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**The moral microfoundations of institutional complexity: Sustainability implementation
as compromise-making at an oil sands company**

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The moral microfoundations of institutional complexity: Sustainability implementation as compromise-making at an oil sands company

Abstract

Research on institutional complexity has overlooked the fact that moral judgements are likely involved when individuals face a plurality of logics within organizations. To analyze the moral microfoundations of institutional complexity, we build on Boltanski and Thévenot's (2006 [1991]) economies of worth (EW) framework and explore how individuals produce moral judgement in response to the institutional complexity triggered by a major shift in the sustainability strategy within an oil sands company. Fifty-two interviews with employees, managers and executives reveal how actors rely on four types of justification that combine different moral principles and related objects with the aim of either forming (*sheltering* and *solidifying* work) or challenging (*fragilizing* and *deconstructing* work) a new compromise with regard to sustainability within the organization. Our results show how the EW framework can enrich institutional complexity theory by bringing morality back into the analysis as a core dimension of inhabited institutions while advancing the microanalysis of compromise-making around sustainability in organization studies.

Key-words

compromise, institutional complexity, justification work, morality, sociological micro-CSR, oil sands, sustainability

...It's very hard to say, 'I'm going to develop oil sands, and I'm going to put capital and human resources into oil sands'... and have a credible environmental message as well... It's hard for me to argue that an oil sands project is good for the environment.

(Manager 29)

The institutional complexity research has identified some of the challenges inherent in the management of multiple contradictory 'institutional logics' (Friedland & Alford, 1991; Thornton, Ocasio, & Lounsbury, 2012). The prior studies show that situations of institutional complexity shape how individuals perform their jobs (Currie & Spyridonidis, 2016; Marti et al., 2017) and how professionals navigate among multiple 'conflicting-yet-complementary' logics (McPherson & Sauder, 2013; Smets, Jarzabkowski, Burke, & Spee, 2015).

However, because this prior research has neglected the moral foundations of institutional logics (Cloutier & Langley, 2013; Friedland & Arjaliès, 2017), it has remained silent on the moral implications inherent in the coexistence of multiple logics. Nevertheless, situations of institutional complexity are likely to require individuals' moral judgement for two reasons. First, institutional logics often reflect contradictory moral principles (Lamont, 2012) or societal logics (Silber, 2016, p. 163), and their presence within organizations introduces tensions between contradictory moral principles or values. Managers implementing strategies that seek to reconcile ecological sustainability and the search for profit, for instance, face such tensions (Hengst, Jarzabkowski, Hopegl, & Muethel, 2019). Second, the prior research on institutional complexity suggests that such situations create freedom for individuals to exercise judgments as they can choose which logics they can use or combine (Gümüsai, Smets & Morris, 2019; McPherson & Sauder, 2013); individuals confronted with situations of institutional complexity thus have 'discretion' in exercising moral judgements.

To conceptualize the moral microfoundations of institutional complexity, we rely on the economies of worth (EW) framework developed by Boltanski and Thévenot (2006 [1991]), which approaches organizational life through a moral lens (Gond, Demers & Michaud,

2017a) and can reveal how actors manage moral contradictions (Nyberg & Wright, 2013; Oldenhof et al., 2014; Reinecke, van Bommel & Spicer, 2017). EW notions can help extend and ‘moralize’ concepts such as toolkits (McPherson & Sauder, 2013) or hybridity (Battilana & Dorado, 2010) that are key to institutional complexity scholarship.

As part of their theory of justification, Boltanski and Thévenot provide a ‘grammar’ for describing competing normative approaches to the common good, which they conceptualize as specific ‘worlds’ or ‘orders of worth’ rather than logics. The EW framework provides a vocabulary to capture the processes whereby, through their ‘justification work’ (Jagd, 2011; Taupin, 2012), individuals build on these ‘worlds’ to establish or challenge the forming of ‘compromises’ (Thévenot, 2001) in contexts of dispute or tension between worlds (Cloutier, Gond & Leca, 2017; Gond, Leca & Cloutier, 2015b). Within organizations, as in social life, these ‘worlds’ provide individuals with a ‘repertoire of cultural-cognitive and normative resources’ to address moral tensions (Cloutier & Langley, 2013, p. 371; Silber, 2016).

We empirically study how actors of different positions and status at an oil sands corporation respond to a new sustainability strategy that redefines the relationship between the economic, social and environmental goals of the firm. Through an analysis of company and industry documents and 52 interviews with corporate members, we show how the shift in sustainability strategy creates a move from one form of compromise – *compensation* between goals – to another – *reconciliation* between goals. Then, we explore how this strategic shift triggered four distinct types of ‘justification work’ that combine different worlds and related objects with the aim to either form (*sheltering* and *solidifying* work) or challenge (*fragilizing* and *deconstruction* work) the emerging reconciliation compromise.

Our study offers a twofold contribution to organization theory. First, our analysis shows how the EW framework can enrich institutional theory (Bessy & Favereau, 2003; Orléans, 2004). The types of justification work we identified facilitate a better understanding of how

individuals use their moral ‘toolkit’ when faced with institutional complexity (McPherson & Sauder, 2013). In bringing the moral dimension back to the study of institutional complexity (Friedland, 2018; Selznick, 1957), we contribute to a richer account of institutional life as inhabited ‘on the ground’ by individuals who have singular interactions (Hallet & Ventresca, 2006), emotions (Voronov & Vince, 2012) but also a sense of fairness (Boltanski, 2012).

Second, by showing how types of justification work are involved in compromise making, our results also extend the organizational study of the EW (Cloutier et al., 2017; Dionne, Mailhot, & Langley, 2019) and the discussions of how multiple ‘worlds’ are involved in the management of sustainability issues (Gond, Barin Cruz, Raufflet, & Charron, 2016; Patriotta, Gond, & Schultz, 2011). In contrast with studies suggesting that the ‘market world’ subjugates other worlds through the corporate commodification of sustainability (Nyberg & Wright, 2013), our analysis shows that multiple worlds are involved in compromise making around sustainability issues (Finch, Geiger, & Harkness, 2017) but that some actors can challenge market dominance ‘from the inside’ through their justification work, in a form of moral resistance.

Inhabiting institutionally complex organizations: In search of morality

Over the last 20 years, the institutional logics approach has recognized that organizations must operate ‘within multiple institutional spheres’ (Kraatz & Block 2008, p. 243) and are hence subject to the pressures of potentially contradictory ‘institutional logics’ from their environment that are mediated by internal organizational constituents (Besharov & Smith, 2014). According to Greenwood et al. (2011, p. 317), ‘organizations face institutional complexity whenever they confront incompatible prescriptions from multiple institutional logics’. In line with the calls to analyze the micro-foundations of institutions (Barley, 2008; Powell & Colyvas, 2008), students of institutional complexity have begun ‘zooming in’ on organizations to evaluate how *individuals* face institutional complexity in their practices (e.g.

Currie & Spyridonis, 2016; Smets et al., 2015). In doing so, this stream of studies has focused on institutionally ‘inhabited’ organizations (Hallett & Ventresca, 2006) where actors who have been given agency interact while relying on institutional logics to shape the meaning of their work.

