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Editorial Essay

Collective Identity and the Limits of Innovation: A Review and Research Agenda

Brian Kavanagh
King's College London
Department of Digital Humanities
King's College
London WC2R 2LS

Markus Perkmann
Imperial College Business School
South Kensington Campus
London SW7 2AZ

Nelson Phillips
Imperial College Business School
South Kensington Campus
London SW7 2AZ

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Collective Identity and the Limits of Innovation: A Review and Research Agenda

Abstract

In this essay, we discuss how collective identity shapes and constrains innovation in organizations and argue that this phenomenon deserves more attention from innovation scholars. Drawing on the existing literature, we distinguish three mechanisms through which a collective identity affects innovation – top management team cognition and emotion, organizational member resistance, and external stakeholder resistance – and illustrate these mechanisms by drawing on the example of symphony orchestras. Orchestras have faced shrinking audiences and significant declines in revenue for decades, yet their ability to innovate in response has been constrained by the very traditional collective identity of the “symphony orchestra”. We go on to argue that innovation researchers need to pay more attention to the mechanisms through which collective identity limits and shapes innovation, to investigate potential strategies that organizations can use to manage the tension between collective identity and innovation, and to better understand how collective identity can be used as a resource in innovation.

The last few decades have seen orchestras become involved in an everything-but-the-kitchen-sink range of activities, apparently designed to draw people in. Non-traditional programming, casual concerts, film nights, singles events, education, community outreach, open rehearsals – the list goes on and on. Many of these activities are powerful and very worthwhile. The problem has been that as orchestras are involved in more and more areas, it is often not clear why they are doing what they are doing. When it does not connect to the core of the organization, you start to wonder what the point is. - Alan Gilbert, Music Director, New York Philharmonic¹

It is a difficult time for symphony orchestras. Since the mid-20th century, orchestras have faced a decline in patronage, significant decreases in government support, and changing audience tastes. They have also been challenged by the digital revolution in music, with streaming services providing low-cost and convenient access to extensive libraries of recorded classical music, undermining traditional orchestra revenues from classical music sales. In response, orchestras have tried to launch new musical products and new ways of connecting with audiences. Yet, their ability to innovate has been constrained by the fact that they are symphony orchestras. So, while they may explore all sorts of innovations, their challenge is to generate innovations that fit with their collective identity (Lounsbury & Glynn, 2011; Cornelissen et al., 2007).

In this editorial essay, we discuss the important role of collective identity in shaping and constraining innovation in organizations and argue that the role of collective identity in shaping and constraining innovation is an important and under-researched area. Building on examples drawn from the recent experiences of symphony orchestras, we discuss how badly needed innovation can be constrained by a deeply ingrained collective identity to which an organization subscribes. We go on to delineate some of the impacts of collective identity on innovation and propose four areas where more research would be particularly impactful in furthering theory development in this area.

¹ <https://www.theguardian.com/music/2015/apr/15/alan-gilbert-orchestras-in-the-21st-century-a-new-paradigm>, accessed 15 Jan 2020.

We define collective identity as the set of characteristics seen as intrinsic to, and constitutive of, a group of actors who share a specific purpose and similar outputs (Wry et al., 2011). Collective identities are constitutive of groups, such as grass-fed beef producers (Weber, Heinze, & DeSoucey, 2008) and nouvelle cuisine restaurants (Rao et al., 2003), by defining essential characteristics that delineate membership. Being recognizable as an organization that subscribes to a collective identity brings legitimacy and reduces the cognitive challenge facing stakeholders as they work to make sense of an organization and what it does (Patvardhan, Gioia, & Hamilton, 2015; King, Clemens, & Fry 2011).

Collective identity has particular salience for innovation in situations where groups of organizations united by a shared collective identity face critical challenges or threats, such as the advent of new technologies, new and threatening business models, or changing customer tastes. Their shared collective identity constrains their ability to respond to environmental change and disruptive technology and does so in a way that affects them all similarly and may put them all in peril. The importance of this phenomenon has been recognized by innovation and identity authors, often accompanied by calls for more research: “Another potential area for future exploration is at the intersection of organizational identity, collective identity, and the competitive landscape” (Anthony & Tripsas, 2016).

