

B3.15 Coping with Change: The Re-Organisation of German Business Associations



Director/ Beate Kohler-Koch

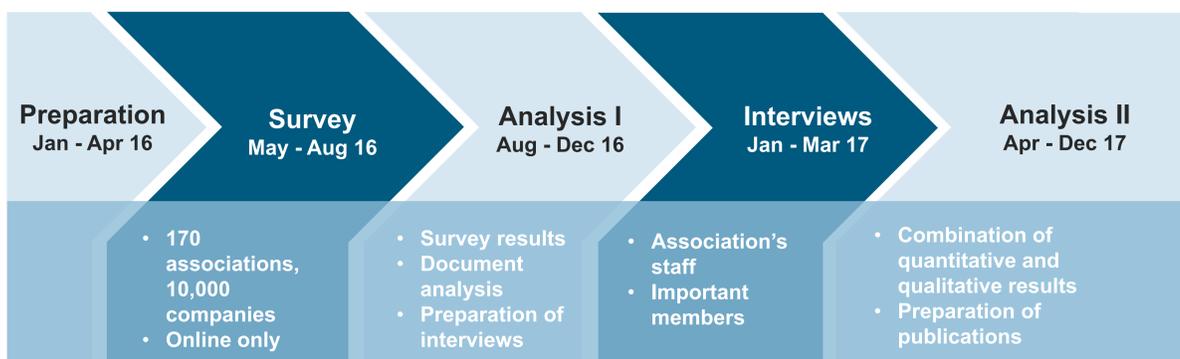
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► Project Description

The research project aims to identify the logic behind the **re-organisation of collective interests** in response to changing context conditions. We examine how organisational structures of business associations and actor

respective association. Further, socialisation and entrepreneurial careers of members and staff are identified as important variables; they shape ideas of the appropriateness and normative legitimacy of institutional action.



beliefs shape the definition of objectives and the choice of strategies to ensure long-term institutional success.

Theory

The main theoretical assumption is that the organisation and re-organisation of associations are not a mere response to functional requirements and exogenous pressures. Instead, it is assumed that **actors are guided by specific institutional, instrumental and normative rationalities**. Actors' rationalities will vary with institutional identities and organisational settings, task profiles, and administrative capacities of the

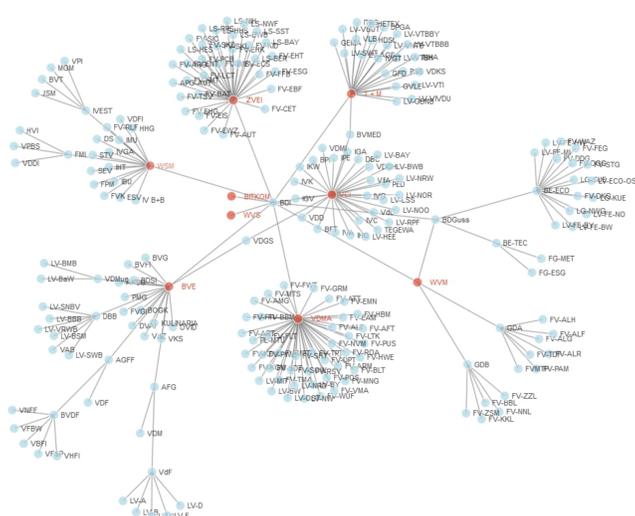
Methods and data

A **mixed methods approach** will be applied, combining quantitative (online survey, document analysis) and qualitative insight (interviews, document analysis). The analysis is focused on the most important branch associations of German industry, the relevant sector associations, and member companies in both types of associations. Since examining associational re-organisation in Germany is **virtually a novelty**, the pertinent data have to be generated almost entirely within the project, thus providing the field with relevant input to enrich the existing literature on interest groups.

► Cases and Sectors of Industry

The project examines nine branch associations (see the red nodes on the right) of seven different German industry branches: chemistry, electrical engineering and electronics, mechanical engineering, food and beverages, information technology, metal industry, and textile industry. These include about 170 sector associations, and well above 10,000 companies to be covered by the project.

The branch associations are members of Germany's peak association of industry, the "Bundesverband der Deutschen Industrie" (BDI). While similar in economic size and importance, they differ in key organisational and operational features.



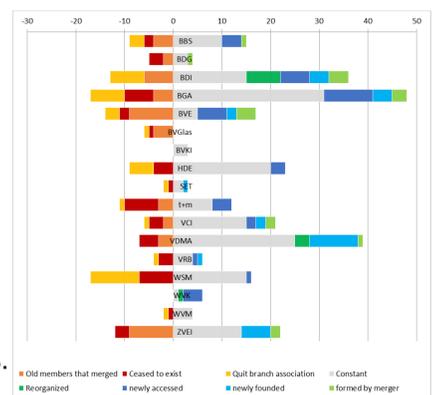
► Info: BIAs in Germany

Business Interest Associations (BIAs) of the German industry have a multi-level organisation: the national peak association (BDI) is constituted by branch organisations (e.g. chemistry industry), which often incorporate sector-specific associations (e.g. plastics). Matching the political structure of German federalism, many BIAs also include branch-specific associations at the regional ('Länder') level. German BIAs traditionally engage closely in state-led policy coordination, which has often been labelled 'neo-corporatist'. They are involved in policy implementation (and 'self-regulation').

Pre-Study (2014/15)

The research project builds on the results of a pre-study by Beate Kohler-Koch. According to her findings, change is more widespread than stability among German BIAs. Further, for the period of 1999 to 2015, variables such as economic size (measured in turnover and employment) and heterogeneity of the association's domain are no valid predictors.

The pre-study provided first evidence of the importance of different rationalities as explanatory variables.



Core hypotheses and factors

- Institutional reforms are more likely when important institutional actors and member companies hold matching views on (external) challenges to be met.
- Organisational reforms are constrained by intra-organisational 'belief systems' and ideas of appropriate organisational goals and strategies.
- The probability of successful organisational reforms is dependent on formal and informal rules, settings and on the existing task-profile of an association.
- Institutional entrepreneurs may advance reforms when they have the ambition and ability to successfully challenge inherited concepts of institutional goals and organisational models.