1. Introduction

Do you remember how bad coffee tasted the first time you drank it? Can you remember the number of stages you as a newcomer passed on to become a regular coffee drinker? Probabilities are high that your answer is “yes” on the first question and “no” on the latter. The habit of drinking coffee and the practice of being a market-oriented organisation have similarities as a phenomenon. These similarities illustrate the research problem addressed in the present investigation. Below I will develop examples to clarify the research problem and relevant conceptualisations of public sector transformation and practical drift.

There is no surprise that the market “tastes” bad when introduced at the first time in a public organisation. However, what is more important is that becoming a regular coffee drinker, or in this case a market-oriented organisation, involves transformations. This is such transformation that without it the newcomer would neither understand how to practice the market, or how to respond to its effects. Consequently, the individual organisation would not appreciate the market and so would not continue to practice it.

Modernizing via new public management reforms is as complex as the social construction of a coffee lover. Every coffee lover has its own “career”. No universal pattern is designed to create appreciation of the substance. No objective yardstick can be developed to measure appreciation of it. Coffee drinking is a habit that is socially situated. It develops over time and involves experimentation with perceptions and preferences embedded in a wider social context that reach beyond the concrete situation. More specifically it depends on how actors define themselves and their situation and, how they decide on the categories that they see themselves as related to. The habit of drinking coffee evolves influenced by multiple institutional factors over time, so does the actual practicing public management reforms in public sector organisations.

The essential point in the paper is that changes in organisational practices do not fully match changes in the environment. Thus, whether or not public management reforms really matter is not obvious. The focus is therefore not on the measurable effect of public management reforms for public sector transformation. The potential for transformation is inherent in processes of practical drift, compared to the objective incentives given by a reform. Looking into the different inefficiency effects of new public management reforms from organisation’s practical drift will not provide knowledge on these issues. Rather, I am interested in different ways in which organisation’s practical drift can affect the potential for making changes in organisational practices in public sector. Exploring relationships between the theoretical concepts of practical drift and public sector transformation helps disentangle some of the organisational processes feeding into public sector transformation. Hence, the symbolic outcomes, as well as symbolic functions of reforms will be accounted for in the present paper.

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1 Work in progress. Please do not quote without permission from author. List of references will be accommodated at the panel presentation. Author wishes to thank Directorate of Public Roads, The Norwegian Research Council, and Norwegian School of Management for financial support for the project.
The puzzle of public sector transformation will be explicated in section 2. In this section existing conceptualizations of public sector transformation will be presented and the present discussion will be placed within one of these. Different streams of institutional analysis of public sector transformation exist and no universal approach the research community seems to agree on. In section 3 existing institutional models of public sector transformation are reviewed. A US school and a Scandinavian school have emerged in this field of research. An integrated model is advocated. This integrated model is based on a reconceptualization of institutionalisation as related to three dimensions of public sector transformation; regulative, normative, and cognitive influences on organisational behaviours over time.

The importance of examining the evolution of practical drift over time and the need to understand public sector transformation that emerge from bottom-up, complex, and dynamic organisational processes are highlighted through case examples drawn from two sectors in Norway exposed to different types of public sector reforms. Based on this body of insights I have extracted knowledge on the potential role practical drift may play in public sector transformation. These various insights are then reconciled in a preliminary theory of practical drift. These issues are explicated in section 4.

A conclusion and propositions for further research on the role of practical drift in public sector transformation is presented in section 5. In this last section the review and discussion furthers the development of practical drift as a concept particularly on the notions on evolution of behavioural changes and strategic agency respectively.

Below I will start with synthesizing existing conceptualisations of public sector transformation. This insight is used to justify the research problem and the meaning of public sector transformation as it is developed for the discussion following later in the paper.

2. The Puzzle of Public Sector Transformation
Public sector reforms is defined as instrumental and planned changes in the structuring and functioning of organisations aiming at increasing the overall effectiveness and efficiency (Brunsson and Olsen 1990:4). A wide raft of such different but interrelated initiatives have been apparent in the public services of the OECD countries during the 1980's and 90's (Ashburner et al 1994, Ferlie et. al 1996). These initiatives do not only include structural changes, but also attempts to change both organisational processes and practices (Naschold and von Otter 1995).

However, the label of public sector transformation as rationally designed plans can be used to dismiss potentially valid organisational concerns about planned transformation. For example, such reforms can be seen as an ideological thought system characterized by importation of ideas generated in private sector organizations (Pollitt 1990). Osborne and Gaebler (1992) emphasize greater organisational flexibility, adaptability, and customer orientation also found in the private sector “excellence” literature.

When reviewed more in detail such reforms relate both to the technical task of organisation, to organisations exiting frames of reference, and hierarchical authority in the organization. Consequently, public sector transformation is a phenomenon that includes more than a mere discourse or fashion. The variety of implementation aspects (Eliassen and Koiman 1993), types of reforms (Dunleavy and Hood 1994) and heterogeneity in spread across nations identified (Zifack 1994, Klausen and Ståhlberg 1998) supports this impression. Likewise, we may reasonably assume that such reforms are diffused and adopted according to whether they are perceived as alternative organisational solutions on differently perceived organisational problems.
An influential source of knowledge on this latter issue is institutional theory within organisation research. Based on this stream of research reforms are not adopted entirely dependent on the particular turbulence caused by the launching of a reform. However, at the same time, different external events do not necessarily create different responses. Hence, what causes the external event and what causes transformation outcome may not be coherent. Previous research emphasizing the role of institutionalisation in public sector transformation illustrates the point made here more in detail.

Translated back to the coffee example the starting point for the reforms I will look at in this paper are plans. They reflect a belief in rational analysis and design. However, in real life reforms are not just implementation of plans. Neither are they merely “social happenings”. In terms of transformation potential, I can experiment with the substance by mixing flavours and find new ways to drink coffee that suits my taste and situation better. What is important is that these different habits are variations over the same substance - it is still coffee in some form that I now appreciate. This means that it is seemingly possible to dictate someone to drink coffee, but not dictate someone to become a coffee lover. Hence, if someone turns out to have become a coffee lover, there are reasons to believe that the level of coerciveness in pressures alone did not create this result. Nor is it reasonable that a rational designed training program alone has created the intended result.

As in the case of coffee drinking, the processes at different levels feeding into transformation do not occur independently. They are socially integrated both during the process and in their outcome. Practical drift is a concept describing the concrete development. “Practical” describes the subjects and activities emerging in organisations during situations of increased inconsistency. “Drift” relates to how these processes emerge discontinuously, but still constrained by an overall logic such as the form, content and function of a public management reform. The theoretical concept of practical drift therefore differs from organisational change because the first concept emerges from a view of organisations in which organisational processes are not seen as configurations of stimulus and response, but as sets if interactions.

