Conflicting Institutional Logics in the Religious Context of Islam

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Abstract
This paper aims to develop a conceptual framework to explain how organizations may respond in the case of conflict between Islam and other institutional logics. Taking into consideration some theoretical and empirical studies, I propose that there are two main alternative ways for organizations to react in such a conflict: according to the merits of the religion or according to the norms of the field. I argue that the former alternative promotes the protection of religious authenticity whereas the latter promotes the reinterpretation of religious rules and is thus in touch with modern practices. I further offer some ontological and functional aspects of Islam as antecedents of organizational responses.

Keywords: Institutional logics, religion, Islam, conflict, organizational response

Özet
Bu çalışma, bir kurumsal mantık olarak İslam’ın başka mantıkla çatışması halinde örgütlerin nasıl karşılık verebileceğini açıklamaya yönelik bir kavramsal çerçeveyi amaçlamaktadır. Daha önce yapılmış bazı teorik ve görgül çalışmalar göz önüne alarak, örgütlerin böyle bir çatışma halinde iki alternatifi olabileceğini öne mektemiyim; Dinin esaslarına göre davranmak yada örgütSEL alanın normlarına göre davranmak. Bana göre ilk alternatif dinin otantikliğini korumayı desteklerken, ikinci alternatif ise modern uygulamalar ile bağlantıyı koparmadan dinin kurallarını yeniden yorumlamayı desteklemektedir. İslam dininin kendine özgü bazı ontolojik ve işlevsel özelliklerini örgütlerin hangi davranışı seçeneğinin öncülü olarak öne mektemiyim.

Anahtar kelimeler: Kurumsal mantıklar, din, İslam, çatışma, örgütSEL karşılık

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Introduction

Institutional logics, as a frame of references that actors use in evaluating both their internal and external institutional environments, have captured the attention of many scholars since being introduced by Friedland and Alford in 1991. Since the beginning of these logic studies, their conflict-based nature was apparent (Friedland and Alford, 1991). Recent institutional logics studies focus on different patterns of conflict among various logics in organizational settings. These studies provide theoretical templates explaining potential organizational responses during cases of conflict. The extant literature on institutional logic studies takes into consideration salient logics like care logic versus business logic (Reay and Hinings, 2005), banking logic versus development logic (Battilana and Dorado, 2010), and state logic versus family logic (Greenwood, Diaz, Li, and Lorente, 2010).

Religion, however, though counted among core institutional logics from the beginning (Friedland and Alford, 1991; Thornton, Ocasio, and Lounsbury, 2012), did not capture the interest of scholars. According to Tracey (2012), only 86 papers that studied religion were identified between 1950 and 2011 across 21 of the main management journals. Emerald Books recently published (Tracey, Philips, and Lounsbury, 2014) a special volume of “Religion and Organization Theory”, which includes articles on micro and macro levels of analysis. This special volume makes a promising call for the serious inclusion of religion in organizational studies. As an institutional logic, religion is accepted as unique (Hinings and Raynard, 2014) and the theological and ontological divergences of this logic from other logics may provide a virgin area of study with both theoretical and empirical insights that cannot be attained through other logics. A limited number of studies in the management literature explore the behavior of religious organizations (Washington, Buren, and Patterson, 2014) or religion in organizational settings at the individual level (Weaver and Stansbury, 2014).

Of these limited studies, most take Christianity as the religion and there seems to be a significant paucity of organizational research outside of Christianity (Hinings et al., 2014: 181). Islam, like Christianity, is congregational in nature when compared with other religions such as Buddhism or Hinduism (Hinings et al., 2014: 181) and there is a rich field of research related to this religion. Therefore, in this paper my aim is to establish an initial theoretical framework for how organizations may respond in the case of conflict between Islam and other
logics. I define ‘Islam logic’ as a position in which actors take Islam as a frame of reference in sense-making and decision-making while giving meaning to their institutional environment and forming institutional arrangements at the macro or micro level. Specifically, I will emphasize two main distinct aspects of Islam that may form antecedents of behavioral choices. These are the specific divine devotion to God, which constitutes the ontological distinctiveness of Islam, and the relative power of the “ummah”, which constitutes the specific collective functional authority in Islamic societies.

