Environmental Change And Organizational Adaptation

Organizational adaptation and learning have been extensively studied in the management literature. The personality theory of the company (Cyert and March, 1963; March and Olsen, 1976; Levinthal and March, 1981; Mezias and Glynn, 1993) views businesses as adaptive learning systems in which much patterns unfolds through standard working procedures. Nelson and Winter season(1982) assert that organizations use "routines" that are developed through time and change constantly, but gradually, to adapt to changing conditions: activities that appear to produce results tend to become incorporated as new routines.

About all of this research indicates that learning and version are slow, gradual procedures, and that new capacities are difficult to create and harmful for modify (Argyris and You will need? n, 1984); some writers going so far as to suggest that existing capabilities may become "core rigidities" that can prevent an organization's ability to change (Gersick and Hackman, 1990; Leonard-Barton, 1991).

Greenwood and Hinings (1996) distinguish between radical and concourant organizational change by presenting the idea of an archetypal template--an organization's interpretive system shaped by underpinning ideas and values: "Convergent change occurs within the parameters of an existing archetypal template. Revolutionary change, in contrast, occurs for the organization actions from one template-in-use to another" (p. 1026). They also make the distinction between revolutionary and evolutionary change: the former happens quickly and influences all parts of the organization while the latter is gradual.

In the same way, Tushman and Romanelli (1985) distinguish between "convergence"-- a technique of progressive change stead with existing inner activities and strategic orientation--and "reorientations"—simultaneous and discontinuous shifts in an organization's strategy, constructions, and control systems. Although recentre search remains regular with the notion of adaptation as a gradual process by which a firm converges toward a reasonable "fit" with the environment (Siggelkow, 2002) and actors in an organizational field make sense of and manage new phenomena(Leblebici et al., 1991; Holm, 1995), progressively more research workers is studying firm adaptation in the occurrence of significant environmental change (Ginsberg andBuchholtz, 1990; Haverman, 1993; Bacharach et al., 1996; Kraats and Zajac, 2001).

Upon the theoretical front, company change and adaptation have been extensively studied and grouped Furthermor, they posit that "re-creations are reorientations which also involve a discontinuous change in the firm's primary values and beliefs" (p. 179), and they suggest a punctuated equilibrium model of organizational evolution, where periods of convergent progress are punctuated by reorientations that set the direction of the next convergent period.

The propositions of two papers have been modified and extended by different experts (Johnson et al., 2000). We argue that further development of theory relating to organizational change and adaptation requires a finer understanding of the several types of environmental change than we have today. The current taxonomies of environmental change are insufficiently sensitive to any or all the granularity of the partnership between environmental and organizational change and,

as we elaborate below, this theoretical limitation hinders our ability to realize the complete potential of scientific research. A more careful description of the different types of environmental change will help improve our understanding of organizations' specific responses to different environmental stimuli.

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