‘A research on legitimation strategies by institutional players’

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Foreword
In front of you lays the final result of what has been a remarkable time in my life. It symbolizes the end of a period in which I got to know a whole lot more, not only scientifically, but maybe even learned more by getting a sneak preview on the important things in life. During my master I spent time in 5 different houses in 2.5 years and went out of Leiden for the first time in my life. I got to know a lot of fascinating people who taught me how life is in other parts of the world. Therefore I want to thank all of my friends across the world for sharing fantastic moments. However, as with many other Masterstudies also mine ends by doing research and putting it together into one piece called thesis. It has been a long and often difficult journey which would not have been possible without certain people I sincerely want to thank during this period. First, I wanna thank my supervisor Raja Singaram for guiding me on the journey of writing a thesis. His knowledge and contribution on this topic can not be underestimated. Secondly, I want to thank my parents who have made it possible for me to do this study without any concerns. Last but not least I want to thank my girlfriend Marit, who has been with me for the last 5.5 years. She gave me the opportunity to go abroad, going to another city without losing faith in me a single second. I can not imagine my life without her.
Summary
In this research legitimation by an institutional player was analyzed. Chosen as context was the introduction of a new legal form for social enterprises in the UK, called Community Interest Company (CIC). Annual reports published by the Regulator of CIC served as the source for analysis. Critical Discourse Analysis (CDA) was applied revealing that mythopoesis and authorization were the two most used strategy types, followed by rationalization and moralization. The results show that mythopoesis is used primarily in the early stages of the legal form and authorization is increasingly used after some years. The creation of awareness was found to be primarily linked to mythopoesis, by using relatively lengthy texts, equipped with words to target the emotions of people. The managing of growth and the amendments to the CIC model were primarily linked to authorization, by using facts like dates and numbers as a manner to explain for the changes. The implications are primarily that legitimation by institutional players can be seen as a ongoing process that changes along the way. Different strategies can be used to address different issues.

Samenvatting
Deze studie heeft legitimering door een institutionele organisatie onderzocht. De introductie van een nieuwe bedrijfsvorm, genaamd Community Interest Company (CIC), in Engeland gekozen als subject. De jaarrapporten die zijn gepubliceerd door de Regulator van CICs werden gebruikt als bron. Critical Discourse Analysis (CDA) laat zien dat de strategieën mythopoesis en authorization het meest werden gebruikt, gevolgd door rationalization en moralization. Mythopoesis werd in de eerste jaren het meest gebruikt, maar werd later ingehaald door authorization. Het creëren van bekendheid is primair gekoppeld aan mythopoesis en wordt gekarakteriseerd door relatief langere stukken tekst die een koppeling naar gevoelens bevat. Het kundig coördineren van de groei en de aanpassingen aan het CIC model primair verbonden zijn aan authorization, gekarakteriseerd door het gebruik van feiten zoals data en cijfers om veranderingen te verklaren. Implicaties zijn met name dat legitimering door institutionele spelers gezien kan worden als een doorgaand proces dat verandert door de tijd heen. Specifieke strategieën kunnen worden gebruikt om bepaalde thema’s te legitimeren.
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References
1. Introduction

1.1 Impact of trends on government policy

In the Netherlands, and around the world, every year the amount of social enterprises is rising\(^1\). Not only is the amount of social enterprises rising, they also perform better than regular companies. For example, even during the crisis around 2009, these kind of companies realized a higher growth and profitability than other companies\(^1\). Therefore these companies are seen as a success and earned their place in the marketplace of today. Multiple organizations have played their part in the rising number of social enterprises, including the government.

These kind of companies are coming up due to different trends taking place primarily in the USA and Europe. These trends include privatization and rising costs of the healthcare\(^3\). Due to privatization the healthcare is getting more and more interest of profit-driven companies. Tasks earlier initiated by the government, are increasingly performed by companies that survive on the basis of a balance of demand and supply. This trend is not always preferred as it could potentially lead a situation where not everybody can afford the healthcare they need. A second trend which clarifies the emergence of social enterprises are the increasing expenditures on healthcare by government. For example, in the UK social security has made up 31% of government spending in 2012-2013.\(^2\) Further, in the Netherlands government spends more than half its budget in 2013 on social security and healthcare\(^3\). This led the Dutch government to take action and to reduce its budget on, among other topics, social security.\(^4\) Social enterprises could fill the gap of social services that the government used to provide. These two trends provide the main reasons why social enterprises are getting more attention than ever before.

1.2 The Role of Social Enterprises

One of the ways to better understand social enterprises is by providing a definition. Despite research taking place for more than a decade researchers still struggle with defining a social

\(^{1}\) De Social Enterprise Monitor 2014, Social-Enterprise.nl
\(^{2}\) Social Security Expenditure in the United Kingdom, including Scotland, Department for Work & Pensions, April 2014
\(^{3}\) Rijksbegroting.nl
\(^{4}\) ‘Schatkist op orde brengen’, rijksoverheid.nl,
enterprise (Daya, 2013). In this research the following description is used in order to define social enterprises: “A social enterprise’s primary objective is to ameliorate social problems through a financially sustainable business model, where any surpluses are principally reinvested for that purpose” (Steinman, 2009).

This implies that a social enterprise acts between the two worlds of non-profit organizations and for-profit organizations. On the one hand a social enterprise aims to solve social problems (e.g.: healthcare, unemployment, etc.), but on the other hand it tries to do this in a financial independent manner. This puts a social enterprise in jeopardy as it does not fit in regular legal forms. Broadly speaking there are two forms an organization can take on when carrying out activities; namely a foundation and the Limited-form (or BV in the Netherlands). When acting as a foundation problems arise when the organization is making profit, as it is not allowed to do so. Being a for-profit organization creates the problem that organizations have to pay more tax although they carry out a social task and, more importantly, there is a chance the focus shifts from solving the social problem to other more lucrative projects. Therefore both legal forms do not entirely match with the aims of a social enterprise.

In order to be able to operate in the best possible way for social enterprises, institutions need to act and come up with a policy that supports these new enterprises. The difficulty is that social enterprises strive for both a financial gain as well as a social gain. Because of this dual purpose, current legal forms in the Netherlands such as BV and foundations are not sufficient. This contributes to the fact that, although social enterprises are performing better than regular companies, social enterprises are not able to grow as fast as possible and therefore the community is missing social impact\(^5\). Nevertheless, for some years now social enterprises can be increasingly found around the world.

The UK, US and the Netherlands all show a rising trend in social enterprises. Numbers vary however due to a precise definition and lack of registration when a company is exactly a social enterprise. It is estimated that in the US around 0.4-4\(^6\) of the total companies can be seen as a social enterprise, where as in the UK around 14% of the total companies are social enterprises.

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\(^6\) The United States Census Bureau, census.gov, 2012
enterprises\textsuperscript{7}. In the Netherlands around 4,000-5,000 social enterprises were active representing around 0.3\% of the total companies in the Netherlands\textsuperscript{8}.

The US was also one of the first, if not the first, that introduced a special legal form for social enterprises which goes by the name L3C (Low-profit Limited Liability Company). In 2008 the first company of its sort was recognized in Vermont.\textsuperscript{10} Three years later more than 420 L3Cs were established nationwide. This new legal form inspired to the UK establish a new legal form, especially designed for social enterprise.

1.3 Introduction of CIC

Since 15 years social enterprises have been a risen phenomenon in the UK. To facilitate these new enterprises, the government created new legal form Community Interest Company (CIC) that would help these new enterprises to run their business. After multiple consultations and investigations the Bill passed the House of Lords at the end of 2004. Officially, the CIC was introduced in 2005 and therefore celebrates this year its 10 year anniversary.

The new legal form makes sure the CIC is always aimed at solving the social problems. Also, adopting the CIC form ensures that a significant proportion of the profits made are invested back in the society. Hereby it is different from traditional companies that can bring any products or services on the markets they like and keeping the profits on a single place. Secondly, the CIC ensures that companies can attract capital and pay dividends. This is in contrast to the traditional foundation where it is not allowed for investors to bring in capital to trade for shares or dividend. A more detailed description of these measurements are provided later on.

Since the establishment of the CIC, the goals of the Regulator were easily reached. For example, year after year the aimed number of registrations were crushed. To reach these number of registrations the CIC had to become familiar to the people of the UK. The British government has taken different measures. These measures had the purpose to give this new legal form a reason for existence. In other words, this new form had to be branded as

\begin{footnotesize}
\begin{itemize}
    \item Social Enterprise: Market Trends, gov.uk, 5-2013
    \item Jaaroverzicht ondernemend Nederland, Kvk.nl, 2014
    \item Sociale Onderneming moet zich bewijzen als bondgenoot van de overheid, kl.nl, 23-1-2014
    \item L3C – Low-profit Limited Liability Company, nonprofitlawblog.com, 22-7-2008
\end{itemize}
\end{footnotesize}
profitable and working legal form for the new entrepreneurs. People setting up new companies had to make the CIC their choice of company. In other words, the legal form CIC had to mark its place between other legal forms. Its existence should be legitimated by the Regulator, as he served as the ambassador of the CIC. This research investigates how the British government legitimized the CIC and what lessons can be extracted.

