Institutional Pressures and Strategic Responses:

The Case of the BP Oil Spill

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Foreword

After a long year I have finally finished my master thesis. It must be said that the writing of this thesis didn’t come easy to me. It has been as much of a challenge as any academic could wish for. Luckily, the subject of the thesis truly fascinates me and this is what kept me going. During the writing of this thesis I have had some ups and downs, as the coding of all the events alone took forever to complete. However these brief moments of joy when I came to an insight or when I completed one of the many graphs or charts served as welcome pressure reliefs (Oh how funny..). In the end I managed to produce a piece of work that I am actually quite proud of due to the insights I have developed and the high level of detail with which I have described the case. Finally, I can now breathe out and attempt to get my shoulders back in a normal non-laptop position. I can even enjoy a short period of time-off before I leave for the Democratic Republic of Congo.

First of all, I would like to thank my thesis supervisor Rosalinde. I appreciate the input you gave me and your genuine interest in the proceedings of this thesis. Thank you for all your feedback. I would also like to thank Dirk Oegema for his input and help. I hope you will both greatly enjoy reading this thesis. Also I would like to thank Ashok for helping me produce all the excel graphs. Finally I would like to thank Isabelle for supporting me in times of stress and despair.

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1. Introduction

1.1 Cause

On the 20th of April 2010 the exploratory drilling rig Deepwater Horizon exploded after a blow-out, killing eleven people. It sank two days later. It was owned by Transocean, and was under lease to BP (British Petroleum) from March 2008 to September 2013. This blow-out happened in the Macondo Prospect field in the Gulf of Mexico in the United States exclusive economic zone about 66km off the Louisiana coast and resulted in a leaking oil well 1,500 meters below sea level. The leak has become the largest off-shore oil spill in U.S. history. BP has made numerous attempts to seal the leaking well in the months after the explosion but only succeeded to finally close the well on September 19. The spill has caused great environmental damage as well as economic damage. BP is being held responsible for restoration of both these types of damage. The company has been under fire from all directions about the accident, the reaction to the spill and the reporting on the spill. The closing of the well by no means demarcates the end of pressure that is exerted on BP since investigations concerning BP’s accountability and behaviour during the crisis are still in progress. Also BP is being held liable to pay damages to affected parties and to pay for clean-up operations of the spill.

In any case BP is under fire and it needs to withstand growing pressure from the US government and its agencies, those who are affected by the spill, analysts, experts and competitors amongst others. This pressure is exerted by institutions. In institutional theory institutions are defined as regulatory structures, governmental agencies, laws, courts, professions interest groups and public opinion (Scott, 1987). Institutional theory, which finds its foundations in the works of Meyer and Rowan (1977) and DiMaggio and Powell (1983), argues that organizations will conform to these institutions. Meyer and Rowan (1977) stated that formal organizational structure reflects widespread understandings of social reality. Powerful institutional rules and practices function as rationalized myths, which organizations incorporate to gain legitimacy, resources, stability and enhanced survival prospects. Therefore organizations conform to institutionalized rules, known as isomorphism, apart from evaluations of their impact on work outcomes. DiMaggio and Powell (1983) also focussed on isomorphism and raised the question why organizations are so similar. They argued in line with Meyer and Rowan (1977) that organizations are similar as a result of a quest for legitimacy, which is needed because organizations rely on their environments for resources. Meyer and Rowan (1977), DiMaggio and Powell (1983) and Scott (1995) all deal with institutional pressures that lead to isomorphism. From the works of these authors an integrated set of institutional pressures is developed. Regulative pressures concerns organizations being forced to adhere to rules and
regulations, social normative pressure concerns wider societal norms, professional normative pressure concerns professional norms and mimetic pressure concerns to at least equal competitors’ performance. The benefits of compliance to these pressures can be, for example, increased prestige, stability, legitimacy, social support, internal and external commitment, access to resources, attraction of personnel, fit into administrative categories, acceptance in professions, and invulnerability to questioning (DiMaggio, 1988; DiMaggio & Powell, 1983; Meyer & Rowan, 1977; Meyer & Scott, 1983; Meyer et al., 1983; Scott, 1983a; Zucker, 1988).

A number of theorists have argued that the emphasis on conformity has led to an underestimation of the role of interest and agency in adaptation to the institutional environment (Scott, 1987; Covaleski en Dirsmith, 1988; DiMaggio, 1988; Powell en DiMaggio, 1991; Elsbach en Sutton, 1992; Fligstein, 1997; Hoffman, 1999; Oliver, 1991). Scott argued, "Just as is the case within their technical environments, organizations may be expected to exercise 'strategic choice' (Child, 1972) in relating to their institutional environments and responding to institutional pressures" (1991: 170). To this argument of strategic choice instead of blind conformity, DiMaggio (1988) introduced the idea of institutional entrepreneurship, whereby agents deploy the resources at their disposal to create and empower institutions. Oliver (1991) states: “Institutional explanations of reproduction and isomorphism emphasize the role of conformity, habit, and convention, rather than organizational power and control, in contributing to stability, and power tends to be attributed to the institutional environment rather than the organization” She proposes that institutional theory can accommodate interest-seeking, active organizational behaviour when organizations' responses to institutional pressures and expectations are not assumed to be invariably passive and conforming across all institutional conditions. Oliver (1991) suggests that organizations can use a broad range of strategic responses to the institutional environment, varying from conforming to resistant, namely acquiescence, compromise, avoidance, defiance and manipulation. However, Oliver does not include in her research the type of pressure that triggers the strategic response that an organization uses. There has yet to be made a connection between institutional pressures, as described by DiMaggio and Powell (1983) amongst others, and the used strategic response, as described by Oliver (1991).

The explosion of the Deepwater Horizon and the following oil spill has led to new institutional pressure for BP to conform to rules and regulations, professional and societal norms and the performance of competitors. The media have extensively reported on these pressures and BP's responses to these pressures. Therefore the oil spill crisis resulting from the explosion of the Deepwater Horizon seems to be a very appropriate case to research the dynamics between
institutional pressures and an organization’s strategic responses thereto and to find out whether any relations between these pressures and responses are to be found.

1.2 Relevance

The focus in this explorative research is on attaining new insights regarding the current conceptions about institutionalism. Institutional theory has grown extensively since the works of Meyer and Rowan (1977), DiMaggio and Powell (1983) and Oliver (1991). For example the process of deinstitutionalization has been defined (Oliver, 1992) as well as the process of de- and re-institutionalization (Greenwood, Suddaby and Hinings, 2002). Also the setting of norms and standards in the process of institutionalization is described as an isomorphic dialogue (White, 1992) and even as an institutional war (Hoffman, 1999).

According to traditional institutional theory the institutional pressure that is exerted on BP should be part of a process in which BP conforms to these pressures and homogeneity returns to the field. However BP has been found to also resist these pressures and therefore the imperative isomorphism as described by institutional theory does not seem in place in this case. The case of BP and the 2010 oil spill shows that an individual organization can indeed deviate from the norm and can have room for agency, which can lead to either conforming to institutional pressure or resisting it.

There has indeed been an increase in the number of studies that focus on developing a more integrated approach to institutional theory, in which there is room for agency, power, self-interest and conflict (Lounsbury, 2001; Kim, Shin, Oh and Jeong, 2007; Holm, 1995; Covaleski and Dirsmith, 1988). However, there still exist only a limited number of empirical researches into the dynamics between institutional pressures and organizational strategic responses to those pressures (Lounsbury, 2001). For a truly integrative approach one needs to focus not only on the way institutional pressures shape organizational behavior, but also on the way this behavior can shape institutions, because institutions do not only instigate action, but they are also the products of action. To this issue there have been studies addressing institutional pressures and field change (Lamin and Zaheer, 2005; Lebleci et al., 1991). Therein Creed and Seo (2002) focus on agency, Oliver (1991) frames institutionalization as an interactive process and Clemens and Douglas (2005), Goodstein (1994), Greening and Gray (1994) and Ingram and Simons (1995) study pressure and response patterns in specific fields. It is to this last stream of research that the author wants to contribute by focusing on the processes of pressures and responses.
In this research Oliver’s (1991) response strategies as used by BP during the oil spill crisis will be analyzed in detail. Following this, attention will be directed at finding out whether these responses were a reaction to regulative, social normative, professional normative or mimetic pressure. By doing so the author answers to a cry from for example Louche (2004) for a more qualitative approach to individual strategic responses in light of different types of pressure. In this way perhaps a relation can be found between the types of pressure as described by amongst others DiMaggio and Powell (1983) that were exerted on BP during the crisis and the response strategies (Oliver, 1991) it used. A combination of these theories will hopefully offer insight in (i) the value BP attributes to different types of pressure and (ii) the impact the different types of pressure can have on BP’s strategy and (iii) what the interactive processes of pressures and responses look like.

1.3 Goal

The author is hoping to determine a pattern in the dynamics between the pressures and the strategic responses over time. This research is aimed at further developing the framework of Oliver (1991) which predicts the level of individual resistance to pressure from a number of institutional factors. In this framework the different types of institutional pressure are not yet distinguished. Through detailed analysis the author will attempt to discover possible relations between pressures and responses.

1.4 Problem definition

The problem definition of this research is:

*How do institutional pressures and BP’s strategic responses interact during the oil spill crisis of 2010?*

This research question is supported by two sub questions:

1. *Which types of institutional pressures were exerted on BP during the crisis?*

Did BP experience all types of pressure that are distinguished in this research, or just a selection?

2. *Which response strategies did BP use during the crisis?*

Did BP use all of the strategies described by Oliver (1991), or just a selection?
1.5 Research method

This research is qualitative in nature and is aimed at detailed analysis of a single case whereby the interpretation of the context is of great importance because it studies causal relations in a local context. Also it is explorative in nature since it is aimed at gaining new insights that could lead to new propositions within institutional theory. The research strategy is a case study. The case is that of the crisis in which BP found itself after the explosion of the Deepwater Horizon caused a major oil spill. The data were collected from two leading newspapers from both the UK and the US, being the Financial Times and New York Times. These newspapers have extensively reported on all the events concerning BP and other actors in the field in relation to the oil spill. From these newspapers articles were selected based on a search in the digital database LexisNexis. From these articles events have been extracted which were coded according to type of pressure or response. These data were then categorized and placed in separate graphs of frequencies on which the qualitative analysis is based. For each category a correlation is calculated between all the different pressures and strategic responses to add empirical underpinning to the results.

1.6 Structure of the thesis

This thesis is structured as follows. Chapter 2 contains the theoretical description of institutional pressures and strategic responses, followed by a discussion of how we can obtain a more balanced view of how pressures and responses interact and form the basis for institutional change. Chapter 3 contains the methodology including the type of research, research strategy and the methods of data collection and analysis. Chapter 4 deals with the results that are obtained from the data analysis. In chapter 5 the results are discussed in the light of the theory and insights gained are presented. In chapter 6 an answer to the research question is formulated. Finally in chapter 7 the limitations of the research will be reviewed and suggestions for future research will be offered.
2. Institutional theory

This chapter deals with existing theory in the field of institutionalism. First a brief history is offered about the birth of institutional theory. Next the development of institutional theory is described in the section on neo-institutionalism. In the following section detailed attention will be directed at institutional pressures that affect organizations. In this section the work of some leading authors will be analyzed to distinguish multiple institutional pressures that force organizations to behave in similar ways. In the following section attention is directed at the possibilities for organizations to respond to institutional pressures. These possibilities range from conforming to resisting. In contrast to the section on institutional pressures special attention is directed at how organizations can diversify by being able to deploy different responses. Resistance of institutional pressures can lead to so-called deinstitutionalizing, meaning the norms and rules are adjusted to better fit with the existing beliefs and convictions.

2.1 Early institutionalism

To the earlier emphasis on the importance of the technical environment, resources and technical know-how institutional theory has called attention to the importance of the social and cultural environment, in particular, to social knowledge and cultural rule systems.

The first institutional arguments stem from the 19th century and institutionalism is linked to the works of Veblen (1898), Commons (1924), Mitchell, Durkheim, Weber and Marx. What all these different approaches have in common is the conviction that organizations do not exist independently, but rather they operate in a context of institutional regulations and social processes. Although institutions were identified and analyzed quite early, organizations were not distinguished conceptually until recently as organizational studies originated in the period 1937-1947 (March, 1965). This stimulated interest among sociologists and resulted in a first important period of development in institutional theory. In this period three schools are distinguished, named after American universities: Columbia, Carnegie and Harvard (Scott, 1995)

The first school is the Columbia school, of which Philip Selznick is the most important author. Selznick’s work was influenced by his teacher at Columbia Robert K. Merton, who discussed about processes within organizations that lead to conforming to rules even to the point where it interferes with the achievement of organizational purposes. Selznick viewed organizations as adaptive organic systems affected by the characteristics of its participants as well as pressures imposed by its environment. Social actions are not context free but are constrained and shaped by the setting in
which they occur. Selznick argues institutionalizations is a process happening to an organization over time as an organization is infused with value beyond the technical requirements at hand (Selznick, 1957). By taking on a distinctive set of values, the organization acquires its distinctive structure, capabilities and liabilities. Merton and Selznick laid the basis for a process model of institutions. Merton described processes of over conformity, whereas Selznick focussed on processes giving rise to a distinctive set of valued commitments.

The second school, the Harvard school is led by Talcott Parsons. Parsons develops his “cultural-institutional” arguments by examining the relation between an organization and its environment. He argues wider normative structures serve to legitimate the existence of organizations, but more specifically, they legitimate the main functional patterns of operations which are necessary to implement values. Organizations in different sectors are legitimated by differing values and are governed by differing normative patterns. Parsons distinguished three vertical levels in organizations: (i) the technical level, concerned with production activities; (ii) the managerial, concerned with control and coordination; and (iii) the institutional, concerned with relating the organization to the norms and conventions of the community and society.

The third school is the Carnegie school, led by Herbert Simon, which links the limits of individual cognitive capacity with the nature of organizational structure. Organizational structures work to simplify and support decision making. According to Simon individuals are expected to adopt organizational value premises as well as rules, procedures and routines as a guide for their decisions. This reduces the discretion of individuals so that they make fewer choices and are more circumscribed in the choices they do make. All of these value assumptions, rules and routine serve to conduce individuals to behave rationally (Simon and March, 1958).

2.2 Neo-institutional theory

Beginning in the 1950’s with the birth of organizational studies, scholars began connecting institutional arguments to the structure and behaviour of organizations. Neo-institutional theory developed during the mid-1970’s and it marked the beginning of the second important period of development in institutional theory. Both the old and the new institutional theory claim that an organization’s behaviour is constrained by institutionalization, but neo-institutionalism gives new sources for this constraint. Neo-institutional theory views institutions as independent variables and it uses a more cognitive and cultural perspective. Also it shows more interest in the characteristics of
groups of people which can’t be explained from individual behaviour (DiMaggio et al. 1991 in Louche, 2004).

The development of institutional theory has led to significant insights regarding the importance of institutional environments to organizational behaviour. Neo-institutional theorists have attempted to identify mechanisms, such as norms and regulations, which motivate organizations to respond to institutional pressures in similar ways (DiMaggio & Powell, 1983; Meyer & Rowan, 1977; Meyer & Scott, 1983 in J.D. Goodstein, 1994). Institutions are defined as regulatory structures, governmental agencies, laws, courts, professions, interest groups and public opinion (Scott, 1987). Organizations are predicted to conform to institutionalized beliefs or practices when these are so externally validated and accepted by organizations that they are invisible to these organizations (DiMaggio, 1988), or when their "social fact" quality renders them the only conceivable, "obvious," or "natural" way to behave (Berger & Luckmann, 1967; Zucker, 1977, 1987a in Oliver, 2001).

Institutional theorists emphasize the survival value and advisability of conforming to the external institutional environment (DiMaggio & Powell, 1983; Meyer & Rowan, 1977 in Oliver, 1991). Hereto Covaleski and Dirsmith (1988: 563) noted: "the general theme of the institutional perspective is that an organization’s survival requires it to conform to social norms of acceptable behaviour." Institutional theory can explain why organizations sometimes adopt non-choice behaviour in the context of taken-for-grANTED norms and beliefs, through the exercise of habit, convention, convenience, or social obligation, without any evidence that these behaviours serve the organization’s own interests or contribute to organizational efficiency or control (Tolbert, 1985; Tolbert & Zucker, 1983; Zucker, 1983 in Oliver, 1991).

The benefits of compliance with institutional norms and requirements are amongst others increased prestige, stability, legitimacy, social support, internal and external commitment, access to resources, attraction of personnel, fit into administrative categories, acceptance in professions, and invulnerability to questioning (DiMaggio, 1988; DiMaggio & Powell, 1983; Meyer & Rowan, 1977, 1983; Meyer & Scott, 1983; Meyer et al., 1983; Scott, 1983a; Zucker, 1988 in Oliver, 1991). These benefits can explain why organizations behave in ways that do not seem to increase efficiency or effectiveness.
2.3 Institutional pressures

Following the previous section it should be clear that neo-institutional theory focuses on homogeneity of organizations that is a consequence of conforming to the institutional norms and requirements. In this section attention is directed at pointing out which pressures exactly cause homogeneity in a field. Many authors have written in more or less detail about these pressures and these different pressures have been addressed by these authors in many different ways. Because it is, within the boundaries of this thesis, impossible to include the work off all these authors, I have chosen to use only the work of a few leading authors. The goal of this section is to extract, from the work of the chosen authors, a comprehensive description of all the different types of institutional pressures and the position of actors in relation to these pressures.

Meyer and Rowan (1977) are among the founders of neo-institutional theory. According to Meyer and Rowan (1977) organizational structures are formed by rationalized institutional rules, practices and procedures defined by prevailing rationalized concepts of organizational work and institutionalized in society. Institutional rules are classifications built into society as reciprocated typifications or interpretations (Berger and Luckmann 1967, p. 54). Institutionalization involves the processes by which social processes, obligations, or actualities take on a rule like status in social thought and action. Thereby what the authors term as rationalized myths come into life (Meyer and Rowan, 1977). According to Starbuck (1976) these rules may be simply taken for granted or may be supported by public opinion or the force of law (Starbuck 1976). Meyer and Rowan add to this by stating that many of the positions, policies, programs, and procedures of modern organizations are enforced by public opinion, by the views of important constituents, by knowledge legitimated through the educational system, by social prestige, by the laws, and by the definitions of negligence and prudence used by the courts. Hence, the above is the first indication of the existence of differing pressures, generally distinguishable in the public opinion and the law.

Meyer and Rowan (1977) further describe a number of processes through which rationalized myths are generated. From these processes it is further deductible that there exist multiple forms of pressure. They argue that as relational networks become dense and interconnected the number of rationalized myths increases, meaning that relational networks serve as a vehicle for diffusion for rationalized myths. More general and more specific rationalized myths describe elements of formal structure. For organizations it is then necessary or advantageous to incorporate new structures because of the law, the educational and credentialing systems and public opinion. Also the authors
state that myths generated by organizational practices and diffused through relational networks have legitimacy based on the idea that they are rationally effective, suggesting some sort of normative pressure coming from the organizational environment. However, in addition many myths also have official legitimacy based on legal mandates, suggesting pressure from rules and regulations. Legislative and judicial authorities create and interpret legal mandates, administrative agencies, such as governments, establish rules of practice and licenses and credentials become necessary to practice occupations. Finally, Meyer and Rowan (1977b in Louche, 2004) state that “when there is uncertainty, organizations imitate other organizations that are perceived to be successful and/or similar”. This can be viewed as a third source of pressure, which the author will term mimetic pressure, since this is a term for this kind of pressure used in the later work of DiMaggio and Powell (1983).

Meyer and Rowan (1977) do not direct a lot of attention at the differences between certain institutional pressures, but nevertheless it becomes clear they can distinguish between differing sources of institutional pressure. The main focus in their article is the way institutional pressures affect organizations and with that the nature of the actors can be extracted. In the work of Meyer and Rowan there is a focus on external pressures that organizations need to passively adhere to. They plea institutional rules function as rational myths that are binding on organizations. They make formal organizations easier to create and more necessary. The myths are considered proper, adequate, rational and necessary and therefore they need to be incorporated to gain legitimacy, resources, stability and enhanced survival prospects.

Isomorphism with environmental institutions has some crucial consequences for organizations. Organizations incorporate elements which are legitimated externally, rather than in terms of efficiency. Incorporating externally legitimated formal structures increases the commitment of internal participants and external constituents and reduces turbulence and maintains stability. The organization becomes, in a word, legitimate, and it uses its legitimacy to strengthen its support and secure its survival. However, as organizations become more isomorphic with institutions, internal coordination and control generally decrease in order to maintain and increase legitimacy and their survival prospects. Centralized states, trade associations, unions, professional associations, and coalitions among organizations standardize and stabilize (see the review by Starbuck 1976).

According to Meyer and Rowan the above mentioned consequences of such rationalized institutional elements on organizations and organizing situations enable participants to organize along prescribed lines. According to Meyer and Rowan, when these rules become highly institutionalized they are
beyond the discretion of any individual participant or organization. They must be taken-for-granted as legitimate, apart from evaluations of their impact on work outcomes.

DiMaggio and Powell (1983) further developed the work of Meyer and Rowan by linking it to organizational and sociological theory. They raised the question of why organizations are so similar. They argued, consistent with Meyer and Rowan, that this similarity or homogeneity is a result of organizations’ quest to gain legitimacy within their larger environments. This legitimacy is needed because organizations rely on their environments for the resources they need.

DiMaggio and Powell argue that in the early years of an organizational field the organizations within it may be highly diverse. An organizational field is defined as “a group of organizations, such as members of an industry, customers and suppliers, consumers, and regulatory agencies that constitute a recognized area of institutional life”. Once organizations in the same line of business are structured into an actual field (by competition, the state, or the professions), powerful forces emerge that lead them to become more similar to one another. Organizations may change their goals or develop new practices, and new organizations may enter the field. But eventually organizational actors making rational decisions construct around themselves an environment that constrains their ability to change further in later years.

To describe the process of homogenization or institutional pressures, DiMaggio & Powell, like Meyer and Rowan, adopted the concept of isomorphism. They use Hawley’s (1982) description, who states that isomorphism is a constraining process that forces one unit in a population to resemble other units that face the same set of environmental conditions. DiMaggio and Powell make a much clearer distinction between different pressures than Meyer and Rowan. Following Meyer (1979) and Fennell (1980), they identified two types of isomorphism, competitive and institutional. Competitive isomorphism involves pressures toward similarity resulting from market competition. However this does not present a fully adequate picture of modern organizations. Therefore competitive isomorphism must be complemented by an institutional view of isomorphism. Institutional isomorphism involves organizational competition for political and institutional legitimacy as well as market position, thus for both economic and social wellbeing. According to DiMaggio and Powell it is "a useful tool for understanding the politics and ceremony that pervade much modern organizational life."
DiMaggio and Powell propose three mechanisms through which institutional isomorphism occurs: coercive, mimetic, and normative.

Coercive isomorphism results from both formal and informal pressures exerted on organizations by other organizations upon which they are dependent and by cultural expectations in the society within which organizations function. Coercive isomorphism, at least in the first instance, is thus similar to the resource dependence model, in which organizations are viewed as constrained by those on whom they depend for resources (Pfeffer and Salancik, 1978). Such constraints could include pressures to bring an organization’s structure in line with the demands of powerful actors. Such pressures may be felt as force, as persuasion, or as invitations to join in collusion. In some circumstances, organizational change is a direct response to government mandate. The existence of a common legal environment affects many aspects of an organization’s behaviour and structure. Meyer and Rowan (1977) have argued that as rationalized states and other large rational organizations expand their dominance over more arenas of social life, organizational structures increasingly come to reflect rules institutionalized and legitimated by and within the state. As a result, organizations are increasingly homogeneous within given domains and increasingly organized around rituals of conformity to wider institutions.

Mimetic isomorphism is a result from responding to uncertainty. Uncertainty is also a powerful force that encourages organizations to become more similar to one another. In situations in which organizational technologies are poorly understood (March and Olsen, 1976), goals are ambiguous, the environment creates uncertainty or a clear course of action is unavailable, organizations may model themselves following other organizations, which they perceive to be successful. Companies can adopt practices of successful actors to enhance their legitimacy. The wider the population of personnel employed by, or customers served by, an organization, the stronger the pressure felt by the organization to provide the programs and services offered by other organizations. The advantages of mimetic behaviour are considerable; when an organization faces a problem with ambiguous causes or unclear solutions adopting another organizations practice may yield a viable solution with little expense (Cyert and March, 1963). Concluding, organizations tend to model themselves after similar organizations in their field that they perceive to be more legitimate or successful.

Normative isomorphism is essentially a result of professionalization. Following Larson (1977) and Collins (1979), professionalization is defined as the collective struggle of members of an occupation to define the conditions and methods of their work, to control “the production of producers” and to
establish a cognitive base and legitimation for their occupational autonomy. Professions attempt to establish normative control by regulating norms within a certain field. Jespersen et al. (2001) describe professions as “occupational groups that have achieved a high degree of control with their own field of work and have organizational framework and rules regulating this field”. This results in the fact that professions are a source of normative isomorphism because of their role as carriers of institutional norms, values and practices. Outside of the field professions try to obtain regulative control by influencing public laws and rules (Jespersen et al., 2001 in Louche, 2004).

According to DiMaggio and Powell two aspects of professionalization are important sources of isomorphism. First, members of professions receive similar training (such as that received by physicians, attorneys, and university professors), which socializes them into similar worldviews. Second, members of professions interact through professional and trade associations. These professional networks grow and elaborate and span organizations and through these networks ideas and new models diffuse rapidly.

DiMaggio and Powell deepen Meyer and Rowan’s understanding of what they call institutional myths by making a clear distinction between institutional pressures. They clearly distinguish between competitive isomorphism and coercive, mimetic and normative institutional isomorphism whereas in the work of Meyer and Rowan these types of isomorphism where only recognized, without them being named. However they do observe that the mechanisms of isomorphism are not necessarily empirically distinguishable; each is a separate process, but they will also interact. Hence the effects can be difficult to identify.

