

# Distinct Approaches Utilized by Leaders to Defend Organizational Legitimacy

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Leadership plays an important role in shaping and organizing an institution's culture. Leaders are responsible for selecting and implementing strategies that are compatible with the organization's values, practices, and social environment. The successful execution of a strategy requires cultural alignment because employees and other organizational members must understand, accept, and support the intended direction.

Organizational culture does not remain fixed. It responds to changes in the external environment, including new regulations, stakeholder expectations, professional standards, technologies, social values, and competitive pressures. As these conditions change, leaders may need to adjust organizational policies, practices, structures, and communications to maintain public confidence.

One of the most important challenges facing leaders is defending organizational legitimacy. Organizational legitimacy refers to the general perception that an organization's actions are appropriate, desirable, and acceptable within a socially constructed system of norms, values, beliefs, and expectations (Suchman, 1995). An organization is considered legitimate when important stakeholders believe that it behaves in a reasonable and socially acceptable manner.

Legitimacy is not determined entirely by the organization itself. It is granted by external and internal audiences, including employees, customers, investors, regulators, professional associations, community members, suppliers, and the general public. Leaders can influence these perceptions, but they cannot control them completely.

Organizations generally defend legitimacy through two related approaches:

1. Substantive management
2. Symbolic management

Substantive management involves genuine changes to organizational goals, structures, processes, resources, leadership arrangements, and operating practices. Symbolic management focuses on how organizational decisions and activities are explained, presented, interpreted, and understood by stakeholders.

The two approaches should not be treated as completely separate. Leaders frequently combine substantive improvements with symbolic communication. Real organizational change may be misunderstood if it is not communicated effectively, while persuasive communication will eventually lose credibility if it is unsupported by meaningful action.

# Why Organizational Legitimacy Matters

Organizational legitimacy is an important resource because it affects whether stakeholders are willing to support an institution. A legitimate organization is more likely to attract employees, customers, investors, suppliers, community cooperation, and regulatory approval. Stakeholders are more willing to provide resources when they believe the organization operates responsibly and consistently with accepted standards.

Legitimacy also reduces uncertainty. Stakeholders cannot personally investigate every organizational decision, policy, or process. They therefore depend on visible signals, professional standards, regulatory compliance, reputation, and previous conduct when deciding whether an organization deserves trust.

An organization may lose legitimacy when its conduct conflicts with stakeholder expectations. A legitimacy challenge can arise from misconduct, poor performance, leadership failure, regulatory violations, unsafe practices, environmental damage, discrimination, financial instability, or misleading communication. It can also arise when social expectations change even though the organization's practices remain the same.

For example, an employment practice that was once widely accepted may later be viewed as unfair or discriminatory. A business that does not adapt may lose legitimacy even if it has not formally changed its procedures. Leaders must therefore monitor both organizational behavior and changes in the wider social environment.

Suchman (1995) identifies three broad forms of legitimacy. Pragmatic legitimacy is based on the direct interests of stakeholders, such as whether the organization provides useful benefits. Moral legitimacy depends on whether the organization's conduct is judged to be ethically appropriate. Cognitive legitimacy develops when the organization becomes understandable, familiar, or taken for granted as a necessary part of society.

These forms may overlap. An organization may be valued because it provides practical benefits, respected because it behaves responsibly, and accepted because its presence has become familiar. Leaders must understand which form of legitimacy is being challenged before selecting an appropriate response.

## Substantive Management of Organizational Legitimacy

The substantive approach demonstrates that an organization is willing and able to make genuine changes. It involves modifying organizational goals, structures, procedures, resources, leadership arrangements, or institutionalized practices to improve alignment with stakeholder expectations.

The original discussion suggests that substantive action shows management's interest in adapting to new initiatives, organizational goals, and cultural change. For example, leaders may restructure departments, promote qualified employees, replace ineffective managers, recruit people with new capabilities, or redesign decision-making procedures.

However, replacing employees or managers should not be treated as the only evidence of meaningful change. Substantive management may also include introducing new safety procedures, improving working conditions, changing incentive systems, investing in employee development, strengthening internal controls, or redesigning products and services.

Ashforth and Gibbs (1990) identify four major substantive practices through which organizations pursue legitimacy.

## Role Performance

The first substantive practice is role performance. This means meeting the performance expectations associated with the organization's social and professional role.

