Burning Down the House: COVID-19 and Institutions

A. Wren Montgomery\textsuperscript{a} and M. Tina Dacin\textsuperscript{b}
\textsuperscript{a}Western University; \textsuperscript{b}Queen's University

Keywords: custodians, inequality, institutional decay, institutional entropy, institutional renewal, social justice, sustainability

As the COVID-19 pandemic swept around the world in early 2020, countries with strong healthcare systems, norms of communal behavior, and respect for law appeared to be coming out ahead. Institutions were holding strong. It was not long, however, before COVID-19 was revealing the failures of long-trusted institutions to care for citizens equitably, or to maintain public trust. Institutions were revealed to be inadequate or in decay. These included institutions such as government, public health, education, democracy, religion, and science. In some cases, these institutions appear fractured and weak and in other contexts we see them appear stronger as market logics retreat and state logics expand. Newly emergent celebrities such as Dr. Fauci flood the airwaves joined by a plethora of epidemiologists and infectious disease specialists ready and willing to share their insights.

In this commentary, we examine the cracks COVID-19 has exposed in institutions; specifically, the vulnerability, entropy, neglect, and decay of institutions long-thought to be powerful and stable. In the harsh light of the pandemic, this has meant witnessing growing income inequality, inequitable access to public services (water, electricity) and to basic necessities of life (healthcare, housing, education, food), as well as intersecting racial and gender injustices and the impacts of environmental destruction. We argue that the effects of COVID-19, have played out in two key ways. First, increased scrutiny on institutions has shown that many long-accepted as strong, are not. Years of neglect has weakened institutional structures, many with their very foundations built on ideas of broad and equitable access. Second, this unveiling has shown us that some institutions we took for granted may not be socially desirable and, worse, may be the very causes of these unsustainable and unjust systems.

Address for reprints: A. Wren Montgomery, Ivey Business School, Western University, 1255 Western Rd, London, ON, Canada N6G 0N1 (wmontgomery@ivey.ca).

© 2021 Society for the Advancement of Management Studies and John Wiley & Sons, Ltd.
In light of these exposed fault lines, we posit that COVID-19 has shown us the necessity for research that goes well beyond understanding institutions and how they function, to instead look more deeply at their impacts and outcomes. As researchers and citizens, COVID-19 shows us that we must take this rare opportunity to look ‘under the hood’ or ‘behind the emerald curtain’ to scrutinize what was hidden from view, and to critically examine whether institutions are serving society. In doing so, researchers can unpack how to either renew and reenergize valued institutions, or to dismantle those that undergird systemic social and environmental injustices. We call for a renewed institutional research agenda focused on how to both build back institutions that matter to society, as well as build better institutions.

Build Back Institutions that Matter

Institutions have long been the foundation of society and, as such, the study of institutions has been the basis for much of our current understanding of management and organizations. As COVID-19 laid bare the underlying inequities and injustices of modern socioeconomic systems (Munir, 2021), so too did it lay bare the frailty of our theoretical assumptions about institutions themselves. While research had begun to question the assumption that institutions were stable long before COVID-19, the stresses of the pandemic have brought increased scrutiny to even the most apparently enduring of institutions. What COVID-19 has exposed and exacerbated is that even many of those institutions thought to be based on equitable access, such as essential public services, have been heavily eroded after decades of institutional decay. As market forces (Davis and Kim, 2015) has chipped away at the foundations of healthcare, education, and utilities, as well as at community-based media and funding for science, these weakened institutions also now suffer from a lack of trust. This further limits the likelihood that they will obtain the ‘ongoing energy and resources’ (Scott, 2015, p. 470) required for institutional renewal (Montgomery and Dacin, 2020).