In line with the work of Meyer and Rowan, DiMaggio and Powell note that each of the institutional isomorphic processes can be expected to proceed even if they don’t increase organizational efficiency. Effectiveness of an organization can be improved because they are rewarded for being similar to successful organizations in their field. Transactions are made easier, as well as the attraction of career-minded staff. Also they are acknowledged as legitimate and reputable; they fit in administrative categories that define eligibility for contracts. However there is no evidence that organizations that conform are more efficient than others.

On the nature of actors DiMaggio and Powell are in line with Meyer and Rowan, since they also assume external pressures to shape the behaviour of actors. DiMaggio and Powell state that actors become similar to one another over time because of coercive, mimetic and normative pressures. However they do make hypotheses about a number of organizational and field level predictors for homogeneity in organizational fields, meaning they suppose that institutional pressure towards
homogeneity can vary from field to field. This means that not every actor is equally forced to adhere to external pressures. These predictors will be dealt with in a later section.

Another important neo-institutional author is **W. R. Scott**. Scott (1995;2001) conceptualizes institutions as “multifaceted systems incorporating symbolic systems-cognitive constructions and normative rules- and regulative processes carried out through and shaping social behaviour”. In his conceptual framework he distinguishes between three pillars of institutions: the regulative, normative and cognitive pillar. The pillars show the differences between characteristics of institutional pressures: the basis of compliance, the mechanisms through which a pressure is exerted, the logic of compliance, the indicators of a pressure and the basis of legitimacy connected to a pressure (see table 1).

<table>
<thead>
<tr>
<th></th>
<th>Regulative</th>
<th>Normative</th>
<th>Cognitive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basis of compliance</td>
<td>Expedience</td>
<td>Social obligation</td>
<td>Taken for grantedness, shared understanding</td>
</tr>
<tr>
<td>Basis of order</td>
<td>Regulative rules</td>
<td>Binding expectations</td>
<td>Constitutive schema</td>
</tr>
<tr>
<td>Mechanisms</td>
<td>Coercive</td>
<td>Normative</td>
<td>Mimetic</td>
</tr>
<tr>
<td>Logic</td>
<td>Instrumentality</td>
<td>Appropriateness</td>
<td>Orthodoxy</td>
</tr>
<tr>
<td>Indicators</td>
<td>Rules, Laws, Sanctions</td>
<td>Certification, accreditation</td>
<td>Common beliefs</td>
</tr>
<tr>
<td>Basis of legitimacy</td>
<td>Legally sanctioned</td>
<td>Morally governed</td>
<td>Comprehensible, recognisable, culturally supported</td>
</tr>
</tbody>
</table>

*Table 1: Scott’s (1995) three pillars of institutions*

The **regulative pillar** refers to the constraining and regulating effect institutions have on behaviour. Regulative processes include the capacity to establish rules, inspect conformity to them and if necessary impose sanctions to influence future behaviour. It is in an actor’s self-interest to comply to the rules, as these alter cost-benefit analyses. Governments are the most likely actors to apply coercive pressures to organizations. Legitimate organizations are those that operate in accordance with relevant legal requirements (Scott, 1995 in van den Hoed, 2004). The regulative pillar can be seen as being similar to DiMaggio and Powell’s (1983) coercive isomorphism. In coercive isomorphism organizations adhere to formal and informal rules of those parties on which they are reliant for resources.
The normative pillar refers to normative rules that introduce a prescriptive, evaluative and obligatory dimension into social life. Normative systems include both values and norms. “Values are conceptions of the preferred or desirable together with the construction of standards to which existing structures or behaviour can be compared and assessed. Norms specify how things should be done: they define legitimate means to pursue valued ends”. Normative systems define goals or objectives and show the appropriate ways to reach them. Normative rules are often regarded as imposing constraints on social behaviour, but they also empower and enable social action. They confer rights as well as responsibilities, privileges as well as duties and licences as well as mandates.

In comparison to regulations, normative rules are not imposed but are shared and internalized by the system. Unlike conforming to regulations, conforming to normative rules is not done out of self-interest, but because one feels morally obligated to do so (Scott, 1995 in van den Hoed, 2004). The question that needs to be asked is: “Given my role in this situation, what is expected of me?” The normative pillar offers a similar, though more comprehensive, view as DiMaggio and Powell’s (1983) normative isomorphism, which focuses only on normative pressures stemming from professionalization. Scott’s normative pillar is more about adhering to normative rules stemming from society as a whole. So the work of Scott can be seen as a useful complement to the work of DiMaggio and Powell (1983).

The cognitive pillar is concerned with socially constructed rules. Actors interpret and attribute meaning to the environment. Rules are largely taken for granted and social behaviour is thus more based on orthodoxy (“the way we do things around here”) than instrumentality (regulative) or appropriateness (normative). Compliance occurs, as other types of behaviour are inconceivable. As a result these wider belief systems and cultural frames are imposed on or adopted by individual actors and organizations, making them look alike (DiMaggio and Powell 1983). Organizations will seek to behave in conventional ways in order not to stand out. Furthermore, given differences in status among actors, organizations tend to imitate those they regard as superior or more successful. An indicator of mimetic processes is prevalence, the number of similar individuals or organizations exhibiting a given form or practice (Scott 1995). In comparison to the normative pillar the cognitive pillar places emphasis on the unconscious nature of rule conformance (taken-for-grantedness). Scott’s cognitive pillar is comparable to DiMaggio and Powell’s mimetic isomorphism as organizations in both works look at other, often more successful, organizations to model their own behaviour.

Each of the three pillars provides a basis for legitimacy, albeit a different one. The regulative pillar emphasizes legitimacy as a result of conforming to legal or quasi-legal requirements. The normative pillar stresses a deeper, moral base for assessing legitimacy. Finally, the cognitive pillar stresses the
legitimacy coming from adopting a common frame of reference. The three pillars constitute the institutional environment which structures how organizations develop appropriate actions and make legitimate decisions (Fligstein 1991). Scott (1995 in van den Hoed, 2004) warns that one should be careful in combining the three pillars to explain social behaviour, because they rest on different assumptions regarding the nature of reality (social realist versus social constructionist) and how to account for behaviour (intentional choice versus non-intentional choice). Rather than choosing one particular pillar, as Scott proposes, Hoffmann (2001) suggests that all three can coincide in explaining organizational behaviour. One could indeed argue that organizations will respond to coercion by regulations in a more rational way (regulative pillar) while being embedded in routines and taken for granted rules (cognitive pillar) (van den Hoed, 2004).

In relation to the work of Meyer and Rowan and DiMaggio and Powell the work of Scott also directs special attention at the legitimacy which can be gained by conforming to institutional pressures. The pillars that Scott uses should not be seen as new, in the sense that they are merely a new perspective on existing theory. The pillars contribute to a more comprehensive understanding of the institutional isomorphic pressures distinguished by DiMaggio and Powell (1983). A good indicator is the fact that in table 1 the mechanisms by which the pillars exert pressure are the same as the different types of isomorphism used by DiMaggio and Powell.

2.3.1 Table of institutional pressures

In section 2.3 three influential works on institutions have been summarized. From these works different institutional pressures have been extracted. In this section a clear distinction between all the differing views on institutional pressures will be presented. There exists some overlap between the different categorizations or descriptions given by the treated authors. Therefore it is important that a clear categorization of the differing pressures is made. These categories will be used to measure the pressures that are exerted on BP during the oil spill crisis.

The categories that are extracted from the previous work are termed: regulative pressure, mimetic pressure, social normative pressure, professional normative pressure and competitive pressure.

Regulative pressure
Regulative pressure is pressure coming from regulations in all its forms. Regulative pressure refers to rules and laws and is diffused through written documents and legislation.
According to Meyer and Rowan (1977) “rationalized myths” may be supported by the force of law (Starbuck, 1976). They state that many of the positions, policies, programs and procedures of organizations are in part enforced by laws. Rationalized myths may have legitimacy based on for example public opinion and many of these myths also have official legitimacy based on legal mandates. Legislative and judicial authorities create and interpret these legal mandates and administrative agencies such as governments establish rules of practice. As a consequence licences and credentials are needed to practice occupations. Because of regulative pressure it becomes necessary or advantageous for organizations to conform to the law.

DiMaggio and Powell (1983) use the term coercive isomorphism to refer to regulative pressure. Coercive isomorphism results in part from (i) formal and informal pressures exerted on organizations by other organizations upon which they are dependent and (ii) from cultural expectations in the society within which organizations function. The first part of this definition refers to regulative pressure; the second part refers more to social normative pressure, which will be treated later in this section. The other organizations on which organizations can be dependent can, according to DiMaggio and Powell (1983), be governments or other regulators or other organizations that can enforce behaviours.

Scott (1995) addresses regulative pressure in what he calls the regulative pillar. He states: “the regulative pillar refers to the constraining and regulating effect institutions have on behaviour.” Regulative processes involve the capacity to establish rules and laws, to inspect conformity to them and if necessary impose sanctions in an attempt to influence future behaviour. Governments are likely candidates to provide coercive pressures to organizations. Organizations comply to regulative pressure because expedience and with that they obtain legally sanctioned legitimacy.

**Mimetic pressure**

Mimetic pressure is coming from the urge for organizations to mimic the behaviour of other, successful organizations in order to reduce uncertainty and anxiety. Mimetic pressure is diffused through public outings such as annual reports and performance rankings.

Meyer and Rowan (1977b) state that “when there is uncertainty, organizations imitate other organizations that are perceived to be successful and/or similar” (Meyer and Rowan, 1997b in Louche, 2004). DiMaggio and Powell (1983) refer to mimetic pressure as mimetic isomorphism. They also argue it is a result of responding to uncertainty, making organizations more similar. When technologies are poorly understood (March and Olsen, 1976), goals are ambiguous, the environment is uncertain or a clear course of action is unavailable organizations tend to adopt similar practices as more successful and legitimate organizations. Companies adopt these practices to increase their
legitimacy, showing they try to improve. Mimetic pressure is, according to DiMaggio and Powell (1983), higher when the number of personnel or customers served is higher.

Scott (1995) deals with mimetic pressure in what he terms the cognitive pillar. In this thesis the cognitive pillar will not be used as one pressure, rather in the opinion of the author the cognitive pillar contains mimetic and normative aspects and is therefore divided between mimetic and normative pressures. Scott (1995) states that as a result of belief systems and cultural frames being imposed on organizations, organizations will seek to behave in conventional ways, not standing out. Further, all actors have a certain status and organizations tend to imitate those they perceive to be superior or more successful.

**Normative pressure**

Normative pressure is pressure coming from the need to adhere to norms, values, duties, responsibilities and role expectations that reside in society as whole. In this thesis the author has decided to make a distinction between social and professional normative pressure. Social normative pressure refers to pressure coming from society as a whole or public opinion, while professional normative pressure refers to pressure coming from professional actors in the institutional environment such as professions or industries and education.

**Social normative pressure**

Meyer and Rowan (1977) state institutionalization involves the processes by which social processes, obligations, or actualities come to take on a rule like status in social thought and action. Thereby what the authors term as rationalized myths come into life. According to Starbuck (1976) these rules may be simply taken for granted or may be supported by public opinion or the force of law. Meyer and Rowan add to this that many of the positions, policies, programs, and procedures of modern organizations are enforced in part by public opinion and social prestige. Meyer and Rowan state that relational networks can act as a vehicle for diffusion for these normative rationalized myths. These rationalized myths describe elements of formal structure and therefore organizations benefit by shaping their structure in part because of public opinion.

DiMaggio and Powell’s (1983) coercive isomorphism relates to both regulative pressure as well as social normative pressure. They argue coercive isomorphism is the result of both formal and informal pressure coming from (i) other organizations on which an organization is dependent, such as governments, which means regulative pressure, and from (ii) cultural and societal expectations, which means social normative pressure. DiMaggio and Powell’s normative isomorphism relates more to professional normative pressure, and will be included in the according paragraph.
In Scott’s (1995) normative pillar he refers to normative rules that introduce a prescriptive, evaluative and obligatory dimension in social life. He claims normative rules define goals and give an indication of how to pursue them and that normative rules can constrain and empower and that they confer rights as well as responsibilities. Organizations conform to normative rules because they feel morally obligated to do so. Scott’s cognitive pillar is about making sense of the world around you. The cognitive pillar contains elements of mimetic pressure, as mentioned earlier, because organizations make sense of their environment by looking at others. However the cognitive pillar also contains elements of social normative pressure. Socially constructed rules are of great importance in shaping an organization’s behaviour. Scott argues that rules are largely taken for granted and that social behaviour is for a great part based on orthodoxy or “the way we do things around here”. Cognitive rules determine the way we view our world, how we attribute meaning and how we make sense of things. These rules reside in wider belief systems and cultural frames, which find their origins in society as a whole. Therefore the author interprets the cognitive pillar to be a part of social normative pressure.

**Professional normative pressure**

Meyer and Rowan (1977) state that many of the positions, policies, programs, and procedures of modern organizations are enforced by public opinion, by the views of important constituents, by knowledge legitimated through the educational system, by social prestige, by the laws, and by the definitions of negligence and prudence used by the courts. Enforcement by the educational system refers to professional normative pressure. Like social normative pressure relational networks serve as a vehicle for diffusion. For organizations it is necessary or advantageous to incorporate new structures because of the law, the educational and credentialing systems and public opinion. The educational system represents professional normative pressure.

The most important concept that led the author to consider categorizing professional normative pressure apart from social normative pressure is DiMaggio and Powell’s (1983) normative isomorphism. They describe herein specifically the isomorphism that results from professionalization, which is defined as the collective struggle of members of an occupation to define the conditions and methods of their work and to establish legitimating for their occupational autonomy (Larson, 1977; Collins, 1979). Professions regulate norms within a field in order to establish normative control. Professions are defined as occupational groups that have achieved a high degree of control with their own field of work and he organizational framework and rules regulating this field”(Jespersen et al., 2001). Similar trainings in professions socialize members into similar worldviews. Also members of professions interact through professional networks and trade associations, through which ideas and models diffuse.
Although the author interprets Scott’s (1995) regulative pillar as mainly being part of social normative pressure, it can also be viewed in the light of professional normative pressure, since professional normative systems have norms and values just as well. Professional normative rules constrain and empower too, they confer rights and responsibilities too.

In this section a schematic representation will be offered, see Table 2. This table provides a clear overview of the different pressures that have been recognized by the different authors. From this table a final set of pressures will be named and chosen to be used for the measurement of institutional pressures in answering the research question.

<table>
<thead>
<tr>
<th>Pressure</th>
<th>Regulative</th>
<th>Mimetic</th>
<th>Professional normative</th>
<th>Social normative</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Description</strong></td>
<td>Rules, regulations, laws</td>
<td>Imitation of others</td>
<td>Professional standards, understandings and expectations</td>
<td>Public opinion and expectations, Rationalized myths, Socially constructed rules, Collective understandings</td>
</tr>
<tr>
<td><strong>Source</strong></td>
<td>Legislative and judicial authorities, Administrative agencies (M&amp;R), Governments(M&amp;R; D&amp;P; Scott) Regulators, Organizations that can enforce behavior (D&amp;P)</td>
<td>More successful organizations (M&amp;R; D&amp;P; Scott), Similar organizations (M&amp;R), More legitimate organizations (D&amp;P)</td>
<td>Professions (D&amp;P), Educational system (M&amp;R)</td>
<td>Public opinion (M&amp;R), Social prestige (M&amp;R), Society (D&amp;P; Scott)</td>
</tr>
<tr>
<td><strong>Vehicle for diffusion</strong></td>
<td>Written documents, Legislation (M&amp;R, 1977; D&amp;P, 1983; Scott, 1995), Rules of practice (M&amp;R),</td>
<td>Public outings such as annual reports, Performance rankings</td>
<td>Education (M&amp;R), Relational networks (M&amp;R), Professional networks (D&amp;P), Trade associations (D&amp;P)</td>
<td>Relational networks (M&amp;R), Cultural and societal expectations (D&amp;P), Belief systems and cultural frames (Scott)</td>
</tr>
<tr>
<td><strong>Basis for compliance</strong></td>
<td>Licenses and credentials (M&amp;R), Legal enforcement (D&amp;P), Legal sanction (Scott)</td>
<td>Avoid uncertainty (M&amp;R; D&amp;P), Maintain stability (M&amp;R), Increase legitimacy (D&amp;P), Not standing out (Scott)</td>
<td>Public opinion (M&amp;R), Social obligation (Scott), Moral obligation (Scott), Taken for granted (Scott)</td>
<td>Public opinion (M&amp;R), Social obligation (Scott), Moral obligation (Scott), Taken-for-granted (Scott)</td>
</tr>
</tbody>
</table>

*Table 2: Overview of institutional pressures*

### 2.4 Room for agency

Theory and research on institutionalization have generated valuable insights into the processes that define and explain institutionalization in organizational environments and their influence on organizational conformity to the environment. Early versions of institutional theory placed particular emphasis on the taken-for-granted character of institutional rules, myths, and beliefs as shared social reality and on the processes by which organizations tend to become instilled with value and social meaning (Berger & Luckmann, 1967; Selznick, 1949, 1957 in Oliver, 1991). More recent treatments of
institutionalization have elaborated the nature and variety of these institutional processes (DiMaggio & Powell, 1983; Meyer & Rowan, 1977; Zucker, 1977, 1988) and the range of influences that these processes exert on structural characteristics of organizations (Meyer, Scott, & Deal, 1983; Scott, 1987a; Scott & Meyer, 1987; Singh, Tucker, & House, 1986 in Oliver, 1991) and organizational change (Hinings & Greenwood, 1988; Tolbert & Zucker, 1983 in Oliver, 1991).

During the 1980s, institutional theory was mainly aimed at explaining the observed organizational homogeneity within organizational fields (DiMaggio & Powell, 1983; Tolbert & Zucker, 1983 in Battilana, 2009). This way institutional theory contributed to organization studies by emphasizing the importance of the environment in which organizations are embedded and by explaining isomorphism among organizations that are influenced by the same institutional pressures. However institutional theory was criticized for relying on an over-socialized view of action, without paying sufficient attention to institutional change (Hirsch and Lounsbury, 1997 in Battilana, 2009). A number of theorists have argued that the emphasis on conformity has led to an underestimation of the role of interest and agency in adaptation to the institutional environment (Covaleski & Dirsmith, 1988; DiMaggio, 1988; Powell & DiMaggio, 1991; Elsbach & Sutton, 1992; Mezias, 1990; Oliver, 1991; Powell, 1991; Scott, 1987), while it is exactly interest and agency that can cause institutional change. Oliver (1991) summarized these critiques, noting, "Institutional theorists, by virtue of their focus, have tended to limit their attention to the effects of the institutional environment on structural conformity and isomorphism and have tended to overlook the role of active agency and resistance in organization-environment relations".

The works of the authors treated in chapter 1 of the theoretical section do address the possibility for change, although it is not the main focus. Meyer and Rowan (1977) quote Dowling and Pfeffer (1975), Parsons (1956a), Perrow (1970) and Thompson (1967) by stating that organizations often conform to institutional context, but that they can also actively shape those contexts. Organizations can cooperate with authorities and they can manage to institutionalize their goals and structures in the rules of authorities (Meyer and Rowan, 1977). Organizations can shape their institutional environments in two ways. First, powerful players can force their structures onto their immediate relational networks. Second, powerful players can attempt to build their goals and procedures into society as institutional rules. DiMaggio and Powell (1983) hypothesize that a number of organizational and field level predictors can influence the degree of homogeneity in organizational fields. This means that institutional pressure towards homogeneity might vary from field to field. So not every actor is equally forced to adhere to external pressures, which means there can be room for agency when certain conditions meet. On the organizational level they hypothesize that dependence
on other organizations and centralization of resource supply will lead to coercive isomorphic change. Uncertain relationships between means and ends and ambiguous goals will lead organizations to model themselves after successful organizations, in other words mimetic isomorphic change. Finally reliance on academic credentials in choosing personnel and participation of managers in trade and professional associations are supposed to lead to normative isomorphic change. On the field level institutional isomorphism is hypothesized to be positively related to a field’s dependence on a single source of support for vital resources, transactions with government agencies, limited alternatives for organizational models, uncertain technologies, ambiguous goals, professionalization and structuration. Scott argued, "Just as is the case within their technical environments, organizations may be expected to exercise 'strategic choice' (Child, 1972) in relating to their institutional environments and responding to institutional pressures" (1991: 170).

According to Oliver (1991), lacking from institutional literature was explicit attention to the strategic behaviours that organizations employ in direct response to the institutional processes that affect them. Later on, institutional theorists have argued that the choice of conformity or resistance to institutional pressures is a strategic choice that is affected by organizational interests (Covaleski & Dirsmith, 1988; DiMaggio, 1988; Powell, 1991; Scott, 1991). To this argument of strategic choice instead of blind conformity, DiMaggio (1988) introduced the idea of institutional entrepreneurship, whereby organizations deploy the resources at their disposal to create and empower institutions. These agents have the resources and hence the power to shape the character of institutions and institutional change. Much later Battilana, Leca and Boxenbaum (2009) formulated the following definition of institutional entrepreneurs: “actors who leverage resources to create new or transform existing institutions (DiMaggio, 1988; Garud, Hardy, & Maguire, 2007; Maguire, Hardy, & Lawrence, 2004). They can be organizations or groups of organizations (Garud, Jain, & Kumaraswamy, 2002; Greenwood, Suddaby, & Hinings, 2002), or individuals or groups of individuals (Flienstein, 1997; Maguire et al., 2004).” Institutional entrepreneurship tries to explain how actors can contribute to changing institutions despite pressures towards a status quo (Holm, 1995; Seo and Creed, 2002). Later literature, written after DiMaggio’s work on institutional entrepreneurship, has sought to address the criticism of over emphasizing on conformity by acknowledging both variation and change (Goodrick & Salancik, 1996; Goodstein, 1994; Oliver, 1992 in Dacin, Goodstein & Scott, 2002). This variety is the result of exogenous sources and actors’ perceptions, interpretations, and enactments of institutional logics. “The observation that multiple institutional logics exist and compete for attention points to the importance for organizations of examining the institutional arenas or relational contexts wherein such contests get played out, thus not blindly conforming” (Dacin,
Goodstein & Scott, 2002). Further, either conformity or resistance to institutional pressures is likely to reflect both institutional and technical concerns. Organizations do not necessarily blindly conform to institutional pressures but rather, may actively assess the extent to which conformity allows them to enhance technical concerns, such as efficiency or the acquisition of resources (Covaleski & Dirsmith, 1988; Powell, 1991; Scott, 1991). Townley's (2002) study (in this issue), highlights the importance of the powerful "carriers" or agents of change and how their interpretations shape the implementation of new systems in the public sector. Zilber's (2002) study also focuses on organization members as active carriers of institutions. In other words, actors are not passive. They make choices and shape their actions based on their perceptions and interpretations of institutions (Dacin, Goodstein and Scott, 2002).

Perhaps one of the most influential works supporting the strategic choice perspective is Oliver's 1991 article. In line with the aforementioned critique she states:”Institutional explanations of reproduction and isomorphism emphasize the role of conformity, habit, and convention, rather than organizational power and control, in contributing to stability, and power tends to be attributed to the institutional environment rather than the organization (e.g., DiMaggio and Powell’s, 1983, predictions of coercive isomorphism).” She proposes that institutional theory can accommodate interest-seeking, active organizational behaviour when organizations' responses to institutional pressures and expectations are not assumed to be invariably passive and conforming across all institutional conditions.

2.4.1 Conditions for change

Although the main focus in the works of Meyer and Rowan (1977), DiMaggio and Powell (1983), Scott (1995) is on conformity to institutional pressures, all have addressed in more or less detail the possibility for institutional change. More and more theorists have started to acknowledge there can be room for an organization to make a strategic choice about whether or not to blindly conform to institutional pressures. From the works of authors treated in section 2.3 and in this section on institutional change a number of conditions for agency can be distinguished. The conditions for change or agency can broadly be divided in field level characteristics and organization level characteristics.
Organization level conditions

Meyer and Rowan (1977) state that organizations can shape their institutional environment in two ways. First, powerful players can force their structures onto their immediate relational networks. Second, powerful players can attempt to build their goals and procedures into society as institutional rules. So it is obvious that being powerful can facilitate an organization’s ability to influence the institutional environment.

DiMaggio and Powell (1983) hypothesize that on the organizational level, dependence on other organizations and centralization of resource supply will lead to coercive isomorphic change. This means that the lower the dependence and resource centrality, the bigger is the room for agency. Uncertain relationships between means and ends and ambiguous goals are hypothesized to lead organizations to model themselves after successful organizations, in other words mimetic isomorphic change. Finally reliance on academic credentials in choosing personnel and participation of managers in trade and professional associations are supposed to lead to normative isomorphic change.

Battilana, Leca and Boxenbaum (2009) identify certain enabling conditions that facilitate institutional entrepreneurship. They resolve the paradox of embedded agency, which refers to the question of how organizations or individuals whose beliefs and actions are determined by existing institutions can break with these very same institutions and innovate. On the organization level they argue an actor’s social position can facilitate institutional entrepreneurship. An actor’s social position influences his perception of a field’s conditions and his ability to influence the field. This in turn influences the likelihood that an actor will try to initiate divergent change. Reviewing a great number of studies Battilana, Leca and Boxenbaum (2009) come to the conclusion that “depending on the institutions from which they diverge, divergent changes may be initiated by actors occupying different social positions”.

Field level conditions

DiMaggio and Powell (1983) hypothesize that on the field level institutional isomorphism is positively related to a field’s dependence on a single source of support for vital resources, transactions with government agencies, limited alternatives for organizational models, uncertain technologies, ambiguous goals, professionalization and structuration.

Oliver (1991) suggests that organizations can use a broad range of strategic responses to the institutional environment. It is suggested that organizational responses will vary from conforming to resistant, depending on the institutional pressures toward conformity that are exerted on
organizations. According to Oliver (1991) a number of field level characteristics influence institutional pressures and the way in which organizations may respond to these pressures. First, *Cause* refers to the underlying rationale associated with institutional pressures. When institutional demands can enhance the legitimacy of an organization, the organization will be motivated to conform to those demands, and resistance will be difficult (Dowling & Pfeffer, 1975; Meyer & Rowan, 1977).