Every organization is expected to perform certain responsibilities. Hospitals are expected to protect patients, universities are expected to educate students, financial institutions are expected to protect customer funds, and manufacturers are expected to provide reasonably safe products. An organization strengthens legitimacy when it performs these expected roles competently and responsibly.

Leaders must first identify what stakeholders expect from the organization. They can then evaluate whether existing policies, resources, and practices allow it to meet those expectations. If performance is inadequate, substantive changes may be required.

For example, if customers criticize a company for unsafe products, the organization cannot restore legitimacy merely by stating that safety is important. It may need to redesign the product, improve testing, strengthen quality controls, retrain employees, and establish a more effective reporting system.

Role performance connects legitimacy with actual outcomes. Stakeholders are more likely to trust an organization when its conduct consistently matches its stated purpose.

## Coercive Isomorphism

The second substantive practice involves coercive isomorphism. This occurs when organizations modify their structures or procedures in response to formal and informal pressures from governments, regulators, investors, parent organizations, professional bodies, or other powerful

stakeholders.

DiMaggio and Powell (1983) explain that coercive pressures can cause organizations operating in the same environment to become more similar. They may adopt comparable policies, reporting systems, governance structures, or compliance programs because they face similar legal and institutional demands.

In the original article, this practice is described as ensuring that the organization conforms to the beliefs and values of investors and organizational members. This idea is valid but requires clarification. Coercive isomorphism involves more than voluntarily agreeing with stakeholder values. It arises when stakeholders possess enough power or authority to pressure the organization into adopting particular practices.

For example, a regulator may require a company to establish stronger financial controls. Investors may demand independent board oversight, while a major funding institution may require evidence of environmental or social responsibility. Compliance with these expectations can strengthen legitimacy because it demonstrates that the organization recognizes accepted standards.

However, leaders should avoid treating compliance as a purely ceremonial exercise. Policies adopted under pressure must be implemented in practice. An organization that publishes a formal policy without changing actual behavior may achieve only temporary symbolic legitimacy.

## Altering Resource Dependencies

The third substantive practice involves changing the organization's resource dependencies. Organizations depend on external parties for capital, labor, supplies, information, political support, technology, and access to markets. Those who control important resources can influence organizational behavior.

The original article describes this practice as changing resources by mixing the investors and stakeholders on whom the organization depends. A clearer explanation is that leaders may diversify or restructure the organization's relationships to reduce excessive dependence on one stakeholder group.

For example, an organization that depends on a single investor may be highly vulnerable to that investor's demands. Leaders may seek additional investors, funding sources, suppliers, or strategic partners. A company criticized for relying on an unethical supplier may change suppliers or establish stricter sourcing requirements.

Pfeffer and Salancik (1978) argue that organizations are influenced by the external actors controlling the resources they require. Leaders may respond by reducing dependence, building alliances, negotiating new relationships, or finding alternative sources.

Changing resource relationships can strengthen legitimacy when it reduces conflicts of interest or allows the organization to respond more effectively to stakeholder concerns. However, simply adding new stakeholders does not guarantee legitimacy. Leaders must consider whether the new relationships are consistent with organizational values and long-term objectives.

## Altering Institutionalized Practices

The fourth substantive practice is changing socially institutionalized practices. This occurs when leaders modify established organizational procedures to bring them into closer alignment with accepted social expectations.

The original article refers to changing institutional practices by imitating practices associated with desired organizational outcomes and expectations. This idea relates partly to institutional isomorphism. Organizations often adopt practices that are widely accepted within their field because those practices signal competence and responsibility.

For example, a company may adopt recognized quality-management standards, independent auditing procedures, employee-protection policies, environmental safeguards, or professional certification systems. These practices can improve both performance and legitimacy.

Imitation is not automatically negative. When organizations face uncertainty, learning from respected institutions can provide a useful model. DiMaggio and Powell (1983) describe this process as mimetic isomorphism. Organizations imitate others that appear successful or legitimate.

Nevertheless, leaders should not copy practices without considering their suitability. A policy that works in one institution may fail in another because of differences in size, resources, technology, culture, or stakeholder needs. Substantive change requires adaptation, implementation, evaluation, and continued improvement.

