An Institutional Theory investigation: analysis of the main trends in innovation

Uma investigação da Teoria Institucional: análise das principais tendências em inovação

Antônio Carlos **Franco***, Universidade Tecnológica Federal do Paraná (UTFPR), Brasil. E-mail: francoancf@hotmail.com

Luciane Silva **Franco**, Universidade Tecnológica Federal do Paraná (UTFPR), Brasil. E-mail: lu05-franco@hotmail.com

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Abstract
The present study aims to conduct a systematic review of the literature on Institutional Theory and innovation with a focus on investigating the respective trends and influences between the theories. Innovation is the use of new knowledge for the design of new products, services or processes, especially with an unprecedented character, in order to meet the current and future demands of industries, organizations and individuals. Globalization encouraged by innovations through development and diffusion, has increased mainly in the last two decades. The methodology used was a systematic literature review, the main articles were identified without a delimited time frame. The databases adopted were: Scopus, Web of Science and ScienceDirect. For that, filters were applied to the total portfolio of articles among the selected databases. Initially 106 articles were identified and 22 articles were selected to identify the trends and relationships between Institutional Theory and innovation. The results show the main trends in the literature between 2010 and 2020, the possible links between institutional theory and innovation, as well as the continents that carried out studies. Yet, it can be seen the main countries housing publications with impact factor on the approached themes and their locations. In addition, this study shows the most cited journals and presents an overview of Institutional Theory and Innovation. As future research, the authors suggest theoretical contributions on distinctions between formal and informal institutions, regulatory, normative and cultural-cognitive types of institutions.

Palavras-chave: Organization, Legitimacy, Theory of Innovation

Resumo
O presente estudo tem como objetivo realizar uma revisão sistemática de literatura sobre a Teoria Institucional e a inovação com foco de investigar as respectivas tendências e influências entre as teorias. A inovação é o uso de um novo conhecimento para a concepção de novos produtos, serviços ou processos, especialmente com caráter inédito, com o objetivo de atender as demandas atuais e futuras de indústrias, organizações e indivíduos. A globalização incentivada pelas inovações por meio do desenvolvimento e difusão, aumentou principalmente nas últimas duas décadas. A metodologia utilizada foi uma revisão sistemática de literatura, foram identificados os principais artigos, sem um recorte temporal delimitado. As bases de dados adotadas foram: Scopus, Web of Science e ScienceDirect. Para tanto, foram aplicados filtros ao portfólio total de artigos entre as bases de dados selecionadas. Inicialmente foram identificados 106 artigos e 22 artigos foram selecionados para identificar as tendências e as relações entre a Teoria Institucional e a inovação. Os resultados mostram as principais tendências na literatura entre 2010 até 2020, as possíveis ligações da teoria institucional e a inovação, bem como os continentes que realizaram estudos. Ainda, podem ser vistos os principais países que abrigam publicações com fator de impacto sobre os temas abordados e suas localizações. Além disso, este estudo mostra os periódicos mais citados e apresenta uma visão geral da Teoria Institucional e Inovação. Como pesquisas futuras, os autores sugerem contribuições teóricas sobre distinções entre instituições formais e informais, reguladora, normativa e tipos cultural-cognitivos das instituições.

Keywords: Organização, Legitimidade, Teoria da Inovação.

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1 INTRODUCTION

Innovation helps companies to survive in the market through the design of new products, processes, services and even business models (Dutra; Almeida, 2018). The organizational environment shows an obligation to establish strategies in activities, and thus, stimulating pressure to ensure legitimacy. The institutional theory emphasizes that for the survival of organizations, there is a need to win over their customers as legitimate entities (Meyer; Rowan, 1991). To obtain legitimacy, organizations generate myths through ceremonial activities and symbols (Mizruchi; Fein, 1999). The concept of institutionalization is obligations, circumstances and social processes that show the status of a norm in social activities (Berger; Luckman, 1985).

Institutional Theory is based on business choices that are not simply rational decisions focused on economic aspects (Dimaggio; Powell, 1983; Scott, 1995), but are also influenced by values, norms and traditions (Meyer; Rowan, 1977). Institutional Theory focuses on how social influences shape actions in organizations (Dimaggio; Powell, 1983). Organizations take initiatives to gain legitimacy or consent from society. Therefore, it ensures access to important resources considered to be scarce (Dimaggio; Powell, 1983). Only actions in accordance with social expectations and norms, make it possible to protect and develop legitimacy (Scott, 1995). The pressures for compliance, guide organizations in choosing strategies and behaviors (Berrone, 2013; Scott, 1995). Under conditions of uncertainty, three forms of institutional pressure are highlighted: normative, mimetic and coercive, these influence decisions making in organizations (Dimaggio; Powell, 1983). Government agencies influence the actions of organizations through regulatory policies (Berrone, 2013).

Organizational Theory cooperates in understanding and evaluating the organization, through different concepts. In this context, the Organizational Theory appears as an orientation in the establishment of different concepts about the relationship involving the organization and environment (Hatch; Cunliffe, 2006). The process of institutionalization of innovations allows to be understood through the Institutional Theory and its theoretical contributions. Institutional sectors are social areas with a predominance of norms that monitor conduct, and thus, determining structural, normative models and patterns that occur in the following ways: induction, coercion, mimicry and normalization, with the aim of highlighting legitimation (Scott, 1995).