Second, strategic responses will be affected by the characteristics of the *constituent* groups, such as public agencies and employees, creating institutional pressure on an organization. When there are multiple constituents with potentially conflicting objectives, the potency of institutional pressures may be weaker (Powell, 1991) and organizational resistance may be easier. The greater the extent to which institutional constituents control the allocation or availability of critical resources for the organization, the more difficult resistance to the expectations of those constituents will be (DiMaggio & Powell, 1983; Pfeffer & Salancik, 1978). Third, the *content* of institutional demands is another influence on organizational response. When institutional pressures conflict with organizational goals or constrain the ability of an organization to reach its goals, resistance is more likely. Fourth, the nature of institutional *control* can determine how organizations respond. Two processes exist through which institutional pressures are imposed on organizations: legal coercion and voluntary diffusion. Conformity is more likely when demands are imposed by powerful institutional actors and when norms and expectations have been voluntarily adopted (DiMaggio & Powell, 1983; Scott, 1987). Finally, an organization's environmental *context*, specifically, the extent of environmental uncertainty and interconnectedness, shapes organizational responses. High environmental uncertainty motivates organizations to attempt to reduce uncertainty by acquiescing to institutional pressures. When there is a high degree of interconnection among organizations, the diffusion of institutional norms and demands is widespread and the likelihood of conformity is high (DiMaggio & Powell, 1983; Meyer & Rowan, 1977).

Battilana, Leca and Boxenbaum (2009) propose that, next to an actor's social position, field level characteristics also play an important role in determining the room for agency. Field characteristics are likely to influence whether actors become institutional entrepreneurs, but actors perceive field conditions differently depending on their social position in a field, which influences their “point of view” about the field and gives them differential access to resources (Bourdieu, 1988). The first form of field characteristics that enable institutional entrepreneurship includes jolts and crises resulting from social upheaval, technological disruption, competitive discontinuity and regulatory changes that might break the status quo and give room for new ideas (Child et al., 2007; Fligstein, 1997, 2001; Greenwood et al., 2002; Holm, 1995 in Battilana, Leca and Boxenbaum, 2009). Also, the degree of heterogeneity and institutionalization might play a role in
enabling institutional entrepreneurship. If there exist multiple alternatives, in other words when heterogeneity is high, there is room for agency or institutional entrepreneurship. Heterogeneity can cause internal incompatibilities and experience with contradictory institutional demands is likely to trigger reflection. This means actors will not take any institutions for granted and may cause them to question them and diverge from them. When the degree of institutionalization is lower there is likely to exist more uncertainty, which might provide room for strategic action (DiMaggio, 1988; Fligstein, 1997; Phillips et al., 2000). However institutional entrepreneurship might also occur in highly institutionalized fields (Beckert, 1999).

In table 3 an overview is offered of the different conditions that can influence the room for agency.

<table>
<thead>
<tr>
<th>Organization level conditions</th>
<th>Field level conditions</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Power (+) (M&amp;R)</td>
<td>- Dependence on single source of support for vital resources (-) (D&amp;P)</td>
</tr>
<tr>
<td>- Centralization of resource supply (-) (D&amp;P)</td>
<td>- Transactions with government agencies (-) (D&amp;P)</td>
</tr>
<tr>
<td>- Goal ambiguity (-) (D&amp;P)</td>
<td>- Alternatives for organizational models (D&amp;P)</td>
</tr>
<tr>
<td>- Reliance on academic credentials (-) (D&amp;P)</td>
<td>- Uncertain technologies (-) (D&amp;P, 1983)</td>
</tr>
<tr>
<td>- Manager participation in professional associations (-) (D&amp;P, 1983)</td>
<td>- Goal ambiguity (-) (D&amp;P, 1983)</td>
</tr>
<tr>
<td>- Social position (+) (Battilana, Leca, Boxenbaum)</td>
<td>- Professionalization (-) (D&amp;P, 1983)</td>
</tr>
<tr>
<td></td>
<td>- Structuration (-) (D&amp;P, 1983)</td>
</tr>
<tr>
<td></td>
<td>- Institutional demands’ contribution to legitimacy (-) (Oliver, 1991)</td>
</tr>
<tr>
<td></td>
<td>- Constituent pressure (-) (Oliver, 1991)</td>
</tr>
<tr>
<td></td>
<td>- Conflict between external demands and internal goals (-) (Oliver, 1991)</td>
</tr>
<tr>
<td></td>
<td>- Institutional control (-) (Oliver, 1991)</td>
</tr>
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<td></td>
<td>- Environmental uncertainty (-) (Oliver, 1991)</td>
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<td></td>
<td>- Interconnectedness (-) (Oliver, 1991)</td>
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<tr>
<td></td>
<td>- Social upheaval (+) (Battilana, Leca, Boxenbaum, 2009)</td>
</tr>
<tr>
<td></td>
<td>- Technological disruption (+) (B,L&amp;B, 2009)</td>
</tr>
<tr>
<td></td>
<td>- Competitive discontinuity (+) (B,L&amp;B, 2009)</td>
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<tr>
<td></td>
<td>- Regulatory changes (+) (B,L&amp;B, 2009)</td>
</tr>
<tr>
<td></td>
<td>- Heterogeneity (+) (B,L&amp;B, 2009)</td>
</tr>
<tr>
<td></td>
<td>- Institutionalization (-) (B,L&amp;B, 2009)</td>
</tr>
</tbody>
</table>

Table 3: Conditions for change

(+ or -) relates to a positive or negative relation of the condition with the room for agency

Note that there is a paradox about the field level characteristic uncertainty. Both DiMaggio and Powell (1983) and Oliver (1991) argue uncertainty will lead to isomorphism, while Battilana, Leca and Boxenbaum (2009) argue uncertainty can create room for strategic action.
2.4.2 Strategic responses

In the previous section a number of enabling conditions for agency or action have been summarized. In this section attention will be directed at the strategic actions an organization can use in response to institutional pressures. Oliver (1991) states: “Institutional explanations of reproduction and isomorphism emphasize the role of conformity, habit, and convention, rather than organizational power and control, in contributing to stability, and power tends to be attributed to the institutional environment rather than the organization (e.g., DiMaggio and Powell’s, 1983, predictions of coercive isomorphism).” She proposes that institutional theory can accommodate interest-seeking, active organizational behavior when organizations’ responses to institutional pressures and expectations are not assumed to be invariably passive and conforming across all institutional conditions. Oliver (1991) suggests that organizations can use a broad range of strategic responses to the institutional environment if they assume a potential for variation in the resistance, awareness, proactive-ness, influence, and self-interest of organizations. It is suggested that organizational responses will vary from conforming to resistant, from passive to active, from preconscious to controlling, from impotent to influential, and from habitual to opportunistic, depending on the institutional pressures toward conformity that are exerted on organizations. Oliver proposes five types of strategic responses, which vary in active agency by the organization from passivity to increasing active resistance: acquiescence, compromise, avoidance, defiance and manipulation.

The strategy to acquiesce refers to conscious or less conscious acts of conforming to institutional pressures. An organization may adhere blind to taken-for-granted rules. Also an organization may imitate successful organizations, mimetic isomorphism (DiMaggio & Powell, 1983). Finally, an organization may consciously and strategically choose to comply with institutional pressures. Organizational acquiescence depends on the organization’s conscious intent to conform, its degree of awareness of institutional processes, and its expectations that conformity will be self-serving to organizational interests.

When organizations are confronted with conflicting institutional demands or with inconsistencies between institutional expectations and internal objectives related to efficiency or autonomy, organizations may attempt to compromise. Sometimes unqualified conformity is simply unworkable. Parity needs then to be achieved between multiple stakeholders and internal interests. Appeasing and placating the institutional source still is most important, but organizations can try some bargaining to exact some concessions. This builds on the notion of a “negotiated environment” of
organizations (Pfeffer & Salancik, 1978), assuming that organizational relations with the environment are open to negotiation and the exchange of concessions. With compromise, compliance is only partial and organizations defend their own interests more actively than with acquiescence.

Avoidance is defined as the organizational attempt to preclude the necessity of conformity. Organizations may disguise nonconformity behind a facade of acquiescence. An organization, for example, may establish elaborate rational plans and procedures in response to institutional requirements in order to disguise the fact that it does not intend to implement them. Meyer and Rowan also acknowledged this disguising of nonconformity by suggesting that to achieve legitimacy with their constituents; organizations were prone to construct stories about their actions to fulfil social expectations about what such an organization should do. These stories did not necessarily have any connection to what the organization actually did, but rather, they were used as forms of symbolic reassurance of the public. Also organizations can detach or decouple technical activities from external contact to reduce external scrutiny or inspection and maintain autonomy (Pfeffer & Salancik, 1978; Scott, 1987b; Thompson, 1967). Finally an organization can escape pressures by exiting a certain field (Hirschman, 1970) or altering its activities. Avoidance is motivated by the desire to circumvent the conditions that make conforming behaviour necessary.

Defiance is a more active form of resistance to institutional processes. Organizations can dismiss institutional pressures, challenge them or attack them, which is the most aggressive form of defiance. A defiant strategy represents unequivocal rejection of institutional norms and expectations, and it is more likely to occur when the perceived cost of active departure is low, when internal interests diverge dramatically from external values, when organizations believe they can demonstrate the rationality or righteousness of their own alternative convictions and conduct, or when organizations believe they have little to lose by displaying their antagonism toward the constituents that judge or oppose them.

Manipulation is the most active and resistant response to institutional pressures because it is intended to actively change or exert power over the content of the expectations themselves or the sources that seek to express or enforce them. Manipulation involves the active intent to use institutional processes and relations opportunistically, to co-opt and neutralize institutional constituents, to shape and redefine institutionalized norms and external criteria of evaluation, and to control or dominate the source, allocation, or expression of social approval and legitimation. Manipulation will be employed primarily when institutional rules and values are weak and present.
opportunities to manipulate. It is a strategy in which an organization tries to change the institutional environment to fit its requirements, rather than vice versa.

2.4.3 Institutional change

By now it should be clear that organizations don’t necessarily always need to blindly conform to institutional demands. Rather organizations can exert strategic choice in response to institutional pressures, meaning there can be room for agency. A number of enabling conditions can expand this room for agency, meaning that organizations can actively diverge from institutional demands. It is therefore possible that a lot of organizations in a field choose to diverge from the norm and resist institutional pressures. When this happens institutions may erode or break down. This is what Oliver (1992) calls deinstitutionalization. Deinstitutionalization is defined as “the process by which the legitimacy of an established organizational practice erodes or discontinues” (Oliver, 1992). Scott (2001) defines it as "the processes by which institutions weaken and disappear". Deinstitutionalization happens when organizations challenge or fail to reproduce established organizational practices or procedures. Scott (2001) underscored the importance of deinstitutionalization, noting that "it is useful to place studies of deinstitutionalization in a broader context of institutional change, since the weakening and disappearance of one set of beliefs and practices is likely to be associated with the arrival of new beliefs and practices". The literature offers many reasons why institutions erode, varying from weakened legislation and growing resistance, to erosion of norms and cultural beliefs.

Oliver (1992) proposes three types of pressures leading to deinstitutionalization: political, functional and social. Political pressures include mounting performance crises, conflicting internal interests, increased innovation pressure and changing external dependencies. Deinstitutionalization of an organizational practice may be a political response to changing power distributions or a protective response to a perceived threat or failure. Functional pressures include changing economic utility, increasing technical specificity, increasing competition for resources and emerging events and data. These pressures can question the functional necessity of an institutionalized practice. Its presumed utility is likely to be challenged and rejected on economic grounds. Social pressures include increasing social fragmentation, decreasing historical continuity, changing institutional rules and values and increasing structural disaggregation. Although all these factors can influence deinstitutionalization, certain particular factors will exhibit primacy in determining de-
institutionalization. Changing government regulations and internal performance crises are termed by Oliver (1992) to be the most important causes for deinstitutionalization.

Greenwood, Suddaby and Hinings (2002) argue that, because most studies focus on the process of institutionalization instead of re- and deinstitutionalization, little is known about how and why institutionalized practices within a field change. Therefore they offer a multi-staged model of institutional change. They focus especially on the role that professional associations play at moments of deinstitutionalizing and change. They suggest that at those moments professional associations can legitimize change by hosting a process of discourse through which change is debated and endorsed (Greenwood, Suddaby and Hinings, 2002).

First Greenwood, Suddaby and Hinings (2002) give their account of institutionalization of an organizational field. They state fields are communities of organizations that interact with each other or are influenced by each other in meaningful ways. To this Scott (1995) adds that patterns of interaction become defined by shared systems of meaning, which establish the appropriate relationships and ways to behave. They argue organizations develop categorizations of their interactions, which become objectified and thus constitute social reality. Organizations behave in accordance to this reality to reduce ambiguity and uncertainty. Over time these shared understandings become reinforced by regulation enforced coercively and normatively by state agencies and professional associations. This maturing and specification of roles, behaviours, boundaries and interactions is referred to as structuration. However, according to Greenwood, Suddaby and Hinings (2002) these roles, behaviours, boundaries and interactions are not fixed and structuration does not mean perfect reproduction. They argue that institutional processes may give a field the appearance of stability. Through socially negotiated consensus fields will exhibit periods of isomorphic stability. However fields should never be seen as completely stable and static but rather as continually evolving (Hofmann, 1999). The authors then offer the following model of non-isomorphic change.
Stage 1 occurs when so-called jolts destabilize existing practices. These jolts can be in the form of social upheaval, technology disruptions or regulatory changes (Powell, 1991). After this comes stage 2, deinstitutionalizing, which means the entry of new players (Thornton, 1995), the ascendance of actors or institutional entrepreneurship (DiMaggio, 1988). All these can disturb the field-level consensus by introducing new ideas and thus possibilities for change. Stage 3 is called pre-institutionalization (Tolbert and Zucker, 1996). Organizations innovate independently and search for technical viability of their innovations. In stage 4 new practices can become widely adopted by theorizing them (Strang and Meyer, 1993). Theorizing refers to “the development and specification of abstract categories and the elaboration of chains of cause and effect”. They simplify and distil new practices. Theorization is the process whereby deviations from conventional practices are abstracted and made available for wider adoption. It is important that a certain organizational failing and a workable solution for that failing are specified. This solution also needs to be justified in order for the solution to proceed to stage 5, diffusion. In order for diffusion to take place new ideas need to be convincingly presented as being more appropriate than existing practices. New ideas need to be morally and pragmatically legitimized in order for diffusion to take place. As innovations or new practices diffuse they become increasingly objectified and they gain social consensus about their value (Suchman, 1995), increasing diffusion even further (Tolbert and Zucker, 1996). Full institutionalization of the new practice, or re-institutionalization, occurs in stage 6. The new ideas are sufficiently adopted to receive cognitive legitimacy and they become taken-for-granted as the natural arrangement of doing things. When new ideas are fully institutionalized they can remain unchallenged for generations to come (Tolbert and Zucker, 1996).

According to Greenwood, Suddaby and Zucker (2002) the stage of theorization is especially important because “it connects to one of the central concerns of institutional thinking, the conferring
of legitimacy”. According to Mizruchi and Fein (1999) legitimization of new ideas has largely been ignored in the literature except when it occurs through mimicry. Organizations mimic other, successful organizations because they except similar benefits and the focus therefore is on economic outcomes. However, Greenwood, Suddaby and Hinings (2002) state, in a more normative setting legitimacy is unlikely to be based solely on economic returns. They argue that new ideas may need to be justified before diffusion in the theorization stage. Especially in mature, highly structurized settings, where the boundaries of occupational communities and appropriate organizational firms are well established, theorization is most important.

Regulatory agencies, such as the state or professional associations, play an important role in theorization because they “enable the formation and reproduction of shared meanings and understandings. Greenwood, Suddaby and Hinings (2002) give three reasons why professional associations are important. First, organizations interact through them and these interactions create shared understandings. Because professions are not necessarily homogenous it is the task of the professional association to create intra-professional agreement over boundaries, membership and behaviour. Second, shared understandings also rise from interaction with other professions and professional associations act as a means of representing a professional community to others. Third, professional associations can play an important role in monitoring compliance with normative and coercive expectations.
3. Research method

In this chapter the approach used to study the researched phenomena and the research techniques that are applied in this study will be discussed. The type of research and the research strategy that is used will also be explained. Finally, clarity will be given concerning the data collection and analyses.

3.1 Research type, strategy and limitations

This section will deal with the type of research used for this study, as well as the research strategy and the possible limitations of the research.

Research type

According to Louche (2004) studies in neo institutionalism can be divided in two categories (Mohr, 1982; Scott & Meyer, 1994; Tolbert et al., 1996). The first category uses quantitative analytic methods. Quantitative research is generally most suitable when objectivist ontology is used. This portrays the position that social entities exist in reality external to social actors concerned with their existence (Saunders, Lewis and Thornhill, 2009). A quantitative data analysis is aimed at large scale research in which the influence of the specific context of individual cases is not included. Studies in this category research a broad cross section of an organizational field or to panel data over a period of some years. Studies in this category test neo-institutional theory against alternative theories of organizations. This category has produced insights in the relevance and breadth of institutional arguments compared to other theories. Existing analyses of for example Oliver’s (1991) framework are for the most part quantitative in nature and they use statistics to test the strategic responses (Louche, 2004).

The second category uses qualitative analytic methods. A qualitative data analysis is in general most suitable when a more subjectivist ontology is used. This holds that social phenomena are created from the perceptions and consequent actions of those social actors concerned with their existence. A qualitative data analysis is mainly used to study a relatively small number of cases in-depth. Hereby, the local context and the interpretation of that context play a central role. Denzin and Lincoln (1998) give a generic definition of qualitative research: it is multi-method in focus, involving an interpretative, naturalistic approach to its subject matter. They argue that qualitative researchers study things in their natural settings, attempting to make sense of, or interpret, phenomena in terms of the meanings people bring to them (Louche, 2004). Studies using qualitative techniques use close
historical case studies to investigate field formation, the evolution of institutional forms, and the adoption of organizational practices across a broad period of time (Brint & Karabel, 1991; DiMaggio, 1995; Fligstein, 1991; Halliday, Granfors, & Powell, 1993; Holm, 1995; Suchman, 1995; Tolbert et al., 1983). They provide important insights into the sequence of actions and events that drive field formation (Louche, 2004).

This study is qualitative in nature as it focuses on a single case. The interpretation of local context is of great importance as this study is aimed at researching causal relations in a local context. This study is explorative in nature since it is aimed at finding out “what is happening; to seek new insights; to ask questions and to asses phenomena in a new light” (Robson, 2002 in Saunders, Lewis and Thornhill, 2009). It is aimed at gaining new insights that may lead to new propositions within institutional theory.

**Research strategy**

A research strategy leads to specific methods of collecting and analyzing empirical data (Louche, 2004). It comprises skills, assumptions and practices that researchers use to translate their paradigms of interpretation into the empirical part of their research (Denzin et al., 1998). In this study the research strategy is a case study. Yin (1994) describes a case study as “an empirical enquiry that investigates a contemporary phenomenon within its real-life context, especially when the boundaries between phenomenon and context are not clearly evident”. The case study is useful when one wishes to gain a rich understanding of the context of the research and the processes that are enacted (Morris and Wood, 1991).

A case study can be used to explore and understand social processes within organizations. According to Hartley (1994) a case study is useful for researching social processes which are little understood. He states that case studies allow for processual, contextual and generally longitudinal analysis of the various actions and meanings which take place and are constructed in organizations. According to Saunders, Lewis and Thornhill (2009) case studies are particularly suitable for exploratory and explanatory research because a case study has the ability to generate answer to the question “why?” as well as to “how?” and “what?” questions. Yin (1994) states that “how?” questions are more suitable for case studies.

Another characteristic of the case study is that, according to Yin (1994), it is the preferred research strategy if contemporary rather than historical events are subject of the research.
In this research the case study is used as research strategy because it offers the possibility to gain a rich understanding in a contemporary phenomenon within its real life context and because a case study is particularly useful when performing explorative research.

Limitations

A case study, like any other research strategy, has certain limitations. A first limitation is that a case study comprises of a lengthy process (Bakker, 2001). Establishing contact with a possible case study, gaining access and gathering information can all take considerable time. Therefore, generally, the number of case studies is limited. In the case of this research one single case study is done, because of the limited time span to perform the research in.

According to Yin (1994) there are two other important drawbacks of using a case study: validity and reliability. Yin (1994) identifies three problems:

- Construct validity, which is concerned with developing the right methods of measurement and instruments to operationalize the concepts that are studied.
- External validity, which is concerned with establishing the correct domain to which a study’s findings can be generalized.
- Reliability, which is concerned with the extent to which your data collection techniques or analysis procedures will yield consistent finding.

Yin (1994) offers several solutions to overcome the first limitation, construct validity. First, it is advised to use multiple sources of evidence. Interviews, documentation and observation can be combined to decrease the limitations for each source and to make sure there are what Yin (1994) calls convergent lines of inquiry. This way more accurate findings can be produced. Second, one can construct a chain of evidence that allows external observers to follow the exact steps which were taken in the research to answer the research questions. Third, one can make sure the draft case study is reviewed by key informants.

The limitation of external validity is a major point of criticism of case studies. There is a limited basis on which to make generalizations. Yin states that case studies can generalize more to theoretical propositions than whole populations. It is also important to acknowledge that case studies and qualitative data analyses in general are related to subjectivity, which can diminish the reliability of the research. For example, different researchers can attribute different meanings to the same data.
To improve the difficulties concerning reliability Yin (1994) suggests the use of case study protocols and case study databases. This serves the purpose of clarifying how research was performed, which data have been collected and the interpretation of this data.

3.2 Research setting

The subject of this case study is British Petroleum (BP), a multinational oil and gas company that finds itself in a crisis after the explosion of a deep-sea oilrig causes one of the largest oil leaks in history.

On the 20th of April 2010 the exploratory drilling rig Deepwater Horizon exploded after a blow-out, killing eleven people, and sinking two days later. It was owned by Transocean, and was under lease to BP from March 2008 to September 2013. BP has not given a cause for the explosion. According to the US Congressional investigation the rig's blowout preventer, a fail-safe device fitted at the base of the well, built by Cameron International Corporation, had a hydraulic leak and a failed battery, and therefore failed.

This blow-out happened in the Macondo Prospect field in the Gulf of Mexico and resulted in a leaking oil well 1.500 meters below sea level. The leak has become the largest off-shore oil spill in U.S. history. After the explosion BP and the United States Coast Guard initially estimated that the wellhead was leaking only 1,000 barrels per day. Outside scientists quickly produced higher estimates to between 35,000 and 60,000 barrels on 15 June. Internal BP documents estimated the flow could be as much as 100,000 barrels per day if the blowout preventer and wellhead were removed and if restrictions were incorrectly modelled. According to BP, estimating the oil flow was very difficult as there was no underwater metering at the wellhead and because of the natural gas in the outflow. The company initially refused to allow scientists to perform more accurate, independent measurements, saying that it was not relevant to the response and that such efforts might distract from efforts to stem the flow. Also, journalists attempting to document the impact of the oil spill have been repeatedly refused access to public areas. Former Administrator of the Environmental Protection Agency Carol Browner and Congressman Ed Markey both accused BP of having a vested financial interest in downplaying the size of the leak in part due to the fine they will have to pay based on the amount of leaked oil. Wildlife and environmental groups have accused BP of holding back information about the extent and impact of the growing slick, and urged the White House to order a more direct federal government role in the spill response. On 19 May BP established a live feed of the oil spill after hearings in Congress accused the company of withholding data from the
ocean floor and blocking efforts by independent scientists to come up with estimates for the amount of crude flowing into the Gulf each day.

Attempts to close the blowout preventer failed, as did the placement of a containment dome to pipe the oil to a storage vessel and the sealing of the blowout preventer with cement, also known as “top kill”. A little more successful was the positioning of a riser into the burst pipe, which was later replaced by a cap connected to another riser. CEO of BP Tony Hayward stated that as a result of this process the amount captured was "probably the vast majority of the oil". On 16 June a second containment system was connected to the blowout preventer carrying oil to several vessels. As of late June government’s estimates suggested less than half of the oil leaking was being captured. On July 10 a better fitting cap was placed and on July 15 BP first reported that the leak had been stopped completely. However this was still a temporary solution as BP had to wait for the completion of relief wells, which were expected to begin operations to kill the rogue well in August. Finally, on 4 august, with the approval of Coast Guard Admiral Allen, BP began pumping cement into the wellhead and it was stated that what was called static kill worked.

The three fundamental strategies for addressing spilled oil were to contain it on the surface away from the most sensitive areas, to dilute and disperse it in less sensitive areas, and to remove it from the water. The Deepwater response employed all three strategies, using a variety of techniques.

The consequences of the spill are grave and vast. The spill threatens environmental disaster due to factors such as petroleum toxicity and oxygen depletion. Also there are grave consequences for both fishery and tourism. The spill resulted in a fishing ban to assure the health of seafood in an area covering about one third of the Gulf by the end of June. By June many tourists were cancelling vacations in coastal areas of Alabama, Louisiana, Mississippi and Florida in fear of the arrival of oil on the beaches.

