Multiple Institutional Logics in Union-NGO Relations:
private labour regulation in the Swedish Clean Clothes Campaign

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Abstract

Conflicts between labour unions and non-governmental organizations (NGOs) often impede private labour regulatory attempts to protect worker rights at supplier factories. Based on a study of a failed private regulatory attempt for Swedish garment retailers, we contribute to existing research into union–NGO relations by demonstrating how conflict arises because unions and NGOs act upon different institutional logics. We also contribute to the institutional logics perspective by challenging the current emphasis on either co-existence or conflict among multiple logics, and showing the heterogeneity in how multiple logics manifest on a local level, how this could shift over time, and suggesting an empirically derived typology of manifestations of multiple logics.

Keywords
Union; NGO; institutional logic; private regulation; global value chains; supplier relations; code of conduct; international framework agreement.
Introduction

Following the offshoring and outsourcing of production from Europe and the USA, worker rights representatives have forced companies to assume responsibility for working conditions at the point of production, contributing to the emergence of worker rights regulatory systems in the private sphere (e.g. Fitjar 2011; Graafland & Zhang 2014). A central component of these private regulatory systems is the relationship between labour unions, acting as leading protectors of traditional public regulation, and human rights non-governmental organizations (NGOs), acting as the driving forces of private regulation.

Scholars stress that unions and NGOs share what McPherson and Sauder (2013) call ‘basis of mission’, as they both strive to protect worker rights (e.g. Frundt 1999; Ross 2006), and strongly argue that cooperative union–NGO relationships are central to balancing the influence of transnational corporations (TNCs) in global value chains (e.g. Braun & Gearhart 2004; Coe and Hess 2013; Ford 2006). Despite the importance of cooperation, and examples cited in previous research of such cooperation (e.g. Ross 2006; Ford 2009; Kryst 2012), union–NGO relationships are often rife with conflict (e.g. Frundt 1999; Traub-Werner & Carvey 2002; Justice 2003; Anner & Evans 2004; Riisgaard, 2009).

To understand both the rise and impact of private regulatory systems, it is crucial to explore union–NGO relations. Still, scholars have largely neglected these relations, at least in relation to worker rights issues (Arenas et al. 2009; Riisgaard 2009). The sparse existing research into union–NGO relations as they concern worker rights has mainly taken the form of practitioners’ reflections (e.g. Simpkins 2004), conceptual papers (e.g. Braun & Gearhart 2004), and minor empirical studies (e.g. Arenas et al.
Limited empirically grounded research explores union–NGO relations; for rare exceptions, see Ford’s (2009) analysis of Indonesian unions and NGOs and Kryst’s (2012) analysis of the German Clean Clothes Campaign. Still, previous research has suggested some explanations of why unions and NGOs have difficulties cooperating, highlighting organizational (Braun & Gearhart 2004; Egels-Zandén & Hyllman 2011), class-related (Ford 2009), and gender-related differences (Huyer 2004). Drawing upon the institutional logic perspective (Thornton et al. 2012), we develop a complementary explanation showing that conflicts could stem from unions and NGOs acting upon multiple local institutional logics. Institutional logics ‘refer to the belief systems and related practices that predominate in an organizational field’ (Scott 2001: 139); as such, they represent expectations regarding social relationships and behaviour (Goodrick & Reay 2011). Our focus on institutional logics is in line with both recent scholarly interest in institutional logics in relation to CSR/business ethics (Levy et al. 2010; Bjerregaard & Lauring 2013), and scholars drawing on institutional theory to study private labour regulation (Bartley 2007; Fransen 2012; Frostenson et al. 2012).

Based on a study of the Swedish Clean Clothes Campaign’s failed attempt to establish a private regulatory system, we ask: how do organizations that share ‘basis of mission’ cope with multiple institutional logics on a local level? We argue that while unions and NGOs in the Swedish case agreed on what to achieve, they acted upon different local institutional logics in relation to how to achieve this mission and that these differences ultimately led to the failure of the regulatory attempt. In doing this, we contribute to three streams of literature. First, we contribute to the nascent literature on union–NGO relations by providing a detailed empirical study and introducing the institutional logics perspective as an explanation for union-NGO conflicts. Second, we contribute to the literature on the interaction between public and
private regulation (e.g., Amengual 2010; Locke et al. 2013) by emphasizing that attempts to create private regulatory systems will likely be contested by unions when based on a NGO logic, as is normally the case.