The paper is organized into three main sections. In the literature review section, I will first explain the conflicting institutional logics literature. This will include the institutional logics literature’s silence towards the logic of religion and specifically towards Islam. Secondly, I will explore how religion and specifically Islam may be distinct from other institutional orders and ideologies according to the perspective of sociological theory. In the third part of the literature review, I will explore potential action patterns that organizations may follow when Islam conflicts with other institutional orders. In the theoretical framework section, I will propose a framework according to which the institutional logics literature may be enriched. Finally, I will end the paper with some suggestions and the limitations of the proposed framework.

**Literature Review**

**Institutional Theory and Institutional Logics**

Pluralistic demands, such as the divergent pressures affecting organizations and potential responses of organizations to those demands, have captured the attention of many scholars. Meyer and Rowan (1977) launched a pioneering study theorizing how a pluralistic institutional environment could lead to conflicting arrangements, especially inside an organization. According to them, to survive, to obtain necessary resources, and to establish proper arrangements in institutional settings, organizations tend to comply with the generally accepted belief systems of their environment, which Meyer and Rowan called “rational myths”. In this way, organizations are accepted as legitimate. Following this tradition, DiMaggio and Powell (1983) emphasized that institutional pressures may be coercive (emergent from regulative agencies), normative (emergent from professional identities), or mimetic (emergent from other organizations). By this theorization,
organizations react similarly to their institutional environments. Being similar to each other (called isomorphism by DiMaggio and Powell) allows organizations to obtain field-level legitimacy. Besides isomorphism, focusing on convergence instead of divergence provides a manuscript for organizational response theorizations.

However, organizations are unique in their various characters such as structure, ownership, governance, and identity (Greenwood, Raynard, Kodeih, Miellotta, and Lounsbury, 2011), as in their surrounding environments. Therefore, it was inevitable that scholars would expand a theoretical frame other than isomorphism to explain organizational reactional diversity to institutional environmental pluralism. That was initiated by Friedland and Alford (1991: 232) via their conceptualization of institutional logics as the central institutions of the contemporary capitalist West, including the capitalist market, bureaucratic state, democracy, nuclear family, and Christian religion, shaping individual preferences and organizational interests and which are potentially contradictory. Each of the most important institutional orders of contemporary Western societies has a central logic — a set of material practices and symbolic constructions (Friedland and Alford, 1991: 248). For example, that of capitalism is accumulation and commodification of human activity and that of religion (or science, for that matter) is truth, whether mundane or transcendental, and a symbolic construction of reality within which all human activity takes place (Friedland and Alford, 1991: 248). They thus provided a different point of view to the concept of efficiency, parallel to that of Meyer and Rowan (1977), stating: “Through these means … organizations obtain legitimacy, but no necessary efficiency” (Friedland and Alford, 1991: 251).

Friedland and Alford’s conceptualization of institutional logics and their conflict-based nature started an alternative study area, beyond isomorphic and strategic processes, which focused on explaining organizational responses to institutional environments. Institutional logics was later defined by Thornton, Ocasio, and Lounsbury (2012: 2) as frames of references that condition actors’ choices of sense-making and the vocabulary used by them to initiate any action, including actors’ senses of self and identity. Thus, institutional logics provided a theoretical chance to enrich the concept of agency, which disregarded by isomorphic processes and overemphasized by strategic processes. Agency, or in simple terms actors’ own ability of influencing their surroundings, opened a gate to a new research area together with institutional logics. According to this stream,
organizations are not only influenced by the institutional orders in their field but also shape the field via their choices regarding these orders. Under the pressure of the conflicting goals, beliefs, and orders of the organizational field, organizations find divergent response alternatives, not only similar to those of other organizations but also unique to themselves, depending on their frames of references.

