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Shaping and Being Shaped: How Organizational Structure and Managerial Discretion Co-evolve in New Managerial Roles

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Abstract

As new roles emerge in organizations, it becomes critical to understand how organizational structure can impede or enable the managerial discretion available to role incumbents. We leverage the rich context provided by the emergent role of sustainability managers to examine the interplay between the top-down forces of structure and the bottom-up influences of managerial discretion in shaping new organizational roles over time. We analyzed qualitative data collected from in-depth interviews with sustainability managers in 21 case study organizations in India and Australia, supplemented with archival and observational data. We identified three organizational configurations, with varying levels of top-down structural and bottom-up managerial discretion dynamics at play. Each configuration had different implications for the manager's role. Our analysis suggests that the third configuration—with semi-structured formalization and a decentralized sustainability program—provided the most conducive conditions for managers to use their discretion to champion innovative sustainability initiatives. New managerial roles in the other configurations, however, do not have to be static. With the maturation of organizational programs and active championing by managers, the structuring of organizational functions and managerial roles can co-evolve. Our findings describe a process of ''shaping and being shaped,'' as structure and managerial discretion co-evolve over time.

Keywords: new managerial roles, organizational structure, formalization, centralization, managerial discretion, role theory, sustainability managers

Organizational designers are motivated to specify a formal structure that simultaneously directs and constrains the behavior of role occupants. The intention of that formal structure is to enable a diverse set of roles, occupied by people with possibly divergent interests, to nonetheless accomplish organizational objectives. But these formal structures are both ''hard to design and hard to enforce'' (Clement and Puranam, 2017: 1). Too much structure stifles creativity

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and innovation (Mintzberg, 1979; Briscoe, 2007). Too much discretion leads to ambiguity and chaos (Albers, Wohlgezogen, and Zajac, 2016). The resulting tension between structure and discretion (i.e., how tightly or loosely to structure organizational roles) has plagued organizations for decades (Mintzberg, 1979; McEvily, Soda, and Tortoriello, 2014). Organizational scholars are now starting to question whether ''top-down organization design [is] worth attempting at all, or should organizations simply let their members learn which patterns of interaction are valuable by themselves, through a bottom-up process?'' (Clement and Puranam, 2017: 1).

This organizational tension is particularly vexing in new managerial roles, into which managers are hired for their unique expertise in nascent areas, and that need to be designed from scratch. Unlike existing roles, new roles do not come with a blueprint, nor can they be copied from other organizations. Organizations might be tempted to give new roles a free rein, but they still need to fit these new roles into existing structural constraints. As new managerial roles—such as digital content managers, social media managers, or sustainability managers—increasingly emerge in organizations, it becomes critical to understand how structural dimensions and managerial discretion can jointly affect organizational outcomes.

In this research we leverage the rich context provided by the emerging role of sustainability managers to explore this core organizational tension between the constraints imposed by structure and the agency offered by managerial discretion. We exploit this valuable context to examine the interplay between the top-down forces of structure and the bottom-up influences of managerial discretion in shaping new organizational roles.

STRUCTURE, DISCRETION, AND ROLES: SILOED LITERATURES

Research in the 1970s and 1980s acknowledged the co-dependence of structure and discretion. Ranson, Hinings, and Greenwood (1980) argued that organizational structures are likely to be both constituted (shaped by rules) and constitutive (shaped by discretion available to role incumbents). Similarly, Montanari (1978: 234) described managerial discretion as a manager's ''predisposition to solve organizational problems by implementing structural modifications.'' But despite this initial recognition, the literatures on organizational structure and managerial discretion have evolved independently of one other. As a result, each literature generates unique but partial insights. The structure literature offers insights into the effects of organizational dimensions (e.g., formalization and centralization) on managerial roles (Pugh et al., 1968). The managerial discretion literature highlights the latitude available to managers and its impact on organizational outcomes such as profitability (Hambrick and Finkelstein, 1987). But a systematic analysis of how structure and managerial discretion influence each other is missing. Literature on organizational structure has thus come to be characterized by what Bennis (1959) provocatively labeled as ''organizations without people''; in parallel, the literature on managerial discretion continues to focus largely on individual behavior and attitudes—''people without organizations'' (Bennis, 1959).

Unfortunately, this schism between structure and discretion also extends into the role theory literature, where we might expect to find contemporary discussions about the interplay between structure and discretion. As a result, the role theory literature neatly divides into two camps: the structural functionalists, who maintain that managers are like "lumps of clay ready to be shaped by those around them" (Bell and Staw, 1989: 232), and the symbolic interactionists, who contend that managers are "more than straws in the wind" (Ashforth, 2001: 201). Recent advancements in role theory, such as job crafting (Rosso, Dekas, and Wrzesniewski, 2010; Wrzesniewski, Berg, and Dutton, 2010), could have bridged this divide, but the job crafting literature, as it currently stands, is about employees creating change for themselves through tactics such as role sharing and adding or removing specific role responsibilities. Job crafting does not, however, tackle the bigger question of the co-dependence and co-evolution of structure and discretion.

Our research focuses on how new managerial roles get structured in organizations and how the discretionary latitude available to incumbents of these roles leads them, over time, to sculpt the very structures that created their roles. Three streams of research—organizational structure, managerial discretion, and role theory—provide the foundational blocks for our theorizing. Although our research is inductive, and we identified these theoretical anchors after multiple iterations between data collection and analysis and the literature, we present them up front to provide a context.

Organizational Structure

The seminal work by structural theorists in the 1960s and 1970s extended Weber's classic description of the bureaucratic organization and established formalization and centralization as key organizational structural dimensions (Pugh et al., 1963; Hage and Aiken, 1967; Pugh et al., 1968; Inkson, Pugh, and Hickson, 1970). Formalization is defined as the use of explicit policies, rules, and procedures (Pugh et al., 1968). As organizations grow in size and complexity, formalization provides mechanisms for control and standardization (Hage and Aiken, 1967; Hales, 1999). Formalization produces trade-offs. It provides organizations with structure and stability (Organ and Greene, 1981; Juillerat, 2010), but it is criticized for stifling creativity and individual initiative (Mintzberg, 1979; Briscoe, 2007).

Centralization, the second key structural dimension, is defined as the extent to which decision-making authority is confined to the higher levels of the organizational hierarchy (Pugh et al., 1968). Like formalization, centralization is a double-edged sword (Glisson and Martin, 1980). Centralized decision-making enables specialization; it frees lower-level employees from larger organizational concerns and lets them focus on the delivery of their jobs. But at the same time, employees are likely to resent the lack of opportunities to participate in decision making (Glisson and Martin, 1980).

Organizational structure was a dominant theoretical paradigm in the 1960s and 1970s, but since then research into organizational structure has stagnated (McEvily, Soda, and Tortoriello, 2014). Over the last few decades, there has been a sort of collective amnesia about the role of formal organizational structures (McEvily, Soda, and Tortoriello, 2014). But recently there has been a resurgence of interest in more fully leveraging the role of organizational structure to explain organizational performance. This is especially visible in the literatures on team effectiveness (Bresman and Zellmer-Bruhn, 2013; Young-Hyman, 2017), psychological contracts (Metz et al., 2017), strategic alliances

(Albers, Wohlgezogen, and Zajac, 2016), intra-organizational collaborations (Ramus, Vaccaro, and Brusoni, 2017), and formal and informal social networks (McEvily, Soda, and Tortoriello, 2014).

Despite this renewed interest, empirical research on structure continues to neglect a key observation in the work of early organizational theorists: that formalization and centralization are likely to wax and wane over the life of organizations (Walsh and Dewar, 1987). As a result, the critical issue of how organizational structures change over time and what, if any, are the optimal levels of the structural dimensions remains unexamined. Addressing this core organizational issue can assist in identifying the optimal structural configurations that simultaneously circumscribe and enable managerial discretion.

Managerial Discretion

Managerial discretion has been widely discussed in both the economics and the organization theory literatures, but with distinctly different meanings. In the economics literature, managerial discretion describes the freedom top managers (e.g., CEOs) have in pursuing personal objectives rather than maximizing firm performance (Williamson, 1963; Jensen and Meckling, 1976). A key concern in the economics literature on managerial discretion is the opportunism of top managers resulting from the separation of ownership and control of organizations. The management literature, however, takes a more neutral view of managerial discretion and describes it as the influence top managers can exert over organizational outcomes (Finkelstein and Boyd, 1998; Finkelstein and Peteraf, 2007). Management theorists are careful to point out that the effects of managerial discretion can be positive or negative. In this research we adopt the management literature's view of managerial discretion.

The managerial discretion literature describes the extent to which top managers are important in influencing firms' decisions and outcomes (Finkelstein and Hambrick, 1990). When top managers have more discretion, they have a greater impact on firms' outcomes (Finkelstein and Boyd, 1998). Three sets of factors—environmental, organizational, and individual—influence managerial discretion (Hambrick and Abrahamson, 1995). Environmental factors include issues such as whether the organization belongs to a high-discretion industry (e.g., software) or a low-discretion industry (e.g., natural gas) (Finkelstein and Hambrick, 1990). Managers have more impact on firms' outcomes in high-discretion environments. Organizational factors include influences such as a firm's age and size. An increase in organizational age and size is associated with organizational inertia and a decrease in managerial discretion (Li and Tang, 2010). Individual factors include personality characteristics such as tolerance of ambiguity and uncertainty. A higher tolerance for decision making under uncertainty leads to greater managerial discretion (Hambrick and Finkelstein, 1987; Sharma, 2000).

Collectively the literature on managerial discretion has made important contributions in furthering our understanding of how top managers influence a variety of organizational outcomes. It provides insights into the relationships between CEO hubris and risk taking (Li and Tang, 2010), top management team tenure and strategic persistence (Finkelstein and Hambrick, 1990), and CEO compensation and firm performance (Finkelstein and Boyd, 1998). This literature establishes the connection between managerial discretion and firm outcomes, but it does not consider how discretion is developed for new roles. Existing roles can be neatly slotted into preexisting structures that define the role's scope and constrain the role's discretion in relation to the roles surrounding it. These structures are unavailable for new roles, and the absence of a preexisting structure means that there are also no predetermined constraints on the role's discretion. Understanding the dynamics by which new managerial roles gain discretion will enable organizations to effectively support new roles so that the managers occupying them are able to deliver the best possible outcomes.

Role Theory

Role theory's location at the intersection of organizational and individual behavior makes it a useful framework for analyzing organizational influences on managerial roles (Hales, 1986). There are two main perspectives in role theory: structural functionalism and symbolic interactionism (Biddle, 1986; Fondas and Stewart, 1994). According to the structural-functionalist viewpoint, managers' roles are written, specified, and dependent on the organizational setting "rather than on their own personality characteristics" (Katz and Kahn, 1966: 189). The structuralists present a manager's role as being shaped and constrained by rigid organizational expectations (Fondas and Stewart, 1994). This perspective, however, has been criticized for being overly deterministic and portraying managers as passive participants (Wrzesniewski and Dutton, 2001).