Third, we contribute to the institutional logics perspective by responding to calls for studies of how actors cope with multiple institutional logics on a local level (e.g., Thornton et al. 2012; Pache & Santos 2013). Our findings show how actors, over time, acted upon multiple logics in various ways when performing their tasks, leading to cooperative relations between logics in certain situations and conflicts in others. We thus challenge the current emphasis on either co-existence or conflict among multiple logics (Besharov and Smith, 2014), and show the heterogeneity in how multiple logics manifest on a local level, how this could shift over time, and suggest an empirically derived typology of manifestations of multiple logics

**Institutional logics**

The institutional logics perspective has become a widespread analytical framework for institutional analysis at multiple levels (Thornton et al. 2012). This perspective was first introduced by Friedland and Alford (1991), who argued that society is constituted by multiple institutional orders guided by specific institutional logics. They proposed market, family, state, democracy, and religion as the central ideal types of institutional logics operating at the societal level.¹ Later, Thornton and Ocasio (1999) developed logics at the industry or organizational field levels with subsequent research showing how field level institutional logics are historically contingent (Greenwood et al. 2011), govern action and institutional change (Seo and

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¹ Other logics have been added to the society-level institutional logics (e.g. profession, corporation, and community), while democracy has been dropped (for an overview, see Thornton et al. 2012).
Creed 2002), and what happens upon the mobilization of a new logic that competes with, and gradually replaces, beliefs and practices associated with the previously dominant logic (e.g. Friedland and Alford 1991).

While recognizing the contribution of this society and field level research, we draw, in this paper, more specifically on the recent research that has concentrated on how institutional logics play out in practice and identified locally constructed manifestations that include dimensions of several field level logics (McPherson & Sauder 2013; Besharov and Smith, 2014). In this paper, we refer to these local manifestations as ‘local institutional logics’. This line of research focuses on understanding how actors act upon logics in day-to-day work. For example, Pache and Santos (2013, p. 8) propose that “individuals may be influenced by different logics in different ways”, and, thus, be novices, familiar, or identified with a given logic.

Several of these studies have improved our understanding of the process of competing and co-mingling logics (e.g. Goodrick & Reay 2011; Pache & Santos 2010, 2013; Swan et al. 2010). Still, scholars have stressed the need for research into how organizations and individuals experience, cope with, and respond to the complexity arising from prescriptions from multiple institutional logics (Greenwood et al. 2011; Thornton et al., 2012; Pache & Santos 2013). Furthermore, existing research offers little guidance regarding how multiple logics are actualized in practice (McPherson & Sauder, 2013), and the heterogeneity in how multiple logics manifest in practice (Besharov and Smith, 2014).
Dealing with multiple institutional logics is challenging for organizations, since it triggers internal tensions that may generate conflicts (Battilana and Dorado 2010). Multiple logics could also lead to conflicts between logics (Purdy and Gray, 2009; Dunn and Jones, 2010), or segmenting of logics (Goodrick and Reay, 2011). Segmenting is a mechanism allowing multiple competitive logics to coexist with some dimensions of work reflecting one logic while other dimensions reflect different logics. In this way, multiple logics may coexist and the different demands that have to be satisfied can be divided between different actors, communities, or types of organizations. In addition to conflict and segmenting, multiple logics may also have a cooperative character. Goodrick and Reay (2011), for example, show that multiple logics may strengthen and justify each other (facilitative relationship) and expand the repertoire of legitimate actions (additive relationship).

In this study, we draw upon these insights to study local institutional logics and union-NGO conflicts, i.e. how organizations that share ‘basis of mission’ cope with multiple institutional logics on a local level. We also take these insights forward by showing how multiple logics are actualized in practice (McPherson & Sauder, 2013), and the heterogeneity in how they manifest over time (Besharov and Smith, 2014).

Method

This article reports on a longitudinal study of the Swedish Clean Clothes Campaign (CCC-S). The overall purpose of the study was to describe and analyse union–NGO relations and the emergence of private regulation. Given that private regulation has emerged recently and little previous research examines the union–NGO relationship, we rely on qualitative research methods (e.g. Marshall & Rossman 1995) to explore what local institutional logics guided union–NGO collaboration during the CCC-S.
The fact that the effort to create a private regulatory system failed is advantageous for studying institutional logics, as the characteristic dimensions of rival logics and actors’ positions surface in times of crisis and change (e.g. Townley 2002).

Fieldwork began in 2002 and ended in the spring of 2008, but was complemented by several informal discussions with key individuals in 2012 when the CCC-S collapsed. We interviewed 26 representatives of the various organizations involved in this attempt to establish a private regulatory system for worker rights in the Swedish garment industry. We interviewed seven representatives of Swedish unions, ten NGO representatives, and nine TNC representatives. All interviewees were responsible for worker rights negotiations in their organizations, all were personally involved in negotiations related to the CCC-S, and most were interviewed multiple times. Each interview lasted on average one hour and the interviews broadly treated the chronological development of the CCC-S, the involved actors, and the role of the interviewee in this process, and specifically explored the concrete details, challenges, and opportunities of the CCC-S.

Written documentation (e.g. reports, newspaper articles, and websites) was used mainly to validate the information obtained in interviews; few inconsistencies were found between the data obtained from verbal and written sources. When inconsistencies were identified, either between interviews or between written and verbal sources, they were discussed with the relevant actors and, if still unresolved, were included in the case description to transparently present divergences of opinion.