## Symbolic Management of Organizational Legitimacy

Symbolic management focuses on how an organization's conduct is presented and interpreted. Unlike substantive management, it does not necessarily involve deep changes to core operations. Instead, leaders use language, symbols, ceremonies, explanations, public commitments, and visible actions to influence stakeholder perceptions.

The original article describes symbolic management as changing how the organization appears rather than changing it at a deeper level. This description captures one form of symbolic management but is incomplete. Symbolic action is not always false or deceptive. Organizations need communication to explain genuine changes, clarify decisions, and show how their conduct aligns with accepted values.

Symbolic management becomes problematic when leaders use communication to conceal misconduct or create an appearance of responsibility without meaningful action. When used ethically, however, symbolic strategies help stakeholders understand organizational goals, values, constraints, and reforms.

Ashforth and Gibbs (1990) identify six symbolic practices used in organizational legitimation.

## Espousing Socially Acceptable Goals

The first symbolic practice involves publicly supporting socially acceptable goals while the organization may also pursue objectives that are less acceptable to stakeholders.

Organizations frequently describe their goals using values such as service, sustainability, innovation, fairness, safety, and social responsibility. These statements help connect organizational activities with widely accepted expectations.

For example, a business may describe a restructuring program as an effort to improve efficiency, customer service, and long-term stability. These goals may be genuine, but the organization may also be trying to reduce costs or increase managerial control.

Multiple goals are not necessarily dishonest. Organizations often pursue financial, operational, social, and ethical objectives at the same time. The problem arises when leaders emphasize acceptable goals to conceal harmful or controversial intentions.

Ethical leadership requires reasonable consistency between public commitments and actual decisions. If leaders repeatedly promote social responsibility while rewarding conduct that contradicts that commitment, stakeholders may perceive the organization as hypocritical.

## Denial and Concealment

The second symbolic practice includes denying that a questionable activity occurred or concealing unfavorable information from stakeholders.

The original article describes this practice as keeping activities and outcomes confidential and denying that an activity is taking place. Although organizations may have legitimate reasons to protect confidential information, such as employee privacy, commercial secrets, or legal obligations, concealment should not be used to hide misconduct.

Denial may sometimes be appropriate when accusations are false or unsupported. Leaders have a responsibility to correct inaccurate information and protect the organization from unjustified criticism. However, denying well-supported problems can intensify a legitimacy crisis.

Ashforth and Gibbs (1990) warn that excessive legitimation efforts can create a “double edge.” When an organization protests too strongly or makes implausible denials, stakeholders may become more suspicious and interpret its response as evidence of manipulation.

Leaders should therefore distinguish between protecting legitimate confidentiality and hiding information that stakeholders have a reasonable right to know. Transparent explanations are generally more sustainable than misleading denials.

## Redefining Means and Ends

The third symbolic practice involves reframing the organization’s methods, goals, or outcomes to influence how stakeholders interpret them.

The original text refers to reframing organizational means and influencing stakeholder interpretation. This practice allows leaders to explain a disputed action from a different perspective.

For instance, closing an inefficient department may be presented not merely as cost reduction but as an effort to redirect resources toward essential services. A technological change may be described as modernization rather than replacement of human work.

Reframing can help stakeholders understand the broader purpose behind a difficult decision. Leaders may need to explain constraints, competing priorities, or long-term benefits that are not immediately visible.

However, reframing should not distort facts. Calling harmful conduct by a more favorable name does not change its effects. Ethical reframing provides context without denying consequences or misleading the audience.

## Offering Accounts and Justifications

The fourth symbolic practice is offering accounts. An account is an explanation, excuse, or justification intended to clarify why an organization acted in a particular way.

When stakeholders question an organizational decision, silence may be interpreted as avoidance. Leaders may therefore explain the information available at the time, the constraints influencing the decision, the alternatives considered, and the expected outcomes.

Elsbach (1994) found that organizational spokespersons can use verbal accounts to manage perceptions following controversial events. The effectiveness of these accounts depends on their form, content, audience, and the nature of the controversy.

A strong justification does not merely defend management. It explains the reasoning behind the

action and shows how the decision relates to accepted organizational or institutional values. Leaders should also recognize legitimate stakeholder concerns rather than treating every criticism as uninformed.

Accounts become ineffective when they are inconsistent, overly technical, defensive, or disconnected from visible evidence. A credible explanation must be supported by facts and organizational behavior.