In contrast, symbolic interactionists believe that managers are not puppets in the hands of those who pull the strings (Ashforth and Mael, 1989; Fondas and Stewart, 1994). In a radical departure from the structuralists, Ashforth (2001: 195) argued that "roles are flat abstractions until they are given life by a unique individual." The symbolic interactionists view all roles as being open to negotiation and innovation (Biddle, 1986; Ashforth and Mael, 1989). The interactionists thus favor a dynamic view of managerial roles: managers purposefully engage in role negotiations to craft their jobs so as to make them meaningful and enjoyable (Wrzesniewski and Dutton, 2001; Wrzesniewski, Berg, and Dutton, 2010).

Recent research on role theory, in particular research on job crafting, has largely favored the symbolic interactionist perspective (Rosso, Dekas, and Wrzesniewski, 2010; Wrzesniewski, Berg, and Dutton, 2010). This body of work offers rich insights into how employees make meaning of their organizational roles. But this literature gives agency, almost entirely, to the individual employees in defining the meaning they ascribe to their organizational roles. The influence of organizational context in shaping the contours of these roles is conspicuous by its absence.

Bringing these three siloed literatures together, our research considers the dynamic interaction between structure and discretion operating in managerial roles and how the relationship between organizational structure and managerial discretion evolves in new managerial roles over time. We address our research question by exploring both top-down dynamics (how organizational structure shapes emergent roles) and bottom-up dynamics (how managerial discretion in these new roles, over time, sculpts organizational structure and outcomes). We examine the particular case of sustainability managers, but the research has implications for other managers whose roles require them to engage with emergent issues.

METHODS

We engage in inductive theory building research using case study methods for research design and grounded theory methods for data analysis. Our research design involves 21 case studies. Multiple case studies enable a replication logic wherein cases are treated as a series of ''experiments'' that serve to confirm or disconfirm emergent theory (Yin, 2003; Eisenhardt and Graebner, 2007). Inferences drawn from multiple cases produce robust theoretical insights about the phenomenon being investigated (Eisenhardt, 1989; Eisenhardt and Graebner, 2007).

We draw our case study organizations from a range of industries in two different national contexts, Australia and India. Australia is categorized as a developed nation and India as a developing nation (United Nations, 2015). Our original intent in including case study organizations from two countries and across industries was to examine whether these new sustainability manager roles were being structured and enacted differently across national development and industry contexts, but national and industry-level influences did not emerge as critical themes in our analysis. Case study organizations from both developed and developing contexts and across industries were represented in the configurations that resulted from the data analysis.

As our research question addresses the impact of top-down forces of organizational structuration and bottom-up processes of managerial discretion on sustainability managers' roles, this interaction and its evolution over time were the focus of our data collection and analysis. We engaged in theoretical sampling of case study organizations, selecting cases particularly suitable for exploring and developing new insights into the phenomenon being examined (Eisenhardt, Graebner, and Sonenshein, 2016). We initially developed a list of the top 100 organizations in both countries (based on market capitalization). These large organizations, because they are more visible, bear the brunt of stakeholder pressures (both regulatory and normative) to deal with social and environmental challenges (Sharma and Henriques, 2005). We analyzed publicly available data for these organizations and then started contacting the organizations that had published sustainability reports, had written commitments to sustainability, and had appointed a manager with responsibility for social and environmental sustainability.

Perhaps because of the sensitive nature of sustainability issues, many organizations did not respond to our requests for interviews (only about 20 organizations in India and 30 in Australia responded to our initial request). Even with organizations that responded to our initial requests, access continued to be extremely difficult, especially in the Indian organizations. On average, we made more than 20 contacts with multiple gatekeepers before we could identify the sustainability manager in an Indian organization and be granted an interview. For most organizations in Australia, we requested access through corporate communication directors; in some cases, we addressed requests directly to the CEO. These contacts helped us identify the managers who had been appointed to deal with sustainability. After collecting data from 15–18 organizations, we approached theoretical saturation—similar themes started to emerge from our data. Nonetheless, we collected data from five more organizations to ensure that no new themes were emerging and that we had reached the point of theoretical saturation (Glaser and Strauss, 1967). Our data sources included interviews and archival and observational data.

Data Sources

Interviews. We conducted a total of 44 semi-structured interviews (29 with sustainability managers and 15 with experts external to participating organizations). Our primary data source in each case study organization was the key manager responsible for the organization's sustainability portfolio. In one case study organization (TelecomIndia), two key managers had been appointed to deal with sustainability, and we interviewed both.[1] The sustainability managers typically were in senior positions. The interviews, on average, ran for 60–90 minutes, although some lasted more than two hours. We used a semi-structured interview protocol, provided in the Online Appendix (http://journals.sagepub.com/doi/suppl/10.1177/0001839218778018).

The interview opened with a discussion of the organization's sustainability initiatives. We then drilled down to the role of the sustainability manager. We asked the managers to describe how their function was structured within the organization. We enquired about instances when they had been able to successfully champion social or environmental sustainability issues and why they believed they were successful. We also asked about instances of unsuccessful championing and explored why these championing initiatives were unsuccessful. The semi-structured interview protocol evolved as the data collection progressed. For example, if a manager had trouble relating to "championing" of social and environmental initiatives, we would ask how they "engaged" with social and environmental issues. Toward the end of each interview, we asked managers to provide a visual metaphor of how they viewed their roles in the organizations. Visual images are a powerful inductive research tool that allows respondents to express experiences that might be difficult to convey through words alone (Ray and Smith, 2012).

All managerial interviews except one, in which the two participating managers were hesitant about being recorded, were digitally recorded and professionally transcribed. In that organization (TelecomIndia), we took extensive written notes. We also generated written notes for all other organizations. As our data collection and analysis progressed, we went back multiple times and re-interviewed managers in three of the case study organizations that were representative of the three distinct configurations emerging from our analysis (four additional interviews at EarthwinesOz, two at BankIndia, and one at PowerIndia). These interviews helped us to more fully understand and explicate our emerging theory. We also followed up with e-mails and phone calls with the sustainability managers in other case study organizations when we needed to collect real-time data about in-progress sustainability initiatives. Table 1 provides a description of the case study organizations and the job titles, background, and tenure of the managers (in their current role and in the industry), as well as the configurations they represent.

[1] We refer to the case study organizations by pseudonyms.

Table 1. Description of Case Studies

Case study organization (founded)	Industry	Year of first sustainability reporting	Managers interviewed (no. of times)	Manager's tenure in current role	Tenure in industry	Manager's educational background
			Prospecting configuration			
TelecomOz (1901)	Telecommunications	2003	National manager, corp. health, safety, and envir. (1)	3 mos.	4 yrs., 2 mos.	MSc envir. and planning
MinedeepOz (1886)	Aluminum & bauxite mining	2002	Managing director (with responsibility for sustainability portfolio) (1)	4 yrs.	33 yrs.	BSc (honors) civil engr.
PowerIndia (1975)	Power generation	2011	Director, sustainability (2)	5 yrs., 2 mos.	32 yrs., 9 mos.	MBA, BTech
DiversifiedIndia (1868)	Diversified firm (mining, chemicals, energy)	2000	VP, corp. sustainability (1)	6 yrs.	18 yrs.	BCom
TelecomIndia (1995)	Telecommunications	2012	VP, sustainability (1)	6 mos.	9 yrs.	MA HR mgmt.
			Planning manager, sustainability (1)	1 yr.	4 yrs.	MSc envir. engr.
ConsumerIndia (1897)	Consumer foods	2013	Managing director (with responsibility for sustainability portfolio) (1)	2 yrs.	36 yrs.	MSc chem. engr. MBA
FarmIndia (2004)	Agribusiness	2012	Head, sustainability initiatives (1)	1 yr.	9 yrs.	MBA, BTech
			Orchestrating configuration			
PetroOz (1954)	Oil and gas exploration	2004	Sustainability adviser, corp. affairs (1)	3 yrs., 6 mos.	10 yrs.	BSc (honors) envir. mgt.
AutomobileOz (1958)	Automobiles	2007	Manager, envir. policy, corp. affairs strategy & envir. (1)	3 yrs., 2 mos.	32 yrs.	MSc envir. engr.
BigBank1Oz (1911)	Banking	2009	Head of sustainability, corp. affairs & sustainability (1)	2 yrs., 4 mos.	5 yrs., 9 mos.	Grad. diploma marketing, diploma of business BA commun.

(continued)

Table 1. (continued)

Case study organization (founded)	Industry	Year of first sustainability reporting	Managers interviewed (no. of times)	Manager's tenure in current role	Tenure in industry	Manager's educational background
FlysafeOz (1920)	Airlines	2008	Head of sustainability (1)	3 yrs. in previous formalized and centralized sustainability structure 2 mos. in new decentralized structure	23 yrs.	BBus, CPA
DrinkIndia (1989)	Food and beverages	2009	Head, corp. sustainability (1)	7 yrs., 8 mos.	11 yrs., 8 mos.	MBA, BSc
BankIndia (1853)	Banking	2007	Head, group corp. sustainability (3)	3 yrs.	8 yrs., 2 mos.	BA (honors) poli. sci. & journalism
ConglomerateIndia (1910)	Diversified firm (agribusiness, hotels, consumer goods)	2004	Director, corp. social responsibility (1)	5 yrs.	15 years	MBA
			Championing configuration			
EarthwinesOz (1847)	Viticulture and winemaking	2009	Director, sustainability, sustainable wines programs (5)	17 yrs., 1 mo.	19 yrs.	BSc botany (honors), Ph.D.
MetalmineOz (1905)	Mining	2008	Global leader, envir., health, and safety (1)	10 yrs., 4 mos.	28 yrs.	BAgSc (honors), Ph.D.
BigBank2Oz (1817)	Banking	2002	General manager, community and corp. sustainability (1)	7 yrs., 9 mos.	33 yrs.	N/A: manager retired
GrowineOz (1888)	Viticulture & winemaking	2009	National sustainability manager (1)	15 yrs.	29 yrs.	BSc engr.
InfrastructureOz (1885)	Infrastructure	2009	Corp. sustainability exec. (1)	5 yrs., 9 mos.	9 yrs.	BA (honors) anthropology
PetroIndia (1966)	Petrochemicals	2004	Director, corp. sustainability (1)	6 yrs., 1 mo.	21 yrs., 10 mos.	BA journalism & commun.
ConstructIndia (1976)	Infrastructure	2000	Head, sustainability (1)	9 yrs.	29 yrs.	Masters in human relations

We also interviewed 15 independent business experts outside the participating organizations who had publicly established reputations on sustainability issues. They had authored popular books and media articles on sustainability and debated these issues in public forums (N = 4), served as CEOs in their previous roles (and expressed commitment to sustainability in that role) and were now on corporate boards of organizations of similar sizes as the case organizations (N = 6), edited a national newspaper (N = 1), or worked as sustainability managers in similar-sized organizations (N = 4). Seven of these independent experts were from India, four from Australia, and four from the U.S. In these interviews, we described our emerging findings and asked the experts if they resonated with their experience. These interviews served as an additional check for our analysis (Yin, 2003).

Archival sources. We used extensive secondary sources to develop an appreciation of the context within which these sustainability managers worked, including media interviews, benchmarking documents, brochures, and in one case a Ph.D. thesis by the participating manager on his organization's sustainability practices.[2] We collected data on organizational age, length of organizational engagement with sustainability issues, and details about sustainability initiatives from corporate websites to verify managers' accounts. While managers would sometimes mention the number of months or years they had been involved in their current role, we also systematically collected data about their tenure and background using LinkedIn Recruiter. Articles in the popular press and books published by practicing sustainability managers (e.g., Mohin, 2012) were important sources of background information. We collected and analyzed more than 3,000 single-spaced pages of secondary data sources.