In fact, several authors have studied Institutional Theory and Theory of Innovation for the survival of organizations (Meyer; Rowan, 1991); Institutional Theory focused on business, but not just on economic factors (Scott, 1995); organizations adopt initiatives in order to gain

legitimacy (Dimaggio; Powell, 1983); innovation is essential for competitiveness (Smith; Tuck; Mceachern, 2012); the Theory of Innovation as innovative processes among members is a social system (Jenssen; Nybakk, 2013); technological transformations create changes in the economy (Hazarika; Zhang, 2019).

Therefore, the present study aims to conduct a systematic review of the literature on Institutional Theory and innovation with a focus on investigating the respective trends and influences between the theories. The study is structured as follows. This section presented the initial considerations, the purpose of the study and its originality. The second section shows the theoretical foundation. The next section of this article brings the methods adopted for developing this study. In the sequence, the main tendencies, discussions on the theme, and what they are based on, are presented. Lastly, this study's final considerations are drawn.

2 LITERATURE REVIEW

2.1 Institutional Theory

The organization is an institution supported by Institutional Theory, especially in relation to the new institutionalism. In this context, the institution is a social structure formed of social activities, resources, materials and symbols (Dimaggio; Powell 1991). Institutionalism is identified as a social process that allows individuals to recognize the definition shared with social reality (Scott, 1987). Organizational structures emerge from rules, in order to achieve legitimacy, stability, resources and survival, consequently, coordination and control are diminished, and thus, the logic of trust prevails (Meyer; Rowan 1977).

The institutional elements in the organization result from the deliberate choice of structural models and brands. The imitation of these existing models by other organizations or structures results in legitimacy (Scott, 1995). This concept contributes to the understanding of entrepreneurship in organizational contexts, as these are strongly influenced by history, culture, tradition and environment, as is the example of research institutions (Bergsgard; Nødland, 2020).

Institutional Theory is used to explain factors associated with academic innovation. The pressure on the relationship between business and science results in how researchers shape this relationship (Koskela-Huotari, Vink, Edvardsson, 2020). Certain institutional elements, such as missions and behavioral models, impact academic decisions for the development of innovative actions (Watson; Wilson; Smart; Macdonald, 2018). In emerging countries, formal institutional factors are: the governance system, business organization and support measures for innovation. Among the informal institutional factors, the following stand out: behavior models, reward

systems, university communities and attitudes towards innovation, these are essential for the study of the Theory of Innovation (Hazarika; Zhang, 2019).

2.2 Theory of Innovation

The focus on innovation at the global level began with Schumpeter's studies in the early 20th century. According to Schumpeter (1942), people with the function of generating knowledge play a relevant role in economic transformation, through the combination of forces and materials related to production. The economy is based on knowledge, stimulating the need for countries, industries and actors for transformations and learning in the construction of competitive environments against their competitors (Tidd; Bessant, 2018).

Knowledge is essential to strengthen innovations and, consequently, make constant changes in the world fit. Modern innovations need knowledge added both in research and in science. Innovation is essential to maintain and preserve competitiveness, but equally, to carry out actions considered to be more complex. To meet this growing demand due to increased complexity, it is necessary to rely not only on applied studies, but also on basic studies (Smith et al. 2012). The four elements of the Theory of Innovation are: social system, communication channels, innovation and time (Liao; Huang, 2017).

The components of the Theory of Innovation are innovative processes through channels between members of a social system. Among the definition of each element are the requirements that need to be met for the application in an appropriate way in theory (Jenssen; Nybakk, 2013). Innovation is a practice, concept or object, identified as new by an actor, regardless of novelty (Hojnik; Ruzzier, 2016). This innovation can be measured by the time since its first use or discovery (Van Oorschot; Hofman; Halman, 2018). If a person identifies the idea as new, it is considered as an innovation, and its novelty is expressed in terms of persuasion, decision and knowledge in adopting this novelty (Watson et al., 2018).

Technical and technological changes demand innovation, technology shows broad meanings. The innovation process covers a wide range of activities that assist in the generation of new services and goods. Changes in technology create transformations in the economics of social systems (Hazarika; Zhang, 2019).

Innovation is understood as: the use of new knowledge for the design of new products, services or processes, especially with an unprecedented character, in order to meet the current and future demands of industries, organizations and individuals (Branstad; Solem, 2020). Innovation is a functional skill necessary to start a successful new product. Innovation contributes to insert a new product, process or service on the market (Bergsgard; Nødland,