Off course the oil spill also has severe economic consequences. On July 5 BP reported it had already spent $3.12 billion on the spill response, containment, relief well drilling, grants to the Gulf States, claims paid, and federal costs. BP has said it would pay for all cleanup and remediation regardless of the current liability cap of $75 million. Nevertheless some lawmakers were seeking to pass legislation to increase the liability limit to $10 billion. On 16 June, after meeting with President Obama, BP executives agreed to create a $20 billion spill response fund. One aim of the fund is to minimize lawsuits against the company. According to BP’s officials the fund can be used for natural resource damages, state and local response costs and individual compensation but cannot be used for fines or penalties. Due to the crisis BP saw its value drop over 54% in 2010.
Off wider concern is the six month moratorium that was enforced after the blowout, forbidding offshore drilling below 150 metres by the United States Department of the Interior. This moratorium suspended work on 33 rigs and was challenged by several drilling and oil service companies resulting in the lifting of the moratorium on June 22. The moratorium was found too hard, too arbitrary and not adequately justified. Such a moratorium will harm the economies of coastal communities. In Louisiana for example 17 percent of all jobs are in the oil industry. Also it will harm all parties that are involved in deepwater oil drilling in U.S. waters. Despite all this, Secretary of the Interior Ken Salazar was working hard to finalize a new offshore drilling moratorium. Also, Michael Bromwich, the head of the newly created Bureau of Ocean Energy Management, Regulation and Enforcement, said that a record of "bad performance, deadly performance" by an oil company should be considered "a relevant factor" for the government when it decides if that company should be awarded future drilling leases. Representative George Miller plans to introduce to the energy reform bill under consideration in the United States House of Representatives that a company's safety record should factor into leasing decisions. Clearly, the pressure from the U.S. government was increasing.

As a result of the crisis described above BP has been, and still is, under a lot of pressure from institutions.

3.3 Data collection

In this section first a short explanation will be given about the determination of the period over which data are collected. This will be followed by an explanation of the sources from which data are collected.

To delimit the period over which to collect data April 20, 2010 is chosen as the starting point for this is the day the Deepwater Horizon exploded and the oil spill crisis began. The last date in the period over which data is collected is August 28, as this date demarcates the end of the month that the spill was effectively killed. The author realizes that the dynamics of institutional pressures and BP’s responses will not end when the oil spill has ended. Naturally this process will keep developing since the aftermath of the spill is not nearly finished at the time of writing. Litigation can be presumed to carry on for a long period still to come. However the author has chosen to delimit the research to the period of the spill, since this is the period in which the case has dominated the news around the world. Also there is no telling yet how long the aftermath of the crisis will continue to linger on and the time frame in which the author needs to perform the research is limited.
The data collection is important because only from good data valid conclusions can be drawn. The reliability of research can be increased by using multiple methods of data collection. For instance, one can combine interviews, surveys and newspaper articles. This way there are multiple lines of inquiry (Yin, 1994). Unfortunately this was not possible in this research. Because of the sensitive nature of the case BP is not willing to give out detailed information about its response to the crisis. And even if the company would be willing to do so, the reliability of the data would be doubtful, since it can be presumed that BP will inform outsiders about their responses in a strictly positive light, which does not necessarily reflect the reality of the situation. Because of these reasons it was not possible to collect primary data. Documentary secondary data will therefore be collected.

In this research newspaper articles are used to analyze the dynamics between institutional pressures and BP’s responses to those pressures. Earl, McCarthy and Soule (2004) point out two sets of criticisms of the quality of such data, representing possible limitations of the use of this data source. The first set of criticisms is concerned with the researcher’s collection practices. Some scholars claim that newspapers selectively report on events. This is termed the selection bias (McCarthy et al., 1996, 1999). According to some critics newspaper data suffer from the selection bias because newspapers do not report on all events that occur. The events that are reported are subject to various factors such as competition over newspaper space, reporting norms and editorial concerns (Earl, McCarthy and Soule, 2004). The second set of criticisms is concerned with flaws in the newspaper reports themselves. This is called the description bias (McCarthy et al., 1996, 1999). The description bias “concerns the veracity with which selected events are reported in the press, and is also a concern when using newspaper data” (Earl et al., 2004).

According to Earl et al. (2004), in terms of selection bias, media focus on occurrences that have major social impact and are newsworthy. Newsworthiness depends on the event being notorious, unusual, large, violent, dramatic or rare. Fortunately for this research, the BP oil spill crisis possesses much, if not all, of the above stated characteristics. Also proximity is found to influence selectivity in reporting. Earl et al. (2004) conclude that researchers should understand that, although newspaper data is not without flaws, it is a useful data source. They state that newspaper data does not deviate markedly from accepted quality standards.

The case of research is about a crisis of a British company on U.S. territory. Therefore it can be expected that quality newspapers from both countries can provide rich information. The Financial Times (FT) was chosen as a British source of news on the subject and the New York Times (NYT) was chosen as a U.S. based newspaper. These newspapers are widely recognized as being of the highest possible quality and it may be presumed that journalists working for these newspapers can penetrate
the different levels of BP. From the large quantity of newspapers from both countries these two were chosen because they offer a clear overview of the situation and its context. The FT reports in a more factual way and mainly writes about events that would concern its audience of businessmen. The NYT offers more human interest pieces and also reports more on the effects of the spill on the US public. By using the digital database LexisNexis, a search engine for amongst others newspapers, articles from the FT and NYT concerning the oil spill were selected. Some 1300 relevant articles have been found in the period. Also all BP’s press releases have been included as source of data.

3.4 Data analysis

In this section the method of data analysis will be clarified. Following, a few examples will be given of events that are termed institutional pressures or strategic responses. Finally, light will be shed on the way the reliability of the results is increased.

All selected articles are filtered for unwanted subjectivity in, for example, opinion pieces. From the articles that remained the actions from the different actors are selected, meaning the actions of both constituents which exercise pressure and the response strategies used by BP. In the analysis only the first notion of each different action or event is included. So when there are multiple mentions of the same event over different days or different newspapers, only the notion in the newspaper that reported on it first is included. After the filtering of unwanted articles, the sample taken and the filtering of double reports on the same event 818 relevant events remained. These are placed in a spreadsheet in chronological order in which the following is included (i) the actor; (ii) the quote of the action; (iii) the newspaper; (iv) the date.

**Operationalization of institutional pressures**

Based on institutional theory, actions of constituents in the institutional field are categorized as being regulative, mimetic, social normative or professional normative in nature. To aid this categorization use is made of table 2 in which an overview is offered of the indicators, carriers and source of the different types of institutional pressure.
Table 2: An overview of institutional pressures

<table>
<thead>
<tr>
<th>Pressure</th>
<th>Regulative</th>
<th>Mimetic</th>
<th>Professional normative</th>
<th>Social normative</th>
</tr>
</thead>
<tbody>
<tr>
<td>Description</td>
<td>Rules, regulations, laws</td>
<td>Imitation of others</td>
<td>Professional standards, understandings and expectations</td>
<td>Public opinion and expectations, Rationalized myths, Socially constructed rules, Collective understandings</td>
</tr>
<tr>
<td>Source</td>
<td>Legislative and judicial authorities, Administrative agencies (M&amp;R), Governments (M&amp;R; D&amp;P; Scott) Regulators, Organizations that can enforce behavior (D&amp;P)</td>
<td>More successful organizations (M&amp;R; D&amp;P; Scott), Similar organizations (M&amp;R), More legitimate organizations (D&amp;P)</td>
<td>Professions (D&amp;P), Educational system (M&amp;R)</td>
<td>Public opinion (M&amp;R), Social prestige (M&amp;R), Society (D&amp;P; Scott)</td>
</tr>
<tr>
<td>Vehicle for diffusion</td>
<td>Written documents, Legislation (M&amp;R, 1977; D&amp;P, 1983; Scott, 1995), Rules of practice (M&amp;R),</td>
<td>Public outings such as annual reports, Performance rankings</td>
<td>Education (M&amp;R), Relational networks (M&amp;R), Professional networks (D&amp;P), Trade associations (D&amp;P)</td>
<td>Relational networks (M&amp;R), Cultural and societal expectations (D&amp;P), Belief systems and cultural frames (Scott)</td>
</tr>
<tr>
<td>Basis for compliance</td>
<td>Licenses and credentials (M&amp;R), Legal enforcement (D&amp;P), Legal sanction (Scott)</td>
<td>Avoid uncertainty (M&amp;R; D&amp;P), Maintain stability (M&amp;R), Increase legitimacy (D&amp;P), Not standing out (Scott)</td>
<td>Public opinion (M&amp;R), Social obligation (Scott), Moral obligation (Scott), Taken for granted (Scott)</td>
<td>Public opinion (M&amp;R), Social obligation (Scott), Moral obligation (Scott), Taken-for-granted (Scott)</td>
</tr>
</tbody>
</table>

Based on table 2 it is important to define events that can be attributed to the exertion of the different types of institutional pressures. In this analysis also the direction of pressure is included. So not only is pressure increase included but also pressure relief. This is done because not all events that occur increase the pressure for BP and thereby decrease BP’s room for agency. All events that decrease the room for agency of BP are coded as pressure increase and are coded positive (+). All events that increase the room for agency are coded as pressure relief and are coded negative (-). The total amount of pressure that is exerted on BP is the sum of pressure and pressure relief.

From table 2 it should be clear that regulatory agencies of the US government and other institutions are the main source of regulative pressure. It is important to note that for a pressure to be regulative in nature there needs to be coercion. So actors that can exert regulative pressure need to have the capacity to establish laws and rules, to inspect conformity to them and if necessary impose sanctions.

More general, all events that could directly change the agency of BP to operate were coded as regulative pressure. This type of pressure is linked to power issues. When regulatory agencies find BP guilty of wrongdoing and announce sanctions this will be an increase of regulative pressure as
opposed to when BP is cleared from accusations, in which case there will be a relief of regulative pressure.

The source of mimetic pressure is BP’s competitors. All events that referred to the behavior or performance of other oil companies with regard to the oil spill were coded as mimetic pressure. In case of events that concern BP’s competitors there are two options. The first option is that competitors experience similar problems as BP. This could be the case if evidence suggests that competitors work in similar ways as BP or with the same level of safety. In this case BP’s competitors are either performing at the same level or worse, which suggests that BP is not underperforming compared to its competitors. When this happens there is a relief of mimetic pressure. The second option is that BP’s competitors condone BP for their level of performance before and during the crisis. Competitors thereby state that they are underperforming compared to the rest of the field. In this case there is an increase in mimetic pressure because BP deviates from the standard in the field.

The source of social normative pressure is society as a whole. All events that represented attitudes of society about the oil spill were coded as social normative pressure. The actors that can exert social normative pressure are generally those actors that are either affected by the oil spill or those that are concerned with it. Actors that are affected include inhabitants of the coastal regions whose shores are contaminated with oil, local fisherman who can’t fish in a large area, the tourist industry of coastal regions who see a decline in visitors and workers who are employed in the region’s off-shore oil drilling industry who see their employment endangered. Actors who are concerned with the oil spill are all kinds of environmental organizations. With social normative pressure it is about socially and culturally constructed rules and expectations about what is appropriate behavior. In this day and age there is an ever increasing focus on corporate social responsibility. Companies are expected to limit the negative impact of their operations on society. BP’s oil spill can therefore be expected to trigger an increase in social normative pressure, since an oil spill is a socially negative event. When any societal actor will accuse BP of wrongdoing there will be an increase in social normative pressure. When these actors clear BP from wrongdoing there will be a relief in social normative pressure.

Professional normative pressure is related to professionalization and was operationalized as all comments and claims of independent experts and analysts that were made about the oil spill. These comments and claims represent the norms, standards and best practices concerning safety and environmental issues in the professional field, in this case the oil industry. Professional normative pressure can increase when experts or analysts condone BP for wrongdoing, which in this case means
not living up to the standards of good practice in the oil industry. When experts or analysts come to
the conclusion that BP cannot be held responsible for errors made this means a relief of professional
normative pressure.

In this analysis also the direction of pressure is included. So not only is pressure increase included but
also pressure relief. This is done because not all events that occur increase the pressure for BP and
thereby decrease BP’s room for agency. All events that decrease the room for agency of BP are
coded as pressure increase and are coded positive (+). All events that increase the room for agency
are coded as pressure relief and are coded negative (-). The total amount of pressure that is exerted
on BP is the sum of pressure and pressure relief.

Examples of institutional pressures
In this section examples of the different types of pressures are offered together with the direction of
the pressure (increase of pressure (+) and relief of pressure (-)).

Regulative (+)
“The Department of the Interior and Department of Homeland Security announced a joint enquiry
into the explosion and sinking of the Transocean Deepwater Horizon on April 22. The U.S. House of
Representatives Committee on Energy and Commerce Subcommittee on Oversight and Investigations
and Senate Committee on Energy and Natural Resources have also announced investigations.”

Regulative (-)
“Mr. Obama also moved to address one of the weaknesses exposed by the spill, lax oversight from
the agency with the most direct authority to regulate offshore drilling, the Interior Department’s
Minerals Management Service.”

Mimetic (+)
“Some of the world’s biggest oil companies are distancing themselves from BP as its growing oil spill
in the Gulf of Mexico threatens Big Oil’s plans for the most productive oil-producing region of the
US.”

Mimetic (-)
“Rex Tillerson, the chairman and chief executive of ExxonMobil, admitted last week that the industry
faced a huge challenge. ‘The most difficult challenge confronting the whole industry at this point is
regaining the confidence and trust of the public, the American people, and regaining the confidence and trust of the government regulators and the people who oversee our activities out there.”

Social normative (+)
“As oil washes into the region's marshes, it is closing fishing beds, driving away tourism and costing many restaurants their main food source. Most of the berths are empty, leaving an overwhelming sense of despair. And the Obama administration's moratorium on new deepwater drilling for oil is putting jobs in the region's biggest industry at risk.”

Social normative (-)
“What we are seeing out of the administration has been utter outrage, blame, vilification, cursing on TV instead of focusing on stopping the gushing of the oil,” he told the FT in its view from DC video series. "How does that help?"

Professional normative (+)
"'In the last two years, it seemed BP had really cleaned up their act,' said Fadel Gheit, a managing director and oil analyst at Oppenheimer & Company. 'Now it looks like a house of cards that has totally collapsed.'"

Professional normative (-)
“Mr. Hayes said the Minerals Management Service had performed three inspections of the rig this year, including one in the past month, and found no cause for concern.”

Operationalization of strategic responses
For the operationalization of BP’s strategic responses Oliver’s (1991) response strategies are used. The possible responses to institutional pressures are: acquiescence, compromise, avoidance, defiance and manipulation. In table 4 an overview of the responses with all the accompanying tactics is offered.
### Strategies | Tactics | Examples
--- | --- | ---
Acquiesce | Habit | Following taken-for-granted norms
 | Imitate | Mimicking institutional models
 | Comply | Obeying rules and accepting norms
Compromise | Balance | Balancing the expectations of multiple constituents
 | Parity | Placating and accommodating institutional elements
 | Bargain | Negotiating with institutional stakeholders
Avoid | Conceal | Disguising nonconformity
 | Buffer | Loosening institutional attachments
 | Escape | Changing goals, activities or domains
Defy | Dismiss | Ignoring explicit norms and values
 | Challenge | Contesting rules and requirements
 | Attack | Assaulting the sources of institutional pressure
Manipulate | Co-opt | Importing influential constituents
 | Influence | Shaping values and criteria
 | Control | Dominating institutional constituents and processes

Table 4: Oliver’s (1991) strategic responses

**Examples of strategic responses**

**Acquiesce**

“BP today announced its support for and cooperation with U.S. Government investigations arising from the sinking of the Transocean drilling rig.”

**Compromise**

“...It is clear that this accident was the result of multiple equipment failures and human mistakes involving many companies’ said Tony Hayward.”

**Avoid**

“BP is referring all questions on the incident to Transocean.”

**Defy**

“However, he added, he would ‘totally refute’ the suggestion that ‘BP has a culture which puts costs before safety.’”

**Categorization of events**

During the coding of all the events it became clear there were a number of main issues that were evolving during the oil spill crisis. Therefore all events (both pressures and response strategies) are divided over five categories or issues, being (i) Cause/responsibility, (ii) Consequences, (iii) Clean-up, (iv) Minerals Management Service (MMS) and (v) Regulation. These issues include different actors
which exert different pressures concerning different topics. In this categorization is important to know that any single event can only be attributed to a single category in order to prevent any overlap of events. This division of events in different issues was made in order to make a more accurate analysis of the dynamics between institutional pressures and strategic responses. For example, the dynamics between regulative pressure and acquiescence. When looking at all events together an event of acquiescence may appear to be a reaction to regulative pressure. In reality this event of acquiescence may not be related to this event of regulative pressure because they are both part of a different issue.

Reliability
To increase the reliability of the research a correlation analysis was done to add empirical underpinning to the description of the relation between the different types of pressure, between the different responses and between the different pressures and responses. From the qualitative analysis a number of relations between pressures and responses can be abstracted. It will be interesting to see whether from the correlation analysis these relations can also be observed. Note that the correlations just serve as an addition to the qualitative research and that the results from this analysis don’t serve as absolute truth.
4. Results

In this chapter the results will be presented that are drawn from the analysis of events that were obtained from the newspapers The Financial Times and The New York Times and from BP’s press releases in the period from April 20th 2010 until August 28th 2010. These events will be linked to the different pressures and strategies. Any results that stand out are then described in the light of the treated theory. Following a short explanation of the mode of presentation of the results an overview of results that stand out will be given. Finally, the most important events and results in all five categories of events will be discussed. These categories are: Cause/responsibility, Consequences, Clean-up, Minerals Management Service and Regulation.

4.1 Presentation of the results

In this chapter the results from the analysis will be made more clear and understandable with the aid of tables, bar charts, graphs. Herein a distinction between pressure, pressure relief and strategies will be made. The chosen color codes and the different charts and graphs will be described in the following paragraphs.

Color codes

For each pressure and strategy a different color code is chosen as is presented in table 5. These colors are used in all charts and graphs to clarify the link between the different figures.

<table>
<thead>
<tr>
<th>Pressure (relief)</th>
<th>Color code</th>
<th>Strategy</th>
<th>Color code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regulative [+</td>
<td>Red</td>
<td>Acquiescence</td>
<td>Green</td>
</tr>
<tr>
<td>Mimetic [+</td>
<td>Green</td>
<td>Compromise</td>
<td>Bordeaux</td>
</tr>
<tr>
<td>Social Normative [+</td>
<td>Purple</td>
<td>Avoidence</td>
<td>Salmon</td>
</tr>
<tr>
<td>Professional Normative [+]</td>
<td>Blue</td>
<td>Defiance</td>
<td>Pink</td>
</tr>
<tr>
<td>Regulative [-</td>
<td>Light red</td>
<td>Manipulation</td>
<td>White</td>
</tr>
<tr>
<td>Mimetic [-</td>
<td>Light green</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social Normative [-</td>
<td>Light purple</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Professional Normative [-]</td>
<td>Light blue</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 5. Color codes for the types of pressures and strategies

Bar charts of percentages

The first results are presented in bar charts in which the percentages of pressure, pressure relief and strategy are depicted for each category. An overview of the number of events per pressure, strategy and category is presented below in table 6.
### Frequency per category

<table>
<thead>
<tr>
<th>Category</th>
<th>All</th>
<th>Cause/responsibility</th>
<th>Consequences</th>
<th>Cleanup</th>
<th>MMS</th>
<th>Regulation</th>
</tr>
</thead>
<tbody>
<tr>
<td>[+ ]Regulative</td>
<td>152</td>
<td>62</td>
<td>49</td>
<td>8</td>
<td>6</td>
<td>27</td>
</tr>
<tr>
<td>[+ ]Mimetic</td>
<td>22</td>
<td>9</td>
<td>10</td>
<td>1</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>[+ ]Soc. Normative</td>
<td>144</td>
<td>5</td>
<td>126</td>
<td>10</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>[+ ]Prof. Normative</td>
<td>78</td>
<td>14</td>
<td>50</td>
<td>13</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>[- ]Regulative</td>
<td>57</td>
<td>18</td>
<td>10</td>
<td>2</td>
<td>20</td>
<td>7</td>
</tr>
<tr>
<td>[- ]Mimetic</td>
<td>22</td>
<td>3</td>
<td>10</td>
<td>1</td>
<td>0</td>
<td>8</td>
</tr>
<tr>
<td>[- ]Soc. Normative</td>
<td>36</td>
<td>0</td>
<td>30</td>
<td>4</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>[- ]Prof. Normative</td>
<td>44</td>
<td>7</td>
<td>23</td>
<td>12</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Acquiescence</td>
<td>114</td>
<td>9</td>
<td>77</td>
<td>23</td>
<td>0</td>
<td>5</td>
</tr>
<tr>
<td>Compromise</td>
<td>41</td>
<td>5</td>
<td>7</td>
<td>25</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>Avoidence</td>
<td>62</td>
<td>19</td>
<td>26</td>
<td>17</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Defiance</td>
<td>44</td>
<td>24</td>
<td>16</td>
<td>4</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Manipulation</td>
<td>2</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>818</td>
<td>175</td>
<td>435</td>
<td>120</td>
<td>30</td>
<td>58</td>
</tr>
</tbody>
</table>

*Table 6: Number of events per pressure, response and category*

### Graphs of frequencies

To give a more detailed image of the events graphs are produced which depict all events per 2 days in a particular category for each pressure, pressure relief and strategy. In these graphs the horizontal axis represents the time with tick marks representing 2 days and the vertical axis represents the number of events.

Some care is needed when interpreting the graphs. The number of events is just an indication of the amount of pressure and the type of response. A peak that is twice as high as another peak does not necessarily mean that the pressure is twice as high. Also BP’s reactions are not always a direct response on a pressure. One has to realize that the reaction to institutional pressure is an ongoing process and therefore a strategic response does not necessarily relate to institutional pressure of that moment.
4.2 General results

This section deals with results concerning pressure and response that stand out in general. First a pie chart will be presented to show the percentage of each category in the case.

\[\text{Figure 2: Percentages of events per issue}\]

It is clear that the issue Consequences is the most widely reported on category of all. A partial explanation for this is that a number of types of events fall under this category. This category contains all reports on the consequences for those who are affected by the spill, the environmental implications of the spill and consequences for BP. Another reason why this issue receives so much attention might be that events relating to the consequences of the oil spill have a high news value. Events in this issue are the most important for readers of the chosen newspapers because this issue keeps developing throughout the case as the oil spill keeps growing. Also the category Cause/responsibility receives a lot of attention. In an event of this magnitude it is clear that a question of guilt rises. The US government and the public demand to know who is responsible for the failure on the Deepwater Horizon. Therefore a number of inquiries are launched by various organs of the US government. To establish who is guilty is important because this party or parties will have to pay fines and compensate those who are affected by the spill. The issue of the Clean-up is less widely reported on than the previous two issues but is nevertheless important. The issue of the Clean-up concerns all events relating to the clean-up of the spill and the efforts to close the gushing well. All the actors in the case are concerned with what is done to try to limit the impact of the oil by cleaning up the spill. Perhaps of even greater importance are the attempts to plug the well. Only after this can be done the spill will effectively be over. The issue Regulation is about what the US government as a whole is doing to prevent a disaster like this from ever happening again by sharpening regulation on oil drilling. One reason why this issue only makes for a small part of this case may lie in the fact that the US government only announced a few new regulatory measures and this is not an issue in which
daily developments happen. Also it takes time to formulate new regulation and a time span of only four months only the foundation for new regulation can be laid. However this issue is likely to develop after the time span of this research resulting in institutional change. The issue Minerals Management Service (MMS) receives relatively little attention in the whole story. One explanation for this lies in the fact that it is a more specific issue than the other issues as it only deals with the functioning of the MMS as a regulator of the oil industry in the US. In the light of institutional theory however it is very interesting because it deals with a failing institutional actor, which in turn leads to changes in the institutional field. This change is the overhaul of the MMS.

![Figure 3: Percentages of pressure and pressure relief per issue](image)

As figure 3 shows the pressure that is exerted on BP by constituents as reported in the newspapers is for a large part regulative in nature, followed closely by social normative pressure and professional normative pressure, leaving only a very small percentage for mimetic pressure. The newspapers seem to direct a lot of their attention towards regulative pressure. A possible explanation is that newspapers need to report as objectively as possible. Events of regulative pressure are truly objective because they do not confer any meaning or opinion. Also in an incident of this magnitude it may come as no surprise that regulators will be deeply involved with the cause and consequences of the disaster happening. Social normative pressure is also widely reported on. A possible explanation for this is that newspapers may want to attract readers by not only reporting on the more technical side of the story but also focusing on the human aspect. It is important for a newspaper to tell the story of those who are affected by a disaster. In this case a lot of different groups are affected among which are residents of the coastal areas, fishermen and oil industry workers. Therefore the human
tragedy caused by the oil spill is of considerable proportion, which results in high social normative pressure. Newspapers pay somewhat less attention to professional normative pressure. This type of pressure is more technical in nature and is for example mainly concerned with the opinions and conclusions of experts when it comes to the state of safety at BP or the long term environmental consequences of the oil spill. Though the reports on these types of events are still quite numerous they do not match the importance of regulative and social normative pressure. Finally it is remarkable to note that mimetic pressure is only sporadically reported on. One explanation could be that newspapers do not care whether BP operates in the same way as its competitors. Another more viable explanation could be that competitors have abstained from making any statements about the oil spill in order to avoid being included in the discussion and the public and governmental scrutiny.

Also when looking at the response strategies a few things are noteworthy.

First, it is important to note that BP acquiesces in more than 40% of all its strategic responses. This means that, overall BP often chooses to conform to institutional pressure because it believes this strategic response is self-serving to organizational interests (Oliver, 1991). This is in line with the mechanism of isomorphism as described by DiMaggio and Powell (1983). However the response to acquiesce is not used equally for each issue. The most remarkable difference is between the issues of Cause/responsibility and Consequences. Clearly BP believes it is not in their self-interest to admit guilt in causing the accident to happen. However it seems to want to appease the actors who have to bear the consequences of the spill by acquiescing to almost all institutional pressure.