Observations. Three types of observations informed the data analysis. The first came from conducting all but three managerial interviews on the organizations' premises.[3] We conducted 24 interviews in the sustainability managers' offices and two in corporate meeting rooms. The first author made careful notes about the artifacts on display (e.g., in some organizations, the environmental policy was displayed in prominent places; others had strategically positioned their sustainability reports and awards) and the physical location of the sustainability manager's office (e.g., in some organizations, the sustainability manager's office was located in the executive suite; in others, the sustainability manager was in a physically separate location).

Some sustainability managers (i.e., at EarthwinesOz, GrowineOz, MetalmineOz, and ConstructIndia) offered tours of their organizations, which provided the second type of observational data. The onsite tours generally lasted between 30 and 45 minutes and provided a firsthand opportunity to verify managers' accounts of sustainability initiatives at their organization (e.g., evidence of integrating sustainability initiatives in the manufacturing processes, systematic recycling of waste water).

The third type of observational data was collected when one of the case study organizations (ConglomerateIndia) invited the first author to conduct an

[2] The authors were not associated with this Ph.D. in any manner.
[3] Of these three, two were conducted by phone and one in a café.

in-depth assessment of the processes and outcomes of a social and environmental engagement project.[4] Although the data collected for that project are not included in this study's analysis, being based for four weeks in the industrial township that housed ConglomerateIndia's factories, offices, and residential accommodation allowed the author to collect 168 hours of non-participant background observational data. This time was spent visiting production sites, observing meetings, watching environmental health and safety procedures, reviewing documents, and observing managers interact with internal and external stakeholders, including local farmers, NGOs, and suppliers.

Data Analysis

We analyzed data as we collected it, making multiple iterations between the data and emerging theoretical arguments (Glaser and Strauss, 1967; Gioia, Corley, and Hamilton, 2012). Following Pratt, Rockmann, and Kaufmann (2006), the analysis involved three main steps: (1) categorizing the raw data into first-order empirical themes, (2) abstracting and consolidating the empirical themes into second-order conceptual categories, and (3) aggregating the conceptual categories into theoretical dimensions and identifying the relationship between the theoretical dimensions to explicate a process model that explains how new managerial roles get structured and enacted. Throughout the data analysis, we used the NVivo 10 software as a qualitative data management tool to record and to compare and contrast the emerging codes. In parallel with the coding, we also reviewed the literature to ground our emerging interpretations in relevant theories. This was a recursive rather than a linear process and involved multiple iterations between data and theory.

Step 1: Identifying first-order empirical themes. To start, the first author read the interview transcripts and field notes and started categorizing the raw data into informant-centric first-order empirical themes, using language that was as close to the data as possible (e.g., ''I was handpicked for the role''; ''I have no authority to plan''). The authors met regularly (on average, after the

[4] ConglomerateIndia had introduced an inclusive business program that involved social forestry projects that aimed to benefit both ConglomerateIndia and traditionally disadvantaged stakeholders. Social forestry involved inviting NGOs, suppliers, and local communities (e.g., tribal populations, small and marginal farmers, and low-income women) to engage in (1) farm forestry and (2) agroforestry. There are about 200,000 hectares, across 2,400 villages, operating under ConglomerateIndia's social forestry projects.

In the farm forestry project, farmers plant eucalyptus saplings provided by ConglomerateIndia. These specially bred eucalyptus varieties can be grown in barren wasteland areas that receive very low rainfall and where crop cultivation is not possible. After the trees mature, there is a buyback program under which ConglomerateIndia buys the timber from the farmers. For the local communities, this leads to improvement in the social and economic status of the marginal farmers. The organization benefits through a continuous supply of timber grown in wastelands. This protects virgin forests from being cut.

The agroforestry project uses relatively fertile and irrigated farmlands to plant crops (such as cotton, chili peppers, tobacco, and lentils) between rows of eucalyptus trees. It provides a lump sum income to farmers (after each four-year cycle of timber harvesting) and provides opportunities to generate cash income throughout the year from the crops grown between the rows of trees. To address criticisms of extensive monoculture, ConglomerateIndia has also set up biodiversity plots in this region to protect local flora and fauna diversity. There are nine biodiversity plots in an area of 56 hectares.

first author had coded about five interviews) to discuss the emerging first-order themes. At this stage, when we found similar themes emerge across the case studies, we used these similarities to create more specific empirical themes (e.g., ''ambiguity about roles,'' ''co-created the roles''). This helped us refine the boundaries of the first-order themes (Besharov, 2014). The first-order themes relate to a wide range of phenomena presented in the data and capture issues such as the structuring of the sustainability manager's role, whether the manager felt a sense of empowerment or disempowerment, and instances of successful and unsuccessful championing. There were themes about managers who failed to relate to championing sustainability issues, sustainability being a corporate function or not, and support (or lack of it) from top management. We also developed first-order themes capturing how some sustainability managers had very little discretion and had to contain their passion for sustainability issues, while other managers had considerable discretion, which they leveraged to promote sustainability across the organization. There were also first-order themes around positioning sustainability in reputational terms, in business case terms, or as important for the organization's long-term future.

Step 2: Constructing second-order conceptual categories. In the second stage of analysis, the authors worked together to consciously identify similarities and differences among the first-order themes and moved to axial coding (Strauss and Corbin, 1998) to consolidate empirical themes into higher-level conceptual categories. The second-stage coding involved engaging in constantly comparing the first-order empirical themes with one another and with the emerging conceptual categories. We reviewed all the transcripts and field notes once again to see how the coded passages fit with the emerging second-order categories. We also revisited the observational and archival data and wrote extensive memos to elaborate the nature and characteristics of the emerging second-order categories. We then developed figures and tables to compare and contrast how the interview, archival, and observational data related to the emerging second-order categories.

After multiple iterations among first-order themes, raw data, memos, and theory, and based on similarities and differences across the first-order themes, we started to develop second-order conceptual categories. For example, from the first-order themes dealing with sustainability managers expressing lack of discretion and high ambiguity about what exactly their role involved, we developed a second-order category labeled ''low discretion prospectors.'' We grouped the first-order themes describing managers whose reduced discretion enabled them to merely facilitate the sustainability agenda of the organization under the second-order category of ''moderate discretion facilitators.'' And the first-order themes describing managers whose role provided high discretion to actively advocate sustainability initiatives, we grouped into the second-order category of ''high discretion champions.'' Through similar analytical steps we distilled second-order categories around strategies used by sustainability managers to position sustainability issues in their organizations (reputation, business case, strategic and normative appeals) and the structure of the sustainability function: centralization (separate cell, centralized, decentralized) and formalization (low, high, semi-formalized).

To ensure the trustworthiness of the analysis, we gave a research assistant the interview transcripts and a description of the second-order categories and asked her to independently assign passages from the interview transcripts to each second-order category. We then compared her categorization with our original coding; the percentage of agreement was .91, substantially higher than the .70 minimum suggested by Cohen (1960).

Step 3: Identifying theoretical dimensions and developing a process model. After the second-order conceptual categories had been generated, we considered how these categories fit together. In this stage we started to actively explore the theoretical explanations for the relational dynamics among the second-order categories. We engaged in multiple iterations of pattern matching between the emerging conceptual categories and the literature to identify the theoretical dimensions. Approaching the data from this perspective, we identified how the structural dimensions—especially the extent of formalization of the sustainability program—were important as top-down influences in shaping the sustainability manager's role. At the same time, there were bottom-up influence attempts that met with varying levels of success. We also identified the influence of centralization of the sustainability function on the sustainability manager's role and the interplay between the structural and managerial discretion dimensions over time. Before arriving at the model that provided the best fit between data and theoretical explanations, we actively brainstormed alternative conceptualizations of how the theoretical dimensions related to one another and to the relevant literature (Pratt, Rockmann, and Kaufmann, 2006).

We performed member checks (Gioia, Corley, and Hamilton, 2012) by describing the emerging findings to all the participants in phone calls, e-mails, and meetings. This allowed participating organizations to confirm that their sustainability approach had been accurately described. All participating organizations also received a final report about our research findings and implications. This report created another opportunity for member checks, and the participating organizations were invited to contact us for further clarifications or comments.[5]

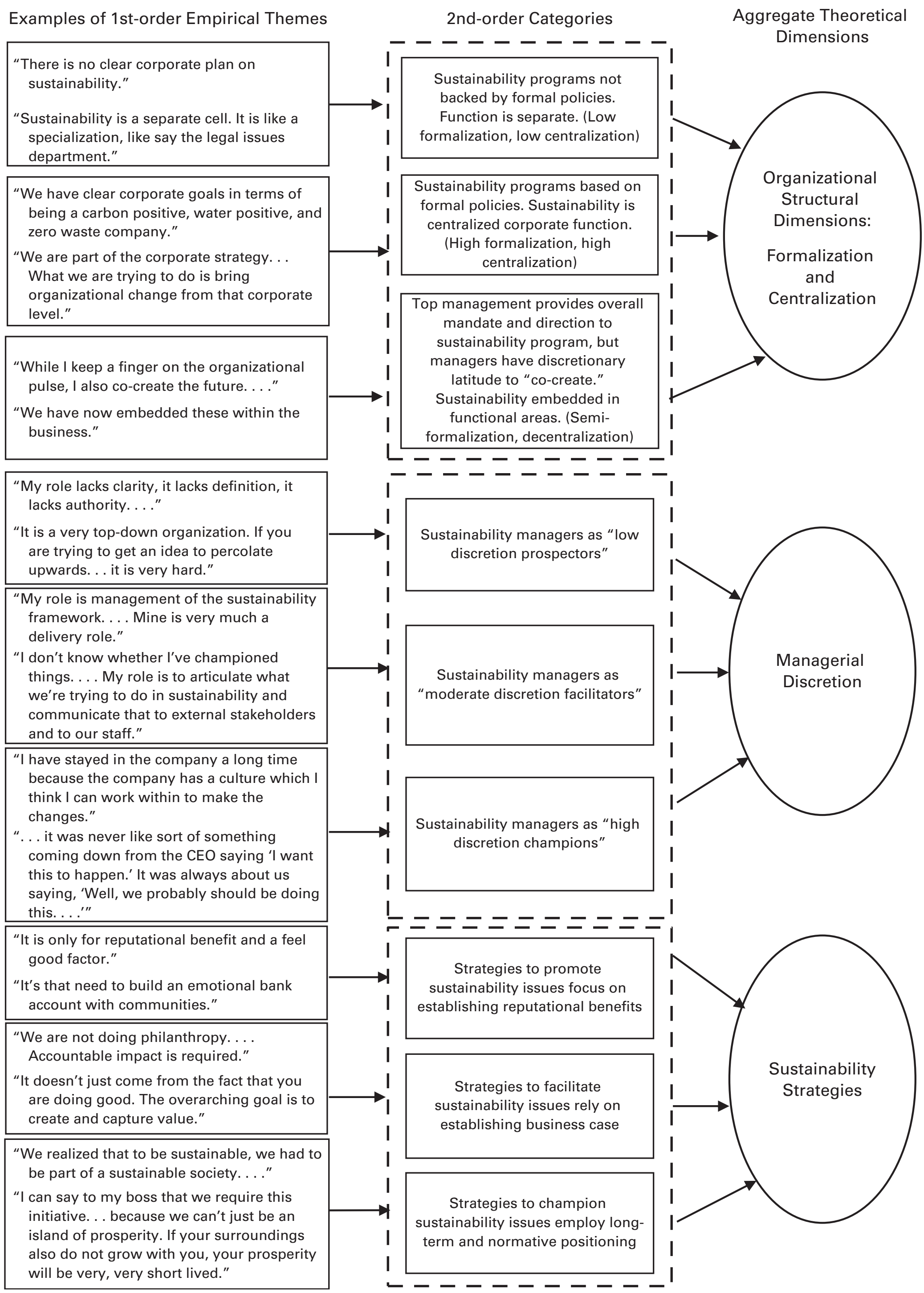
Figure 1 illustrates our coding process and data structure. It provides examples of first-order empirical themes, second-order conceptual categories, and the aggregate theoretical dimensions.

