to impose taxes and social security payments on temping agencies and possibility of licensing regime - Unions: no data 	<p><i>Joint field defining contributions:</i> Aim to control and contain current practices. 1965 law challenges current temping practice, minimum employee protection for temporary workers setting more ambitious standards for acceptable TWA industry.</p> <p><i>Institutional effects of activities:</i></p> <p><u>Maintenance P:</u> Legal regulation, minimum employee protection for temporary workers (MP) Law also limits industry activities (MP) ABU acquiesce, define activities in context of overall system P (MP)</p> <p><u>Disruption P:</u> - create institutional tension (DP) - disconnect sanctions/rewards, P regulation not fit for TWAs (DP and also CF)</p> <p><u>Creation F:</u> advocates vision of socially acceptable form of practice (CF) Defining economic boundaries of respectable industry (CF but in context MP) Vesting: strict rules for ABU members (CF)</p> <p><i>Role industry representation:</i> Advocate (ABU)</p>	

Table 2: data structure (continued) III

First order concepts	Second order themes	Aggregated conceptual categories ↓
1965 – 1982 Phase III: Dialectical engagement around temping as a Viable Practice		
<p><i>Regulation field:</i></p> <ul style="list-style-type: none"> - Strict legal regulation of TWAs - 1970, tightening regulation (licensing system invoked) - Collective agreements (1971-1976) - Growing acceptance of dual labor market <p><i>Issues & debates defining the field:</i></p> <p>Internal:</p> <ul style="list-style-type: none"> - Need to differentiate from illegal opportunistic actors - Wish to grow, broaden market, and operate responsibly in industry <p>In relation to wider society:</p> <ul style="list-style-type: none"> - Debate about nature of agency work - Should TWAs be included/ regulated under licensing arrangements? - Conditions for license to operate - 1970s High unemployment - 1970s concerns about growth and desirability of agency work 	<p><i>Institutional base:</i></p> <p><u>Logic employment protection (P):</u> (legal employment relation, basis for tax and social security, cultural-cognitive legitimacy, public monopoly on placement)</p> <p><u>Logic flexicurity (F) (scarcity):</u> (technical experience, ABU association; regulation tax and social security, collective agreements, licensing system industry, pragmatic legitimacy - allowed for dealing with specific employment problems)</p> <p><i>Field defining debates:</i> Debate about illegal actors gives way to debate about desirability of TWA industry</p> <p><i>View of novel practice:</i> Labor market role: dealing with ad hoc employment frictions</p> <p><i>Legitimacy for the project:</i> Pragmatic</p>	Dialectical engagement around temping as a Viable Practice
<p><i>Field actors and their activities</i></p> <p>Illegal actors (e.g. harbor and construction)</p> <ul style="list-style-type: none"> - avoid rules <p>ABU</p> <ul style="list-style-type: none"> - Pursue collective bargaining agreements - 1970-1982, oppose stricter licensing requirements - 1970, membership of CIETT - 1971, extend scope of ABU - Aim to ‘debunk’ negative ideas about industry (e.g. 1976 booklet) <p>Government/politics</p> <ul style="list-style-type: none"> - 1970, government tightens regulation introducing licensing system - 1970-1982 political debate desirability TAW, government attempts to tighten conditions license <p>Unions</p> <ul style="list-style-type: none"> - 1971, collective agreements with unions - 1976, major unions pull out of collective agreements - 1979 set up public TWA with PES <p>Public Employment Service</p>	<p><i>Joint field defining contributions:</i> Build experience, explore and debate constrained business model and discretionary space for Private TWA industry. Experimentation with business model for agency work (possible role as stepping stone into labor market)</p> <p><i>Institutional effects of activities:</i></p> <p><u>Maintenance P and F:</u> Tightening regulation (MP) limit scope conditions for industry activities (MP) embedding and routinizing TWA activities (MF, but in context P) limit activities TWAs through collective agreements (MP)</p> <p><u>Disruption P and F:</u> undermine core assumptions and beliefs: show institutional viability of responsible industry (DP) withdraw support for collective agreements / normative networks (DF)</p> <p><u>Creation F and P:</u> Political work, reconstruct belief systems, theorization (CF)</p>	