According to Pache and Santos (2010), there are two main streams of research exploring the issue of organizational responses to conflicting institutional demands. The first is related to decoupling studies, meaning dividing the formal structure from the operational structure (Boxenbaum and Jonsson, 2008; Meyer et al., 1977; Scott, 2003), and the second involves predictive studies on organizational behavior towards competing logics in the case of permanent competition such as workforce downsizing (Greenwood et al., 2010) and contracting strategies (Lounsbury, 2007). Similarly, Greenwood et al. (2011: 334) summarized that research on institutional logics took institutional complexity in two facets, namely the number of logics and the degree of incompatibility between them. Most conflicting logics studies took the characteristics of the organizational field as a determinant of organizational response (Pache and Santos, 2010; Scott, Ruef, Mendel, and Caronna, 2000). Some studies offered different typologies that organizations use to overcome conflict, such as acquiescence, compromise, avoidance, and defiance (Oliver, 1991), or more recently segmentation, bridging, and demarcating (Smets, Jarzabkowski, Burke, and Spee, 2015). Lately, the term “hybrid organization”, meaning an organization handling multiple logics, and the reactions of such organizations to the conflicting pressures of the environment have been theorized simply as combining or balancing practices from multiple logics depending upon the organization’s founding origins (Pache and Santos, 2010), thus forming a distinctive organizational template.

Although there has been a significant amount of institutional logics research, as can be seen from the literature mentioned up to this point, none of the studies in this area examined religion as a dominant institutional logic. More importantly, apart from some limited studies (Greenwood et al., 2010), organizational responses in the case of a conflict emerging between religion and other potential logics have not been theorized. Some scholars have commented on this situation: “It is surprising that existing nonprofit literature neglected the family, religion and professional logic” (Knutsen, 2012: 1008). Tracey et al. (2014: 12) also mentioned the nonexistence of works on competing institutional demands with respect to the logic of religion and found it surprising given the role of religion
in contemporary societies. Roger Friedland, as a sociologist of religion, is the one of the pioneers of the institutional logics field and in his review of the work of Thornton et al. (2012) he gave some new examples of organizational forms, one of which combines the logic of religion and capitalism, as in the case of J.C. Penney’s Christianizing of a corporation (Friedland, 2012: 587).

In their groundbreaking article, Tracey et al. (2014) discussed why organization and management theorists (OMTs) are hesitant to study religion and also discussed some nascent points of the contact between religion and OMTs (Tracey et al., 2014: 3). According to them, many scholars are reluctant to work on religion because they are skeptical about whether journals will want to publish papers on the topic, and they are also nervous about how business school deans will react (Tushman and O’Reilly, 2007 in Tracey et al., 2014: 4). Others may feel that religion is a personal matter and not an appropriate topic for academic research and publishing (Tracey et al., 2014: 5). Another possible reason for the paucity of work on religion is the myth of the declining importance of religion (Tracey et al., 2014: 6). Finally, religion is not seen as being as serious as other research topics by scholars (Tracey et al., 2014: 7). The authors also provided some areas in which OMT studies have linkages to religion in order to justify that religion should not be neglected by OMTs (Tracey et al., 2014: 7). These linkages are between identity and religion, institutional theory and religion (here they provided a linkage with the institutional logics literature and claimed that there are no studies that consider the competing institutional demands with respect to the logic of religion), and stigma, organizations and the study of religion (Tracey et al., 2014: 8-13). All these points support the existence of the gap in the institutional logics field with respect to the nonexistence of the study of religion as a dominant logic or as a logic competing with others.

For Weber, institutions were religious in the sense that they bind their adherents through faith, sacrifice, and passion (Friedland, 2014: 219). Ontologically, religion may form a different set of knowledge in epic terms and thus may provide the potential to cause organizations to react in unique ways to conflicting institutional orders. Inspired by Weber’s value spheres and Aristotelian metaphysics, Friedland (2011) defined substances as the unobservable but essential values anchoring institutional logics. From this perspective, each institutional logic, including religion, as well, has practical ontologies transferring its metaphysical side to the physical (Friedland, 2009, 2011, 2012; Ruef, 1999). According to Friedland (2009), institutional logics are ontological enactments and specifically
the institutional logic of religion derives its authority from divine writ. However, Friedland also posits that prayer to God is not so different from the realization of profit (Friedland, 2009: 48). Although Friedland seems to be the sole scholar focusing on the ontological differences among institutional logics, he proposes that there is no difference between religion and other logics. Because he assumes that divinity through pilgrimage and prayer is the same as popular sovereignty though democratic election or “romantic love through intimate exchange of body and word” (Friedland, 2009: 47), he therefore accepts that all institutions are religious (Friedland, 2009: 48). This acceptance conforms with the presupposition of Thornton et al. (2012: 104) of religion as the antecedent of other institutions. Although these conceptualizations offer an ontological perspective to institutional logics, they do not provide room for exemplifying their differences.