Ethnographic studies considering logics ‘from the ground’ suggest that the co-existence of contradictory institutional logics is not necessarily dysfunctional but may generate benefits given that logics can be ‘conflicting-yet-complementary’ (Smets et al., 2015, p. 962). Such studies portray logics as ‘enablers’, and not only as constraints, for actors. McPherson and Sauder (2013) suggest that logics can operate as a ‘cultural toolkit’ (Swidler, 1986; Weber, 2005) to provide actors with resources in situations of institutional complexity. Currie and Spyridonis’ (2016) analysis of competing logics in a healthcare setting, McPherson and Sauder’s (2013) study of negotiations in a drug court, and Smets et al.’s (2015) study of reinsurance trading at Lloyd’s, all depict actors as skillful agents who are able to shift from one logic to another in their daily practices and enact the relevant logic in a given situation.

By providing a higher level of agency and discretionary judgement to individuals within organizations, institutional complexity allows for the further integration of individuals’ moral judgements within institutional theory. Arguably, several of the empirical situations studied by the individually focused research on institutional complexity can best be described as ‘morally’ problematic as actors face tensions among a set of multiple moral orientations and must exercise their judgement. For instance, in McPherson and Sauder’s (2013) study of drug court, what is at stake is actually the evaluation of the moral ‘worth’ of an individual who can be released from jail or not. If professionals search for which ‘logic to apply’ among four possible logics, and possibly hijacking other actors’ logics, this could be because they seek to find the most appropriate ‘professional’ backing for the moral choice they have made in a given context. Accordingly, the situations usually studied by institutional

complexity scholars could be best described after Reinecke et al. (2017) as involving ‘moral multiplexity’.

However, although these recent developments in the study of institutional complexity provide a unique opportunity to reintegrate moral dimensions within the scope of institutional analysis, in line with the original project of Friedland and Alford (1991) and with earlier insights from so-called ‘old’ institutionalism (Selznick, 1957), several voices have noted that these moral foundations remain to a large extent lost in recent studies and have called for a refocusing on important issues such as inequality or morality (Moore & Grandy, 2017; Willmott, 2015). To date, institutional scholars have mainly focused on how identity is involved when individuals are confronted with contradictory and morally loaded institutional prescriptions. The prior research shows that actors engage in the work of identity (re)construction (Creed, DeJordy & Lok, 2010), sometimes by adopting forms of ‘tempered radicalism’ (Meyerson & Scully, 1995). For instance, Wright, Nyberg and Grant (2012) show how sustainability managers struggle through their daily managerial practice to overcome the contradictions between environmental and economic goals.

We seek to extend these insights by considering individuals’ moral responses to institutional complexity through the unpacking of the moral foundations of logics and their link to approaches to the common good (Cloutier et al., 2017) by recognizing that situations of institutional complexity offer more room for moral agency, and thus moral judgement, than usually assumed in prior institutional studies (Friedland & Arjaliès, 2017) and by considering individual responses to institutional complexity not only through the consideration of identity work (Wright et al., 2012) but also through individuals’ capacity to form moral compromises among distinct notions of the common good within specific situations (Finche et al., 2017). Specifically, we seek to address the following research

question: *How do organizational actors mobilize their moral judgement in situations of institutional complexity?*

An ‘economies of worth’ take on institutional complexity

When confronted with situations associating environmental issues and market demands, as in the contexts of sustainability controversies (Gond et al., 2016) or corporate sustainability strategy deployment (Hengst et al., 2019; Nyberg & Wright, 2013), individuals cannot rely on stable and fixed logics. They must face the ‘normative considerations about what is desirable for the common good’ (Doganova & Laurent, 2016, p. 6) and ‘confront the issue of worth as a matter of course’ (Finche et al., 2017, p. 74). Institutional complexity concepts such as ‘toolkit’ and ‘hybridity’ become insufficient to analyze the moral underpinning of situations because they do not account for the role played by contradictory or multiple visions of the common good (Gond et al., 2017a).

We therefore turn to the EW framework proposed by Boltanski and Thévenot (2006), which recognizes the profoundly moral nature of organizational life (Gond et al., 2017a) as the theory does not separate pragmatic from moral legitimacy (Suchman, 1995) or business from ethical/normative approaches to decision making (Swanson, 1999). For EW scholars, the market and industrial contexts are regarded as ‘moral orders’ of their own, and deciding to align with market pressures or adopt a logic of efficiency is already a ‘moral’ choice. Bridging the EW framework with institutional complexity concepts can therefore advance the project of re-humanizing institutional theory by considering the moral agency of actors and recognizing their capacity to manage multiple approaches to the common good.

Moral agency in situations of institutional complexity: Justification work

Recent developments of institutional complexity that conceive of logics as shared ‘toolkits’ between actors after Swidler (1986) and Weber (2005) ‘portray actors as having a repertoire of logics—or tools—that they can choose from when the need to influence, justify, or

advocate arises' (McPherson & Sauder, 2013, p. 168). This approach allows for the full consideration of the activities of actors' justification while it also recognizes actors' agency.

However, institutional logics 'have largely eclipsed moral aspects underscoring beliefs' (Cloutier & Langley, 2013, p. 373), and to conceptualize actors' moral agency, it should be recognized that logics have moral foundations that actors can acknowledge and mobilize.

Although some institutional logics scholars suggest that some logics are driven by underlying moral principles (Friedland & Arjaliès, 2017; Lamont, 2012) and that, by definition, 'societal logics' are usually grounded in normative principles (Moore & Grandy, 2017; Silber, 2016), little has been done to analyze how actors manage contradictory logics in relation to different moral systems or distinct approaches to the common good.

The EW framework usefully extends institutional insights as it recognizes individuals' agency in a moral domain (Boxenbaum, 2014) by assuming that all individuals are able to react to unfair situations (the assumption of 'common humanity', Boltanski, 2012 [1990]) and postulating the availability of a shared moral 'cultural repertoire' (Swidler, 2016; Friedland, 2013). In particular, EW scholars have already used a notion of 'justification work' (Jagd, 2011, p. 340) that consists of purposively using discursive and material resources to justify the moral worthiness of their claims in relation to specific situations, objects or persons. Examples of this approach include the following. Patriotta et al. (2011) illustrate such justification work in the case of a corporation seeking to renegotiate the 'moral legitimacy' of nuclear energy in Germany after an incident at one of its power plants. Taupin (2012) uncovers the circularity of the justification work engaged in by financial rating agencies to reconstruct their worthiness after the 2008 crisis. Oldenhof et al. (2014) advance the theorization of justification work to analyze how Dutch healthcare managers juggle contradictory stakeholder pressures.

This stream of studies builds on Boltanski and Thévenot's (2006) conceptualization of the 'moral repertoire' that actors can mobilize to evaluate or justify the 'worthiness' of things and beings in contexts of disputes or controversies. This repertoire is composed of a number of 'orders of worth', that is, higher-order normative principles. Each order of worth is an organizing principle that regulates one of the social 'common worlds' (also referred to as 'cities' or 'polities' in reference to the French word *cit *). 'Worlds' are morally grounded: they refer to a definition of the 'common good'. To identify 'worlds', Boltanski and Th venot (2006) draw on the empirical data from a wide range of fieldwork focused on disputes (Boltanski, 2012 [1990]; Boltanski & Th venot, 1989) and from a set of classical texts in political science (e.g. Jean-Jacques Rousseau, Thomas Hobbes, Adam Smith) that offer an analytical method for systematically capturing distinct approaches to the common good. Indeed, political philosophies 'must, in order to be convincing, demonstrate that the common good on which they are based is well founded' (Boltanski, 1999, p. 366).