This paper will emphasize that a concept of practical drift can serve as an important linking concept in institutional analysis of public sector transformation. It is clearly related to notions of causes for institutionalisation, different types of institutionalisation processes, direct effects of institutionalisation, and organisational outcomes of institutionalisation. However, a variety of different organisation research contributions can be labelled as related to such issues. It is therefore far from clear how these notions relate to transformation. Based on this practical drift emerge as a concept providing a focus for data relate to regulative, normative, and cognitive process elements in the larger process of public sector transformation.

2.1 The meaning of public sector transformation
Three main perspectives on how public sector transformation occurs exist. I will here briefly conceptualise the different views and position the present investigation within one of them.

One view is that the transformation potential lays in the reform design only as this is the result of a rational adaptation to increased external pressures for change. Thus, this stream of work has borrowed from (1) bureaucratic maximizing theory and, (2) economic organisation theory and, (3) quasi-market theory (Bartlett and LeGrand 1993; Lane 1997). These researchers conceptualize public sector transformations as something caused by major external events stemming from outside the organisation. A rational choice theory drives the explanations provided in this view.
Another view is that transformation cannot be planned and the potential for transformation decrease the more this process is rationally designed. Here, a theory of social action is deployed. However, this is done with clear links to the analysis of transformation at the organisation level. In this perspective, it is the processes themselves that create transformation. There are two major reasons for this: (1) Actors are interpreting exogenous ideas (Czarniawska and Joerges 1996) and (2) These people make sense of these ideas and their own situations (Sevon 1996).

A third view is that transformation is a process in which a lot of things happen that is not planned, without this being a process that is unmanageable. This view integrates a theory of action with a sociology-based process view. Work by Brunsson (1985; 1989) and Brunsson and Olsen 1993 can be linked to this view. Other related contributions are the notion of reorientation by Greenwood and Hinings (1993, 1996) and Ferlie et al’s (1996) notion on transformational change in public sector settings. The common denominator in these authors work is to provide a sociological analysis of the interplay between reforms and organisational processes in the public sector.

In this paper public sector transformation is defined as the situation when behavioural change occurs that leaves the organisation able to increase possibilities to survive in its milieu. This definition is partly related to the definition of adaptive organisational change offered by Brown and Eisenhardt (1998). However, the definition applied here does not rest on a specific notion on performance as defined by a goal. This does not exclude that organisations may be result oriented. This definition of transformation is also different from some views of organisational change in which change itself is examined, without regard for the effectiveness of the change. Thus, the definition deployed has clear links to Hinings and Greenwood (1989) and Greenwood and Hinings (1993) notion of reorientation and Ferlie et al (1996) notion on transformational change in public sector settings.

Two major insights emerge from this third view. First, public sector transformation is difficult and potentially risky. Second, a great deal of change might be observed, but the changes observed do not necessarily cause transformation. It is in this middle position that this thesis is placed. Important for such an approach is to follow processes at various levels. Thus, the overall research problem addressed in the present paper is as follows:

*How can new public management reforms be practiced seemingly without following a reform design?*

Related to public sector transformation research and theorizing two specific aspects of the research problem have particular interest. The first aspect focuses on what the transformation potential is in practical drift is over time. The second aspect relates to the practical drift potential in different reform designs.

Transformation is then defined as the ultimate result of organisational processes at various levels within the organisation rather than the result of bringing the organisation from one state of equilibrium to another. Hence, the practising of reforms is in focus and not whether they cause what are intended in terms of reform design.

However, taking this stance create particular challenges. It opens up the possibility that different processes at various levels can explain transformation. Processes emerging as relevant are as different as (1) individual level sense making (2) the formation of norms at the group level, and (3) actions at the organisation level. The challenge is to find one theoretical concept that can bridge different processes at multiple levels. I believe that practical drift is such a bridge.
So far an understanding of public sector transformation is established that focuses on the interplay between reform design and organisational processes at various levels. In the next section I will outline the various emphases institutional research have focused on in their treatment of public sector transformation. This field of research is important of two reasons: First, it is one field within organisation research that is evidently influenced by a integration of a general theory of social action and a sociological process view. Second, institutional research most evidently has provided insights that help disentangle the complexity and dynamic character of public sector transformation. Below the US and the Scandinavian school within this field of research is reviewed.

3. Public Sector Transformation and Models of Institutionalization

The last two decades of institutional analysis of organisational processes has shown that there are reasons to be doubtful about the effectiveness of planned transformations such as in the case new public management reforms. Focusing on institutionalisation as a process means an interest in the longitudinal effects of institutions, such as an organisation. The assumption made here is that a certain order of event over time helps determine whether and when change in organisational practices is likely to occur as the outcome of public sector transformation. Two major points will be stated in this section:

First, the most significant consequence that institutional theory attributes to institutionalisation is not that organisations do not change, but that an organisational practice is characterized by isomorphism and its relative permanence. However, the deterministic biased stream within new institutional theory, such as the US school, has moved into a methodological contradictive position when it comes to insights on public sector transformation. The various types of institutionalisation processes, that is the concrete processes through which actors make sense of and respond to reforms, is underestimated in explanation provided by such research.

Second, the powerful explanations of how organisations are, sometimes coercively, connected to its wider social context, lack theoretical assessments of unique organisational actor hood. Thus, the creative dimension of organisational life is left out of analysis. However, the Scandinavian school within institutional research on public sector transformation have difficulties in providing insight into the relative influence of cognitive, normative, and regulative processes on the organisational outcome of public sector transformation. The discussion in this section will illustrate these major points more in detail.

The common denominator in research presented in the following paragraphs is the emphasis on why and how the prevalence of social norms and general beliefs are sources of both permanence and transformation. The causal relationship between an external event and organisations responses is proved to be uncertain. Further, institutional research have showed us that public sector transformation is about how organisations use symbols to influence the perceptions of important external constituency, i.e. shareholders, government, customers and internal constituency, i.e. professional groups, sub units, single actors. The following table summarizes the research reviewed.
Environmental Inconsistency  
Diffusion  
Decoupling  
Isomorphism

Organisational inconsistency  
Cultural editing, identity change  
Hypocrisy  
Permanence

**Table 1: Public sector transformation and models of institutionalisation**

Notions on causes for institutionalisation, types of institutionalisation processes, direct effects of institutionalisation, and organisational outcomes of institutionalisation differentiates the two schools within of institutional research on public sector transformation. Below these differences will be explicated more in detail.

