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Managing the paradox of unwanted efficiency: The symbolic legitimation of the hypermarket format in Finland, 1960–1975

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ABSTRACT
Occasionally, organisations are forced to adopt new practices that are inconsistent with the expectations of their stakeholders. An immediate adoption of the practices would risk the organisation's legitimacy, but as previous research has noted, the perceptions of organisational stakeholders can be managed through symbolic actions. In this article, I examine how actors from four retail organisations symbolically legitimated the adoption of the hypermarket format within their individual contexts by means of internal professional magazines. The analysis suggests that the organisations buttressed their legitimacy by reversing Meyer and Rowan's idea of loose coupling – adopting the new practice but maintaining their formal appearances.

Introduction
Legitimacy is a critical attribute of successful organisations. A legitimate organisation acts in congruence with social expectations of acceptable behaviour and is socially supported, and its behaviour is regarded as ‘desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs and definitions’. Once legitimacy is conferred, it becomes an objective feature, i.e. it becomes independent of individual constituents, which shield an organisation from sporadic deviations from a social norm. However, if deviations become lasting or repeated, an organisation will lose its legitimacy unless it can provide a plausible reason for its actions. Hence, organisational actors must be able to justify to their constituents that the old practice is no longer an appropriate manner in which to act under present and/or future conditions and that the preferred objectives can be better achieved with a novel course of action. Pfeffer asserted that it is a part of management’s task ‘to provide explanations, rationalisations, and legitimation for the activities undertaken in the organisation’. Such ‘symbolic action’ has attracted growing attention among scholars of organisational legitimacy in recent years, but despite the growing interest, there is still surprisingly little empirical research regarding how organisational actors strive to manage the perceptions of important stakeholders during crucial periods of de- and re-legitimation.

Although certain researchers, such as Rao, Clark and Soulsby, Human and Provan, Suddaby and Greenwood, and Sine, David and Haveman have contributed studies from the perspective of ‘legitimation-as-process’, we do not yet sufficiently understand how organisational
actors actually balance maintaining legitimacy and accomplishing demanded reforms. The purpose of this study is to shed more light on this issue by examining how organisational actors use symbolic management to legitimate new innovation in different organisational contexts. My focus is on the adoption of the hypermarket format in the Finnish retail trade during the 1960s and 1970s9, and I will provide a detailed empirical investigation of how four retail organisations argued for the adoption of a hypermarket format to their internal stakeholders by means of professional magazines.

Previously, business historians of retail trade, such as Sandgren and Shaw, Curth and Alexander, have labelled the symbolic actions of organisations ‘propaganda’. They have also demonstrated that retail organisations have used organisational magazines to spread information about the positive aspects of self-service techniques and supermarket formats to retailers. The viewpoints of these previous studies vary from examinations of the concrete forms of propagandising to studies of the perceptions of self-service methods within the distribution sector at large.10 However, business historians have thus far paid less attention to other retail formats and to the interaction between symbolic action or propaganda and the wider collective understandings within organisations. Thus, this article also expands the scope of research in business history by extending the focus to hypermarkets and to the objectives that organisations attempted to achieve with symbolic acts.

This article contributes to the theme of the Special Issue in several ways. First, it examines how ongoing institutional change gave rise to a legitimisation process that endured for an extended period of time. Second, by adopting the perspective of historical institutionalism, the article integrates views of business history and organisation studies, thereby presenting research that is inspired by recent organisational theories but is founded on extensive historical source materials and historical analysis. Third, the findings of the article underline the salience of agency for the behaviour of organisations and development of institutions and the importance of understanding the historical embeddedness of actors and organisations.

The remainder of the article consists of four parts. In the first part, I present the theoretical foundation of my work by reviewing previous relevant literature. Then, I introduce the research context and describe the method and data of the study. These are followed by a detailed discussion of the findings of the study. The article ends with a discussion section that combines the key insights of the study and reflects on how they contribute to our understanding of managers’ ability to control legitimisation processes.

**Theoretical background**

**Institutional change**

Neo-institutionalist organisation theory is famous for its emphasis on isomorphism – a phenomenon whereby organisations become increasingly similar by adapting their operations to environmental pressures. Accordingly, the neo-institutionalist view has often been criticised for its negligence of change.31 Institutionalists have rebutted these criticisms; for example, Greenwood, Suddaby and Hinings remind their readers that change is an integral part of institutional theory because organisations are not initially similar. Greenwood et al. depict institutional change as a process of several sequential stages, which begin with a sudden external event that results in the emergence of new practices. The sudden events have been
called ‘environmental jolts’, ‘triggering events’ and ‘antecedents of institutionalisation’. Oliver further divides them into political, functional and social pressures and suggests that mounting pressures may cause challenges for established organisations or institutionalised practices because they invite resourceful actors, i.e. ‘institutional entrepreneurs’, to introduce alternative practices. If the new practices are widely accepted and approved, they will de-legitimise the existing pattern and become (re)legitimated in turn. The processes of de- and re-legitimation consist of three interrelated mechanisms: theorisation, legitimation and dissemination, of which dissemination has thus far received the majority of research attention. Therefore, in this study, I will focus on the mechanisms of theorisation and legitimation within institutional change and examine how organisational actors symbolically manage the legitimacy of organisations.

The main purpose of theorisation is to inform stakeholders about the features and expected outcomes of new practices. Thereby, theorisation enables actors to specify how locally used practices might be generalised to other contexts. In the case of failures, theorisation is applicable to explain what went wrong and how it could be remedied. In addition to the informative function, theorisation is used to justify a new practice. Justification is furthered by legitimation, which has the goal of connecting a given innovation to broader social values and thus establishing a new practice. In purely commercial settings, legitimation will most likely be executed by emphasising the logic of efficiency, i.e. economic rationality, but such functional arguments and practical legitimation are rarely sufficient in contexts in which social norms have highly pronounced meanings for organisational identities, i.e. organisational self-conceptions of ‘Who are we?’. In those circumstances, greater acceptance requires normative entitlement, i.e. ‘ideas are couched in such a way that they are perceived to be consistent with prevailing values that they appear compelling and legitimate for adoption’. When new practices become legitimate, they are disseminated through isomorphic processes.

At times, theorisation has been equated to a process of sensegiving, which aims at influencing the sensemaking of organisational stakeholders. Through sensemaking processes, stakeholders attempt to interpret the meanings of unfamiliar and sudden events ‘by extracting and interpreting cues from their environment’, but managers (or other actors) attempt to confuse this process by giving sense ‘toward a preferred redefinition of organizational reality’. A typical example of an event that triggers organisational sensemaking processes is a threat to organisational identity. These threats, such as a deteriorating image, lead organisational members to consider who they are as an organisation and how they are perceived from outside. Recently, Gioa et al. noted that the traditional view of organisational identity as a stable and enduring attribute has been superseded by an understanding of identity as a dynamic and changeable attribute, which has increased the weight of sensegiving as a theoretical construct.