We argue that innovation researchers need to pay more attention to this important phenomenon. Collective identity has received remarkably little attention from innovation researchers despite its importance for many organizations facing fundamental challenges. We begin by discussing the mechanisms through which collective identity shapes and constrains innovation and then move on to discuss some ways organizations can work to overcome this limitation on their ability to innovate. Building on this discussion, we identify a number of research questions that are particularly interesting for innovation researchers to investigate.

How Collective Identities Shape and Constrain Innovation

Collective identities reflect certain characteristics that are generally expected from a specific category of organization. Rather than being merely externally attributed, these characteristics have entered what members have come to perceive as the shared understanding of what the organization represents. In this way, seen from within an organization, collective identities can inform an organization's organizational identity – its central, distinctive and enduring features (Albert & Whetten, 1985) – yet they also exist on a wider collective level and are often institutionalized across organizational fields. It follows that collective identities inform organizational identities to varying degrees; some organizations may be entirely idiosyncratic while others' identity may be significantly informed by a collective identity.

Our focus in this essay is on how collective identities shape and constrain innovation. In this section, we will discuss three mechanisms through which collective identity affects innovation and point to some of the important areas for further research associated with each mechanism. While there may, of course, be other mechanisms at work, the ones we highlight connect with established research streams and therefore deserve particular attention from innovation researchers.

Top Management Team Cognition and Emotion

One important way in which collective identities shape and constrain innovation grows out of the effect of collective identity on top management teams (TMTs) and, particularly, on their framing of information about a focal innovation. Research has shown that TMTs often become mired in framing innovations in terms of an organization's past rather than its possible future (Gilbert, 2005; Hambrick, 2007; Lucas & Goh, 2009; Rumelt, 1979; Tripsas & Gavetti, 2000). TMTs are also constrained by the collective identity of their organization through its effect on how they interpret, package, and organize information

about it (Raffaelli, Glynn, & Tushman, 2019). The collective identity, like the organization's past, acts as a filter that shapes the TMT's understanding and evaluation of an innovation.

Porac, Thomas, and Baden-Fuller's (1989) classic study of the Scottish knitwear industry illustrates how the managers of manufacturers in a specific sector were wedded to certain models of organizational strategies. This in turn was linked to certain ingrained perceptions among top management of how the industry worked and what typical competitors in their industry looked like, with critical consequences for what innovation trajectories were considered and which ones were excluded.

The collective identity therefore affects TMT evaluation of what innovations "fit" with the organization and which ones do not. Innovations that threaten core elements of the collective identity, and therefore the organization's status as a particular kind of organization, may be rejected or not seen as relevant to the organization (Tripsas & Gavetti, 2000). This may prove to be an insuperable obstacle to the implementation of an existing innovation or prevent the development of a potential innovation due to a lack of TMT support.

For example, a core feature of the collective identity of a symphony orchestra is its claim that classical music functions as art beyond its social use; its unique aesthetic value is what separates this "high art" form from the culture of the masses (DiMaggio, 1982). However, in a commercial context, classical music's distinctiveness has been diluted in the dominance of popular culture (Johnson, 2012) and the drive to innovate in response to disruptive technology and changing stakeholder needs and expectations. Symphony orchestras have, historically, relied on technology to mediate relationships with audiences since the early twentieth century through audio recordings, radio broadcasts, and, to a lesser extent, TV appearances. However, the emergence of new technologies, particularly the distribution of music digitally, has forced orchestras to re-think their media strategies.

A particular concern is that orchestras may become further marginalised in a digital world in which audiences have free access to recordings of much of the classical music canon on platforms such as YouTube. The Detroit Symphony Orchestra (DSO) responded to shifts in the media landscape by offering audiences free access to live video streams of all the concerts the ensemble performs from Orchestral Hall in Midtown Detroit through the organization's website and a mobile app. Aiming to become "the most accessible orchestra on the planet", the DSO is alone among orchestras in offering audiences free access to video streams of all of its concerts online.

The reluctance of other orchestras to adopt this strategy reflects a concern across the sector at the potential devaluing of classical music in the digital media ecosystem. As a senior manager at a high-profile orchestra in the US pointed out: "orchestras don't give concert tickets away for free, so why would they offer concerts free online?" The reluctance may be exacerbated by a collective belief among orchestras and stakeholders that the authentic experience of orchestral music is to hear it live in a concert hall.