A limitation of our study is the lack of observations of negotiations behind closed doors between unions, NGOs, and TNCs in the studied case. Such observations would have let us present a more detailed account of each of the involved organizations’
roles and positions. The lack of observations is particularly problematic since one of the NGOs (Fair Trade Center – FTC) seemingly directed much of the development of the CCC-S, with the other NGOs mainly passively supporting its proposals. From our vantage point, the NGOs seem to have acted in a fairly harmonized way, although differences likely existed in practice in the detailed negotiations behind closed doors. Likewise, the unions involved in the studied process seemed, from our vantage point, also to have acted in a fairly harmonized way. Consequently, we discuss differences between NGOs and unions at an aggregate level, although recognizing that there likely were differences within the NGO and union groups as well.

The field material consisted of notes from the interviews and of documents produced by the organizations taking part in the campaign and by third parties such as the media. Inspired by a grounded theory approach (Glaser & Strauss 1967; Martin & Turner 1987; Czarniawska 2014), we engaged in an iterative process of collecting and analysing data, continually comparing existing with new data along emerging dimensions of interest. Figure 1 summarizes the iterative process.

We started by analysing the interviews, summarizing the material by focusing on themes, or first-order description (Van Maanen, 1988), that occurred. This initial analysis led us to identify gaps in the existing material and raised new queries that were subsequently used as input to follow-up interviews. This updated empirical material was, in turn, used both for further analysis and to construct a chronological description of the case, emphasizing key actors and decision points in the case. The chronological description of the case was presented in a report to the key actors in the case, and they were given the opportunity not only to validate the chronological
description of the process but also to reflect on the process and give us feedback; as such, they provided us with a deeper understanding of their work. This led to a further round of follow-up interviews. The design of the study was thus constantly being re-evaluated and re-designed (Czarniawska 2014).

When analysing the identified themes and the chronological description of the case, it became obvious that the unions and NGOs shared an understanding of what they wanted to achieve (i.e. improved worker rights), but differed in their understanding of how to achieve this. It also became clear that these differences were closely linked to the observed union–NGO conflicts and the failure of the studied case. We categorized these identified differences between the involved unions and NGOs, identifying four main differences (at this time, labelled: geographical boundaries, governance models, power sources, and coordination mechanisms). This categorization was largely done inductively with partial guidance from research into union–NGO relations, industrial relations, private regulation, and business ethics.

Drawing on the dimensions distinguishing various institutional logics proposed by McPherson and Sauder (2013) and Thornton et al. (2012), we further developed our categorization of union–NGO differences based on the institutional logics literature. In using these institutional logics dimensions, we somewhat modified and relabelled our original differences and concluded that the unions and NGOs in the studied case shared a ‘basis of mission’ but differed in their ‘basis of strategy’, ‘scope of action’, ‘source of legitimacy’, and ‘basis of attention and source of coordination’. Based on this analysis, we identified two distinct local institutional logics – the union and the NGO local logics – according to which unions and NGOs acted in the studied case, and connected their action according to these logics to the conflicts identified in the
case. In the next section, we present a chronological description of the CCC-S case and then outline the four identified union–NGO differences and the two distinct local institutional logics and analyze how unions and NGOs coped with multiple institutional logics on the local level in the CCC-S case.

The Clean Clothes Campaign in Sweden

The structure of the Swedish Clean Clothes Campaign (CCC-S)

In the late 1980s and early 1990s, NGOs and unions started to challenge TNCs’ unwillingness to assume responsibility for worker rights in their suppliers’ factories, and companies, such as Levi’s and Nike, responded to these challenges by adopting codes of conduct and initiating factory audits. This debate reached Sweden in 1996 when a recently founded Swedish NGO, the Fair Trade Center (FTC), made contact with the Dutch Clean Clothes Campaign.

The Swedish NGO FTC, the initiator of CCC-S, was founded with the aim of working for fairer trade between Swedish firms and workers, and their representatives, in developing countries. In 1996, FTC had only one employee working full-time, and the organization had a total of one and a half paid positions. Still, these employees managed to convince seven other NGOs (i.e. Red Cross Sweden Youth, Swedish World Shops’ Association, SAC Syndicalists, Global Publications Foundation, Emmaus Stockholm, and Swedish Cooperative Center and Förbundet Vi Unga) to join CCC-S. In addition to NGOs, it was essential for FTC to include unions in the campaign, since Swedish unions have traditionally played a central role in worker rights negotiations with Swedish garment retailers. Although the two unions involved in the garment industry, the Commercial Employees’ Union (CEU) and the Industrial Workers’ Union (IWU), combined had less than one full-time position dedicated to
worker rights issues outside Sweden, they identified with the aim of the campaign, were impressed by the drive of FTC, and, after internal deliberation, also joined CCC-S.