To properly address acts of theorisation and legitimation, I examine the basic model of institutional change outlined above through the lens of ‘historical institutionalism’. Following Suddaby, Foster and Mills, I regard the idea of historical institutionalism as deeply rooted in neo-institutional theory, but it is more sensitive to the epistemology and methodology of historical research than the view of the majority of institutionalists believe. Historical institutionalism views institutions as temporal processes and corollaries of changing human interaction and understanding. For example, a historically sensitive perspective does not consider path dependence to be a process of narrowing the range of alternatives but a
sequence of ‘specific moments of choice, each of which creates multiple paths of different historical trajectories or outcomes’. This line of reasoning resembles Vaara and Lamberg’s concept of ‘historical embeddedness’ that encourages researchers to acknowledge the role of context and origins to better understand historical phenomena, in this case institutions. Suddaby et al. especially highlight advances that could be achieved in the understanding of diffusion, actors and embedded agency, and thus the historical approach to institutional change draws attention to the antecedents of adoption decisions. Furthermore, Hargadon and Douglas contend that historical institutionalism facilitates the study of changes that require years, if not decades, to fully develop. Viewing decisions from a longer term perspective is important because the choice between adoption and non-adoption is never purely a dichotomy of two qualities, and people are often motivated by different, potentially conflicting, objectives.

**Legitimacy**

Researchers supporting the strategic approach of organisational legitimacy have also stressed purposive actions of managers. They have contended that managers may act determinedly to garner support from society, which contrasts with the view of institutional-legitimacy researchers, who have granted less latitude to managerial action and underlined the constraining effect of social structures. Suchman has criticised the commitment to either the strategic or institutional perspective and called for more integrative work to produce a comprehensive view of legitimation. The integrated perspective is equipped to address the tensions between deviating action and restrictive social pressures, thus refocusing the field to better accord with the actual circumstances that organisational actors face in the real world. In this study, this objective is further advanced by examining how a new practice was legitimated in four different organisational contexts. An alternative approach to studying both institutional change and legitimacy would have emerged from the literature on institutional logics, which has developed into a central field of institutional theory through the works of Friedland, Alford, Thornton, Ocasio and Lounsbury. However, because the primary interest of this study is the purposeful actions of managers intended to change the prevailing logics rather than the logics themselves, I decided to leave institutional logics outside of my theoretical framework.

Definitions of legitimacy and legitimation have been few and far between, but the parallel concepts of de-legitimation and re-legitimation have received even less theoretical attention. Jointly, de- and re-legitimation could be defined as changes in the level of legitimacy, which decreases in the former case and increases in the latter. Efforts to control the levels of legitimacy are often connected to the management of impressions, especially concerning questions of who bears the responsibility for the occurrence of given negative events, and how attention is redirected from an unwanted incident to more preferable goals or practices. Hence, organisational impression management covers ‘any action purposefully designed and carried out to influence an audience’s perceptions of an organisation’. In practice, organisational actors govern such perceptions with their ability to control the information about the organisation that is provided to the audience.
Symbolic management

Symbolic management, a subset of impression management, further stresses the importance of language and other forms of symbolic action as tools of managers.37 According to Pfeffer,38 the main purpose of symbolic management is to convey preferred interpretive schemes, which is again closely associated with sensegiving. Contrary to the perspective of impression management, symbolic management is performed proactively.39

Recently, symbolic management theory has been in favour with organisational legitimacy researchers, and it has become well established that organisational actors may use rhetorical strategies and target their messages at specific audiences.40 Taken together, these studies argue that perhaps more important than being able to carry out the adoption of new practices is an organisation’s ability to cite reasons for the adoption to key stakeholders in a way that is both understood and accepted by them.41 Furthermore, Brown has demonstrated that messages to different stakeholders may differ considerably, while Fiss and Zajac have found that organisational actors can sometimes make stakeholders believe that they are doing the opposite of what they are actually doing. These views can be linked to the ideas of loose coupling and decoupling, which mean that organisations might be ‘building gaps between their formal structures and actual work activities’.42 Essentially, these views support the idea of sensegiving because they assume that it is possible to affect how people make sense of and give meaning to organisational actions. However, we should bear in mind that because symbolic action is always culturally specific and historically embedded, actors must be aware of the perceptions of organisational constituents.43 In recent rhetorical studies of organisational legitimacy, this correspondence has been analysed through the concepts of social skill and reflexivity.

Social skill has been a key element in the works of Fligstein. He has defined it as an actor’s ‘ability bring about co-operation among others’. By means of such cognitive capacity, people are able to understand stakeholders and the surrounding environment.44 Suddaby, Viale and Gendron support Fligstein’s argument and develop it further. Their key finding was that the interaction of social position and skill produces variations in individuals’ awareness of the constraints and opportunities of their institutional contexts, which they termed ‘reflexivity’.45

Rationality

To convincingly justify and legitimise new practices, organisational actors usually refer to their rationality. It is natural that stakeholders are inclined to subscribe to the new practice, if they believe that adoption will be good news for them in one way or another.46 However, following the idea of Weber, several researchers have recognised that rationalisations might be based on various forms of rationality.47 Weber divided the concept of rationality into four dimensions: formal, practical, substantive and theoretical rationality. The forms of rationality are not antithetical to one another but operable within the same context.48 The formal and practical rationalities both aim at means-end rational action, but with different motives. Whereas practical rational action is motivated by self-interest, formal rational action is guided by certain rules, laws or regulations.49 Substantive rational action is appreciated for its own sake, independent of its prospects of success.50 Therefore, it has the capacity to generate value-rational action.51 Theoretical rationality may produce action only indirectly. It offers a
means to construct increasingly accurate abstract concepts to master reality and advance people’s understanding of the world. The diversity of Weber’s conceptualisation of rationality fits well with theories of legitimacy and symbolic management.52

**Research questions**

Based on this theoretical review combining insights and conceptual logics from the organisational institutionalism, organisational symbolism and historical sociology literatures, I seek answers to my research questions, which are the following: How and why do organisational actors symbolically manage legitimacy of their actions? How are legitimating rhetorical claims employed in specific organisational contexts? Finally, how and why are diverse rationalities used in the construction of rhetorical claims? To obtain an in-depth view of the dynamics of the legitimation process, I conduct historical analyses of the symbolic actions of four organisations in the adoption of a specific innovation. Thereby, the research frame permits a comparison of the organisations and reveals the similarities and differences in their symbolic measures.