As we begin to understand the fragility and decay of institutions exposed by COVID-19, we must also reflect deeply on how some institutions remained resilient. Here, extensive research is required to better understand the macro and micro-level factors that explain both survival and fragility. At the micro-level, for example, with healthcare workers fighting on the front lines around the world, grocery clerks holding up failing food systems, and Black poll workers defending the votes of vulnerable populations against anti-democratic mobs, COVID-19 has highlighted the underappreciated role of institutional custodians. These micro-level actors who undertake the ongoing work of institutional maintenance and renewal (Dacin and Dacin, 2008; Dacin et al., 2019) have been shown to be more essential than ever in light of COVID-19. The limited research on custodians to date has tended to focus on institutionally embedded actors (e.g., Lok and De Rond, 2013). Only recently has the lens shifted to a diverse set of heterogenous insiders and outsiders, both elites and marginalized populations, that may be required for institutional survival (Montgomery and Dacin, 2020).

COVID-19 highlights our need to understand much more deeply how and when collaboration across diverse actors and communities occurs (Hampel et al., 2017), as well as how ‘intersections across custodians, including the vulnerable, can be a source of
institutional renewal and power’ (Montgomery and Dacin, 2020, p. 1480). To do so it is imperative that we expand our understanding of who is doing institutional work to shine a light on the oft overlooked communities who are a driving force behind custodianship. For example, studies show that BIPOC communities are more aware of and likely to vote on societal issues such as climate change (Ballew et al., 2020). This, combined with the exposure of vulnerable communities to the decay of institutions that promised equitable access – or, conversely, to the revival of unjust institutions – underlines that marginalized communities are essential custodians to explore more deeply in future research. Such research could attend to issues of power and agency in these communities as they mobilize to address fractures in existing ‘institutions that matter’ (Hampel et al., 2017). In answering these questions, we can build back the institutions that help create a more just and equitable society.

**Build Better Institutions**

It is well recognized that institutions may have a dark side, and be a cause of inequality (e.g., Amis et al., 2017). COVID-19 has further revealed and underlined the myriad of potential negative impacts of taken-for-granted beliefs and long-standing norms, and of the ways in which institutional work and custodians can act in ways that may harm rather than help society. For example, as rioters at the USA’s Capitol Hill paraded notorious symbols of white supremacy through the halls, any student of institutions could not help but note how well they had taken on the lessons of institutional scholars. With micro-level community support and shared narratives, artifacts, and symbols, leaders of the Proud Boys and QAnon have renewed and reenergized an institution that once appeared to be in decline: white supremacy.

Similarly, COVID-19 and other zoonotic diseases are in no small part the product of an economic system that has ravaged ecosystems in the name of growth (Vidal, 2020). The inability of neo-liberal systems to tackle public goods failures has led to increasing calls for a rethinking of the institution of capitalism. From the ‘corporate purpose’ bandwagon, to attempts to ‘reimagine’ capitalism in a kinder and gentler form (Henderson, 2020), to outright calls to ‘burn down’ systems of oppression, there is no doubt that capitalism is no longer as taken-for-granted as it once was. With this institution, like white supremacy, we can expect custodians with vested interests in capitalism’s survival in its current state (e.g., fossil fuel companies, unregulated tech companies) to fight to maintain its current norms and legitimacy. In doing so, they will clash with movements such as Black Lives Matter, #MeToo, and the environmental movement seeking to challenge, change, expose the limits of, or deinstitutionalize institutions seen as causing harm.

Research that understands that institutions are not inert and certainly not always benign, will engender research questions that critically examine both the impacts and outcomes of institutions. Such research will allow us to better understand how institutions and their custodians work to inculcate and maintain systems of injustice such as racial, class, and gender biases. At the same time, we can ask how institutional custodians might work at micro-levels to dismantle institutions that no longer benefit society. Such research might ask what are the intersections between movements and institutions? Where are the
leverage points for change? And what happens when institutions collide or reach their limits?

In doing so, future research must consider a way back to the tenets of the ‘old’ institutionalism and deeply consider how values play a crucial role in highlighting and shaping the moral foundation of institutions (Kraatz et al., 2020). Research on the weaknesses and leverage points of institutions will help us both in the efforts to support institutions society deems necessary, and to better break down and remove the legitimacy, deeply held norms, and taken-for-grantedness of those that are not seen as desirable. As management and organizations scholars, we might also turn this lens on ourselves, questioning how institutions impact the norms that undergird our research approaches and questions, including such ingrained notions as the necessity for growth, the benefits of competition, and the focus on financial measures of success. We might also ask if some of these institutionalized ideas have also outlived their usefulness?