FINDINGS

We found that top-down and bottom-up dynamics map across three distinct configurations of sustainability programs; we refer to these as the prospecting, orchestrating, and championing configurations. The extent of formalization of sustainability programs is the critical top-down influence across the three configurations. We also found that sustainability functions in organizations can evolve over time—from low levels of centralization (separate sustainability cells) in the prospecting configuration, to highly centralized (corporate

[5] One organization (EarthwinesOz) sent us the newsletter through which it distributed our research findings to its broader audiences. Two organizations (ConglomerateIndia and DiversifiedIndia) invited us to present our findings to their management teams.

Figure 1. Data structure.



sustainability functions) in the orchestrating configuration, and then toward decentralization (embedding sustainability across functional areas) in the championing configuration.

The prospecting configuration describes organizations with the least formalized commitment to sustainability. Organizations in this configuration had recently started to recognize the importance of social and environmental issues and the need to make a visible commitment to sustainability. In these organizations, the sustainability manager's position was a prospecting role that involved scanning the sustainability initiatives adopted by firms in related industries and exploring the possibility of importing some of these initiatives into his or her own organization. Managers in these organizations reported high levels of role ambiguity and low levels of discretion. Their positioning of sustainability initiatives involved linking them with reputational gains for their organization. The sustainability function was a separate cell with little authority.

The orchestrating configuration describes organizations whose sustainability programs had become highly formalized as a corporate function. Sustainability managers in these organizations viewed themselves as facilitators of rigidly structured sustainability programs. Because of the explicit formalization of sustainability programs, strategies involving promoting sustainability to top management were not a major concern for them. Instead, they focused on selling sustainability initiatives laterally—in the delivery of these programs to other managerial functions (such as production and supply chain)—and relied on making a business case to managers in other functional areas. The high levels of formalization reduced role conflict and ambiguity, but on the flip side, there was little scope for bottom-up championing of social and environmental issues that were not part of the formalized programs. These constraints meant that managers working in these organizations had only moderate discretion and had to contain their passion for sustainability issues that did not fit the formalized organizational agenda. This led some managers to feel disempowered and isolated. The sustainability function in this configuration was consistently part of the corporate executive team, and the centralized sustainability function facilitated the delivery of sustainability programs across the organization.

In the championing configuration, the organizations displayed a more mature approach to sustainability. We observed both top-down influences and bottom-up crafting in the role of sustainability managers. These organizations had a broad overall organizational commitment to sustainability, but the specific sustainability initiatives were not rigidly formalized (semi-structured formalization). The sustainability managers had considerable discretion to champion sustainability initiatives. The managers had a strong commitment to their organizations, but they were also committed to social and environmental issues, which did not always align with their organization's dominant profit-oriented culture, at least in the short term. They leveraged the high discretion available to them to champion sustainability initiatives using a broad mix of strategic and normative appeals. Sustainability managers in the third configuration were part of the senior executive team. They oversaw and championed sustainability initiatives, but sustainability programs had evolved toward being fully embedded across the functional areas.

Though we expected to find differences in how these dynamics played out in Australia and India, we found that case study organizations from both countries were represented across all three configurations. Therefore, we present our findings for organizations across both countries collectively and discuss in detail how the top-down formalization and bottom-up managerial discretion dynamics played out in each configuration. For each one, we first emphasize ''power'' quotes (Pratt, 2009: 860) associated with one prototypical case. Power quotes are the most compelling data that effectively illustrate the points being made. We then provide supporting quotes across the cases (''proof'' quotes; Pratt, 2009: 860) to demonstrate the cross-case consistency within each configuration.

The Prospecting Configuration

Five case study organizations with the prospecting configuration were from India (PowerIndia, DiversifiedIndia, TelecomIndia, ConsumerIndia, FarmIndia) and two from Australia (TelecomOz, MinedeepOz). All organizations had a written commitment to sustainability and publicly available sustainability reports. Organizations with the prospecting configuration recognized the importance of visible commitment to sustainability, but they lacked clear and formalized organizational sustainability policies. PowerIndia, for example, did not have a clear sustainability agenda:

> There is no clear corporate plan on sustainability. The organization has the corporate plan and business plan. Now, you ask anyone in the organization what is the corporate plan for environment, for R and R—rehabilitation and resettlement—for the social aspect of sustainability issues . . . it is not clear at all. (Director, sustainability, PowerIndia)

In the absence of a formalized commitment to sustainability, the sustainability manager at PowerIndia did not have a clearly defined role. His role was created as a top-down response to institutional pressures: ''My role lacks clarity, it lacks definition, it lacks authority. . . . Nowadays, sustainability is a fashionable thing to talk about. Everyone is praising organizations that have a sustainability officer. So what does PowerIndia do? 'Let us appoint somebody in sustainability too.''' Without a formalized framework, the PowerIndia sustainability manager struggled to understand whether he had any discretionary latitude to allocate organizational resources to social and environmental issues. His role was limited to looking for initiatives that could potentially be adopted by PowerIndia. While there was room to engage in bottom-up initiatives, the proposed projects received organizational resources based on their ability to generate reputational capital and goodwill. His discretion was limited to looking for sustainability initiatives that would deliver reputational or legitimacy benefits:

> It is only for reputational benefit and a feel good factor. When the organization does good community development work, they feel okay that their sins have been washed away. We have done something good; we can show to the world that we are not sinners. You know like it is said in India, ''You do too many sins and go and take a bath in the Ganges and feel that okay, all those sins have been washed away.'' So they can then say they are good citizens, they have to show that every time profit is not the motive. Whatever problems are there in the organization they want to sidetrack that or divert that attention to the good things they are doing. It becomes a marketing tool.

When organizations will invest only in initiatives with reputational and legitimacy benefits, sustainability managers can promote only a very narrow range of sustainability projects:

> Sustainability issues cannot be always linked with profit. See that difference is—I use the phrase QSQT. QSQT was a very famous film in India—''Qayamat Se Qayamat Tak,'' a love story, which means ''Forever to Forever.'' In business terminology they say QSQT is ''Quarter Se Quarter Tak''—''from Quarter to Quarter.'' So if the focus is on quarter to quarter profitability, on sustaining the growth rate, then real sustainability does not even come in the picture, because sustainability is for the long term. In the quarter to quarter view, the focus can only be on projects that offer immediate benefits and immediate profit. So, for example, the water conservation project was very good and I proposed that we should take it up, but wherever a major investment was involved, and no short-term benefits, in all these projects, I was unsuccessful. (Director, sustainability, PowerIndia)

The metaphor provided by PowerIndia's sustainability manager illustrates his sense of disempowerment: ''My role has accountability but no authority. Most of the time it is like being a scapegoat. So if anything goes wrong anywhere . . . say, they are not able to manage the local politician and that issue is related to CSR [corporate social responsibility], the accountability is on me, without any authority.''

The themes evident in the PowerIndia case were echoed in other organizations with this configuration. The discretion available to sustainability managers in these organizations was limited to ''looking around'' and scouting for social and environmental initiatives that might be relevant to their organizations:

> Not much has been implemented, but what we are doing is we are talking to other organizations, what are they doing. We are talking with Bayer Crop. We are talking to DuPont. See, my role is to talk to government agencies, talk to research institutes, talk to technology companies, talk to research companies, talk to import companies. I'm talking to PAU [Punjab Agricultural University], I'm talking to ICRISAT [International Crop Research Institute for the Semi-Arid Tropics] to try and figure out how to bring solutions to the table, not just technologies. My job is to processize things. I keep getting leads on many different technologies and I keep evaluating them and I keep transferring this to the extension people. I create projects out of these. (Head, sustainability initiatives, FarmIndia)

In collecting a ''bag full'' of sustainability initiatives, however, these organizations risked cobbling unrelated initiatives together. As a result, they often had difficulty explaining the boundaries of their sustainability programs to concerned stakeholders:

> We went down to the local volunteer firefighting station last year and repainted it for them. Then, I went tree planting about three weeks ago. Myself and about 30 other people planted 8,000 trees, and the intent obviously was to enhance the brand and reputation. The thing is that we have to be careful that they don't become dependent on us. Sometimes the local mayor, whenever he wanted something, he would ring our plant manager and say, ''Hey, I need you to do this,'' and eventually it became a dependent relationship. At times, people have unrealistic expectations of what we can and will do. (Managing director with responsibility for sustainability portfolio, MinedeepOz)

As a result of the lack of formalization, sustainability managers struggled to define their own discretionary latitude, and their organizational colleagues were unclear what a sustainability manager's role involved: ''Quite often I have colleagues e-mail me and say 'Can you please organize a recycling bin for my office?' Oh! No! That's not my job! There is quite a lot of—'You are a slave come and do things for me!''' (National manager, corporate health, safety, and environment, TelecomOz). Managers in organizations with a less formalized sustainability framework relied on linking the bottom-up sustainability initiatives to reputational benefits:

> It's that need to build an emotional bank account with communities. Occasionally as a mining company, we will stuff some things up [Australian slang for make mistakes], but we've got to show that we add value in the community. We have to earn the right to be in the community. And this [social and environmental initiatives] generates community goodwill and frankly, it puts a positive relationship between the community and MinedeepOz. (Managing director with responsibility for sustainability portfolio, MinedeepOz)

But in the absence of any formal structures to support sustainability initiatives, managers reported high levels of role ambiguity and role conflict: ''It is an uncharted journey. There is no role description. I want some new people to join my team and the HR group says give us a role profile. How can I give them a role profile? They are quite perplexed, but I am also perplexed, I'm unable to give even my role profile to somebody'' (vice president, corporate sustainability, DiversifiedIndia).

Managers struggled to access resources for sustainability initiatives, and their visual metaphors convey disempowerment and powerlessness: ''I see my role as me being very small and tugging at someone's leg or their trouser and saying 'What about the environment? Have you thought about the environment?' 'No, no . . . we don't want to''' (national manager, corporate health, safety, and environment, TelecomOz). Table A1 in the Online Appendix provides additional supporting evidence for the findings on the prospecting configuration.

