INNOVATION ADOPTION & ORGANIZATIONAL IDENTITY:
Identity Dynamism as a Strategic Resource for TMT Decision Making

Ryan Raffaelli (HBS), Mary Ann Glynn (BC), and Michael Tushman (HBS)

Identity Dynamism

Identity dynamism is the capability of a TMT to interpret a radical innovation as:
1) a member of (or prototype for) a product category that is new and distinct for the adopting organization (what we do), and
2) associated with a more abstract conceptualization of the organization’s identity (who we are).

Identity Retrenchment

Identity retrenchment is the TMT’s interpretation of a radical innovation as:
1) a member of (or prototype for) a product category that is new and distinct for the adopting organization (what we do), and
2) but is inconsistent with a material, concrete conceptualization of the organization’s identity (who we are).

Propositions

Identity dynamism is enabled by...

P1a: 
Cognitive mechanisms that focus on ideational rather than material features, involving:
- The process of formulating more simplified or general concepts by abstracting common properties across the spectrum of organizational offerings
- Categorical prototyping that provisionally expands the organizational definition of “who we are” in ways that distance its identity from any specific functional, literal, or material element.

P1b: 
Structural/Institutionalized mechanisms that enable ideational processes within the TMT that:
- Provide modes of conflict resolution via systemic routines, decision-making rules, and standardized processes that resolve conflicting or paradoxical views of “who we are”
- Define an organizational identity considered legitimate to those inside and outside the firm.

P1c: 
Adaptive learning mechanisms that enable ideational processes within the TMT and:
- Require more frequent and faster cycling times for information processing to reduce the equivocality associated with aligning a radical innovation with a more abstracted, ambiguous ID and allow for more experimentation, trial and error learning, and provisional organizational identities.

Comparative Examples

Related Works-in-Progress

How are some industries and organizations able to reinvent themselves in the face of innovations and new business models that threaten to displace them?

This work aims to highlight the crucial role organizational identity can play in mitigating tensions between preservation and adaptation in organizations and industries as they attempt to reinvent themselves over time.

“Does ‘What We Do’ Make Us ‘Who We Are’? Organizational Design and Identity Change at the Federal Bureau of Investigation.”
(with Ranjay Gulati and Jan Rivkin, 2016, under review)

“Technology Reemergence & Identity Change in a Mature Field: Swiss Watchmaking, 1970-2008” (Raffaelli, 2015, under review)

“Reframing Collective Identity in Response to Multiple Technological Discontinuities: The Novel Resurgence of Independent Booksellers, 1995-2014” (Raffaelli, 2016, data analysis stage)

“Moleskine: Creating Tools for the Creative Mind” (2016, with Raffaella Sadun)

Research Program