In its foundational formulation, the EW framework encompasses six common worlds: the *inspired world*, which favors passion and grace; the *world of fame*, which values renown and public opinion; the *domestic world*, which is based on tradition and trustworthiness; the *civic world*, in which collective welfare, defined in terms of rights and responsibilities, is key; the *industrial world*, which is rooted in performance and technical efficiency; and the *market world*, in which rivalry and value (in terms of cost and profit) are the highest principles (Boltanski & Th venot, 2006). Over time, the model has been extended to encompass the *green world* (Lafaye & Th venot, 1993), in which the natural environment and its protection are the highest common good.ⁱ As Friedland (2013) and Thornton et al. (2012) observe, these 'worlds' are embedded in *situations* rather than in *institutions*, and, therefore, they provide more 'moral agency' to actors who can mobilize them 'across' specific institutional or professional contexts.ⁱⁱ These worlds provide a 'grammar' that can be put to use to analyze

how individuals find a compromise in situations of disputes. Building on this conceptual resource, the justification work of individual actors can be related to the dynamics of ‘compromise-making’.

Moralizing institutional hybridity: Compromise-making

Beyond providing actors with moral agency and the capacity to manage moral multiplexity, the EW framework can also address the lack of consideration for morality in the analysis of organizational hybridity (Battilana & Dorado, 2010; Gümüşai et al., 2019; Pache & Santos, 2013). In their study of microfinance organizations, Battilana and Dorado (2010) show how one of the two commercial microfinance institutions they studied reconciled the differences between banking and development logics through the construction of a common identity. Although such an approach shares deep similarities with the EW framework (Cloutier & Langley, 2013), it does not recognize that the complexity inherent in the coexistence of both logics could also rely on their belonging to two distinct worlds that reflect distinct views of the common good. Managerial difficulties in reconciling distinct logics may reflect the deeper moral tensions inherent in their co-presence or co-existence within organizations (Gond et al., 2017a), and situations of institutional hybridity may thus correspond to distinct configurations of worlds more or less complex to reconcile. For instance, Hengst et al. (2019) found that the moral values of managers explain their difficulty recognizing the legitimacy of a corporate sustainability strategy that contradicts their beliefs.

The EW framework can help reintegrate the moral underpinnings of institutional hybridity through its conceptualization of how disputes over worthiness can be resolved through ‘tests of worth’ during which worth is evaluated by mobilizing criteria that correspond to one world. Tests of ‘state of worth’ remove uncertainty by clarifying the worth of things and beings (Dansou & Langley, 2012); they rely on actors’ use of material devices:

A test of worth cannot be reduced to a theoretical debate. It engages persons, in their bodily existence, in a world of things that serve as evidence, and in the absence of which

the dispute does not have the material means of resolution by testing. (Boltanski & Thévenot, 2006, p. 131)

For instance, in the market world, this principle is monetary value in a competitive setting. In a case in which actors mobilize the same world, agreement can be reached by referring to the principle that structures this world and the related ‘test of state of worth’, although debates may persist about whether the test has been adequately conducted.

Although ‘tests of state of worth’ can help clarify worthiness once actors have agreed on ‘the world from which worth should be evaluated’ and ‘which test to apply’ (Dansou & Langley, 2012), actors can also disagree on which world is appropriate and engage in tests of ‘order of worth’. In this case, actors end up ‘questioning the appropriateness of principles being applied in a particular situation’ (Dansou & Langley, 2012, p. 551).

In the presence of multiple worlds, finding an agreement is a possible but much more complex process that may involve the search for a ‘compromise’ between worlds (Cloutier & Langley, 2013). The modalities of agreements ‘between worlds’ can consist of a ‘temporary’ or ‘local’ arrangement that reflects the more lasting search for a compromise.

In the compromise, people agree to come to terms, that is, to suspend a clash—a dispute involving more than one world—without settling it through recourse to a test in just one of the worlds. The situation remains composite, but a clash is averted. Beings that matter in different worlds are maintained in presence, but their identification does not provoke a dispute. (Boltanski & Thévenot, 2006, p. 277)

Using the example of ‘creativity techniques’ as a compromise between the industrial and the inspired worlds, Boltanski and Thévenot (2006) further add the following:

[A] compromise suggests the possibility of a principle, that can take judgments based on objects stemming from different worlds and make them compatible. It aims at a common good that transcends the two different forms of worth in presence but including both of them... (p. 278)

Although, Boltanski and Thévenot (2006) insist on the ‘fragility’ of any attempt at hybridizing distinct ‘worlds’ and argue that compromises can always be subjected to both

tests of *order* and of *state* of worth, they point to the role of ‘composite objects’ in the construction of a compromise (see also: Boltanski, 1999). ‘Composite objects’ are defined as

...objects composed of elements stemming from different worlds at the service of the common good and endow them with their own identity in such a way that their form will no longer be recognizable if one of the disparate elements of which they are formed is removed. (Boltanski & Thévenot, 2006, p. 278)

Despite showing promise for understanding how actors manage the moral dimension of institutional complexity, the EW concept of compromise has remained relatively understudied in organizational analysis (Jagd, 2011; Oldenhof et al., 2014; Reinecke et al., 2017), although organizations have been described by EW scholars as ‘compromising devices’ (Thévenot, 2001, p. 405). Nevertheless, the EW framework offers a promising way to manage organizational situations of moral multiplexity as suggested by Nyberg & Wright (2013) in their study of sustainability managers’ reactions to moral tensions. Below, we mobilize the concepts of justification work and compromise-making to address our research question and, in doing so, explore the moral microfoundations of institutional complexity.

Methods

Research Design

We conducted a single qualitative case study at OilsandsCo, a large integrated oil company located in Canada. This case presents some features of an ‘ideal case’ (Yin, 2009) to analyze the moral foundations of institutional complexity given that OilsandsCo specializes in oil sands extraction, a practice that has been subject in recent years to numerous pressures from non-governmental organizations (NGOs) (Klein, 2014) and is a ‘particularly divisive and controversial’ topic in this industry in Canada (Lefsrud & Meyer, 2012, p. 1482).

Given that OilsandsCo is publicly held, it must accommodate multiple stakeholder pressures from its financial, environmental and social environments and arguably operates in an ‘institutionally’ complex environment (Slawinski & Bansal, 2012). Focusing on its

sustainability policy and how organizational actors justify this policy can help us uncover the ‘moral work’ involved in the management of institutional complexity.

Data collection

We conducted a series of 52 semi-structured interviews to understand how actors from OilsandsCo appreciate and perceive ‘from the ground’ its sustainability strategy. To account for the diversity of individual responses, we purposively sampled actors with different positions – ranging from top managers and middle managers to employees (referred to in our citations, respectively, as ‘Exec.’, ‘Man.’ and ‘Emp.’) – based at distinct organizational sites – including the corporate headquarters, an extraction site and a refinery (referred to, respectively as ‘HQ’, ‘EXT’ and ‘REF’) – and representing distinct functions such as production, sales, sustainability, and other diverse support functions such as human resource management or health and safety (Appendix A provides more details about our interviewees).