Theoretical contribution

Now that the practical side has been discussed, insight into the theoretical can be provided. In this research legitimacy, as defined by Suchman (1995), is the topic of investigation. In particular the strategies deployed by an institution are in-depth analyzed. Early research on this topic distinguished different kinds of legitimacy strategies that will be discussed later on in detail (Leeuwen, 1999). Building on this work more strategies were recognized to legitimate which led to the creation of a model (Vaara, 2006). Next step theory development was the application of the model in different situations (E.g.: Vaara, 2006; Vaara, 2008). All of these situations were carried out in a controversial situation (e.g. the a sector merger or the shutdown of a production unit) and used media articles as a source for analysis. This research differs on two points. Firstly, it analyzes sources coming directly from the legitimizer by analyzing annual reports. In contrast, previous research focused on media articles. As a consequence the direct intentions of the legitimitizer could have been different. Secondly, the players analyzed involve an institutional player, the regulator, which has a relative independent role compared to players in other research (e.g.: profitable companies). Institutional players in this research are seen as organizations aimed at fulfilling a particular task that comes from within society.

Research goal and research question

Taking the previous section on theoretical and practical into consideration, it leads to the following research question:

How do institutional organizations legitimize new legal forms using discursive strategies?

The goal is to advance knowledge on discursive legitimation strategies. In particular, this research focuses on how events with a high impact affect text on a micro-level. Therefore this research works on different levels (Fairclough, 1995). Firstly, on a macro-level the main events with high impact will be analyzed and labeled a specific theme (Step 1,2 - Vaara,
2006). Secondly, there is the microlevel, or textual level, where individual texts will be analyzed (Step 3). Finally, the interrelationship between these three levels will be analyzed in order to explore the dynamics between the analyzed texts and the different themes.

Structure of the thesis

This thesis is organized in the following manner. First of all, the concept of legitimacy is explored. The different kinds of legitimacy, as well as strategies will be explored. From this theoretical framework the problem statement as well as the research question follow. Then the methodology section will provide the details of the analysis that has been performed. Finally, the results will be analyzed providing a conclusion on how the Regulator has handled legitimacy over the years. Then a discussion section provides an overview of the contributions that are made as well as some shortcomings in this research will be discussed. Finally, the research is summarized.
2. Theory

2.1 Legitimacy

Legitimacy is an important factor in the management of organizations for multiple reasons. One of the factors is that legitimacy is seen as means to quicker collaborate with other organizations. Since organizations have to collaborate with partners more than ever before, it is key to been as a trustworthy organization that is capable of sustaining a long-term relationship. One of the elements to be seen as an organization capable of collaborating, is by being perceived as a legitimate organization (Ashford & Gibbs, 1990). Secondly, legitimacy can be seen as resource that provides access to other resources such as capital, personnel, networks, technology (Zimmerman, 2002). Essential ingredients for the continuity and growth of organizations.

Legitimacy can therefore be seen as a lubricant between two actors. Early research on legitimacy already described the necessary relationship between two actors. In previous work legitimacy was described by Sternberger (1968) in a compact and comprehensible manner. He defined legitimacy ‘as the right to rule and the recognition by the ruled of that right’. Here a relationship based on equality is shown. But only if there is also recognition by the ruled party, one can speak of legitimacy. Zimmerman & Zeitz (2002) even go further and put the ruled in a central position. They state that legitimacy ‘ultimately exists in the eye of the beholder’. Important to note here that legitimacy only exists by the existence of a equal relationship between two parties.

However, what legitimacy exactly is, is still part of a continuous debate. Later research revealed multiple definitions existed, with no real consensus. In an extensive research by Bitektine (2011) an overview with 12 definitions was provided which shows the diverse view on this topic (figure 1). Although multiple definitions co-exist, many researchers refer to a single definition. Often is referred to the definition provided by Suchman (1995), which is now seen as one of the best-known definitions on legitimacy (Johnson, 2006). Suchman (1995, p. 574) described legitimacy as following:

“a generalized perception or assumption that the actions of an entity are desirable, proper or appropriate within some socially constructed system of norms, values, beliefs and definitions.”
### Legitimacy Definitions

<table>
<thead>
<tr>
<th>Definition</th>
<th>References</th>
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<tr>
<td>“Appraisal of action in terms of shared or common values in the context of the involvement of the action in the social system”</td>
<td>Parsons (1960: 175)</td>
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<tr>
<td>Justification of organization’s “right to exist”</td>
<td>Maurer (1971: 361)</td>
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<td>Implied congruence with the cultural environment, with “the norms of acceptable behavior in the larger social system”</td>
<td>Dowling &amp; Pfeffer (1975: 122)</td>
</tr>
<tr>
<td>Activities that are accepted and expected within a context are then said to be legitimate within that context</td>
<td>Pfeffer (1981: 4)</td>
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<td>Array of established cultural accounts that “provide explanations for existence”</td>
<td>Meyer &amp; Scott (1983: 201)</td>
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<tr>
<td>“Social fitness”</td>
<td>Oliver (1991: 160)</td>
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<td>A generalized perception of organizational actions as “desirable, proper or appropriate within some socially constructed system of norms, values, beliefs and definitions”</td>
<td>Suchman (1995: 574)</td>
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<td>“The endorsement of an organization by social actors”</td>
<td>Deephouse (1996: 1025)</td>
</tr>
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<td>“Acceptance of the organization by its environment”</td>
<td>Kostova &amp; Zaheer (1999: 64)</td>
</tr>
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<td>“The level of social acceptability bestowed upon a set of activities or actors”</td>
<td>Washington &amp; Zajac (2005: 284)</td>
</tr>
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<td>“The degree to which broader publics view a company’s activities as socially acceptable and desirable because its practices comply with industry norms and broader societal expectations”</td>
<td>Rindova, Pollock, &amp; Hayward (2006: 55)</td>
</tr>
<tr>
<td>“A social judgment of appropriateness, acceptance, and/or desirability”</td>
<td>Zimmerman &amp; Zeitz (2002: 416)</td>
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Figure 1: An overview of the different legitimacy definitions (Adapted from Bitektine, 2011)

In this research, this definition will function as basis upon which the method and results can be build. To explain, the definition is put into sequences. First, ‘the actions of an entity’ are here seen as actions performed by the Regulator of CICs, which represents the government. This is key, as will be explained later in the methodology section. Further, actions should be ‘desirable, proper or appropriate’. In this case, it means that the actions should within line of what can be expected from a government related party. Actions should stimulate, promote and be in favour of the community of CICs. Finally, all of the following should be in accordance ‘within some socially constructed systems of norms, values, beliefs and definitions’.

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If an organization meets with the different demands an organization enjoys several advantages. Just like factors such as, latent demand for the product or service, competitive pressures from related industries, and the skills of new venture owners and workers, legitimacy not only provides advantages but also plays an crucial role in the survival of new organizational forms (Aldrich and Fiol, 1994; Suchman, 1995). For example, once an organization possesses legitimacy, stakeholders view the organization as more significant, predictable and reliable (Suchman, 1995), which enable access to different resources such as personnel that improve an organization. Therefore it viewed just as important as other resources (Zimmerman, 2002). But, legitimacy is not entity that an organization has or has not.

Legitimacy is rather seen as a process which comes up with some hurdles (Bitektine, 2015). Research shows there is a certain ‘legitimacy threshold’ in combination with the ‘liability of newness’ that creates legitimacy problems (Li, 2014). Another issue is that many young firms and emerging industries, lack demonstrated reliability, established relationships, or successful accomplishments in order to meet the requirements from important stakeholders such as early adopters and funding (Deephouse & Carter, 2005). To overcome these hurdles, new ventures have to come up with solutions.

New ventures have a variety of approaches to solve these problems. One possible option to conquer these problems is by adjusting the strategy. Often new ventures approach the market with a new strategy that is different from other companies. However, since these companies are lacking in legitimacy, new ventures typically end-up converting to a strategy where they conform to the environment. This type of strategy means that new ventures employ a strategy that fits with the current demands and existing social structure (Zimmerman, 2002). New ventures typically engage in this strategy as they do not have the requisite resources to manipulate the environment or challenge the status quo (Drayer, 2014). As a consequence new ventures are not able to be as innovative as anticipated. Other helpful solutions to this problem can be found in the experience level of entrepreneurs. Firstly, the credentials of an entrepreneur could help creating a higher level of perceived legitimacy (Nagy, 2012). Furthermore, entrepreneurs that have relevant industry and start-up experience increases the new venture’s legitimacy stakeholder perceptions (Zimmerman & Zeitz, 2002). Research on this topic has so far focused on conventional ventures that are solely profit driven.
Next to these kind of ventures, for a while now social enterprises are breaking through. Social entrepreneurs have their own specific difficulties in finding legitimacy due to the fact that social enterprises not only seek to solve social problems, but also aim to do this in a financial responsible manner. However, since the concept of legitimacy is a result of cultural alignment social enterprises have difficulty also aim for a social change (Ruebottom, 2013). Also, since social entrepreneurship is a whole new kind of enterprise, the stakeholder perceptions of actions can not be compared. This makes social entrepreneurship a special case within organizational legitimacy (Nicholls, 2010). In his work Ruebottom (2013) found that social enterprises make use of rhetorics to build legitimacy. In particular the findings suggested that the enterprises see themselves as a protagonist, and those who challenge the challenge the foreseen aim as antagonist.

Now that the hurdles to attain legitimacy as well as possible solutions to these problems have been discussed it now useful to further explore the concept of legitimacy.

2.2. Kinds of legitimacy

Legitimacy is considered as a key concept in organizational theory and has been researched for decades (Bitektine, 2011). As a consequence a deeper understanding of the concept has been developed over the years. In his work Bitektine (2011) provides an overview of the different types of legitimacy. His work resulted in revealing 24 different legitimacy typologies, showcasing the diverse amount of work on this topic.

