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Beyond Hybridity: Accounting for the Values Complexity of All Organizations in the Study of Mission and Mission Drift

Mission drift—the perceived discontinuity between an organization's actions and its identity—continues to garner attention primarily from scholars interested in understanding why "hybrid organizations" focused on creating social and environmental value shift away from such value creation (Ebrahim, Battilana, & Mair, 2015; Wolf & Mair, 2019; Wry & Zhao, 2018). Our recent study of mission drift (Grimes, Williams, & Zhao, 2019) broadens this discussion by theoretically grounding mission drift in long-standing research on organizational identity and adaptation, unpacking different types of mission drift, and theorizing about why such drift occurs and how organizations might respond. In their respone to our article, Varendh-Mansson, Wry, and Szafarz's primary critique suggests that our theorizing is "built on a shaky foundation" based on the premise that mission should not be "conceptualized in simplistic terms as an organization's single, orienting purpose" (2020: 230). In making this argument, the authors reference the literature on hybrid organizing and the distinction this literature often draws between organizations with a single purpose (e.g., economic) and those with two or more purposes (e.g., economic, social, environmental). Although our desire is not to repeat ourselves, we are grateful for the opportunity in this dialogue to clarify how our prior article not only addresses Varendh-Mansson et al.'s primary critique but also moves beyond the authors' assumptions regarding the multiplex nature of organizations' missions. After responding to this definitional issue, we then focus the remainder of this dialogue on advancing scholarship on mission drift by drawing on two additional important questions raised in Varendh-Mansson et al.'s arguments.

REVISITING OUR CONCEPTUALIZATION OF MISSION

Given Varendh-Mansson et al.'s stated desire to better theorize the concept of mission, we were surprised with their lack of reference to and, thus, apparent mischaracterization of our actual definition of organizational mission. Specifically, we defined organizational mission by noting that it "serves as a sociocognitive bridge between [the organization's] identity and its actions by specifying why the organization *should* exist and how it *should* act (i.e., purpose), thereby focusing members' attention and intentions in such a way that actions proceed from identity" (2019: 819). To be clear, to argue that a mission might seek to specify an organization's purpose is not in any way to argue that such a purpose must be *singular* or *unidimensional*.

Yet to the extent our definition might be interpreted equivocally such that Varendh-Mansson et al. might have inferred our definition of mission as implying its unidimensionality, we believe the proceeding arguments in which we consistently reference the multiplicity of values that guide every organization should have resolved any such potential for misinterpretation. For instance, we state, "As is the case for most if not all organizations, instead of being guided by a small number of stable and unambiguous values, organizations are instead confronted by multiple coexisting, dynamic, and often times incompatible values," which we argue operate both internally and externally to the organization (2019: 825). Importantly, we believe this emphasis on the multiplicity of values in and outside of organizations offers a stronger foundation from which to theorize about the multiplex nature of organizational mission—a foundation that is not premised on what we perceive as a false dichotomy between singular and multipurposed organizations.

Although we of course welcome improvements to our stated definition of organizational mission, Varendh-Mansson et al. do not offer a precise alternative other than to state that mission is a "nuanced and variegated construct" (2020: 230)—a premise we readily agree with and one we believe is fully commensurate with our existing article and definition. Ultimately, we concur with Varendh-Mansson et al. in their call for research "upstream" that offers even more clarity about the nature of organizational mission(s), as well as a greater understanding of how and under what conditions such missions increase alignment between organizational actions and organizational identities. We believe future research focused on "upstream" topics can build on, extend, and clarify our arguments regarding the importance of values complexity to organizations' identities, actions, and missions. We now take the opportunity to respond to two additional and important questions raised by Varendh-Mansson et al.

WHAT IS THE RELATIONSHIP BETWEEN STRATEGIC CHANGE AND MISSION DRIFT?