Apart from these studies, regarding organizational responses, there seems to be a duality debate as to whether religious organizations are subject to the same pressures as nonreligious organizations. In the literature, as an organizational form, the church and its versions such as voluntary organizations or denominations are taken into consideration as religious organizations (Hinings et al., 2014; Washington et al., 2014). However, these studies do not cover cases in which religion, like capitalism or family or state, may influence organizational behavior or may lead to conflicting goals and means in rational, ordinary organizations. Hinings et al. (2014: 168, 175) theorized that not only do religious organizations differ from nonreligious ones, they also differ from each other, for example in terms of authority and decision-making. They also proposed that religious organizations have unique characteristics such as a belief-based purpose, which lead them to either develop different organizational forms or react to overall societal pressures in ways dissimilar from other kinds of organizations (Hinings et al., 2014: 166). Inspired by Hinings and Raynard’s (2014) theorization, I assume that, if religious organizations react to organizational pressures unlike others, appealing to the logic of religion may also result in dissimilar reaction templates in cases of conflict. Specifically, in this study I want to propose Islam as an institutional logic and its relation or potential conflict with other logics in organizational fields. Again inspired by the previous studies (Hinings et al., 2014; Tracey et al., 2014), I wonder whether or not and in what manner Islam as a logic may create divergence in organizational responses during cases of conflict. Therefore, I ask the following question: How do organizations respond when conflict emerges between Islam and other institutional logics in an organizational field? Theoret-
ically, my aim is to contribute to the conflicting institutional logics literature by proposing unique organizational response templates.

However, as the literature review to this point has indicated, for defining the logic of religion and specifically that of Islam, institutional theory does not provide a necessary theoretical base and may need to be supported by other theories. Even Friedland’s substance and ontology-based studies do not explain the ontological distinctiveness of the institutional logic of religion and/or Islam. Therefore, in the following parts of this literature review section, I will identify sociological theory and other literatures to help answer the research question.

**Sociological Theory**

The extant literature of religious sociology assumes that there are two fundamental approaches with regard to the conceptualization of religion. The first approach focuses on its essence while the latter one focuses on explaining the functions it serves (Babahan, 2014: 24-25; Kurt, 2008: 89). The ideational roots of these two approaches depend on two famous sociologists: Durkheim with his approach towards religion in terms of its functionality in society and Weber with his approach to what essentially religion is (Grace, 2006: 103 in Kurt, 2008: 74). According to Durkheim, religion is not about metaphysics; rather, one of the most fundamental functions of religion is uniting and connecting individuals within a specific group of society, thus providing social order (Babahan, 2014: 27-28).

From this perspective, Durkheim defined religion as a unified system of beliefs and practices relative to sacred things, i.e. things set apart and forbidden beliefs and practices that unite all of their adherents into a single moral community called a church (Babahan, 2014: 28). According to Kurt (2008: 79), a “church” in this definition reflects a community of religious sects instead of a physical place to pray, thus connoting the concept of “ummah”, the specific name for an Islamic society. Durkheim’s conceptualization of religion seems to overemphasize the pragmatic value of religion, which functions as a social phenomenon, and neglect its divine attributes.

On the other hand, Weber defined religion as an attempt to achieve salvation (Kurt, 2008: 79) and distinguished between the immanent, impersonal God who anchors mysticism and the transcendent and personal creator God who anchors salvation religions (Weber, 1958: 325). Weber used the term “value spheres” for
relatively autonomous action-oriented domains centered on determinate, incommensurable, ultimate values: divine salvation in religion, aesthetics in art, power in politics, property in capitalist markets, and knowledge in science (Friedland, 2012: 5). Therefore, it can be inferred that in sociological theory religion is an ideology (Babahan, 2014: 30; Friedland, 2009: 33) and is fundamentally studied according to the frameworks established by Durkheim and Weber, namely functionality in terms of social order for the former and essence in terms of divine emphasis for the latter.