Collective beliefs and values in the classical music field, and the mechanisms that support them, may constrain innovation in other ways. For example, orchestras in the U.S. have traditionally relied on a subscription model that, according to a 2015 report conducted by Oliver Wyman, "might be reaching the end of its life." The report goes on to suggest that although "the subscription model is not obsolete", orchestral managers need to "move away from a transactional mentality to form more two-way relationships with audience members."

In order to develop new relationships with audiences, orchestral managers must overcome cognitive limitations and adopt innovative strategies aimed at redefining relationships with existing audiences and, critically, reaching new audiences. This is challenging because managers, who typically support the mission of orchestras, may have to introduce strategies that deviate from core mission values. For example, orchestral managers

are increasingly pressured to present more “pop” interpretations of classical music to attract new audiences in the face of industry decline, threatening the “purity” of the classical music canon (Glynn, 2000). Despite the perceived threat to their collective identity, some orchestras have shown a willingness to innovate in this way although the effectiveness of this strategy remains to be proven.

Managers are also challenged to develop effective digital strategies, but must do so in the knowledge that orchestras are unlikely to generate any significant income from digital content (audio and video) in a media environment that is defined by a culture of free (Lessig, 2004) and in which the *value of music* becomes a shifting term. When economic value and cultural value are equally threatened, orchestras face a formidable obstacle to innovation.

But this mechanism does not just constrain innovation, it also shapes innovation. The way in which innovation proceeds, the way the innovation is framed, and understandings of the potential of the innovation to contribute to the organization are all shaped by collective identity. So, for example, the decline of the traditional recorded music industry following the emergence of online video and audio streaming innovations and changing consumer behaviour, resulted in the loss of recording work for orchestras and an important source of income for orchestral musicians (Kavanagh, 2018). It also threatened the important role that recordings play in mediating relationships between orchestras and audience.

The response of the London Symphony Orchestra (LSO) was to launch the first orchestra-owned record label in the world, LSO Live, in 1999, a management-driven initiative that would not have been possible – or necessary – in the pre-digital era. As a senior manager at the orchestra puts it, “suddenly, an independent label operating from one country can market itself and work effectively with retailers and distributors internationally and can promote itself globally in ways that were absolutely impossible years ago.” The LSO effectively introduced a business model that diffused across the industry sector, reflecting a

shared understanding among orchestras of the important role that recordings play in mediating relationships between orchestras and their audience, and perhaps a shared willingness among orchestra TMTs to understand and adopt innovations from within the field.

The role of collective identity in shaping and constraining innovation through TMT cognition raises several questions for innovation researchers. First, how does a collective identity shape or limit innovation in organizations? Which aspects of collective identity are most important in driving innovation and which aspects tend to constrain innovation? Second, as our orchestra examples show us, some TMTs are able to succeed in innovating in the face of the constraints of collective identity. What is it about some TMTs that make them more able to overcome such constraints and how can this ability be encouraged?

Organizational Member Resistance

A second constraint on innovation arising from collective identities stems from the investment that the members of an innovating organization have in a particular collective identity. For individuals, a collective identity can be an important element of their self-concept (Turner, 2010; Brewer & Gardner, 1996). When this is the case, departures from the collective identity will be interpreted as an identity threat (Petriglieri, 2011; Rao, Davis, & Ward, 2000) and undermine the value that an identity carries for individuals (Branscombe, Ellemers, Spears, & Doosje, 1999). Hence, perceived identity threats leading to member resistance represent an important mechanism by which innovative projects may fail to gain momentum within an organization.

Resistance to innovation as a result of members' attachment to a collective identity represents a special case of the common situation where members resist organizational change. Collective identity-inspired resistance tends to occur under two types of circumstances. First, it may occur when the attachment to a collective identity – compared to

other sources of identity – is particularly pronounced amongst organizational members. This may apply to organizations where members’ self-concept is fuelled more by the general collective identity underpinning the type of their organization, rather than the specific instantiation of their organization. Academic scientists’ self-identity, for instance, may be more strongly defined by the general concept of the research university than their specific university’s organizational identity.