Part of what animates Varendh-Mansson et al.'s critique is the possibility that our article blurs the lines between mission drift and strategic change. Implicit in this argument is an assumption that strategic change represents intentional and deliberate action on the part of leaders and organizational members, whereas mission drift occurs only when those individuals stop acting intentionally. However, we believe this assumption is faulty for three reasons. First, it fails to consider the potential for unintended outcomes from intentional or deliberate action (Osborn & Jackson, 1988; Perrow, 1984). Specifically, it is clear that intentional action at one level of an organization might result in unintentional change or deviance at another level of that organization (Siggelkow & Rivkin, 2006). For instance, consider the relationship between strategies and tactics. While tactics may follow from their respective strategies, most would acknowledge the agency of individual actors to intentionally deviate tactically in ways that do not correspond to a particular strategy. Similarly, because organizational identities exist at a higher level of abstraction than organizational strategy, it is possible (and perhaps even probable) that intentional organizational strategies will at times deviate from those identities, thereby unintentionally creating the perceived misalignment between organizational action and identity. Such perceived misalignment, we argue, is characteristic of mission drift.

Second, the characterization of strategic change as intentional (in contrast to mission drift) does not consider how strategic change is often highly determined. As Mintzberg and Waters noted:

> Many planned strategies in fact seem to have this determined quality to them—pursued by organizations resigned to co-operating with external forces. One is reminded here of the king in the Saint-Exupery (1946) story of The Little Prince, who only gave orders that could be executed. He claimed, for example, that he could order the sun to set, but only at a certain time of the day. The point is that when intentions are sufficiently malleable, everything can seem deliberate (1985: 268).

Therefore, it could be argued that assumptions of intentionality in strategic actions are, at a minimum, overstated and, at worst, grossly exaggerated (Balogun & Johnson, 2005). As such, there is considerable opportunity to explore the effects of strategic action that is framed by the organization and its leaders as intentional yet appears to be driven by forces that leave little room for agency or intentionality. For instance, drawing on Mintzberg and Waters (1985), scholars might ask under what conditions strategic intentions become "sufficiently malleable" such that strategic actions are more likely to cater to exogenous forces rather than uphold the organization's identity.

Third, the assumption fails to consider how audiences may perceive an organization's actions as lacking intentionality, regardless of whether those actions were strategic and/or intentional. In other words, mission drift is difficult to determine objectively and, as such, can be more usefully represented as a type of audience judgment of organizations and their actions—judgments that are the focus of our article (Grimes et al., 2019). And, thus, as we previously argued, it is the perception of intentionality that is likely to shape judgments of mission drift, rather than the actual intentionality exhibited by organizations.

This third point, we believe, holds important implications for future empirical research on the topic of mission drift. Should scholars wish to study mission drift, how might they go about theoretically conceptualizing and empirically capturing instances of such drift? We suggest two possibilities, both of which account for the evaluatory or reputational nature of the construct. First, one possibility is to study mission drift as a socially constructed outcome linked to organizational legitimacy. In this way, stakeholder judgments of the alignment between an organization's actions and its image should be captured. The degree of consensus and cultural diffusion of such judgments would then provide scholars with an opportunity to comment on the reputational or legitimacy-related liabilities of those judgments.

Second, another possibility is to study mission drift as a feature of organizational action that can be captured and studied separately from stakeholder perceptions and judgments. To do so requires care, since this approach essentially places scholars in the role of evaluating how and in what ways the organization's actions have deviated from its identity—a difficult role, given the typical need for rich, longitudinal data to assess any identity changes that may or may not have preceded inconsistent organizational action. Although there are various ways to go about this process, we would encourage future research to make use of organizations' publicized mission statements as a particularly important artifact by which those organizations seek to clarify the central and distinctive values they wish to uphold (Besharov, 2014). And web archives now make it increasingly easy for scholars to track changes to these statements over time. In concert with such data collection, scholars might then measure and model shifts in patterns of organizational actions over time using in-depth longitudinal and qualitative research or drawing on third-party evaluations of those patterns, such as those available in MSCI's ESG datasets (https://www.msci.com/esg-sustainable-impact-metrics).

