

INTRAORGANIZATIONAL DYNAMICS IN ORGANIZATIONAL STIGMATIZATION

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ABSTRACT

Why do some organizations choose to fight stigma while others accept their stigmatized status and seek to reform themselves in an effort to overcome it? Research on organizational stigma has made large strides in the past two decades, yet intra-organizational processes that condition the lived experience of those who are stigmatized have remained black-boxed. We examine how intra-organizational dynamics affect the process of organizational stigmatization through an empirical case of a public broadcaster that initially experienced episodic stigmatization. We demonstrate how internal contention in the organization favored those who opposed the stigma, leading to an organizational response characterized by defiance and denial. This reinforced audience disapproval of the broadcaster, leading to core stigmatization—the discounting of the organization as a whole based on a core identity. Our study contributes to understanding stigma not as an attribute but as a process, where the nature of stigma is susceptible to change not only due to environmental factors but also as a result of the actions (and inactions) of the stigmatized organization. Additionally, we shed light on the intra-organizational processes that generate organizational responses to stigma.

INTRODUCTION

Research on organizational stigma has made significant strides in the past two decades. Consequently, we have gained an invaluable understanding of the circumstances under which organizations become stigmatized (Devers, Mishina & Belsito, 2009; Vergne, 2012), how organizations respond to stigmatization (Hudson, 2008; Piazza & Perretti, 2015; Hampel & Tracey, 2017), and how stigma can be reduced or even removed in some cases (Lashley & Pollock, 2020; Khessina, Reis & Verhaal, 2021). One area that remains relatively unexamined, however, is that of the intraorganizational processes that condition the lived experience of those who are stigmatized (Frandsen & Morsing, 2021). The relative obscurity in which intraorganizational processes have remained in organizational stigma research indicates that our understanding of stigmatization as “the social process by which the mark [of stigma] affects the lives of all those touched by it” (Pescosolido & Martin, 2015: 91) is incomplete. Furthermore, it leaves us unable to answer the following question: Why do some organizations choose to fight

stigma while others accept their stigmatized status and seek to reform themselves in an effort to overcome it?

Research on stigmatization has demonstrated that stigmatization is a complex process because of the multitude of stakeholders involved (Devers et al., 2009), the fact that it is often a contentious process involving contradicting social evaluations (Zhang, Wang, Toubiana & Greenwood, 2021; Helms, Patterson & Hudson, 2019; Hampel & Tracey, 2017), and that stigmatization can be partial or incomplete (Zhang et al., 2021). Hence, scholars have advocated that stigmatization should be understood as a matter of degrees rather than a binary state in which organizations are stigmatized in one instance and not in another (Zhang et al., 2021). Although recent studies have shed valuable light on the stigmatization process at the levels of industries (Hsu & Grodal, 2021), organizations (Vergne, 2012), and professions (Wang, Raynard & Greenwood, 2021; Walsh, Pazzaglia, Lyle & Sonpar, 2021), no study has yet highlighted the internal process through which organizations experience, contend with, and respond to stigmatization. Given that recent scholarship has placed exceptional importance on organizational responses to stigma, the lack of research on the internal dynamics of stigmatized organizations that can be generative of these responses is concerning. Thus, in this study, we address the following question: How do intraorganizational dynamics affect the process of organizational stigmatization? Instead of seeking to explain an end state, such as stigma reduction or stigmatization, we take a process-based approach, aiming to identify the intraorganizational mechanisms guiding an organization's overall stigmatization.

Organizational Stigmatization as a Process

The process-based view has stressed that the nature and extent of stigma can change over time, contingent on an ongoing struggle among multiple stakeholders with different perspectives, as well as on the actions (and inactions) of the stigmatized themselves (Wang et al., 2021; Lashley & Pollock, 2020; Khessina et al., 2021). In non-process theorizing, the nature and characteristics of stigma are deemed important in informing an organization's response to stigma. In contrast, recent studies adopting a process-based perspective have suggested that the nature and characteristics of stigma are susceptible to change over time. Under this formulation, episodic events can eventually beget core stigmatization and, therefore, event and core stigma can both be present in different phases of an organization's stigmatization process.

To understand how experiences of stigmatized actors not only condition how organizations manage their stigma but can also influence the stigmatization process itself, we engage with calls for scholars to explicitly address power and power relations (Link & Phelan, 2001). To date, the discussion of power and contention in the context of stigmatization has focused on external stakeholders and audiences. Despite recent studies that have highlighted the deep impact that stigma can have on organizational members (Frandsen & Morsing, 2021; Tracey & Phillips, 2016), intraorganizational processes of contention have remained largely ignored in the literature.