However, over the years the differentiation by Suchman (1995) is considered to function as basis for further research. Legitimacy can be differentiated legitimacy into different sets, namely pragmatic, moral and cognitive legitimacy (Suchman, 1995). Pragmatic legitimacy is build upon what can be extracted from the organization. If a stakeholder has advantage by its existence, or acting, of an organization its relationship is primarily characterized as pragmatic legitimacy. This type of legitimacy is therefore primarily build upon the self-interest of an actor. Somewhat oppositional is moral legitimacy. This type of legitimacy is linked to whether an organization is beneficial to the audience’s social group or the whole society (Bitektine, 2011). Thus, the organization is not necessary beneficial to the evaluator, but it is to a broader group of people. It is based on the judgment whether it is ‘the right thing to do’.
The third type cognitive legitimacy, is based on a neutral behavior towards the organization. This type of legitimacy is based on the cognition of an organization instead of interest of evaluation (Aldrich & Fiol, 1994).

2.3. Perspectives on legitimacy

Now that a definition of legitimacy has been provided, as well that is has been researched into more detail another aspect of legitimacy can be distinguished. Over the years, research has resulted in broadly two different camps with each their own view on legitimacy. Firstly, the strategic approach depicts legitimacy as a resource that can be extracted by organizations. Legitimacy is seen as a process that can be managed. Suchman (1995, p. 576) describes that, according to this view, ‘legitimacy is purposive, calculated and frequently oppositional’. Secondly, the institutional approach views legitimacy as something that is extracted from the environment. The cultural definitions determine how an organization is built and run. As a consequence it also determines how an organization is evaluated. The institutional approach views the decisions that are made by the organization and the way the community interpretes the organization, can be traced back to the same system of symbols and culture. Both actors are part of the entire system and therefore the distinction between both evaporate.

In this research the institutional approach on legitimacy is adopted. The focus is on how the government establishes legitimacy through text and therefore legitimacy is seen as something that can be managed. In line with the work by Suchman (1995) legitimacy is seen as an operational resource that can be adjusted.

Since legitimacy is seen as concept that can be influenced, research has also been devoted to the process of it. The legitimation process is an unstable one, with ups and downs, meaning an institution can have both positive feedback as well as negative feedback (Bitektine, 2015). Due to the fact that legitimacy can be seen as a process wherein choices can be made, strategy developing is possible. These strategies focus for example on building legitimacy (Zimmerman, 2002). There are different sources to analyze the strategies that come with legitimacy. Examples of sources are the actions of an actor (Zimmerman, 2002), interviews (Elsbach, 1994), experiments (Li, 2014) or media articles (e.g. Vaara, 2008). The latter uses produced texts in order to analyze how legitimacy is managed. These texts can be seen as narratives that persuade the targeted audience. This research focuses on how legitimacy is managed by analyzing the narratives produced in annual reports.
2.4. Rhetorical strategies

Rhetorics, the art for persuasion, play an important role in understanding organizational phenomena. Rhetorics are used in narratives and just like narrative analysis aim both at analyzing the role of language (Sudday & Greenwood, 2005). We see narratives as “a set of events and the contextual details surrounding their” that play an important role in the legitimacy process (Garud, 2009). If properly used narrativization can lead to an enhanced level of legitimacy as shown in multiple research (E.g.: Elsbach, 1992; Lounsbury et al., 2011). Narratives can play in different situations a crucial role when building legitimacy.

Even in the case of events that are at first hand perceived as illegitimate, they can be considered as legitimate when narratives are used in the right way and time (Elsbach, 1992; Elsbach, 1994). She introduced a framework that could lead to legitimacy of an action, even when normally considered as illegitimate, if at the right time narratives are exploit. This frequently applies to organizations that strive for a better world, such as Greenpeace. Secondly, Elsbach (1994) showed how organizations could best handle controversial events. She found that a combination of acknowledgment and the reference to institutionalized characteristics proved more effective than mentioning one of them. This means that spokespersons could refer to organizational procedures and structures to clarify controversial events.

Furthermore research has shown that narratives play an important role for entrepreneurs and innovation. Zimmerman (2002) showed that legitimacy can be seen as a resource to get access to other resources. In their work Lounsbury and Glynn (2001) showed how narratives craft the identity of a new venture, which in turn stimulates legitimacy. Furthermore, these narratives (or ‘stories’) allow for the creation of competitive advantage. These narratives have to be “astutely constructed” (Lounsbury, 2001) and have to balance between societal norms but also creating a unique identity. The life cycle of a firm and industry might determine the balance between these two. Since entrepreneurs often come up companies build around innovative products or services, it is not surprising that legitimacy also plays an important role managing new product development. Just like an entrepreneur needs create a certain amount of support outside the company (e.g. to raise funds), the same accounts internally in a firm. In his research (Garud, 2009) showed that narratives are powerful mechanisms to spread ideas.
throughout the organization in such a way that a novel idea are comprehensible and appear legitimate to others. These narratives do not come up for a specific period of time, but are rather constantly there to call for change (Landau et al., 2014). Although narratives support needed change, for example for survival of the firm, it is most of the times not in line with the firm’s legacy. Consequently, multiple narratives can co-exist and are used interchangeably and alternately “as part of internal contestation over legitimation of change.” (Landau et al., 2014).

Finally narratives play another important role in managing legitimacy at organizational level as described in the first paragraph. Golant (2007) explored the legitimation process and found that the building of organizational legitimacy is dependent on two factors. First, is it dependent on the persuasiveness of organizational storytelling. This means that the story of the organizational needs to be interesting in such a way the audience wants to hear more. Secondly, it depends on the taken-for-granted narrative structure. This means that within the storytelling, organizations could benefit from taken-for-granted expectations that are implicit in the narrative structure (Golant, 2007).

One of ways to examine the narrative strategies is by performing a discursive data analysis. From the perspective of Critical Discourse Analysis (CDA) – which will be explained later on – legitimacy can be seen as “a discursively created sense of acceptance in specific discourses or orders of discourse (Vaara, 2006). The discourse and its characteristics determine here what is legitimate and what is illegitimate. By using this approach not only legitimation, but also the process of legitimation can be found out (Vaara, 2006). Because of the possibility of this shift the concrete discursive practices and strategies used can be examined (Vaara, 2006).

In his research Vaara used multiple settings to research the discursive processes behind legitimacy. His research revealed using interdiscusive analyses revealed four distinctive discourse types for legitimization – rationalistic, cultural, societal and individualistic (Vaara, 2002). Most of the times the rationalistic discourse type dominates the discussion. These discourse types provide a framework where within cases and themes can be brought up. However, these frameworks are also often intertwined and interconnected (Vaara, 2002).
Further research shows there are different legitimation strategies – normalization, authorization, rationalization, moralization and narrativization (Vaara, 2006).

Adopting a discursive perspective Vaara (2008) also revealed the micro-level processes of discursive legitimation. By looking at the microelements complexities, ambiguities and contradictions were revealed. Worked on more research revealing the subtle processes that lay behind these strategies. These strategies will be discussed into further detail later on as they provide a basis for this research. The strategies used are recursive, which means that they do not occur during a certain phase but rather are cyclical (Vaara, 2010). This means organizational action can be coupled to legitimization and can be seen as a recursive process. Using the discursive legitimation perspective Vaara (2010) found six important conclusions when coupling legitimization to organizational action. Firstly, legitimation may have unintended consequences. For example, in cases where discourse created unrealistic expectations and maybe illusionary ideas. This could happen with overenthusiastic talk. Secondly, sensegiving and sensehiding are powerful mechanisms that impact organizational action. This means that explanations benefiting the organizational action have to be given equal attention as alternative actions. Giving attention to alternative actions could help serve as a mean to build legitimacy for the chosen action, thereby avoiding a possible legitimacy crisis. Thirdly, the model showed the importance of the policial nature of discursive legitimation. Fourth, the role of the media can not be underestimated. Journalists do play an important within current society and can therefore influence decision making within an organization. Fifth, a variety of legitimation strategies can be used. Research shows that primarily rationality, authority and morality usually play an important role. In the case of Vaara (2001) however, naturalization seemed to play an important role. Next to legitimation, delegitimation does not seem to occur symmetrical. Findings rather support the view that strategies are used of which the use depends on previous discussion (Vaara, 2010). Finally, discursive legitimation is also depended on the results achieved. This can only can be reached by not ‘talking up’ future results. By creating realistic expectations, legitimacy can be build for the organizational action.

2.5. Legitimacy strategies
Since this research focuses on discursive legitimacy strategies, deeper knowledge of this concept is required. The work of van Leeuwen (1999) is considered as most advanced and seen as fundamental in research discursive processes of legitimation. Van Leeuwen described four different strategies that are "specific, not always intentional or conscious, ways of employing different discourses or discursive resources to establish legitimacy" (Vaara, 2006). They are authorization, rationalization, moralization and mythopoesis.

The first one, authorization, refers to legitimation by referring to an authority of tradition (Vaara, 2006). It is seen as legitimation “by reference to the authority of tradition, custom, law and persons in whom institutional authority of some kind is invested” (Vaara, 2008). Authorities can come in different ways, such as journalists, laws, institutions, regulations. Earlier research showed that normalization can be seen as a separate legitimation strategy (Vaara, 2006). Normalization can be seen as a source to conform to current circumstances, dealing with tradition as well as custom (Vaara, 2006). In later work however, this category was seen as a sub-type of of authorization (Vaara, 2008).

The second form, rationalization, is legitimation based on knowledge claims. These knowledge claims are then based on cognitive validity (Vaara, 2006). This includes financial figures, dates, etcetera. Therefore rationalization can also be seen as factualization of benefits, purposes, functions or outcomes.