CCC-S was managed by a four-member working group – one each from FTC, the two unions, and one of the other NGOs. FTC had an influential role in the working group, whose other members confirmed that FTC proposed most of the ideas for how CCC-S should operate. Organizational differences were obvious between the unions and NGOs in CCC-S. While the unions were democratically organized, possessing members and internal structures of political representation, FTC and the other NGOs were operated mainly by hired staff, few had members, and few had democratic organizational structures. These differences meant that while FTC staff were highly active in promoting CCC-S, committing their full resources to the project, the involved unions did not commit the same degree of decision-making power.

Launching the campaign

A central premise of CCC-S was the shift in focus from worker rights in Sweden to worker rights in developing countries. As a FTC representative put it,

> We started FTC because we want companies to take responsibility for human rights in the production of products all over the globe. It does not matter that they have shifted production to suppliers. They are still responsible for the produced products.

FTC thus embraced transnational, rather than national, geographic boundaries for worker rights and TNC responsibility; accordingly, it saw Swedish retailers’ responsibility as extending beyond national and corporate boundaries. Meanwhile, the participating unions, CEU and IWU, claimed at the start of the campaign not to have
developed a position regarding worker rights issues outside Sweden, highlighting an overwhelmingly national frame of reference. As a union representative put it,

> When it all started, I thought that the idea sounded good. That it really could become something. But the further we got into the campaign, the more I realized how difficult it would be … You have to remember that when it all started [in 1996] we had not given these issues of codes of conduct much thought … We were concentrating on Sweden where our members work.

The transnational emphasis of the campaign meant that the Swedish unions’ traditional industrial action tools of union–management dialogue, legal recourse, and strikes were of little use, since the involved unions did not represent the workers at the point of production, were unable to use legal courts in the countries of production, and only had relationships with the managements of Swedish garment retailers and not suppliers. In other words, the importance of union participation in CCC-S was more linked to campaign legitimacy being closely tied to their participation than to unions’ ability to leverage their traditional industrial action tools.

The transnational emphasis led the CCC-S to build its campaign around mobilizing consumers and other Swedish stakeholders. Campaign activities started off with a postcard campaign, proposed and directed by FTC, targeting the shoppers at four of Sweden’s largest garment retailers: Hennes & Mauritz (H&M), Lindex, KappAhl, and Indiska. The idea was for consumers to pressure the retailers to extend their corporate responsibilities to encompass the operations of their foreign suppliers. This emphasis on threatening corporate legitimacy and name-and-shame campaigns was central to CCC-S and was envisioned as the campaign’s primary source of power. This was clearly a way of working that FTC, and some of the involved NGOs, were more familiar with than were the unions.
I never really felt at home in the campaign. Of course, I grasped the idea of consumer leverage, but it was not a way of working that I was used to. (Union representative)

The postcard campaign was accompanied by written and phone contacts with the Swedish garment retailers that urged the firms to adopt codes of conduct. By the end of 1997 (following several media scandals), Swedish garment retailers eventually also adopted codes. The retailers’ rationale for extending their responsibility was to avoid negative media attention and maintain a positive image in the eyes of consumers. As a corporate representative put it,

> It is never fun to be threatened into taking action, but we learned a lot during this journey … We probably would have adopted a code of conduct anyway, but all the scandals did speed up the process.

*The DressCode project*

The CCC-S regarded the corporate-adopted codes of conduct and auditing as inadequate and therefore pushed the four largest Swedish garment retailers into a multi-stakeholder initiative, called DressCode, aimed at establishing a harmonized code of conduct and an independent factory auditing function. Between 1998 and 2001, the CCC-S members and the Swedish garment retailers worked together and developed a proposal for a harmonized code of conduct and independent factory auditing. During this period, the DressCode project was driven mainly by FTC and the garment retailers, while the unions were passively involved, not criticizing the project but not supporting it to any great extent either. As a corporate representative explained,

> During the three years of meetings, the union representatives were fairly passive. We held the view that we were in agreement. We thought so until the final
meeting when it became clear that the unions no longer supported the project … It was only at the very end when there was a fully developed proposal that they [i.e. the unions] no longer wanted to participate in the project.

*The collapse of the DressCode project*

Between 1996 and 2001, cooperative NGO–union relations had, through CCC-S and the DressCode project, been able to force Swedish garment retailers to assume responsibility for worker rights at their suppliers, adopt codes of conduct, and agree on a proposed harmonized code and independent auditing function. This success could largely be attributed to FTC, which was the driving force behind CCC-S and DressCode, but was also dependent on the largely passive involvement of the unions and other NGOs.

In 2002, progress unexpectedly came to a grinding halt as the unions decided to withdraw from the Dresscode project, although they remained members of CCC-S. The unions cited several reasons for their withdrawal, all of which were questioned by the involved NGOs. First, the participating unions claimed not to have the mandate to negotiate on behalf of workers in developing countries, i.e. they partly opposed the idea of a transnational regulatory system of worker rights with reference to the primacy of national regulatory systems. The NGOs, on the other hand, opposed this nation-based framing, arguing that it was the failure of such national systems that had sparked the initiation of CCC-S and the DressCode project.