Understanding Organizational Responses to Stigmatization

A surge of research on organizational responses to stigmatization in the past 15 years has focused on what organizations can do to reduce, divert, or mitigate the stigma directed toward

them, as well as the relative effectiveness of such strategies. But despite the accumulated knowledge on organizational responses to stigma, the intraorganizational processes that guide how organizational members contend with stigma have largely been black-boxed. In the absence of careful empirical examination and theorization of how stigmatization impacts the internal lives of organizations, it can be assumed that organizations synthesize their responses to stigma in a relatively frictionless manner. Although at least one important empirical study has suggested that the environmental dynamics that create organizational stigmatization can be brought inside organizational boundaries and engender “deep internal schisms” and “divided loyalties” (Tracey & Phillips, 2016: 741–749), contention in organizations that are stigmatized is not adequately reflected in our theorization of the stigmatization process.

METHODS

Our empirical case revolves around a public broadcaster in South Korea which we label ‘PB’. We examine how this broadcaster was beset by internal contention when it became stigmatized through association with an authoritarian government, how the management who negated and defied the stigma could prevail over workers who sympathized with audience disapproval of their company, and how the broadcaster’s response affected the organization’s trajectory of stigmatization.

Our study period witnessed three successive governments, led by presidents Lee Myung-Bak (2008–2013), Park Geun-Hye (2013–2017), and Moon Jae-In (2017–present). While the first two governments were associated with an authoritarian approach to media control, the third was associated with a *laissez-faire* approach. This variation in the political environment enabled us to determine whether the stigmatization of PB continued to be derived from its association with authoritarian governments, or whether, at some point, stigmatization became independent of PB’s relationship with the government in power. Data were collected from archival and interview sources. Interviews focused on PB’s journalism units because of the central role of journalism in PB’s stigmatization and because the contention between management and workers revolved around its practice. We conducted 91 interviews with 65 individuals who currently or formerly had held roles in journalism.

Our overall analytical strategy aimed to understand the process by which organizational members sought to influence PB’s response to being stigmatized. The analysis proceeded in three steps. As an initial step, we developed a narrative storyline out of significant events, activities, and interactions among actors (Cornelisen, 2017; Langley & Tsoukas, 2010). In the second step, we sought to understand the values, available resources, and strategies of groups in PB. We labeled the main groups Stigma Opponents (Opponents in short) and Stigma Sympathizers (Sympathizers in short). Opponents rejected the negative audience perceptions about their organization and envisioned a PB that was closely connected to government goals and ideologies. Sympathizers, in contrast, concurred with the public disapproval of PB and sought to reform the organization and return it to its past high standing. The final step in our analysis was informed by the previous steps in which we noticed that Opponents had come to dominate how journalism was practiced in PB. We sought to examine the nature of changes in PB’s core task, how Sympathizers responded to changes in their work, and how these changes affected audience perceptions of PB in the later years of our data collection.

DISCUSSION

A Process Model of Intraorganizational Dynamics in Organizational Stigmatization

We developed a process model for organizational stigmatization, drawing from our empirical case. We conceptualize the intraorganizational environment as an open system (Weber & Waeger, 2017) in which the values and beliefs held by organizational members are influenced by those held by a diverse range of external stakeholders and audiences. Organizational members thus harbor distinct views about the stigmatization of their organization and can be characterized as opposing, sympathizing with, or having a neutral stance toward the stigma brought on by the event. While “opponents” are likely to contest, counter, and recalibrate audience perceptions precipitating stigmatization (Frandsen & Morsing, 2021), “sympathizers” are likely to internalize the stigma, feel ashamed, and seek to reform their organization (Tracey & Phillips, 2016). Our study suggests that each party is likely to ally with likeminded actors in the environment to motivate and propel their preferred response to stigmatization, drawing on resources and strategies to gain influence (Pache & Santos, 2010; Weber & Waeger, 2017). Hence, the vertical arrows in Figure 1 represent the direction of influence between the environment (comprised of stakeholders and audiences) and the organization.