Moralization refers to legitimation based on value systems and moral arguments. This type of strategy plays in particular an important role in cases that directly affects people’s live. This was researched by Vaara in two different situations. First, this type of strategy served as a basis for better and less expensive treatment for diseases (Vaara, 2010). Also, it served as basis for a shutdown of a production unit possibly leading people into unemployment (Vaara, 2008). In short, by calling recalling on the effects on whether people can still live their live as they used to, this strategy (de)legitimizes decisions.

Finally, the strategy called mythopoesis is legitimation through narratives, therefore it is also called narrativization. In particular this type of serves as a means to indicate how the issue at hand relates to the past or future (Vaara, 2008).
These legitimation strategies have been developed in a general setting and are therefore not restricted to solely the media context (Vaara, 2006). Therefore, it is expected that these strategies are also applicable to annual reports, such as used in this research.

The original study by van Leeuwen (1999) was researched and extended (Vaara, 2006). An empirically grounded model was developed which provides the different features belonging of the discursive strategies (figure 2).

<table>
<thead>
<tr>
<th>Individual texts</th>
<th>Intertextual totality</th>
<th>Power implications</th>
</tr>
</thead>
<tbody>
<tr>
<td>Normalization</td>
<td>Exemplifies ‘normal’ function or behavior</td>
<td>Institutionalization of specific examples</td>
</tr>
<tr>
<td>Authorization</td>
<td>Authorizes claims</td>
<td>Institutionalization of specific authorities and marginalization of others</td>
</tr>
<tr>
<td>Rationalization</td>
<td>Provides the rationale</td>
<td>Institutionalization of specific rationalities</td>
</tr>
<tr>
<td>Moralization</td>
<td>Provides the moral and ideological basis</td>
<td>Institutionalization of specific moralities and ideologies</td>
</tr>
<tr>
<td>Narrativization</td>
<td>Provides a narrative structure to concreticize and dramatize</td>
<td>Institutionalization of specific kinds of narratives and dramas</td>
</tr>
</tbody>
</table>

**Table 2. A Model of Discursive Strategies Used to Legitimate Contemporary Organizational Phenomena**

*Figure 2: Empirically grounded model showing the features of discursive legitimation*
3. Methodology

3.1 Background on Critical Discourse Analysis

The research method of choice needs to have the ability to research what efforts are made in textual form to obtain legitimacy. Also, the method of research should have the ability to deal with the chosen case of CIC. Since this obtaining legitimation is a process and the introduction of the new legal form is a unique case the chosen method should be able to cope with both criteria. Therefore the method of choice is, among other factors which will be explained later on, Critical Discourse Analysis (CDA). This is a cross-disciplinary method of study which has provided a new avenue to research the processes of social construction of organizational phenomena in textual form (Vaara, 2002). This type of research method is now considered a “general label for a special approach to the study of text and talk, emerging from linguistics, critical semiotics and in general from a socio-politically conscious and oppositional way of investigating language, discourse and communication” (van Dijk, 1995). Further reasons why this is the chosen method will be further elaborated later on.

The Handbook of Discourse Analysis (Tannen, Schiffrin, & Hamilton, 2001, p. 352) defines CDA as "a type of discourse analytical research that primarily studies the way social power, abuse, dominance and inequality are enacted, reproduced and resisted by text and talk in the social and political context". The annual reports provide the text that contain discourse wherein the government persuades and tries to convince (potential) users of the newly introduced legal form. These reports are chosen for several reasons. Firstly, they represent a period of 10 years which allows for a more representative data. Secondly, these reports contain the text directly produced by the government. There has been no intervention by other sources, such as the media, and therefore directly represent the thoughts of the organization that aims to establish legitimacy.

Discursive approaches have become increasingly popular in both social research and organization and management studies (Vaara, 2008). There are several reasons why this kind of approach is receiving increasingly more attention.

Firstly, it meets several criteria to research the legitimization. Van Dijk (1995) proposed several criteria that characterizes the work in Critical Discourse Analysis (CDA) could meet. Among others van Dijk also mentions the practical aim of CDA. He states that CDA
specifically focuses on the strategies of, among others, legitimation. Secondly, this method also allows for research on discursive processes (van Dijk, 1995). Previous research on legitimation strategies also used discursive characteristics in order to research this phenomenon (Vaara, 2008). Thirdly, CDA allows to shift the attention from established legitimacy to the processes of legitimation by examining the concrete discursive practices and strategies used (Vaara, 2006). Therefore, the annual reports provide an insight into how this process has taken place. Furthermore, discourse analysis provides a method that allows to analyze the processes of social construction of organizational phenomena in general. Discourses are part of those processes of social construction and (re)define what is justified and legitimate. Finally, earlier work on discursive approaches to legitimation also used this method in order to analyze case studies (e.g.: Vaara, 2006; Vaara, 2008).

In this paper, discourse analysis is understood as a method for analyzing the social construction of organizational phenomenon in textual form. This also enables critical assessment of the (re)production of legitimation in specific settings (Vaara, 2002). In order to study legitimation this research will be performed as a qualitative study. As a qualitative study, it is attempting to make sense of, or interpret the settings (Lavrusheva, 2013). Qualitative studies therefore lack a type of typology that can normally be used, such as a randomized, double-blind experiment (Maxwel, 2009). Earlier research served as inspiration and justification to determine how the CDA will be performed (e.g.: Vaara, 2002; Vaara, 2006; Vaara, 2008; Reyes, 2011).

3.2 The different levels of research

In CDA the framework of analysis, as developed by Fairclough (1995 – figure 3) is

![Figure 3: Fairclough’s three dimensional conception of discourse](Doyle, 2015)
commonly used (Figure 3). This framework distinguishes three dimensions of analysis, namely a spoken or written language text, discourse practice involving the production and consumption or interpretation of text and sociocultural practice (Fairclough, 1995; Li Lean, 2007).

This framework allows to put the method of choice into perspective. The different researches that have focused on discourse and legitimation strategies so far were analyzed and led to a three-step research design. The first step involves an understanding of the (main) historical developments that have taken place. In this case the focus will be on important decisions made by the Regulator and on events that affected regulation of CICs. Secondly, content analysis will be conducted in order to identify the main themes. This will provide a good overview of what has been important during the different timeframes (Vaara, 2006). In this case it means an analysis of all the elements that can be found in the annual reports. Finally, a detailed textual analysis will be performed in order to distinguish the different legitimation strategies. In this research the focus will be on the forewords published by the Regulator. Analysis of how the foreword is build up, is the key interest of this research. The strategies that are found, are likely to fall into the four legitimation strategies as developed by van Leeuwen (2008). These strategies are authorization, moral evaluation, rationalization and mythopoesis. This step is an essential part of CDA in order to find out which legitimization is carried out (Vaara, 2008). The entire research is inspired and deducted from previous research.
focusing on discourse strategies (Figure 4; E.g. Lavrusheva, 2013). Finally, the relationship between the main themes and legitimation strategies will be analyzed. This will reveal how the regulator handled the different themes and what kind of strategies were most used.

3.3 The case of CIC

This research the annual reports of the Regulator of Community Interest Companies (CIC) serve as the primary source of data. These reports have been published since the establishment of the legal form CIC and contain textual data as well as graphical and statistical data. The annual reports cover a period of 9 years, starting in 2006 and ending in 2014. In total 7,775 words were analyzed, representing an average of more than 860 words per year. The smallest foreword contained 563 words (2010) whereas the largest foreword contained 1,326 words (2013). Over the years more attention has been devoted to the looks of the annual report. Where it started with black-white pages, it ended in 2014 with full-color pages easily readable for everyone. In the early years the tone of the annual reports can be described as factual, with segments devoted to statistics, lists of stakeholders and description of the law. From 2010 greater emphasis has been put on the decisions, events that happened during the year and stories of companies. These annual reports contain on average 40 pages of text and graphical information. In particular the foreword was analyzed, containing

Since the nature of CDA abductive, a (constant) going back and forth between empirical data and theory is unavoidable (Vaara, 2006). Because of these constant movements it is very difficult to report all steps that were taken. The quality and consistency of the coding has been secured by performing first the coding on a selected piece of text. If agreement was reached, then a longer sequence of text was coded. When also here same results were achieved, the following reports were coded by a single researcher.

As mentioned (CH2) this research starts with a thematic analysis. By doing this a greater understanding of the events and actions is achieved. Secondly, the textual analysis is carried to explore the legitimation strategies used. Since the annual reports function as the source of data, the focus is on strategies carried out by the governmental body. The frequency and strategic importance following from the analysis served as a basis for the categorization of legitimation. Finally, the results from the analysis performed on the different levels are
evaluated to determine the dynamics behind these processes and in which way they are (inter-)
connected.

3.4 Analysis
This research applies the method of CDA, which is a common used method for research
focused on textual analysis (E.g.: Vaara, 2006). Following the principles, the following steps
were taken for this research. First, an overview of historical events and important
developments is provided. Decisions with longer lasting impacts are essential in this phase, as
well as their consequences.

The second step includes the determination of the legitimation strategies. As is the case with
the determination of the discourse types, also the procedures to determine the different type of
strategies determines is a matter of customization. In order to secure quality, procedures
similar to previous research are performed. This means that coding of a single annual report is
firstly separately done by student and researcher. After discussing the results and bringing the
coding in line, a second annual report is coded independently. After discussing these results,
and checking if they are in line, the rest of the annual reports is coded. This procedure is
followed both for the categorization of discourse type as well as the legitimation type. Also,
the number as well as the impact of different sentences will be analyzed.