Second, some innovations launched from within an organization may be more prone to threatening members’ sense of collective identity than others. This can be caused by the fact that some elements of the collective identity are more unique and differentiating than others and an innovation that threatens these more unique aspects of the identity will be experienced as more problematic and more likely to generate a response.

For instance, in an attempt to make the orchestra more appealing to new and more diverse audiences, the Seattle Symphony introduced several new concert formats, including a concert series called ‘Untitled’, which involves orchestral musicians performing in the informal setting of the Grand Lobby of Benaroya Hall, the concert hall in downtown Seattle where the ensemble is based. Concertgoers were invited to experience music performances in unconventional ways; for example, they were permitted to walk around and consume drinks and chat during performances.

This service innovation deviates from the basic template underpinning the collective identity of a symphony orchestra, which emphasizes music performances taking place in the formal setting of a concert hall with strict codes of audience behaviour. Because they have spent thousands of hours perfecting their skills to perform on the main stage of renowned concert halls with world-class acoustics, many members of the Seattle Symphony initially resisted this new practice. Management had to renegotiate musicians’ contracts to accommodate the innovation and negotiations were often difficult and protracted. As a senior

manager at the Seattle Symphony Orchestra (SSO) suggested, “the biggest challenge is adjusting musician’s contracts to the new realities.” She went on to explain that “if we tell musicians who have dedicated thousands of hours of practice to become a professional musician and get an orchestral job that they now must do master classes [educational classes] and instead of performing traditional concerts on the big stage they must perform in unfamiliar settings and pay them 50%, I don’t know, this is a major challenge.”

The important role of collective identity in creating member resistance to innovation raises several important questions that deserve empirical investigation. First, are there particular types of innovations in relation to which collective identities (or some aspects of collective identities) have particular salience for organizational members? Secondly, are there particular situations in which member resistance is more likely to coalesce around an innovation? These questions are important for us to better understand the way that member resistance and collective identity limits and shapes innovation in organizations.

External Stakeholder Resistance

Stakeholders can be defined as “any group or individual who can affect or be affected by the achievements of the organization’s objectives” (Freeman, 1984: 46). External stakeholders may react negatively to innovations that, in their view, fit poorly with the existing and accepted collective identity ascribed to the organization. Collective identities are often highly institutionalised, and compliance with these templates confers legitimacy to organizations (Zuckerman, 1999). Innovations that are deemed inappropriate for a particular type of organization by stakeholder groups such as audiences, consumers, funders or shareholders may prompt penalties that result in restrictions of resource flows. The mechanism limiting innovation in this case is a loss of legitimacy, as innovations are deemed to be illegitimate by audiences (Suchman, 1989).

There are several ways in which the perception of legitimacy among external stakeholders may affect innovation. First, an innovation may be at odds with the kind of products or services that stakeholders commonly associate with a collective identity. Many corporations, for instance, attempt to diversify their product range into new market segments, yet fail to gain traction with customers who fail to appreciate, or perhaps even understand, the new product or service proposition.

Second, an innovation may clash with the normative expectations that stakeholders have for the collective identity defining an organization. For instance, a new product may be judged as violating the perceived values that specific stakeholders may associate with the product or services proposition. A low-cost product produced by a premium producer may be seen as inappropriate and as undermining the firm's collective identity. For example, this challenge may have affected legacy airlines attempting to diversify their service range and launch low-cost services. Similarly, a large, established financial services organization may struggle to introduce highly innovative services in order to compete with new fintech entrants as stakeholders do not associate incumbents with highly innovative products.

An additional aspect of stakeholder evaluation is that different stakeholders may be touched by innovation in different ways, even to the point that some stakeholders may be critical of an innovation while others welcome it. In this situation, the stakeholders that are more powerful and have a more urgent claim on the organization (Mitchell, Agle, & Wood, 1997) will likely prevail in terms of shaping the innovation trajectory of the organization.

The dynamics implicit in such relationships may be complex and certain classes of stakeholders may warrant special consideration in periods of uncertainty as organizations introduce innovations that push the boundaries of an established category. For example, as part of its strategy to introduce new concert formats to attract a broader audience demographic, the Seattle Symphony Orchestra launched a concert series titled "Sonic

Evolution” that blurs the boundaries between “art music” and popular culture. The concerts, which feature collaborations between the orchestra and musicians working in more popular music fields (e.g. rap, pop, folk), challenge shared notions of what a symphony orchestra is both historically, and in the twenty-first century.