**Research design**

**Research setting**

In my empirical analysis, I examined the actions of four central organisations in the Finnish retail trade in the adoption of the hypermarket format from 1960 to 1975. The focal organisations of the analysis are Kesko, OTK, SOK and TUKO, which were responsible for four retail groups or ‘blocks’ as Sandgren calls similar organisations in the Swedish context.53 These groups dominated the Finnish retail market throughout the research period and had outlets all around the country.54 The retail groups were responsible for similar tasks but differed from one another in many respects. Table 1 is an attempt to illustrate the central characteristics of the firms by emphasising the main differences among them.55

<table>
<thead>
<tr>
<th>Key Organisational Characteristics</th>
<th>Key Constituents</th>
<th>Ideal Type</th>
<th>Strategic Focus</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kesko</td>
<td>Private retailers</td>
<td>Entrepreneur (family)</td>
<td>Retailing</td>
</tr>
<tr>
<td>OTK</td>
<td>Local co-ops</td>
<td>Member (worker)</td>
<td>Industrial production – retailing</td>
</tr>
<tr>
<td>SOK</td>
<td>Local co-ops</td>
<td>Member (farmer)</td>
<td>Retailing – Industrial production</td>
</tr>
<tr>
<td>TUKO</td>
<td>Local wholesalers</td>
<td>Local group (wholesaler and customer retailers)</td>
<td>Wholesaling – retailing</td>
</tr>
</tbody>
</table>

*Kesko* (hereafter, the *Family Firm*) was a central organisation of private retailers. The ideological roots of the Family Firm were in the joint operation of rural traders, but over time, it developed into a general retailer organisation.56 Its retail stores were owned and managed by private entrepreneurs and their families, who made decisions independently without formal approval from the central organisation.57 According to Hoffman, the strategic focus of the group was retailing, and the objective of the Family Firm was to support the private businesses of its members through various services, including wholesaling, financing and business counselling. Thus, the division of duties between the central organisation and member retailers was deeply institutionalised, and even after the mid-1900s, it was unthinkable
within the group that the Family Firm could be directly involved in retail business. The formation of the retailers’ organisation was originally strongly motivated by the establishment of a co-operative central organisation, and later, co-operative societies were regarded as its main ideological competitors because, in addition to ideological reasons, the co-operatives were large companies and major threats to private entrepreneurs.58 In TUKO (hereafter, the Wholesale Firm), the ideal type of operation was a local group, which stood for a locally operating private wholesale firm and its customer retailers operating their private outlets.59 The wholesalers occupied the leading positions of the local groups, consigning retailers to a secondary role and resulting in neglect for the development of retail business. Then, because the Wholesale Firm’s retail business did not prosper along with trade in competitor groups, outlets passed from retailers to local wholesalers as payment for unsettled debts.60 To avoid unnecessary losses and make the retail trade profitable, private wholesalers adopted the new function of being retailers. They began to integrate hitherto separate levels of wholesale and retail trade into unified distribution systems to enter into large-scale retail trade. However, the scale of individual wholesalers’ stream of goods was able only to deliver partial savings compared to gains that were attainable.61 However, achieving a sufficient level of activity would have called for pooling resources with fellow wholesalers, but local wholesalers sought to maintain their autonomy. As a result, members of the Wholesale Firm competed not only against their ideological competitors but also against other private wholesalers.62

Due the peculiar power structures of the private retail groups discussed above, their operations were clearly divided between wholesale and retail functions. In the retail co-operative organisations, the structure was more versatile because their operations were intermingled between central organisations and local co-operative societies. While in other countries, co-operative retailing worked as a unified movement, in Finland, the co-operative movement split into two factions in the latter part of the 1910s, after a decade of recurring controversies over organisational objectives and principles of administrative practices.63 The ‘original’ co-operative central organisation, SOK, worked according to co-operative principles, but a middle way did not satisfy the views of contrasting groups. The then newly founded OTK (hereafter, the Worker Co-op) adopted a structure similar to that of SOK (hereafter, the Agrarian Co-op), where the central organisation was controlled by local co-operative societies.64 Because the discord between these dissenting political views in the Finnish co-operative movement was deepened by the sufferings of civil war,65 any type of collaboration among the co-operative groups was virtually unthinkable in the following decades.66

A defining distinction among the co-operative groups was in the social status of their most important member groups. The Agrarian Co-op’s largest membership group was landed farmers, as a result of the organisation’s close relationship with agrarian production co-operatives. Due to ideological affinity, the Agrarian Co-op was committed to securing the retail services of rural areas, but that task was complicated by the depopulation of the countryside, which had continued to increase since the turn of the 1960s.67 Furthermore, it was common for local retail societies to purchase farm produce from their members and utilise the crop in their own bakeries or other production units.68 Within the Worker Co-op, a typical member was a blue-collar worker, who was in favour of a socialist worldview.69 Moreover the Worker Co-op’s strategy differed from those of its ideological competitors because it was focused on the primacy of the production and sale of its own products and thus subordinated retail
trade to industrial production. The management of the Worker Co-op believed that they could thereby guarantee the availability of affordable, high-quality products to their disadvantaged members.\textsuperscript{70} By the same token, the co-operative retail societies of the Worker Co-op considered it important that their outlets be located within walking distance of the members’ homes, i.e. in urban areas. Regardless of the ideological and operational differences, both of the co-operatives perceived private retail firms as their main ideological rivals. Nevertheless, in practical affairs, retail co-operatives closely followed one another and made certain that their actions and policies were arranged similarly.

As the brief portrayals of the organisations reveal, ideology was a significant factor in the Finnish retail trade. It was common for co-operatives to compete with private companies,\textsuperscript{71} but the split of the Finnish co-operative movement made the competitive field more varied. Because the means of transportation were poor during the first half of the twentieth century, it was essential for outlets to be built near customers.\textsuperscript{72} This meant that retailers from each group opened outlets in every town, village and rural community. The co-operatives were particularly engaged in fierce competition for the favour of co-operative-minded members.\textsuperscript{73} Thus, the total number of retail outlets increased until the mid-1960s. The role of ideology was further increased by institutional changes at the end of the 1930s, when the Second World War began. During the first phase, rationing restricted the availability of groceries, and then price controls established prices at a fixed level. To prevent the emergence of a black market, groceries were distributed through a common pool of major retail organisations, which apportioned the available products according to fixed quotas based on market shares that prevailed before the war.\textsuperscript{74} The food rationing system solidified the relationships between customers and retailers, and when the last products were removed from rationing in 1954, retailers did not see any reason to start competitive measures. Each retail organisation had its established clientele, who were also content with the situation.\textsuperscript{75} Then, at the turn of the 1960s, the state of affairs began to change, when retail organisations were spurred into competition by governmental actions. Institutional changes, such as legislation promoting economic competition by forbidding price determination by previous levels in the distribution chain, encouraged organisations to adopt more active measures. A few years later in 1967, new legislation on public health allowed the sale of different products in the same outlet, which made it possible to increase the product assortment of individual stores while simultaneously increasing their area.\textsuperscript{76}