During our interviews, we asked the actors open-ended questions about OilsandsCo’s sustainability strategy, what it meant for the organization and their work and how it had evolved over time. The interviews, which lasted approximately one hour, were all recorded, typed and fully transcribed. Although two respondents at one of the sites were concerned about issues of confidentiality and refused to be recorded, a trusting relationship was established with most of the respondents, and they seemed comfortable during the interviews. Interviews are not only a means of capturing knowledge about organizations but also ‘organizational sites’ for observing in-situ power plays, identity tensions, emotional work in relation to specific topics and, ultimately, actors’ performance in interviews (Alvesson, 2003). Our emotional experiences of these interviews make clear that sustainability implementation was a ‘sensitive’ topic, which confirms the prior insights according to which addressing sustainability issues in ecologically sensitive industries involves a form of ‘emotional work’ (Nyberg & Wright, 2012). For us, these shared emotional experiences are a

sign that ‘something more’ than professional norms was at stake here and that discussing sustainability was also calling for the interviewees’ individual moral judgement.

To complement our data, we also interviewed an expert on the oil industry based at our university. This individual had insider knowledge of the board’s perspective on sustainability. We also collected relevant company and industry documents such as sustainability reports and annual reports in addition to secondary data from third-party sources (e.g. external rating agencies or financial and accounting databases) tracking the company’s performance in the financial and extra-financial domains over the last ten years (see: Appendix A). With this information, we could evaluate the company’s claims concerning its ranking and status in relation to sustainability within the industry.

Data analysis

Given that our theoretical analysis was continuously refined throughout the four-stage process of data analysis, our analytical strategy can be best described as ‘abductive’ (Ketokivi & Mantere, 2010). First, we *inductively* investigated our organizational data and a subset of interviews to build an account of OilsandsCo’s sustainability strategy. Relying on a temporal bracketing strategy (Langley, 1999), we isolated the crucial role of a recent shift in the sustainability strategy.

At the second stage of *inductive* analysis, one of the authors immersed herself in the data, systematically identifying in all of the interviews the recurrent topics and themes in relation to the sustainability strategy. Through discussions with the other author, who conducted many of the interviews, it appeared that numerous interviewees spontaneously adopted discourses that could qualify as forms of justification in the sense of Boltanski and Thévenot (2006). Without being prompted, the interviewees engaged in discussions about *whether sustainability was good for their organization and society*, and about *whether sustainability*

was actually put into practice at their organization. Hence, the relevancy of the justification framework emerged inductively from the analysis.

At the third stage of analysis, we shifted to a more *deductive mode* (Miles & Huberman, 1994). In line with the prior studies that have operationalized the EW framework (e.g., Gond et al., 2016; Patriotta et al., 2011), we used the description of the seven orders of worth provided by Boltanski and Thévenot (2006) (for an overview, see Patriotta et al., 2011) to investigate how the different worlds were mobilized in the actors' discourses. In the interviews, we systematically coded all of the references to sustainability and its implementation in relation to the vocabulary that Boltanski and Thévenot (2006) associated with each 'world'. Although such an exercise was straightforward for most of the worlds, we realized that the 'domestic world' took a specific meaning and form in the context of a large corporation, which was related to notions of 'responsibility' or 'stewardship' used by the actors in a paternalistic manner. This vocabulary is aligned with the domestic world, defined by Thévenot et al. (2000) as being related to 'traditions that honor interpersonal ties and respect for family values' (p. 678), that is, 'a world which stresses tradition, trustworthiness, local attachment and personal ties' (p. 678). Such an interpretation of the meaning of the domestic world is consistent with the meaning of this order of worth in the prior studies focused on sustainability issues (Gond et al., 2016; Richards et al., 2017). We analyzed each citation related to sustainability to observe whether reference was made to one or several of the seven worlds. When several worlds were evoked, we investigated how they were related (i.e. positively, negatively, the nature of the links). In doing so, we could map the set of justifications (and critiques) of the sustainability strategy used by individuals and anchored in distinct worlds.

At the fourth stage of analysis, we shifted back to an *inductive* mode of analysis, aiming to *link the types of justification work to the shift in the sustainability strategy* we identified at

stage one by analyzing whether and how the individual responses related to the new ‘compromise’. We grouped the responses across individuals, focusing on whether they challenged or helped form the new compromise. Through this analysis, we could identify four groups of responses that reflected distinct types of ‘justification work’ (Jagd, 2011; Oldenhof et al., 2014), and that we present in detail after having contextualized the strategic shift in sustainability through an EW lens.

Contextualizing two compromises: A journey towards sustainability

In an industry facing major environmental controversy, OilsandsCo had been, for many years, defining its mission as ‘operating our business in a way that enhances social and economic benefits to society while minimizing the environmental impacts of resource development’ (OilsandsCo sustainability report). Conceiving economic prosperity as compatible with social well-being, its focus was on reducing the negative impacts of its operations on the environment. Concretely, that meant that the company focused on major projects related to its oil sands extraction operations that were celebrated for considerably reducing its environmental footprint. Interviewees at the three sites were proud of the company’s past environmental accomplishments, particularly with regard to the financial commitment they implied (‘What we developed for the tailings pond... It’s a lot of money, and we are not afraid to invest’, Exec. Ref. 15).

However, a few years after his arrival, a new CEO decided to refocus the corporate strategy on sustainability, starting with a new mission: ‘Creating energy for a better world’. Sustainability is now to be conceived more broadly and ambitiously. While the emphasis was previously on costly environmental projects in remote areas of Western Canada, the new sustainability strategy is meant to involve every unit in its everyday operations. It is viewed by top management as a major cultural change and a systems change:

[S]o now we’re putting together a plan to embed sustainability more into the organization, and there’s sort of two components to that. One is the systems and the

processes and the tools, and the second is the cultural piece, trying to engage employees. (Exec. HQ. 39)

While none of our interviewees questions the importance of sustainable development for a company in their industry, they differ in the way in which they respond to the new sustainability strategy being implemented. They are well-aware of the diverging demands facing oil sands operations, and comments such as the following are frequent.

...we've been demonized by the NGOs. There's no question we have issues related to greenhouse gas, emissions, water, land use, and biodiversity. We also have First Nations issues... and, then, we have issues around cost. (Exec. HQ. 39)

However, the way in which they evaluate this new strategy tends to differ according to their local context. This diversity of reactions reflects a change in the existing compromise between different moral worlds involved in the shift of sustainability strategy.

Organizational search for a new compromise: From compensation to reconciliation

Whereas the old compromise relied on a logic of compensation to transform the worth of the *market world* into *green and civic* forms of worth, the new compromise challenges this view and aims at avoiding direct clashes between the *market, green and civic worlds* by operating their reconciliation through the *domestic or industrial worlds*.

Before this shift, the company's mission presented OilsandsCo, firstly, as 'operating a business' (*market world*), and its commercial successes (*market world*) allowed for compensating the environmental costs of pollution (*green world*) and for creating social benefits (*civic world*). The 'challenges' involved in such compensation among worlds were acknowledged by the prior CEO:

...how to produce the energy required to fuel our economy in a way that is socially beneficial and preserves a healthy environment. At OilsandsCo, we've been thinking about this dilemma for a long time.