We live in a new era. We have to try new methods to improve working conditions … Companies have already gone transnational and we have to do the same if we want to be relevant. (NGO representative)
Second, the unions’ statement that they lacked a mandate was related to ideas of organizing. The unions said that they had initially (1996–2001) wanted to improve worker rights without giving the issue of mandate any thought. Later, however, the unions argued that local and national unions should negotiate terms with the firms. In addition, the unions argued that NGOs had no role to play in worker rights regulation: since they lacked memberships and democratic structures, they did not represent anyone. This was contested by NGOs, which challenged both the legitimacy of the Swedish unions to negotiate worker rights on a transnational scale and the idea that one had to be democratically elected to fight for human rights.

We do not have the mandate from worker representatives in the South to enter into negotiations about working conditions at their factories … The Swedish NGOs certainly do not have such a mandate because most of them have no members. (Union representative)

They [i.e. the unions] continuously point out that they have a legal mandate to represent workers, while we [i.e. the NGOs] lack such a mandate. However, who has given the Swedish unions the mandate to negotiate worker rights in developing countries? We are in a more similar situation than they want to recognize … You do not have to be elected to protect human rights! (NGO representative)

Third, the unions claimed that codes of conduct were an unsatisfactory way to operationalize retailers’ extended responsibilities towards suppliers. The unions instead chose to negotiate with the firms regarding entering into so-called international framework agreements monitored by local and national unions. The NGO response to this international framework agreement proposition was unsupportive, and the NGOs continued working in favour of codes of conduct based
on ILO and UN conventions. Hence, conflict over what tool to use to coordinate activities contributed to the conflict between unions and NGOs.

Codes have not led to the establishment of local unions. Even though codes support the right of association, many workers at factories in developing countries lack insight into what union organizing means. They must gain this insight from other workers active in unions … International framework agreements are a far better alternative than codes and the union strategy should be to develop such agreements. (Union representative)

International framework agreements are vague and lack credible control mechanisms … I highly doubt that international framework agreements will have any impact in factories that lack established or functioning unions. (NGO representative)

The unions’ withdrawal from DressCode effectively led to the collapse of the project, since the NGOs were unwilling to support a regulatory system for worker rights that the Swedish unions claimed was inadequate.

The collapse of the Swedish Clean Clothes Campaign

The unions remained members of the CCC-S after the collapse of the DressCode project, and the CCC-S continued to play an important role in the Swedish setting in the mid 2000s. Still, the campaign remained unable to handle the continuous union–NGO conflicts. In 2012, the CCC-S website stopped being updated and, as of 2014, it states that CCC-S ‘currently has no secretariat’ and that those interested in working conditions in the garment industry should contact FTC. While it is beyond the scope of this paper to analyse the collapse of CCC-S, our informal discussions with former CCC-S members highlight inability to resolve union–NGO conflicts as a central
reason for the collapse, with the described conflicts largely recalling those leading to the collapse of the DressCode project in 2002.

**Local institutional logics and union–NGO conflicts**

The case of the rise and fall of the CCC-S illustrates how unions and NGOs, despite having the same ‘basis of mission’, acted upon two distinctly different local institutional logics. Drawing on Thornton et al.’s (2012) and McPherson and Sauder’s (2013) way of characterizing institutional logics, the “union” and “NGO” local logics can be compared along the following dimensions: 1) *basis of mission*, i.e. the aim of the organizations; 2) *basis of strategy*, i.e. how the organizations influence others; 3) *scope of action*, i.e. how the organizations delimit their action geographically; 4) *source of legitimacy*, i.e. how the organizations legitimate themselves; and 5) *basis of attention and source of coordination*, i.e. the organizations’ primary established practices and how they coordinate their actions. Table 1 summarizes the key similarities and differences between the identified local logics.

INSERT TABLE 1 ABOUT HERE

**Dimension I: Basis of strategy**

The ‘basis of strategy’ dimension refers to how the organization exerts influence on other actors. In the CCC-S case, the union and NGO local institutional logics obviously differed in this respect: the union logic emphasized *mobilizing workers* as the key path to influence while the NGO logic emphasized mobilizing other Swedish and Western stakeholders, mainly *consumers*. Between 1996 and 2001, the CCC-S acted up the NGO logic, mainly attempting to control the TNCs’ access to capital by challenging their legitimacy on consumer markets, reducing the demand for the products of irresponsible TNCs. The NGO local logic is closely related to the idea of
'political consumerism’, in which consumer product choices are influenced by growing concern for transnational issues of justice and human rights (e.g. Micheletti et al. 2004). The emphasis on political consumerism and mobilizing consumers in the identified NGO local logic is aligned with scholars’ findings in other settings, i.e. that NGOs usually leverage such mobilization strategies to influence firms (e.g. Bartley 2007; Fransen 2012).