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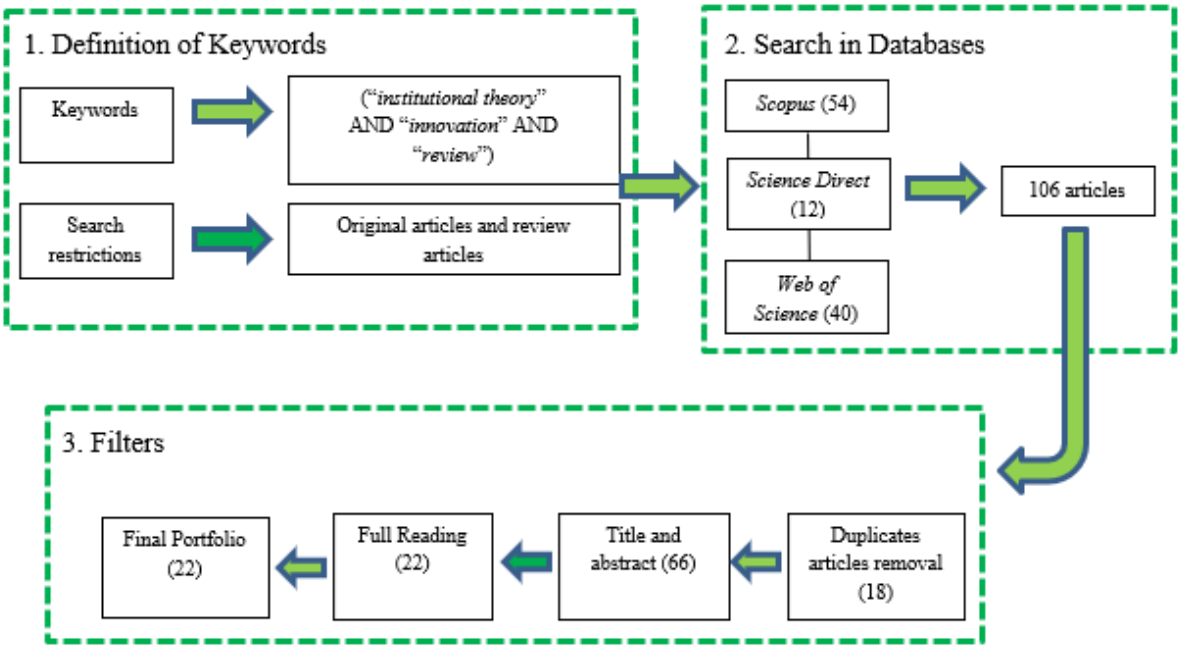
2020).

3 METHODOLOGY

To conduct a systematic review based on publications with impact factor, 22 articles were used to build the present study's portfolio, as presented in Figure 1. This study used the ScienceDirect, Scopus and Web of Science databases to search articles and review articles, within no time limit. The set of keywords used in the search was defined using truncation symbols and Boolean operators, as follows: ("institutional theory" AND "innovation" AND "review"). After searching the databases, 106 articles were found (As observed in Figure 1).

Figure 1: Summary of literature review steps



Source: Own Authorship (2020)

Thereafter, a series of filters and ranking techniques were applied in order to find the relevant and most impacting studies to be fully analyzed, since the assessment of all the documents encountered would be impractical time wise. Subsequently, duplicate articles were excluded. From the 106 articles, 88 remained.

Articles that are not within the theme were excluded. Table 1 details the exclusion criteria for articles and the corresponding number.

Table 1: Exclusion criteria for articles

Stage	Description of the criteria	Number of articles
Duplicates	Repeated articles in the databases.	18
Study object	Articles that do not portray the Institutional Theory.	45
Applicability	Articles that do not portray Institutional Theory in the context of innovation	21
Total		84

Source: Own Authorship (2020)

After the title and abstract filter, since there were studies that did not fit in this research, there were 22 left. Therefore, the final portfolio comprised 22 articles relating the use of Institutional Theory and Innovation. The 22 publications with impact factor are brought to analysis in the results section. Table 2 shows the final portfolio of articles used in the study between the years 2010 to 2020.

Table 2: Final Portfolio

ID	Author	Title	Year	Journal	Citation	Impact factor
1	Bergsgard, N.A., Nødland, S.I.	*Open Tenders in Public Procurement of Welfare Services: Professionalization, Standardization, and Innovation among Civil Sector Providers.*	2020	*Journal of Civil Society*	0	0
2	Branstad, A., Solem, B.A.	*Emerging theories of consumer-driven market innovation, adoption, and diffusion: A selective review of consumer-oriented studies.*	2020	*Journal of Business Research*	4	4,874
3	Khurshid, M. M.; Zakaria, N. H.; Rashid, A.	*Modeling of Open Government Data for Public Sector Organizations Using the Potential Theories and Determinants: A Systematic Review.*	2020	*Informatics Basel*	2	0
4	Niesten, E., Jolink, A.	*Motivations for Environmental Alliances: Generating and Internalizing Environmental and Knowledge Value.*	2020	*International Journal of Management Reviews*	0	8,631
5	Wolsink, M.	*Distributed energy systems as common goods: Socio-political acceptance of renewables in intelligent microgrids.*	2020	*Renewable and Sustainable Energy Reviews*	6	12,11
6	Koskela-Huotari, K.; Vink, J.; Edvardsson, Bo.	*The institutional turn in service research: taking stock and moving ahead.*	2020	*Journal of Services Marketing*	3	0
7	Rosevear, E., Trebilcock, M., Mota Prado, M.	*The New Progressivism and its implications for institutional theories of development.*	2020	*Development Policy Review*	0	1,093
8	Verhoeven, J.C.	*How did Australian scholars perceive the Bologna Process?*	2020	*Higher Education*	0	2,129