According to this justification, although it competes with the *green world* and the *civic world* in the short term, the *market world* ultimately serves the 'common good' by redistributing the value it creates to the other worlds. Terms such as 'benefits' and

‘beneficial’, which make sense in both worlds, help build a bridge between the *market world* and the *civic world*; ‘preserves’ does the same between the *market world* and the *green world*. This compromise was stabilized through its materialization in high visibility and costly projects (e.g. tailing ponds reclamation technology) that acted as composite objects ‘concretely’ reconciling the three potentially conflicting worlds.

The new CEO offered a distinct compromise, as shown by the revised vision statement:

We strive to be trusted stewards of valuable natural resources. Guided by our values, we will lead the way to deliver economic prosperity, improved social well-being and a healthy environment for today and tomorrow. (OilsandsCo sustainability report)

Although sustainability is still defined as referring to the three previous moral foundations, namely, the *market world* (‘economic prosperity’), the *civic world* (‘social well-being’) and the *green world* (‘healthy environment’), the manner in which these worlds are combined has changed. Reconciliation is now achieved through the *domestic world*. Instead of portraying OilsandsCo as a business (*market world*), the corporation is humanized, and its managers are defined as ‘trusted stewards’ who will act as benevolent guardians of the common good, ‘valuable natural resources’. Here it is trustworthiness, the moral foundation of the *domestic world*, that is put at the forefront. The use of the word ‘steward’ (originally, a person who has duties in a household), as opposed to the term ‘manager’, also positions it in the *domestic world*. In addition, the reference to ‘valuable natural resources’ mixes the *market* and *green worlds* and, by leaving open the question ‘valuable for whom?’, can be interpreted as encompassing the *civic world*. It is interesting to note that this formulation, anchored in the *domestic world*, which values those in authority (i.e. top managers as ‘trusted stewards’) does not specify how they will achieve this reconciliation except to say that it will be ‘guided by our values,’ which are part of the company’s heritage (*domestic world*).

In this form of compromise, the *domestic world* acts as a mediator among the three worlds; it intervenes as a neutral intermediary reconciling them. Furthermore, reflecting the

second component of the new strategy ('the systems'), it is to be operationalized through the operational excellence management system (OEMS). As stated by the CEO, 'Operating reliably and efficiently is not just about achieving increased production and profitability – it's also about how we become a more sustainable energy company.' Thus, the *industrial world* ('operating reliably and efficiently') becomes another mediator between the *market*, *civic* and *green worlds*, creating another version of the new compromise where the OEMS is the new composite object. In both versions of the new compromise, the *market world* does not take center stage, it is regarded as one among three worlds. In contrast with the 'compensation compromise', however, this 'reconciliation compromise' seems difficult to stabilize.

Individuals' responses to the compromise shift: Four types of justification work

Our analysis reveals four types of individuals' responses to the new strategy that reflect different types of justification work. Two types of justification work aim at 'forming' the new compromise, either by *sheltering* it in a manner that avoids tests of order of worth or by *solidifying* it through positive tests of state of worth. By contrast, the other two types of justification work we identified aim at 'challenging' the new compromise, either by *fragilizing* it through a negative test of state of worth or, more radically, by *deconstructing* it by showing it is failing tests of order of worth. Table 1 supplements our description with a broader range of data extracts. We present each type of justification work in turn and discuss how they influence the organizational compromise.

INSERT TABLE 1 ABOUT HERE

Sheltering work: Defusing the moral underpinnings of the compromise by avoiding tests

At headquarters, most of the people we interviewed were well-aware of the new sustainability strategy. Although these interviewees viewed sustainability as an ambiguous concept, they were 'positive' about its potential and many discursively justified this new compromise by

defusing its moral underpinnings. In line with the *domestic* world, which mainly values trustworthiness as well as tradition, duty (responsibility) and local ties, they present the company's adherence to the values of responsibility and trustworthiness as self-evident and sufficient to mediate as an impartial arbiter among the *market*, *civic* and *green* worlds. One of the employees in charge of sustainability deployment throughout the entire organization exemplified this *sheltering justification work*.

It's a bit of an ambiguous concept... So, (we're) really trying to clarify, specifically for employees, what we mean by being a sustainable energy company... We've used the triple bottom line definition of sustainability: environment, social, economic; and a kind of sustainability that is the sweet spot where all of those things intersect... So, being a sustainable company means being a responsible company; it means doing things the right way. And I think, personally, that resonates more with me in terms of seeing how the company operates. I mean, making the right choices and doing the right things and being an ethical company seems very intuitive and easy to understand. (Emp. HQ. 30)

It is interesting to note how this employee's justification avoids giving priority to one of the three normative foundations (*green*, *civic* and *market*), approaching sustainability as 'the sweet spot where all those things intersect'. In addition, the employee emphasizes her personal ties to the company, which is presented as having a tradition of being trustworthy ('personally, that resonates with me in terms of seeing how the company operates'). Sustainability is redefined as 'being responsible' and 'doing the right things the right way,' a formulation that here is anchored in the *domestic world* but that can equally apply to the *green*, *civic* and *market* worlds.

Another telling illustration of sheltering work is given by an executive in charge of sustainability who, in a paternalistic tone ('you just have no idea...'), reaffirms the definition of sustainability as 'responsible development':

You just have no idea how challenging and complex all those things really are... [...] The term I use is responsible development. (Exec. HQ. 34)

In the *domestic* world, where hierarchy is important, those in authority have the responsibility (duty) to define what is good for those under their care and they, in turn, must

be loyal. *Despite* – and maybe *because of* – sustainability’s ambiguity, the vast majority of the respondents at headquarters adhere to it and refer to sustainability as a core ‘shared value’, emphasizing it as a part of their common heritage (*domestic world*). Relying on the definition provided by top management, individuals discursively construct sustainability as a ‘compromise’ that equalizes the *market, civic* and *green worlds* (e.g. the dimensions of the TBL) under principles derived from the *domestic world* (e.g. trustworthiness, heritage). The *domestic world* acts in their work of justification as an ‘umbrella’ notion, a mediator, under which the other worlds can coexist, and domestic moral principles help in forming the new compromise by referring to what are viewed as traditional ways of doing things within the organization (e.g. ‘being responsible’), which can be ‘translated’ across the different worlds touched by sustainability (e.g. social reputation, reduced ecological impact). We observe that the vocabulary used by the interviewees engaged in such *sheltering work* denotes the search for words that support a consensual view of the new sustainability strategy: they were in search of a term that ‘feels intuitive’, ‘resonates’ with the local context or is ‘adequate’; they avoid subjecting the new compromise to a ‘test of worth’, thereby defusing its moral underpinnings. In the *domestic world*, a reputation that warrants trustworthiness is the proof required for a test of order of worth to be conclusive. Here, employees’ moral optimism rests on OilsandsCo’s past actions. However, such a proof of engagement resting on tradition is difficult to establish with a new compromise, thereby leading to *sheltering work*.

In contrast to this sheltering work, which was noted in the context of the headquarters at all levels of the hierarchy, we find a different form of justification work in the responses of the majority of individuals based at the refinery.