**3.1 Causes for institutionalisation**

Early contributions within the US school have focused on investigating institutionalization as a variable (DiMaggio and Powell 1991). Such studies are primarily concerned with organisational survival. For this purpose the concept of institution is treated as an entity. An institution is a cultural or social system (i.e. an industry, an organisation, a professional group, a reform) characterized by one or more specific features. As an example, Meyer and Rowan (1977) builds their article on the view that institutions are complexes of cultural rules and emphasize the impact of changes in the wider institutional environments on organisational forms. The common denominator in research paying particular attention to institutionalisation as variable is their focus on the environment as an institution.

Powell (1988) finds evidence consistent with this prediction in his study comparing an academic book publishing company and a public television station. Organisations located in environments in which conflicting demands are made upon them will be especially likely to generate complex organisation structures with disproportionately large administrative components and boundary –spanning units. Thus, the level of inconsistency in the environmental pressures increases the scope for institutionalisation of outcomes.

Tolbert (1988) addressed this by showing how the organisation can gain control over its environment. According to this study organisations have two response options when institutional pressures for change increase. First, organisations tend to select the environmental elements that it will allow to penetrate its boarders. Secondly, organisations modify the elements that do interpenetrate them. The conclusion is drawn that internal sources of structure (e.g. reliance on formal socialization mechanisms) are determining responses when environments cause inconsistencies.

Thus, within the US school the organisation – institutional environment relation is the essence in research focusing on institutionalisation as a variable in public sector transformation. Organisational transformation in public sector settings is thereby embedded in and affected by its wider social context. Further, it is assumed that environments goes straight through and does not stop at the border of the organisation. Inconsistencies and conflicting demands in the environment are asserted as facilitators for such interpenetration.
These early studies focus on how the inconsistency of the environment increases the latitude for institutionalisation. The initial findings derived in these early studies are developed further in more recent research within the US school.

Diversification in community health centres where studied by D’Aunno and Sutton (1991). They explain institutionalisation as caused by the organisation moving from one type of environments posing consistent pressures (the traditional polity) into another type of environment (the new polity) posing inconsistent pressures on the issue of drug abuse treatment. These aspects were measured as the prevalence of different models of staffing and providing services in drug abuse programs. The results show that hybrid organisations reflected the conflicts in their environments by attempting to incorporate some features consistent with both mental health and the drug abuse institutional practices. Consequently, conflicts in the environment were reflected in both the new structures and the new practices of these organisations.

In the Scandinavian school of institutional theory external events are not perceived as what drives public sector transformation. The organisational processes in such are what makes institutionalisation occur. Consequently, the adoption of a reform is an event that is not separate from their implementation. Thus, users of such reforms are not passive recipients of reforms invented elsewhere.

Reforms have in this school been analysed as more or less top -down managed. As pointed out by Czarniawska (1990), although the remedy for transformation that she recommends involves a realignment of ideological and hierarchical reforms, the underlying nature of transformations is portrayed as highly dependent on local level organisational characteristics. Hierarchical reforms are initiated, controlled, and implemented from the top. Ideological reforms are implemented through processes of translations in which organisational members are convinced to take active part in the reform (Czarniawska 1990).

A common denominator in studies within the Scandinavian school is the focus on inconsistencies between the external event and existing organisational practices as causes for institutionalisation. Thus, the facilitators for environmental interpenetration of the organisations boarder are not environmental inconsistencies alone, but the extent to which these create organisational inconsistencies. Such institutionalisation of organisations processes during increased environmental uncertainty is subsequently interfering the intended result as defined by the launching of a reform.

Consequently it becomes difficult to empirically define where the external environment stops and where the internal environments begin. Claims are also made that this border is analytically not very useful in explaining what an “organisation” is and what it is not in the case of public sector reform (Brunsson and Sahlin-Andersson 2000). This is one theoretical point of divergence between the US and Scandinavian schools. Another theoretical point of divergence is, besides the focus on the environment as source of institutionalisation, the lack of emphasis on individual and collective actors as sources of institutionalisation. This latter issue will be explicated more in detail in the following section.

3.2 Types of institutionalisation processes
The studies presented in the previous section focused on respectively inconsistent environments and inconsistencies between external event and existing organisational practices as causes for institutionalisation. These types of inconsistencies were asserted as facilitators of institutionalisation affecting both reforms and the result of reforms. Institutionalisation relates here to why and how the prevalence of social norms, values, and belief systems are normative limitations in public sector transformation. The causal relationship between reforms and results is rejected. Further, this stream of research have showed us that public
sector transformation is about how organisations use symbols to influence the perceptions of important external constituency, i.e. shareholders, government, customers and internal constituency, i.e. professional groups, sub units, single actors. Various aspects of inconsistency should clearly be included into analysis because a source of practical drift emerges in similar situations.

In the US school the diffusion is one type of institutionalisation process that have been heavily researched. The notion of diffusion explains how formal structures are adopted as rational myths by organisations, and that such an adoption can not be explained by technical, task, or strategic considerations (DiMaagio and Powell 1991). The notion on diffusion was confirmed and further developed by Tolbert (1985). She measured diffusion of formal structure as the prevalence of administrative offices for managing funding issues. Data was drawn from a large sample data set consisting of private and public institutions of higher education in US. Her analysis extended existing knowledge on in what types of environmental pressures institutionalisation was most influential. She identified that non-traditional source for support and funding was a strong predictor of administrative differentiation in public sector transformation.

Consequently, institutionalisation is also caused by interaction between external events and the characteristics of the receiving organisation. Thus, contributions within the US school have emphasized more dimensions of diffusion and thus also indicated the prevalence of other types of institutionalisation processes. As an example, Tolbert and Zucker’s study from 1983 focus on how increasing institutionalization (i.e. diffusion) is affected by the characteristics of the adopting organisation over time. Their investigation of the diffusion of civil service reform among local governments at the turn of the 19th century indicates that its adoption by cities during the initial period varied according to the following characteristics: larger cities, higher proportions of immigrants, higher ratio of white-collar worker to blue-collar worker inhabitants. However, findings also indicate that in subsequent periods, this relation became weaker.

With these notions the early formulation within the US emerged as built on a normative base. With normative I here mean that organisation’s responses are not the result of taken for granted and automatically emerged patterns of behaviors. An intentional separation of thinking and acting is deployed by organisations. Thus, quite active processes at different levels influence the diffusion of exogenous ideas such as a new public management reform.

In the Scandinavian school one key issue is how internalised and respectively how externalised reforms actually are during public sector transformations. The importance of how situations are framed and social identities defined is in focus in. Consequently, organisational concerns towards reforms is relevant because organisational action is not only determined by something externalised and given “out there” based on norms, but as something internalised emerging through the institutionalisation of norms of actions. Thus, more than diffusion appears as institutionalisation processes in such transformations.