This process model is informed by our empirical case in which opponents of stigmatization dominated sympathizers by virtue of their organizational positions, as well as alliances with powerful external actors, drawing on recruitment and role re-assignment to abate sympathizers. Sympathizers, on the other hand, drew on the affective processes of shaming and shunning in contention with opponents over the determination of the organization’s response to stigmatization. While earlier theorizations of stigmatization privileged the cognitive process of marking, labeling, and stereotyping an entity (Devers et al., 2009), we build on recent studies that have emphasized the roles of power (Link & Phelan, 2001) and affect (Wang et al., 2021; Kvale & Murdoch, 2021) in the stigmatization process. Our model indicates that powerful intraorganizational actors are likely to suppress the views of the relatively powerless and discriminate against them (Link & Phelan, 2001), yet the relatively powerless draw on affective processes of shaming and shunning as well as alliances with external groups to exercise agency and resist the powerful. Thus, our process model places power struggles (Fleming & Spicer, 2007) at the center of organizational responses to stigma and problematizes the implicit assumption in the extant literature around a uniform strategic response. The horizontal arrows in Figure 1 represent settlements in the contention where one party prevails over the other, propelling the organization into a subsequent phase in its response to stigmatization.

Our model highlights that intraorganizational members hold value-laden attachments to core work practices (Helms & Patterson, 2014; Tracey & Phillips, 2016) that can be threatened or emboldened by stigmatization. Hence, we propose that contention in organizations that are morally stigmatized by an episodic incident revolves around core work practices. Through attempts to control core work practices, each party projects its vision for an ideologically appropriate organizational identity (Tracey & Phillips, 2016). Settlements in contention act as generative mechanisms in producing organizational responses to stigma. Recent scholarship has attested that organizations calibrate the ideological diversity in their environment in devising strategic responses to stigma (Smith et al., 2021). We extend this line of work by proposing that ideological diversity can motivate visions held by the stigmatized for different pathways to

challenge or abate organizational stigmatization.

Our model also sheds light on organizational processes that enable an organization's response, in this case, in defiance of stigma. These include recruitment, re-assignment, and changes in work practice. Heretofore, Hudson's (2008: 261) argument about turnover as a mechanism ensuring that core stigmatized organizations respond to stigma by recalibrating it has been the only light shed on the relationship between an organization's processes and its response to stigma. In contrast to the image of "natural" attrition that Hudson's (2008) theorization suggested, we submit that organizational processes can represent strategic tools utilized by parties partaking in struggle.

Finally, our model proposes that negative changes in the meaning of work during intraorganizational contention can lead to enduring audience disapproval, engendering changes in the nature of stigma over time. When organizational members who favor reforming the organization disidentify from their work—resulting in turnover or disengagement—organizational practices are likely to continue violating audience expectations, resulting in core stigmatization for organizations that may have been initially stigmatized due to episodic events.

Theoretical Contributions

Our study makes a primary contribution to process-based theories of organizational stigmatization and a secondary contribution to understanding the antecedents to organizational responses to stigmatization.

We make a three-fold contribution to process-based theorizing of organizational stigmatization. First, we extend recent studies that have theorized stigmatization as a continuously unfolding process (Wang et al., 2021; Zhang et al., 2021) by demonstrating that the social reproduction of organizational stigma is influenced by actors operating across both organizational and field levels. Second, we contribute to understanding the role of contention and power in the stigmatization process by highlighting the importance of intraorganizational contention as a generator of organizational responses to stigma. Third, our study illuminates the process by which event stigmatized organizations, through their own actions and/or inactions, can become core stigmatized.

We make a secondary contribution to the body of literature on organizational responses to stigma. In particular, we identify intraorganizational contention and its settlement points as important antecedents to and mechanisms that generate organizational responses to stigma. Our research also highlights that intraorganizational contention affects the practice of and subjective meanings attributed to work by stigmatized actors. The disengagement from work by stigmatized actors for whom work becomes "dirty" is likely to allow organizational responses to stigma to be guided by those who control the work. Hence, negative turns in the meaning of work for those who seek to reform the organization help explain how organizations can sometimes devise responses that reinforce stigmatization. Although the short-term consequences of organizational responses to stigma have been extensively documented (e.g., Hudson & Okhuysen, 2009; Hampel & Tracey, 2017), our study suggests that an organization's response can also impact the trajectory of ongoing social evaluation through core organizational practices.

REFERENCES AVAILABLE FROM THE AUTHOR(S)

Figure 1. A Process Model of Intra-organizational Dynamics in Organizational Stigmatization