The organization attracted a mixture of criticism and praise following a concert that included a collaboration between the Seattle Symphony and the rap artist Sir-Mix-A-Lot who invited female members of the audience to join him and the orchestra on stage to dance. A video recording of this performance was uploaded to YouTube, attracting over 8 million views and, although senior managers in the organization were happy that the symphony gained such exposure on the web, the video received mixed reviews in mainstream media and social media, with some members of the broader classical music community questioning the appropriateness of a symphony orchestra engaging in this kind of collaboration. For example, Tito Munoz, who is the music director at the Phoenix Symphony, highlighted the fact that in all the publicity surrounding this event, the Seattle Symphony was hardly mentioned. He went on to state: “it can be hard to build classical music audiences with nonclassical music ... pop concerts create an audience for pop concerts, not an audience for classical symphonic concerts².” Other critics included a reviewer in the NY Times who questioned what a symphony orchestra “can meaningfully add to this kind of repertory³.” These criticisms are good examples of external stakeholder resistance.

In sum, organizations that push the boundaries of an established collective identity are likely to experience resistance from external stakeholders who perceive an innovation to be a potential threat to shared core values and beliefs. This raises a number of important research

² <https://www.nytimes.com/2014/06/11/arts/music/debating-the-seattle-orchestras-foray-with-sir-mix-a-lot.html>: accessed 10th Feb 2020

³ <https://www.nytimes.com/2014/06/09/arts/music/sonic-evolutions-at-seattle-symphony.html?module=Search&mabReward=relbias:r.%5B%22RI:10%22.%22RI:16%22%5D%22%20%5C%20%22Review>: accessed 10th Feb 2020

questions. First, when and how does collective identity lead stakeholders to resist an innovation? How can we use ideas from stakeholder theory to better understand stakeholder responses to innovation, and also when stakeholder “salience” makes stakeholder responses more impactful? Second, how does the response of different stakeholder groups to an innovation vary and why? All stakeholders will not respond in the same way and we need a much better understanding of how different stakeholders will respond. Finally, how can managers better manage the responses of stakeholders in order to facilitate much needed innovation in their organizations?

Managing the Impact of Collective Identity on Innovation

In the previous section, we outlined some of the mechanisms through which collective identity shapes and constrains innovation. In this section, we will discuss ways that organizations can manage the tensions between collective identity and innovation and outline some of the important questions these observations raise for innovation researchers.

Managing TMT Cognitive and Emotional Constraints

Extant work has documented a variety of cases where the cognitive commitment of TMTs caused firms to fail, including companies such as Blockbuster (Gans & Kaplan, 2017), Polaroid (Tripsas & Gavetti, 2000) and Kodak (Lucas & Goh, 2009). In all of these cases, firms failed because they were unable to devise new products, services and business models in the face of new strategic threats of one sort or another. Interestingly, Gans (2016) argues that, contrary to Kodak, photographic film company Fujifilm managed to avoid the trap of TMT cognitive commitment by adopting an integrated approach to managing its identity. Its top management team broadened the organization’s identity to such a degree that new innovation options became conceivable and were actively pursued (O’Reilly & Tushman, 2002). Raffaelli, Glynn, & Tushman (2019) similarly argue that organizations with more elastic identities allow for greater flexibility in the framing of innovation opportunities.

Much of the published work on TMT cognition and identity focuses on the impact of specific organizational identities on TMTs and innovation, rather than more widely diffused and institutionalized collective identities (Gioia & Thomas, 1996; Tripsas, 2009). For example, in focusing on technology change management at a digital photography company, Tripsas (2009) highlights how an existing identity can constrain desired change within an organization, especially when an organization is faced with an identity-threatening innovation. Yet, it is likely that in at least some of the cases that are discussed in the literature, collective identities play a role in addition, or in conjunction with, organizational identities. In this respect, the idea of TMTs working to develop a more elastic identity may well involve managing the relationship between a collective identity and an organizational identity rather than just an organizational identity.