<ul style="list-style-type: none"> - 1972 onwards: PES experiment with TWA formula - 1978, PES and unions: establishment of Public TWA Start as alternative to Private industry Employers association <ul style="list-style-type: none"> - 1978 Employers association NCW (later NCW-VNO) admits ABU as member 	Develop normative networks (CF) Establish public TWAs (CP), broaden TWA model (CF) <i>Role industry representation: Maverick (ABU)</i>	
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Table 2 data structure (continued) IV

First order concepts	Second order themes	Aggregated conceptual categories ↓
1982-1990: Phase IV: Recalibration of institutional parameters		
<i>Regulation field:</i> <ul style="list-style-type: none"> - Loosening licensing conditions - TWAs still excluded from certain sectors - 1986 onwards Renewed Collective Agreements for TWA industry <i>Issues & debates defining the field:</i> Internal: <ul style="list-style-type: none"> - Debate role Public TWA and private TWAs In relation to wider society: <ul style="list-style-type: none"> - 1980s high unemployment - Increased evidence of effectiveness of TWA formula in dealing with unemployed - TWA formula successfully embraced by PES - Performance problems PES - Debate possible labor market roles responsible TWA industry - Development Polder model and Free Market thinking 	<i>Institutional base:</i> <u>Logic employment protection (P):</u> (legal employment relation, basis for tax and social security, cultural-cognitive legitimacy, public monopoly on placement) <u>Logic flexicurity (F) (munificence):</u> (technical experience, ABU association; regulation tax and social security, collective agreements, licensing system industry, normative legitimacy) <i>Field defining debates:</i> Debate role TWA industry and relation to public employment service <i>View novel practice:</i> Labor market role: transitional employment, stepping stone towards permanent employment <i>Legitimacy for the project:</i> Normative	Recalibration of Institutional Parameters
<i>Field actors and their activities</i> Illegal actors – not part of debate ABU <ul style="list-style-type: none"> - Challenge Public TWA as unfair competition - 1982, ABU presents TWA model as alternative for PES (‘stepping stone function’) - ABU identifies problems with existing regulation - 1986, renewed collective bargaining with unions Government <ul style="list-style-type: none"> - 1982 Government recognizes potential of TWA industry for labor market policy 	<i>Joint field defining contributions:</i> Institutional endorsements of TWA industry, though scope limitation remains <i>Institutional effects of activities:</i> <u>Maintenance P and F:</u> Policing – ensuring compliance TWAs with still strict industry rules (MP) Demonize public TWA as unfair competition (MF) <u>Disruption P:</u> Challenge and remove government monopoly placement (DP) <u>Creation F:</u> Political work, reconstruct belief systems,	

<ul style="list-style-type: none"> - 1983 Commissioned study positive about contribution TWA industry - 1990, Work Provision Law lifts government monopoly on placements services, although PES retains coordinating role <p>Unions</p> <ul style="list-style-type: none"> - 1986, Unions change attitude, recognize TWA industry, sign collective agreement again <p>Public Employment Service</p> <ul style="list-style-type: none"> - Formal role enforcing (still strict) TWA licensing conditions - Growth public TWA shows technical viability <p>Employers association</p> <ul style="list-style-type: none"> - TWA industry member of employers' delegations - Growing role ABU representatives in policy debates and negotiations around (temporary) employment 	<p>theorization (CF)</p> <p>Success public TWA supports TWA model (CF) and possibility responsible labor market role (CP)</p> <p>Normative networks: Renewed support for collective agreements / role as employers representative (CF)</p> <p><i>Role industry representation: Challenger (ABU)</i></p>	
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Table 2: Data structure (continued) V

First order concepts	Second order themes	Aggregated conceptual categories ↓
1990-1999 Phase V: Mainstreaming of Temping		
<p><i>Regulation field:</i></p> <ul style="list-style-type: none"> - 1990 abolition monopoly PES on placement services - 1998 Abolition industry regulation (licensing system) <p><i>Issues & debates defining the field:</i></p> <p>Internal:</p> <ul style="list-style-type: none"> - 1994 Establishment second association for smaller agencies (NBBU) next to ABU - Late 1990s Emergence markets HR outsourcing, managed services requiring positioning TWA industry <p>In relation to wider society:</p> <ul style="list-style-type: none"> - Market logic and industry self-regulation - Tightening labor market - Dialogue with employers and unions about flexibility and Security - Employment flexibility as opportunity 	<p><i>Institutional base:</i></p> <p><u>Logic employment protection (P):</u> (legal employment relation, basis for tax and social security, cultural-cognitive legitimacy)</p> <p><u>Logic flexicurity (F) (munificence):</u> (technical experience, two associations ABU and NBBU; regulation tax and social security, collective agreements, licensing system industry, cultural-cognitive legitimacy)</p> <p><i>Field defining debates:</i> Debate economic possibilities of employment flexibility and employment security</p> <p><i>View novel practice:</i> Labor market role: TWA industry as professional expert at heart of flexibilization debate on innovating employment practices</p> <p><i>Legitimacy for the project:</i> cultural-cognitive</p>	Mainstreaming of Temping