Owing to a static competitive situation, the Wholesale Firm remained the largest retail group from the early 1900s until the latter part of the 1960s. Then, it was surpassed by the Family Firm, which had benefitted from its ability to adopt self-service stores on a broad scale notably earlier than its competitors.\textsuperscript{77} Behind the private organisations, the retail co-operatives developed more steadily, but by the middle of the 1960s, all retail organisations were familiar with the method of self-service, and by the end of the decade, all four were weighing a move to large-scale retailing.\textsuperscript{78} Previous experiences with self-service outlets had proved that the critical point for the adoption of a new format was the acceptance of retailers and shopkeepers, who occupied key positions in the adoption process. The adoption of self-service stores stumbled on several occasions because retailers (or shopkeepers) reassured that customers were not prepared to do their shopping in new types of outlets. Ultimately, customers did not shun self-service stores, but retailers themselves lacked confidence in the potential of the new method and therefore obstructed its adoption.\textsuperscript{79} In the wake of these lessons, it became evident that the greater attention should be devoted to the opinions of the individuals carrying out a trade when considering the adoption of a new format.
The attitudes of retailers were even more important in the case of large-scale retailing because the potential adoption posed a threat to the established organisational arrangements. Although large-scale retailing rested on the already legitimated method of self-service, the magnitude of operations changed the foundations of the industry. Until then, the independence of individual retail outlets and firms had been a typical feature of the retail business, but the new mode of operations demanded tighter collaboration between companies and different levels of the distribution chain. Those changes challenged key ideological principles of private retail organisations, which were accustomed to a clearly defined division of duties between the central organisation and its member organisations. For co-operative organisations, the issue lay not in collaboration but in the consequences of large-scale retailing for the level and availability of services. Over time, it became apparent to the top managers of retail groups that they could not afford to forego the potential gains of large-scale retailing. As a consequence of the abovementioned legislative changes and collective labour agreements, retail organisations had to raise salaries, as did organisations in other sectors, but were not allowed to raise the prices of goods.

The retail organisations responded to the mounting pressures mainly by cutting small, unprofitable outlets. Each organisation had built an extensive outlet network during the post-war period, and the number of retail outlets peaked in 1964, when there were more than 22,500 outlets in a total of 547 towns and municipalities. The cuts in retail networks were so extensive that contemporaries labelled the phenomenon ‘store death.’ From a broader perspective, such store deaths were part of larger rationalisations of the distribution systems, whereby retail organisations reduced their operational costs. Second, organisations sought to increase their revenues from selling goods. Regardless of price regulations, the retailers were able to sell products at lower prices because they were foregoing part of their sales margins. These changes ended the long period of stagnation in the Finnish retail trade and inaugurated a period of active group competition.

When all retail organisations took similar measures, it became more important to differentiate oneself from one’s competitors in some other way. In the context of Finnish retailing, a natural approach was to emphasise the ideological differences and divergent objectives of the groups. The top managers of retail organisations were aware that losing their individual identity would result in pure economic competition that would work against them all. Thus, the role of symbolic management grew to unprecedented importance. Its main objective was to maintain the high level of commitment on the part of the internal stakeholders, especially employees and elected officials. Winning their support was key to any other measure.

**Methods and data**

I examined the symbolic management of Finnish retail organisations through an analysis of their internal professional magazines. The relevant magazines (and the changes in their names) and their years of publication are listed in Table 2. I began the analysis by going through the issues of each magazine from the beginning of the 1960s to the mid-1970s. The magazines were available from the archive collection of a depository library, which facilitated their study in a single location. However, the breadth of the source material required extensive reading, and multiple rounds of analysis that were conducted in numerous spells.
between 2012–2015. The final round of analysis and writing of this article were performed during a period from September 2015 to March 2016.

The professional magazines are a subtype of organisational magazines that organisations publish to ‘inform, instruct, entertain or even provide collective meaning for employees’, but they should not be confused with customer and in-house magazines. The main target group of the organisational magazines is internal stakeholders, for example, elected officials, managers, retailers and salespersons, but the precise targets of professional magazines depend on the organisational structures and the purposes of journals at a given point in time. Although none of the magazines in this study were consistently targeted each of the aforementioned constituent groups, they were constant conveyors of purposeful propaganda (i.e. symbolic management). In the words of Heller and Rowlinson, organisational magazines act ‘as powerful propaganda tools, a means for owners and senior management to influence and control their employees’. Through the magazines, the retail organisations were able to reach their key stakeholders simultaneously and with the same message, which would have been extremely difficult using any other means available at the time.

While reading the magazines, I searched for topics that were related to the development of the retail industry, new innovations and decision-making. In particular, I took note of the motives expressed for decision-making and the attitudes towards recent developments in the industry. The relevant articles (in total, approximately 1600 items) were photographed to facilitate easy access to the sources through subsequent rounds of analysis. The length of the articles varied from brief descriptions consisting of a few sentences to comprehensive stories covering several pages, but all of them were treated equally as self-contained pieces of text. After the relevant data were gathered, I diligently reread the articles to extract passages that provided information relevant for my approach to the topic. The research strategy could be categorised as interpretive history, i.e. a detailed qualitative study of original primary sources, and my aim was to understand the meaning of the historical events for the actors in question. The interpretive approach assumes that the actions that organisations take and practices that they adopt must be interpreted within their individual context, owing to their historical embeddedness.

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<thead>
<tr>
<th>Organisation</th>
<th>Magazines</th>
<th>Years</th>
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<tr>
<td></td>
<td>Kauppias ja myyjä</td>
<td>1965–1967</td>
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<tr>
<td></td>
<td>K-kauppias</td>
<td>1973</td>
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<tr>
<td>OTK</td>
<td>Osuusliike</td>
<td>1960–1969</td>
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<td></td>
<td>E</td>
<td>1970–1975</td>
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<tr>
<td>SOK</td>
<td>Osuuskauppalehti luottamushenkilöille</td>
<td>1960–1962</td>
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<tr>
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<td>Osuuskauppalehti</td>
<td>1963–1975</td>
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<tr>
<td>TUKO</td>
<td>Aso-viiri</td>
<td>1962–1965</td>
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<tr>
<td></td>
<td>A&amp;O-myyntineuvoja</td>
<td>1966–1972</td>
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<tr>
<td></td>
<td>Myyntineuvoja</td>
<td>1973–1975</td>
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In the analysis, I focused on the legitimation of the hypermarket format and the de-legitimation of existing formats, thus adopting ready-made categories from the literature. Similar methods are common in recent studies of rhetorical legitimation. I searched for all the articles published in professional magazines that addressed hypermarkets, automarkets, auto department stores or discount department stores; the latter three terms were all used interchangeably with hypermarkets. Specifically, I searched for answers to questions concerning how a new innovation was conceptualised, what the causes and effects of its adoption were, what reasons were given for preferring new to old outlets in current and future situations and how new innovation was linked to essential social values. To manage the large volume of source material, I divided the analysis into two phases. Thereby, my purpose was to secure a thorough analysis of de- and re-legitimation processes while bearing in mind the requirements of sensitivity to history and the historical embeddedness of actors and organisations. In that sense, my methodology can be categorised as an abductive approach, as I applied my initial theoretical framework during the analysis of the empirical data and modified the theoretical conceptions based on the strength of the empirical findings.