Solidifying work: Materializing the compromise’s moral foundations with composite objects

Sustainability at the refinery seems exempt from the definitional struggle experienced at headquarters. The new approach to sustainability is viewed as trustworthy ('It's serious, not only words', Emp. Ref. 20) and not as a major change but rather as continuous improvement, both from an environmental perspective (e.g. 'we were pioneers... There were few refineries which were certified ISO 14001 in 2003, 2004', Emp. Ref. 5) and from a social perspective (e.g. 'we always had a close relationship with the local community', Exec. Ref. 10), in line with both the *domestic* and *industrial* worlds.

In this old refining installation located in a populated urban area, sustainability is mostly defined in operational terms related to the formal goals and presented as a 'win-win' situation. Interestingly, here, the *industrial* world through its value of standardization acts as the neutral mediator among the *market*, *green* and *civic* worlds. In this work context, operational reliability and safety are presented as environmentally, socially and economically profitable: 'everything is linked to safety' (Man. Ref. 9). As explained by a production manager, sustainability is strongly embedded in their goals and their formal work contracts:

Sustainability, for us, is as simple as optimizing our furnaces... If, with a sustainable development project, we can avoid citizen complaints or reduce nuisance to the community... We'll do it... It's something that we have in our programs, to have ideas for improvement. It's in our work contracts, on that side [*environmental*], as well as on the economic side. (Man. Ref. 9)

Another production manager adds that the focus on sustainability is becoming even stronger with the new OEMS program:

With the new system [OEMS], you have elements for operations and elements only for the environment... It standardizes everything... (Man. Ref. 2)

In the refinery, the *industrial world* ('the new system... It standardizes everything'), more than the domestic world, is the mediator that reconciles the *market world* ('cost reductions') with the *green world* ('avoid environmental problems') and the *civic world* ('reduce nuisance to the community'). The compromise, which is viewed as already existing at this site, is further solidified through a tangible 'composite object': the OEMS. Although

originating in the *industrial world*, this formal management system also includes elements of the *green, civic* and *market worlds* through their materialization in formal goals (e.g. environmental and social goals). This system allows the different worlds to coexist peacefully without specifying a priori the goals that dominate – i.e. for which the system is optimized. When asked about the new sustainability strategy, actors point to a tangible composite object as a positive test of state of worth. This *solidifying work* of justification stabilizes the compromise and creates moral approval at the local level; it eliminates the need for sheltering work by materializing the new strategy the latter work seeks to articulate.

However, these two versions of the compromise, *domestic* and *industrial* based, are not always reinforcing. Although a majority of interviewees positively justify top management's new sustainability strategy, we also found voices that challenge the new compromise on moral grounds.

Fragilizing work: Destabilizing the moral foundations of the compromise by reconsidering composite objects

In contrast to the situation at the refinery, a number of individuals based at headquarters describe the effort that is still needed to embed sustainability in the OEMS. Here, as is the case at the refinery, sustainability is also equated with optimization: 'For me, it is about optimizing the value of the oil sands deposit... and giving value to something other than the cost per barrel' (Exec. HQ. 34). However, in this context, they question whether the composite object stemming from the *industrial* world, the OEMS, actually optimizes the *market, green* and *civic* worlds. A manager involved in integrating sustainability across the organization explains as follows:

OEMS is going to be the foundation on which OilsandsCo operates... I see we need to get sustainability in here on an equal footing so that people understand what it is... This is a feel-good concept; people generally buy into it... However, do they really know what we expect of them? I would probably say no. (Man. HQ. 36)

This feeling is echoed by a support manager who wonders about its applicability in a downtown office:

Yeah, so, some people will include things like ‘print less’ or ‘recycle’ in comparison to somebody in the business who is going to cut water based on their project, right? And then, when you’re truly working towards goals and you’re calculating percentages, I’m, like, really, what percentage would you use? (Man. HQ. 38)

The lack of equal footing for various aspects of sustainability in the formal system is also expressed by those involved in major construction projects, either in sustainability (‘there’s a lot of social sustainability that we don’t focus on yet’, Exec. HQ. 34) or in operations:

In some cases, and again, despite what I say regarding the best intentions... people do value sustainability... Of the value-drivers, at times, it does feel like the poorer cousin, sometimes even an afterthought... (Exec. HQ. 23)

This *fragilizing work* of justification reveals the difficulties involved in the development of new artifacts that combine multiple ‘worlds’ – the building of a new ‘composite object’. The metrics behind the OEMS that are used to create equivalence between worlds in the system are not necessarily ‘commensurable,’ and, even if they are, they may not weigh in the same manner on actors’ practices throughout the organization leading to the questioning of whether the new sustainability strategy can actually be deployed.

Interestingly, fragilizing work does not challenge the ‘value’ given to sustainability at OilsandsCo, and many also speak of sustainability in terms of ‘doing the right thing’ or a ‘feel-good concept’. Although their fragilizing work weakens the new compromise, it is not an attempt to deconstruct it through a test of order of worth. Instead, it tests the compromise’s state of worth with regard to the value of optimization (principles of the *industrial word*). It operates within the compromise and challenges its actual strength and its capacity to indeed reconcile the principles from the different worlds in a seamless manner. Individuals who express this view exercise moral caution, believing that the compromise could eventually be stabilized through its materialization in the OEMS.

None of the individual responses presented thus far actually delegitimizes the moral foundations on which the new compromise is based whether *domestic* or *industrial*. In contrast to this situation, at the extraction site, some interviewees go further in their critique.

Deconstructing work: Showing the moral compromise's failure at tests of order of worth

At the remote Western site, most people acknowledged and valued the pioneering work of OilsandsCo in its industry with regard to sustainable development, largely due to its initiatives to diminish the environmental impact of oil sand extraction. However, some now wonder whether the new sustainability strategy can be morally justified. They engage in *deconstructing* work through tests of order of worth where the moral foundations underlying the new compromise are debated. This employee's comment is representative of this type of justification work:

We have a vision and a mission and, you know, principles and all of those things that have all of this included, but at my level, it always comes down to dollars... I'm not saying that it's 'go out there and wreck things', but it's kind of that. (Emp. Ext. 41)

One of his colleagues, a manager involved in major construction projects, expresses a similar view: 'It's always a battle between the regulations, money and the environment. And the environment comes last, the regulations come second, and money comes first' (Man. Ext 40). This justification work deconstructs the compromise by submitting it to a 'test of order of worth' whereby the *green world* is opposed to the *market world* and the moral principles of the latter world are viewed as necessarily dominating (e.g. 'it always comes down to dollars', 'money comes first'). Tellingly, when they compare the new and the old sustainability strategies, these interviewees judge the latter as less worthy, and some of them even refer to the current 'sustainability report' as a form of manipulation:

We used to build sustainable projects, and we had a good sustainable culture and would do things without an eye so much on the bottom line... So, that kind of thing never happens anymore... now, it's all about messaging, positioning, and all this greenwash... (Man. Ext. 40)

In this citation, for instance, the prior strategy is justified by mobilizing investments in ‘sustainable projects’ that were the composite objects in the old compromise as concrete proofs that the *market world* actually created a bridge to the *green world*, that the *market world* was not the only criterion of value (‘we would do things without an eye so much on the bottom line’). Furthermore, this justification work also deconstructs the new compromise through a complex argument whereby the *domestic world* (in which trustworthiness is the fundamental value) is dissociated, through a test of order of worth, from the *world of renown* and the *market world*, which are deemed to be unworthy (i.e. not trustworthy) and opposed to the *green world* (‘greenwash’). This deconstructing work leverages the *domestic world* by criticizing the new strategy as undoing the company’s heritage (‘we had a good sustainable culture... that kind of thing never happens anymore...’), thus directly attacking the basis of the new compromise in the message of top management. This justification work expressing moral outrage radically challenges the new compromise, through tests of order of worth, involving either purification in the *market world* or dissociation from the *domestic world*.