An alternative approach combining these two facets of religion can be seen in the conceptualization of Islam as a specific religious order and a relatively original historical-cultural form of religion (Babahan, 2014: 31). The Turkish scholar Atay (2004) summarized that Islam as a religious order suits Durkheim’s functionality approach since it is characterized by a rich discursive tradition and a variety of practices in terms of moral, legal, and sociopolitical theses, and by the concept of the ummah, or the group of people who reflect and share their belief established by the Prophet Mohammed’s struggle to establish a new religion (in Babahan, 2014: 31). This perspective may also include Weber’s emphasis on essence via ordering individual psychological needs that give rise to mystic insight (Sufism and other religious orders), intellectual sensitivity, and a search for philosophical and ideological developments (Babahan, 2014: 31).

Şerif Mardin is another Turkish scholar who defines Islam as an ideology as per general acceptance (2016) and provides distinct explanations for this. According to Mardin (2016: 88), when compared with the West, Islam has extra ideological functions in some additional layers of society. Mardin classifies these ideological functions as ranging from personality development to macro-level societal norms. From this perspective, religion’s role as a societal guide and shaper of individuals is more developed in Muslim societies than it is in Western Christian societies (Mardin, 2016: 75). At the individual level, definite submission to Allah (the specific name of the creator God in Islam according to its holy book, the Quran) identifies a specific form of divine devotion (Babahan, 2014: 27; Mardin, 2016: 70). Friedland (2011: 10) also defines this specific aspect of Islam as Muslims understanding Allah as having “both revealed a singular source and template for human governance and a telos of human history”.

Along with direct obedience to Allah, which constitutes a distinctive form of divinity, the concept of the ummah embodies another distinct aspect of Islam.
The ummah, or Islamic society, is identified as a carrier of norms in society (Mardin, 2016: 74-76). The ummah provides normative rules for what to do (Mardin, 2016: 78) and provides solidarity, but not necessarily cooperation (Cahen, 1955: 155 in Mardin, 2016: 76).

Sociological theories provide an idea about why religion and specifically Islam differ from other institutional orders in terms of ontology and functionality. However, to enrich institutional (logics) theories it may be useful to identify some other relevant studies to help discover potential behavioral patterns under the influence of this distinctive institutional order. I will now briefly mention some other such literatures in order to identify action possibilities.

**Other Literatures**

Organizational contexts in which the logic of Islam meets other institutional logics may offer a latent research area. According to Sandıkçı (2011: 247), the “omission era” of Muslim identity in marketing was based on an assumption of Muslims being low-income and uneducated people, and that was followed by an era of discovery, which, fostered by some social, economic, political, and cultural developments, such as Islamic social movements, increased the recent interest in Muslim businesses (Sandıkçı, 2011: 249). The visibility of Muslim identity in the public sphere and in business areas resulted in entrepreneurial efforts to make, and market, ‘Islamic’ versions of everything. According to some scholars this caused an increasing demand in areas like finance and banking (Di Mau-ro, Caristi, Couderc, Maria, Ho, Grewal, Masciantonio, Ongena, and Zaheer, 2013), and for some others it created a necessity to reinterpret the religion within the given economic conditions beyond its transcendental meaning, regardless of the organizational field (Adas, 2006).

Ranging from fashion to banking, food, vacations, media, and even educational and hospital preferences, the visibility of the Muslim identity in organizational contexts created a distinct consumer type having specific consumption patterns. Inspired by this trend, Muslim entrepreneurs and businessmen have appealed to Islamic ethical principles in an effort to combine them with modern capitalist market practices. A duality was revealed in the creation of this combination: whether to appeal to the origins of the religion or to those of field requirements. Tuğal (2002) called this duality a discrepancy between the imaginary (moral orders as envisioned by Islam) and the real (institutions and relations as
created by modern practices). Bilici theorized (2013: 216) that there is a perspective divergence among Islamic intellectuals and the Islamic middle-upper class in terms of their approach to business affairs. The latter pretends to reconstruct and accordingly convert Muslim identity in regards to modern life necessities and intellectuals object to this hybridization with concerns for the authenticity of the religion.

Empirical studies foster different perspectives. For example, according to Di Mauro et al. (2013), to overcome the conflict between Islam and the market, Islamic financial institutions have worked according to the principles of the Quran (verses of the holy book of Islam) and the Sunna (words and acts of the Prophet Muhammed) and thus undertook innovative practices that allowed Islamic banks to avoid the problems faced by many Western banks since the 2008 financial crisis (Tracey et al., 2014).