				Research and Development		
9	Hazarika, N.; Zhang, X.	*Evolving theories of eco-innovation: A systematic review.*	2019	*Sustainable Production and Consumption*	19	3,66
10	Karkinbayeva, S.I., Kirdasinova, K.A., Adiyetova, E.M., Kanatova, A.Z., Korgan, B.B.	*Topical issues surrounding supply chain management in developing food industry: Kazakhstan case study.*	2019	*International Journal of Supply Chain Management*	2	0
11	Estol, J., Camilleri, M.A., Font, X.	*European Union tourism policy: an institutional theory critical discourse analysis.*	2018	*Tourism Review*	8	0
12	Van Oorschot, J. A. W. H.; Hofman, E.; Halman, J. I. M.	*A bibliometric review of the innovation adoption.*	2018	*Technological Forecasting and Social Change*	69	5,846
13	Watson, R., Wilson, H.N., Smart, P., Macdonald, E.K.	*Harnessing Difference: A Capability-Based Framework for Stakeholder Engagement in Environmental Innovation.*	2018	*Journal of Product Innovation Management*	65	5
14	Carvalho, A.D.P., da Cunha, S.K., Lima, L.F., Carstens, D.D.	*The role and contributions of institutional theory for the theory of innovation.*	2016	*Espacios*	21	0
15	Chandler, D.; Hwang, H.	*Learning From Learning Theory: A Model of Organizational Adoption Strategies at the Microfoundations of Institutional Theory.*	2015	*Journal of Management*	83	8,852
16	Liao, Z.J., Huang, C.	*Review on enterprises' eco-innovation.*	2017	*Chinese Journal of Applied Ecology*	0	0
17	Hojnik, J., Ruzzier, M.	*What drives eco-innovation? A review of an emerging literature.*	2016	*Environmental Innovation and Societal Transitions*	235	8,4
18	Zollet, R.	*Interactivity of Corporate Websites: An Integrative Review of the Literature.*	2014	*Transactions on Professional Communication*	16	0,98
19	Jenssen, J.I., Nybakk, E.	*Inter-organization networks and innovation in small, knowledge-intensive firms: A literature review.*	2013	*International Journal of Innovation*	69	0
20	Pishdad, A.; Haider, A.; Koronios, A.	*An Institutionalisation Perspective on Technology Lifecycle-A Literature Review.*	2012	*International Business Information Management*	1	0
21	Mignerat, M.; Rivard, S.	*Positioning the institutional perspective in information systems research.*	2010	*Journal of information technology*	326	3,625
22	Szyliowicz, D.; Galvin, T.	*Applying broader strokes: Extending institutional perspectives and agendas for international entrepreneurship research.*	2010	*International Business Review*	119	3,953

Source: Own Authorship (2020)

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Complementing the analysis, Table 2 shows the authors who have been conducting research on the theme and their collaboration networks while researching this study's topics of interest. From all the authors identified, only 3 of were present in 1 publication, whereas only 8 of those were present in 2 publications, 5 of those were present in 3 publications and 4 of those were present in 4 publications.

To perform the full analysis of the final portfolio, some characteristics were taken into consideration, even though not all the articles covered all the topics analyzed. Besides the year of publication, authors, journal, impact factor of the journal and the number of citations, which were already mentioned, the remaining observed and assessed characteristics were: article's subject (what it was about), main topics (Institutional Theory and Innovation), country, continent, main recommendations, conclusions, and any other observations made by the authors. The authors neither claim this study to be exempt from limitations nor exhaustive. Nonetheless, it is believed to bring a reasonable contribution to the addressed body of literature, since to the best of the authors' knowledge there have been found no studies investigating the joint approach of this study's topics of interest as in the present piece of work.

Therefore, the number of citations (using Google Scholar) and the IF (using the Journal Citation Reports (JCR)) were obtained in December 2020. The application of the method helped to identify high-impact research conducted on the topic, without time limit. The application of such method helped identify publications with impact factor conducted on this study's theme, once the authors did no limit time coverage. Finally, after reading the other articles in full, articles not linked to the topics of this review were excluded from the portfolio.

Among the journals selected for the analysis of Institutional Theory and the concepts of innovation, it was identified that recently Development Policy Review (2020), Tourism Review (2018), Journal of Management (2015), International Business Information Management (2012) and International Business Review (2010) stood out based on the JCR 2019 (Table 1). Thus, this section sought to show the main characteristics of the final portfolio in this literature review. In the next section, results and discussions on the trends of the themes are presented.

4 RESULTS OF THE CHARACTERISTICS FOUND IN THE STUDIES

The final portfolio consisted of 22 articles, relating Institutional Theory and Innovation in a global context. The terms "Institutional and Innovation" are the most frequent keywords used in the analyzed articles. The theme is new and seeks development.