The unions involved in CCC-S, however, never felt comfortable with the emphasis on consumer mobilization. The unions’ founding idea is that worker mobilization can be translated into industrial action (e.g. strikes and union–management dialogue) and/or political influence (e.g. the close links between Swedish unions and the Swedish Social Democratic Party). Union strength is therefore linked to the number of union members and the ability to mobilize these members in various ways (Bamber & Lansbury 1998). The emphasis on worker mobilization is integral to the traditional tripartite industrial relations systems that are the cornerstones of the public regulation of worker rights (Dunlop 1958), so it is not surprising that the Swedish unions involved in CCC-S ‘identified’ (Pache and Santos 2013) with such systems rather than with the NGO local logic.

The differences in ‘basis of strategy’ caused limited friction because the unions, despite identifying with the union local logic, at least implicitly agreed to act upon the NGO logic of consumer mobilization in the CCC-S. This agreement was related to the fact that the unions’ ‘basis of strategy’ provided limited leverage given the transnational and private nature of the regulatory attempt. It was evident, however, that the unions were ‘novices’ (Pache & Santos 2013) when it came to the NGO logic,
which contributed to them taking a passive role in the project and never fully embracing the union–NGO collaboration in the CCC-S.

*Dimension II: Scope of action*

The ‘scope of action’ dimension refers to how organizations delimit their action geographically. In the studied case, the union and NGO local institutional logics differed in this respect, with the union logic emphasizing a *national* scope of action and the NGO logic emphasizing a *transnational* scope of action.

The unions’ national ‘scope of action’ in the CCC-S case is closely related to ideas of ‘industrial relations systems’ (Dunlop 1958) that are invariably dependent on national political, economic, and cultural contexts (e.g. Bamber et al. 2004). In contrast, the NGO transnational ‘scope of action’ is related to the globalization of production and rise of global value chains. This scope of action shifts attention from the nation-state to the TNC, as the latter become increasingly powerful at the expense of national governments (e.g. Korten 2001). Given that scholars have identified NGOs as key actors in this shift towards a transnational scope of action (e.g. Bartley 2007), the local NGO logic is aligned with a more general NGO emphasis on the transnational scope.

This difference in scope of action led, once the unions became more ‘familiar’ (Pache and Santos 2013) with the NGO local logic, to tensions. The unions claimed not to have the mandate to negotiate on behalf of workers in other countries, i.e. that the wrong actors were represented in the negotiations in the CCC-S and the DressCode project. The NGOs refused to accept this national scope of action, reiterating the arguments that led to the initiation of the CCC-S in the first place (e.g. the failure of
national public regulatory systems to secure worker rights). In this way, inability to resolve conflicts over ‘scope of action’ was central to the collapse of the CCC-S.

**Dimension III: Source of legitimacy**

The ‘source of legitimacy’ dimension refers to how organizations legitimize their activities. In the CCC-S, the union and NGO local institutional logics differed in this respect, with the union logic emphasizing *membership and participatory democracy* while the NGO logic emphasized *professionalism*. The local NGO logic is closely related to the idea that NGOs often act as ‘political enterprises’ performing lobbying activities (e.g. Blood 2004) and to McFarland’s (1978) argument that lobbying requires a centralized governance structure with professional staff able to manoeuvre without consulting members. One consequence of this professionalized source of legitimacy is a need for external fundraising activities to solicit funds from a range of external stakeholders, such as individuals, firms, and government agencies (e.g. Anheier & Themudo 2005). Consequently, rather than being accountable to members, many NGOs are accountable to various donors. In the CCC-S case, FTC, for example, was funded mainly by government donors.

The local union logic is instead related to the organizing ideology of early social movements and the fact that unions have traditionally, at least in Europe, been based on membership and on participatory democratic forms of organizational control (e.g. Hertz 1981). This has resulted in the forming of federative structures and an emphasis on negotiations between organizations through mandates conferred by their members (e.g. Zald 1970).

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2 Of course, there are exceptions to this pattern, some NGOs having members and democratic governance models (e.g. Amnesty International) and some unions lacking democratic governance (cf. Ford 2009).
The difference in ‘source of legitimacy’ led to tensions in the CCC-S case as the unions and NGOs became more ‘familiar’ (Pache and Santos 2013) with each other’s local logics. For example, when the unions withdrew from the DressCode project, they claimed that the NGOs lacked a role in worker rights governance because they did not represent anyone (see Riisgaard 2009 for a very similar finding in the Kenyan cut flower industry). Without members or participatory democracy, the unions argued that the NGOs had no mandate to represent workers in global value chains. The participating NGOs opposed this claim, arguing that they had a mandate to protect universal human rights and questioning the mandate of Swedish unions to represent workers in global value chains and, in so doing, recalling the national ‘scope of action’ of the union institutional logic.