Introducing unique actor hood in the analysis of public sector transformation means that an organisation is seen as an institution. Scandinavian research focuses on the various organisational processes involved in the creation and transmission of institutions, their maintenance and resistance to change and upon the role of language and symbols in these processes. While the US school contributions developed the macro side of institutional arguments the Scandinavian studies emphasises the micro foundations of institutional processes in which behaviours is anchored. Research then deals both with how institutions develop and change and how institutions are maintained and diffused through various institutionalisation processes.
However, in this latter stream of institutional research, changes in organisations existing practices are not infused a process of environmentally determined institutionalisation. Reforms are implemented through the process of culturally embedded editing (Sahlin-Andersson 1996) in which parts of a reform is adopted and stored in the organization (Røvik 1998). Organisations practices are thereby shaped by changes in the institutional environment and an increase in the level of inconsistency between external events and existing practices.

Starting with their studies of reforms in public sector, Scandinavian research slowly focused more on the travel of “ideas” (such as a reform) and the production of such ideas than the diffusion of such ideas. Research problems were concentrated around the eigenvalue of reforms in terms of legitimacy and modernization as an idea in the public sector. Based on these studies, various types of institutionalisation processes emerge as is important for the analysis of public sector transformation for three reasons:

2. These people make sense of these for their situations (Sevon 1996, Sahlin Andersson 1986, Mouritsen and Skærbæk 1995, Christensen and Molin 1995);
3. These people negotiate and change identities (Sahlin-Andersson 1996, Forsell and Jansson 1996).

What is important is that these institutional processes are not a special case of search process under increased inconsistency. This is also what differentiates them from other micro level institutional research. Consequently, transformation arises from changes in sense making modes in surfacing the various institutionalisation processes investigated. Proposed effects of the different institutionalisation processes emphasized in public sector transformation research are discussed in the next section.

3.3 Direct effects of institutionalisation
In the US school, the work of Meyer and Rowan (1977) is important for the assessment of possible effects of diffusion. These authors developed their decoupling thesis from qualitative work on educational institutions. Their findings indicated that formally adopted standards and processes, appearing to address conflicting government and community demands, were decoupled from on-going routines of teaching as an integrative solution. Hence, one type of external event does not necessarily cause change as intended. Further, the actual outcome of public sector transformation is determined by diffusion of legitimate formal structures more than local level appropriation of activities.

The decoupling thesis was developed further in other similar research. A dimension of the same decoupling effect has been explored as between sectors variations' depending on the generation of sector specific institutional “rules”. Meyer et al (1983) described the administrative structure of districts, elementary, and secondary schools demonstrating that schools and districts that had more institutionally inconsistent environments (i.e. relying more on federal funding, including many independent programs and budgetary categories) had disproportionately large administrative structures compared to schools and districts with more consistent institutional pressures (i.e. relying primarily on state funding) which tended to have more integrated formal structure. As decoupling where identified between organisational structure and activities by Meyer and Rowan (1977), this latter study identified decoupling between organisational form and content.

A similar dimension of decoupling is in focus in another study. Boeker and Goodstein (1991) explored the interaction effects of institutional processes on organisational responses to environmental change were investigated. The research setting is 290 hospitals in California,
US and data were longitudinal and archival. The type of organisational change investigated is not transformational – but structural. More specific changes were identified in the composition of board of directors. Such changes were mapped and coded as depended variable reflecting organisations attempts to deal with changing external contingencies. Results indicate that hospitals change the composition of their board to adapt to changing environmental pressures but that hospitals’ performance moderates the rate of their response. Poor performers were overall more willing to initiate changes in board composition than strong performers, indicating that both individual organisations subjective perception of threat level and objective resource situation may create structural, but symbolic changes.

Thus, the US school has provided insights on the effects of institutionalisation processes as related not only to decoupling between structure and activities, but also decoupling between organisational form and content, decision process from actions, and incentives from agency. In contrast, the Scandinavian school has particularly emphasized direct effects of institutionalisation processes in behavioural ambiguity terms.

Brunsson (1985, 1989) and his colleagues developed a theory of organized hypocrisy in which ideas similar to those adapted into the US school institutional where first introduced in Scandinavian research in studies of the irrationality of organisational decision-making. Brunsson and his colleagues argued that in order to make it easier to take action organizational decision making tend to be irrational. First, organisations do not evaluate all alternatives possible. Second, they do not evaluate all possible consequences in their analysis. Third, goals are formulated in retrospect during the process.

In Brunson’s work (1985, 1989) transformation was described as the situation when organisations make all encompassing changes because they believe that an environmental event is of importance for its performance and survival. Hypocrisy as a direct effects of institutionalisation processes is then identified as moderated by (a) that beliefs deeply rooted in a specific culture affects strategic agency and that (b) the cognitive-cultural formulations of such beliefs serves primarily not as the cause for decisions but as the rhetoric to justify any decision.

Further, the idea that public sector transformation can be accomplished only through changes in the behavioural system of organisation suggests that it may include an element of organized hypocrisy and the idea of reforms as ongoing activities (such as in Sahlin-Andersson 1986) are combined in Brunsson and Olsen (1990) that claims that not all reforms are implemented in an ongoing and recursive manner, as routines. Hence, what is often labelled as major external event is in fact only implemented if they are the result of some sort of (anticipated) crisis. Only those reforms that are convergent with organisations existing identity are implemented as routines. Those reforms that conflict with existing organisational identity is relatively seldom successfully implemented in terms of direct effects. For the latter type of reform, power and centralized influence are necessary conditions for success, and not the prevalence of hypocrisy.
Hypocrisy then also relates to a behavioural dimension of public sector transformation. The behavioural help us to understand why the less a reform impact on the daily practice of one single group, the more positive it is towards the launching of it, and consequently, why reforms do not always have to work to succeed. Olsen and Brunsson (1990) emphasise public sector transformation in behavioural terms but suggest that another state precedes it: an ideological process and an identity change process. Thus, a reinterpretation of Olsen and Brunsson (1990) suggests that normative and cognitive influences might have an effect on transformation, also implying that behaviours are a part of the phenomenon of hypocrisy. Reasons for this is are as follows:

Reform effectiveness is related to the fact that reforms embody characteristics that make them easier to launch than to carry through (Brunsson and Olsen 1993). As discussed above the ideological content of reforms and subsequent potential symbolic function explains this. New reforms represent solutions that easily win when compared to existing solutions. A reform is clear and simple compared to the complexity dominating existing practices. However, how the symbolic function of reforms is also linked with a symbolic outcome of reforms is less emphasised in the Scandinavian school of research. This issue will be explicated more in detail below.