Therefore, it can be seen that publications with impact factor has been being conducted on Innovation and Institutional Theory. Yet, one of the main concerns seems to be Emerging

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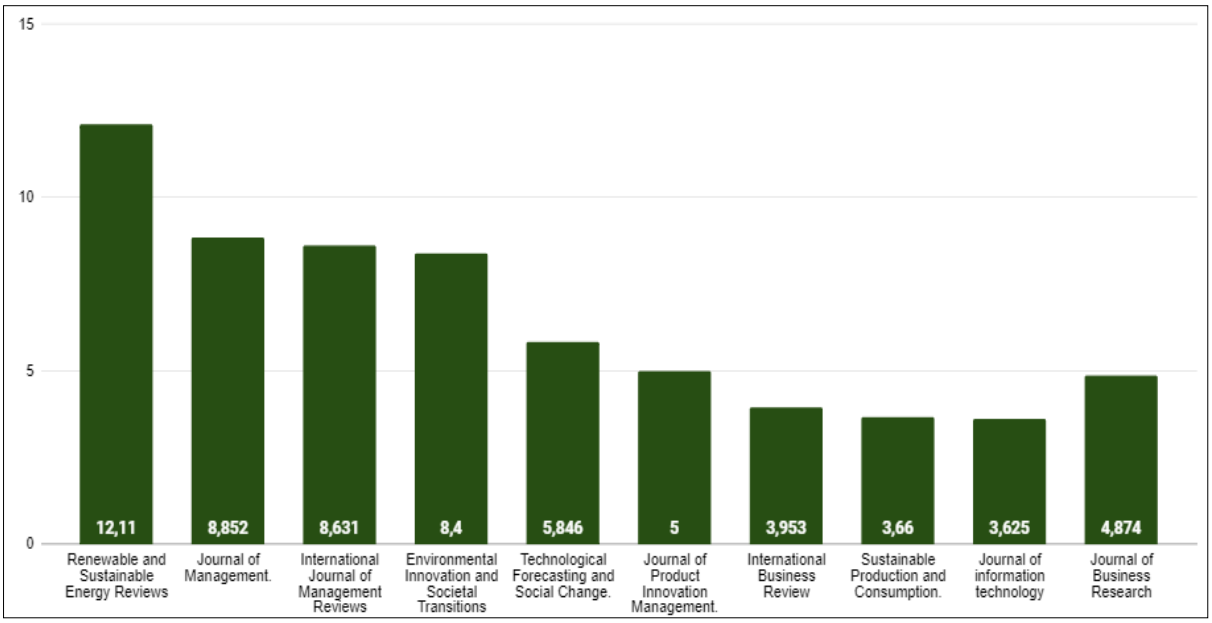
theories of consumer-driven market innovation, adoption, and diffusion (Bergsgard; Nødland, 2020).

According to the final set of 22 articles, the main researches were: institutional research in entrepreneurship (Verhoeven, 2020), the institutionalization of technologies (Koskela-Huotari et al., 2020), strategies for adopting the Institutional Theory (Rosevear; Trebilcock; Mota Prado, 2020), the contributions of the Institutional Theory to the Theory of Innovation (Carvalho; Da Cunha; Lima; Carstens, 2016), Institutional Theory in tourism policy (Estol; Camilleri; Font, 2018) and the implications of Institutional Theories (Pishdad et al. 2012).

Among the publications with impact factor on innovation, the following stand out: innovation in the civil sector; market trends for innovation; the generation of knowledge; institutional research focused on the service sector; the implications and developments of Institutional Theory; the approach of Institutional Theory in tourism policy, the contributions of Institutional Theory and Theory of Innovation, strategic models focused on Institutional Theory, the institutionalization of technology, the institutional perspective on information systems and the institutional tendency in entrepreneurship.

With regard to the classification of journals by Journal Citations Reports (JCR), it results from the classification of journals based on the Journal Citations Reports (JCR) of the 22 articles in the final set (see also Figure 2).

Figure 2: Classification of journals by *Journal Citations Reports* (JCR)



Source: Own Authorship (2020)

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The periodicals that have been receiving studies on Institutional Theory and Innovation have changed throughout the time. It can be noted that the journals that the journals with the most publications with impact factor on this research topic were the Renewable and Sustainable Energy Reviews (12,11); Journal of Management (8,852); International Journal of Management Reviews (8,631), Environmental Innovation and Societal Transitions (8,4), Technological Forecasting and Social Change (5,846), Journal of Product Innovation Management (5), Journal of Business Research (4,874), International Business Review (3,953), Sustainable Production and Consumption (3,66) e Journal of information technology (3,625) (As observed in Figure 2).

Journals which scope covers innovation issues seem to be focused, with the innovation adoption, innovation in small, knowledge-intensive firms (i.e., covering knowledge generation in companies in general). There seem to have been an increase in the number of publications on the theme over time, however, it still early to get conclusive about trends, since there is no extensive history yet. The theme appears incipient, being a favorable field for the development of publications with impact factor in the following years.

Figure 3 shows the number of publications by countries using the classification method of this study.