The final step contains the integration of the different elements. The interdynamics of the
historical events, discourse types and legitimacy strategies will be analyzed in order to find
out the relationship between these concepts. This step is necessary in order to put the results
into perspective. The amount of words or paragraphs used in a typical setting (e.g. a specific
discourse or strategy) might tell something about the importance, but also the scope of the
analyzed text can tell something about the importance of it. Therefore the statistical data
(amount of words, number of occurrence) is taken into consideration, as well as the relation
with the main themes.
4. Results

4.1 Thematic analysis

On the first of July 2005 the legislation for Community Interest Companies (CIC) came into force. It meant the start for a whole new kind of enterprise. This chapter describes the analogy of the actions that the government has taken in order to popularize this legal form.

This chapter describes the different actions by the government and the different external events that influenced the popularizations of the last 15 years. After an intensive investigation this period can be divided into roughly four time periods. The first period consists of activities that are aimed at establishing and creating the necessary legislation. This period starts at roughly 2002 and lasts until 2005. The second period entails the start of the legislation. These years are primarily aimed at raising awareness for the CIC form. This period entail the years 2005-2007. The third period focuses on how the regulator manages the increasing popularity of the model. This period captures the years 2007-2010 (figure 5). The fourth period is aimed at improving the CIC model. This consists for example improvements in legislation. This period lasts from 2010-2014 (figure 6).

![Statistics Website](image)

*Figure 5: Number of visitors and hits on the CIC website.*

The overview of the actions also looks at external events that had effect on the actions as
taken by the Regulator. An example is the financial crisis in 2009 that influenced not only the performance of CICs, but also the number of newly started CICs.
Figure 6: Timeline of events with considerable impact on the legal form CIC.
Creation of the legal form CIC (2002-2005)

The history of the CIC starts in September 2002. In the Strategy Unit report “Private Action, Public Benefit” recommendations for the CIC were outlined after public consultation. It was the first research into the size of the not-for-profit sector as well did it provide a legal framework for the new legal form. This report contained the original characteristics for a CIC such as the asset lock and transparency through an annual report.

After this initial report the Government published consultation proposals from March 2003 until June 2003. The results of the public consultation were presented in October 2003. In this document called ‘Enterprise for Communities: Proposals for a CIC - Report on the Public Consultation and the Government’s Intentions’ the comments made by respondents were summarized, as well did it indicate the intentions of the Government on each of the consultation proposals. After the results a Bill including the proposals was set up. The publication of the Bill including the proposals to create the Community Interest Company was on 4 December 2003.

After the new Bill was accepted in the Parliament the Bill was introduced in the House of Lords on 3rd of December 2003. After several readings, at the end of 2004 the Bill was also accepted which made it official. It meant the start of the Community Interest Company.

Awareness creation (2005-2007)

The first years focused on the making the new legislation popular among the society. The legislation that was created was fresh and new and therefore might have some inconsistencies in it, but that did not matter as long as not many people understood the new model.

On 1st of April 2005 the first Regulator of Community Interest Companies, John Hanlon, was appointed. Four months later, on the 1st of July 2005, the legislation was put into action. Directly in the following months the Regulator had meetings with several types of stakeholders such as social enterprise funders. This category contained members banks like Triodos, funds, venture capitalists. Other stakeholders are local and central government and regulatory bodies. This category included parties such as financial service authority,

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11 ENTERPRISE FOR COMMUNITIES: Proposals for a Community Interest Company, webarchive.nationalarchives.gov.uk
12 ENTERPRISE FOR COMMUNITIES: PROPOSALS FOR A COMMUNITY INTEREST COMPANY - Report on the public consultation and government’s intentions webarchive.nationalarchives.gov.uk
department of Trade & Industry, Local Government Association. Finally there were formation agents and user groups. This group contained for example the Office of the Scottish Charity Regulator, Housing Corporation and HM Treasury, National Federation of Enterprise Agencies. Furthermore the Regulator ran discussion groups from July to December with over 20 different members. The stakeholders include members such as the Social Enterprise Coalition, Association of Chief Executives of Voluntary Associations.

The Regulator and his team kept up the above written activities in order to make the new legal form CIC well known among the community. After the first operational year changes arrived in the year 2007. On the 6th of April 2007 legislation made it possible to form, or to convert to, a CIC in Northern Ireland. This led to an increase in the number of new CIC (figure 7). Furthermore, John Hanlon left after two years the office as Regulator. He started partnerships that would result in a more well known legal form and an office that would run more efficiently in the near future. In a survey, partly held by the Social Enterprise Coalition, revealed that 89% of the CICs found the application process easy or very easy. Furthermore, John Hanlon established seven Memorandum of Understanding (MoU) with organizations such as the Charity Commission, Housing Corporation and the Office of the Third Sector.

The Office of the Regulator was also behaving online more actively. The number of unique visitors underlined the positive changes made to the website. After one year the number of visitors more than doubled (figure 1). All of the work resulted in 360 CICs after one year of operation. And already 845 CICs on the 31st of March 2007.

![Figure 7: Number and growth per year of the CIC](image)

The campaigns in order to increase awareness were paying off. In 2008 the total of CIC was now 1,621, almost twice as much as the year before. The number of applications raised from 23 per month in the first year, to 67 per month in 2006-2007. Also counted the website in 2008 almost more than 10 times more unique visitors as in 2007. Now it was time to deal with managing the growth for the coming years.

The following years started with the appointment of Sara Burgess as the new Regulator of Community Interest Companies. After raising awareness in the first years, it was her job to take the Office of the Regulator to the next level. This meant mainly streamlining policies and procedures, dealing with complaints and improvements on the website and establishing more Memoranda of Understanding.

After the installment of Sara Burgess a large portion of the team was changed in 2007. Next to Sara, also two new case managers (James Stimson and Ann Hunt) were replaced. By 2009 the team consisted of five full-time members and two part-time members.

In the year 2009 the economy was also hit with a crisis which led to different external effects. First, the Department for Business, Enterprise and Regulatory Reform (BERR) merged with Department for Innovation, Universities and Skills (DIUS) into the Department for Business, Innovation and Skills (BSI). Secondly, the government wanted to cut spendings. Therefore the Regulator had to do more work with the same resources. This was partly done by improving the website.

In the first year the changes to the website included the provision of new guidance chapters, forms and templates, spreading of packs and pamphlets, adding links and updated FAQ. This all led to more user-oriented information.

Furthermore, in 2009 the Regulator became aware of the impact of the key features of a CIC, such as the asset lock, caps on dividend and performance related interest. The general opinion was changing which led the Regulator to take a look again the rules attached to the features. She therefore initiated a formal consultation in order to gather a body of evidence on views about this part of the asset lock.

Meanwhile the total amount of CICs on the register was growing as the previous years. In July 2009 the registration of the 2000th CIC was achieved. That means the Office of the Regulator
was well on its way towards the 3000th registration and already anticipating its 5000th registratee.

*Improving the model (2010 - 2015)*

After the years of creating awareness and managing the growth with limited resources, the coming years would mean a focus on the improvement of the model. These steps were initiated the year before by asking for a formal consultation. The year 2010 meant a 5 year celebration, but also meant a change to two of the three dividend caps. On the 1st April 2010 changes were introduced. Amendments were made on two points. Firstly, the cap for shares issued post-April 2010 was increased to 20% and removed the link to the Bank of England base lending rate. These two measurements simplified the way dividends were paid and thus make sure CICs would have better access to funding from now on.

Despite the economic downturn in those days, maybe due to the abovementioned amendments, the number of applications was still rising. In 2009-2010 the average number of applications received per month was 131, which meant increase of 31 compared to the previous year. It all resulted in that the number of live community interest companies grew to 3,572 by march 2010.

The following year adjustments were made in order to optimize the application process. Two documents were causing problems and were adjusted. The first one is the IN01 which is a statutory document for the Registrar of Companies, and the second is the CIC37 form which entails the application to convert a company to a CIC. Both forms caused problems as they introduced obstacles to forming a CIC. The IN01 form was adjusted as it used to be send back due to filling it in wrongly. The CIC37 form turned out be unnecessary complex and was therefore reduced and made simpler.

Another process that was made more user-friendly was the complaint process. Complaints were taken very seriously over the years. In every annual report the Regulator refers back to the statistics on the complaints. Still, as more and more CICs were registrated, also the number of complaints was rising and therefore had to be made more efficiently. The number of complaints in 2010 remained at 13. Not a single complaint was received concerning the service provided by the Office. These complaints were concerns including possible misuse of funds, the conduct of the company and relations between directors. These adjustments helped
to decrease the amount of Grant in Aid. It was reduced from £ 470,000 to £ 385,000 in October 2010. The actual spend was however £ 330,000 in 2010-2011.

The following year, 2011, meant a record 2,087 new approved CICs, totaling the amount of CICs to 6,391 registrations. Despite this record, the role of the Regulator was still changing towards more emphasis on the regulating role rather than registration.

A part of this record amount of new approved CICs came from the number of health lotteries that were set up. Also more and more PCTs (Primary Care Trust) were turning into CICs. These CICs were operating in a somewhat controversial area as now commercial companies were taking away the market from charity sector. At the same time, commercial health related services were transformed as well to CICs. However since the number of CICs set up that were originated in either charity work or health related business had increased to 51 by 2011, it turned out be a success.

At the same time the cut in budget by the government still had its effect on the operations at the Office. As a result of The Government Spending Review some changes were made, for example the Office was now paperless, there was more space and improved access to information. Also the Red Tape Challenge, which aims at reducing process, regulations and expenditures by the government had its effect on the Office. For the Office of Community Interest Companies it meant that burden of regulation had to be reduced. All together the cost of running the Office of the Regulator in 2011 had dropped with 36% since 2009-2010.