The Orchestrating Configuration

Three case study organizations with the orchestrating configuration were from India (DrinkIndia, BankIndia, ConglomerateIndia) and four from Australia (PetroOz, AutomobileOz, BigBank1Oz, FlysafeOz). These organizations had highly formalized sustainability programs that dictated the specific initiatives to which the organization would commit its resources. The sustainability managers viewed themselves as facilitators and experienced no ambiguity about the kinds of sustainability initiatives they were required to facilitate. DrinkIndia's head of corporate sustainability explained its highly formalized sustainability program in words that directly mirrored the company's website:

> Our CEO early this year articulated 40 goals which are linked to sustainability. They are grouped under three heads: healthier products, environment, and social sustainability. Each of these three we refer to as planks. So, under each of these planks we have clear goals or commitments which are the premise of DrinkIndia. For example, in environment, the premise is that we will strive for positive water

balance in our operations. . . . Our goals are very clearly defined. Our agenda is very, very focused. The minute you have clearly defined goals, it becomes very easy to focus.

As a result of DrinkIndia's highly formalized sustainability program, the sustainability manager was very clear about her role expectations and the resources she would be able to access. The formal program established clear top-down guidelines and rigidly prescribed the initiatives she could (and could not) pursue:

> The goal is, for example, positive water balance around our plant communities. So there is no point in going outside that scope. The way it works in organizations like ours is that once the details from the strategic plan are put out in the operating plan, then that's your permission to go ahead. . . . With water I could do Himalayan glaciers, I could do rivers . . . it could get very complex. But the framework gives us focus. Our focus is on water management in our plant communities. If I go and solve Himalayan glaciers, I'm not focusing on the plant communities.

Her job was to facilitate the organization's social and environmental goals—not to engage in bottom-up championing of personal projects. As she explained,

> . . . if say, I am passionate about climate change, which is not part of our sustainability framework, I would have failed miserably. Or, if I am asked to support an eye camp [mass free eye surgeries, generally for cataract removal] in Jammu [a remote state in India], I cannot do it, because it is not a part of our agenda. It is not a part of my goals. The framework gives you focus. I'm sure if it was just my personal agenda, I would have pretty much failed miserably.

Because the organizational sustainability framework was so formalized, the sustainability manager had to engage in little bottom-up selling. She told us that projects first had to be consistent with the DrinkIndia sustainability program and then were chosen based on a consistent set of metrics: ''We measure everything. So the sheer numbers make a compelling case. If one project benefits 12,000 people and recharges 700 million liters of water versus a second project delivering only 100 million liters of water, benefiting only 800 people, then you know which one to choose.'' DrinkIndia's top-down sustainability program created a very tight alignment between the projects and the role of the sustainability manager. When asked to provide a visual metaphor for her role, the sustainability manager returned to the organizational framework's emphasis on water: ''For me, if I send you a photo of the dam, that signifies my role for me.''

The themes evident in the DrinkIndia case were echoed by other sustainability managers working in organizations with highly formalized sustainability frameworks. They were very clear about their role expectations. They were not sustainability champions but sustainability facilitators. When asked about the discretion they had to champion sustainability initiatives, they had trouble relating to the concept:

> This whole concept of championing sustainability, where does this come from? I am saying this because the way our organization looks at it, that it is a part of our business processes. It is not something which somebody has to champion, okay? I mean

> the business process ensures that we meet the objectives that you are looking at. My role is like an internal consultant. (Director, corporate social responsibility, ConglomerateIndia)

> I don't know whether I've championed things. The term champion sounds like a person in isolation, swimming against the tide of the prevailing attitude or culture of the company—an agent of change. We are part of the corporate strategy. My role is to articulate what we're trying to do in sustainability and communicate that to external stakeholders and to our staff. (Head of sustainability, BigBank1Oz)

The clear top-down guidelines provided by the organization's formalized framework meant that sustainability managers did not need to engage in much upward selling to top management. Their strategies largely involved lateral selling: convincing other functional managers to adopt sustainability initiatives. The sustainability managers focused on establishing the ''business case'' and avoided emotional appeals:

> The emotional part is a slightly dangerous thing, okay, because, we are an industry and we operate with somebody else's money. So, if we are talking about kind of doing charity at somebody else's expense, the danger is that charity is kind of unaccountable. So, it is dangerous if funds are getting kind of diverted. It has to be in business case terms. (Director, corporate social responsibility, ConglomerateIndia)

> Well, certainly being a large company, we are business-case based. Business goes first, the standard notions of a business case in terms of understanding risk, being able to show cost and benefit, what sort of return there is at the end. It doesn't go away just because it's a sustainability related initiative or project. That discipline needs to stay there, and sustainability needs to talk the hard language of business, it's not separate from the hard language of business. . . . We certainly don't use ''it's the right sort of thing to do'' approach. (Head of sustainability, BigBank1Oz)

But the high levels of formalization could be constraining. Some sustainability managers felt disempowered and isolated, forced to curb their passion for social and environmental issues that were not part of their organizations' formalized sustainability programs. Some managers tried to use their discretion to initiate bottom-up initiatives, but in highly formalized organizations, these ''pet'' projects did not receive the organizational green light and so managers had to withdraw their support:

> I can't share the exact project details, but the project was ready to go, but the business head said no. At the last minute, I was asked to withdraw it. Of course, I took it personally. I can really escalate a project, but at the end of the day, it's a business call. Those are times that I need to take a step back and not push CSR or sustainability so much—which overrides the business agenda. So that is one project, which I, not just me, but the whole team worked on it. I felt bad for them. We worked on it for four to five months. I felt very lonely. Of course, I was upset, perhaps personally, for many days, but then one picks up and moves on. (Head, group corporate sustainability, BankIndia)

Table A2 in the Online Appendix provides additional supporting evidence for the findings in the orchestrating configuration.

The Championing Configuration

Five cases with this configuration were from Australia (EarthwinesOz, MetalmineOz, BigBank2Oz, InfrastructureOz, GrowineOz) and only two from India (PetroIndia, ConstructIndia). These organizations had semi-formalized sustainability programs—there was a broad organizational commitment to sustainability but without the rigid constraints on specific initiatives observed in the orchestrating configuration. There were boundaries in place, but within those boundaries the sustainability managers had latitude to influence and sculpt the sustainability initiatives. EarthwinesOz, for example, has a semi-formalized commitment to sustainability:

> What I'll give you here are two brochures, one gives you an idea of our sustainability program which we call Sustainable Wine Making. It gives you an idea of the management systems that we have. That is the whole program, and this brochure gives you the broadsheet, it explains the sustainability framework. (Director, sustainability, EarthwinesOz)

The printed brochures laid out the broad direction of sustainability programs, but within that framework the sustainability manager actively engaged his discretionary latitude for bottom-up championing of sustainability initiatives:

> While I keep a finger on the organizational pulse, I also co-create the future, with an open heart, open mind, and open soul. I am a part of the story. A few years ago, I said to our director, the next thing we need to start considering is EarthwinesOz's soul. . . . I wanted to steer the organization towards the social side of sustainability. So after a lot of work we now have a brand here called the [name of brand], our high end brand, which reflects our commitment to our employees, our local communities, and the land. That's why EarthwinesOz has now got the slogan Share EarthwinesOz, because we're sharing the good news of our commitment to sustainability.

Organizations with a semi-structured framework provided opportunities for managers to be actively involved in leveraging their discretion for shaping their roles. The director of sustainability at EarthwinesOz told us that the role was developed for and by him:

> I was initially employed to develop vineyards for EarthwinesOz and to train people. Within three months of working in that role, one of the directors and I were sitting together at a pub. I was planning to do a Ph.D. in land management by Aboriginals. So he said to me, quite to my surprise, ''Why don't you do your Ph.D. based on how management practices impact land management at EarthwinesOz?'' I was asked to construct this role. I invented the job.

Semi-formalized sustainability programs provided sustainability managers greater discretion to champion initiatives that they were passionate about. The sustainability manager at EarthwinesOz was therefore willing to go beyond the short-term narrow business case. He extended his championing strategies to include the longer-term strategic perspective:

> We have to be interested in the long-term future of the land, the community, and of the jobs. As an organization we have to rely on the health of our land and our communities to exist into the future. We are not here just to develop a brand and then sell it

> . . . if we want to survive in the long term, it has to be as a part of the community. And so if we make $2 profit, we are quite happy to make $1 profit and invest the other dollar into the future, into social capital and natural capital, into people. . . .

The manager also highlighted the importance of maintaining credibility with external stakeholders: ''I am a social ecologist professionally. I could not be seen by our external stakeholders as being an apologist for the organization, otherwise I would have lost my credibility with the extended stakeholders.'' He used a metaphor to describe his role as a champion of sustainability initiatives in an organizational framework that provided the required support but gave him discretion to sculpt and negotiate the initiatives: ''So I see myself as . . . I used to play my instrument on my own, then I made a quartet, and now I am a conductor of the orchestra.''

The themes in the EarthwinesOz case were evident in other organizations with semi-structured sustainability frameworks. The support and flexibility provided by the organizational framework empowered managers with high discretion to champion bottom-up sustainability initiatives:

> I have stayed in the company a long time because the company has a culture which I think I can work within to make the changes—it's very difficult in the mining companies, they are very large and very conservative, historically there have been some horrible examples where they have done a terrible job, but I think that this company has given me the resources in terms of people and budgets, and a culture which enables me to work with NGOs and communities. Some companies would not let you work with an NGO. (Global leader, environment, health, and safety, MetalmineOz)

> I have actually followed my passions. I am sure there are holes out there that I can't see because I am not interested in them, although with the global sustainability program I am fairly certain I am not missing any because I have got plenty of other people to check me there, but someone else may have pushed harder around climate change for example, whereas I was interested enough in it to push it through and let it go. So in a way it's a kind of a marriage that works. It gives us a broader mandate or breadth of experience or culture or whatever you want to call it, but it's also all of those other things. (Corporate sustainability executive, InfrastructureOz)

The high discretionary latitude allowed managers in this set to go beyond the narrow business case. Sustainability managers in these organizations championed social and environmental initiatives by shifting the focus from merely the impact that an organization has on the environment and community to the longer-term reliance of businesses on scarce environmental and community resources. This involved repackaging sustainability issues as a long-term strategic focus for the organization:

> So how do I champion? The big change is going from impact to reliance. You cannot mine without land, we can't run a mine without water, we have to be careful what we put up into the air . . . so I champion through bringing in the reliance, so it's really going from impact to reliance. It's about bringing these issues from being on the outside of the radar screen, to becoming a core part of your business. You have to draw attention to how these have now become very tangible constraints. We damage the environment and the communities—we constrain the mine in the long term. (Global leader, environment, health, and safety, MetalmineOz)

> The top management has empowered me to ensure that business grows. So while there is overall planning, but after that, once the ideas are given, then you are running it on your own. I have been championing the education of the construction workers' children. I can say to my boss that we require this initiative because the construction workers will stay with us and also because we can't just be an island of prosperity. If your surroundings also do not grow with you, your prosperity will be very, very short lived. Because these are the people who will buy your products, these are the people who will occupy the offices when they are built . . . you have to see the larger population which is coming up to use that. You have to make that investment when you're growing. (Head, sustainability, ConstructIndia)

Managers in organizations with this configuration did not shy away from normative or emotional appeals when championing sustainability issues. The sustainability manager at InfrastructureOz appealed to the emotions of senior executives, board members, and peers by bringing Aboriginal people from remote communities into management meetings:

> It is the hearts and minds kind of language, but it works—initially people are resistant . . . but people actually are moved by other people's stories—and that just has a great appeal. It really does. Hearing Aboriginal people's stories is the thing that makes the difference. So when people stand there in front of them, and we've got three generations of Aboriginal people, and they talk about the different ways they've interacted with white fella community over the years, it has a huge impact on people. I have engaged a lot of senior people in that process.