The strategy to compromise makes up a relatively small part of the responses in all issues. This may indicate that BP's responses are a little more black and white. Either they fully conform to
institutional pressure or they take a more aggressive stance towards the pressure. Also the strategy
to compromise is used very differently in the different issues. Again in Cause/responsibility BP rarely
compromises. This definitely indicates that BP wishes to counter institutional pressure in this issue.
What is remarkable that BP almost never compromises in Consequences. However in Clean-up compromise is a response of choice. It seems BP wants to commit to cleaning up the oil spill but does
not want to take full responsibility for the spill. Also BP tries to cover itself by expressing that each
attempt to plug the well is uncertain. In the issue Regulation BP compromises 40% of the time. BP is
dealing with the US government in this issue, which is drawing up new regulation. BP seems to
support new regulation but also tries to blame the existing regulation for the accident.
The strategy to avoid pressure is used in over 20% of the time. Especially in the issue
Cause/responsibility avoidance is a strategy of choice. Clearly BP does not want to take full
responsibility for causing the accident because of the consequences this might have for BP in terms
of fines and other punishment. In the issues of Consequences and Clean-up avoidance is used much
less often. Events in these issues are of more direct influence for the public. For instance think about
fishermen who are losing their fishing grounds or efforts to plug the well. BP can’t position itself as
ignorant or uncooperative when it comes to dealing with the public.
The strategy to defy pressure is used in under 20% of the time. Especially in the issue
Cause/responsibility defiance is the main strategy. BP is trying very hard to dodge responsibility for
the accident because of the grave consequences this may have for BP. In Consequences and Clean-up
BP events are much more public and BP can’t afford to take a very aggressive stance.
Finally, the strategy to manipulate only occurred twice in 818 events. The author presumes this
strategy as close to non-existent in this case. Therefore this strategic response will not be included in
the results.

4.3 Results per issue

In this section the results will be presented per issue. The most important results will be presented in
blocks of one or two weeks. These time periods can easily be corresponded to the graphs at the
beginning of each section. These graphs give a visual representation of all events of pressure and
response. If the volume of events in one week is very large the author has chosen to describe the
events per week. However, often a period of two weeks is chosen. Behind all events in the
description numbers can be found. These numbers correspond to rows in an excel sheet in which all
the quotes of the events in the newspapers are written down.
4.3.1 Cause/responsibility

This issue contains all events concerning the cause of the accident and BP’s role in the accident. Figure 5 first shows the institutional pressure above the axis and underneath the strategic responses. The most important actors in this issue are the White House, industry experts, US Coast Guard, politicians, investigators and the companies that were involved in the Deepwater Horizon being Transocean, Halliburton, Anadarko and MOEX Offshore.

![Figure 5: Frequencies of pressure and response strategies in issue Cause/responsibility per two days with date per two weeks.](image)

Week 1: 20-27 April & Week 2: 28 April-4 May

At first there is some relief of professional normative pressure concerning the safety of the Deepwater Horizon (4, 9). However regulative pressure builds as the White House holds BP responsible for the response and clean-up and lawsuits and inquiries are filed (11, 6, 7, 8, 12, 13). *BP first avoids by trying to blame Transocean by referring all questions to Transocean (5). On the other hand it acquiesces and states it will cooperate closely with all investigations (10, 15). One can already see an ambiguity in responses here.* Regulative pressure increases even further as more accusations are made concerning safety and more investigations are announced (16, 21, 22, 25). Also professional normative pressure mounts as analysts scrutinize BP’s safety record (19). *BP once more avoids pressure as it tries to shift responsibility to Transocean (20, 23). Also it defies any pressure concerning safety accusations (26). So BP sees it in its best interest to fight against claims that the company was not operating safely. Also it is clear BP is not willing to take responsibility at this early stage by avoiding pressure. However, BP does acquiesce to pressure from government investigations.*
Week 3: 5-11 May
Regulative pressure increases as the Senate Energy Committee holds hearings, the US Coast Guard and the MMS announce a joint investigation and the Occupational Health and Safety Administration (OSHA) talks of BP’s health and safety problems (28, 29, 42). However there is some relief as attention is directed at the roles of Halliburton and the government in the accident as well (49, 50, 52). Professional normative pressure rises as analysts criticize BP’s risk culture but is relieved as another expert says accidents will always happen (45, 48). **BP continues avoiding pressure as it tries to shift blame on Transocean and Halliburton** (37, 51). **Tony Hayward also compromises as he states there is still work to be done safety wise** (41, 46) **but also defies that certain operations were unsafe** (43, 44). One clearly sees a very ambiguous reaction here. BP claims it is Transocean’s and Halliburton’s accident but Tony Hayward compromises about BP’s safety while also denying operations were unsafe. There is some relief of mimetic pressure when the whole industry is criticized for the way they operate (31, 35). Finally, pressure picks up when BP is accused of lagging others in terms of safety standards (38, 40).

Week 4: 12-18 May
There is a general decrease in pressure in week 4. Regulative pressure builds as US senators hammer BP and Transocean for trying to dodge responsibility in court, BP is accused of careless operations and president Obama announces an independent investigative commission (56, 57, 60, 61). Also it is revealed BP ignored safety warnings and Transocean tries to limit its liability. Professional normative pressure increases as it is reported that a former MMS scientist, the OSHA and the Center for Public Integrity had earlier complained about BP’s safety and environmental violations (62, 64, 66). **BP acquiesces to regulative pressure and promises to fully cooperate with all investigations** (63). However it defies any regulative and professional normative pressure concerning unsafe practice (65, 67, 68). Again one can see the pattern of BP saying to want to cooperate with investigations but denying any wrongdoing.

Week 5: 19-25 May & Week 6: 26 May – 1 June
In week 5 there is almost no pressure on BP. Only regulative pressure builds as president Obama partly blames BP for the accident. **Bp acquiesces by sharing its own findings but also compromises by not admitting guilt** (72, 73). In week 6 hearings are held and regulative pressure steeply increases. Report gets out of several safety issues concerning the well and the Deepwater Horizon, which are mostly confirmed by industry experts exerting professional normative pressure (74, 77, 80, 81, 84, 87, 94, 97). Also Chevron exerts mimetic pressure meaning their safety practice doesn’t need improvement (91). Finally, Ed Markey, one of the most outspoken critics of BP, exerts social
normative pressure when he criticizes BP preparedness of a disaster (93). BP again defies all safety allegations by saying equipment of other parties has failed (76, 78). It does however compromise by claiming that BP workers might have made mistakes (79). BP also avoids by saying they were not aware of any wrongdoing in the procedures they followed (83, 86, 88, 99). Tony Hayward on the other hand acquiesces and admits BP has caused the accident and will take full responsibility (92). This is contradicting earlier reactions by other BP spokesmen. So again it becomes clear BP reacts in multiple ways.

Week 7: 2-8 June & Week 8: 9-15 June
There is very little activity in week 7. BP acquiesces as it repeats it will cooperate with any inquiry and that the model for responsibility for safety needs to change (101, 102). In week 8 there are no events.

Week 9: 16-22 June
During inquiries regulative pressure builds as BP is accused of taking risky decisions and of dodging questions about the accident (107, 108, 111, 113, 115, 116). On top of that a former BP employee on its Atlantis rig exerts professional normative pressure when he points at a fundamental problem in BP’s culture (120). BP once more defies these claims about safety (121). The MMS relieves this pressure as it claims there were no violations on the rig (122). Regulative pressure increases as the US Chemical Safety Board announces an investigation (123) and Anadarko, one of BP’s partners in the Macondo well, accuses BP of negligence and misconduct (118). BP strongly defies Anadarko’s allegations (119). Mimetic pressure increases as BP’s competitors say the spill was preventable (105, 110). However an expert claims that the problem might lie in the entire institutional field (124). BP reacts by avoiding and does not comment on any allegations before the hearings (106, 109, 114) and Tony Hayward says he knew nothing of the well (112). So again BP claims it is unaware of any wrongdoing.

Week 10: 23-29 June
Industry experts exert professional normative pressure as they claim BP wrote an own environmental review in 2007 and that BP is taking risks in the Arctic by using untested technologies (125, 126, 127). Acting on this a US senator asks the newly formed BOEMRE (Bureau of Ocean Energy Management, Regulation and Enforcement) to halt BP’s Arctic plans (129). BP once more defies professional and regulative pressure concerning its safety culture (128). Finally BP’s competitors cause mimetic pressure as they start to openly distance themselves from BP (130).
Week 11: 30 June-6 July & Week 12: 7-13 July

Regulative pressure builds as Anadarko states that it did not have the data to know about the pending danger and indicates it will try to be excluded from the claims process (131, 134). BP counters by defiance and foots partners Anadarko and MOEX Offshore a $400 million bill to pay for expenses made in relation to the spill (132, 133). BP here defies pressure about responsibility and tries to include Anadarko and MOEX Offshore in the payment of claims.

Later in week 12 investigators exert mimetic pressure as they try to determine whether BP operates in a riskier way than its competitors (136). Then professional normative pressure increases as analysts, competitors and former employees accuse BP of putting profit before safety (137). Finally, it is reported the OSHA fined BP for violations at its Ohio refinery and that BP didn’t put its words about safety into practice (138). BP again defies all allegations of unsafe practice and risk taking (139, 140).

Week 13: 14-20 July & Week 14: 21-27 July

In week 13 hearings are held and regulative pressure increases as testimony and documents reveal safety problems on the rig (142, 143, 145, 146) There is also some relief as it becomes clear the alarm system on the Transocean rig was not working and that Transocean failed to perform a critical pressure test (156, 158) and that Transocean has rejected a lot of BP’s safety findings on the rig (159).

Week 15: 28 July-3 August

Tony Hayward compromises and says that the accident was a result of mechanical and human failure (160). So it appears Tony Hayward once more partly admits guilt. This contradicts a lot of the other statements made by BP spokesmen.

Week 16: 4-10 August & Week 17: 11-17 August

Transocean increases regulative pressure as it means it is contractually protected from lawsuits and claims (162). BP immediately defies and states it continues to disagree with Transocean when it comes to the company’s responsibility (163). Later professional normative pressure declines as news gets out Transocean faced a similar emergency in the North Sea earlier and an industry expert adds states that Transocean did not have a solid safety policy (168). The secretary of Labor, Hilda Solis, exerts social normative pressure as she says BP is disregarding workplace safety (165). BP defies pressure regarding faulty safety (166). BP holds on to defying all pressure regarding sole responsibility. Also it sticks to defying any safety accusations.
Week 18: 18-28 August

In the last week of the period of analysis the mud throwing between BP and Transocean really picks up. Regulative pressure increases as Transocean accuses BP of withholding important documents (169). BP defies and calls Transocean’s accusations disappointing and misleading (170). There is some relief as witnesses claim the rig needed maintenance and that BP didn’t want operations to continue (173). Transocean, in turn, means maintenance at least met regulations and that BP could’ve stopped operations at any time (174). On top of this Halliburton testifies it had raised concerns to BP about the closing of the well and Captain Nguyen of the US Coast Guard hammers BP about their faulty safety culture (175, 177). Regulative pressure mounts even more as Transocean, Halliburton and the US Coast Guard accuse BP of withholding documents, neglecting safety warnings and having a general faulty safety culture. BP once more defies all allegations and states Transocean was responsible for the failing equipment (176).

4.3.2 Consequences

This issue contains all reports on the consequences for those who are affected by the spill, the environmental implications of the spill and consequences for BP. Figure 6 shows the institutional pressure above the axis and underneath the strategic responses. The most important actors in this issue are industry experts, environmental experts, environmentalists, the National Oceanic and Atmospheric Administration (NOAA), the US Coast Guard, analysts, The White House, politicians, competitors and those who are affected by the spill. Those who are affected consist of inhabitants, fishermen, the tourist industry and local politicians of the coastal regions that were hit by the spill.

![Figure 6: Frequencies of pressure and response strategies in issue Consequences per two days with date per two weeks.](image-url)

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Week 1: 20-27 April

*BP first avoids pressure as it refers to the Transocean rig* (179). Professional normative pressure increases as the US Coast Guard says the well could flow for months and the spill could damage the environment (186, 188, 189). On the other hand the NOAA says the oil sheen is very thin (190). Social normative pressure builds as fears of a growing slick increase (185, 187, 191). *BP acquiesces and admits the spill could indeed be very large* (181, 183).

**Week 2: 28 April - 4 May**

Social normative pressure picks up as the Coast Guard and White House claim the spill is very serious (192, 193) and might hit the Gulf States’ beaches (194, 203). *BP avoids pressure and says the oil is very light* (195) and that *that the leak is slow and measures adequate so oil will never hit mainland* (207, 210). *It seems BP is trying to downplay the seriousness of the spill in this phase.*

Social normative pressure builds as there is a growing unrest over the economic consequences of the spill, for instance because of a NOAA fishing ban (205, 211, 212, 215, 221, 224). Also the NOAA sets the estimated flow rate of oil that spews into the ocean at 5,000 bpd (barrels per day) (206). There is also some relief as the US government is also scrutinized for its role in the response (209). However social normative pressure picks up again as Thad Allen of the US Coast Guard claims the spill could last for three months. At the end of the week BP is criticized for not being able to handle the spill (219, 220). There is also some mimetic relief as a competitor praises BP’s response (217) and critics say the whole industry was ill-prepared for a spill (218). On top of that also professional normative pressure builds as an expert claims this could be the largest spill in history and that it will harm BP’s reputation and financial position (198, 199). Environmental experts worry about the long-lasting effects (202) but some say the spill is not that bad for the environment (222, 225). Regulative pressure also grows as the first lawsuits are filed on behalf of commercial fishermen, shrimpers and injured workers (200, 204) and president Obama states BP will have to pay for lost income of fishermen (226).

**Week 3: 5-11 May**

Social normative pressure increases as oil hits Louisiana and Mississippi and dead birds are found (237, 239, 240, 248). Also the NOAA expands the fishing ban and Louisiana oyster beds and shrimp waters are closed (238, 241). Environmentalists, environmental experts and industry experts criticize oil companies for not having adequate response capability (242, 243, 244, 245, 246). Professional normative pressure builds as environmentalists talk of the spill’s consequences for the Mississippi delta (231). However there is some relief as Merrill Lynch states the market reaction to the spill is overdone (232). *BP acquiesces to all pressure by demonstrating it is really committed to mitigate all*
the environmental and economic damage by admitting the spill could be big and holding town-hall meetings and by granting $25 million compensation blocks to the four Gulf States (229, 230, 234, 247). This is the first time BP is starting to express real commitment to restoring the damage of the spill.

Week 4: 12-18 May

Social normative pressure continues to increase as environmental groups accuse BP of spinning the public (249) and Edward Markey, chairman of the Subcommittee on Energy and the Environment, hammers BP for withholding information about the flow rate (258, 265). **BP avoids this pressure and says it is not important how much oil is flowing and they refuse access to researchers who can make estimation** (255, 256, 262). **So BP seems to have an interest in not having an accurate flow rate.** Also protests were held (250) and oil washes ashore on Dauphin Island and (251) scientists find giant plumes of oil underwater (261). **A BP spokesman avoids this as he says he knows nothing of these oil plumes** (264). **Again one notices that BP avoids pressure concerning the amount of oil that is flowing into the sea.** There is also some relief when the NOAA calls reports on undersea oil plumes misleading and premature (270). Next to social normative pressure professional normative pressure builds as scientists and environmental groups declare that the leak must be much larger than current estimates (254). Also an environmental expert talks of possible dead zones in the sea as a result of the oil (263) and that the oil might threaten coral and shorelines (267). The NOAA however says that by the time the current will be reached the oil will no longer be very harmful (269). Finally, President Obama exerts regulative pressure as he proposes a $118 million action package to combat the spill (252). **BP acquiesces to this pressure as it grants all four Gulf States money to promote tourism** (266). **In this case BP acquiesces to regulative pressure from president Obama about mitigating the economic effects of the spill.** There is some mimetic relief as other major competitors are willing to help out in the response (259).

Week 5: 19-25 May

Social normative pressure builds as the NOAA expands the fishing ban again, heavy oil hits Louisiana and locals voice their desperation about the threat to their livelihoods (fishing, tourism) (277, 279, 282, 290, 291). But these affected citizens and politicians do not openly chastise the offshore drilling, because they are so dependent on it. Rather they blame lax regulation and enforcement (284, 285). Also an environmental expert causes a pressure relief as he states the oil will most likely never make it to Florida (276). Professional normative pressure picks up as the Fish and Wildlife Service and environmentalists voice concerns about the long-term effects of the spill (272, 283). **Tony Hayward defies by saying the impact will be very modest** (273). **Again BP tries to downplay the effects of the**
spill on the environment. However BP also acquiesces by announcing a commitment of $500 million to study the impact of the spill on the Gulf environment (288). Hereby BP again seems to want to try to communicate commitment to restoring the damage the spill is causing. Merrill Lynch once more states the market reaction to the spill is overdone (278).

Regulative pressure mounts as democratic senators ask for a criminal investigation into whether BP made false statements regarding its ability to respond to a spill (274). Also the White House orders BP to disclose all data concerning the spill (281). BP acquiesces and opens four informational websites (293). In this case BP acquiesces to regulative pressure from the White House concerning the disclosure of information. Earlier when Ed Markey exerted social normative pressure on the same subject BP chose to avoid, which suggest that BP might be more inclined to acquiesce to regulative pressure than other types of pressure. Finally, Ken Salazar accuses BP of not being open to the public and missing deadlines (286). Some relief comes when the Obama administration is criticized for sitting idle in the response (287) and when Ken Salazar backs down a little (289).

Week 6: 26 May-1 June
Social normative pressure builds as a fishery disaster is declared for Louisiana, Mississippi and Alabama (295) and it is reported there were no proper emergency systems in place on the rig (298). The Flow Rate Technical group increases the flow rate to 12,000-19,000 bpd (299). BP defies and claims this was issued without any measurement (313). Edward Markey in turn exerts regulative pressure as he asks BP about a possible financial interest in maintaining the impression of a small leak (301, 303). BP first avoids and says they don’t know the flow rate but that it doesn’t matter for the awarding of claims (302, 311). However BP does for the first time acquiesce when it announces it will be able to measure the flow (312). BP again defies and avoids pressure concerning the flow rate because it might have an interest in the world not knowing exact figures.
Later pressure increases even more as local politicians and fishermen express discontent and (307, 309) the NOAA again expands the fishing ban (314, 316). Also a White House energy advisor calls the spill the biggest environmental disaster ever in America (315) and activists protested against BP in New Orleans (317). Professional normative pressure builds as scientists identified a large threatening underwater oil plume (300, 306) and biologists say fishery is in danger (310). Some regulative pressure relief comes when president Obama states he is ultimately responsible for solving the crisis (305).
Week 7: 2-8 June

Social normative pressure comes from affected locals in the oil industry, tourism and fishing who see their livelihoods threatened (325, 327, 358). The NOAA projects that oil will hit the Florida shores within days and the National Center for Atmospheric Research said the oil can reach the loop current (337, 341). Also the federal measurement group claims that the flow rate could have increased more than 20% after work on the well (340, 377). More pressure builds as the affected area grows and the flow rate estimate is increased to 25,000 bpd (364, 365, 366, 367). Also BP is once more accused of obstructing adequate measurement for financial reasons (378). *BP acquiesces when it finally shows the public a live feed of the gushing well* (368). However *BP first avoids the flow rate by stopping to try to calculate it* (376). *On the other hand BP acquiesces by announcing full cooperation with the FRTG* (379). *Again this pattern of not cooperating by avoiding followed by the announcement to cooperate in the future can be seen. It seems that BP tries to appease those who exert pressure concerning the measurement of the flow while in reality BP has an interest in not disclosing any information.* Local politicians criticize BP about how they handle the response and the claims process (360, 361, 363, 369, 371, 380). *BP acquiesces that there was not enough equipment at hand to stop the leak* (336). *This is remarkable as it is not in line with earlier reactions of BP concerning the handling of the spill.*

Regulative pressure builds as more lawsuits seep in (321). Also credit rater Moody’s and Fitch downgrades BP (346). President Obama visits the region and comes down on BP for paying out dividend while those affected are waiting for claims to be paid (354). *BP acquiesces and is prepared to spend more on claims than the $75 million liability cap. Tony Hayward acquiesces and says BP will meet all stakeholders’ claims* (347). Then *BP announces advance payments for lost income and expresses deep commitment and regret for the spill* (352, 353, 355). Also *BP once more acquiesces and states it will pay all legitimate claims* (370). *Here again BP acquiesces to regulative pressure from president Obama concerning the payment of claims. BP really tries to appear to want to restore all the environmental and economic damage that is causing so much social normative, professional normative and regulative pressure.*

Finally, professional normative pressure builds as analysts state BP will be politically punished for a long time (319) but another analyst claims BP can easily handle the clean-up bill (320). Also rumor starts about a possible takeover of BP (324, 374). *BP defies and tries to reassure investors by saying all obligations can be met* (345, 357, 375). *Once more BP fiercely tries to communicate financial health.* On top of that politicians and analysts are speculating about the departure of Tony Hayward
(342). Also conservation groups stress once more the impact the spill might have on endangered species (332).

Oil industry executives relieve mimetic pressure when they admit the whole industry is facing challenges as a result of the spill (328, 329). However pressure increases as BP’s market value falls below that of Shell, ExxonMobil and PetroChina (335). Another blow comes when the biggest oil companies start to openly distance themselves from BP (348). BP defies and claims the accident was an industry wide problem (349). Therefore it seems BP tries to defer some of the negative attention it is receiving. Some executives however do call for a unified voice of the industry and relieve mimetic pressure (350). Further, in this week BP acquiesces when it sets up an escrow fund to build protective barriers in the Louisiana waters (373). Also BP acquiesces by setting up a wildlife fund to restore wildlife in the Gulf States (382). Tony Hayward once more avoids pressure concerning underwater plumes of oil (351). BP thus communicates commitment to restoring the damage of the spill while trying to downplay the negative environmental effects of the spill.

**Week 8: 9-15 June**

Social normative pressure increases as environmental groups claim the public opinion is turning against BP (385, 386). The NOAA states there is definitely oil underwater (388). Also professional normative pressure builds as researchers confirm underwater plumes of oil, which might have been caused by dispersants (383, 394). Tony Hayward defies there are any oil plumes (384). This fits in the pattern of trying to downplay the graveness of the spill.

Social normative pressure further increases as the US Fish and Wildlife Service reports 5 times as many oiled birds as the last 6 weeks (389) and BP is accused of filtering images that the public can see (392). BP indeed avoids pressure as it denies a photographer access to take pictures of the spill (391). BP again seems to have an interest in keeping the world in the dark when it comes to the graveness of the spill. Also the flow rate estimate is nearly doubled to 25,000-30,000 bpd (399). Then pressure is relieved somewhat as British and also American politicians criticize the US for demonizing BP (393, 404, 405, 408, 409, 410). Pressure increases again as an analyst, affected and environmentalists are worried about the effect of the spill, the response and the moratorium for jobs, tourism and the environment (415, 416, 419, 420, 424). BP acquiesces by granting Alabama, Florida and Mississippi $25 million compensation packs each.

Analysts exert professional normative pressure as they claim the share prices of BP call for a lower credit rating (406). BP, as it has done before, defies any pressure concerning financial position as it reassures it is a strong company (398, 400). Moody’s and Fitch says it could take two years for things
to return to normal in the Gulf oil industry (426). Finally, shareholders exert regulative pressure as they grill BP management about the progress of capping the well (387) and Ken Salazar asks BP to pay salaries of oil workers without work because of the moratorium (390). *BP defies the call to pay for all oil workers’ salaries during the moratorium* (412). *This seems to contradict earlier responses of acquiescence to regulative pressure from the White House regarding compensation of those affected.* The number of lawsuits against BP grows steadily as death and injury claims, damage and economic loss claims and shareholder claims poor in (402). Edward Markey once more accuses BP of deliberately downplaying the flow rate to avoid fines (407). It is announced president Obama will call for BP to set up a $20 billion escrow account to compensate for losses (417, 425). *BP in turn acquiesces when it announces it is prepared to suspend dividend to be able to meet all legitimate costs concerning the spill* (414), approves 90% of large commercial loss claims and funds research into the interaction of oil and dispersants (427, 428). *BP again acquiesces to regulative pressure from the White House and needs to maintain its commitment to restoring the damage of the spill.*

Pressure mounts further when an analyst at Allianz Global Investors states BP was a high risk investment all along (418).

**Week 9: 16-22 June**

Social normative pressure builds as the flow rate estimate is increased to 60,000 bpd (429). Stress and despair is reported amongst those who are affected (440, 449 450, 465). *Tony Hayward acquiesces by apologizing on TV that the spill never should have happened* (448). *BP again seems to try to win over those who are affected.* In this week hired cleanup workers complain there is no work for them because of locals being hired for the same job (464). Also the White House accuses BP of a long line of PR gaffes (463). *BP acquiesces to all critique on Tony Hayward as Tony Hayward steps down from his involvement in the response effort* (458).

Then regulative pressure grows as president Obama stresses once more BP will pay for the damage (430). *BP acquiesces by stressing its commitment to mitigating the effects of the* (431, 433). Some relief is presented when members of Congress call for BP’s partners to also contribute to the escrow fund (460). *BP avoids pressure concerning the establishment of an escrow fund at first* (434) but later it acquiesces and announces the escrow fund and also scraps dividend (438, 439) and sets up a $100 million fund for oil rig workers (443). *BP again stresses its focus on paying all legitimate claims* (462). At first BP seems reluctant to give in to this pressure of an escrow fund because it is a very grave decision to make with far reaching consequences. However it seems BP realizes it will have to give in to wishes of the White House and the US government because it is so dependent on them.
In court Edward Markey exerts regulative pressure as he once more hammers BP about the consistently too low estimates of the flow rate (432). Both Fitch and Stand and Poor’s cut BP’s credit rating (436, 454). *BP reacts to the downgrading by Fitch by insisting its finances are strong* (437). *This is in line with earlier reactions concerning BP’s financial position. BP obviously believes it to be very important to appear as a financially solid company.* Regulative pressure increases even more when investors are advised to steer clear of BP shares (461). Finally, the Center for Biological Diversity files a lawsuit against BP for polluting the water (459).