<p><i>Field actors and their activities:</i></p> <p>ABU</p> <ul style="list-style-type: none"> - 1992-1996, ABU representatives present themselves as experts and engage in flexibility & security debate in Dutch labor foundation⁵ as formal part of employers delegation (Reports 1993, 1994, 1996) - 1995 onwards, TWAs broaden portfolio of activities including higher value-added niche markets temporary work (engineering, nursing, finance, etc). - ABU positions itself as professional industry association, representing responsible and innovative industry - 1999, ABU and Unions present innovative 'flexibility and security' collective agreement for sector <p>NBBU</p> <ul style="list-style-type: none"> - Founded in 1994. Presents itself as alternative for ABU. Industry association for trustworthy small TWAs. Less regulation, only base level membership rules <p>Government</p> <ul style="list-style-type: none"> - Government deregulation of industry (removal of licensing proposed in 1994, effectuated in 1998 WAADI Act) - Government: memorandum 'Flexibility and security' 1995 - 1999 Flexibility and Security Act enacts temporary work under regular labor law <p>Unions</p> <ul style="list-style-type: none"> - Unions cooperate with ABU on innovative 'flexicurity' collective agreement <p>Employers association</p> <ul style="list-style-type: none"> - Labor foundation (unions and employers) start Flexibility & Security debate (reports 1993-96) 	<p><i>Joint field defining contributions:</i> Redefinition position towards flexibility and security in employment</p> <p><i>Institutional effects of activities:</i> <u>Maintenance:</u> Self-regulation of industry (MF) <u>Disruption:</u> Removal of industry regulation (licensing system) (DP) Removal of sole focus on permanent employment in labor legislation (DP) <u>Creation:</u> Construction normative network (TWA) employers – unions – government to renew employment legislation (MF) Broadening of TWA activities (CF) Political work, reconstruct belief systems, theorization (CF) Legal enactment of temporary work as regular employment (CF) Establishment innovative 'flexicurity' collective agreement (CF)</p> <p>Role main industry representation: Leader (ABU)</p>	
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⁵ Labor foundation official bipartite (employer and employee representatives) advisory body to the government for employment regulation and labor market policy

Table 2: Data structure (continued) VI

First order concepts	Second order themes	Aggregated conceptual categories ↓
1999-2007 phase VI: Recurrence of Legitimacy Contests and Defense and Extension		
<p><i>Regulation field:</i></p> <ul style="list-style-type: none"> - 1999 Flexicurity Act brings TAW under statutory Dutch employment law - 1999 Innovative ‘flexicurity’ collective agreement - 2001 SUWI Act, establishes market for reintegration services - 2004 revised and improved collective agreement <p><i>Issues & debates defining the field:</i></p> <p>Internal:</p> <ul style="list-style-type: none"> - ABU investigating how to cooperate with NBBU and VIA (2004). ABU dominant, what role others in policy process? <p>In relation to wider society:</p> <ul style="list-style-type: none"> - Rapid growth in number of small independent (un-organized!) TWAs - Growth in unregulated market international posting of workers: illegal foreign workers - Clear distinction between responsible legal sector and newly emerging illegal actors, who should do policing? - Temporary workers regular part of labor sourcing strategy employers - Issues administrative burden and costs 1999 collective agreement 	<p><i>Institutional base:</i></p> <p><u>Logic employment protection (P):</u> (legal employment relation, basis for tax and social security, cultural-cognitive legitimacy)</p> <p><u>Logic flexicurity (F) (munificence):</u> (legal employment relation, three associations differentiation field; regulation tax and social security, collective agreements, self-regulation industry, cultural-cognitive legitimacy)</p> <p><i>Field defining debates:</i> Problems with new entrants/enforcement of permissible agency activities; delivery on promises temporary employment relationship; balancing legal and self-regulation</p> <p><i>View novel practice:</i> Labor market role: TWA industry as professional employment services industry</p> <p><i>Legitimacy for the project:</i> cultural-cognitive</p>	<p>Recurrence of Legitimacy Contests and Defense and Extension</p>
<p><i>Field actors and their activities:</i></p> <p>ABU</p> <ul style="list-style-type: none"> - 1999 onwards: differentiation of TWA activities to niche markets. draw on experience and position as professional HR services experts and societally engaged labor market actor - Acknowledge and present legal changes as final legitimation of sector - Monitor and contain unanticipated disruptive developments and deal with emerging themes (e.g. complain about administrative costs of legal regulation) - 2001 onwards ask for government intervention to ‘catch the crooks’ - 2005 onwards stimulate cooperation and engage in establishment of NEN-norm for TWAs <p>NBBU / VIA</p> <ul style="list-style-type: none"> - 2004 VIA established to organizes new TWAs specializing in international 	<p><i>Joint field defining contributions:</i> TWA industry differentiation Share regulatory authority <i>and</i> burden; Objectification of agency work and TWA industry</p> <p><i>Institutional effects of activities:</i></p> <p><u>Maintenance:</u> Active role self-regulation industry (MF) Valorizing and demonizing: differentiating responsible from illegal actors (MF) Enabling work developing new rules, enforcement, auditing and monitoring systems (MF) Governmental recognition of market wide coverage collective agreement (MF)</p>	