Managers in organizations with the championing configuration used their discretion to develop strong links with their industry peers. They leveraged these relationships to spread the sustainability message industry-wide. This enabled them to work together with their competitors in addressing sustainability issues. The Entwine initiative mentioned in the first extract below has its own website and has been lauded in the media as the way forward for collaborating on sustainability issues:

> Entwine is an industry initiative. It is about environmental assurance across the supply chain. So we've been rolling it out to our growers—300 plus growers, in the last count. Miranda wines [another major Australian wine company] have been a major supporter. Also, as I also sit on the State NRM [Natural Resource Management] Board, so I have a good understanding of what's going on in that space. It's probably the worst economic times to be rolling out something like this! I had to go back and renegotiate this with our CEO. (National sustainability manager, GrowineOz)

> Ultimately sustainability is for mankind, which is where competition has to work together. Those of us who are in the hydrocarbon business, we need to talk of alternative energy. To deal with emissions, we have to do much more than what one business can do. (Director, corporate sustainability, PetroIndia)

Table A3 in the Online Appendix provides additional supporting evidence for the findings on the championing configuration.

Process Model of Temporal Evolution

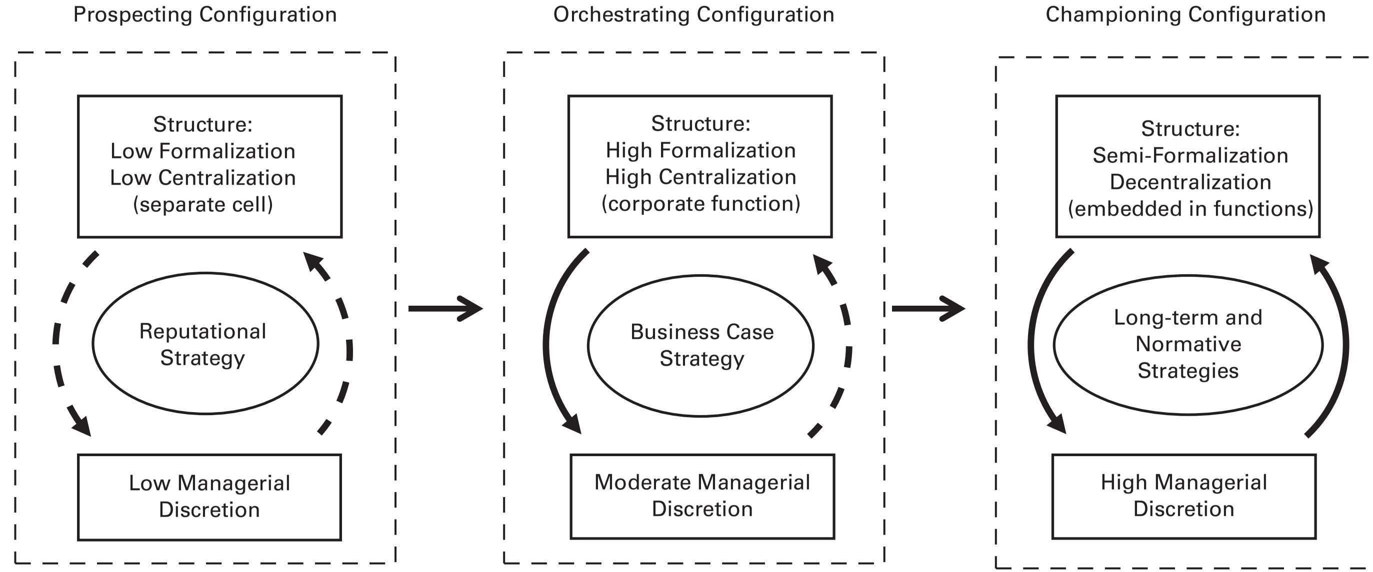
Some of the interview data seemed to indicate that the roles and activities of sustainability managers changed over time. To better understand whether these configurations were static or evolved over time, we analyzed the archival, observational, and interview data again. We started by examining the archival data on the organization's industry, age, and length of involvement in sustainability, and the sustainability manager's tenure and background. We found that neither the age of the organization nor its industry affiliation showed any clear relationship with the length and type of sustainability programs.[6] But the length of the organizational sustainability programs and the tenure of the sustainability managers presented temporal patterns that were more visible when we overlaid these archival data onto the retrospective accounts provided by the sustainability managers, especially from organizations with the orchestrating and championing configurations. When those managers described their organizations' sustainability journey, they talked about their historic challenges and the resistance they had faced from colleagues in other functional areas. Partial overlaps across narratives of managers in different configurations helped us to map the sequence of evolutionary progress.

Finally, identifying the ''evolutionary connecting links''—organizations that had recently transitioned from one structural configuration to another, with commensurate implications for managerial roles and discretion—helped us assemble the remaining pieces of the puzzle and arrive at the process model of the co-evolution of organizational structure and managerial discretion shown in figure 2. Similar to how evolutionary links in biological sciences (e.g., fossils of *Ishthyostega*—fish with limbs) provide retrospective evidence of evolutionary paths (e.g., from amphibian to land animals), these organizations provided retrospective evidence of temporal transitions. While it would be intuitive to expect organizational programs to progress sequentially (from low formalization to semi-formalization to high formalization, with a parallel movement in centralization), our analysis instead highlights a circuitous and counterintuitive evolutionary path. As shown by the horizontal arrows in figure 2, our analysis shows that sustainability programs evolve from prospecting (low formalization / separate cell) to orchestrating (high formalization / centralization) and then to the more mature championing configuration (semi-formalization / decentralization). This temporal evolution of sustainability functions is accompanied by a parallel evolution in the discretion available to the managers. The curved arrows in figure 2 depict top-down and bottom-up dynamics across the three configurations. A dotted curved arrow describes low success of bottom-up or top-down dynamics. A solid curved arrow describes successful bottom-up or top-down dynamics.

In our analysis, organizations with the prospecting configuration were at the start of their sustainability journey. External forces (e.g., regulatory pressures and reputational risks) had stressed on them the need for action on social and environmental issues. These organizations had responded either by new hiring or by appointing long-time managers to the newly created sustainability role. Tenures of the managers hired into the sustainability roles in the prospecting configuration were among the shortest across all the case studies (i.e., three months in TelecomOz, six months in TelecomIndia, and one year in FarmIndia). But DiversifiedIndia had appointed a manager with more than 18 years with the

[6] Thirteen of the 21 organizations in our study were more than 100 years old, and one was nearly 100 years old. Five were founded between the 1950s and the 1970s, and two were founded within the last 20 years.

Figure 2. Top-down and bottom-up dynamics within configurations and temporal evolution across configurations.*



* A dashed curved arrow describes low success of bottom-up or top-down dynamics. An unbroken curved arrow describes successful bottom-up or top-down dynamics. The horizontal arrows depict the evolution of configurations over time.

organization to the sustainability role. PowerIndia had appointed a manager who had been with the organization for more than 30 years. Both of these appointments to sustainability positions were in the last six years. In ConsumerIndia and MinedeepOz, the managing directors had temporary responsibility for the sustainability portfolio pending specific hiring/appointing and further formalization of the organizational commitment to sustainability.

Several organizations with a prospecting configuration started reporting on sustainability after 2011. In general, offices and waiting areas for organizations with this configuration were devoid of any artifacts relating to social and environmental sustainability (e.g., sustainability awards, reports, banners). The sustainability manager's office in this configuration was often physically located outside the shiny corporate offices, in separate, old, unassuming (e.g., PowerIndia, TelecomIndia) and even decrepit (DiversifiedIndia) buildings. Separate sustainability departments are called in for their expertise, but on an ad-hoc basis:

> Sustainability is a separate cell. It is like a specialization, like say the legal issues department. You are called in to solve the problem. The moment the problem is solved you go out. Step in and step out. You are only called in to deal reactively with the situation when the need arises. (Director, sustainability, PowerIndia)

The managers acknowledge that separate sustainability cells are a starting point, but they are concerned that this structure makes it hard for them to get other functional areas to focus on sustainability issues:

> Right now I am the only one. Before this, there wasn't a dedicated person to do this. They have now created this role and hired for this role. I have been here for a year now. I mean, it's up to this role to create that buzz, but see people are very busy, so to get them to focus on this initiative, which is not a part of their own daily routine, that is hard. It should not be just my goal, it has to be everybody else's goal. (Head, sustainability initiatives, FarmIndia)

Low formalization and separate cells yielded unsystematic and reactive responses to sustainability challenges. As external demands for sustainability start to extend beyond regulatory compliance and reputation management (Hoffman and Bansal, 2012), some organizations with the prospecting configuration were beginning to feel the need for more coordinated responses to sustainability challenges. As a consequence, they were starting to formalize and centralize the sustainability function. The sustainability manager at TelecomOz described the "evolution" that is happening at her organization as it restructures sustainability as a top-level corporate function:

> I have been here for three months. . . . We sit on the side, like corporate services . . . HR, legal services. We feed our expertise to people where they need it. . . . Currently a lot of our environmental program is about compliance. It started about five years ago. But it is definitely evolving. There are now efforts for restructuring, and a specific role for sustainability is being created at quite a high level, a director of sustainability, at the corporate level. That was announced last week. (National manager, corporate health, safety, and environment, TelecomOz)

Organizations with the orchestrating configuration had moved on to formalize and centralize their sustainability programs. They had started to formally report on sustainability performance between 2004 and 2009. In this configuration, physical artifacts visibly displayed the organization's commitment to sustainability. For instance, at BankIndia there were banners presenting the corporate initiatives on sustainability hung prominently next to the glass entry doors. All seven organizations with this configuration had appointed senior managers to deal with sustainability. The managers had been in their current roles from three to five years, with the exception of the sustainability manager at DrinkIndia, who had been in this role for seven years. The sustainability manager's office in this configuration was usually prestigiously positioned (e.g., BigBank1Oz, PetroOz, ConglomerateIndia), with impressive steel and glass architecture, and visible cues identified these managers as part of the senior executive team. The sustainability program was a centralized corporate function for all seven organizations: "It is 100 percent top driven. At the top management level we have a sustainability committee, and my function looks after the sustainability initiatives. We monitor them from the corporate level" (director, corporate social responsibility, ConglomerateIndia).

Describing how things used to be before they transitioned to current structures, the head of group corporate sustainability of BankIndia explained how growth in sustainability programs led toward greater centralization:

> Like I told you we were only a two-member team at that point of time, I used to handle the projects, the volunteering projects, communication . . . everything on my own. I was not very high up in the hierarchy at that point of time. Then the team was gradually built. . . . Now, a lot of things are centralized and strategy is driven at the corporate level.