In sum, we propose that strategic change and mission drift are fundamentally distinct constructs, yet they can have important interdependencies. As such, strategic change may or may not result in mission drift, depending on whether the ensuing actions deviate from the respective organization's identity and, perhaps more critically, the extent to which audiences perceive those actions as deviating from that identity.

WHAT ARE THE BOUNDARY CONDITIONS OF OUR THEORY OF MISSION DRIFT?

In general, we would like to join Varendh-Mansson et al.'s call for future work testing the contextual applicability of the propositions laid out by our theory. We would hope, for instance, that such work would expose important contingencies or boundary conditions of that theory. As such, with the desire to advance scholarship in this area, we take the opportunity to (1) respond directly to Varendh-Mansson et al.'s proposed boundary condition and (2) introduce several possible conditions of our own.

Responding to Varendh-Mansson et al.'s Proposed Boundary Condition

As stated in the beginning of this dialogue, Varendh-Mansson et al.'s arguments are largely based on the assumption that our theory and the relationships we proposed would apply exclusively to the context of organizations with singular or unidimensional missions. Yet, as we noted earlier, we believe very few organizations are likely to operate under such conditions. Indeed, to suggest that our theory of mission drift is contingent on whether an organization operates according to a singular mission or according to multiple missions would require embracing a seemingly false dichotomy (Battilana, Besharov, & Mitzinneck, 2017). As such, if we acknowledge that all organizations' missions are to some extent multidimensional and exposed to values complexity both inside and outside those organizations (Barney, 2018), we see little reason to bound our theory of mission drift to "unidimensional" organizations.

However, is it likely that our theory of mission drift would apply in contexts where there is a high degree of values complexity, such as social entrepreneurship? For the sake of brevity, we will consider our proposed main effect—that "by exposing misalignment between the organization's identity and its audiences, values-based complexity increases an organization's propensity for inconsistent organizational action" (2019: 826). And let us take the microfinance sector as a seminal example of social entrepreneurship and of a setting with a high degree of values complexity. As this sector grew across the last several decades, many commercially oriented investors became enticed by the opportunities for financial gains. However, such gains were premised on minimizing the risks often associated with lending to the poor and vulnerable. As such, to attract these commercial investment sources, a number of microfinance institutions have shifted their loans away from the most vulnerable customers, who had previously comprised the core of their lending portfolio (Armendáriz & Szafarz, 2011; Wry & Zhao, 2018). In sum, as our proposition predicts, the values misalignment between capital providers and lending institutions was accentuated in this setting characterized by high values complexity, leading to inconsistent action, which at present many audiences interpret as mission drift (Beisland, D'Espallier, & Mersland, 2019).

Clearly, as Varendh-Mansson et al. indicate, there is the capacity for productive tensions within settings of values-based complexity like this such that mission drift might be avoided, and yet Varendh-Mansson et al. appear to incorrectly attribute these productive tensions to the mere presence of values complexity. Smith and Besharov's (2019) case study of the social enterprise Digital Divide, for instance, does not illustrate how the mere presence of groups with divergent values prevents one set of interests from dominating over others; on the contrary, the study illustrates the arduous and ongoing work that continues to be necessary within this organization to ensure that one set of interests does not dominate over others amid such diversity. In sum, we believe that a closer look at our theorization of the antecedents of mission drift emphasizes the relevance of our argumentation to fields such as social enterprise, which many have labeled as "hybrid organizations."

Our Proposed Boundary Conditions

While we disagree with the boundary conditions suggested by Varendh-Mansson et al., we continue to recognize opportunities to refine our theory through empirical testing and/or further conceptual work. Indeed, the back half of our proposed model of mission drift and mission work raises opportunities for further scholarly advancement by theorizing the relationship between different types of inconsistent action and perceived mission drift. Although we drew on existing research on the requisite variety of complex systems to support our premise that core changes in an organization might be viewed by audiences as responsive, our study also recognizes the capacity for such inconsistent action to introduce risks, inasmuch as they lead audiences to question that organization's authenticity (Barnett & Carroll, 1995; Hannan & Freeman, 1984). A deeper understanding of the conditions that encourage audiences to focus on either an organization's authenticity or responsiveness when evaluating an inconsistent action would clearly help to push scholarship forward in this area. Our model also suggested particular types of mission work that may help organizations overcome or address perceived mission drift; however, there may be conditions that importantly moderate the effectiveness of such reactive work. For instance, as we previously argued, there may be settings where "audiences perceive inconsistent action not merely as a violation of the organization's image but also as a violation of some threshold standard of appropriate behavior" (2019: 830). It may be, for instance, that in those settings where mission drift is viewed in terms of moral or ethical failure (e.g., social entrepreneurship), mission work may prove less effective.