Figure 3: Publications by countries

Source: Own Authorship (2020)

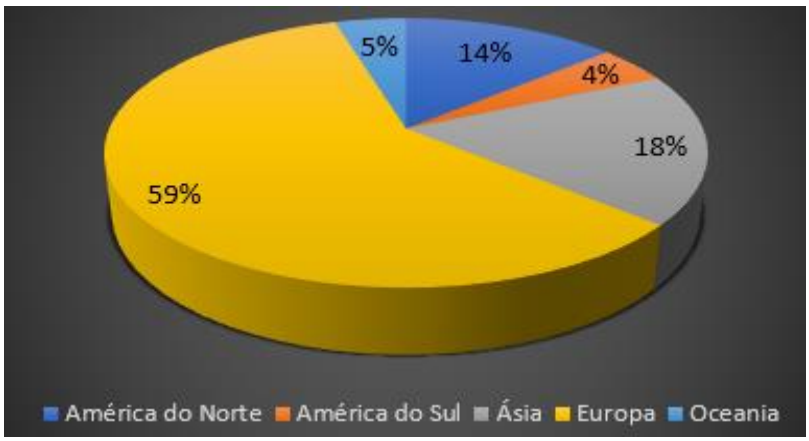
What can be concluded, however, is where high-impact research on Institutional Theory and Innovation has been conducted so far (as shown in Figure 3). Europe is by far the continent with the most publications with impact factor on the theme, with Norway, UK and the Netherlands standing out. Developed countries seem to be more concerned with the issue than developing ones, which is another issue of concern. Canada and China, however, appear in the

majority, representing the set of developing countries with publications that have an impact factor.

Furthermore, it can be seen that not only universities have been taking part in research on this study's theme, also research institutions and even private companies seem to show interest. Although the majority still are universities and education-based institutions.

On top of it, Figure 3 shows the countries with the highest academic production on Institutional Theory and Innovation. Therefore, Europe, North America and Asia are the continents where most documents were registered, followed by Oceania and South America, respectively. Also see Figure 4 (publications per continent).

Figure 4: Publications by continent



Source: Own Authorship (2020)

Figure 4 shows the concern with studies on Institutional Theory and Innovation, Europe stands out with 59% of studies, followed by Asia with 18%, North America with 14%, Oceania with 5% and South America with 4%. Such approach yet seems to be globally addressed, since studies have been carried out in Europe, America, Asia, and Oceania. Only Africa does not seem to have had much concern with the issue so far. However, there can be seen a massive contribution from Europe to the theme's development, once 13 out of the 22 articles fully assessed are European. Cloud Word by title identified in the selected studies (As observed in Figure 5).

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Figure 5: *Cloud Word* por título

Source: Own Authorship (2020)

The theme is new and seeks development. In light of that, Figure 5 presents the Cloud Word was built on Microsoft Word and based on data from the titles of the articles, the terms Institutional and Innovation are the most frequent words identified in the articles, followed by adoption, review and theory.

In the selected studies, the term "institutional" shows a relationship with the organizational adoption of open government data (Khurshid; Zakaria; Hidayati, 2020); the Institutional Theory perspective understands the social dynamics of the European Union's tourism policy (Estol et al. 2018).

The term "innovation" shows a relationship with the adoption of innovation, being built on four theoretical pillars, among them, Institutional Theory (Van Oorschot et al., 2018); innovation is disseminated by the institutional bases and the legitimacy of the Institutional Theory (Carvalho et al., 2016); Institutional Theory explores the antecedents of eco-innovation, showing the positive and negative effects on corporate financial performance (Liao; Huang, 2017).

The term "environment" stands out in Institutional Theory with a focus on stimulating sustainability in supply chain management (Karkinbayeva; Kirdasinova; Adiyetova; Kanatova; Korgan, 2019); the term adoption stands out in studies of institutional theory, showing important learning issues with institutional reports involving adoption decisions. Table 3 is ordered according to the classification indicated by the main trends and methodologies identified among the selected articles on Institutional Theory and Innovation.

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Table 3: Trends between Institutional Theory and Innovation

Ranking	Trends in Institutional Theory and Innovation Theory	Countries	Methodology
1	The innovation processes are based on institutional concepts and the legitimacy of Institutional Theory.	Norway	Theoretical Review
2	Markets are expanded or created through institutional changes, initiated by co-creation practices of suppliers and consumers.	Norway	Theoretical Review
3	The research revealed that the TOE structure (technology, organization, environment) comprises the organizational adoption for open government data (OGD) by Institutional Theory.	Malaysia	Theoretical Review
4	The resource-based view and the Institutional Theory did not differentiate the motivations for generating and internalizing the external value.	United Kingdom	Theoretical Review
5	The application of institutional theory to co-production in Distributed Energy Systems considers socio-political acceptance.	Netherlands	Theoretical Review
6	The use of institutional theory in the service sector summarizes the main insights applied as guidance in research in this sector.	Finland	Theoretical Review
7	Technological innovation for global development, considers the institutional determinants in its evolution.	Canada	Quantitative research
8	Innovation is essential for the development of work environments.	Belgium	Quantitative research
9	Institutional Theory is a theory commonly used to identify companies based on primary sectors with prospects for innovation.	China	Theoretical Review
10	The study presents several hypotheses and uses the Institutional Theory approach to stimulate the sustainability of supply chain management.	Kazakhstan	Quantitative research
11	Use the Institutional Theory perspective to understand the social dynamics of tourism policy in the European Union.	Malta	Theoretical Review
12	Innovation adoption research is built on four theoretical pillars, including: Institutional Theory.	Netherlands	Theoretical Review
13	Institutional Theory contributes to explain the dynamic capacity in the value and evidence building of interinstitutional learning, but also in differences between the organizational value frameworks.	United Kingdom	Theoretical Review
14	The work analyzes the articulation of Institutional Theory and innovation with the common points. Innovation is spread through institutional bases and the legitimacy of Institutional Theory.	Brazil	Theoretical Review
15	Institutional theory shows important learning issues and informs institutional reports.	United Kingdom	Theoretical Review
16	Institutional Theory explores the background of eco-innovation, showing the positive and negative effects of eco-innovation on corporate financial performance.	China	Theoretical Review
17	Institutional Theory shows regulations and attraction factors in the market.	Slovenia	Theoretical Review
18	It examines characteristics of corporate websites, usability and interactivity, considering the relationship of users based on the concepts of Institutional Theory.	Switzerland	Theoretical Review
19	The study analyzes the conditions of low asset specificity to promote the institutional concepts of the markets.	Norway	Theoretical Review