Because managers are very aware of the collective identities that their organization subscribes to, it is likely that collective identities impact their perception of innovation pathways in a way that is wrapped up in the organizational identity dynamics that have already been identified. This may be particularly pronounced for managers who have worked for multiple companies in an industry over a long time period and have deeply internalized specific elements of the collective identity. It may also apply to organizational fields characterized by high isomorphic pressures for actors to adhere to certain collective identities, such as the field of live-performed classical music where symphony orchestras are prevalent. All of these observations raise important questions for innovation researchers.

At the same time, even assuming they are able to do so, further constraints to innovation will arise, as argued above, from organizational members' perception of identity threat, or external stakeholders' legitimacy concerns. In the next section, we outline a framework of options that TMTs have at their disposal to manage member and stakeholder resistance as they attempt to launch innovations deemed incompatible with the collective

identity. We build on this framework to outline a number of interesting research questions that deserve attention from innovation researchers.

Managing Member and Stakeholder Resistance

While member and stakeholder resistance play a key role in shaping and constraining innovation in organizations, there are ways that organizational leaders can work to reduce the effects. In this section, we will discuss four ways in which member and stakeholder resistance on innovation can be managed and discuss some of the research questions that these activities raise. The four strategies are summarized in Table 1. We will discuss the strategies in turn.

Table 1 – Strategies for Managing Member and Stakeholder Resistance

Strategies	Tactics Used to Reduce Resistance	
	Member Resistance	External Stakeholder Resistance
1) Make innovation compatible with existing collective identity	Neutralise identity threat	Maintain legitimacy through narrative framing
2) Compartmentalize	Create new unit with favourably disposed or newly hired members	New part of organization has legitimacy with newly relevant stakeholders
3) Realign with a different collective identity	Internal change project	Address new stakeholder groups for whom new collective identity is legitimate
4) Develop new collective identity	Mobilize organizational members for external change project	Attract new stakeholders around new collective identity

1) Construct the innovation as consistent with prevailing collective identity. One way of reducing the effects of a collective identity as a constraint on innovation is to construct the innovation as being consistent with the collective identity to which the

organization subscribes. Managers or innovators may use various tactics to align an innovation in this way.

One tactic is to manipulate characteristics of the innovation in order to achieve greater consistency with the prevailing collective identity. For instance, Hargadon & Douglas (2001) illustrate how Thomas Edison, the inventor and entrepreneur, used a careful design strategy that enabled his organization to gain acceptance with external stakeholders for the electric light by rendering it more similar to gas lighting. In other words, an innovation was made to look less novel so it would be less disruptive for an existing collective identity.

Another tactic is to develop a narrative that plays down an innovation's clash with the existing identity and emphasise its consistency with identity instead. Narratives, as accounts of events (Smith, 2000), produce meaning by constructing various elements of a situation as part of an overarching whole (Ricoeur, 1984). When an innovation is understood to collide with the collective identity that the organization shares, developing a narrative that explains and frames the innovation towards organizational members as consistent with the collective identity can be a critical leadership task. Externally, these narratives provide a way for external stakeholders to understand how innovations are consistent with the highly institutionalized collective identity to which the organization subscribes. For instance, in the early period of Pay TV in the US, the new cable operators framed their service within the prevailing collective identity of TV stations according to which they had to provide a public service (Gurses & Ozcan, 2015). However, they manipulated what is meant by public service so their new service would broadly comply with this meaning.

Efforts to make organizational members and external stakeholder perceive innovation as compatible with existing collective identities is probably the most common way in which identity clashes are managed. Further research could focus on a number of related questions about this strategy. First, what are the different ways (in addition to the ones outlined above)

that the compatibility of an innovation with a collective identity can be established? Second, what makes narratives effective in either neutralizing identity threats internally or legitimacy threats externally? Third, how are the narratives produced internally and externally best communicated? Can the same narrative function internally and externally? If not, how are internal and external narratives related? And what sorts of resources and competencies enable leaders to successfully produce and disseminate these narratives?

2) Compartmentalization. A second strategy for overcoming identity constraints involves moving the innovation into an organizational “compartment” separate from the core of the organization. In this way, the fact that the organization is still congruent with the collective identity can be emphasized as the innovation is safely kept away from the core of the organization.