In the first phase of the analysis, I gathered all excerpts that discussed the adoption of hypermarkets and analysed how they were used in theorisation and legitimation. In the second phase, I analysed the context of hypermarket articles through an analysis of how the evolution of the retail trade was discussed more generally and how this evolution was interpreted in the light of prevailing organisational ideology. My particular focus was on discussions of large-scale retailing, which was directly related to the development and adoption of the hypermarket format. I studied the texts organisation by organisation and summarised the perceptions in organisation-specific accounts. Finally, I compared the results of the two phases and began to merge them into a consistent narrative. Although each layer of the analysis provided interesting insights, I felt that their utilisation required an addition that could explicate the symbolic management of the legitimation processes. A suitable framework for further analysis was found in Weber’s insights into the different dimensions of rationality. Considering these various rationalities also enabled an examination of legitimation processes at a more abstract level and thereby supported previous phases of the analysis. After this stage, I concluded that additional rounds of analysis would not reveal any notable new information.

Before proceeding to the detailed presentation of the findings of the analysis, it is important to briefly discuss two obvious problems of source criticism that are related to the use of organisational magazines as source material. For example, it is difficult to prove that the target groups actually read the articles and that people were affected by the texts. Similarly, there is a dilemma of multiple actors, when several or even dozens of people edited and wrote articles published in the magazines during the research period. Concerning the first problem, there are two reasons that one can assume that the magazines really were meaningful. First, the target groups of given professional magazines were limited primarily to managerial-level employees and thus required to follow the official line of organisational communication. Second, it was in the interest of managers and retailers to carefully track the development of management practices, changes in the institutional environment and general developments in the field, which were actively discussed in the articles in the professional magazines. With respect to the second challenge regarding the ambiguity of agency, I hold that the published magazine articles were manifestations of the official
viewpoint of a given organisation, if the views were not corrected in the same or subsequent issue(s) of the magazine.

**Findings**

**Processes of de- and re-legitimation**

The following discussion of the findings of this study is structured according to the stages of theorisation and legitimation in the model of Hinings et al. The Finnish retail organisations absorbed the idea of the hypermarket from Sweden, where the first hypermarket was established in 1962. It was common practice that Finnish retailers kept a weather eye on the actions of Swedish retailers because it was widely acknowledged that Finnish retail businesses lagged behind Swedish developments by 5–10 years. Hence, the Swedish ‘showcase’ served as a ‘crystal ball’ that displayed a glimpse of the future for Finnish retailers. Although Finns were able to draw on experiences of retailers abroad, they nevertheless regarded new methods and formats as new innovations, the suitability and adaptability of which to the local context were well considered before adoption decisions were taken.

**Theorisation**

Initially, the opening of Swedish hypermarkets was reported on in a factual manner. The features introduced their operational principles, the conditions for their establishment and their historical origins in the US. The novelty of the innovation manifested in the multiple names that were used to refer to this specific type of retail outlet. These outlets were called e.g. discount department stores, hypermarkets, automarkets, sale department stores and low-cost department stores. The variety of the names for the format indicated its newness and uninstitutionalised status. The abstraction of the format was necessary to explicate its special characteristics and to differentiate hypermarkets from other formats. On the whole, the Swedish hypermarkets were discussed in a positive tone, and it was thus clear that the professional magazines needed to speculate about the possibility of introducing hypermarkets in Finnish markets. The conclusion was blunt. The conditions of Finnish society did not offer an appropriate environment for hypermarkets in the first half of the 1960s due to several factors. The greatest obstacles were the small number of motor vehicles, customers’ unfamiliarity with the self-service method and the limitations imposed by the relevant legislation on the products that could be sold in a given outlet. However, regardless of the impediments at the time, the managers of retail organisations were confident that foreign experiences proved that large-scale outlets would enter Finnish markets at some point, but they were not able to estimate how long it would take.

Although Finnish retailers were unable to make progress with their hypermarkets, they were able to follow the march of the format in Sweden and other countries. The magazines reviewed the development of store openings around Europe and reported frequently on the situation. The main message of those reviews was that hypermarkets were profitable and, more importantly, popular among customers. Thus, organisational actors anticipated that the competitive situation amongst Finnish retailers would most likely lead to the adoption of the format. In addition, there were several references that because Finns were not different from any other nationality, hypermarkets would eventually arrive in Finland. Each group affirmed that they had made extensive investigations and were prepared for the arrival
of hypermarkets. It seems that it was important to note that the management had ready-made plans for how to initiate the hypermarket business when the time was right. It was essential to appear modern and competitive, although retailers sought to blame the adoption on external factors. Initial delays could mean that later, there would not be any markets available for new hypermarkets. However, the ambiguity between argumentation and action raises the question of whether the reference to competition was only a way to find a scapegoat for potentially controversial decisions and actions or was truly an imperative that could not be resisted. Moreover, the Family Firm’s argument for adoption was that hypermarkets would draw their purchasing power from traditional department stores, whereas the Agrarian Co-op claimed the opposite – a hypermarket would not affect the sales of its department stores. At the time, the Family Firm was a market leader in the grocery retail trade, and the Agrarian Co-op dominated the department store sector, which offers a proper context for these statements.

Another justification for the adoption of the hypermarket format was that it offered a means for efficient trade, as long as certain preconditions for the location of the outlet and the scale of operations were met. However, considering the tightening financial situation of the organisations, economic matters were seldom featured in the magazine articles or were mentioned only incidentally. Usually, economic aspects were associated with deeper moral values, i.e. the ideological differences among the organisations. In particular, the adoption of the hypermarket format was justified as a measure to prevent the possibility that all the potential gains of the format would go to their ideological competitors. Maintaining ideological barriers separating the organisations from their competitors and protecting ideological objectives were thus used as excuses for economic gains. These excuses linked justification to legitimation, which will be discussed in greater detail below.