Centralizing their sustainability programs enabled organizations with the orchestrating configuration to develop a formalized corporate strategy. But getting managers across the different functional areas on board with sustainability initiatives was a challenge. Sustainability outcomes were not explicitly included among the functional managers' performance indicators, so they viewed sustainability initiatives as additional corporate demands layered on top of their "day jobs." As a result, sustainability managers in this configuration struggled to roll out sustainability initiatives across the functional units. They had to continually justify the initiatives to functional managers based on their business value:

> It can be challenging. Absolutely . . . because it's no one's day job to deliver the sustainability outcomes, it's not explicitly written into their performance contracts. . . . The functional manager is interested in delivering the business outcomes; they need to deliver the product. They are mostly trying to deliver the production outcomes, and so for us to ask them to consider another set of environmental constraints is a large question to ask. Our advocacy is based on the fact that it adds value to business. (Sustainability adviser, corporate affairs, PetroOz)

> There would obviously be some amount of skepticism when the business unit managers will say, "Don't waste my time, I know what I'm doing very well." You have to be then very clear about what is the value. You have to be able to demonstrate the business benefits. (Director, corporate social responsibility, ConglomerateIndia)

The forward-looking organizations with the orchestrating configuration were starting to realize that centralized sustainability functions were untenable in the long term and needed to be embedded across functional areas:

> I think that's a failing strategy. Corporate programs, after a while, they kind of sink a bit. What we're trying to do now is to bring it right down into standard workflow operations. Same as production systems in the company. It has to be built right into standard workflow operation systems. Yes, first we have to develop an overall vision, but then, it has to be built around workflow systems. If the systems are good, it will start to have its own momentum at unit level. (Manager, environmental policy, corporate affairs strategy, and environment, AutomobileOz)

FlysafeOz is positioned as an "evolutionary connecting link" in our temporal analysis. Looking back, the sustainability manager at FlysafeOz describes the evolution of the sustainability program from a separate function (prospecting configuration) toward a centralized corporate function (orchestrating configuration) and the very recent efforts at embedding across functional areas (championing configuration). The pivot point for the latest transition was the organization's recognition that functional units were not on board with, and were even resistant to, the organization's sustainability initiatives. Functional managers viewed centralized sustainability programs as corporate impositions, separate from their core responsibilities. FlysafeOz managers were starting to realize that, if they were to successfully address increasing external demands for advancing social and environmental responsibilities, they needed to overcome these internal barriers. The solution was to embed the initiatives within the functional areas so that responsibility and accountability for sustainability could cascade down across organizational levels:

> Three to five years ago we went from nothing to creating roles within the corporate setup, specifically associated with ESG [Environment Safety and Governance]. FlysafeOz has always done numerous things from a community social environment perspective, but in a very uncoordinated manner. . . . Up until April of this year we had a centralized organizational structure [for sustainability] that was fundamentally managed within the corporate sector. Very recently we have cascaded that accountability fundamentally away from the corporate setup into the operations, into the business. We are now at a point where many of the strategies that have been developed and agreed upon require implementation in the business line. So that's why we are now decentralizing accountability. (Head of sustainability, FlysafeOz)

The change in structure of the sustainability program has had a dramatic impact on the discretionary latitude of the sustainability manager (from "Oliver Twist" to the "headmaster"):

> I'll give you two perspectives. I'll give you the perspective of [the] role I am in now, I have been in it only for two months, and of the [corporate] sustainability role that I did. The role I am in now, I get things done like that [clicks his fingers]. In the corporate center there is more "please sir." When it is actually [embedded] in the business and you are accountable for something, it is less of that and more about getting on and doing it. Oliver Twist, "more please, more sir," that's the picture I see in a corporate center sustainability role. Beg is not the right word, but you are very beholden to somebody else helping you. Whereas a champion in the business that has got accountability for something, in a business where it has been agreed upon, it is more

> like the headmaster. . . . It is very different when you embed. (Head of sustainability, FlysafeOz)

Observational data from ConglomerateIndia also provide evidence of transition from the orchestrating configuration to the championing configuration. At the time of our research, this organization displayed the orchestrating configuration, but analysis of the observational data showed ConglomerateIndia was taking initial steps toward the championing configuration by starting to engage more widely in cooperating with stakeholders to find long-term innovative solutions to sustainability challenges.

Sustainability programs in organizations with the championing configuration had evolved from being centralized corporate functions to being embedded across different functions within the organizations. This embedding came from a conscious and deliberate decision to make a long-term commitment to sustainability by integrating it within functional areas. This transition demanded maturity—both at the organizational level of the sustainability program and at the individual level of the sustainability manager. Sustainability managers in organizations in the championing configuration had the longest tenures across our case studies, ranging from six to 17 years in this role. These organizations had started to report on their sustainability performance between 2000 and 2009.

When managers in organizations with the championing configuration described the initial years of their organizations' sustainability journeys, we saw strong overlaps with narratives from organizations that were still at those initial stages: "In the early years we did a lot of talking, speaking to other groups, speaking to others to understand what they were doing. Ten years ago there were very few companies that actually engaged in this agenda" (general manager, community and corporate sustainability, BigBank2Oz). In the early years, these managers had gone through similar challenges and faced resistance from colleagues in other functional areas:

> There was a lot of pressure on me from my so-called colleagues in those days. They are now good friends, but in those days they saw me as a threat to their established ways, so the only way I could survive psychologically and not take things personally is by isolating myself, by becoming the observer, the anthropologist amongst the natives, and when I was allowed to participate, I became the participant. I succeeded, but with a lot of pain. It was difficult. (Director, sustainability, EarthwinesOz)

Over the years, organizations with the championing configuration had deliberately and consciously embedded sustainability programs across different functional areas:

> We wanted to have both competitive and comparative advantage. So once we had this going, there was obviously extensive consultation, not just through surveys . . . we consulted widely with focus groups from each department. So we sat around the table, sometimes it was just me and the manager, but quite often it was me, the manager, and one or six other people. We did this across all the departments. Particularly the production. Initially there were some silos, but through strategic dialogue those boundaries have frittered away. The sustainability department is now made up of representatives from all the areas, production, marketing, IT, the beanies [slang term for accountants]—they now account for sustainability and are the

> foundations of our reporting . . . all the way down to the cellars. (Director, sustainability, EarthwinesOz)

> We have now embedded these within the business. The details are actually done within the parts of the business. I see myself as an octopus, tentacles in different business areas, but also the center of trying to keep things together, the nucleus of bringing it back to the core of our business. (General manager, community and corporate sustainability, BigBank2Oz)

> For each of our sites we have now a health safety and environment excellence center. The site HSE manager reports to me. I have created a hub and spoke model; I am the hub and they are the spokes. (Director, corporate sustainability, PetroIndia)

The process of decentralizing the sustainability program demanded a unique conflux of both organizational maturity and aspirational sustainability champions. Sustainability managers in organizations with this configuration described how their efforts helped embed sustainability across the functional areas. It was not easy, and initially there was resistance from colleagues in other departments, but semi-formalized support and managerial championing helped sustainability transition from a ''one-man department to the largest department'':

> I had to be my age to be able to do this. I had to be politically savvy and sensitive to people. Initially, there was a lot of resistance from other areas. But we encouraged everybody to participate in the program. There were some areas that were hesitant, and we persuaded them to participate. The governance at the very top that holds it all together provides a very good foundation. I persuaded the managers, who then persuaded their colleagues. But, through all this I always had to show a constancy of purpose and consistency of approach. I couldn't blow in whichever way the wind was blowing. One has to go through ''baptism of fire.'' And now this one-man department, the smallest department, paradoxically is also the largest, because every manager of this organization is in the department. (Director, sustainability, EarthwinesOz)

The benefit of embeddedness is that the sustainability agenda becomes a long-term commitment and persists through economic downturns and with leadership changes:

> Sustainability is now a part of our long-term strategy. Our business is investing in the long-term. Earlier when we were still getting established, we might have wanted pirates or very aggressive people, but it is not about that anymore. We don't want war time generals anymore. When you go from zero to level one maybe you tend to be very aggressive. But once your position is entrenched, you view the long-term. Even on a downward curve [e.g., years when profits are lower] we have not scaled down our corporate responsibility. (Head, sustainability, ConstructIndia)

> Now there were CEOs before him and CEOs after him who were less committed to sustainability. So even when you don't quite get the focus from the top it doesn't stop me from doing my work. When I started it was a little like being on the outside trying to get in, but if you embed in the core activities—for mining it is things like finance, mineral processing, geology . . . then many of the things that sat outside, they are now inside the radar. Success is only when it is embedded in the operations. (Global leader, environment, health and safety, MetalmineOz)

The process model highlights that organizational structuring of new managerial roles plays a critical role in influencing how managers use the discretion available to them to engage with the demands of their roles. Managerial roles, however, do not have to be static. With mature organizational programs and active championing by managers, the structuring of organizational functions and managerial roles can co-evolve.

DISCUSSION

Our research leveraged the rich context provided by the emerging role of sustainability managers to examine the interplay between the top-down structural forces and the bottom-up influences of managerial discretion in shaping new organizational roles over time. We identified three organizational configurations, with varying levels of top-down structural and bottom-up managerial discretion dynamics at play, each of which had distinct implications for the emergent managerial role and the outcomes of that function.

The three configurations present trade-offs. In the prospecting configuration, sustainability managers had trouble defining their role. In the absence of formal structures to support sustainability initiatives, they experienced high levels of role ambiguity and role conflict, struggled to access organizational resources, and had little discretion. As the sustainability function was often a separate stand-alone cell, sustainability managers had difficulty explaining their roles to colleagues. Organizations in this configuration were just starting to consider social and environmental issues, so managers scouted for initiatives that could benefit the organization's reputation, but they could put forward only a very limited range of sustainability initiatives.

In organizations with the orchestrating configuration, managers were very clear about what their roles involved and knew which specific sustainability initiatives would be supported and resourced. Yet they could only facilitate sustainability initiatives that aligned with the strictly formalized organizational agenda. Their discretion did not extend to actively championing social and environmental issues beyond that agenda. When these managers identified social and environmental initiatives that they believed the organization needed to address but that did not fit the formalized agenda, their bottom-up projects did not receive a green light. They had to curb their passion for social and environmental issues and felt disempowered. As a result, innovative initiatives that might have generated a more meaningful organizational commitment to sustainability failed to launch. The sustainability function in this configuration was centralized at a corporate level. Not being embedded in functional areas meant that sustainability initiatives were viewed by other managers as "distractions" that were forced on them from the corporate level and interfered with the delivery of their main operational objectives.

Our analysis suggests that the championing configuration is the most effective for addressing sustainability challenges that confront businesses and societies. Formalization at an organizational level, coupled with flexibility at a managerial level, enabled managers to champion meaningful sustainability initiatives. These managers were secure in the knowledge that their roles had considerable negotiation latitude. They were not constrained to promoting sustainability initiatives that offered short-term business gains or reputational advantages. Decentralized structures meant that social and environmental initiatives were not top-down directives to other functional areas but were a core part of their activities. The bottom-up initiatives that these managers then developed and championed (often in collaboration with a wide set of stakeholders, including colleagues in different functional areas, competitors, NGOs, communities, and regulators) allowed their organizations to have a long-term positive impact. This capacity to nurture a long-term commitment with internal and external stakeholders, in turn, enabled these managers to strategically position their organizations for the future.[7]

Contributions to Theory

The tension between structure and discretion (i.e., how tightly or loosely to structure organizational roles) continues to plague organizational scholars (Mintzberg, 1979; McEvily, Soda, and Tortoriello, 2014). Formalization and centralization prevent organizational structures from devolving into chaos (Albers, Wohlgezogen, and Zajac, 2016). But excessive formalization and centralization limit managerial decision making (Bresman and Zellmer-Bruhn, 2013; Metz et al., 2017) and reduce managers' capacity to react to unforeseen challenges and opportunities (Pérez-Valls et al., 2017; Young-Hyman, 2017). Identifying the optimal levels of formalization and centralization is particularly difficult for new managerial roles. Our research sheds light on the structural configuration that provides the greatest support to new managerial roles and elaborates the mechanisms by which organizations can evolve toward these optimal levels.