## Acknowledgment and Apology

The fifth symbolic practice involves acknowledging an unfavorable event and accepting responsibility where appropriate. The original article correctly identifies acknowledgment of negative incidents as an important leadership response.

Acknowledgment can be more effective than denial when stakeholders already possess convincing evidence that a problem occurred. It demonstrates that leaders recognize the seriousness of the event and are willing to address its consequences.

An effective organizational apology should identify what happened, express regret, accept appropriate responsibility, explain corrective action, and indicate how similar problems will be prevented. A vague statement that merely regrets stakeholder feelings may be perceived as evasive.

Acknowledgment alone is not sufficient when substantive change is required. If leaders apologize but leave the underlying problem unchanged, the apology may appear performative. Symbolic acknowledgment should therefore be followed by investigation, compensation where appropriate, policy reform, or another meaningful corrective response.

## Ceremonial Conformity

The sixth symbolic practice involves adopting highly valued structures, policies, or practices that are only loosely connected with the organization's core operations. This is known as ceremonial conformity.

The original article describes this practice as adopting favorable practices from the perspective of organizational members while keeping them separate from the organization's central technologies. This reflects the idea that formal structures may be adopted to demonstrate conformity even when they have little influence on daily work.

Meyer and Rowan (1977) explain that organizations often incorporate socially approved structures because doing so increases legitimacy, resources, and prospects for survival. These structures may sometimes become loosely coupled from actual operational activities.

For example, an organization may establish an ethics committee, publish a diversity statement, or

create an environmental policy primarily because stakeholders expect such practices. These actions may initially be symbolic, but they can still become meaningful if leaders provide authority, resources, and accountability.

The danger arises when the organization maintains an impressive formal structure while ignoring it in practice. Ceremonial adoption without implementation can create a gap between appearance and reality.

## Combining Substantive and Symbolic Actions

In practice, it is often difficult to distinguish completely between substantive and symbolic leadership actions. Organizational leaders usually combine them.

A substantive change may include restructuring investor relationships, strengthening stakeholder partnerships, taking operational risks, replacing ineffective managers, or introducing new policies. Symbolic actions may then be used to explain and justify these changes.

For example, an organization responding to a safety crisis may substantively redesign its procedures, invest in equipment, retrain employees, and establish independent oversight. At the same time, leaders may hold meetings, issue public explanations, acknowledge failures, and communicate the values guiding the reform.

The substantive actions address the underlying problem. The symbolic actions help stakeholders recognize and understand the response. Without substantive change, communication may appear manipulative. Without symbolic communication, meaningful reforms may remain invisible or misunderstood.

The relationship between the two approaches is therefore complementary rather than strictly oppositional. Leaders must align what the organization does with what it says.

## Risks of Relying Too Heavily on Symbolic Management

Symbolic management may produce short-term benefits because it can shape public interpretation quickly. However, overreliance on symbolic action creates serious risks.

Stakeholders may compare organizational statements with observable behavior. If they identify repeated inconsistency, trust can decline more sharply than it would have if the organization had communicated honestly from the beginning.

Ashforth and Gibbs (1990) describe organizational legitimation as double-edged because vigorous

attempts to appear legitimate may produce the opposite result. Excessive self-praise, repeated denials, ceremonial commitments, and defensive explanations can make stakeholders suspect that the organization is insecure or manipulative.

Symbolic actions are especially risky during a crisis. Leaders may feel pressure to respond immediately, but premature statements can create contradictions when additional evidence emerges. A more responsible approach is to acknowledge what is known, explain what remains uncertain, and commit to providing verified information.

Symbolic management should support genuine organizational responsibility rather than substitute for it.

## Leadership, Culture, and Legitimacy

Organizational legitimacy is closely connected with culture because culture influences how employees interpret and implement leadership decisions. A formal policy may have little effect if informal norms reward conflicting behavior.

Leaders defend legitimacy internally by establishing expectations, allocating resources, rewarding ethical conduct, and responding consistently to violations. Employees observe not only formal statements but also which behaviors are promoted, tolerated, or punished.

A leader who announces a commitment to transparency while discouraging employees from reporting problems creates cultural inconsistency. Similarly, an organization that promotes customer safety but rewards employees only for speed or sales may unintentionally weaken its substantive commitment.