Professional normative pressure rises as an analyst estimates the daily costs of the spill to be $280 million (441) and Merrill Lynch reduces the length of deals with BP to 12 months (444). Analysts expect lower dividend returns and predict it will be hard for BP to sell off assets to fund the escrow fund (455, 457). *BP compromises to the new agreements to investors and analysts by saying it will keep debt at the same level* (456). *This time BP reacts in a less strong manner but the message is the same: BP will remain financially sound.* Professional normative pressure increases as researchers are worried about the oil’s impact on the ecosystem of the Gulf (469) but another researcher claims the Gulf’s organisms actually thrive on the organic matter in oil (470). *BP acquiesces and announces it will donate all net revenue from the Macondo well to the National Fish and Wildlife Foundation* (473). *This again represents BP’s commitment to restoring environmental damage.*

**Week 10: 23-29 juni**

Social normative pressure mounts as locals criticize BP for not responding and not giving information (474, 480). Also oiled sea turtles are found (479). The Governor of Mississippi calls for a great increase in the amount of resources used to tackle the spill (483) and once more locals complain that BP hires people from outside to do the cleanup instead of them (484). Finally, the NOAA expanded the fishing ban to an even larger area (487). The mayor of New Orleans exerts regulative pressure as he asks for $75 million from BP to restore tourism (476) and New York State’s pension fund sues BP for the plunge in share value (478). Finally, Investors bet on BP bonds falling (489).

*BP responds to all pressure by instating Bob Dudley as CEO of BP’s newly formed Gulf Coast Restoration Organization* (477). *This is in line with the earlier step down of Tony Hayward from the response. BP seems to try to want to make a new start when it comes to communicating the response of the spill to all stakeholders.*
Week 11: 30 June-6 July
Social normative pressure builds when Joe Biden says the spill is not only an ecological disaster but also a cultural disaster (492). Also angry fishermen and Billy Nungesser demand BP includes the fishermen in the clean-up instead of outsiders (502, 503, 509). BP acquiesces and once more stresses its commitment to compensate those who are affected (507). Also, Doug Suttles, BP Exploration and Production’s COO, acquiesces and meets with Vessels of Opportunity participants to discuss improvements (511). Here BP tries to mitigate pressure concerning the inclusion of those affected in the response effort. The NOAA again expanded the fishing ban (508).

There is some relief in regulative pressure when NY’s State pension fund reviews its planned lawsuit against BP (494). It picks up as the House of Representatives votes to increase the amount of compensation affected are entitled to (500). Also environmental groups file a lawsuit against BP because the burning of spilt oil is probably killing sea turtles (501). Professional normative pressure increases as analysts talk once more of a possible takeover of BP (496, 504). Relief comes when an experts claims the fishing ban is more beneficial than the oil could do harm and there won’t be a trace of oil in a year (497, 498). Also a consultant means BP is not handling the claims fast enough (505). BP acquiesces and stresses its commitment to compensate those who are affected (507).

BP acquiesces to earlier pressure relating to withholding information by encouraging those active in the response to share their experiences in the media (499). Again BP is only reacting to pressure and therefore is always lagging pressure instead of reacting to the spill in a more pro-active manner.

Week 12: 7-13 July
Social normative pressure builds as oil hit Texas beaches and oiled birds are found on the Mississippi coasts (512, 516). Also the N.A.A.C.P complains to BP about minorities getting tougher jobs in the clean-up (521). There is some relief in regulative pressure as an investment advisor states BP has turned a corner (514). BP once more defies pressure concerning the company’s financial position (513, 517). Regulative pressure increases as the Committee of Foreign Investment and the Department of Justice can intervene in any possible sales of assets to pay for the escrow fund (518, 519). BP acquiesces when it is reported to be in talks to sell assets in Alaska (522). There is relief when a court rules foreign investors might not be able to seek damages in the US (524). Professional normative pressure is relieved as an analyst states things will start to get better as the relief wells are under way (515). Finally, PetroChina relieves mimetic pressure as it says it would welcome closer cooperation with BP (523).
Week 13: 14-20 July
Social normative pressure picks up when the mayor of New Orleans and environmentalists claim the spill is much worse than everyone thought (526, 529). Also business in the affected region is in decline (533) and Edward Markey once more accuses BP of having a financial interest in downplaying the flow rate (534). Scientists exert professional normative pressure when they state much of the clean-up effort has caused harm to habitats and wildlife (537).

*BP acquiesces to pressure concerning the escrow fund as it claims it will speed up the sale of assets* (527). *BP acquiesces to pressure concerning the handling of claims by encouraging people to file legitimate claims* (528). *Later BP sells upstream assets in the US, Canada and Egypt* (538). So it seems *obvious BP is really serious about handling all claims*. Also, *BP claims bubbles that were found near the well did not consist of oil* (531). Again *BP tries to avoid pressure concerning the effects of the spill for the environment*.

Week 14: 21-27 July
Social normative pressure builds as Florida researchers claim plumes of oil in the Gulf are linked to the spill (543). *There is relief when BP announces Bob Dudley will replace Tony Hayward as BP’s CEO* (545, 546, 547). Also the NOAA reopens some previously closed fishing grounds (549). Environmentalists however increase pressure and complain that the clean-up effort has not really captured all of the oil (550). Then there is an increase in regulative pressure when NY and Ohio public pension funds announce a securities class-action (541). There is some relief when lawmakers criticize BP’s partners for not paying their share (542). There is also a relief of professional normative pressure when a scientist states the plumes of oil are not harmful in the long term (544) and another expert claims most of the oil is broken down and evaporated (548).

*BP acquiesces again to pressure concerning the escrow fund when it says it will sell most of its assets in Vietnam and Pakistan* (539).

Week 15: 28 July-3 August
*BP first avoids pressure as it says it is unaware of certain groups being left out of the clean-up effort* (554). *Hereby it avoids pressure concerning their handling of the response. This is in line with earlier reactions about the response. BP never gives in to pressure about their handling of the response*. Social normative pressure increases as the Louisiana Oystermen’s Association states things will get worse for oystermen (553, 566) and anxiety among coastal residents increases (568).

However an environmental expert notes that no oil had gushed from the well for two weeks (555).
The NOAA and shrimpers alike exert professional normative pressure by expressing concerns with the impact of the spill on the ecosystem (556, 557). The EPA (Environmental Protection Agency) relieves pressure when it says the dispersant didn’t make the water any more toxic (569).

ExxonMobil causes an increase in mimetic pressure when it claims the moratorium will not impact their short-term profits and it is talking to policy makers about improving rig safety. Shell claims there is no need to change the way it operates and says it might take legal action against BP over the moratorium (560, 561, 562, 563).

Finally, new CEO Bob Dudley acquiesces to all types of pressure and expresses BP will have to change its culture and that BP will remain committed to the affected area and will continue to cooperate with investigators and will continue to pay claims (551, 552, 558, 559, 564, 565, 571). We see for the first time a statement that BP might need to change. Further Bob Dudley continues in line with the pattern of acquiescing and stressing commitment and cooperation to regulative pressure from authorities.

Week 16: 4-10 August
There is relief of social normative pressure when the government announces 75% of the oil has already evaporated, dispersed or been captured (572). However residents don’t believe the oil will go away soon (576, 585). Obama welcomes the news of the plugging of the well that happened in this week (579).

Regulative pressure is relieved when the US government says the moratorium could be lifted earlier as planned (573) but it picks up as the White House will continue to hold BP accountable for the done damage (580). BP acquiesces and once more expresses commitment to the cleanup and the payment of claims (577, 583, 587) and deposits the first $3 billion in the escrow fund (589, 590). Also investors exert regulative pressure and press BP to disclose spill prevention and response plans (582).

Finally, environmental experts relieve professional normative pressure as they claim the oil won’t have a significant impact (574, 575). Another expert says the use of dispersant was the right thing to do (578). However, another expert contradicts him by saying the dispersants will harm marine life (581).

Week 17: 11-17 August
BP station owners exert social normative pressure when they accuse BP of a lack of PR support (594). Bp avoids the pressure of station owners by saying they took measures to help them (595). Also sales of seafood have plummeted and (598) Louisiana governor Bobby Jindal urges BP to pay for seafood testing and marketing research (598). BP tries to avoid this pressure (599). This marks that BP does not simply acquiesce to all requests for restoring economical damage, especially when this pressure is social normative. Vietnamese fishermen claim they can’t get work in the Vessels of
Opportunity (604, 605). Then the state of Alabama exerts regulative pressure as it files a lawsuit against BP and its partners (600).

**BP acquiesces to regulative pressure and makes a deal with the White House that BP’s US revenue will serve as a guarantee for the $20 billion escrow fund (596).** Also BP acquiesces to pressure about the escrow fund by raising $5 billion in new loans (603). BP once more acquiesces to regulative pressure from the White House concerning the escrow fund as it has continually done before. Finally, BP acquiesces to pressure by providing money to state and federal health organizations for behavioral health support and outreach programs in the Gulf region (602). Hereby BP once more stresses its commitment to restoration.

**Week 18: 18-25 August**

Professional normative pressure builds as new research proves there is still oil under the surface which could threaten wildlife and fisheries (608, 609). However other research says bacteria are degrading the oil rapidly (612). Social normative pressure builds as those affected complain about the too restrictive rules of the $20 billion escrow fund (610).

**4.3.3 Clean-up**

This issue contains all events related to the clean-up of the oil spill and the effort to close the gushing well. Figure 7 first shows the institutional pressure above the axis and underneath the strategic responses. The most important actors in this issue are industry experts, environmental experts, the White House, The US Coast Guard and the affected.

![Figure 7: Frequencies of pressure and response strategies in issue Clean-up per two days with date per two weeks.](image-url)
Week 1: 20-27 April & Week 2: 28 April-4 May

BP immediately acquiesces and sends out their thought to rig personnel and their families and starts an extensive spill response and plans to drill a relief well (614, 615). Also CEO Tony Hayward avoids pressure by immediately expressing confidence in tackling the spill (616, 618). However, another BP executive compromises and states plans to stop the spill might not work (617). From the start there is no unified response. On April 25 efforts to activate the well’s blowout preventer fail and BP starts drilling two relief wells. Professional normative pressure builds as a marine biologist claims that dispersants BP uses to clean up the oil are toxic (619). Mimetic pressure builds as an industry expert states this is the biggest spill in a long time. However competitor Shell relieves mimetic pressure as it says the oil industry will work together on the spill.

Later on BP continues to acquiesce and communicates it will clean up the spill and protect coastal areas (622, 627, 629, 632). BP also compromises and tries to cover itself by saying they cannot clean-up and protect everything and that efforts to plug the well might not work (623, 625, 628).

BP compromises as BP is taking full responsibility for the clean-up but tries to make it clear that it was not their accident. When it comes to the response and the use of the dispersants BP avoids and expresses confidence in their methods to tackle the spill (633). BP defies when it is accused of not doing enough to tackle the spill (634). A pattern is already forming. BP acquiesces by committing to the clean-up and it defies any pressure suggesting it is not doing enough in the response. BP does try to cover itself by compromising by warning that their approach to the clean-up and plugging the well might not work. It is then remarkable that BP also avoids as it expresses a lot of confidence in their response effort. As could be seen in previous sections BP uses very diffuse strategic reactions at the same time. Environmental experts exert professional normative pressure as they claim BP’s response might not work (626). At the end of week 2 regulative pressure picks up when the White House orders BP to speed up the response and to pay for any government effort in the response (630)

Week 3: 5-11 May & Week 4: 12-18 May

There is a relief in professional normative pressure as most environmentalists and experts approve of the dispersants BP uses (637, 638, 639). In this week BP gives up on closing the blowout preventer and lowers a containment dome over the well. The containment dome does not work and a new smaller containment dome called new approaches called “top hat” and “junk shot” are announced. Following this CEO Tony Hayward and COO Doug Suttles compromise and avoid as they try to reassure that current efforts might not work but that they are confident they will eventually get the spill under control (640, 641, 642, 643, 645, 646, 648). Also BP acquiesces by expressing once more it
is doing everything it can (644). Again this pattern can be found of acquiescence by committing to the response but warning that efforts might not work, while at the same time avoiding pressure by expressing great confidence in the effort.

Later on in week 4 BP lowers another dome over the leak and inserts a riser (RITT) into a burst pipe that is leaking. The RITT actually begins to draw oil to the surface to a drill ship. BP spokesman Andrew Gowers avoids pressure as he expresses confidence in intervening in the BOP without risk and spokesman Tom Mueller even goes so far as saying BP is not dealing with a problem but a learning process (649, 652). However, once more, BP immediately compromises by warning the current effort might not work. The message seems to hit the mark as a White House representative says he is more positive now than before and relieves professional normative pressure.

Week 5 19-25 May & Week 6: 25 May – 1 June

BP again avoids and defies criticism about the use of the dispersant Corexit by not disclosing how much they plan to use and defending its use (653, 654). This is another example of resisting criticism about the way BP handles the clean-up. Later regulative pressure and professional normative increase as EPA administrator Lisa Jackson orders BP to scale back the use of dispersants and a politician and an environmental expert question the use of the dispersant (671, 672). BP defies and continues using the dispersant (668, 669, 670). BP is thus defying regulative and professional normative pressure concerning the way BP fights the spill.

In week 5 the RITT is not capturing as much oil as it should and The White House increases regulative pressure as it demands BP caps the leak (657). BP acquiesces as it promises it will support the government in making an accurate assessment of the flow-rate. It also compromises when it expresses insecurity about the outcome of current efforts (667, 673, 674). Here BP once more acquiesces to regulative pressure from the government by promising to cooperate. However BP also compromises and tries to cover itself when expressing insecurity when it comes to the outcome of current efforts to plug the well. Later in week 6 president Obama increases regulative pressure as he once more stresses that BP will have to pay for the clean-up (677). Social normative pressure builds as fishermen active in the clean-up blame BP’s dispersants for complaints of nausea (678) and environmentalists criticize BP’s handling of the clean-up (682). In this week BP started its “top kill” procedure by pumping heavy drilling fluid down the well and uses a “junk shot” to try to clog the broken BOP. The “top kill” procedure is ineffective and BP announces the next option called LowerMarineRiserPackage (LMRP) Cap Containment System new approach called. Opinions about this approach differ and some experts even believe this could increase the flow rate by 20% (681). BP once more compromises and states the outcome is unsure (680).
Week 7: 2-8 June & Week 8: 9 -15 June

Regulative pressure mounts as the White House once more expresses anger about BP’s handling of the spill (683, 689). **BP acquiesces by stepping up the response and announces to set up a separate organization to deal with the spill (684, 686, 690, 691, 693)** But again BP compromises as it states the outcome of the effort is unsure (688, 692). So again BP acquiesces to regulative pressure from the government concerning the handling of the spill and it compromises by expressing insecurity. There is some relief of professional normative pressure when an expert means BP is doing the right things in the response. There is also some success as BP cuts a key riser pipe and places a cap over it. Also this week the capture of oil increases to 11.000 bpd.

Then the US Coast Guard and US government exert regulative pressure as they order BP to capture and recover more oil (695, 698). Also the White House once more demands BP pays for all costs of the spill. **BP acquiesces to regulative pressure from the government as it announces to siphon off more oil and to cooperate with authorities (697, 700). Also BP once more compromises and avoids pressure as it expresses confidence but also insecurity about the capturing of oil (696, 701).**

Week 9: 16-22 June & Week 10: 23-29 June

Social normative pressure builds as a health official accuses BP of not wanting to disclose a list of response workers (702). **BP avoids and does not comment (703).** In week 9 BP announces a second containment system is installed and that is now capturing around 26.000 bpd. Thad Allen of the US Coast Guard relieves social normative pressure as he expresses optimism about the capture of oil and the drilling of the relief wells (704). However professional normative pressure grows as industry experts point at the possible risks of the relief wells (707, 708, 711). Following this BP acquiesces and once more expresses commitment to the clean-up and the Gulf region (705, 706). So BP acquiesces to all types of pressure by committing to restore the region.

Week 11: 30- 6 July Week 12: 7-13 July

In week 11 there are no noteworthy events. In week 12 the White House exerts regulative pressure and orders BP to capture more oil (713). BP places a new containment cap, which seems to be working. **However BP again compromises and mentions this new cap might not work (716, 717).**

Week 13: 14-20 July & Week 14: 21-27 July

In week 13 BP stops the flow for the first time but compromises as it warns against false excitement (719). Professional normative pressure increases as an industry expert claims the containment cap
might cause an external blowout and some experts express concern about certain anomalies and seeps around the well (718, 721, 728, 729). When pressure readings from the well turn out low BP avoids pressure by coming up with an explanation for these unexpected readings (723, 727). On the other hand politicians and officials relieve social normative pressure when they express optimism about the stop of the flow (720, 722, 724). In week 14 there are no noteworthy events.

Week 15: 28 July-3 August
This is the last week during which relevant events occur in this issue. BP finally announces a static kill, which means heavy drilling mud and cement will be pumped in the well. Experts and the US Coast Guard express confidence in the top kill procedure (731, 732). Finally on august 4 BP announces “static kill” was successful, meaning a permanent closure of the well.

4.3.4 Minerals Management Service (MMS)

This issue contains all events related to the failing of the MMS, which contributed to the circumstances that made the accident possible. Figure 8 shows the institutional pressure. In this issue there is no strategic response from BP. The most important actors in this issue are politicians, the White House and the MMS.

![Figure 8: Frequencies of pressure and response strategies in issue MMS per two days with date per two weeks.](image)

Week 3: 5-11 May & Week 4: 12-18 May
Only in week 3 events start that are relevant for this issue. It is important to know that almost all events cause a relief of regulative pressure for BP as the organization that is supposed to regulate BP
is now under fire. Darrell Issa of the House Oversight Committee causes regulative pressure to decrease as he calls for an investigation into whether the MMS improperly awarded safety certifications to BP and Transocean (734). Also he accuses the MMS of not having focused on safety but on revenue and calls for an overhaul of the MMS (735). Regulators accuse the MMS of not having enforced a mandate for the industry to install backup systems to prevent blowouts and of being lax and dependent on the oil industry for its profits (736). Also Congressional and internal reports show the MMS was mismanaged and at times even corrupt (738). Following this US Congress announces hearings about why the MMS did not force oil companies to take the right precautions.

An industry expert calls for a division of operations monitoring and integrity monitoring (739) and later on in week 4 Secretary of the Interior Ken Salazar announces he will indeed divide the MMS in a public safety and environment and a revenue collection office (741). He is supported by Barbara Boxer, chairwoman of the Environment and Public Works Committee, who calls for more independent oversight of the industry. Report gets out that the MMS granted permission to drill in the Gulf without the proper environmental permits and that it ignored engineers’ and biologists’ safety and environmental concerns about certain projects in Alaska. Finally, president Obama criticizes what he calls the cozy relationship between the MMS and the oil industry and says oversight will be thoroughly reviewed (746). So in these two one can see the MMS being scrutinized for its poor performance, which is believed to have contributed to the circumstances that made the disaster possible. Because of this it seems necessary to change the way the industry is being regulated and plans are voiced to realize this.

Week 5 19-25 May & Week 6: 25 May – 1 June

Ken Salazar accuses the MMS of corruption and lax enforcement and he says the US government should have done more to check the industry (747, 748). Both Ken Salazar and president Obama once more press for an overhaul of the management of offshore drilling (751, 752). Also it is reported that oil company officials were allowed to fill out their own inspection forms (750). The process that was started in weeks 3 and 4 continues as allegations about the MMS’s performance again motivate regulators to change industry regulation.

Week 9: 16-22 June & Week 10: 23-29 June

After a relatively quiet period of two weeks president Obama exposes the lax oversight as one of the reasons for the spill and says it will not happen anymore (757). A politician adds to this by calling for the MMS to be blown apart (759). In the mean time a new industry watchdog has been formed called the BOEMRE (Bureau of Ocean Energy Management, Regulation and Enforcement). The BOEMRE
announces tougher regulation and inspection and causes regulative pressure to increase. So now the change of the industry regulation has really been set into motion.

**Week 14: 21-27 July**

The final event is when a politician accuses the MMS of failing to regulate the drilling industry while at the same time giving the industry incentives to drill in deeper and riskier waters (760).

### 4.3.5 Regulation

This issue contains all events related to changes in regulation as a result of the spill. Figure 9 first shows the institutional pressure and underneath the pressure combined with the strategic responses. The most important actors in this issue are politicians, the White House, competitors, environmentalists and the oil industry.

![Figure 9: Frequencies of pressure and response strategies in issue Regulation per two days with date per two weeks.](image)

**Week 1: 20-27 April & Week 2: 28 April-4 May**

At first there is a regulative pressure drop when the White House says plans to open new drilling areas will not be reconsidered (764). A week later however pressure increases as the White House announces a drilling moratorium until the causes of the accident are clear (765). *Tony Hayward compromises by stating he would not resist new regulation for the industry* (766).

**Week 3: 5-11 May & Week 4: 12-18 May**

Regulative pressure increases as Senators and the White House propose to increase the liability cap for BP (767). *BP in turn acquiesces and states the liability cap is irrelevant to them* (770). BP thus
again gives in to regulative pressure from the US government. Ken Salazar increases regulative pressure as he announces no new drilling will be permitted and support for expanded offshore drilling will be reconsidered (773, 774). BP acquiesces and encourages the drilling stop and admits the industry regulation will need to change (775, 776). Also it compromises by claiming lessons will be learnt from blowout preventers (777). This way BP tries to put some blame on the blow-out preventer as well. Professional normative pressure grows as environmental groups claim the industry is inherently dangerous and risky (768). Regulative pressure builds when six senators propose a permanent ban on drilling (778).

Week 5 19-25 May & Week 6: 25 May – 1 June
There is some relief in regulative pressure when the plan to raise the liability cap is blocked and president Obama says he still plans to expand offshore oil drilling. However it builds again as politicians call for an extended drilling moratorium in the Gulf and president Obama announces tougher safety requirements for the industry. There is mimetic relief as the industry calls these requirements overly prescriptive.

Week 7: 2-8 June & Week 8: 9-15 June
Social normative pressure increases as environmentalists work to support the drilling ban and advocate stronger safety and environmental standards (786). The IPAA (Independent Petroleum Association of America) states the new regulation will affect production, jobs and profit (787). The Interior Department increases regulative pressure when it stops all drilling deeper than 500 feet (788). On top of that president Obama announces his commitment to make a transition to alternative energy sources (790). Tony Hayward acquiesces by saying the industry does need reform (791, 793). However BP also compromises as it states it acted according to the industry paradigm and that that paradigm might need to change (794). This way BP tries to make it look like it was not really at fault. Finally, regulative pressure builds as new rules are introduced stating heads of oil companies will need to personally certify the safety of their operations (796).

Week 9: 16-22 June & Week 10: 23-29 June
Regulative pressure grows as it is unlikely the moratorium will be lifted before investigations are completed (799). There is also some relief as the drilling moratorium is overruled by a judge (800). However Ken Salazar announces he will issue a new moratorium and environmentalists exert social normative pressure by speaking against this ruling (801, 802). In the mean time a new industry watchdog has been formed called the BOEMRE (Bureau of Ocean Energy Management, Regulation and Enforcement). The BOEMRE announces tougher regulation and inspection and causes regulative
pressure to increase (803, 804). Finally the House of Representatives passes a bill that could increase BP’s liability (805).

**Week 11: 30-6 July & Week 12: 7-13 July**

Regulative pressure increases as Michael Bromberg, the head of the newly formed BOEMRE announces strong reforms (806). Also the SEPWC passes a bill that lifts BP’s liability (807). There is some mimetic relief when the API (American Petroleum Institute) voices criticism over these plans (810). Regulative pressure builds again as the SENRC passes a bill to overhaul the industry’s regulation (808). On top of that the House Energy and Commerce Committee is working on more stringent safety rules for high-risk wells (809). The drilling moratorium is revised to adopt stricter regulation. *Tony Hayward compromises as he says the accident will indeed change BP and the industry forever and once more shows a more compliant position in relation to the pressure that is exerted in this issue* (812).

**Week 13: 14-20 July & Week 14: 21-27 July**

Regulative pressure comes from lawmakers who propose BP should not obtain new drilling permits because of its safety record (815) and Ken Salazar announces the drilling ban will remain (813, 817). Also the API causes mimetic relief as it tries to help shape new regulation to protect the industry (816).

**Week 15: 28 July-3 August**

Regulative pressure builds as a new bill to tighten regulation was introduced (818) and the White House announces new drilling will need more environmental review (820). The API causes mimetic relief as it once more speaks out against this plan (821).
5. Discussion of the results

In this qualitative and explorative research the case of BP in the time of the 2010 oil spill crisis is analyzed in the hope of developing some new insights in the field of institutional theory. From the analysis a number of interesting results have surfaced. This chapter will offer an integration of the results with the theory that is used for this research. In this chapter the author will direct attention at where the results are in line with this theory and where they diverge from it. This research has produced results that mostly confirm the treated theory. However it has also led to some useful additions and new insights. This chapter will first discuss more general results that can be observed across multiple issues. This will be followed by a discussion of the most important results per issue.

5.1 Discussion of results in general

In this section a number of more general results will be discussed that occur across multiple issues. First some general result concerning BP’s strategic responses will be discussed. This is followed by general results concerning institutional pressures.

Strategic responses

First, it is remarkable to observe that BP uses a multitude of very differing responses to address all the different types of pressure that are exerted on BP in each issue. For instance in the issue Cause/responsibility BP acquiesces to regulative pressure from the US government concerning investigations. However, BP defies all regulative and professional normative pressure exerted by the US government, BP’s partners in the Macondo well and industry experts concerning BP’s safety record. Also BP avoids pressure by stressing it wasn’t aware of any wrongdoing. In the issue Consequences BP acquiesces to all regulative, social normative and professional normative pressure to mitigate the effects of the spill but avoids and defies social normative and professional normative pressure about the size and graveness of the spill. Also BP defies all regulative and professional normative pressure concerning its financial health. In the issue Clean-up BP is acquiescing to regulative pressure to fight the spill but also compromises that the outcomes are unsure. However BP also avoids pressure because it expresses confidence while nothing is sure. Finally BP defies all types of pressure when it comes to criticism about the handling of the spill. In the issue regulation BP both acquiesces and compromises to regulative pressure concerning new regulation. These examples from the case suggest that organizations are not confined to using a single response strategy to react to institutional pressure. This leads to the following insight: Organizations can choose a combination of responses that best serves their interest.
What is even more remarkable is the fact that in some issue BP even uses different responses to the same types of pressure. For instance in the issue Cause/responsibility BP both acquiesces to and defies regulative pressure from the US government. In the issue Regulation BP both acquiesces and compromises to regulative pressure from the US government. Bp does the same in the Consequences as BP both acquiesces to and defies social normative pressure from those who are affected by the spill. In the issue Clean-up BP even acquiesces, compromises, avoids and defies in reaction to social normative, professional normative and regulative pressure that is exerted by the same constituents throughout the issue. It is clear that BP does not employ a unified reaction to deal with one type of pressure from one institutional actor. Rather it employs multiple reactions to deal with the same pressure from the same actor. Especially in case of the US government this is remarkable since BP is so dependent on it for resources and legitimacy.

