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Helle Aarøe Nissen is a researcher at the Department of Entrepreneurship and Relationship Management at University of Southern Denmark. She conducts research on firms' commercialization of innovative solutions. In her dissertation she demonstrates how firms draw on different logics experienced during Public Private Innovation projects to commercialize new welfare technologies at a healthcare market. During her PhD study Helle has been affiliated with ESADE Business School, Spain. She obtained her MSc in Public Administration and Social Science from Aalborg University.



PhD Dissertation of

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The role of institutional logics  
during commercialization processes

A study of how private firms draw  
on multiple logics in healthcare to  
commercialize innovative welfare solutions

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# The role of institutional logics during commercialization processes

Commercializing innovative solutions may be particularly challenging in an institutional complex field like healthcare, as firms need to gain acceptance of the solutions from an array of actors enacting different kinds of institutional logics. Nevertheless, we do not know much about how firms draw on different logics when experiencing them at a micro-level and how these logics become manifested into objects like innovative solutions throughout their development. The main research question of the thesis is: How do firms draw on multiple institutional logics to commercialize innovative solutions? Empirically, focus is set on firms engaged in Public Private Innovation (PPI) projects aiming to develop innovative welfare solutions targeted towards the Danish healthcare system.

Article 1 sets focus on how variants of firms' market logics relate to different logics which the firms experience as they interact with actors in healthcare in order to commercialize innovative solutions. The results demonstrate that different types of logic relationships are continuously built through interaction and that the firms' market logics are conflicting or convergent with different logics enacted by actors in healthcare. The firms that succeed commercializing at the home market continuously maintain a convergent relationship between their market logics and the logics enacted by actors in healthcare. Firms experiencing mostly conflicting logics relationships shift focus to commercialize internationally.

Article 2 combines institutional logics theory with theory on legitimacy building. The purpose is to

investigate how firms draw on different logics in healthcare to build legitimacy into the innovative solutions they intend to commercialize. The results demonstrate that firms that succeed in commercializing at their home market draw on multiple logics by interacting with a plurality of actor groups in healthcare in order to have them perceive their solution as legitimate in accordance to their logics. On the other side, firms that do not succeed in commercializing at their home market build legitimacy into their solution merely by drawing on a single logic enacted by a single actor group in healthcare. Because a healthcare organization is characterized as a multifold customer consisting of multiple different actors influencing a purchase decision (such as managers, healthcare professional users and purchasers), it is central for an innovative solution to be regarded as legitimate from a wide array of perspectives in order to be accepted.

Article 3 combines institutional logics theory with theory on sense-making. It investigates how a firm's managing director makes sense of a new unfamiliar logic through interaction with new types of customers, while developing an innovative solution in collaboration with them. The results show that openness to continuously interact with new types of actors triggers sense-making of a new unfamiliar logic. Furthermore, remaining open to interact with familiar actors from the firm's own industry seems central to facilitate the sense-making process. Lastly, moving from sense-making to sense-giving by providing the new unfamiliar logic with a new meaning enables the firm to use the logic to differentiate

the innovative solution from similar ones at other healthcare markets. This is particularly central when commercializing innovative solutions as they call for uniqueness due to their innovative character. Yet, firms should be aware of the following dilemma. Innovative solutions must reflect novelty to appear original and to suggest a new advantage different from similar solutions. But pure novelty in innovative solutions makes it difficult to accept them, as no established logics exist to provide them with meaning. On the other hand, aligning solutions with already accepted logics provides them with familiarity related to existing understandings and values, but downplays their novelty. Therefore, creating a balance between novelty and familiarity is central.

Article 4 sets focus on how a firm aligns the materialization of a new innovative solution with multiple logics enacted by different actors in healthcare. The results demonstrate that logics are materialized through a process of continuous interactions and negotiations between actors who seek to have particular logics manifested in the innovative solution. This is revealed in redesigns of the solution throughout the innovation process. The firm prioritizes between logics in order to adapt the solution to the logic it finds most relevant. This is done materially by emphasizing dominant product features that fit with the logic of the most prioritized actor group, while downplaying other features that fit with the logics of less prioritized actor groups. In this way, the innovative solution still embraces diversity, while more strongly expressing values associated with a single logic that speaks to the most central actors prioritized. In relation to this firms should ensure that the most prioritized logic(s) does not contradict other logics that are either downplayed or not manifested in the solution.

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## Department of Entrepreneurship and Relationship Management

The Department of Entrepreneurship and Relationship Management is located at the University of Southern Denmark, campus Kolding, and employs approximately 85 people. This location is central to the growth centres within the Triangle Region and offers a unique opportunity to close cooperation with the companies and public authorities in the region in respect to research and educational projects.

For several years the research of the department has been based on learning networks with companies and trade promotion institutions. In addition to this, the department has a long tradition of problem-based cooperation across traditional business research areas and very often by means of external funding. The research of the department concentrates on two key areas: entrepreneurship and relationship management and originates from traditional research areas such as marketing, applied economics, accounting, operation management and organization.

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