Based on this conceptualization, this study supports the ideas of the supporters of authenticity in emphasizing appeals to the rules and orders fostered by religion instead of reinterpreting them. However, there are also some studies supporting the idea of reconstruction as an alternative to overcome conflicts between Islam and other institutional orders. For example, Öncü (1995) suggested that Islam is an interpretive package commercialized to be taken by different audiences as a consumption tool. Islam as embedded in real-life experiences is different from the official discourse of the religion and thus forms a new stock of knowledge (Öncü, 1995: 69).

The extant literature sees the hybridization of Islamic rules in accordance with those of the field as the best action to obtain legitimacy and to survive under the conflicting pressures of the organizational field (Gökarıksel and McLarney, 2010; Öncü, 1995; Sandıkçı, 2011). However, there is another point of view arguing that some actor types may prefer to behave according to the norms of Islam even if it requires accepting a disadvantageous position in an organizational field. For example, in Adas’s (2006: 126) paper, two main businessmen types proposed. The first is the homo-traditionalus, with simple means and ends, not aiming to expand or accumulate money beyond his needs. He acts according to religious orientation and avoids the institutions of modern capitalism. The second is the homo-economicus, who is a rational, calculating, self-maximizing, and utilitarian businessmen (Adas, 2006: 127). Adas then mentioned about a third alternative, the homo-islamicus, who unlike the homo-economicus and ho-
mo-traditionalus is said to be both entrepreneurial and moral. He is an Islamic personality who defines his existence by combining private and public life and religious and economic activities through his Islamic ethical values and norms (Adas, 2006). This typology exemplifies the choice of the actor as the determinant between the two alternatives of overcoming conflicts of Islam and other logics. Another actor-based classification of preferences in the case of conflict was made by Tuğal (2002), who defined a moral capitalist as one who prioritizes religious tasks over expansion or profit and values morality, community, and ummah (Islamic society) over economic prosperity. Tuğal (2002) conceptualized this alternative capitalist as an actor who possesses the logics of expansion of profit and strong competition with the global bourgeois rather than social justice. However, these actor-based typologies do not provide an explanation of the possible antecedents of actors’ choices.

Apart from actor type, some other specific field characteristics may foster the debate between referring to religion or to field norms in the case of a logics conflict. Sandıkçı and Ger (2002: 467) proposed that consumers who are conservative in values but avant-garde in consumption patterns reconstruct Muslim identity. The nature of the products or services provided in some organizational contexts may stimulate constructs that do not belong to the framework of Islam but may be packaged and advertised as a need or necessity. The most apparent conflict in meaning reconstruction and authenticity from this perspective exists in the realm of fashion and especially in the form of women’s clothing, specifically veils and hair scarfs. A majority of Muslim women accept the use of a hair scarf as compulsory and according to Balasescu (2003) some entrepreneurs try to make it beautiful. However, it might be controversial as to whether or not the term ‘beauty’ belongs to the Islamic frame of reference here. Aktaş (1995) argues this point as a conflict emerging between intimacy, which is fostered by the religion, and beauty, which is fostered by the field. Although balancing efforts are theorized by some scholars as blending Islamic ethical principles with capitalist business practices (Sandıkçı, 2011), fashion is seen as a threat to the Islamic lifestyle by some other scholars (Meric, 1987). Similarly, in hotel and vacation fields, terms like ‘joy’, ‘satisfaction’, and ‘pleasure’ are accepted by some scholars as being controversial from an Islamic point of view since the rules of this religion require its believers to follow a more moderate lifestyle and avoid such secular pleasures (Bilici, 2013). The theological question of whether or not such products or services belong to an Islamic frame of reference is not within the scope of this paper.
However, it is obvious that field characteristics may lead Islam into conflict with other institutional orders. Unfortunately, the antecedents for this type of conflict are not discussed in the extant literature.

**Theoretical Framework**

Building on the literature review, I can claim that there are three different sets of knowledge revealing distinct perspectives with regard to the framework that I want to construct in this paper. Institutional logic studies provide insights into how institutional complexity leads to various behavioral and situational templates, with organizations acting according to their frames of reference. However, these studies are silent towards the logic of religion. Sociological theories demonstrate how religion and specifically Islam as an institutional logic can be defined distinctively in terms of ontology (essences and substances) and functionality. Nevertheless, these particular studies did not deal with action patterns.