One could suggest the content of institutional pressure is an important determinant in reacting to institutional actors. When conforming to institutional pressure can increase legitimacy BP will do so. For instance, when BP cooperates with investigations or by when it complies with government orders to speed up the response. However, when conforming to institutional pressure can decrease legitimacy BP will oppose this pressure. For instance when defying safety allegations or falsely expressing confidence in efforts to cap the leak. This leads to the following insight: An organization will only conform to institutional pressure when this reaction can enhance legitimacy.

A second more general result is that BP seems more likely to comply with regulative pressure from the US government than social normative pressure from those affected and environmentalists, professional normative pressure from or mimetic pressure. Organizations conform to their larger environments in search of legitimacy, which is needed for resources and survival (Meyer and Rowan, 1977; DiMaggio and Powell, 1983; Scott, 1995; Oliver, 1991). Also, both DiMaggio and Powell (1983) and Oliver (1991) argue that conformity is dependent on the extent to which institutional constituents control key resources. Also, conformity is more likely when institutional pressure is imposed by legal coercion by powerful institutional actors (DiMaggio & Powell, 1983; Scott, 1987 in Oliver, 1991; Meyer and Rowan, 1977). All of the above is relevant for BP which is dependent on the US government, a powerful actor, which is in centralized control of critical resources for BP, being oil fields and contracts, and can impose institutional pressure through legal coercion. The actors that exert social normative and professional normative pressure can only grant BP legitimacy but are not in control of key resources and cannot legally coerce BP. For instance BP defies industry experts and analysts’ allegations about BP’s safety records and it defies and avoids all social normative and
professional normative pressure concerning the size and gravity of the spill. Also BP defies any professional normative and regulative pressure from financial analysts and credit rating agencies concerning its financial health. When it comes to the clean-up BP defies a lot of social normative and professional normative pressure from environmentalists, environmental experts who mean BP is not handling the response well. This leads to the following insight: The power of a constituent over an organization contributes to an organization’s compliance to institutional pressure in search of legitimacy.

A third more general result concerns BP’s reaction to uncertainty. According to Oliver (1991) high environmental uncertainty motivates organizations to attempt to reduce uncertainty by acquiescing to institutional pressures. In this case there is a high degree of uncertainty for BP in all issues. For instance about who caused the accident and who is responsible, about what the effects of the spill will be for the Gulf region’s economy and environment, about the outcome of clean-up efforts and about new regulation. So in regards of the theory one would expect BP to acquiesce in these circumstances. However, this is not always the case. First, BP defies and avoids in the issue Cause/responsibility. The uncertainty about the cause of the accident actually seems to give BP some room for agency as BP controls most of the relevant information that is needed. Second BP defies pressure about the gravity of the spill in the issue Consequences. Again the uncertainty of the size and seriousness of the spill seems to give BP room for agency. For example BP doesn’t come forward with an adequate flow rate. BP can do so because BP controls access to the well for measurement of the flow rate. Finally BP avoids and defies pressure in the issue Clean-up as it continually expresses false confidence in efforts to cap the leak. In this issue BP can do so because it knows more about what can be done than any other constituent. It is important to know that in all of the issues above BP is in control of information and knowledge that other constituents can’t access. Therefore all these other constituents are dependent on BP and this puts BP in a powerful position. Meyer and Rowan (1977) argue powerful players can attempt to build their goals and procedures into society as institutional rules and Battilana, Leca and Boxenbaum (2009) state that an actor’s social position influences his perception of a field’s conditions and his ability to influence the field. This leads to the following insight: Uncertainty doesn’t necessarily lead to acquiescence but can also lead to a more aggressive stance towards institutional pressure when an actor is in a powerful position. This insight answers the paradox in the theory about uncertainty. DiMaggio and Powell (1983) and Oliver (1991) claim uncertainty will lead to isomorphism, while Battilana, Leca and Boxenbaum (2009) argue jolts and crises in a field cause uncertainty, which can enable room for agency. It seems that an organizations power over its constituents gives an organization room for agency in its reaction to uncertainty. The following examples prove this insight even further. First, BP acquiesces to regulative
pressure concerning investigations in the issue Cause/responsibility. Second, BP acquiesces to regulative, social normative and professional normative pressure concerning mitigating the effects of the spill in the issue Consequences. Third, BP can only acquiesce to orders from the US government to speed up the response in the issue Clean-up. Finally, BP acquiesces and compromises to regulative pressure when it comes to new regulation. BP doesn’t have an information or knowledge advantage and is not in a strong position in these examples. Therefore BP has no room for agency in these examples.

**Institutional pressures**

In this section the most important general results concerning institutional pressures will be discussed.

First the most important relations between institutional pressures will be discussed. Note that there are other relations between pressures as well but these will be discussed in the next section that discusses the results per issue. The most important relation between pressures is that between social normative and regulative pressure. The spill is causing a lot of environmental and economic damage for the inhabitants of the Gulf region. These inhabitants, together with environmentalists and politicians, exert social normative pressure because of this damage. The US government in turn needs to take care of its citizens and therefore must force BP to mitigate the damaging effects of the spill. There is also a relation between professional normative pressure and regulative pressure. In the issue Cause/responsibility it seems that professional normative pressure about BP’s safety from industry experts serves as input for regulative pressure that is exerted by the US government. The findings of these various industry experts and analysts provide the US government with the information it needs to make accusations about BP’s safety record. In the issues Consequences and Clean-up environmental expert’s opinions influence the actions of the US government. Finally, in the issue regulation the criticisms about the existing regulation and suggestions about future regulation of industry experts and environmental experts serve as input for the US government’s formulation of new regulation. From these examples it becomes clear that the findings and opinions of experts that exert professional normative pressure provide the US government with input which serves as a foundation of the regulative pressure. Finally there is a relation between professional normative pressure and social normative pressure. The social normative pressure of the public and those who affected is for a large part the result of professional normative pressure that is exerted by experts. This is because these experts for a large part determine the content of the news about the seriousness of the spill. This is news is in turn an important source of information for the public.
In the figure 10 below a schematic model is presented of the most important relations between pressures that were found in this case. The size of the arrows represents each relation as a part of the total case. It should be clear that the relation between social normative and regulative pressure is occurring the most. This is because of the sheer number of events that represent social normative and regulative pressure.

![Diagram](image)

*Figure 10: A schematic model of the most important relations between institutional pressures.*

Besides this relation between institutional pressures there is another point of attention: mimetic pressure is almost absent across all issues. Events of mimetic pressure occur only very sporadically in comparison with the other types of pressure. DiMaggio and Powell (1983) argue it is a result of responding to uncertainty, making organizations more similar. Companies adopt the practices of more successful and legitimate organizations to increase their legitimacy, showing they try to improve. In this case there is a lot of uncertainty across all issues for BP’s competitors. First there is uncertainty about what caused the accident. Did BP cause the accident because of a faulty safety record? Or did BP indeed operate according to industry standards and are all competitors operating equally dangerous? Also there is uncertainty about new regulations that is in progress as a result of the accident. What will be the effects of the new regulation for the industry as a whole? One would expect that BP’s competitors would try to increase their own legitimacy more often. One would also expect that BP’s competitors would try to prove to all constituents that they were not operating in the same way as BP did. BP’s competitors start with outings of mimetic relief but later try to detach themselves from BP as the pressure on BP builds. However the volume of these events is very small. A possible explanation might be that BP’s competitors realise that the chances are that BP operated in accordance with industry standards. Therefore they might realise they too might be scrutinized for the way they operate. It seems the rest of the field is so afraid of this that they abstain themselves from any comment in order to avoid being drawn in the debate and placing the spotlight on themselves. If this would happen it could have a negative impact on BP’s competitors. This leads to
the following insight: *Actors in an organizational field will not exert mimetic pressure if the outcome is uncertain.*

5.2 Discussion of the results per issue

In this section all issues will separately be discussed. To support the observations made in the results a correlation table will be presented in which the correlations between all pressures and reactions will be shown per issue. This correlation analysis offers an interesting addition to the qualitative research performed by the author. It will be interesting to find out whether the observations made by the author stroked with the correlation analysis or not.

5.2.1 Cause/responsibility

First the correlation table will be shown below. These correlations will show if there is any empirical evidence for the patterns in the results the author has found. Significant correlations are marked red.

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Table 7: Correlation table for pressures and responses in the issue Cause/responsibility.
The first pattern that is abstracted from the results in this issue is that BP almost always acquiesces to regulative pressure from the US government and its different agencies and departments concerning investigations into what caused the accident. Although this relation is clearly observed in the qualitative analysis it can’t be proven in the correlation analysis. It seems BP is willing to cooperate with all investigations. This can be explained by the fact that BP is dependent on the US government for legitimacy, which is now fast eroding, and critical resources, being oil fields and contracts. Also the US government is a powerful actor that can impose institutional pressure through legal coercion (Meyer and Rowan, 1977; DiMaggio and Powell, 1983; Scott, 1995; Oliver, 1991).

In reality BP has no choice but to cooperate with investigations because otherwise BP will not be allowed to continue its operations in the US.

Because BP acquiesces to regulative pressure from the US government concerning investigations it is remarkable that BP defies all regulative pressure from this same government when it comes to BP’s safety record. This regulative pressure is also exerted by BP’s partners in the rig and the well; Transocean, Anadarko and MOEX. The correlation analysis (see table x) shows that there is indeed a significant relation between regulative pressure and defiance. Also industry experts and analysts apply professional normative pressure to BP about its safety. However, there is no evidence of the relation between defiance and professional normative pressure from the correlation analysis. It seems that professional normative pressure about BP’s safety from industry experts serves as input for regulative pressure that is exerted by the US government. The findings of these various industry experts and analysts provide the US government with the information it needs to make accusations about BP’s safety record. Although the correlation doesn’t provide evidence for this relation it was clearly found in the qualitative evidence. The reaction to defy regulative and professional normative pressure concerning safety can be explained when looking at the theory. One might expect BP to conform to both the regulative and professional normative pressure. First, BP is reliant on the US government for legitimacy and resources and the US government is a powerful player that can coerce BP. Second, Scott (1995) argues that conforming to normative pressure is not done out of self-interest but because of moral obligation. Third, Larsin and Collins (1979) plea certain conditions need to be adhered to for legitimating occupational autonomy. Finally, BP is reliant on industry experts and analysts for legitimacy in the profession (Meyer and Rowan, 1977; DiMaggio and Powell, 1983; Scott, 1995; Oliver, 1991). However BP is much less dependent on these experts for resources. The most important reason why BP defies these pressures concerning safety seems to be Oliver’s (1991) content factor, which states that when institutional pressures conflict with organizational goals and values resistance is more likely. Oliver (1991) states that defiance is used when organizations believe they can demonstrate the rationality or righteousness of their own conduct, or
when organizations believe they have little to lose by countering opposing constituents. Clearly the admitting of fault in terms of safety in general and in particular for the rig and the well would have grave consequences for BP in terms of fines and other sanctions. Another argument for BP’s defiance of both types of pressure is that, as discussed in the previous section, BP is in a powerful position (Meyer and Rowan, 1977; Battilana, Leca and Boxenbaum, 2009) because it is a very large actor on which the US government is dependent for oil and BP can control what is known about the cause of the accident because it holds all the information. Because of this position BP has room for agency in the uncertain environment that is the result of the jolt of the accident (Battilana, Leca and Boxenbaum, 2009).

Finally it is noteworthy that BP avoids pressure by referring to the Transocean accident at first. Later BP avoids pressure about the safety of the rig and the well by stressing it was not aware of any wrongdoing. The correlation analysis (see table x) shows that there is a significant relation between regulative pressure and avoidance. However BP also avoids professional normative pressure from industry experts and analysts. As discussed earlier there is a significant relation between professional normative pressure and regulative pressure. BP thus seems to react more directly to regulative pressure, which is in turn influenced by professional normative pressure. This avoidance can be explained when looking at the theory. Oliver (1991) says organizations may disguise nonconformity behind a facade of acquiescence and that it is motivated by the desire to circumvent the conditions that make conforming behaviour necessary. This is exactly what BP does by at first by appearing to cooperate but in the mean time trying to shift responsibility to Transocean. Also, as discussed earlier, regulative and professional normative pressure about BP’s safety record is in clear conflict with BP’s goals (Oliver, 1991). Finally, as discussed earlier, BP is in a powerful position which gives it room for agency in an uncertain environment.
5.2.2 Consequences

First the correlation table will be shown below. These correlations will show if there is any empirical evidence for the patterns in the results the author has found. Significant correlations are marked red.

![Correlation Table](image)

**Table 8: Correlation table for pressures and responses in the issue Consequences.**

First of all it is remarkable that when it comes to the size and seriousness of the spill BP avoids and defies all pressure. This pressure is mainly social normative and professional normative in nature and concerns among others underwater oil plumes, the flow rate and environmental effects. From the correlation analysis it can be found that there is a significant relation between both types of pressure. The social normative pressure of the public and those who affected is for a large part the result of professional normative pressure that is exerted by experts. This is because these experts for a large part determine the content of the news about the seriousness of the spill. This is news is in turn an important source of information for the public. The correlation analysis also shows that social normative and professional normative pressure are indeed significantly correlated to avoidance and defiance.

By defying and avoiding BP is trying to downplay the graveness of the spill. This can be explained in
part by the fact that BP is less reliant on the actors that exert the social and professional normative pressure for critical resources (DiMaggio and Powell, 1983; Oliver, 1992). These actors mostly consist of environmentalists, environmental experts, environmental government agencies and politicians. Also these actors can’t legally coerce BP and voluntary diffusion is highly unlikely because the content of institutional demands strongly conflicts with BP’s interests (Oliver, 1992). When BP admits the spill is indeed very serious this will cause an even further loss of legitimacy. Besides BP does, like the allegations say, have an interest in downplaying the graveness of the spill in order to avoid fines for pollution.

A second pattern that is abstracted from this issue is that BP acquiesces to social normative and professional normative pressure concerning the effects of the spill and regulative pressure concerning what BP should do to mitigate these effects. Social normative pressure is exerted by the people who are affected by the spill including those that are employed in fishery, tourism and drilling and by environmentalists. The professional normative pressure is mainly exerted by environmental experts. Regulative pressure is exerted by the US government. The correlation analysis shows there is indeed a significant correlation between these three pressures. As discussed earlier, professional normative pressure can influence both social normative pressure and regulative pressure because the findings of experts serve as an important input for both public opinion and regulatory measures taken by the US government. Social normative pressure is the result of social unrest which triggers the US government to exert regulative pressure to appease the public. BP in turn is communicating it is 100% committed to restoring all the economic and environmental damage the spill causes. Later BP sets up a 20 billion dollar escrow fund to pay all claims. It is remarkable that BP is avoiding and defying all pressure concerning the gravity of the spill but is so acquiescent when it comes to restoring the damage. As discussed earlier BP acquiesces to the US government because it can grant BP legitimacy and key resources and because it is a powerful actor that can legally coerce BP. Now rests the question why BP also acquiesces to social and professional normative pressure. BP also needs legitimacy of the people that are economically affected by the spill, like those employed in fishery and tourism, because BP needs social support from the public as well (Oliver, 1991). BP has harmed the environment and the economy of the Gulf region and is losing legitimacy from those that are affected but also numerous environmental advocates and experts. According to Scott (1995, in van den Hoed, 2004) conforming to normative pressure is not done out of self-interest but because one feels morally obligated to do so. From a moral point of view it seems only normal that BP is very committed to restoring the damage of the spill it caused in the first place. This acquiescent behavior is in also in line with Oliver’s (1991) content factor because it is in BP’s self-interest because of their quest for legitimacy within their environment. Finally it is important to look
at the environmental context (Oliver, 1991) when explaining BP’s acquiescence. In this case BP acquiesces in times of uncertainty which seems to contrast with BP’s more aggressive stance towards pressure when it comes to the gravity of the spill, which is just as unsure. This can be explained by the fact that BP is not in a powerful position and doesn’t have an information advantage when it comes to mitigating the effects of the spill and the actors that exert pressure are not, like the US government, dependent on BP for oil. Therefore the earlier posed idea that dependence on an actor and that actor’s social position can influence the reaction to uncertainty seems to be confirmed again.

A third pattern that is abstracted from this issue is that BP defies professional normative and regulative pressure about its financial health. This pressure is exerted by all sorts of financial analysts and credit rating agencies like Fitch, Moody’s, Standard and Poor’s and Merrill Lynch and concerns the financial impact of the spill on BP. As the costs of the spill continue to rise and claims poor in financial analysts of all kind start to speculate about BP’s ability to remain financially healthy. For example, credit rating agencies downgrade BP and rumors start of a possible take-over of BP. The correlation analysis shows there is indeed a relation between regulative and professional normative pressure and defiance. However it must be noted that this relation is also for a large part attributable to the other patterns described above since these patterns cover a far larger number of events. BP’s response can primarily be explained when looking at the work of Oliver (1991). The content of institutional pressure concerning BP’s financial position is in conflict with BP’s organizational goals. In this case the goal is to appease shareholders because BP is reliant on them for legitimacy and resources (Meyer and Rowan, 1977; DiMaggio and Powel, 1983; Scott, 1995; Oliver, 1991). These resources are the actual money that BP is built of. It is important to note that analysts and credit rating agencies can cause shareholders to start viewing BP in a negative way and start selling their shares, which can cause share prices and thus the value of the company to sink. This is actually exactly what happens when looking at the following figure.

![BP's share price during the spill](source: www.finance.yahoo.com)
Finally, it is interesting to take a look at the mimetic pressure BP is experiencing. Mimetic pressure at first is mostly relieved because the industry means it should work together to fight the spill. As time progresses the spill continues to grow and more and more information is surfacing about the causes of the accident. Also all types of institutional pressure are increasing and the correlation analysis shows that there is a significant relation between mimetic and social normative pressure. All the social normative pressure is causing BP to be viewed as deviant from the industry norm, which means the gap between BP and its competitors is widening. When looking at figure 12, which shows BP’s share prices in comparison to BP’s most important competitors, Royal Dutch Shell, Chevron and Exxon Mobil, this widening of the gap is clearly seen. Note that the lowest point in this graph corresponds with the period in which the most institutional pressure is exerted on BP.

![Figure 12: BP's share price in comparison to its competitors during the spill (source: www.finance.yahoo.com)](image)

The deviation of the industry norm causes other players in the industry to distance themselves more and more because they are trying not to be viewed as similar to BP in order to avoid the scrutiny that BP is under. They do not want to be associated with BP. Especially since BP tries to communicate the accident was a result of industry wide problems. Mimetic pressure is coming from the urge for organizations to mimic the behavior other successful organizations in order to reduce uncertainty and anxiety (DiMaggio and Powell, 1983; Scott, 1995). In this case uncertainty is high because there is no telling what the consequences of the accident might be for the industry as whole. Competitors are in fact trying to look dissimilar to BP.
5.2.3 Clean-up

First the correlation table will be shown below. These correlations will show if there is any empirical evidence for the patterns in the results the author has found. Significant correlations are marked red.

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**Table 9: Correlation table for pressures and responses in the issue Clean-up.**

The first pattern that can be extracted from this issue is that BP acquiesces to regulative pressure from the US government in all its forms. The government is constantly ordering BP to fight the spill and cap the leak. When looking at the correlation analysis one can see there is a significant relation between regulative pressure and social normative pressure. As discussed in the section on the issue Consequences social normative pressure is a result of public unrest. This unrest is about the clean-up and stopping of the spill. The US government needs to react to this by putting pressure on BP to step up the clean-up and plugging effort. Note that this relation is relevant for all the patterns that are discussed in this section, not just for the relation between regulative pressure and acquiescence.

There is no significant relation between regulative pressure and acquiescence found in the correlation analysis. However this relation is clear in the qualitative analysis. As discussed earlier BP acquiesces to the US government because it can grant BP legitimacy and key
resources and because it is a powerful actor that can legally coerce BP. Besides an uncertain environmental context (Oliver, 1991) motivates organizations to attempt to reduce uncertainty by acquiescing to institutional pressures. As the outcome of each effort that is made in the clean-up attempt is indeed uncertain, acquiescence seems a logical response. BP is not in a powerful position in this issue because it doesn’t have an information advantage over the US government when it comes to the US government ordering BP to step up the response. Therefore acquiescence seems logical.

BP is also compromising in a lot of its reactions, which represents the second pattern in this issue. This relation also doesn’t show in the correlation analysis. Often, though not always, this compromise is accompanying an acquiescing reaction of BP that it will clean up or stop the spill. BP therefore does not fully acquiesce when it comes to cleaning and stopping the spill because it is constantly communicating the outcome of any effort is unsure. Also in the beginning BP states it will not be able to clean up and protect everything. It seems BP is trying to prepare all the stakeholders that each effort might not work just to assure it can’t be accused of making false promises. According to Oliver (1991) when the content of institutional pressure conflicts with organizational interest agency will be likely. In this case BP simply can’t fully acquiesce to pressure to restore all the damage and to close off the leak because BP can’t guarantee this.

A third pattern is that BP also avoids pressure about the response effort they are going to make in the near future. This relation also doesn’t show from the correlation analysis. For every effort BP makes it communicates it is confident it will work. However, most efforts did not work and in hindsight BP just said it was confident without any foundation. By expressing confidence BP is creating false hope, which it seems to be avoiding by compromising. In this issue BP is sending out mixed signals. At one point spokesman Tom Mueller even goes so far as saying BP is not dealing with a problem but a learning process. However BP does have room for agency when it comes making statements about the efforts it makes. BP is in a powerful position because BP knows best what can be done to plug the well and to clean up the oil. The other actors simply do not have the level of knowledge BP has in this issue and they can only look at BP to stop and clean-up the spill. Finally the strategy to avoid seems to be in line with Oliver’s (1991) content factor. It is in BP’s best interest to express confidence because that suggests that BP knows what it is doing and that it is able to stop and clean the spill.

The final pattern is that BP defies pressure about how it is handling the response. This relation also doesn’t show in the correlation analysis. This pressure is professional normative, social normative
and regulative in nature. Environmental experts exert professional normative pressure and claim that the dispersants BP is using to dilute the oil are toxic. Also regulative pressure is exerted as BP is ordered to stop using the dispersant Corexit. However there is also quite some relief as some environmentalists and experts approve of the use of the dispersant. Also BP is under regulative, professional normative and social normative pressure for their response being inadequate, harmful and too slow. One possible explanation for the defiance lies in the fact that there is also pressure relief. There are multiple constituents with conflicting objectives and this weakens the pressure and makes resistance easier (Oliver, 1991). For instance, certain environmental experts believe the dispersant is beneficial and therefore advocate its use, while other experts believe the dispersant is doing harm and try to stop its use. Another explanation might lie in the nature of institutional control or the way institutional pressure is imposed on BP (Oliver, 1991). The actors that exert this pressure are mostly environmentalists and environmental experts and are not powerful actors and can’t legally coerce BP. Also BP is not dependent on these actors for critical resources and therefore might not conform to the pressure they exert (Meyer and Rowan, 1977; DiMaggio and Powell, 1983; Scott, 1995; Oliver, 1991). A final explanation can be that BP believes it can demonstrate the rationality or righteousness of their alternative convictions and conduct (Oliver, 1991). BP is defying all the pressure concerning the way they handle the response because they believe it is the best conceivable way.

5.2.4 Minerals Management Service (MMS)

First the correlation table will be shown below. These correlations will show if there is any empirical evidence for the patterns in the results the author has found. There are no significant relations.

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*Table 10: Correlation table for pressures in the issue MMS.*
In this issue nearly all events cause a relief of regulative pressure because the very government agency that is supposed to regulate the oil industry is being scrutinized. The MMS came under heavy scrutiny about its performance, which led to the authorities overhauling the MMS and renaming it BOEMRE. This process can be explained when looking at Battilana, Leca and Boxenbaum (2009) who state that jolts and crises resulting from social upheaval, technological disruption, competitive discontinuity and regulatory changes might break the status quo and give room for new ideas. Clearly the oil spill was a jolt or crisis not only for BP but also for the MMS. This jolt resulted in the uncovering of the faults of the MMS and opened the door for a drastic overhaul of the MMS to ensure more adequate regulation in the future. Oliver (1992) talks of deinstitutionalization, which is defined as “the process by which the legitimacy of an established organizational practice erodes or discontinues”. Deinstitutionalization happens when organizations challenge or fail to reproduce established organizational practices or procedures. The MMS was supposed to be an independent industry watchdog responsible for guarding the safety and revenue collection of the offshore drilling industry. However, it became clear that the MMS failed to adequately reproduce these established practices. A number of pressures (Oliver, 1992) added to the deinstitutionalizing of the MMS. First, there is the political pressure in the form of a performance crisis and conflicting internal interests. This conflict of interest was the fact that the MMS was dependent on the oil industry for its profits and therefore cut corners in properly regulating the industry. Second, there is social pressure because of changing institutional rules and values. Once all the MMS’ wrongdoing became clear the government’s institutional rules and values about how the drilling industry should be regulated changed dramatically. It became clear more independent oversight was needed. According to Oliver (1992) internal performance crises and changing government regulation are the most important causes for deinstitutionalization and these are the exact things that happened. To describe the process of deinstitutionalization Greenwood, Suddaby and Hinings (2002) developed a 6 stage process from deinstitutionalization to re-institutionalization. They argue that institutional processes may give a field the appearance of stability. However fields should never be seen as completely stable and static but rather as continually evolving (Hofmann, 1999). In stage 1 a jolt happened which destabilized existing practices. In the case the accident and the uncovering of the MMS’ wrongdoing represents stage 1. In stage 2 deinstitutionalization took place as the MMS loses its legitimacy and is being planned for change. In stage 3 pre-institutionalization took place as the viability of a new structure for the MMS was investigated. In stage 4 theorization took place as the BOEMRE’s new practices were specified and made available for wider adoption. Like in the model, a certain organizational failing and a workable solution for that failing are specified. Wider diffusion and re-institutionalization, stage 5 and 6 respectively, are likely to happen in the period after the time span of this research.
It is remarkable that BP doesn’t respond to any of the events in the issue MMS. The main reason is probably that the institutional pressure in this issue is not pointed directly at BP. BP neither confirms nor contradicts the allegations about the MMS. The developments put BP in a somewhat better light so one would expect that BP would act in parallel with the pressure that is exerted on the MMS and blame the MMS as well. However, BP does no such thing. A possible explanation lies in the fact that BP is already heavily scrutinized and is not really in any position to criticize another actor. This would likely cause a very negative reaction from both the US government and the US public.