<p>placements</p> <ul style="list-style-type: none"> - New industry associations (NBBU and VIA) also take part in NEN regulation <p>Government / Politics</p> <ul style="list-style-type: none"> - 2001 SUWI Act establishes market for 'employee reintegration services' - 2003 Government declares Collective agreement 'generally binding' for all employment contracts in TWA sector. - 2005 Government supportive of independent NEN regulation - 2001/2002 Illegal activities of unregulated agencies high on political agenda again. Politicians threaten with new licensing system <p>Unions</p> <ul style="list-style-type: none"> - Unions feed discussions about re-establish a licensing system - 2004 Renegotiate and improve 1999 collective agreement with ABU - 2004 ABU and Unions cooperate in developing enforcement structure for collective agreements to expose malpractice - 2004 unions and ABU start discussion regulation working conditions and deployment training funds <p>NEN normalization institute</p> <ul style="list-style-type: none"> - 2006 Normalization institute establishes NEN norm <p>Client organizations</p> <ul style="list-style-type: none"> - Organizations start include temporary workers as part of strategic labor sourcing 	<p><u>Disruption:</u> Illegal actors challenging societal confidence in self-regulation industry (DP)</p> <p><u>Creation:</u> Further broaden scope of sector from agency work to 'professional employment services' (CF) Legal extension to market employment services with reintegration services (CF) Construction normative network (TWA) employers – unions – government for responsible maintenance sector and to develop implementation promises employment legislation and to deal with Maintenance activities (CF) Inclusion temporary employment in Strategic Labor sourcing strategies client organizations (CF)</p> <p><i>Role main industry representation:</i> defender</p>	
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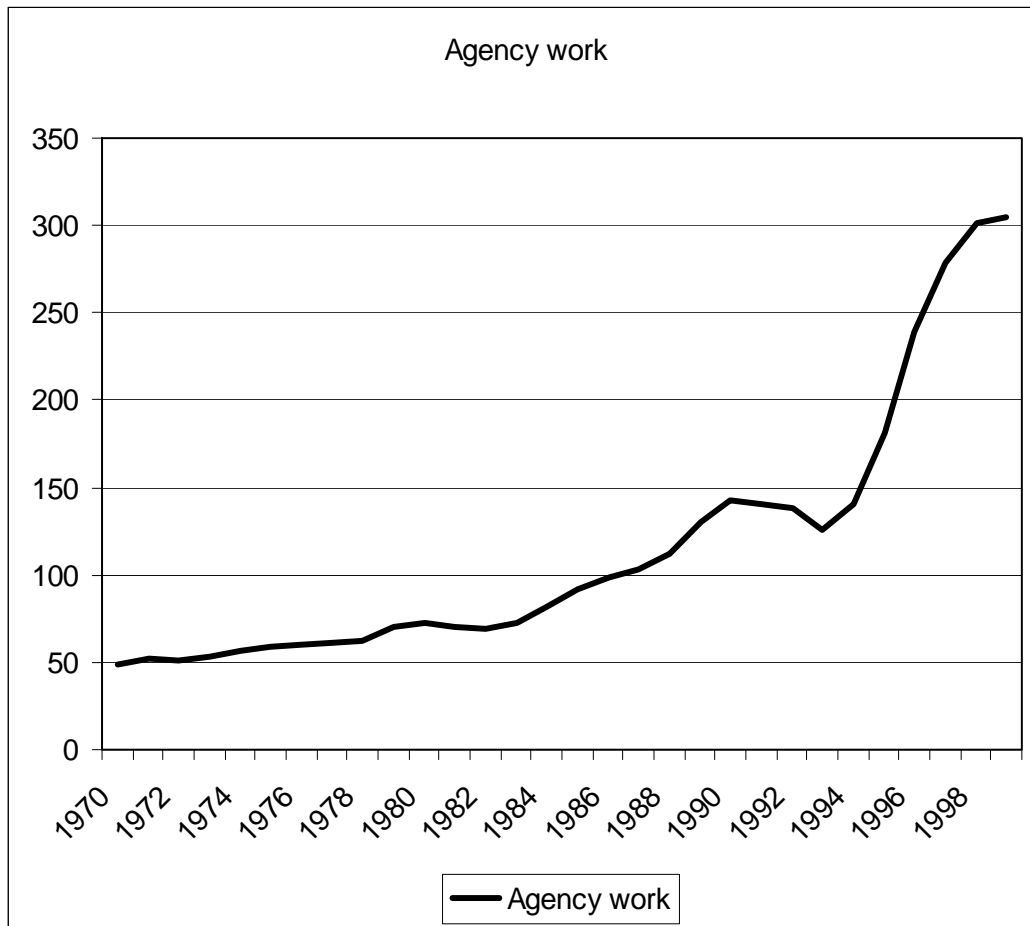
Table 3: Six phases in the institutionalization of temping