In the year 2012 for the first time the annual report mentions the Technical Panel. This is a group of experienced professionals that give advice to the Regulator about legislative matters such as changes on the dividend caps. A boardmember of the Technical Panel described that the Regulator had asked to join to add some ‘commercial insight’ into the legislation. The Technical Panel was set up because CICs had trouble raising funding for their business. Therefore the legal form CIC was changing to a more commercial one by changing the legislation. For example, caps on dividend were raised (see 2010). Also, the work at the Office was more rationalized in order to work more efficiently. How this could end up in the near future is unclear, just as how the balance between the ‘charity’-side and the ‘business’-side of the CIC model will be maintained. At the end, in 2012 the number of newly registrated CICs had risen with 20% to a total of 7,670.
Concurrent with the consultation, the Chancellor, in the 2013 Budget, announced the intention to provide tax reliefs for social enterprise investment. These are currently in the 2014 Finance Bill. In 2013 and during 2014 the number of registrated CICs became close to 10,000. At the same time the 10-year celebration for 2015 was well on its way. After the changes made in 2010 to the caps, proposals were send in 2013 to make new amendments to the legislation. This change will alter in particular the way CICs limited by shares do business. Other changes are coming due to the Social Investment Tax Relief. These changes, as well as the changes in 2010, should make the CIC form the model of choice to invest in.

Furthermore, the Regulator has kept on setting up Memorandum of Understanding (MoU) with stakeholders. For example there were now MoU with the Northern Ireland Charity Commission and the Offish of the Scottish Regulator. Several other MoU, for example the regulator of the Health Sector, are in progress. In the same time, on the digital highway the website has moved to the extension .gov.uk, which made it easier to find for people interested in CICs.

All of these changes to the dividend caps, the website, the internal processes and the MoU have to make the CIC model interestingly. These changes were made in order to provide access to funding and growth, now and in the near future.

4.2 Legitimacy strategies

In the next paragraphs a deeper look into the different legitimacy strategies is provided. Before analyzing this deep, first an overview of the usage of strategies is provided.

Looking at the overall use of strategies provides insight into how text has relatively changed over time. Results show that the most two types of strategies are dominantly used, namely mythopoeisis and authorization. dominantly used strategy used is mythopoeisis (figure 6). Together these types have been used in almost 84% of the coded paragraphs. The most used strategy is mythopoeisis. With a total occurrence of 49 it takes up half of all coded paragraphs. The two least used strategies are rationalization (9 times) and moralization (6 times).

Then, when looking at the development over time some characteristics can be distinguished. The two least mentioned types of strategies also have in common that they are absent, roughly
during the same period of time. In absolute measures, in the period of 2010-2013 the least amount of occurrences have been registered (figure 8).

![Number of occurrence per year](image)

*Figure 8: Amount of times a discursive legitimation type has been coded.*

However in this period of time, rationalization has been used relatively the most in 2010 when 29% of all codings come from this type of strategy. On average rationalization (10%) had a twice as high relative occurrence as moralization (5%).

The two most coded strategies occur to have a different development over time. The statistics show that overall mythopoesis has been used primarily in the beginning and is then surpassed by authorization. Not per se when looking at absolute measures (figure 8), but primarily in relative sense (figure 9). Statistics show that first of all authorization is takes gradually a more prominent place. Starting in 2006 with a relative occurrence of 22%, it’s share raises up to 70% in 2013 (figure 9). Mythopoesis, on the other hand, shows a rough decline. Particularly when looking at absolute measures (figure 8). In 2006, 11 paragraphs were coded as mythopoesis where as in 2014 almost one third of this amount (4) were coded as mythopoesis. Relatively, the number dropped from 61% in the early days to 40% in the annual report of 2014. All of this could mean that in the beginning primarily paragraphs have been used to tell a story, for example to describe a vision. Later on, once awareness has been created, the focus shifts to changes made by the regulator. In the next paragraphs, when legitimacy strategies will be discussed into more detail, a better look at this development is provided.
Mythopoesis is legitimation conveyed through narratives (Vaara, 2008). This type of legitimation has primarily been used in the beginnings of the Community Interest Company since almost 50% of its occurrence happen to be in the first three years. The focus of its usage has primarily been on creating awareness, managing growth and clarifying the amendments that have been made to the CIC model (this will be discussed into more detail in the next section where themes and legitimation strategies are integrated). The tone of the texts can be characterized as ‘wishful’ or ‘dreamingly’, speaking about future possibilities of the CIC. An example of the future possibilities of CICs can be found in the next paragraph:

“The scope of the applications ... is limited only by imagination – imagination married to a desire to adopt business models to deliver real benefits for communities across the country.”

“These companies for the community are providing help and assistance to the elderly, children with special needs and young people. They are running restaurants, buses, recycling
centres and even, a ferry service; they are delivering health, transport, education and environmental services to communities across Britain.”

Annual report 2006, foreword

This is followed by the Regulator when he writes about possibilities of the CIC model. Not only is this emphasized by the terms ‘imagination’, but also by enumerating the possibilities as well as appointing the ‘length and breadth of the country’ where registrations come from. All of this creates a vision in which the CIC model has no limitations and has possibilities which have not been foreseen before.

A second characteristic that can be noticed is the way amendments to the CIC model and consequences of increased numbers of CIC are dealt with. In both situations the regulator seeks for understanding, primarily by giving insight in how much effort has been put in during a year. Following sentences are examples of this insight:

“As you will see in this report our small team has been working incredibly hard .. to provide an excellent service and to ensure the development, quality and success of the community interest company brand.

Annual report foreword, 2008

“Not sure we can do it again with the increasing numbers and we had a very short and unexpected timeslot, the poor old photocopier nearly passed out, as did my team.”

Annual report foreword, 2013

Finally, mythopoesis is also used to create understanding for controversial situations. In this case the usage of the CIC model by healthcare providers or lotteries was a major concern. By addressing the concerns the regulator tries legitimate these new kind of companies. An example of this can be found in the annual report of 2012:

“I know that there are lots of fears about private sector intrusion into public service delivery and my challenge is to get more of the right people, and in that includes patients of large health related services, to understand what the CIC is about. Interestingly, I learned just recently that the charity sector share similar concerns about CICs potentially taking their business. It’s a fascinating mix and is set to challenge us in all kinds of new ways but for me the key is information.

Annual report foreword, 2012
By looking at the controversy not only from a commercial perspective, but rather also taking into account the perspective of the charity sector the regulator puts it all into perspective. In this way two sides of the coin, commercial as well as the social impact, is considered. Finally, the regulator is even looking forward to a ‘fascinating mix’ of both types. Beneath, a summary can be found of the findings of mythopoesis.

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<tr>
<th>Characteristic quotes</th>
<th>Features</th>
<th>Methods of application</th>
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<tr>
<td>• ..I see successful..</td>
<td>• Reference to stories</td>
<td>• Emphasize role CIC</td>
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<td>• I am convinced..</td>
<td>• Dramatization</td>
<td>• Possibilities CICs</td>
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<tr>
<td>• ..can touch all of our lives..</td>
<td>• Longer pieces of text</td>
<td>• Clarifying adjustments CIC model</td>
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<td>• ..what happens next.</td>
<td>• Lots of emotions</td>
<td>• Explaining controversial decisions/trends</td>
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<td>• ..time to change..</td>
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**Authorization**

Authorization is legitimation by reference to the authority of tradition, custom, law, and persons in whom institutional authority of some kind is vested (Vaara, 2008). In this case it means the texts refer to the amount of power the regulator has. Power in a formal way, that is justified by law. Hereby making clear, if necessary, the regulator has the authority to step in and take action towards CICs. An example can be found here:

“I was appointed the first Regulator of Community Interest Companies on 1 April 2005, and on 1 July 2005 the legislation, which provide the rules on the creation and operation of community interest companies, came into force. The office was opened to receive applications on 25 July 2005.”

Annual report 2006

“Our powers as a regulator are set out in the Companies (Audit, Investigation and Community Enterprise) Act 2004. Our ability to use these powers with operational independence helps us in developing confident, regulated community companies.”

Annual report 2009

Also, other parts of power are addressed using this type of strategy. One of them is the responsibility of the regulator to make changes for the better. These changes do not
necessarily benefit each of the CICs, but by emphasizing greater whole the decisions are legitimized.

“To this end I have initiated a formal consultation in order to gather a body of evidence on views about this part of the asset lock and to consider whether there is a need for change or revision.”
Annual report, 2009

“By December 2013 proposals were put to the Secretary of State to make amendments to the CIC legislation that will significantly change the way some CICs do business. We hope that these changes will encourage CIC to be the model of choice. They will have greater freedom for growth and development yet remain under the scrutiny of the Regulator.”
Annual report, 2014

Finally the powers of the regulator are shown by recognizing the different collaborations with other departments. The influence is shown for example by working with the Registrars of Companies (2007), contract with Regional Development Agencies, other Government Agencies (2009) and visitors including Edward Davey Minister. Also the Regulator controls an Advisory Panel (2013) which consults the Regulator. These consults were carried out jointly with HM Treasury (2014). In summary, the regulator has a extensive network containing all kinds or organizations and people to popularize the CIC model.

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<th>Characteristics of authorization</th>
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<td><strong>Characteristic quotes</strong></td>
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<td>● I made it clear..</td>
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<td>● I have initiated a formal consultation..</td>
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<tr>
<td>● I will ensure..</td>
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<tr>
<td>● As regulator..</td>
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<td>● Our powers..</td>
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**Rationalization**
Rationalization is legitimation by reference to the utility of specific actions based on knowledge claims that are accepted in a given context as relevant (Vaara, 2008). The claims
are in this case focused on summing up statistics and naming important dates. For example the two first annual reports both started in a similar, factual, tone.