*Dimension IV: Basis of attention and source of coordination*

The final dimension, ‘basis of attention and source of coordination’, refers to the organizations’ primary established practices and how they coordinate their actions. The union and NGO local institutional logics differed in this respect, with the union logic emphasizing *processes and local bargaining* while the NGO logic emphasized *outcomes and universal rules*. This difference impinged on the CCC-S when FTC proposed that corporate adoption of codes of conduct comprising universal minimum standards was the way to coordinate worker rights activities in global value chains. Codes of conduct lead to interaction among actors being guided by sets of rules and regulations, stipulating *a priori* determined levels of acceptable behaviour on behalf of the actors involved. This approach is closely related to the idea that trust is located within regulations and institutional arrangements – mainly ILO and UN conventions. This way of conveying trust has the perceived virtue of a rhetoric of ‘neutrality,
objectivity, dispassion, expertise’ (Van Maanen & Pentland 1994: 54) and, as such, has the advantage of potential universal applicability.

In contrast, the union logic in the CCC-S is closely related to the idea that interaction should occur through various forms of collective bargaining in which different actors control different sets of resources (e.g. Bamber & Lansbury 1998). One cornerstone of this idea is that the focus is on trust in the bargaining process rather than in any particular outcome (cf. McPherson & Sauder 2013). As such, definitions of worker rights and TNC responsibility are continuously altered through (re)negotiation as opposed to being determined a priori (e.g. Huzzard et al. 2004). This focus on bargaining processes is also related to an emphasis on locally determined outcomes (e.g. Northrup & Rowan 1979).

As the unions in the CCC-S became more ‘familiar’ (Pache and Santos 2013) with the NGO logic, the difference in ‘basis of attention and source of coordination’ became more significant as they dismissed codes of conduct in favour of international framework agreements. Such agreements emphasize – at least to a greater extent than do codes of conduct – collective bargaining and local implementation and monitoring. In response, the NGOs questioned the applicability of international framework agreements in global value chains and continued to support codes based on universal rules such as the ILO and UN conventions. In other words, the unions and NGOs were unable to agree on how to coordinate worker rights activities in global value chains, causing tensions in the cooperation.

**Heterogeneity in manifestation of multiple local institutional logics**
Based on the above identified union and NGO local institutional logics and their manifestations over time, it is possible to turn our attention to our research question of
how organizations that share ‘basis of mission’ cope with multiple institutional logics on a local level. Importantly, and responding to Besharov & Smith’s (2014) call for research, our longitudinal study shows the heterogeneity in how the union and NGO local institutional logics were manifested throughout the rise and fall of the CCC-S. In other words, by taking McPherson & Sauder’s (2013) call for how multiple logics are actualized in practice seriously, this study challenges the current emphasis in institutional logics literature on either co-existence or conflicts among multiple logics.

Figure 2 illustrates how the union and NGO local institutional logics were manifested throughout the CCC-S case. As seen in Figure 2, prior to initiation of the CCC-S, the union and NGO local logics co-existed in a decoupled fashion (cf. Meyer & Rowan 1977) with the involved unions and NGOs living separate lives, knowing of each other but without any efforts to interact.

INSERT FIGURE 2 ABOUT HERE

With the NGOs enrolling the unions in the CCC-S, the form of co-existence shifted to segmentation (cf. Goodrick & Reay 2011). Here the NGOs and unions were united by their shared ‘basis of mission’ and cooperation was facilitated by the unions acting on the NGO ‘basis of strategy’. However, sharing basis of mission did not lead to familiarity with each other’s local logics. Rather, in line with Goodrick and Reay’s (2011) argument, segmentation allowed the distinctly different local logics to coexist with the different demands that had to be satisfied being divided between the unions and NGOs.

With the initiation of the DressCode project and the intensification of day-to-day collaboration, the form of co-existence of the logics became more and more cooperative (cf. Goodrick & Reay 2011). The intensification also led to the involved
unions and NGOs moving from ‘novice’ to ‘familiar’ (Pache & Santos 2013) with each other’s logics. This led, in contrast Pache and Santos’ (2013) argument that familiarity can dissolve differences, to conflicts and eventually the collapse of first the DressCode project and a decade of persisted conflicts later the CCC-S, i.e. the manifestation of the local logics shifted from cooperative to conflict.

Finally, after the collapse of the CCC-S, the logics once again co-existed in a *decoupled/segmented* fashion. They were decoupled in the sense that the involved unions and NGOs lived separate lives, knowing of each other but with very limited efforts to interact. They were, though, also segmented in the sense that both the unions and NGOs had become actively involved in private labour regulation, and simultaneously, based on their respective logics, pressured Swedish garment retailers to increase their responsibilities for suppliers’ operations.

A key finding in the CCC-S case is that familiarity with a rival logic, unlike Pache and Santos’ (2013) argument, can cement rather than dissolve differences, potentially infusing relationships with additional conflict as the involved actors learn to distinguish the logics from each other and come to understand what is at stake (cf. Goodrick & Reay 2011). For example, once the unions in the CCC-S case became familiar with the NGO logic, they realized the risk of supporting worker rights regulation based on a logic that challenged numerous key principles they identified with.