Phase	Legitimacy (Regulation of field)	Main issues	Actor configurations
Before 1961 Phase I: Black and Grey markets as precursors of change	None (Legal prohibition)	Avoid institutional engagement	Illegal and grey market actors establish technical viability for practice of supplying temporary labor.
1961-1965 Phase II: Limited vision for a novel practice	Nascent (Legal prohibition)	Labor scarcity, differentiate respectable from illegal actors	Government's aim to control, contain and improve current practices. ABU builds case for a responsible TWA industry
1965 – 1982 Phase III: Dialectical engagement around temping as a Viable Practice	Pragmatic (Strict legal regulation)	Desirability of TWA industry	ABU, government and unions explore boundaries of TWA model in legal disputes and collective labor agreements. ABU champions unconventional approach to employment as a responsible business.
1982-1990: Phase IV: Recalibration of institutional parameters	Normative (Relaxation in regulation)	Role of TWA industry and relation to public employment service (PES)	Government endorses labor market contribution of private TWA industry, ABU challenges restrictive attitude towards agencies. Unions acknowledge importance of agency work
1990-1999 Phase V: Mainstreaming of Temping	Cultural-cognitive (Deregulation of industry)	Economic potential of employment flexibility	ABU as employers' representative and unions cooperate to redefine flexibility and security in Dutch employment regulation. Government adopts this as basis for 1999 flexicurity law.
1999-2007 Phase VI: Recurrence of Legitimacy Contests and Defense and Extension	Cultural-cognitive (Regulation in mainstream employment law)	Problems with new illegal agencies; delivery on premises	TWA industry and Unions negotiate improvements in flexicurity regulations. Mushrooming of often illegal local and international agencies. ABU, new industry associations NBBU, VIA, and unions share regulatory responsibility. Establish NEN norms to fight illegal agencies.

Table 4: Institutional Scarcity and Munificence, actor configuration and role of the entrepreneur (ABU)

	Main institutional effects of actor configurations		
	Disruption	Creation	Maintenance
Institutional scarcity	Black and Grey Markets as Precursors of Change	Limited vision for a novel practice	Temping as a viable practice
	Role ABU: None	Role ABU: Advocate	Role ABU: Maverick
Institutional munificence	Recalibration of institutional parameters	Mainstreaming of Temping	Recurrence of Legitimacy Contests; Defense and Extension
	Role ABU: Challenger	Role ABU: Leader	Role ABU: Defender

Figure 1: Development of the number of agency jobs (x 1000) in the Netherlands



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