Although less frequent, deconstructing work helps to clarify the different configurations of compromise and, particularly, their links to the *market world*.

Moralizing institutional complexity

Our analysis of the interaction of the types of justification work within and across the various organizational units offers insights into how justification work constructs different local moralities in situations of institutional complexity and suggests reconsideration of how the *market world* helps to build compromise in for-profit organizations.

Moral agency: How a shift in compromise produced distinct types of justification work

Our prior findings show that justification work in the case of a new compromise gives rise to a variety of local responses that are morally distinct. It is interesting to note how the shift from one compromise to another about the sustainability strategy gave rise to moral tensions

that individuals managed through their justification work relying on the various moral foundations that are locally relevant (Gond et al., 2017a). For instance, two types of justification work, *sheltering* and *fragilizing*, reveal ‘moral fluidity’ as actors withhold their final judgment, basing their evaluation of the new compromise on both past (*domestic* world) or present (*industrial* world) actions and future intentions (reconciliation compromise). In *sheltering work*, there is a type of moral optimism: the new compromise is viewed as a morally legitimate ‘project-in-the-making’. *Fragilizing work*, for its part, reflects moral caution or skepticism: the new compromise is viewed as morally failing now but possibly succeeding in the future. *Deconstructing work* reflects moral outrage: the new compromise is presented as morally illegitimate, as both a betrayal and a form of moral manipulation. Only *solidifying work* seems exempt of moral tension. The new compromise is viewed as morally legitimate because it is made tangible through a composite object which passes the different tests of state of worth. As a whole, these four types of justification work paint a rich ‘moral landscape’ where individuals engage in complex justification work whose evolution will influence the future stabilization of the new compromise.

Moral hybrids: The resilience of the ‘compensation’ compromise

Our findings also advance the understanding of institutional and organizational hybridity by specifying how moral agency plays through compromise-making among different ‘worlds’. Specifically, we identified two forms of compromise related to sustainability that highlight different types of relationships among moral worlds, *compensation* and *reconciliation*, which influence the place given to the *market world*. When conceiving organizations as ‘compromising devices’ (Thévenot, 2001), both can be viewed as hybrid forms that attempt to reconcile potentially conflicting moral foundations. However, while the ‘compensation compromise’ seeks to hybridize by directly translating the *market world* from an opponent to an ally of the *green and civic worlds*, the ‘reconciliation compromise’ is a more complex

form that hybridizes through the implication of a mediating world making the *market world* less central. This compromise takes away the *market world's* responsibility in achieving sustainability, an approach that can be regarded as a surprising stance for a for-profit organization.

However, the stabilization of such a compromise seems to be difficult, as we saw in the previous section. While the test of the *market world* (investment in major projects) was accepted by all as legitimate, the tests of the *domestic* and the *industrial* worlds gave rise to more or less radical moral challenges, as observed in three out of four types of justification work. Thus, the justification work that accompanies the reconciliation compromise reveals its vulnerability to changing local circumstances. Accordingly, our findings suggest that institutional or organizational hybrid forms among multiple logics are more or less robust and thus likely to last, depending on how they combine and materialize the distinct moral worlds they embed.

Discussion and implications

In this study, we theorize the moral foundations of institutional complexity by revealing how moral judgement is involved in individual responses to a shift in their organization's sustainability strategy and by analyzing how these individual responses influence the formation of a compromise after this shift. Our results led to the conceptualization of four types of justification work – *refining*, *solidifying*, *fragilizing* and *deconstructing* – that reflect how moral principles are engaged by individuals. We show how justification work shapes the shift from a compromise about sustainability based on a logic of *compensation* among distinct worlds to a compromise seeking their *reconciliation* in the domestic or industrial worlds. Our study resulted in a number of insights into the moral dimensions of institutional complexity and the process of compromise-making for corporate sustainability. We discuss these insights in detail below and suggest areas for further research.

Humanizing institutional complexity: Recovering individuals' moral judgement

Although institutional analysis has moved towards a richer description of people who 'inhabit' organizations and institutions by recognizing their singularity (Kraatz & Block, 2008) and reintegrated within the scope of analysis facets of humankind such as emotions (Voronov & Vince, 2012) or the capacity to manage paradoxes embedded in contrasting logics (Gümüsai et al., 2019; Hengts et al., 2019), it has strangely overlooked morality (Moore & Grandy, 2017). Nevertheless, findings from recent institutional complexity studies suggest that actors use their moral judgement when faced with conflicting logics (Gümüsai et al., 2019; McPherson & Sauder, 2013).

Making explicit morality within the analysis of institutional complexity is not a trivial matter. Longstanding traditions in history, philosophy, and psychology show how individuals' moral sense is altered by dominant institutions (Neitzel & Welzer, 2012, Zimbardo, 2006). During his trial, Eichmann argued that he was acting professionally, following the rule of law (Arendt, 1963). We could say that he was following a dominant institutional logic without considering the moral grounding of this logic nor relying on his own moral sense. Reintegrating actors' moral agency and capacity to manage multiple approaches to the common good is essential to 'humanize' institutional complexity studies.

Specifically, our results show how the notion of worlds specifies how moral orders form actors' cultural 'toolkits' (Swidler, 2006; Weber, 2005). We show how individuals combine such moral orders through their justification work, a process that can explain why professional logics aligned with moral principles are specifically mobilized in situations of institutional complexity by actors to make their case. Our analysis suggests that the 'world' underlying logics explain why actors 'hijack' logics from other professions (McPherson & Sauder, 2013): to advance the moral view they judge appropriate to the situation. Our results

invite investigations in future research into how (societal) moral orders captured by worlds interact with (field) professional logics in actors' daily practices.

Considering the moral dimension through an EW lens can also further clarify the notion of institutional hybridity beyond the current focus on identity (Battilana & Dorado, 2010; Pache & Santos, 2013). By explaining how 'tests of order of worth' and 'tests of state of worth' (Dansou & Langley, 2012) as well as material artefacts are involved in *fragilizing* and *solidifying* work, our analysis makes explicit the role played by objects to reconcile contradictory moral worlds and build compromises. Accordingly, our results shed a different light on recent studies in the domains of strategy as practice (e.g. Hengst et al., 2019) or logics and paradoxes (e.g. Gümüsai et al., 2019). First, an EW approach suggests that more moral 'worlds' could be at play than the key pairs of tensions on which these studies focus, and our results invite consideration of the possibility that some worlds could themselves have been used to organize the reconciliation of goals, values or logics. Second, an EW puts more emphasis on the role played by objects in the forming of compromise among distinct worlds, and this suggests that specifying how materiality is involved in the management of normative tensions (Gond et al., 2017a) could be central to appreciating what makes organizational hybrids 'elastic' (Gümüsai et al., 2019) or 'structurally flexible' (Smith & Besharov, 2019).