Legitimation
It is noteworthy that in the articles from Finnish retail magazines, there were virtually no references to the changes in legislation and regulations that accompanied the legitimation processes of hypermarkets. Ultimately, some of those changes were extremely relevant for the adoption of large-scale outlets. First, it became possible to build large-scale outlets that sold goods from different product categories. Second, costs rose continuously, but price regulation prevented stores from charging customers more. These magazines widely discussed such legislative issues in other contexts, but for some reason, they were not referred to the context of hypermarkets, although they must have been pivotal for the adoption decisions.

Although the justification efforts already connected hypermarket adoption to broader social values, the connection become more explicit after the retail organisations took the first initiatives to advance their adoption plans. Regardless of the assurances that adoption was essential for survival, some critical voices challenged this direction of development within the same organisations. The criticisms focused on the effects that could result from wide-ranging adoption of the large-scale retail units. The greatest concerns related to the questions of how to maintain services to existing customers after cuts in outlet networks, what the standing of private retailers would be when central organisations entered the retail business, and what would happen to the social mission of trade when economic objectives were prioritised. It was noted that the idea of large-scale retailing fits poorly with the traditional views of the tasks of each retail group. Because the organisations had their own
ideological intentions, they could not place considerable stress on the economic benefits; otherwise, they would have lost their distinctiveness and as a result possibly also their legitimacy.

However, the top management of the retail organisations used these criticisms to support the legitimacy of their actions. Publishing a few critical texts demonstrated that the management was aware of these opinions and that they were taken into account. Furthermore, the dissenting opinions gave the management an opportunity to legitimate their actions with a direct reference to the valued ideals of the constituent groups. Occasionally, legitimation was present in minor details, such as the proper name of the large-scale outlet. For example, there was fear that calling outlets ‘discount’ or ‘low-cost department stores’ could cause pejorative associations concerning the product quality level, and it was therefore preferable to use the name ‘auto department store’. Hence, it was evident that the organisational actors paid careful attention to the manners in which stakeholders perceived their organisational behaviour.

**Dimensions of rationality**

The analysis above discussed the symbolic actions of organisations, but the discourses of organisational magazines can also be studied on a more abstract level. The motivation for another level of analysis arises from the continuous references to the importance of the ‘ideological’ underpinnings and to the obligations that they involved. However, whereas the authors did not define their ideologies explicitly, I will review how they adopted the idea of large-scale retailing in general, which will emphasise the relationship between the new form of retailing and the prevailing organisational ideology. In the discussion section, the two levels of analysis are combined in a matrix to demonstrate how they converge.

**Formal rationality**

In the professional magazines, the arguments employing formal rationality were mostly related to the economies of scale that had become available because of the recent developments in the industry and society at large. In that regard, the co-operative organisations had an edge over their competitors because the typical structure of co-operative retailing was readily suitable for large-scale operations. The co-operative retail trade constituted a continuous distribution chain from wholesale operations to retail outlets, and the different operational levels understood that they were acting collectively in pursuit of shared objectives. However, the co-operatives did not manage to capitalise on their structural advantage. The reason was twofold. Until the second half of the 1960s, the level of infrastructure was so poor that retail organisations needed to adjust their distribution systems to local conditions. In addition, the principles of co-operation required that the Worker Co-op and the Agrarian Co-op trade maximum economic performance for the pursuit of a social mission.

The private retail organisations were organisationally more scattered than the co-operatives, but the advances in the infrastructure and institutional environment induced the Family Firm and the Wholesale Firm to consider a more integrated structure. Ultimately, the prospects for increasing profits sparked organisational restructuring within the Family Firm and the Wholesale Firm. It soon became evident that coordinated economic collaboration brought unprecedented economies of scale and scope. The co-operatives were forced to
compromise their ideological requirements and prioritise economic considerations. The shift did not mean that the co-operatives abandoned ideology altogether, but afterwards, economic resources determined the extent of ideological activity. Economic rationalisations were the only method with which the co-operatives could secure the services of their members in the future.

In addition to the efforts at an organisational level, the private retail organisations were inclined to extend formally rational action to the level of personal business operations. In this respect, the ideal of private entrepreneurship served the goal of economic rationalisation. The Family Firm in particular believed that the personal risk carried by the private retailers motivated them to constantly develop their businesses. Within the Wholesale Firm, a large portion of the retailers had already encountered financial difficulties, and consequently, local wholesalers were taking over the management of retail outlets. Wholesalers argued that they were compelled to enter the retail trade because of the shortage of suitable entrepreneurs. In the case of large-scale outlets, private retailers also lacked sufficient resources to make the necessary investments.

**Practical rationality**

In many of the routine, day-to-day problems, the managers of retail organisations did not rely on any formal precepts or value-based considerations. Their thinking was based on pragmatic intentions of obtaining benefits, i.e. practical rationality. This type of thinking is exemplified in the question of how private retail organisations such as the Family Firm and the Wholesale Firm viewed the retailer activity within their groups. Both organisations acknowledged the importance of commitment to joint operation and active participation. However, their views regarding how passive members would affect the collaboration differed. The Family Firm did not think that passivity of individual retailers would cause direct damage to the group, but it believed that such passivity would nevertheless reduce the overall results and therefore weaken the competitive strength of the group. Within the Wholesale Firm’s voluntary chains, the opinion was that passive members were capable of ruining the whole collaboration and frustrating the work of active members. Therefore, voluntary chains preferred to remain small groups of active members instead of attempting to compete with rivals in terms of size. Thus, although private retailers were expected to comply with certain coordinated joint actions, independent initiatives were encouraged in every other aspect.

Although individual activity was not a priority in the Worker Co-op or the Agrarian Co-op, as organisations, they wanted to maintain an image as state-of-the-art retailers. After all, the co-operative movement claimed to be a progressive form of business. In particular, the co-operatives perceived that they needed to keep pace with societal changes, which meant recruiting members and customers from new, growing social groups. The push for new members was justified to the existing membership through the following logic: more products sold = larger purchases = cheaper purchase prices = cheaper retail prices. Moreover, the growth in total sales also meant growth in return of surplus. Conceptually, the co-operative actors labelled the recruitment campaign an ‘indirect service’ for existing members. New membership was attracted with better economic benefits because conventional members’ benefits had lost their attraction.

Practical rationality was also employed when co-operatives explained the reasons that they were closing hundreds of retail outlets annually. In the Agrarian Co-op, it was made clear that individual benefits had to give way to benefits for the whole organisation, i.e.
it was unacceptable that unprofitable outlets would threaten the profitability or survival of the entire group. By the same token, the Worker Co-op stated that if its members were not willing to patronise their local outlet, there was no reason to support unprofitable business. The pragmatism of co-operative thinking was summarised in a statement in the Agrarian Co-op’s professional magazine: economic rationalisation was often a difficult public relations problem.