3.4 Organisational outcomes of institutionalisation
Contributions within the US school state that once organisational activities are institutionalised (i.e. accepted as legitimate and subsequently taken for granted), they are assumed to become relatively stable, enduring, reproducible and sustainable over long periods of time without continuing justification (Zucker 1988). Based on contributions within the US school public sector transformation is influenced by that organisational forms are diffused, that organisations tend deploy different forms of decoupling, the organisational outcome of such institutionalisation processes tend toward isomorphism (DiMaggio and Powell 1991). However, in recent research within the US school a key question related to possible organisational outcomes of institutionalisation is how did this effect occur?

Studies including such a question have identified other organisational outcomes of institutionalisation emerging as different but still related to isomorphism. The interplay between various environmental and organisational factors believed to determine organisational outcomes of institutionalisation is in focus in a study by Kraatz and Zajac (1996). The three proposed organisational outcomes of institutionalisation investigated are organisational inertia, institutional isomorphism, and the legitimacy imperative. Data were longitudinal and archival data for 631 liberal arts colleges facing strong institutional and increasingly stronger technical environmental pressures over a 15-year period (1971-1985). What is unique in this study is the total number of predictions investigated in the same population over time. First, colleges changed contrary to institutional demands by professionalizing or vocationalizing their curricula. Second, global and local technical environmental demands, such as changes in consumers’ references and local economic and demographic differences, were strong predictors of the changes observed. Third, colleges became less, rather than more, homogeneous over time. Fourth, colleges generally did not mimic their most prestigious counterparts. Fifth, illegitimate changes had no negative (and had often positive) performance consequences for enrolment and survival.

Even though more recent research have provided evidence that the institutional assertions on isomorphism need to applied with care, this brief review shows that this stream of research provides extensive insights into why the launching of a reform often will not create organisational outcome as intended by the reform. The important thing here is that institutionalisation is something that develops over time of regulative, normative, and cognitive systems capable to varying degrees of providing meaning and stability to social behaviour. Externally imposed inconsistencies might provide the impetus for
institutionalisation. Organisations are thereby socially expected to adopt and subsequently implement various formal structures and operational and strategic policies. However, these adoptions may very well be in direct competition with the intentions defined by a reform compared to reform outcome.

However, authors within the Scandinavian school emphasize the role of construction of meaning and the acknowledgment of reforms symbolic functions as “real” in their discussion of organisational outcomes of institutionalisation. Emphasizing organisational outcomes require acknowledging organisational action as based on collective apparatus of sense making. This indicates that organisational outcomes is the result of a blend of external events and institutional norms about how to think and act (Czarniawska and Joerges 1996) as opposed to the idea of organisational outcomes as the result of strategic agency or environmental determinism.

Thus, a reforms success then vary dependent of who evaluates them and not depended on organisational outcomes. Sahlin-Anderson’s study from 1986 addresses this issue. Sahlin-Andersson (1986) surfaced the responses of public organisations to increased inconsistency caused by a governmental initiative. Based on this she conceptualize reforms as extraordinary projects. Reforms are not processes that can be planned, implemented and then evaluated on results. Reforms are processes of learning, in which one first in the end have learned what one initially wanted to achieve. Organisational outcomes of institutionalisation is not specifically conceptualised in the Scandinavian school. The major reason for this is that this research has focused on the sense-making dimension of public sector transformation and found that organisations responses were often paradoxical.

According to Czarniawska (1990) talk is the main instrument for implementation of reforms. However, talk is not always only talk. Talk mobilizes actors thinking and subsequent behaviours. Even though a behavioural dimension is included by Czarniawska (1990) her research does not include that principles of motive and choice are invoked at the organisation level. Core principles here are that identity and activity always are ideas, which always have exogenous aspects, but no specific organisational outcomes. Organisational behaviour then involves the routine use and modification of these.

However, as indicated several times the Scandinavian school have not proposed relationships between causes for, types of, and direct effects of institutionalisation and specific organisational outcomes other than relative permanence of existing organisational outcomes. Research within the Scandinavian school of public sector transformation research show that it is easier to create public sector transformation when reforms content and design closely relates to more general ideas and overall trends and events in the society, and hence, increasing the symbolic function of such reforms. What is important for public sector transformation is then, however, whether most organisational actors will perceive reforms as both natural and necessary, and not whether specific organisational outcomes of these reforms can be identified.

3.5. Rethinking public sector transformation
The previous review of institutional research on public sector transformation reveals four different emphases in current models of institutionalisation. Although these emphasizes overlap to some extent, they diverge in important ways. Finding a way to bring together these varying emphasizes will deepen our understanding of how public sector transformation occurs.

The US school within institutional research has shown that various dimensions of institutionalisation might occur simultaneously in public sector transformation. We know,
however, little about how the diverse dimensions of institutionalisation occurs over time during the transformation process. Hence, what may be perceived as unfounded opposition or tactics of concealment might also be motivated by organisations desire to negotiate needs for transformation with the protection of what they perceive as elements maintaining the effectiveness of their activities. Consequently, public sector transformation depends on both critical reform design parameters and the sub processes feeding into public sector transformation.

Portraying transformation in terms of increased environmental inconsistency has also been common since the earliest work on the topic within the Scandinavian school of institutional theory. Brunsson and Olsen (1993) analyzed connections between external events and the interpretation of these was investigated. Although their conceptual discussion indicated that transformation could involve both decoupling and hypocrisy, neither of the investigations included focused on this. Instead the criterion used to compare different organisations responses to reforms was variables related to the scope and diffusion of reform. The possibilities for practical drift could not have been captured in the measures reported. This stream of research, however, generated a body of Scandinavian work on the effects of organisational identity and ideology in public sector transformation emphasizing the inconsistency dimension.

Based on the research outlined previously we know that reforms travel. Reforms’ spreading are fuelled and increased by ideology and organisational identity. This is the material basis for more complex transformation mechanisms suggested useful for research on public sector transformation. However, what the Scandinavian school of public sector transformation research does not explicitly include is a notion of symbolic behaviours as outcome of institutionalisation at the organisational level.

As an example, Sevon (1996) outlines the distinctions between imitation and innovation in organisational change. In imitation organisations learn, not only beliefs about the connections between actions and its outcome, but also desires concerning outcomes. However, if imitation were to include desired outcomes, actions also would include desired behaviours.

When Sahlin-Andersson (1996) conceptualizes transformation in terms of “editing” a transformation occurs through editing processes. The roles of editing processes are more emphasized compared to what influences the formation of the “editing rules”. When such rules are asserted to be implicit and not subject to choices they must be internalized within the individual actor. However, then there is also a chance that such editing rules reveals nothing more than rules that have been followed and not the explicit editing processes of such rules.

The strong focus on the people who behave in organisations carrying out the specific behaviours involved through their editing and translating of external events and other ideas in the process makes these contributions a powerful extension of existing institutional theory and public sector transformation research. However, a revitalizing of the relationships between the actor and other actors constituting the normative grounding for editing and translation as well as relationships between the editing and organisational outcomes during the processes is needed in analysis.