In conclusion, we see COVID-19 and the events it has engendered as a siren call for researchers to seek to fully understand the institutions around us, the frailty of some we took for granted, and the deleterious consequences of others. First, it is imperative that we better understand how we can inclusively renew and rebuild the institutions we as a society value and wish to maintain: equitable and accessible healthcare, education, and democracy likely among them. Second, and equally as important, we must take a deep look at how day-to-day actions and inactions – including our own as academics and as individuals – are maintaining and renewing the very institutions that perpetuate inequality, injustice, and environmental devastation. In doing so, let us not simply ‘take for granted’ the norms and structures around us as we return to accepted norms, but build back better, more just, and more sustainable institutions. And, perhaps, ‘burn down’ a few.

REFERENCES

Amis, J., Munir, K. A. and Mair, J. (2017). ‘Institutions and economic inequality’. In Greenwood, R., Oliver, C., Lawrence, T. B. and Meyer, R. E. (Eds), The Sage Handbook of Organizational Institutionalism, 2nd ed. Thousand Oaks, CA: SAGE, 705–36.

Ballew, M., Maibach, E., Kotcher, J., Bergquist, P., Rosenthal, S., Marlon, J. and Leiserowitz, A. (2020). Which racial/ethnic groups care most about climate change? Yale University and George Mason University. New Haven, CT: Yale Program on Climate Change Communication.

Dacin, M. T. and Dacin, P. A. (2008). ‘Traditions as institutionalized practice: Implications for deinstitutionalization’. In Greenwood, R., Oliver, C., Suddaby, R. and Sahlin, K. (Eds), The Sage Handbook of Organizational Institutionalism. Thousand Oaks, CA: Sage, 327–51.

Dacin, M. T., Dacin, P. A. and Kent, D. (2019). ‘Tradition in organizations: A custodianship framework’. Academy of Management Annals, 13, 342–73.

Davis, G. F. and Kim, S. (2015). ‘Financialization of the economy’. Annual Review of Sociology, 41, 203–21.

Hampel, C. E., Lawrence, T. B. and Tracey, P. (2017). ‘Institutional work: Taking stock and making it matter’. In Greenwood, R., Oliver, C., Lawrence, T. B. and Meyer, R. E. (Eds), The Sage Handbook of Organizational Institutionalism. Thousand Oaks, CA: Sage, 558–90.

Henderson, R. (2020). ‘Reimagining capitalism in the shadow of the pandemic’. Harvard Business Review. https://hbr.org/2020/07/reimagining-capitalism-in-the-shadow-of-the-pandemic

Kraatz, M. S., Flores, R. and Chandler, D. (2020). ‘The value of values for institutional analysis’. Academy of Management Annals, 14, 474–512.

Lok, J. and De Rond, M. (2013). ‘On the plasticity of institutions: Containing and restoring practice breakdowns at the Cambridge University Boat Club’. Academy of Management Journal, 56, 185–207.

Montgomery, A. W. and Dacin, M. T. (2020). ‘Water wars in Detroit: Custodianship and the work of institutional renewal’. Academy of Management Journal, 63, 1455–84.
Munir, K. (2021). ‘Inequality in the time of Corona virus’. Journal of Management Studies, 58, 607–10.

Scott, W. R. (2015). ‘Institutional theory: Contributing to a theoretical research program’. In Smith, K. G. and Hitt, M. A. (Eds), Great Minds in Management: The Process of Theory Development. Oxford: Oxford University Press, 460–84.

Vidal, J. (2020). “Tip of the iceberg: Is our destruction of nature responsible for Covid-19?”. The Guardian, 18 March. https://www.theguardian.com/environment/2020/mar/18/tip-of-the-iceberg-is-our-destruction-of-nature-responsible-for-covid-19-aoe