

Dominant Ideological Modes of Rationality:

Cross Functional Integration in the Process of Product Innovation

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Summary: Integration across departments, functions, and knowledge areas is important for success in the process of product innovation. Research of organizations, whether private or public, demonstrates, however, that cross functional integration is difficult to achieve in praxis. This problem area: *Why is cross functional integration – in SMEs – in the process of product innovation so difficult in praxis?* – sets up the foundation for this PhD. By focusing on cross functional integration in small- to medium-sized enterprises (SMEs) and by utilizing a qualitative research design in studies of the micro politics of cross functional integration, the PhD makes a novel contribution within an area of research largely overlooked by previous literatures.

Through three research articles, the dissertation unfolds its theoretical and empirical research contributions; first, by developing the theoretical framework: ‘dominant ideological modes of rationalities’ to increase understanding and explanation in studies of social practice in organization, and, second by engaging this framework empirically.

More specifically the PhD addresses the questions of *how*, *why*, and with *what* consequences – dominant ideological modes of rationality influence social practice in organization; hence cross functional integration in the process of product innovation.

The research concludes, among others - that just as power produces rationalities and rationalities produce power; professional identity produces both power and rationalities; ‘truth’ being the overarching concept that connects these three constructs – and that integration barriers concern management’s exclusion of colleagues’ competences and expertise in that their own competences are estimated sufficient in reaching goals of the innovation process – and that conflicts among ideological modes of rationalities produce emotional stress in the management group; a distress proven to intensify during times of turbulence such as the global financial crisis.

The three research articles are as follows:

1. Baunsgaard, Vibeke V. and Stewart R. Clegg. ‘Professional identity, Power Relations, and Rationality: Organizations as Arenas of Struggle over Members’ Categorization Devices’. Forthcoming in *Research in the Sociology of Organizations*.
2. Baunsgaard, Vibeke V. and Stewart R. Clegg. ‘Walls and Boxes: The Integration of Sale/Marketing into the Process of Product Innovation’.
3. Baunsgaard, Vibeke V. ‘Cross Functional Integration: During Times of Turbulence’.

Professional Identity, Power Relations, and Modes of Rationality: Organizations as Arenas of Struggle over Members' Categorization Devices

Vibeke V. Baunsgaard and Stewart R. Clegg

Forthcoming in *Research in the Sociology of Organizations* (special issue on power).

Abstract

This article theoretically explores dominant ideologies in an organizational setting. A framework is developed to advance our understanding of how 'dominant ideological modes of rationality' reflect predictability through the reproduction of accepted truths, hence social order in organization. 'Dominant ideological modes of rationality' constitutes professional identity, power relations, and rationality and define a prevailing mentality that frames social practice in organization and vice versa. It is suggested that members' categorization devices structure and constrain these social practices. Supplementing the existent power literature, the article concludes that professional identity produces rationality, power and truth – *truth* being the overarching concept assembled through the rationalities assembled in professional members' categorization devices. Research and managerial implications are discussed.

Keywords: Professional identity; power relations; rationality; process; dominant ideological modes of rationality.

‘Walls and Boxes’: Integration of Sales/Marketing into the Process of Product Innovation

Vibeke Vad Baunsgaard and Stewart R. Clegg

Abstract

The focus of this paper is on cross-functional integration in organizations. While prior research in large corporations documents the criticality of sales/marketing’s integration into the process of product innovation for innovation and organizational success, studies of cross-functional integration in the literature of small organizations are virtually absent. The paper’s discussion of the relevance and importance of power relations for cross-functional integration for product innovation success in SMEs makes a novel contribution to the literature of organization, SMEs, and innovation. Analysis of the micro-processes of product innovation demonstrates *how* and *why* discursively dominant categorization devices structuring management’s prioritizing can produce disintegration, dysfunctionality, and counter-innovation. The interplay of professional identity and organizational power relations constitutes local ‘dominant ideological mode of rationality’ that legitimate specific social practices in organizations. The paper is an account of how ideologically distinct modes of rationality posed challenges for cross-functional integration processes in the innovation context; these challenges have previously been allocated preliminary theoretical recognition but this paper represents not only a theoretically but also empirically innovative investigation of cross-functional integration in organizations.

Keywords: Dominant ideological modes of rationality, professional identity, power relations, rationality, cross-functional integration, innovation, process.

Cross-Functional Integration in Product Innovation Processes: During times of turbulence

Vibeke Vad Baunsgaard

Abstract

Cross-functional integration proves critical for innovation, hence for organizational success in large organizations; yet it has rarely been researched within the context of small- to medium-sized enterprise (SMEs). In this article this research gap is filled by an explorative investigation of cross-functional integration in the process of product innovation in SMEs. Employing the theoretical framework of 'dominant ideological modes of rationality', the article focuses on the micro politics of daily organizing, how ideologies interface, clash and change during the global financial crisis. Research questions are addressed at management level via a longitudinal case study investigating an industrial housing business. Diverging from previous research, management is shown to use different types of power to struggle to set the innovation agenda. It further illustrates how dominant ideological modes of rationality cause hopelessness and frustration among groups who do not share the dominant sense making. Finally it demonstrates that, in addition to uniting across units, challenges of cross-functional integration involve unit's colonizing each other's functional responsibilities, dissecting expertise from practice. The research contributes an understanding of management practices not previously seen in the SME, innovation, or management literature.