Here I propose that in any organizational context when Islam clashes with other institutional logics, there may be two main alternative ways in which organizations would act to overcome said conflict: 1) appealing to the original transcendental, belief-based norms and rules of the religion as a base of action, or 2) appealing to the norms, rules of the field, and modern practices as a base of action and finding a way to reinterpret religious norms accordingly. However, it can be claimed that making a choice between authenticities of any kind of ideology and performing a reinterpretation of it, does not seem to be a specific action pattern of religion. Therefore, I first add to this framework the ontological insights of Islam, which I believe may make it unique. What is ontologically distinct about Islam is the specific form of divine devotion, in the form of giving both a specific name and unquestioning direct obedience to God. That is what I initially propose about Islam:

*Proposition 1: Islam as an institutional logic has a distinct form of divine authority, namely submission to Allah, and this may have an influence on other actor choices.*

In this proposition, I emphasize Weberian ontology and assume that all logics have distinctive core substances, and that of Islam gives a specific name to the creator God, making the will of Allah superior to any other type of authority. This proposition is directly related to term agency. Punishment or gifts from Allah
may direct the action patterns of individuals and thus may lead to a “bounded agency”. As the first model indicated in the Figure 1 shows, I propose that when faced with the duality between whether to appeal to the merits of Islam or act in accordance with the real material necessities of the field, the preference chosen by the organization depends on the dominant actor in that organization, whether it is the owner, manager, or any stakeholder. For the actor type, which I assume as the first determinant dimension of organizational responses in the case of conflict, the distinct divine devotion of Islam should act as an antecedent directing the action flow. Besides another determinant of these people’s choices, the degree of embeddedness to submission to Allah may also be important. Therefore, it can be further proposed that:

**Proposition 1a**: Traditionalist actors, who are seemingly more embedded in the divine dimension of Islam, more submitted to Allah, may lead their organization to appeal to the origins of Islam in overcoming potential conflict in an organizational field, thus keep the authentic meaning of the religion.

**Proposition 1b**: Challenger actors, who are seemingly less embedded in the divine dimension of Islam, less submitted to Allah, may lead their organization to appeal to the norms of the field to overcome potential conflict in an organizational field, thus reconstruct the meaning of the religion.

![Figure 1](#) Divine Dimension of Religion as Antecedent of Behavior According to Actor Type

In this first set of propositions, the ontological distinctiveness of Islam as an institutional logic is proposed as the antecedent of action patterns that actors may follow in an organizational field, thus providing a link between institutional theory and sociological theory. However, it can also be proposed that there may be some other factors that might influence actors’ choices, such as age, gender, or other life experiences.
Another distinctive aspect of Islam logic, the ummah, identified with macro-level functionality, may also be added to the picture as an antecedent of action patterns in the case of conflict. The ummah, as defined earlier, acts as a carrier of norms in Muslim societies by providing rule templates about what is right or wrong, what should be done or not. The ummah in itself may enhance the possibility of different lifestyles via a collective evaluation of societal changes. There may be some organizational fields that may include controversial products or services, as in the fashion and holiday/vacation cases. Whether or not Islam has strict rules about the these products or services is a theological debate beyond the scope of this paper as specified earlier, but I propose that field characteristics in terms of products or services provided in those fields might influence organizational behavioral choices. Therefore, field characteristics can be accepted as another determinant dimension of organizational response in the case of conflict. Besides, the normative power of the ummah as an antecedent may have an influence on the evaluation of the appropriateness of some products or services. Hence, the duality debate between religious norms versus field-based norms routing organizational behavior in the case of conflict may also originate from how characteristics of any organizational field – like in the fashion and holiday/vacation cases – are understood by the collective evaluation of the ummah. Therefore, I propose the following about Islam:

**Proposition 2:** Islam as an institutional logic has a distinct form of normative authority, namely the ummah, the power of which may have an influence on organizational response choices.