**Substantive rationality**

The arguments based on substantive rationality were related to the specific values that the retail organisations cultivated. In the early 1960s, the values of the four retail organisations were axiomatic, but on-going social changes completely transformed the competitive environment by the end of the decade. As a consequence of the environmental changes, some of the traditional values of retail organisations lost their original status and required some type of revision. It was the Worker Co-op’s management that was most willing to introduce new values and objectives. Originally, the Worker Co-op actively promoted the introduction of democratic ideals into economic life. Furthermore, the socialist co-operative opposed deliberate profit-seeking, which was perceived as an essential feature of capitalism. In the early 1970s, when the Worker Co-op’s management weighed the situation of the group, they found that it would not be possible to eliminate the leftist imprint. Thus, managers decided to publicly link the Worker Co-op with the labour movement to reassert their status as a leftist organisation. Furthermore, the Worker Co-op redirected the focus of its ideological work to consumerism. The Agrarian Co-op did not oppose capitalism but rather upheld the ideological objectives of co-operative action, e.g. providing ‘decent products at a fair price’. Abandonment of its original values was not an option because they were considered untouchable. However, the top executives of the Agrarian Co-op acknowledged that the principles should be reinterpreted in any given context.

The Family Firm was a stalwart advocate of free competition even during times of severe competition. According to the top management of the Family Firm, renunciation of competition would have meant denial of their own existence as entrepreneurs and private retailers. Consequently, the Family Firm was determined to remain faithful to its first principles: private entrepreneurship and good business practices. Retailers were expected to adjust their operations to current conditions but under moral guidelines of reputable behaviour. Although the key values in the Wholesale Firm were similar to those of the Family Firm, the former placed greater emphasis on the economic independence and innovativeness of retailers. Retailers were the bearers of risk, but at the same time, they were encouraged to take more radical and sometimes even controversial actions. Illegal behaviours were not advised, but new and previously unused competitive weapons that were shunned by competitors were encouraged. It was acknowledged that playing the part of forerunner was not easy, but it could open the road to success.

**Theoretical rationality**

Theoretical rationality involves intellectual processes such as logical reasoning, causal attribution and formation of symbolic meanings. When private retail organisations began to promote deeper collaboration between the levels of wholesale and retail trade, they challenged the traditional ideologies constituted around the principle of independent entrepreneurship. To address the inconsistency, economic alignment was theoretically rationalised
by emphasising the voluntariness of retailers’ accession to a group. Furthermore, it was argued that joining a retail group did not eliminate the competitive weapons of private retailers but rather brought about benefits that otherwise would have been unattainable to lone retailers. Within the Family Firm, the membership of the group presumed that collective responsibility was prioritised over extreme individuality. Reciprocally, the Family Firm was ready to support member retailers through periods of temporary difficulties but refused to support consistently unprofitable outlets. The Wholesale Firm and its voluntary groups did not offer systematic support to their retailers but rather believed that competition would separate the wheat from the chaff.

Co-operative retail societies did not need to explicate the reasons for collaboration. Instead, their theoretical rationalisation efforts were focused on the justification of store closings and stressing the importance of their existing, loyal members. The Worker Co-op and the Agrarian Co-op sought to convince their stakeholders that outlets were not closed because of small size or in pursuit of an objective of mere profit seeking, as was occasionally alleged. The actual reason was that the central organisations had a responsibility for the profitability of the group, although profitability was not an objective of co-operative retailing as such. Their true objectives were, in essence, social, but pursuing them could not be pure charity work. The co-operatives needed income to maintain services for members and loyal customers. Members were the unique resource of co-operative societies that private companies lacked. A large membership served as a safety net during difficult periods and in upswings offered enormous growth potential.

**Discussion**

The purpose of this study was to examine how organisational actors symbolically legitimate the adoption of new innovation within their individual contexts. Specifically, I focused on the adoption processes of a hypermarket format in four Finnish retail organisations and analysed the ways in which the organisations strove to affect stakeholders’ perceptions of the innovation. First, I analysed practical-level legitimation through the discursive action within the pages of professional magazines. Apparent peculiarities in organisational arguments and outright connections between the argumentation and organisational realities called for an additional level of analysis, in which the mundane discursive legitimation was contrasted with higher-level rationalisations. A synthesis of the analyses is presented in Table 3.

Like any other new innovation, hypermarkets were previously unknown to the majority of the key stakeholders of the retail organisations. Thus, it was crucial that a new format was

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<th>Table 3. Synthesis of the analysis.</th>
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<td><strong>Formal rationality</strong></td>
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introduced to the relevant people to bring about institutional change within a given organisational context. In terms of formal and practical rationality, the conceptualisation of the hypermarket format was similar in the focal organisations. Because all format types rested on formal definitions, there was little room for creativity or subjectivity in argumentation. Similarly, hypermarkets were designed to make the most of available economies of scale and scope, which required the rationalisation of unnecessary services and products. Thus, there were no alternative ways to put large-scale retailing into practice in Finnish context. The greatest differences were apparent during conceptualisation in the accounts of how ideological counterparts, or sister organisations, had advanced with the adoption of hypermarkets. Naturally, the points of reference differed across organisations, but they also emphasised different aspects of the adoption process.

When the adoption of hypermarkets seemed distant to Finnish retailers at the time of initial introduction, the accelerating development of the Finnish society demonstrated similarities with other nations and thereby drove retail organisations to investigate whether the adoption could be feasible in the future and how it should be implemented. A typical feature of the justifications was that the economic effects of the large-scale retailing were mainly ignored. It was well recognised that large-scale retail units had potential for significant gains, but greater attention was given to the question of how those additional resources could be used to promote the operations of the own retail group and thereby specific ideological objectives. Claims of ideological competition were markedly aimed at the emotions of organisational stakeholders, who were not as interested in additional profit as they were in maintaining moral values in their business activities. Hence, the need for new business practices were set forth as a threat to ideological objectives instead of a pure question of profitability. The emotional side was further strengthened with success stories of those foreign sister organisations that had entered into large-scale retailing and accounts of failures, if hypermarkets were deliberately ignored. Observations that Finns were not any different from other nationalities seemed to corroborate a deduction that a choice between the adoption and non-adoption of hypermarkets would determine the future of the organisation and the success of its larger social mission.