5.2.5 Regulation

First the correlation table will be shown below. These correlations will show if there is any empirical evidence for the patterns in the results the author has found. Significant relations are marked red.

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Table 11: Correlation table for pressures and responses in the issue Regulation.

In this issue BP acquiesces and compromises to regulative pressure from the US government concerning stricter regulation. BP acquiesces by encouraging new regulation but also compromises by trying to shift some of the blame on industry regulation. The correlation analysis shows there is a significant relation between professional normative and regulative pressure and acquiescence. It seems that the criticisms about the existing regulation and suggestions about future regulation of industry experts and environmental experts serve as input for the US government’s formulation of new regulation. As discussed earlier BP acquiesces to the US government because it can grant BP
legitimacy and key resources and because it is a powerful actor that can legally coerce BP. Also an uncertain environmental context (Oliver, 1991) motivates organizations to attempt to reduce uncertainty by acquiescing to institutional pressures. In this case BP has little room for agency because it is not in a powerful position when it comes to the formation of new regulation and the US government is not reliant on BP to establish new rules. However, obviously, BP does mean there is some room for agency as it compromises and tries to shift some of the blame to the industry standards. BP says it was just acting conform the existing industry standards. This might also have to do with legitimacy. In this case BP is trying to defend its legitimacy by stating that the industry standards may have caused BP to behave in the way it did and that these standards need to be adapted.

A second pattern that is abstracted from this issue is that the IPAA (Independent Petroleum Association of America) and API (American Petroleum Institute) cause mimetic pressure relief. This is in complete contrast with BP’s compliant reaction. Overarching industry organs IPAA and API speak out against plans to tighten the industry’s regulation because they mean it is overly prescriptive and will affect production, jobs and profit. Mimetic pressure means that a company is being judged for acting in a way that is diverging from an industry’s standard practice. In this case BP’s practice is being judged which is resulting in the formation of new regulation. The IPAA and API relieve mimetic pressure because they try to prevent stricter regulation, which could have a negative impact on the industry as a whole. Therefore they aid BP instead of speaking out against BP’s alleged wrongdoing. In fact the IPAA and API are defying regulative pressure, which causes a relief of mimetic pressure for BP. According to both Meyer and Rowan (1977) and Battilana, Leca and Boxenbaum (2009) an actor in a powerful social position can attempt to build his goals and procedures into society as institutional rules. As overarching industry organs the IPAA and API are relatively influential and powerful actors. Next to this argument it is important to look at the content of institutional pressure (Oliver, 1991). The IPAA and API are likely to resist institutional pressure that conflicts with their own organizational goals. Finally, jolts and crises resulting from social upheaval, technological disruption, competitive discontinuity and regulatory changes that might break the status quo can enable institutional entrepreneurship (Child et al., 2007; Fligstein, 1997, 2001; Greenwood et al., 2002; Holm, 1995 in Battilana, Leca and Boxenbaum, 2009). In this case the accident causes a jolt in terms of new regulation as a result of social upheaval. This jolt gives the IPAA and API room for agency.

The most important developments in this issue concern regulatory changes as a result of the accident. The accident was allegedly caused in part by shortcomings in existing regulation. First, the White House exerts regulative pressure as it announces a drilling moratorium until the causes of the
accident are clear. The moratorium is blocked but immediately Ken Salazar issues a new one. These events can be seen in the light of deinstitutionalization. According to Oliver (1992) deinstitutionalization is defined as “the process by which the legitimacy of an established organizational practice erodes or discontinues”. The decision to instate a drilling moratorium is part of the entire development of new regulation and gives the authorities time to investigate the causes of the accident so regulation can be adapted. The drilling moratorium is mainly the result of social pressure (Oliver, 1992), being social fragmentation and changing institutional values. Following the accident the values about offshore drilling changed as it seemed irresponsible to continue drilling without knowing what caused the accident.

After the drilling moratorium US senators and the White House propose to increase the maximum liability for BP. Later there is some relief of regulative pressure as the plan to lift the liability cap is blocked. In the mean time both the House of Representatives and the SEPWC (Senate Environment and Public Works Committee) pass bills to lift BP’s maximum liability. Also president Obama announces tougher safety requirements. He is backed by environmentalists who exert social normative pressure and numerous agencies and departments of the US government including the SENRC and the House Energy and Commerce Committee. The events above describe the real deinstitutionalization as the legitimacy of established practices in the drilling industries erode and discontinue (Oliver, 1992). The established practices are being replaced by new practices. This is the result of political pressure because of performance crisis of the current regulation. Also functional pressures play a role as more and more information emerges about what went wrong and where current regulations might be flawed. Finally social pressure adds to the deinstitutionalization because of the changed institutional values about deep-sea drilling (Oliver, 1992). Like the MMS issue the multiple steps of institutional change of Greenwood, Suddaby and Hinings (2002) can be seen. First a jolt happens, which is followed by deinstitutionalization as changes in regulation are announced. This is followed by the preinstitutionalization and the theorizing. Theorizing refers to “the development and specification of abstract categories and the elaboration of chains of cause and effect”. They simplify and distil new practices. In short this refers to the actual instalment of the new regulation. Stages 5 and 6, diffusion and reinstitutionalization, have yet to happen but fall outside of the timeframe of this research.
6. Conclusion

This thesis clarifies the complex dynamics that underlie institutional processes, thereby addressing one of the drawbacks of neo-institutional theory because there still exist only a limited number of empirical researches into the dynamics between institutional pressures and organizational strategic responses to those pressures (Lounsbury, 2001). In this thesis a unique and unusual approach is used by using newspaper articles to research the dynamics between institutional pressures and BP’s strategic responses to that pressure. The research covers a limited period of time and has produced a highly detailed and in-depth understanding of the dynamics between institutional pressures and strategic responses but also of the dynamics between institutional pressures themselves and finally of the effects of these dynamics on institutional change in the field. By using newspaper articles as source of data the author was able to unveil the rich dynamics between the pressures of the various constituents and BP’s strategic responses.

In this thesis the character and effect of all the different types of institutional pressures on BP’s strategic reaction is studied. This is a response to Mizruchi and Fein’s (1999) criticism that most institutional theory deals only with mimetic pressures. An answer to the first sub question will now be presented. This sub question is:

\textit{Which types of institutional pressures were exerted on BP during the crisis?}

First it must be noted that in this thesis a new framework for institutional pressures has been developed that integrates the works of Meyer and Rowan (1977), DiMaggio and Powell (1983) and Scott (1995). This has led to a more comprehensive set of institutional pressures that helps institutional theory forward. The pressures in this framework are regulative, social normative, professional normative and mimetic. The most important feature is the division of normative pressure into social normative and professional normative pressure, which is useful because public opinion greatly differs from professional findings and opinions. The results show that all four types of institutional pressure have been exerted on BP. These pressures all play a role in different ways and also influence each other. This helps clarifying the problem DiMaggio and Powell (1983) observed that the different institutional pressures are not necessarily empirically distinguishable because of their interrelatedness. Also this proves Holm’s (1995) point that institutions serve as a framework for action but are also the product of action.
Overall, regulative pressure is exerted the most, closely followed by social normative pressure. Somewhat less professional normative pressure is exerted, leaving only a very small percentage for mimetic pressure. The absence of mimetic pressure could be that BP’s competitors withdrew from the debate in order to keep all the attention focused on BP and to prevent being scrutinized for faulty operation as well. It must be noted that the types of pressure greatly vary in percentage per issue.

In the issue Cause/responsibility regulative pressure is exerted the most, followed in order of total share by professional normative pressure, mimetic pressure and social normative pressure. Regulative pressure is exerted as the US government and all its agencies issue multiple investigations into the cause of the accident and scrutinize BP for its safety record. It seems that professional normative pressure about BP’s safety from industry experts serves as input for regulative pressure that is exerted by the US government. The findings of these various industry experts and analysts provide the US government with the information it needs to make accusations about BP’s safety record. In this issue social normative pressure is nearly absent because the public doesn’t have the knowledge to voice any criticism about BP’s safety culture.

In the issue Consequences social normative pressure is exerted the most, followed by professional normative, regulative and mimetic pressure. Social normative pressure is exerted mostly by inhabitants of the Gulf region who see their livelihoods in for instance fishery or tourism threatened. Also all sorts of environmental advocates and politicians speak out against BP because of the damage the spill is causing. Also there is a lot of professional normative pressure which is exerted by all environmental and industry experts. The pressure concerns underwater oil plumes, the flow rate and the economical and environmental effects of the spill. The social normative pressure partly the result of professional normative pressure because experts for a large part determine the content of the news about the seriousness of the spill. This is news is in turn an important source of information for the public. There is also regulative pressure from the US government that orders BP to mitigate the effects of the spill. This regulative pressure is for a large part the result of social normative pressure. The spill causes a lot of social unrest because of the reasons described above. The US government in turn needs to take care of its citizens and therefore must force BP to mitigate the damaging effects of the spill. This regulative pressure is also influenced by the findings of experts like in the issue Cause/responsibility. Next to the pressures described above there is also some mimetic pressure as BP’s competitors detach themselves from BP more and more as time progresses because they don’t want be associated with BP to avoid scrutiny. There is a relation between social normative pressure and this mimetic pressure as the social normative pressure is causing BP to deviate from the industry
norm, which means the gap between BP and its competitors is widening. Finally regulative and professional normative pressure is exerted on BP by all sorts of financial analysts and credit rating agencies like Fitch, Moody’s, Standard and Poor’s and Merrill Lynch concerning the financial impact of the spill on BP.

In the issue Clean-up professional normative pressure is exerted the most, followed by social normative, regulative and mimetic pressure. BP is criticized for the way it handles the response and the efforts to plug the gushing well. Pressure is being exerted because constituents find the response being inadequate, harmful and too slow. Professional normative pressure is exerted by industry and environmental experts and mainly concerns the effects of dispersants that are used to dilute the oil and about the way BP attempts to close the leak. It must be noted that expert opinions are divided in this issue, which causes some relief of pressure. Social normative pressure is exerted by the people who are affected by the spill who claim the clean-up effort is harming the environment and that they are not employed in the response effort. Finally regulative pressure is exerted by the US government who constantly orders BP to step up the response and to stop the leak. As in the previous issues, regulative pressure is fed by social unrest and in lesser amount by expert opinions.

In the issues MMS there is almost only relief of regulative pressure because the very government agency that is supposed to regulate the oil industry is being scrutinized and thereby some of the blame is shifted away from BP. The MMS came under heavy scrutiny about its performance and this continuing pressure relief for BP or rather pressure increase for the MMS has led to the deinstitutionalizing of the MMS. The MMS was overhauled by the authorities and was renamed BOEMRE. This is part of the 6 stage process of deinstitutionalization to re-institutionalization as described by Greenwood, Suddaby and Hinings (2002). The overhaul of the MMS is just a halfway point in the journey towards wider diffusion and finally re-institutionalization as these steps in the process take longer than the timeframe of this study.

Finally, in the issue Regulation regulative pressure is exerted the most by far. The US government exerts regulative pressure as it announces new regulation to ensure flaws in the current regulation will never create the circumstances for such an accident ever again. Also a drilling moratorium is installed and plans are voiced to increase the liability cap for BP. There is a relation between this regulative pressure and professional normative pressure as the criticisms about the existing regulation and suggestions about future regulation of industry experts and environmental experts serve as input for the US government’s formulation of new regulation. The formation of new regulation can be viewed in the light of deinstitutionalization (Oliver, 1992) as current regulation lost
its legitimacy. Like in the MMS issue this new regulation has been formed but is waiting for wider diffusion and finally total re-institutionalization. During this process there is some relief of mimetic pressure from overarching industry organs IPAA and API, who speak out against plans to tighten the industry’s regulation because they mean it is overly prescriptive and will affect production, jobs and profit.

Now that an answer to the first sub question is formulated a brief answer will be presented to the second sub question in order to proceed to answering the research question. The second sub question is:

*Which response strategies did BP use during the crisis?*

All of the response strategies as described by Oliver (1991) – acquiescence, compromise, avoidance, defiance and manipulation - have been found in the analysis. However the strategy to manipulate has only been observed twice and has therefore not been discussed in the results and findings. Overall, BP has acquiesced the most of the time, followed by avoidance, defiance, compromise and finally manipulation. The choice of strategy and with that the level of resistance greatly varies in percentage per issue.

A more in-depth description of the response strategies is offered when they are related to the different types of institutional pressure in the answer to the research question, which is:

*How do institutional pressures and BP’s strategic responses interact during the oil spill crisis of 2010?*

First it is important to know that, depending on the content of institutional pressure (Oliver, 1991), BP uses a multitude of very differing responses to address all the different types of pressure that are exerted on BP in each issue. This suggests that organizations are not confined to using a single response strategy to react to institutional pressure. Rather, organizations can choose a combination of responses that best serves their interest. Therefore a clear relation between one type of pressure and one response strategy does not exist in this case. In some issue BP even uses different responses to the same types of pressure and in some occasions BP even employs different responses simultaneously towards the same institutional actors. Therefore a clear and definitive answer to the research question is not possible. In choosing a reaction to institutional pressures the content (Oliver, 1991) of pressure is an important determinant. When conforming to institutional pressure can
increase legitimacy BP will do so. However, when conforming to institutional pressure can decrease legitimacy BP will oppose this pressure. This has led to the following insight: This leads to the following insight: An organization will only conform to institutional pressure when this reaction can enhance legitimacy.

Although BP chooses its strategic reaction based on whether conforming to institutional demands will enhance legitimacy or not, there is another generalization that can be made when looking at the interaction between pressures and responses. BP is more likely to comply with regulative pressure from the US government than social normative pressure from those affected and environmentalists, professional normative pressure from or mimetic pressure. BP is dependent on the US government, a powerful actor, which is in centralized control of critical resources for BP, being oil fields and contracts, and can impose institutional pressure through legal coercion. The actors that exert social normative and professional normative pressure can only grant BP legitimacy but is not in control of key resources and cannot legally coerce BP. This has led to the following insight: The power of a constituent over an organization contributes to an organization’s compliance to institutional pressure in search of legitimacy.

A third more general result concerns BP’s reaction to uncertainty. According to Oliver (1991) high environmental uncertainty motivates organizations to attempt to reduce uncertainty by acquiescing to institutional pressures. In this case there is a high degree of uncertainty for BP in all issues. So in regards of the theory one would expect BP to acquiesce in these circumstances. However, this is not always the case. It is important to know that in some the of issues BP is in control of information and knowledge that other constituents can’t access. Therefore all these other constituents are dependent on BP and this puts BP in a powerful position. Meyer and Rowan (1977) and Battilana, Leca and Boxenbaum (2009) both argue that an actor’s social position can create room for agency. This leads to the following insight: Uncertainty doesn’t necessarily lead to acquiescence but can also lead to a more aggressive stance towards institutional pressure when an actor is in a powerful position.

It should now be clear that it is hard to determine any relations that are valid for the whole case. This is because there is a very large volume of events, which are grouped in separate issues in order to be able to describe the case. In these different issues BP deals with differing institutional constituents who all have different institutional demands. For each issue separately it is, in contrast with for the case as whole, very possible to determine relations between pressures and responses.
In the issue Cause/responsibility BP acquiesces to regulative pressure from the US government by cooperating with all investigations into what caused the accident. BP does so because it is dependent on the US government for legitimacy and resources and because the US government is a powerful actor that can impose pressure through legal coercion. In reality BP has no choice but to cooperate with investigations because otherwise BP will not be allowed to continue its operations in the US. Because BP acquiesces to regulative pressure from the US government concerning investigations it is remarkable that BP defies and avoids all regulative pressure from this same government and BP’s partners in the well and professional normative pressure from industry experts and analysts when it comes to BP’s safety record. BP is clearly reliant on the US government for resources and legitimacy and on analysts and expert just for legitimacy in the profession, which would suggest a conforming reaction. However BP defies and avoids because the content of these institutional demands conflict with organizational goals. Besides BP can oppose institutional demands because it is in a powerful position because it controls all the information about the cause and because the accident is a jolt that provides room for agency.

In the issue Consequences BP avoids and defies all social normative and professional normative concerning the size and seriousness of the spill. BP defies these pressures because it has room for agency in relation to environmentalists, environmental experts, environmental government agencies and politicians because BP is not reliant on them for critical resources and they can’t legally coerce BP. Finally, it would not be in BP’s best interest to admit the gravity of the spill. In this issue BP also acquiesces to social normative and professional normative pressure concerning the effects of the spill and regulative pressure concerning what BP should do to mitigate these effects. BP seems to do so because it needs social support from the public (Oliver, 1991) and because conforming to normative pressure is not done out of self-interest but out of moral obligation (Scott, 1995 in van den Hoed, 2004). Also BP doesn’t have an information advantage when it comes to mitigating the effects of the spill. Finally, BP defies professional normative and regulative pressure from financial analysts and credit rating agencies about its financial health. The content of this institutional pressure (Oliver, 1991) is in conflict with BP’s organizational goals. In this case the goal is to appease shareholders.

In the issue Clean-up BP acquiesces to regulative pressure from the US government in all its forms. The government is constantly ordering BP to fight the spill and cap the leak. As discussed earlier BP acquiesces to the US government because it can grant BP legitimacy and key resources and because it is a powerful actor that can legally coerce BP. Also BP is not in a powerful position in this issue because it doesn’t have an information advantage when it comes to the US government ordering BP
to step up the response. Often, though not always compromise is accompanying an acquiescing reaction of BP that it will clean up or stop the spill by expressing the outcome of any effort is always unsure. In this case BP simply can’t fully acquiesce to pressure to restore all the damage and to close-off the leak because BP can’t guarantee this. BP also avoids pressure by expressing confidence in the response effort, which contradicts the constant compromising. However in this case all other actors are dependent on BP and BP is in a powerful position because BP knows best what can be done and therefore constituents are very dependent on BP to plug the well and to clean up the oil. Finally BP defies professional normative, social normative and regulative pressure about how it is handling the response because conflicting opinions of constituents give BP room for agency and because a large part of the constituents can’t legally coerce BP. Also BP is not dependent on them for critical resources. Finally BP seems to be convinced of its own righteousness in this issue.

In the issue MMS BP doesn’t respond to all the relief of regulative pressure, which is caused by the scrutiny on the MMS for its poor performance, which may have contributed to the accident happening. Probably BP believes it is not really in any position to criticize another actor and that doing so would provoke a strong negative reaction from the US government and public.

Finally in the issue Regulation BP acquiesces and compromises to regulative pressure from the US government concerning stricter regulation. BP acquiesces by encouraging new regulation but also compromises by trying to shift some of the blame on industry regulation. As discussed earlier BP acquiesces to the US government because it can grant BP legitimacy and key resources and because it is a powerful actor that can legally coerce BP. In this case BP has little room for agency because it is not in a powerful position when it comes to the formation of new regulation and the US government is not reliant on BP to establish new rules. The reaction to compromise might have to do with legitimacy. In this case BP is trying to defend its legitimacy by stating that the industry standards may have caused BP to behave in the way it did and that these standards need to be adapted.

One goal of this thesis is to create a more integrative approach to institutional theory in which there is room for agency, power, self-interest and conflict in choosing a reaction to institutional pressures (Lounsbury, 2001; Kim et al., 2007; Holm, 1995; Covaleski and Dirsmith, 1988). This thesis contributes to this aim in multiple ways. First, it shows that BP has room for agency and is not, as the founders of neo-institutional theory argue, a passive actor that needs to adhere to external institutional pressures. This thesis shows how BP uses its room for agency and how this room was determined not only by internal processes or in a reaction to a single institutional pressure, but as complex set of reactions to an evenly complex set of cumulative pressures. This relates to the more general question
in institutional theory regarding the room for agency (Beckert, 1999; DiMaggio, 1988; Seo and Creed, 2002). Second, this thesis relates the different types of pressure and the strategic reactions. Thereby this thesis contributes to the works of Clemens and Douglas (2005), Goodstein (1994), Greening and Gray (1994) and Ingram and Simons (1995) who study pressure and response patterns in specific fields. By doing so the author answers to a cry from for example Louche (2004) for a more qualitative approach to individual strategic responses in light of different types of pressure. Also this study contributes to opening the black box between cause and effect as described by DiMaggio and Powell (1983), thereby enriching institutional theory to get more explanatory and predictive power.
7. Limitations and future research

In this chapter the limitations of the research are discussed and suggestions for future research are offered.

**Limitations**

In line with Deephouse and Carter (2005), King and Soule (2007), and Lamin and Zaheer (2004) in this thesis newspaper articles are used to study the dynamics between institutional pressures and BPs responses. Earl, McCarthy and Soule (2004) point out two sets of criticisms of the quality of such data, representing possible limitations of the use of this data source. The first limitation is the selection bias. According to some critics newspaper data suffer from the selection bias because newspapers do not report on all events that occur. The events that are reported are subject to various factors such as competition over newspaper space, reporting norms and editorial concerns. According to Earl et al. (2004), in terms of selection bias, media focus on occurrences that have major social impact and are newsworthy. Therefore the author is aware that surely not all pressures and responses have been measured. For instance there are almost no reports of mimetic pressure. This could be because competitors want to remove themselves from the debate, as was argued in the discussion of the results. However, it could also very well be that BP’s competitors and industry organs such as the API and IPAA are indeed very active behind the scenes because they don’t want media attention. Also the strategy to manipulate is absent. It seems logical that this process of lobbying also takes place behind closed doors.

The second set of criticisms is concerned with flaws in the newspaper reports themselves. This is called the description bias (McCarthy et al., 1996, 1999). The description bias “concerns the veracity with which selected events are reported in the press, and is also a concern when using newspaper data” (Earl et al., 2004). Despite these real problems related to the use of newspaper clippings, Earl et al. (2004) ascertain that newspaper data is a very valuable source of information for analyzing change over time, and that “newspaper data does not deviate markedly from accepted standards of quality. For instance, when considering selection bias, newspaper data compare favorably to bias from non-responses in survey” (Earl et al., 2004: 77).

Another limitation of this research is the limited number of sources of information (Yin, 1994). This is due to the sensitive nature of the case. BP is not willing to give out detailed information about its response to the crisis. Triangulation of multiple sources of data was thus not possible in this research. Therefore the external validity is limited because of the limited basis from which to generalize conclusions about this case. However the research has high construct validity due to the highly
systematic method of measurement and the detailed operationalization of the concepts that are studied.

Finally, case studies and qualitative data analyses in general are related to subjectivity, which can diminish the reliability of the research. For example, different researchers can attribute different meanings to the same data. Therefore it is possible that another researcher would code certain events in another way than the author has done.

Future research
Researchers that are interested in a further exploration of the findings of this research and who want to contribute to the formulation of theory can think of the following remarks about the use of the research model, reliability and suggestions for new research.

First, in future research the reliability can be enhanced by using a wider variety of sources, for example through triangulation of multiple sources. Think of questionnaires and interviews with organizations, experts and other actors to compensate for the limitations that have surfaced in this research. Perhaps a better account of mimetic pressure from the institutional field can then be produced. It would be interesting to take a look at the responses of different competitors to the pressure that concerns the de- and re-institutionalization of an institutional field. In this case future research could be directed at BP reactions to new regulation in comparison to its most important competitors Royal Dutch Shell, Exxon Mobil and Chevron.

Second, it would be interesting to take a look at the internal processes of an organization that are at the basis of communicating a strategic response. In this case the insight was developed that a single organization can employ multiple responses simultaneously. This sometimes leads to a confusing message. For example think of all the contrasting responses in the issue Clean-up. It would be interesting to find out how organizations internally determine which responses to use at which moments towards which institutional constituents.

Third, the author recommends further research in the relation between institutional pressures. In this research especially the relation between social normative, professional normative and regulative pressure was clearly observed. Next to this relation other relations were found as well. It would be interesting to study how these different pressures influence and strengthen each other and what the effects of this are to an organization’s response.

Fourth, the research model could be expanded following the insights developed in this case. The most important factor that the author suggests be taken into account is an organization’s power position as power has been found to be an important determinant in choosing a response.
Fifth, one could look at the effect the message of the responses has on institutional pressure: does it increase or decrease pressure, and why?

Finally, future research would benefit from a more detailed operationalization of institutional pressures. Although time is an important factor in this research more attention could be directed at how pressures and responses interact over time. For example one can research whether there is a relation between the duration of pressure and an organization’s response. Also it would be interesting to research whether there is a relation between the number of times a certain pressure is exerted and an organization’s response. Finally the author deems it useful to attribute weight to each event of institutional pressure. Now all pressures are weighted equally, while in reality this weight can vary. For example, think of social normative pressure. The impact of a single fisherman expressing his dismay doesn’t carry the same weight as the NOAA expanding the fishing ban.

Concluding, the author expects that the duration, volume and weight of institutional pressure will influence an organization’s response and would be useful additions to this research.
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