20	The research analyzes the perspective of institutionalization aimed at the life cycle of innovative technologies.	Australia	Theoretical Review
21	Institutional Theory is used in information systems, identifying conceptual and methodological issues adopted in the institutional perspective.	Canada	Theoretical Review
22	International organizations that work with entrepreneurship often employ concepts based on Institutional Theory.	United States	Theoretical Review

Source: Own Authorship (2020)

In the methodology among the studies analyzed, most researches adopted the theoretical review, as can be seen in Table 3. The institutional turn in studies in the service area shows an increasing trend in Institutional Theory through theoretical insights in service research, and forms a conceptual framework with the aim of highlighting the resistance and the change in phenomena with the service sector. Institutional Theory in the service sector, seeks rigor and usefulness at work. Institutional Theory also leads to new service insights and preserves a clear and coherent theoretical orientation (Koskela-Huotari et al., 2020).

5 DISCUSSION

The theme is interesting, being a favorable field for the development of publications with impact factor in the following years. These were the journals that presented research on this theme, between 2010 and 2020. The Institutional Theory is presented in several perspectives (Koskela-Huotari et al., 2020; Rosevear et al., 2020; Estol et al., 2018; Carvalho et al., 2016; Chandler; Hwang, 2015; Pishdad et al., 2012; Mignerat; Rivard, 2010; Szyliowicz; Galvin, 2010). Innovation is highlighted by several authors (Bergsgard; Nødland, 2020; Branstad; Solem, 2020; Hazarika; Zhang, 2019.; Van Oorschot et al., 2018; Watson et al., 2018; Carvalho et al., 2016; Liao; Huang, 2017; Hojnik; Ruzzier, 2016; Jenssen; Nybakk, 2013).

In the literature, Institutional Theory was observed in several perspectives: as a concept of the social sciences, and consequently, contributing to the understanding of the generation of social activities (Szyliowicz; Galvin, 2010); a relationship dynamic between agent and structure (Rosevear et al., 2020); encouragement of phenomena at the macro level, such as construction in organizational fields, and the micro level with practices, beliefs and identities.

The knowledge of organizations shows a relationship between diffusion, adoption and institutionalization (Watson et al., 2018). Organization Theory contributes to the understanding of how organizations learn from other organizations (Chandler; Hwang, 2015).

The technological innovation process shows an improvement in human well-being in recent years (Hojnik; Ruzzier, 2016). Therefore, the contribution to technological innovation processes, demands a consideration of the institutional determinants for its development (Van

Oorschot et al., 2018). Certain types of innovations require financial and institutional support for the implementation processes. The following are highlighted some examples of innovative equipment: vaccines, tests, ventilators, and antivirals, these are available in countries considered to be developing, but for their effective use, these technologies depend on institutional capacity (Rosevear et al., 2020). Innovation is disseminated through institutional bases and the legitimacy of Institutional Theory (Carvalho et al., 2016).

Among the concepts of Institutional Theory in companies, the primary sectors of implementation stand out, with innovation characteristics (Hazarika; Zhang, 2019). Research on institutions crosses the disciplines of organizational theory, economics, sociology and political sciences (Bergsgard; Nødland, 2020). There are divergences, how institutions impact the activities of human beings (Jenssen; Nybakk, 2013). There is no consensus among the social sciences regarding the definition of institutions and institutional analysis (Liao; Huang, 2017). Institutionalism shows theoretical foundations in the areas of economics, political sciences and sociology (Branstad; Solem, 2020).

The following highlights the relationship between the themes of Institutional Theory and innovation, which is the main argument of the study. Innovations improve the productive and adaptive capacity of organizations, but for that they need to take into account the current paradigm that encompasses their relationships (Chandler; Hwang, 2015).

Innovation has approaches that involve technology and society. An innovation system is defined as networks of organizations and institutions that develop and use innovations (Rosevear et al., 2020). Innovation occurs through the interaction of many processes and activities, it brings elements that are developed from the moment of legitimacy (Verhoeven et al., 2020).

Institutional Theory explains innovations, in accordance with cognitive institutions and the search for legitimacy, with the objective that companies are accepted. This legitimacy is a mechanism that relates organizational behavior to belief systems and values, in which change occurs in response to institutional pressures (Mignerat; Rivard, 2010).

The authors elaborated a timeline with the evolution of the main trends identified in the field of research of Institutional Theory in the context of innovation, in the period identified from 2012-2020 (Figure 6).