The strong focus on types of ideas and why they develop and travel makes these contributions powerful extensions of institutional theory and public sector transformation. However, how individuals and organisations are editing and translating ideas are somewhat decoupled from the content of that idea. It is the content of the idea that creates more or less inconsistencies with existing practices and not the individuals editing or translating them. Thus, if we are to accept that reforms inherit symbolic functions then there is a chance, by definition, that public sector transformation outcomes also turn out to be more symbolic than actual.
Clearly, the symbolic outcomes, as well as symbolic functions of reforms need to be accounted for in analysis. To summarize the insights provided in previous works within the US school and the Scandinavian school two important insights for the analysis of public sector transformation:

(1) At what stage in the larger process of transformation we can conclude that a major external event such as a reform has had an effect is negotiable for actors and unclear for researchers.

(2) At what time changes in organisational practices should occur in order to be seen as an effect of a particular reform and not caused by pure luck or that actors have been convinced of its appropriateness through other influences, remain unclear.

Based on these assertions an integrated view is developed for further analysis. The following table summarizes areas of convergence and divergence between the two schools of institutional research and the integrated view developed in this paper.

<table>
<thead>
<tr>
<th>Institutional research</th>
<th>Key concept</th>
<th>Previous studies</th>
<th>Constituting mechanism</th>
<th>Unit of analysis</th>
<th>Theoretical Focus</th>
</tr>
</thead>
</table>

Table 2: An integrated view on institutionalisation and public sector transformation

Underlying the integrated view proposed is that institutionalisation is important for public sector transformation research because (1) the correlation between an external event and organisational behaviours have proved to be uncertain (e.g. Barley 1985; Tolbert and Zucker 1983) (2) the correlation between organisational structures and activities have proved to be uncertain (e.g. Meyer and Rowan 1977; Tolbert 1985; Powell 1988, Goodstein 1994; D’Aunno et al. 1991).

These and other related findings indicate that all organisational processes contain institutional biases. Assumptions here are that organisations can be seen as actors, and individuals and groups act within an organisational context. Thus, influences emerge from institutional factors at multiple levels. Such factors leave three major effects on transformation: (1) Cognitive influences are important because they shape organisations perceptions of the environment and
provide it with examples of legitimate behaviours and performance. (2) Normative influences are important because they shape organisations preferences for strategic agency and provide it with examples of legitimate decisions (3) Regulative influences is important because they represent activities that are preferred by the environment

Given the more complex processes involved in responding to a proposed reform that involves integration of such different processes it seem unlikely that organisation’s practicing of reforms is a static phenomenon. Thus, when facing a major external event public organisations seem more likely to engage in the formation of new forms of organisational processes, rather than simply shift their existing organisational practices along a stable dimension. Thus, it seems reasonable to assume that practical drift in some form will influence most organisations initial as well as long term response to a reform.

For these reasons I conclude that conceptualizing public sector transformation as related to practical drift permits a richer view of the ways in which public organisations are practicing new public management reforms. The overall question of why and when some organisations choose to decouple formal structures, standards and plans from practice and why and when some organisations choose to try to implement their adapted structure, standard or plan, deserves further investigation. We know from institutional research that the process of transformation relates to the ways in which variations in the process elements facilitates changes in organisational practices. However, I also point out that when public sector transformation involves practical drift a new understanding of what constitutes a shift in practices is introduced. Thus, practical drift processes involves a regulative, a normative, and a cognitive dimension.

Recognizing the potential for a process view on the actual practicing of reforms has inspired the framework developed for analysis. The practical drift framework developed for analysis is shown in the following figure.

![Figure 1: The practical drift framework](image)
So far I have presented and discussed institutional research that I believe give important insights increasing our understanding of the puzzle of public sector transformation. In addition to this I have outlined theoretical reasons justifying that public sector transformation may involve some form of practical drift. In the next section I will explicate more in detail the various practical drift dimensions in relation to case findings drawn form the cautious mover context of Norway.

4. Toward a preliminary theory of practical drift
The research problem addressed in this paper is how reforms seemingly are practiced even though they are not creating organizational changes as defined by reform design. Two aspects are of particular interest. This is first an interest in what transformation potential that can be identified in practical drift over time. The second research area is the potential role of practical drift in different reform designs. Three research questions emerge as relevant for the exploration of these issues:

RQ 1: How does a new public management reform affect the installation of new organisational practices?
RQ 2: How does a public management reforms affect the variables that emerge during practical drift?
RQ 3: How do the intermediate process variables that lead to the installation of organisational practices differ between different reform designs?

4.1. Case examples: Public Roads and Electricity Supplies in Norway
The two reforms investigated in the present investigation are different, but also have similarities. The first reform is a quasi-market reform in public roads launched in 1993/1994 aiming at decreasing bureaucratic stiffness and increasing the manageability of in-put and out-put relations in the sector. However, no external shock was imposed on the sector in terms of privatisation. This first reform then represents a typical Norwegian reform. The second reform is a radical market reform launched in 1991. This reform liberalised electricity supplies to private consumers causing a level of inconsistency with existing practices that organisations in the sector had not previously experienced throughout its 100 yearlong history. This latter reform is radical and therefore not typical for public sector transformation in Norway. Based on rational choice conceptualisations of public sector transformation one could assume that the level of behavioural changes in electricity supplies would be larger than in public roads due to variation in reform design. My observations show that this is not what happened (see also Flagstad 1999, Flagstad 2000, Flagstad and Ludvigsen 2000, Flagstad and Ludvigsen 2002, Flagstad 2003)

The quasi-market reform in public roads did create changes. Measured as changes in structures, the hybrid purchaser-provider model was implemented, even though only a minority of respondents saw it as useful for them. The reform also did create changes in organisational work processes as it set out to do. A new management accountant system was implemented even though a majority of the individual managers did not perceive it as increasing effectiveness. The creation of new collective meaning also appeared, but not as extensive as intended by reform designers. Still, it was influential. As an example, customer orientation in managers operational behaviour was identified in the present investigation even though no coherent image of which the significant customers were, existed.

Data were collected in two rounds and in two sectors. Longitudinal interview data are collected from one organisation. Additional survey data are drawn from 144 organisations in two infrastructure sectors in Norway exposed to two different public management reforms. Analysis of the transformation potential in practical drift over time revealed the following key findings.
A positive relationship between variations in operational behaviour and perceptions of the quasi-market reform and preferences for change seem to exist. However, indications are given that over time professional interests guiding preferences for change outweighed perceived appropriateness of the reforms. Findings then indicated the relative influence from normative process elements as stronger than the cognitive process elements explaining transformation. Most important is the finding that what is important for transformation is not identifiable cognitive and normative inconsistencies that can be identified up front, but how the interaction of these sub processes appears during the process.