To conclude, we wish to once again express gratitude to Varendh-Mansson et al. for pushing this conversation forward. We, too, see much room for continued debate and refinement regarding existing scholarly understanding of mission and mission drift. We are particularly hopeful that this debate and refinement will be inclusive—moving beyond the exclusive purview of research on "hybrid organizations"—recognizing the challenges (and opportunities) faced by all organizations in responding to and navigating values-based complexity.

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CEO Retirement: Definition, Discretion, and Routes

In the "The Final Countdown: Regulatory Focus and the Phases of CEO Retirement," Bilgili, Campbell, O'Leary-Kelly, Ellstrand, and Johnson (2020) build on upper echelons and regulatory focus theory (Crowe & Higgins, 1997) to examine the effect of CEOs' promotion and prevention focus on the timing, pace, and nature of their retirement. Adding the concept of liminality, the authors conceptualize top executive retirement as a multiphase process. While we welcome their work on the psychology of departing executives, we aim to complement Bilgili et al.'s framework to allow for an even broader theoretical opportunity. In particular, we offer to expand their model by relaxing their assumption that CEOs have large discretion over their retirement and by problematizing their single route of CEO retirement.

Bilgili et al. define the *process* of CEO retirement but do not define their central construct of *CEO retirement,* which has also not yet been defined in the literature. To strengthen construct clarity (Suddaby, 2010), we adapt Feldman's (1994: 287, 288) understanding of employee retirement to define CEO retirement as *the termination of a CEO contract or career path with the consequence of reduced commitment to chief executive work thereafter*. This definition differs from Feldman (1994) in three main aspects, other than including the term *chief executive*. First, it does not require the contract or career path to be of a minimum duration to account for CEO departures that can occur quickly (Gibbons & Murphy, 1992: 482). Second, it excludes an age restriction to account for cases of relatively young CEOs—such as start-up founders—who enter CEO retirement early. Third, it includes the fact that CEO retirement can be initiated by the CEO *or* another force such as the board (Friedman, & Singh, 1989: 723, 730). The above understanding of CEO retirement leads us to reconsider CEOs' control over their retirement process as well as alternative retirement routes.

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DO CEOS CONTROL THEIR RETIREMENT PROCESS?

Bilgili et al. identify CEO past achievements as a contingency across CEOs' retirement pathways in Propositions 7a and 7b. While we support their argument, we additionally stress that CEO past achievements—among other conditions—greatly influence CEO discretion over the retirement process. Bilgili et al. build their framework of CEO retirement on the assumption that CEOs "have substantial discretion over when to step down from their post" and over "succession-related decisions" (2020: 64, 59). This underemphasized assumption has important consequences for the theorization of CEO retirement, and we propose to question it in two ways.

First, the assumption of CEO substantial discretion is often not met in practice. Once a CEO's past service to the company disappoints shareholders and/or other stakeholders, CEO discretion may vanish (Friedman & Singh, 1989), potentially triggering CEO departure (see our Figure 1)—as opposed to private deliberation (Bilgili et al., 2020: 63, Figure 1). This still holds for "bad firm performance caused by factors beyond their control" (Jenter & Kanaan, 2015: 2155). Hence, we propose that a CEO's attributed performance that violates the expectations of others decreases CEO discretion during the phases of their retirement. Importantly, "many CEO firings are described by companies in neutral, often euphemistic, terms" (Wowak, Hambrick, & Henderson,