The ummah as a collective authority may declare the inappropriateness of some organizational fields in a total or partial manner and convey a goal to produce, sell, consume, or purchase “Islamic” of everything. Thus, the ummah may emphasize appealing to the merits of religion. In some other societies, the ummah’s collective choice may be in the form of following the necessities of the field and thus reconstructing the meaning of the religion. Therefore, the followings can be proposed:

**Proposition 2a:** The relative power of the ummah may be skeptical about controversial organizational fields and may lead organizations to appeal to the origins of the Islam to overcome potential conflicts in organizational fields, thus keep the authentic meaning of the religion.
Proposition 2b: The relative power of the ummah may be flexible about controversial organizational fields and may lead organizations to appeal to the norms of the field to overcome potential conflicts in an organizational field, thus reconstruct the meaning of the religion.

**Figure 2.** Ummah Dimension of Religion as Antecedent of Behavior According to Field Characteristics

In this second set of propositions summarized in the model indicated in Figure 2, there may be some other forces influencing the evaluation of the ummah, such as the political and economic conditions of the society and intellectual debates among opinion leaders.

**Discussion and Conclusion**

In this study, I have proposed a theoretical model that explains how organizations may react when Islam as an institutional logic falls into conflict with other logics. The extant literature on management and organizations is silent about the construct of religion, as is the institutional logics literature. Despite its original existence among other logics, religion has either been taken as a shadow logic (Greenwood et al., 2010) or been ignored totally. There are some recent calls to study religion in order to extract potential latent theory. This paper is intended to meet this recent call and take Islam as an institutional logic, define it accordingly, and try to frame how it could be possible for organizations to overcome conflict while appealing to Islam in secular organizational settings. This primitive framework depends on theoretical explanations of sociological theory in defining the ontological and functional distinctiveness of Islam logic. Two main unique aspects of Islam are taken into consideration: the distinctive concept of divinity and the ummah concept.
To appeal to the origins of the religion and protect its authenticity or to reinterpret the religion according to the expectations of the related field are the two main action possibilities, as the related literatures explain. These two facets of behavioral alternatives emerged from the review of recent debates between two points of view in Muslim society. This debate is between intellectuals and the middle-upper class. It is about whether to construct a new Muslim identity to satisfy the daily needs of these people or to keep the identity as constant as possible at the theoretical level. This debate can be taken to the level of theory interpretation, asking which sacred text would be regarded as an authority and who would do the interpretation (Hinings et al., 2014; 176). Regarding the authority of a sacred text, Muslim societies seem to reach a consensus that it is the Quran, but regarding interpretation of the holy book there are serious controversies. The construct of the Sunna is also very controversial in Islamic knowledge. All of these theological controversies within Islam itself led me to propose two extreme alternatives as action patterns in this paper. There may be other action alternatives between them, forming a middle way for organizational response. However, focusing on theological debates may lead to an axial dislocation in the theoretical framework being proposed, which tends to focus on conflicting institutional logics and potential organizational responses.

I referred to sociological theory to identify antecedents of organizational response alternatives. What I propose is to add the ontological and functional differences of Islam as antecedents of action alternatives. I propose an actor type and field characteristics as determinant dimensions of organizational responses in the case of conflict. The specific divine devotion and the relative power of the ummah are also proposed as unique aspects of Islam, which constitute antecedents of organizational response dimensions.

The propositions that I developed in the theoretical framework part include the degree of submission to Allah as an indicator of the divine concept in Islam and the relative power of the ummah in evaluating controversial organizational fields. However, both of these antecedents of behavioral determinants are subjective in nature, personal, difficult to measure, and changeable in time. Moreover, there may be other forces influencing the action flow. However, in this study I tried to demonstrate that in cases of conflict the involvement of religion and specifically Islam might provoke behavioral fragmentations that are difficult to explain without taking into consideration the ontological substances of the logic. In the future, it might be useful to enrich the models and propositions developed
here from the perspectives of both sociology and other theories. Empirical testing of these propositions might also provide useful information for the institutional logics literature. Micro-foundations of actors and their agentic behavior in appealing to the religion of Islam with the coexistence of other logics should be analyzed. The wording of these propositions, regarding actor types and field characteristics, may be further specified. I have used the terms “traditionalist” versus “challenger” for actor types but these names may be revised in theory or perhaps based on an empirical design. Similarly, regarding the relative power of the ummah, I used “skepticism” and “flexibility” as two conflicting poles, which may be further developed. As this paper is, an initial study to carry Islam into the institutional logics research area, both the theoretical frame proposed here and its potential empirical designs need to be expanded and refined in the near future.

References / Kaynaklar


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