The question of viability was directly linked to another set of claims that called for the appearance of modernity. Irrespective of ideological factors, retail organisations also stressed that retailers and shopkeepers should not give rise to understandings that they were not able or willing to follow the evolution of the field. If customers were to become dubious that they were not served in the best possible way, they could easily switch to another store and buy similar products there. Thus, retailers should not excessively rely on the power of ideology to keep customers loyal; they needed to substantiate their progress through concrete actions. In practice, this meant the introduction and adoption of new practices, including outlet formats, which were not necessarily profitable but proved that the given organisation was not stuck in a rut.

To acquire legitimacy for the hypermarket format, organisational actors could not conceal the fact that the primary reason for the use of the hypermarket format was its economic efficiency. This openness likely resulted from the poor financial situation of retail groups and from the on-going recession period, which made the economic prospects rather dim. Organisations were required to implement more efficient methods to enhance the odds of organisational survival. During theorisation, it had been possible to ignore the conflict by stating that a potential adoption would also benefit the ideological work. However, in the
legitimation process, addressing the inconsistencies between large-scale retailing and the organisations’ social values was unavoidable. I identified three different strategies that organisational actors applied in the legitimation of hypermarkets. These strategies were to regard the prevailing environment through a lens of ideological principles, to translate ideological principles to fit current circumstances and to redefine ideological objectives according to the current needs of their members. The strategies signalled that although retail organisations were ready to change their course of action, they were reluctant to abandon their ideological guidelines. Actual changes to objectives were conceivable only to better serve existing members. Moreover, changes in organisational behaviour were presented as a continuation of organisational tradition and thereby added an historical element to the repertoire of symbolic acts.

In conclusion, the analysis of the adoption of the hypermarket format suggests that the organisational actors used symbolic management to smooth over an apparent contradiction between traditional values and a new method. During theorisation and legitimation, the hypermarket format and large-scale retailing became loosely coupled to organisational images. The peculiarity of this process was that loose coupling took place in reverse order from the established meaning of the concept. In the reversed version, organisations adopted the innovation discreetly but denied that it would cause major changes in their operations or ideological objectives. Thereby, retail organisations were able to maintain their formal appearance in a field that was becoming increasingly isomorphic as a result of institutional change.

Various symbolic acts became apparent through the historical analysis, which examined discussions of hypermarkets and large-scale retailing over an extended period of time. The rhetorical claims of organisational actors were based on diverse rationalities and directed to subjects who were behaving and thinking in a more or less non-rational way. Organisational actors with good social skills and a high level of reflexivity were familiar with the sentiments of their stakeholders and developed their rhetoric accordingly. Emotional and temporal claims were employed to generate a vision of adherence to traditional value bases and forms of activity. Sensitivity to historical contingencies enabled the comprehension of separate rhetorical claims as purposeful and well-targeted symbolic management. All of the above contributes to our understanding of legitimation processes under institutional change.

The article was built on a framework that combined theoretical elements from the literatures of organisational institutionalism, organisational symbolism and historical sociology. The insights were mixed for the purpose of historical research, which examined legitimation processes within their authentic historical environments. The historical research was able to delve into actual legitimation practices over a long period and follow how the processes developed. Thus, this analysis contributed to existing research by examining the dynamics of legitimation processes at a micro level, through individual rhetorical claims. On the one hand, the article built on the findings of previous quantitative studies, but on the other hand, it subjected those findings to critical empirical examination. Similarly, historical studies would be suitable to study how conflicting theoretical views can complement one another in analysing empirical situations. For example, a potential future research agenda would be to analyse how organisations adapt themselves to conflicting pressures of isomorphism and differentiation. The findings of this research suggest that such juxtaposition was a real and prominent issue for the organisational actors. Alternatively, I would like to encourage historians to conduct more historical research on legitimation processes. That is, I call not only for studies that use historical data but also research based on explicit historical research
methods. This kind of research might enable better identification and operationalisation of contextual factors and deeper understanding of complex causality, which have represented major challenges in process studies on legitimation.\footnote{179}

Notes

1. Dowling and Pfeffer, "Organizational Legitimacy," 122; Richardson, "Symbolic and Substantive Legitimation," 140.
5. Hinings et al., "Dynamics of Change," 312.
8. Rao, "The Social Construction"; Clark and Soulsby, "Transforming Former State Enterprises"; Human and Provan, "Legitimacy Building"; Suddaby and Greenwood, "Rhetorical Strategies of Legitimacy"; David, Sine, and Haveman, "Seizing Opportunity." In their recent review of legitimacy literature, Suddaby, Bittekine and Haack identify the processual view as one of the three configurations of legitimacy. For a more comprehensive discussion of the 'legitimacy-as-process' perspective and additional exemplary papers, see Suddaby et al. "Legitimacy".
9. A hypermarket is a retail outlet that follows the self-service principle and is usually operated on a single level. The product range of a hypermarket is equivalent to that of a department store, and the sales of any of commodity group cannot exceed two-thirds of total sales. A hypermarket is typically located on the fringe of a population centre and has numerous parking spaces. The minimum sales area of a hypermarket is 2500 m².
13. DiMaggio, "Interest and Agency."
15. Greenwood, Suddaby, and Hinings, "Theorizing Change," 59; Hinings et al., "Dynamics of Change," 306–313. In their paper from 2002, Greenwood, Suddaby and Hinings presented a model of six stages, but in 2004 (Hinings et al.), the number of stages was reduced to five. There was actually no meaningful revision to the model but rather only a minor regrouping of the liminal stages.
29. Ibid., 577.
41. Green, “A Rhetorical Theory of Diffusion.”
48. Weber, Economy and Society; For reviews, see Kalberg, “Max Weber’s Types of Rationality”; Townley, “The Role of Competing Rationalities.”
52. Ibid., 1152, 1154.
54. Kallenaatio, Eka Suomessa, 94–95; Lamberg and Tikkanen, ‘Changing Sources,’ 818.
57. Ibid., 532; Lamberg and Tikkanen, “Changing Sources,” 818.
60. Lainema, Oman onnensa sepät, 66–67, 70–71.
64. Although the labels of the retail co-operatives may imply something else, it is perhaps in order to remind that the organisations were consumer co-operatives.
65. The Finnish Civil War started in 27 January 1918 and it ended in 16 May 1918, when the ‘Whites’ organised a parade in Helsinki to mark their victory over the ‘Reds.’ Tepora and Roselius, “Introduction.”
71. See, e.g. Alexander, “Format Development”; Sandgren, “From ‘Peculiar Stores’.”
82. See also Alexander, “Format Development,” 502.
89. Cf. Sandgren, “From ‘Peculiar Stores’.”


178. I would like to thank one of the reviewers for emphasising this point and bringing it to my attention.
179. See Suddaby et al., “Legitimacy.”

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Myyntineuvoja [Sales Advice]. Helsinki: Kauppa ja koti.


Osuusliike [Co-operative Society]. Helsinki: Kulutusosuuskuntien keskusliitto.