Six years after launching a majority of the organisations in the public road sector report behaviours that are quasi-market oriented. However, organisations policy-making functions and managers with tenure in the sector and in the present management position longer than ten years significantly decrease organisations quasi-market orientation.

The market reform in the electricity sector created changes in formal structure. Ten years after launching of the market reform 70% of the units in the sector had changed their legal form from public utilities to limited companies. However, a collective understanding towards increased market orientation has not appeared as planned. As example managers in a majority of the companies report no preferences for competition and search for new customers in strategic decision-making.

Organisational size and functional setting significantly increases organisations market orientation in operational behaviours in the electricity sector. Large organisations are more market oriented in operational behaviours than small organisations. Production companies are less market oriented than trading and mixed companies. Ownership has no significant effect on market orientation in operational behaviours. Managers’ tenure in current position and managers’ private sector work experience significantly increase organisations market orientation in operational behaviours. Managers’ tenure in the sector, managers’ age, and manager’s educational background has no significant effects on organisations market orientation in operational behaviours.

Functional setting has no significant effect on the customer search dimension but a significant effect on the price-setting dimension of market orientation in strategic decision-making. Grid and mixed companies are less market oriented in their strategic decision-making than production companies. Organisational size has significant effect on both customer search and price setting. Large companies are more market oriented in terms of price setting and customer search than small companies. Ownership and managers’ demography has no significant effect on either of the two strategic decision-making dimensions.

The formal structure of limited company has no additional significant effect on market orientation in operational behaviours and strategic decision-making in the electricity sector. However, when controlled for installation of the top manager before or after the transition from public utility to a limited company managers’ with business education installed in a limited company significantly increase organisations market orientation. For market orientation in strategic decision-making positive relationships between managers’ business education and private sector work experience are identified for organisations that have top managers installed after the transition from public utility to limited company.

The second area of interest was the exploration of a practical drift potential in different research designs. Analysis shows the following key findings:

Ten years after liberalisation organisations in the electricity sector reported behaviours that where only partly market oriented even though approx. 70% of the organisations has adopted the legal form of limited company.
(6) I find that organisations strategic agency with regard to decision-making rationale about change, the level of collectively and individuality in strategies and the relative importance of institutional vs. task environment pressures are similar across sectors. However, the two sectors deviate when it comes to strategies towards institutional and task environment changes respectively. Public road organisations are more proactive against task environment changes, while electricity sector organisations are more proactive against institutional environment changes. However, these two latter relationships are not significant. On three out of four dimensions electricity sector and public road organisations report no difference in strategic orientations even though they operate under radically different conditions - respectively a liberalised market and a fully regulated public sector.

Insights’ stemming from institutional research on public sector transformation and case findings presented in this section is reconciled in the following section.

4.2 Does practical drift matter?
The present case examples have indicated that practical drift matter for research on public sector transformation. The inclusion of this concept will reduce the list of misattribution of success is only related to reform design and failure only as linked organizational causes. An important question is under which conditions the market, or market –like, arrangements becomes taken for granted and acted upon as if such a practice is the most appropriate way to behave. Therefore, the relationships between public sector transformation and practical drift deserve a closer empirical investigation in future research.

The idea of practical drift is an important organising concept for the empirical investigation of public sector transformation. Practical drift is not an established concept in organisation research. However, a number of studies have now accumulated research suggesting that notions borrowed from institutional theories offer rich insights into issues and processes lying at hart of public sector transformation research. The studies reviewed here have analysed how different organisational processes are determinants for the installation of new organisational practices and how various external events differently determines behavioural ambiguity in public sector organisations. The theoretical contributions to future research from an integrated view on institutionalisation underlines the importance of conceptualising practical drift as what integrates a set of organisational sub processes. Key insights from the literature review and case findings can be summarized as follows:

(1) The transformation potential in practical drift seems to go beyond any inherent failures caused by reform design
(2) The practical drift potential in different reform design seems to be limited to variations of what is directly intended by reform design.

The reasons for this are as follows:
The cases presented show that a correlation between reforms and results may exist, but for other reasons than those predicted in existing public sector transformation research. Public sector transformation is not primarily a planned process created by rational design. Neither is public sector transformation a process creating its own results mostly independent of reform design. Public sector transformation is the ultimate result of a set of sub processes within organisations where reform design and such processes are integrated with organisational behaviours at the local level. Hence, small events might produce large consequences but large

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2 Bruno Latour uses the term “drift” (p.116) in his book *Science in Action: How to follow scientists and engineers through society* (1987). His concern is in relation to enrolment of groups and their interests in (social) innovations. I use the term to describe the social integration of processes at various levels during planned transformations. Scott Snook (2001) uses the term “practical drift” in his book *Friendly Fire*. His concern, however, is organisational performance, while I use the term in relation to transformation.
events do not necessarily produce large consequences. A synthesis of the insights provided in this paper is included in the following table.

<table>
<thead>
<tr>
<th>Behavioural system dimensions</th>
<th>Cognitive influences</th>
<th>Normative influences</th>
<th>Regulative influences</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mode of integration</td>
<td>Socialization</td>
<td>Internalization</td>
<td>Adaptation</td>
</tr>
<tr>
<td>General concept</td>
<td>Organisational Ideology</td>
<td>Organisation Design</td>
<td>Form and Content of Reform</td>
</tr>
<tr>
<td>Focus</td>
<td>General beliefs</td>
<td>Norms of action</td>
<td>Symbolic function of a reform</td>
</tr>
<tr>
<td>Process characteristics</td>
<td>Sequence of activities that are understandable for the organization itself</td>
<td>Sequence of activities that the organization believe is understandable to others</td>
<td>Sequence of activities that the environment think is understandable for the organization</td>
</tr>
<tr>
<td>Level of analysis</td>
<td>Individual and group level</td>
<td>Group and organization level</td>
<td>Organization level</td>
</tr>
<tr>
<td>Relevant variables</td>
<td>Managers demography, Motivation, commitment and expectations, functional setting</td>
<td>Strategic agency, formal structure, decision making process, adjustments in formal structure, number of years since change in formal structure, organizational size</td>
<td>Reform design</td>
</tr>
</tbody>
</table>

Table 3: Practical drift dimensions and the analysis of public sector transformation

5. Conclusion, propositions, and implications for further research
I started the discussion in this paper with a notion on the habit of drinking coffee and the practicing of reforms. I posed that modernizing via new public management reforms is as complex as the social construction a coffee lover. I drew on the anecdotic example of how every coffee lover has it’s own career, that no universal pattern can be designed to create appreciation of coffee, and the difficulty of finding a objective yardstick measuring appreciation of coffee. Thus, coffee drinking is a habit that is socially situated.