A well-known example of this strategy is provided by Christensen & Raynor (2003) who found that incumbents often find it difficult or impossible to launch disruptive innovations as the innovations are rejected by their value networks (populated by stakeholders such as customers, suppliers, distributors etc). Part of these important external stakeholders’ concerns may be related to collective identity: they reject a product they perceive as ill-fitting with the innovator’s collective identity. One solution they observe is to house disruptive innovations in new organizational compartments that are able to connect to new stakeholders.

One may also think of scenarios where an innovation is resisted by internal members of an organization, and leaders may resort to creating a new unit, staffed with innovation champions and newly hired members to reduce intra-organizational resistance. Such a strategy may be necessary particularly in situations where a new product or service is so substantially different from the organization’s core proposition that its production and provision is governed by a different logic (Perkmann, McKelvey, & Phillips, 2019).

Compartmentalization may be an important strategy for organizations to either temporarily or permanently ensure fit between an innovation and a respective collective identity. Future research should explore under what circumstances compartmentalization is effective as in some situations identity overspill between compartments may be insuperable or difficult to manage. Compartmentalization may also reduce the ability of an organization to deploy its core capabilities in developing and commercializing an innovation from within a disparate unit, and further research should investigate the trade-offs between identity management and capability deployment.

Realign organization with a different collective identity. A drastic strategy for dealing with collective identity constraints would be to abandon the current collective identity and associate the organization with a new collective identity. This is, of course, not straightforward as it requires a radical change in the organizational identity and in the understandings of organizational members and stakeholders.

This sort of identity realignment is a highly narrative process (Fiol, 2002). It requires extensive narrative identity work to reconstruct the organizational identity around the new collective identity and to provide the building blocks for organizational members to reconstruct their social identities to align with the new collective identity. For many organizational members, this will be a difficult transition and it will take time and consistent leadership to succeed.

The exercise will be easier to complete if there is a situation of identity ambiguity in an organization – perhaps triggered by the unexpected success of an innovation – that may act as a catalyst for the search for and definition of a new identity (Corley & Gioia, 2004). The degree of difficulty may also be informed by the relatively flexibility of an organization’s association with an identity. For example, Garud & Karunakaran (2018) argue that organizations using “participative experimentation”, i.e. a process-based approach to

innovating, was instrumental for enabling Google to develop identity-challenging innovations, and in time helped change its identity.

There are several tactics that can be employed to accomplish this. One is to draw on the organization's history and find themes that can be emphasized in order to support this change (Ravasi, Rindova, & Stigliani, 2019). Another is to position a new collective identity as prestigious and desirable, and perhaps the current identity as obsolete, devalued or mismatched, in order to sway both members and external stakeholders towards a new collective identity. A yet further option may be to deemphasize the role of collective identity more generally within the organization, and focus on constructing an idiosyncratic organizational identity that is not dependent on collective identity elements.

Further research should explore the process by which an organization may be able to dissociate from an extant collective identity and realign with a different one in the context of innovation. Developing an innovation and performing the required identity work will most likely be distinct yet parallel processes; however, we know relatively little about how these two activities interact over time and how to predict the potential outcome of collective identity realignment.

Develop new collective identity. It is also possible that an organization, or multiple organizations, can work to develop a new collective identity (Wry, Lounsbury, & Glynn, 2011). For example, the development of nouvelle cuisine as a new form of restaurant resulted from the efforts of a number of restaurateurs and food critics (Rao, Monin, & Durand, 2003). In this case, a new collective identity was carved out of an existing broader category (French restaurants) and separated from classic French cuisine. This is a difficult strategy that requires a range of resources and skills to succeed and often requires multiple actors. Similarly, two innovative companies, Sirius and XM, collaborated to create the new

collective identity of satellite radio, before they diverged and pursued independent strategies in order to differentiate from each other (Navis & Glynn, 2011).

While this strategy is only successful occasionally, it is a powerful way to free an organization from the limitations of a given collective identity. By creating a new collective identity and successfully associating an organization with the new identity, new possibilities are created, and existing limitations are removed. The creation of new industries by entrepreneurs working together is well documented, but the results of the process are often beyond the control of any one entrepreneur.

There are a number of important research questions with respect to this strategy. First, under what circumstances is this strategy likely to be successful? Second, what is the process by which an organization dissociates itself from its existing identity while simultaneously developing an initially precarious and provisional collective identity, possibly in collaboration with others? And, finally, how does the relationship between the new collective identity and the existing identity shape the difficulty and potential of this strategy?