That familiarity was a reason, rather than a remedy, for union-NGO conflicts speaks to the literature on the interaction between public and private regulation (Amengual 2010; Locke *et al.* 2013) by emphasizing that attempts to create private regulatory systems will likely be contested by unions when based on an NGO institutional logic,
as is normally the case, and that this is especially likely as unions become familiar with the NGO logic. As Reay and Hinings (2009: 631–632) put it in relation to rival institutional logics more generally, when ‘a new logic is introduced to an established field, rivalry among key actors is likely because challenger actors support a new logic while incumbent actors support the old logic’. Hence, unions (i.e. the incumbent actors of public regulation) are likely to confront NGOs (i.e. the challenger actors) to restrict the entry of the NGO logic (the new logic) into the regulation of worker rights. This argument is supported not only by the Swedish case but also by indications in previous research in Spain (Arenas et al. 2009), the EU more generally (Preuss 2008), and Indonesia, India, Kenya, Malaysia, and Niger (Adji 2002; Ford 2006, 2009; Riisgaard 2009). In line with institutionalist arguments (Pache & Santos 2013), union attempts to resist the NGO logic are facilitated by the existence of an established union logic that provides a rationale motivating and legitimizing resistance, as exemplified in the arguments used by the Swedish unions when withdrawing from the CCC-S.

**Conclusion**

In this paper, we have taken an interest in how organizations that agree on what to achieve cope with multiple institutional logics on a local level. We have illustrated the demise of a Swedish attempt at privately regulating worker rights due to the involved unions and NGOs acting upon different local institutional logics. In doing this, we have contributed to the literature on union–NGO relations by explaining why unions and NGOs may fail to cooperate despite their common ‘basis of mission’ and the frequently stressed benefits of cooperation (Braun & Gearhart 2004; Ford 2006; Coe & Hess 2013). We have also contributed to the literature on the interaction between public and private regulation (Amengual 2010; Locke et al. 2013) by emphasizing
that attempts to create private regulatory systems will likely be contested by unions when based on an NGO institutional logic and increasingly so as the unions become familiar with the NGO logic. Finally, we have contributed to the institutional logics perspective by responding to calls on how multiple logics are actualized in practice (McPherson & Sauder, 2013), and the heterogeneity of how multiple logics manifest in practice (Besharov and Smith, 2014). Our findings challenge the current emphasis on either co-existence or conflicts among multiple logics (Besharov and Smith, 2014) by showing how this could shift over time and suggesting an empirically derived typology of manifestations of multiple logics.

It is important to keep in mind that this paper is based on a single case of union–NGO collaboration, and that unions and NGOs in other settings have apparently been better able, at least partly, to resolve their differences (e.g. Ross 2006; Ford 2009; Kryst 2012). It is also important to recall that, although the identified differences between the union and NGO local logics are aligned with previous findings, it is simplistic to assume that unions and NGOs will in general always act upon the union and NGO logics identified here. What local institutional logics shape union and NGO actions in specific settings is an empirical question. Further research is needed to investigate and tease out whether the local logics identified here are aligned with local logics in other contexts. The contribution of this paper is that it provides a conceptual language with which academics, unions, and NGOs can start to make sense of differences in institutional logics.
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Figures

**Figure 1: Summary of data collection and analysis**

- Initial data collection
- Follow-up data collection
- Follow-up data collection
- Refined categorization based on institutional logics literature

- Initial themes
- Refined themes and chronological description
- Categorization of union-NGO differences

<table>
<thead>
<tr>
<th>Decoupled</th>
<th>Segmented</th>
<th>Cooperative</th>
<th>Conflict</th>
<th>Decoupled/Segmented</th>
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**Figure 2: Manifestations of multiple logics in the CCC-S case**
## Tables

<table>
<thead>
<tr>
<th></th>
<th>Union logic</th>
<th>NGO logic</th>
</tr>
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<tbody>
<tr>
<td><strong>Basis of mission</strong></td>
<td></td>
<td>Improve worker rights</td>
</tr>
<tr>
<td><strong>Basis of strategy and primary associated actors</strong></td>
<td>Mobilizing workers</td>
<td>Mobilizing stakeholders (mainly consumers)</td>
</tr>
<tr>
<td><strong>Scope of action</strong></td>
<td>National</td>
<td>Transnational</td>
</tr>
<tr>
<td><strong>Source of legitimacy</strong></td>
<td>Membership</td>
<td>Professionalism</td>
</tr>
<tr>
<td><strong>Basis of attention and source of coordination</strong></td>
<td>Emphasis on process and local bargaining</td>
<td>Emphasis on outcome and universal rules</td>
</tr>
</tbody>
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Table 1: Differences between the union and NGO local logics