The focus in this paper has not been on the social construction of coffee-lovers. This paper focuses on the social construction of more market-oriented public organisations. Future empirical investigation of how practical drift may affect public sector transformation will, hopefully, help disentangle some of the factors that feed into this process.

Studies of public sector transformation within the US and Scandinavian schools of institutional theory indicate that practical drift may have transformation effects. However, what these effects are, and under what conditions we expect to find these effects, seem unclear. This paper has tried to establish the link between public sector transformation and practical drift, to understand how practical drift may facilitate and constrain transformation, over time and cross sectional.

Since public sector transformation appears most often under situations of increased environmental uncertainty whether there is a link between practical drift and new public management reforms causing such increased levels of inconsistency is an area of interest.
That is, it seems reasonable to assume that public sector organisation, or some actors in the organisation, will first try to deploy practical drift to decrease the level of inconsistency caused by the reform. If that means less transformation, we should expect to find this connection. However, there are theoretical reasons to believe that practical drift is not a state but a dynamic process involving multiple institutional factors at both individual and organisational level. If that means more transformation over time, we would expect to find this connection.

In the present paper I have explored the interplay between and relative influence of reform design and organizational processes on public sector transformation. I have also indirectly explored the role of national political environment for the effects of different public management reforms. Case examples appearing in a national setting characterized as a cautious mover have been presented to visualize these relationships. The overall conclusion drawn is that different public management reforms may be practiced as intended but for the incorrect reasons in terms of design.

5.2 Propositions for further research
The following arguments justify my interest in three propositions for further research based on the practical drift framework. These are derived from the both the literature review and case findings presented earlier in the paper.

First, going back to the different views on public sector transformation the following considerations on practical drift can be assessed. In the rational choice view there is no room for practical drift. A traditional public management view on what I call practical drift is as follows: If we relate organisations processes with different levels of practical drift, the higher the practical drift the less efficient should reforms that promote public sector transformation be. Such a view provides no meaningful explanations on the situation where organisations, despite having adopted a new structure, seemingly create no new organisational practices. This typical example of rebottling old wine in new bottles can be explained if processes it self is analysed as suggested in the second view on public sector transformation. However, one special case of practical drift, namely window dressing, is more difficult to explain through emphasising only the processes them selves. Here a more subtle form of practical drift occurs when organisations take actions inconsistent with the spirit of a reform although still consistent with the letter of it. Providing meaningful explanations on this latter form of practical drift presuppose an analysis where the external event is not de-emphasised relative to organisational processes in the analysis.

Second, in the framework presented in this paper practical drift represent an organisations’ practising of reforms in public sector transformation. Increased inconsistencies are seen as an antecedent to practical drift. Such inconsistencies emerge from outside as well as from inside the organisation. Since both external and internal stakeholder actions cause increased inconsistencies, organisations deploy practical drift. Thus, practical drift describes processes whereby symbols and symbolic actions at various levels are used to manage inconsistencies caused by internal or external stakeholder actions.

Third, theoretically the concept of practical drift easily can be confused with the concept of loosely coupled systems. These two concepts are related, but important differences separate them as individual concepts. A sociological based process perspective guides the application of practical drift in this paper. Two assumptions have guided this application. First, practical drift is not a state. Practical drift is dynamic. It represents the inter relationships between a set of organisational processes developing differently over time and between contexts. Second, rational reform design and local institutionalisation processes are not mutually exclusive antecedents to transformation. They are intertwined. These two assumptions help differentiate practical drift, as it is applied in this thesis, from the related but larger concept of loosely
coupled system. The latter concept relates to a view on organisations as a set of loose couplings between organisational systems. Loose coupling describes a state of functioning aimed at explaining variations in organisational performance. Practical drift, however, is a set of processes with potential for transformation that subsequently might increase such performance over time through the installation of new organisational practices. Three propositions for future research emerge from these arguments:

*First*, to the extent that practical drift can be identified and there is a significant variation in practices across organisations, there will be observable empirical linkages between

- a) Measurable features of organisational regulative, normative, and cognitive processes and
- b) Measurable aspects of organisational practices.

*Second*, as transformation evolves through the various stages of practical drift, organisations’ regulative, normative, and cognitive processes converge to highly unify organisational practice.

*Third*, as transformation evolves through the various stages of practical drift, organisations regulative, normative, and cognitive processes become increasingly more oriented toward market orientation.

### 5.3 Implications for further research

Implications from the discussion in this paper can be drawn for public sector transformation as well as for research on institutionalisation and practical drift research. Three positive contributions for public sector transformation research can be drawn from the present paper:

First, the understanding of public sector transformation is positively informed by the inclusion of the intermediate and outcome variables in the practical drift framework. Explanations provided in such a framework indicate that the outcomes of reforms do not rely entirely on turbulence caused by the reform, but involve multidimensional processes triggered (or hindered) by regulative, cognitive, and normative factors at the organisation and individual levels.

Second, I believe that an investigation of possible variations in strategic agency and the strategic dimension of organisational practices may contribute positively to the understanding of strategy formation in a new public management reform context as asked for by Ferlie (2002).

Third, the practical drift framework also may contribute to the understanding of the inherent paradox in new public management reforms as asked for by Andrews and Moniya (2002). Explanations can be derived that can provide valuable insights into that such reforms seemingly not only are followed without being practiced. This argument may also be extended by the possibility of empirically identifying the transformation potential in practical drift over time. The indication is then provided that reforms can be practiced even though they failed to be followed within a reasonable long period of functioning as defined by reform design.

Implications for institutional research of particular relevance for the development of a concept of practical drift also emerge from the discussions in the present paper. These appear as follows:

The framework developed has links to the conceptual development in terms of providing insights in causes for and consequences of practical drift related to organisational transformations in general. The relative influence of different types of influences on organisational processes as related to various types of transformation mechanisms has been identified as important to strategic process research (Pettigrew et al 2002). Recent
contributions has also argued that research focusing on the interactions between diffusion and application are better able to explain the discrete nature of sense making of environmental events in terms of their dis-embedding character in terms of creating changes in organisational practices (Barley and Tolbert 1997). The strategic choice analysis of institutionalisation has gradually focused more on cognitive aspects of the phenomenon (e.g. Beckert 1999). The institutional analysis of strategic agency has gradually focused more on the normative aspects of the phenomenon (e.g. Johnson et al 2000). Thus, a possible theoretical contribution emerge when the present discussion shed light on such issues by indicating ways to empirically identify (1) variations in organisational practices, both operational and strategic within sectors and between sectors (2) institutional factors at organisation, group and individual levels that shape such variations and (3) relative influences from cognitive and normative processes on organisational practices over time.