Conclusions

Symphony orchestras are struggling to innovate in the face of a declining audience for classical music, a reduction in patronage and government funding, and the emergence of digital technology. In this difficult situation, the collective identity of symphony orchestras is both an enabling and constraining force in shaping innovation at these special organizations. The shared sense of mission across these organizations and among their stakeholders represents a powerful collective identity that guides decision-making in orchestras seeking to innovate in periods of decline. However, collective identity is also clearly a barrier to innovation as orchestras attempt to rethink relationships with existing audiences and, critically, to attract new audiences.

In this essay, we have largely focused on the constraining role of collective identity, but the potential of collective identity to act as a resource is of equal importance to theorizing the connection between collective identity and innovation. It is clear from symphony orchestras that while collective identities limit innovation, they also inspire pathways for innovation, provide legitimacy for experimentation, and are associated with deep technical skills that can be drawn on and repurposed for innovation. So, while we have primarily told a story of constraint, we would encourage innovation researchers to also focus on the enabling role of collective identities.

We have discussed the mechanisms through which collective identity shapes and constrains innovation and have highlighted some of the ways that leaders in organizations can reduce the effect of collective identity on innovation. At the same time, there are also important related research questions that arise with respect to the boundary conditions governing this effect. In particular, we emphasize three boundary conditions that inform particular innovation scenarios deserving attention from innovation researchers.

First, innovation by high-status incumbents is an interesting special case. High-status incumbents are likely to be in a more powerful position to deviate from the rules prevailing in a population of organizations and may hence be in a position to detach themselves from the imperatives dictated by a specific collective identity. By the sheer power of their leading position, the high-status incumbent may wittingly or unwittingly change what it means to be an organization of a particular type. High status, therefore, may have a both facilitating and constraining effect on innovation. Future research should explore the circumstances under which high status works as a catalyst for innovations that transcend the prescriptions of a particular collective identity, or as constraint that make it difficult for organizations to innovate beyond the traditional pathways implicit in their collective identity.

Second, innovation can be driven by poor performance compared to peers. In these situations, the role of collective identity in shaping or constraining innovation is particularly important as their collective identity may, again, prove helpful in innovating or may be a hindrance. In some cases, the strength with which an organization adheres to its collective identity may render it unable to innovate appropriately. Alternatively, a life-threatening crisis may also be an opportunity for an organization to muster the support for challenging its collective identity and either transition to another one or lead on the creation of a new collective identity. By why is it that a crisis in some cases results in innovation while in other cases it leads to organizational failure? Further, what is it about the situation, the organization or the actions of leaders that allows a crisis to be used to overcome barriers to innovation? And why is it that some crises seem insuperable for organizations?

A third common scenario occurs when there are new entrants to the collective identity. These new organizations might be startups or established organizations who begin to engage in activities that fall within an existing collective identity. In this circumstance, the newcomer may innovate in ways that existing organizations that share a collective identity more deeply cannot. This may be purposeful in that the newcomer sees an opportunity to innovate and is less constrained by the collective identity, and hence proceeds more freely than the incumbents. It may also be accidental in that the newcomer does not understand the collective identity or attributes lower salience to some or all elements of it, compared to incumbent organizations.

There are several important questions that research needs to ask about the link between collective identity and innovation by newcomers. First, what is the role of collective identity, and the way in which an entrant associates with it, in allowing the entrant to innovate when more established members of the collective identity cannot? Second, are collective identities forced onto entrants as they bring innovation to markets, or otherwise

what is the process by which entrants manage their association with collective identities in the first place? Third, is innovation in this case always purposeful, or it is possible that innovation may actually simply be the result of accidentally following the rules and prescriptions projected by a collective identity imperfectly?

We hope that our discussion of collective identity and innovation in this essay will encourage innovation researchers to look more closely at this phenomenon. While the effects of collective identity on innovation in orchestras are particularly vivid, these effects are widespread and are an important dynamic that shapes and constrains innovation. As organizations deal with continued rapid change in technology, rapid change in tastes and consumption patterns, and other profound environmental changes, innovation research needs to provide explanations of how collective identity shapes innovation and how leaders in organizations can drive innovation even when those innovations are not congruent with the collective identity.

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