“The legislation, which created the, came into force on 1 July 2005 for Great Britain and extended to Northern Ireland on 1 April 2007. I was appointed the first Regulator of Community Interest Companies on 1 April 2005, and on 1 July 2005 the legislation” (Annual report, 2006)

“On 1 April 2005 the Secretary of State for Trade and Industry appointed me as the First Regulator of Community Interest Companies and on 1 July 2005 the legislation.” (Annual report, 2007)

This way of notifying certain events, happened more often in annual reports. After some years the regulator wrote about making it possible to form a CIC in Northern Ireland (Annual report, 2008). Or, even the rising number was published in a rationalized manner we have seen the number of CICs pass the 6,000 mark (Annual report, 2012). Both events had their impact on the possibilities and the popularity of a CIC, but were written rather modestly. Overall, the tone is factual and with only little emotion in it. In the sentences, this strategy can be characterized as only summing up of events, decisions or actions are provided without further comment. A summary of the findings can be found below.

<table>
<thead>
<tr>
<th>Characteristics of rationalization</th>
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<tbody>
<tr>
<td><strong>Characteristic quotes</strong></td>
</tr>
<tr>
<td>• On September 14th..</td>
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<tr>
<td>• At the 31st March 2007 there were 845 CICs..</td>
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<tr>
<td>• Based on information and feedback..</td>
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<td>• Accounted for..</td>
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**Moralization**

Moralization is legitimation by reference to specific value systems that provide the moral basis for legitimation (Vaara, 2008). These value systems lay in this case mostly in the fact that CICs have, next to a commercial purpose, also a social purpose. In different situations the Regulator reminds of the social purpose of a CIC. First of all, in order to discuss the possible problems that a CIC could provide a solution for. For example:
These companies for the community are providing help and assistance to the elderly, children with special needs and young people. They are running restaurants, buses, recycling centres and even, a ferry service; they are delivering health, transport, education and environmental services to communities across Britain (Annual report, 2006).

In later years amendments were made to the model. These amendments primarily affected the financial side of the CIC model. Since these amendments loosened the financial restrictions, current CICs could have a biased feeling towards this change. By reassuring...those with concerns on the integrity of the model (Annual report, 2013) the Regulator aims to keep all CICs members a supporter of the model.

Finally, the regulator emphasizes the social purpose of a CIC model with the uprising of in sectors such as the healthcare. By emphasizing the characteristics of the CIC model and ensuring that the social purpose is not forgotten the regulator legitimizes this phenomenon. The Regulator wrote to those who had doubts about the definition or the purpose of a CIC, that “once a CIC, always a CIC” (Annual report, 2013). This was further emphasized by describing that “all the other types of enterprises” will always have to act as other CICs, as can be seen in the following quote:

This applies even to those public health spin out, lotteries and all the other types of enterprise that have been controversial throughout the last year or so(Annual report, 2014).

Beneath a summary of the characteristics of moralization can be found.

<table>
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<tr>
<th>Characteristics of moralization</th>
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<tbody>
<tr>
<td>Characteristic quotes</td>
</tr>
<tr>
<td>• .benefit the community..</td>
</tr>
<tr>
<td>• .integrity of the model..</td>
</tr>
<tr>
<td>• .ethos of the brand..</td>
</tr>
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</table>
4.3. *Interrelating the results*

In the following paragraph the results of the two previous chapters will be connected. By linking the development of the themes to the development of the different legitimation strategies, insight is provided into how the Regulator altered the language and reacted to important events.

Before getting into detail a overview of the development of themes is provided. This what was at stake at a particular time of period. Figure 10 shows the change of attention over years shifting from creating awareness, towards a mixture of events. This seems logical considering in the early days spreading the word is seen as key in the uprising of CICs. In the period of 2009-2013 a incline of attention towards the managing of growth can be noticed. This can be clarified as following. After having popularized the CIC model the team of CIC had to cope with bureaucratic matters such as registration, checking annual reports, dealing with more phone calls, etcetera. A third theme that has been discussed relatively often is the amendments to the CIC model. After a period of introduction and announcing possible changes in 2009, the topic declined in interest the following years. In those years amendments were discussed, tested and support had to be created. The year 2011 saw an uprising of the theme as changes were made to the CIC model (share dividends were changed). Two years later the Regulator announced to *make more changes (2013)* in order to make CICs *more marketable (2013)*. Therefore an uprising of this theme can be seen in 2013.

![Development of themes per year](image)

*Figure 10: The development of the different themes over the years.*
The other three themes (Creation of legal form, change of personnel, uprising of NHS) were relatively fewer mentioned in the annual reports. However, despite their relative lack of occurrence, a few things still stand out. The chronological order of the appearances follows a logical order. The theme connected to the creation of the legal form only occurs in the first four years, namely 2006-2009. After this period of time, there is no reference to its creation. This has probably happened because after this period of time, the CIC legal form could be considered as well developed construction that does not need any direct references to its creation any more. The second theme that stands out is the uprising of NHS. This is synonym to the healthsector converting profit companies to a CIC form. Its first reference occurred in 2012, and mentioned in the following years. The final theme, change of personnel, is first seen in 2006 with the installation of the first regulator. Already in 2008 the new regulator, Sara Burgess, is installed. As a consequence she writes the new annual report and therefore devotes attention to the change in leader. Finally, in 2011 another change in the team takes place as one of the early members leaves the office.

**Mythopoesis**

As can be seen in figure 11 attention with the mythopoesis is mostly been devoted to the amendments to the CIC model, awareness creation and managing the growth of CICs. Looking into more detail at the texts reveals the changes that were made over the years within these themes.

Mythopoesis on the amendments to the CIC model were firstly constructed by procedural matters. These procedural matters are appointed by *revision of our forms* (2006), *public record of company information that serves as a window to the world* (2008) and a focus on *an efficient and effective integrated approach to regulation* (2009). In later years amendments to the CIC model were not directly appointed but indirectly by mentioning that *more complex companies* (2012). Also the regulator mentions how social enterprises are evolving and on how to *raise and maintain* (2014) the CIC model. Finally, the regulators points out that when a consultation was made on future possibilities one thing became clear: *‘This was the time to change’*(2014).

Another theme often used within the mythopoesis strategy is the creation of awareness. This theme has seen a remarkable change over the years. In the first years the seeming endless
possibilities of a CIC were mentioned. By naming the possibilities such as providing help and assistance to elderly, children with special needs, running restaurants, buses, recycling centres (2006), but also by naming where CICs are registered such as the length and breadth of the country (2006), the Regulator emphasizes that the CIC model is already well known for its wide use. By adding that possibilities of its appliance are only limited by imagination (2006) the Regulator frames the CIC model not just like a ordinary non-profit model, but as a legal form that can be used in any situation, including for-profit situations. These paragraphs are primarily devoted to current CIC companies. Over the years the attention changed to the entire country. For example to raise awareness of the CIC model through the UK (2010) and trusted by society (2010) as well as the role CICs play in the Big Society (2011). Ultimately, the Regulator even discusses the role of the CIC around the world (2014). Lastly, the regulator also considers the way the CIC model is seen by people around the country. As time goes by in different ways is referred to the CIC. For example by referring to CIC brand (2011) and trusted model (2014).

Another theme that played an important role is the managing of the growth. The number of registered companies has constantly been growing since the legislation came into force in 2005. Due to this increase, also the workload has increased over the years. In the first years attention has been devoted to this topic by narrivating by our team has been working incredibly hard (2008). Also the exciting year (2009) in combination with the rise of registrations to almost 3.000 in 2008. In the period from 2009 until 2011 the focus shifted.
within mythopoesis towards how the economic crisis had its impact on the growth of CICs. Although the crisis had its impact, there were positive matters to mention. Such as that the registrations have continued to increase (2011). Further narrativization takes place by writing about the uncertainty of what the future will bring (2011). Nevertheless, is reported that the future is seen optimistic (2011) although times are tough and there are often unexpected obstacles (2011). Finally, in the last two years of the publication of annual reports the impact of changes to share dividends, performance related interest (2013) and the diminishing of resources (2014) were reported. These impacts were narrated by referring to by providing insight in the efforts of the team. For example the poor old photocopier nearly passed out (2013), the impacts of the changes on the team and the consistent quality it should deliver, the changes were legitimated.

In all, authorization contributed to the legitimation of CICs, by primarily covering the topics of managing growth, creating awareness and the changes to the CIC model. Narratives on the amendments to the CIC model initially focused on specific features of the CIC model and specific procedures to change, and later on this developed into the use of more overarching words. Creating awareness was in the early years done by summing up the seemingly endless possibilities to enthuse interested people who are already active within the scene. Later on, when the possibilities are known, the attention shifts to reaching the entire country. Finally, managing the growth was narrated by describing the effort had been put in, to make a smooth experience by the CICs possible.

**Authorization**

The legitimacy strategy authorization is primarily connected to the themes of managing growth and the amendments to the CIC model (figure 12).