Cultural synchronization means ensuring that strategy, values, incentives, routines, and leadership behavior support one another. It does not mean suppressing disagreement or forcing every employee to think identically. Constructive criticism can help an organization identify emerging legitimacy problems.

Leaders should create channels through which employees can raise concerns without fear of retaliation. Internal stakeholders often recognize operational problems before they become public crises.

## Stakeholder Engagement

Defending organizational legitimacy requires direct engagement with stakeholders. Leaders should not assume that they already understand every group's expectations.

Dialogue with employees, customers, investors, regulators, suppliers, and communities can provide valuable information about emerging concerns. Engagement helps leaders understand how

organizational actions are interpreted and whether formal policies are producing their intended effects.

Stakeholder engagement should be more than a ceremonial consultation. Leaders should explain how feedback influenced decisions or why particular recommendations could not be adopted. Otherwise, consultation may appear symbolic and insincere.

Engagement can also help leaders anticipate legitimacy challenges before they escalate. Early concerns may reveal weaknesses in policies, communication, or performance that can still be corrected through relatively modest substantive changes.

## Ethical Use of Legitimacy Strategies

Responsible leaders must distinguish legitimate persuasion from manipulation. It is appropriate to explain decisions, clarify constraints, correct inaccurate claims, and demonstrate alignment with accepted norms. It is not appropriate to use symbolic strategies to conceal harmful practices, mislead stakeholders, or delay necessary reforms.

Transparency, accountability, and consistency between words and actions are essential. Leaders should communicate what has changed, why it changed, who is responsible for implementation, and how progress will be evaluated.

Ethical leadership also requires recognizing when stakeholder criticism is justified. Defensive communication may protect the organization temporarily, but openness to criticism can support learning and long-term legitimacy.

The strongest response to a legitimacy challenge normally combines honest acknowledgment, meaningful corrective action, clear communication, and continued evaluation.

## Legitimacy as a Dynamic Process

Organizational legitimacy is dynamic rather than permanent. An institution that is widely respected today may face criticism tomorrow if stakeholder expectations change or new information becomes available.

Social values evolve, technologies create new ethical questions, regulations change, and previously accepted practices may become unacceptable. Organizations must therefore monitor their environments and revise outdated practices.

Leaders should treat legitimacy management as a continuous process rather than an emergency activity used only during crises. Continuous learning, stakeholder engagement, environmental monitoring, and organizational adaptation help prevent gaps between institutional conduct and social

expectations.

An organization cannot rely indefinitely on its history or reputation. Legitimacy must be reinforced through current decisions and performance.

## Conclusion

Organizational legitimacy is a critical resource that enables organizations to operate effectively within their social environment. It is not granted automatically or permanently. It must be earned and maintained through alignment between organizational conduct and stakeholder expectations.

Leaders play a central role in defending legitimacy by selecting and implementing appropriate substantive and symbolic strategies. Substantive management focuses on genuine changes to organizational practices, structures, resources, leadership arrangements, and performance. Its four main practices include fulfilling expected organizational roles, responding to coercive institutional pressures, altering resource dependencies, and modifying institutionalized practices.

Symbolic management focuses on communication, interpretation, and presentation. Its six practices include promoting socially acceptable goals, denial or concealment, reframing means and ends, providing accounts and justifications, acknowledging unfavorable events, and adopting valued practices ceremonially.

These strategies are not isolated. Substantive actions provide the foundation for legitimacy by correcting underlying problems and improving organizational conduct. Symbolic actions help stakeholders understand those changes and interpret the organization's intentions. When used together responsibly, they reinforce each other and strengthen trust.

However, symbolic management without corresponding substantive change can damage credibility. Excessive denial, self-promotion, ceremonial conformity, or misleading reframing may cause stakeholders to view the organization as manipulative. Leaders must therefore prioritize genuine improvement while using communication to support transparency and accountability.

A responsible leadership approach also requires ethical judgment, stakeholder engagement, and continuous adaptation. Leaders must remain open to feedback and recognize that social expectations evolve. Practices that were once accepted may become outdated as values, technologies, and institutional standards change.

Organizations whose leaders act with integrity, communicate honestly, and align their words with meaningful action are better positioned to maintain legitimacy, stakeholder support, and long-term success.

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