One might expect new organizational programs to display a linear progression from low to semi-formalization to high formalization with a parallel movement in the centralization trajectory (Albers, Wohlgezogen, and Zajac, 2016). This linear trajectory would suggest that organizations should focus their efforts on preserving the semi-structured stage to prevent organizational escalation toward excessive levels of formalization. Our findings suggest, however, that the temporal evolution of new organizational programs takes a more circuitous and counterintuitive path, from low to high to semi-formalization.

A need for efficiency and standardization leads organizational programs to evolve from low to high formalization. But our research highlights that it is the semi-structured championing configuration that provides the elusive balance between organizational structure and managerial flexibility. Our research emphasizes that the transition to the semi-structured configuration demands organizational and managerial maturity. Walsh and Dewar (1987) suggested that as organizational programs mature, and as organizations become more confident of their success, they can start to "loosen up." Our analysis extends their theoretical argument and unpacks the loosening-up dynamics; our findings explain that when active managerial championing takes place in a mature organizational context, it enables a deliberate and considered transition toward a decrease in formalization and decentralization of the decision-making processes. Managers who experienced a "baptism of fire" (director, sustainability, EarthwinesOz) to transition from "outside to inside" (global leader, environment, health, and safety, MetalmineOz) used their discretion to successfully champion and embed meaningful sustainability initiatives in functional areas.

[7] After we had finished our data collection and analysis, one of the organizations with this configuration received a prestigious sustainability award. The citation declared the organization as having in place "a model sustainability framework, which could be used by other organizations to meet social and environmental sustainability challenges." Another organization with this configuration was highly commended in the same awards.

But progression to this configuration is neither inevitable nor easy. The leap of faith required to loosen the tight grip of formalization and centralization demands both organizational and managerial commitment.

Our empirically grounded process model lays out the co-dependence and co-evolution of organizational structure and managerial discretion in new managerial roles. Our findings suggest that highly formalized and centralized programs are not conducive to addressing emerging challenges, such as the complex social and environmental issues that confront businesses and societies. Managers in organizations in the orchestrating configuration had clarity around the nature and scope of organizational initiatives, but the only viable initiatives they could facilitate were those that met the formalized conditions of a narrow business case. Addressing these challenges is unlikely to immediately deliver quarterly profits in the accounting statements of individual businesses. These challenges demand innovative and long-term strategic responses involving cooperation across sectors.

Highly formalized and centralized sustainability programs are, at best, able to address a very narrow range of social and environmental issues—the ones that meet strict business criteria. As formalization increases, organizational adaptability decreases (Albers, Wohlgezogen, and Zajac, 2016). In line with Walsh and Dewar's (1987: 226) theoretical observation, managers in highly formalized configurations are likely to believe that "the best way to protect themselves and their positions is to do exactly what the systems say." In our analysis, sustainability managers in these organizations did not want to be labeled as "greenies," even though their organizational role involved going to bat for environmental issues. There was no place for normative appeals in organizations with rigidly formalized and centralized sustainability programs. Sustainability initiatives had to be linked with the bottom line.

To enable innovative responses, organizations have to learn to decrease formalization and to deliberately decentralize. In our research, organizations with the championing configuration had been successful in making that transition; they had sustainability managers who over time had become "co-creators" (director, sustainability, EarthwinesOz) in helping sustainability become a part of the "organization's DNA" (head of sustainability, ConstructIndia). Managers in this configuration were able to extend sustainability programs to include a wide range of internal and external stakeholders and to position social and environmental issues as being of strategic importance to the long-term future of their organization. They were also able to sell environmental issues on a normative basis as being the right thing to do.

Our analysis identifies the trigger points that mark transitions from one configuration to another. External forces such as regulatory pressures and reputational risks had pushed organizations with the prospecting configuration to start their sustainability journeys. As stakeholders' demands for sustainability escalated, organizations responded by expanding their sustainability activities beyond regulatory compliance and reputation management. Recognizing that larger sustainability portfolios require integration and coordination, organizations with the orchestrating configuration had formalized and centralized their sustainability programs and aligned them with an explicit corporate strategy. But highly formalized corporate sustainability initiatives generated internal resistance: functional managers viewed them as corporate impositions, distinct from their own performance responsibilities. Organizations with the championing configuration had realized that, if they were to overcome this resistance and advance their sustainability initiatives, the programs needed to be decentralized and embedded in functional areas.

In theorizing the movement among the three configurations, we relied on cross-case comparisons of sustainability programs. Our data allowed us to sequence the case studies along the timeline, but we have not directly tracked the dynamics of these transitions in real time. Our analysis identifies organizational and managerial maturity as necessary conditions underlying a successful transition to a championing configuration, but other factors might facilitate or hinder movement across configurations (e.g., Does an organization have slack resources to commit to sustainability initiatives? How are competitors addressing stakeholder demands for sustainability?). For further insights and validation of our process model, future research could follow a single organization and conduct a longitudinal study to examine how the structure–discretion dynamics unfold.

Our findings about the co-dependence and co-evolution of structure and discretion also highlight how organizational structure influences employees' experience of meaningfulness (Rosso, Dekas, and Wrzesniewski, 2010). The rift between the structural-functionalist and the symbolic-interactionist perspectives has led to fragmented insights into how employees seek and find meaningfulness. Traditional job design models emphasize the importance of the organizational context. Personal autonomy is an important component of motivating work, but employees are more likely to view jobs as meaningful when they can see how their individual activities fit within a larger whole to influence other people (Hackman and Oldham, 1980). Building on that foundation, Pratt and Ashforth (2003) argued that organizational practices that enrich tasks (e.g., job redesign, employee involvement) foster meaningfulness *in* work, while those that enrich membership characteristics (e.g., practices that build culture) promote meaningfulness *at* work. Organizational practices that support neither meaning *in* work nor meaning *at* work foster employee alienation. And organizations that support both lead to transcendence, a connection to something greater than oneself, such as a cause. We extend Pratt and Ashforth's work on fostering meaningfulness *in* and *at* work by linking the alienation and transcendence phenomenon with the interplay of structure and discretion. In semi-formalized organizations, managers can find meaningfulness *in* and *at* work. Such organizations provide the ecosystem required for managers to experience transcendence. According to Pratt and Ashforth (2003: 323), and visible in organizations in our semi-structured configuration, organizational contexts that are able to provide transcendence "provide a beacon but leave the specific means for attaining the ends unspecified." Such organizational contexts provide psychological safety for managers to experiment in addressing complex challenges without fear of negative consequences.

Contributions to Practice

At an organizational level, our findings have implications for organizational learning and adaption. Organizations that are just starting their sustainability journey (often driven by the reputational impetus) can learn to put their scarce resources to better use. Rather than scrambling to enact unrelated sustainability initiatives, they can learn from organizations in other configurations and work toward formalizing at least some aspects of their sustainability programs. This will provide their sustainability programs strategic direction and free up managers' time so they can focus on the initiatives that are most important for the organization. Organizations with the orchestrating configuration have excellent control systems in place but may benefit by learning to loosen up a little so that managerial talent will feel less disempowered and isolated. Finally, organizations with the championing configuration have successfully nurtured meaningful sustainability initiatives and can take the next step to facilitate dialogue with other organizations (including governments, NGOs, and industry associations) to address urgent sustainability concerns collaboratively. Some of the organizations in our study had already started these cross-sectoral collaborations, which are critical to address many complex sustainability challenges (Hoffman and Bansal, 2012).

Our findings, derived in the context of sustainability managers, can be extended to other new managerial roles, especially when these new emergent roles need to develop and implement innovative responses. Our findings help address the interesting organizational paradox on developing and implementing innovative responses. The innovation literature highlights that organic organizations (neither overly formalized nor overly centralized) provide more favorable conditions for the initiation of creative and innovative responses to emerging challenges (Pierce and Delbecq, 1977; Zmud, 1982; Albers, Wohlgezogen, and Zajac, 2016; Young-Hyman, 2017). And while excessive formalization reduces individual initiative and restricts organizational potential to generate innovative solutions, it provides the most conducive conditions for innovation adoption (Pierce and Delbecq, 1977; Zmud, 1982; Pérez-Valls et al., 2017). This paradox is especially relevant in our research context, as experts caution that urgent and innovative responses are needed to prevent catastrophic outcomes to sustainability challenges, such as climate change (IPCC, 2014).

Our research highlights that the semi-structured configuration can provide the elusive balance required to initiate and adopt innovations (Gibson and Birkinshaw, 2004). We recognize, however, that highly formalized organizations cannot simply move on to more flexible structures. Similarly, organizations that are just starting to respond to emerging issues cannot suddenly develop entrenched systems to facilitate the adoption of innovative initiatives. We suggest that when organizational structure prevents organizations from achieving the desired outcomes, but urgent progress on the issues is important, deliberate attention to structural overlays (i.e., introducing organic or mechanistic structures to assist with the initiation or adoption of innovations) can be useful (Pierce and Delbecq, 1977; Zmud, 1982). More rigidly formalized and mechanistic organizations can institute organic overlays, such as "sandboxes" that give select projects opportunities to experiment and innovate in an environment exempted from organizational bureaucracy. And more-organic organizations may need to consciously incorporate mechanistic overlays, such as structured decision bodies that give managers the authority to focus resources on specific projects (Pierce and Delbecq, 1977; Zmud, 1982).

Limitations and Future Research

Our study of the interplay between organizational structure and managerial discretion of new managers raises some intriguing directions for future research.

We included organizations drawn from two national contexts and a wide range of industries, which strengthens the generalizability of our study. Our study focused on large organizations, but we did not cover small or medium-sized organizations. It would be a useful avenue for future research to examine whether similar dynamics occur in smaller organizations. For most of the case studies, we had access only to single informants, and this is a limitation of our research. We used extensive additional interviews with experts outside the case study organizations, along with archival and observational data, but it would be useful for future studies to secure multiple respondents in each organization. Our findings propose that, as new organizational programs grow, forces of efficiency and consistency can drive their transition from the least formalized and stand-alone programs toward highly formalized and centralized programs. It takes organizational maturity and active championing to enable the next transition toward the semi-formalized and decentralized configuration. It would be useful for future research to observe how these dynamics unfold in a single organization over time.

Conclusion

In the past new managerial roles may have involved IT managers; in the future these roles may involve social media or alliance managers. Our research extends the understanding of how these new managerial roles—created in response to emerging issues—dynamically shape and get shaped by organizational contexts. By offering an empirically grounded process model about the top-down and bottom-up dynamics that shape new managerial roles over time, our research provides the foundations for a theory of co-dependence and co-evolution of organizational structure and discretion in emergent roles.

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Supplemental Material

Supplemental material for this article can be found in the Online Appendix at http://journals.sagepub.com/doi/suppl/10.1177/0001839218778018.

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