Unpacking the complexity of compromise-making on corporate sustainability

Our study also contributes to the EW theory and the growing stream of studies investigating how individuals engage with corporate sustainability strategy within organizations. Our results extend and refine the prior EW studies that have highlighted how corporate sustainability can be approached has a compromise between the green and the market worlds that may ultimately comfort the domination of the market world and thus consolidate the hegemony of the market (Nyberg & Wright, 2013). We found in our case that compromises about sustainability took different distinct forms – *compensation* and *reconciliation* – which

elicit distinct responses from employees and managers and that compromise-making around sustainability may involve more substantially a plurality of worlds beyond the green and market worlds (Finch et al., 2018). In particular, the industrial and domestic worlds and the related objects played central roles in either consolidating the new reconciliation compromise within a higher order common principle or in challenging the robustness of the new compromise. Actors' work of justification interacted within the process of compromise-making around a new sustainability strategy in ways that shape the forming of this compromise. Our results thus suggest that through their moral agency and capacity to combine multiple worlds, actors can engage in forms of 'moral resistance' – through fragilizing or deconstructing work – that may challenge the market hegemony from within the corporation. Such forms of moral resistance could explain why the 'green world' can in some contexts avoid being absorbed into the market world (Nyberg & Wright, 2013).

As a whole, our results show the value of using the EW to closely scrutinize the make-up of compromises in corporate sustainability in a variety of informal situations within organizations. The moral underpinnings of such interactions may play a key role in the deployment of sustainability strategies within organizations and thus explain their capacity to become successfully deployed (Hengst et al., 2019) or embedded in a lasting manner within organizational structures (Brès et al., 2019; Soderstrom & Weber, 2019). By investigating individuals' moral engagement with sustainability within organizations, the concepts of justification work and compromise-making, therefore, contribute by extending the moral microfoundations of sustainability and CSR (Gond, El Akremi, Swaen, & Babut, 2017b; Gond & Moser, 2019) and respond to calls for qualitative investigations of how individuals make sense and interpret the moral and human issues surrounding these notions (Glavas, 2016).

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Table 1. Supplementary illustrations of the four types of justification work

Type of justification work	Definition	Illustrative citation	Worlds / EW Interpretation
<p>SHELTERING WORK</p> <p>Influence on the compromise: helps avoid negative tests of worth</p>	<p>Articulating an ambiguous, generic construct that translates in different worlds.</p> <p><i>Typically: Position the company in the domestic world, as a guardian of the common good whether in terms of market, green and civic forms of worth</i></p>	<p>I think, in our mission statement or vision, it's 'using energy wisely'. And so I think it's having that balance between growing a company, growing an economy, but at the same time being respectful of the environment and the resource that you're taking out of it. So I think it's that balance. (Man. HQ. 27)</p>	<p>Sustainability is defined with terms such as 'wisely' 'being respectful' which refer to values stemming from the domestic world and are combined with 'growing an economy' (market and civic worlds) and 'the environment' (green world).</p>
<p>SOLIDIFYING WORK</p> <p>Influence on the compromise: help materialize the compromise, making it last</p>	<p>Integrating the valuation of different worlds in a composite object.</p> <p><i>Typically: Defend the capacity of the industrial world through the formal management systems to equalize market, green and civic worlds</i></p>	<p>...for [our company], I know it's important, because it's part of the main goals to reduce our energy consumption, our environmental footprint, our impact on the community. (Exec. REF. 1)</p>	<p>The reference to the 'main goals' (industrial world) clearly point to the importance of the formal goal system as an object which can embed both the environment (green world) and the community (social world).</p>
<p>FRAGILIZING WORK</p> <p>Influence on the compromise: challenge its material foundations</p>	<p>Questioning the capacity of the composite object to value equally the different worlds it integrates.</p> <p><i>Typically: Describing the performance or control management system as privileging the 'market' worth over other worlds</i></p>	<p>They're trying to drive it at an internal (level)—because it's not there yet.. Because I support the sustainability group, right? So I know that that's their mandate to drive that. So no, it doesn't exist. It doesn't exist in a formalized or cultural standpoint at this point, it's very hit and miss. (Emp. HQ. 25)</p>	<p>The system is not yet 'formalized' (industrial world) enough to support sustainability (integration of green and civic worlds)</p>
<p>DECONSTRUCTING WORK</p> <p>Influence on the compromise: reconsider drastically its moral foundations</p>	<p>Revealing the incompatibility between the different worlds which the construct attempts to reconcile.</p> <p><i>Typically: Opposing market world to the other types of worlds</i></p>	<p>It's not really sustainable development that interests them... it's to have a good reputation, to make environmentalists happy, to have their bonuses, to cut costs... We brag about it, but we don't do it because we are preoccupied by the environment, but because it's good for the bottom line. (Emp. REF. 16)</p>	<p>By challenging the truthfulness (domestic world) of managers ('It's not really sustainable development that interests them'), sustainability is recast in the market world ('good for the bottom line') rather than the green world.</p>

Appendix A – Overview of data sources

INTERVIEW DATA				
Interviews at OilsandCo				
Location	Refinery	Headquarters	Extraction	Total numbers
Levels*				
Executive team	4	5	-	9 (17.5%)
Middle management	3	9	7	19 (36.5%)
Employees	13	5	6	24 (46%)
Functions**				
Production	12	4	3	19 (36.5%)
Sales	5	-	-	5 (9.5%)
Sustainability	2	5	6	13 (25%)
Other support functions	1	10	4	15 (29%)
Total interviews at Oilsandco	20 (38.5%)	19 (36.5%)	13 (25%)	52
Other interviews				
Canadian Oil Industry Expert				2
Head of sustainability at OilsandCo (exploratory interview)				1
Total number of interviews				55
OTHER DATA				
Sources	Description			Number
Corporate documents	<ul style="list-style-type: none"> Company's sustainability reports, annuals reports 2010, 2011, 2012, 2013 Web pages and other internal documents 			4 reports and numerous web pages
Third party sources	<ul style="list-style-type: none"> Sustainalytics reports for the year 2013 (produced by a social rating agency and measuring CSR performance on multiple criteria) Datamonitor Oil and Gas industry reports 2010, 2011, 2012 			4 industry reports from two distinct sources
Media coverage	<ul style="list-style-type: none"> Analysis of press coverage through LexisNexis 2000-2013 			157 newspaper articles

* Two of the executives interviewed at the Headquarter were in charge of the Extraction site.

** The absence/presence of functions at certain sites reflects the nature of the organization of production at OilsandCo.

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Endnotes

ⁱ For a detailed description of these seven worlds, see Patriotta et al. (2011, p. 1810).

ⁱⁱ As Friedland (2013) noted: 'Boltanski and Thévenot seek, wherever they can, to strip their polities of particular institutional meanings so that they can serve as all-purpose grammars. They describe principles of worth and their respective qualification practices so that they can be applied to any institutional field' (p. 42).