Within the theme of managing growth, authority is obtained by over the years by referring to the Regulator and its team in different manners. In the early years is emphasized how approachable the regulator is. By using phrases like direct contact (2006), the service people get (2007) and how approachable, helpful and comfortable (2007) place the office is, the regulator frames the office as a place that can manage the expected growth as well as it is a listening organization. Although the focus remains at the service of the office, as a manner of acquiring authority, in later years the attention shifts towards formality. In later years work
patterns (2011) are reviewed, as well as that people within the team had a better understanding of their role (2011). Finally, the regulator emphasizes how capable and professional the team is by using words such as Code of Practice (2013), systems and procedures (2013). This gives the reader of the annual report a feeling of how detailed the office works and how well prepared they in case of alterations. Another major point how the office obtains authority within this theme is by ticking off the possibilities the regulator has. As in the beginning authority is mainly obtained through the service the regulator offers in combination with the legislation that came into force. In 2014 for the first the regulator mentions that full powers (2014) did not have to be applied yet, referring to what kind of authority the regulator is capable of exercising.

Another theme through which authority plays a role is the amendment to the CIC model. Within this theme in particular the network of the regulator plays an important role. Some of its partners in the process are the government (2006), Registrars of Companies (2007, Third Sector (2010), Department for Business, Innovation and Skills (2012), Secretary of State (2014). This way the regulator legitimizes first of all the broad and varied network it possesses, but also how much effort has to be put to realize the changes to the CIC model.

The other themes, which include the creation of the legal form, change of personnel and creation of awareness were less used over the years. The trend within these themes that legitimation of primarily acquired by, just like the definition of authorization, referring to persons or law. Until 2009 is referred to the legislation that came into force as a manner to create authority. In later years the network of the regulator is used. By then the regulator has met young to the not-so-young and has had visitors, including a minister (2013).

In all, authorization contributed to the legitimation of the CIC model by primarily covering the topics of managing growth and legitimation of changes to the CIC model. The latter is legitimated by emphasizing the network the regulator consists of, indirectly showing the influence and authority of the regulator. The managing of growth was legitimated by firstly referring to how approachable the regulator, team and office is. In later years is referred to the professionalism of the team and the procedures and actions the Regulator can undertake.
Rationalization

This type of legitimation strategy changes over the years from a focus on the creation of the legal form and the change of personnel towards the creation of awareness (figure 13). One has to be cautious though with generalizing and making conclusions since the number of occurrences is rather low. References in this type of strategy all incorporate a number or a specific date. As a consequence the regulator uses a rather factual manner of writing. Examples within the topic of the creation of the legal form are on 1 April 2005 (2006) and on 1 July 2005 (2006), from 25 July 2005 (2006). The same happens when a new regulator is appointed, On 14 September..appointed me as.. (2008) or when when changes were made to the CIC model; On 6 April 2007 (2008). This creates an image of a well-informed organization vastly improving and expanding. The creation of awareness took primarily place by providing numbers such as 2000th CIC (2009), pass the 6.000 mark (2012) and over 10.000 companies (2014). These numbers were rounded and not specific. In combination with the ‘pass’ and ‘over’ and image is portrayed of how well the registrations are going.
In all, rationalization contributed to the legitimation of CICs, by emphasizing the official steps that were taken on specific dates, thereby showing two improvements. On the one hand the how well the CIC model is routed within legislation in the UK and secondly, the forward going process of the organization.

![Development of rationalization](image)

*Figure 13: Development of the themes within the legitimation type rationalization*

**Moralization**

Although this type strategy was least used, it still covered four out of six themes (figure 14). In all of these themes the purpose of the social side of a CIC stood central. When comes to the effect on the community examples are the *identifiable need* (2006), or the *help and assistance* (2006) to create awareness. However, even with amendments to the CIC model moralization played on important role. This is considered a rather difficult topic since it involves a dynamic between social purposes and finance. First the regulator defends the existence of the ability to issue shares by stating *it should be there* (2007) as it allows for the local community to raise finance. Furthermore the regulator assures that the asset lock makes sure *any surpluses..benefit the community* (2007) to avoid creating discussions on this topic. This image, where money within a CIC company is used for the right purpose, is carefully managed by the regulator. Within the topic of managing the growth of CICs, is referred to always staying in line with the *ethos of the brand* (2009). Finally, the regulator had to find a way to satisfy two camps with the uprising of companies like NHS. One the one hand CICs coming from a voluntary model had to be satisfied, but also these new companies that
originated in the commercial sector. To deal with both, the purpose and defining of a CIC is repeated and recalling that “once a CIC, always a CIC” (2013) also applies for public spin outs, lotteries (2013).

In all, moralization dealt with legitimation of CICs, by emphasizing the social purpose of a CIC, by creating an image the community would always come first regardless the origin of the CIC.

![Development of moralization](image)

*Figure 14: Development of the themes within the legitimation type moralization*
5. Discussion

This research has revealed insight into how discursive legitimation takes place by government. By looking into detail how text in annual reports evolved over the years improved knowledge on the functioning of language in acquiring legitimacy. In order to put conclusions and recommendations into perspective and overview the context of the research as well as some shortcomings are mentioned below.

Drawing upon work by van Leeuwen (1999), four legitimacy strategy types were investigated. Discussing and comparing results with previous research does not reveal any further insight, if the context of the research is taken into consideration. The foundation of research on discursive legitimation can be found in the work of van Leeuwen (1999). The research that followed, took place in the context of mergers & acquisitions (Vaara, 2010), industrial restructuring (2006) and actions by multinational corporations (2008). This research, in contrast, was carried out within the context of the introduction of a new legal form for social enterprises. Therefore, insights on how the different legitimation strategies were set in does not give comparison material for the case used in this study. The particular results found have to been seen within this setting.

The findings do however provide a food for thought. Firstly, the results are in line with the current thought that legitimation can be seen as a recursive process (Vaara, 2010). This research shows that the acquiring of legitimation is not merely a phase, but rather an ongoing process. It does however change over time, looking at the different strategies used. Secondly, it provides a new view on obtaining legitimacy by social enterprises (Ruebottom, 2013). Social enterprises were found to use protagonist and antagonist themes in order to acquire legitimacy. From the perspective of the government as regulator for social enterprises a more neutral point of view is taken in. In this study legitimacy is obtained by looking for positive outcomes for newly established CICs. Regardless whether these new companies originated from a voluntarily side or a commercial side.

As with many other research studies, this study also has some shortcomings. There are four major points to consider. First, only the annual reports were analyzed with a focus on the foreword written by the Regulator. As a consequence other sources of direct communication
directly by the regulator were left out of this research. These texts could however provide an advanced look into the communication strategies by the regulator. Also the amount of text was relatively few compared to other studies. Secondly, in this study publications by the regulator were analyzed. How this communication was perceived by the community was not a topic in this research. Thirdly, the predefined theoretical framework provided specific strategies. This limited the research to the four predetermined strategy types. It could be however that other, or minor strategies, are also at work. These kind of strategies could be constructed by performing a even more detailed analysis. Finally, the inability to generalize the results can also be considered as a shortcoming of this study. This is mainly due to the data and the topic were very specific. Also the context of the study plays an important role in this shortcoming. For example a country with a different institutional policy or in a different sector could reveal completely different results. These shortcomings reveal some point for further research.

Next to the abovementioned possible research options, two other options can be taken into consideration as well. Firstly, the relationship between the player that wants to legitimize and the beholder of legitimacy could be an interesting topic for further research. Current research focused on one of both sides, thereby creating interesting research topics on the dynamics between these two. Secondly, further research topics could include the different discourse types. Due to restrictions on this study this was not a topic that was included.
6. Conclusion

Primarily, the aim of the thesis was to investigate how legitimation strategies were carried out in an institutional field and in particular how legitimacy was obtained by analyzing sources directly linked to the legitimizer.

Answering the question how institutional organizations legitimize new legal forms using discursive strategies, this research showed that mythopoesis and authorization were the two most used types of strategy. Furthermore, the analysis revealed that mythopoesis declined in number of occurrences, whereas authorization showed a rising profile. The two least used strategy types were moralization and rationalization. In total six different themes were identified. Initially creating awareness for the new legal form was leading in the annual reports. Other important themes included managing the growth of the number of CICs and the amendments on the CIC model. Finally, the different trends between the themes and legitimation strategies were analyzed. This revealed the connection between mythopoesis and the creation of awareness. Authorization was showed a positive development with the topic of amendments to the CIC model.

With the results this research made its contribution in different ways. Theoretically speaking this research extended the knowledge on legitimation. It is the first known research that analyzed texts published by institutional players. In previous research sources were mainly acquired by analyzing articles produced by the media. Furthermore, it provides new insights into the dynamics of legitimation thereby extending current knowledge on institutional research. In particular, this research has demonstrated how the different legitimation strategies were used as means to legitimate through sometimes difficult decisions, such changes to the dividend cap.

Practical implications were found as well, providing extended knowledge for professionals in the field of policy building, communication experts. The research revealed the development of the different legitimating strategies and the way it responded to the situations. Primarily, institutions had a relative neutral position.
The method of the study consisted of a Critical Discourse Analysis (CDA), which was applied to the set of annual reports released by the Regulator of Community Interest Companies (CIC). These annual reports covered the time span of the existence of CICs, namely between 2006-2014. The objectives were to reconstruct how the regulator legitimized the new kind of legal form that was created. By applying CDA a multilevel, qualitative method was applied which led to results that provide new insights into discursive legitimation. By following the methodology of CDA, first an overview of historic actions was provided. This led to an indication of the main themes that were subject of discussion over the years. Thirdly, text were analyzed by coding to the different legitimation strategies. Finally, analysis revealed the relationship between the themes and legitimation strategies.

This study provides insight into how legitimation was obtained by the government. Though it has been done as careful and precise as possible, some shortcomings were still found. These primarily originated in the type of sources and the context of the study. Finally, further research possibilities have been provided.
References