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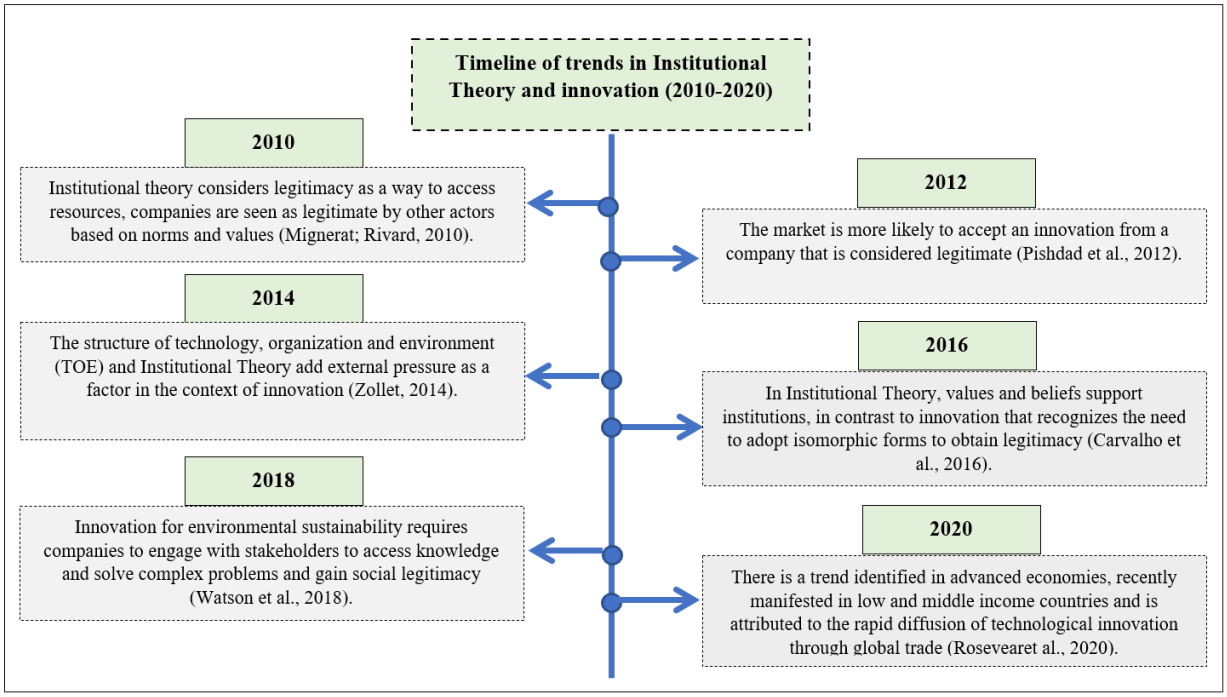
Figure 6: Timeline of trends in Institutional Theory and innovation



Source: Own Authorship (2020)

Institutions act as indicators of innovation. These innovations seek, in addition to organizational performance, legitimacy, by incorporating values as organisms adapted to social pressures (Mignerat; Rivard, 2010).

The theoretical bases of Institutional Theory, which converge with the meaning of institutions for innovation, suggest that, as the interaction between organizations increases, more and more can be reflected on the institutionalized and legitimated rules (Carvalho et al., 2016).

Thus, for Institutional Theory, values, beliefs and meanings support institutions because they are socially shared by interpretation, in which rationality is not objective, in contrast to innovation that recognizes the need to adopt isomorphic forms to obtain legitimacy, but has a more functionalist and deterministic view (Watson et al., 2018; Rosevearet al., 2020).

6 CONCLUSION

The present study aims to conduct a systematic review of the literature on Institutional Theory and innovation with a focus on investigating the respective trends and influences between the theories. The objective was achieved, through 22 studies analyzed, describing the characteristics and relationship between the theories. According to the research, the results show that innovation is spread through institutional bases and the legitimacy of Institutional

Theory.

The ranking and choice of articles to be identified as such to be fully assessed was supported by the impact factor. From this study's final portfolio a few conclusions could be drawn. Research in the referred body of literature is still recent and cannot be said to have been following solid trends so far.

The relationship between Institutional Theory and Innovation is noted to be in its infant stage, yet to be further developed and defined. However, from the existing results it is possible to advise that Institutional theory, beliefs and meanings support institutions through joint interpretations, and innovation identifies the indispensability of adopting isomorphic methods to obtain legitimacy, with a deterministic and practical approach. Furthermore, most publications with impact factor has been conducted in Europe, with a small participation of developing countries, being Canada and China the developing countries of highlight.

With incentives in some countries in Europe, Asia and North America, it was identified that Institutional Theory is essential for the understanding of innovations. Among the studies analyzed, the institution is considered as a set of practices in the formation of behaviors for a group, and thus, generating legitimacy. In the literature, the concepts of innovation seek to add values, due to the adequacy of social pressures. The theoretical framework of Institutional Theory highlights the importance of institutions with the Theory of Innovation. The growth of interactions between institutions is reflected in rules governed by legitimacy and institutionalization.

Finally, this article presented a review on the main trends of Institutional Theory and innovation for new insights, contributing as a theoretical basis in a coherent and clear manner. The study showed what has been studied in recent years on the subject, in order to assist in the understanding of theories. As future research, the authors suggest theoretical contributions on distinctions between formal and informal institutions, regulatory, normative and cultural-cognitive types of institutions.

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