Insightful empirical knowledge in grounded theory and historical organization studies

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SUMMARY

In this chapter we address questions regarding how knowledge, developed through empirical observation, is generated and recognized as insightful within management and organization studies. We focus particularly on grounded theory's pragmatic approach to generating knowledge but argue that this has assigned a privileged ontological position to proximate, real-time observations in the field over historical observations that are distributed over wider spans of time and space. We argue that this lack of attention to historical observation(s) limits the practical usefulness of grounded theory in management and organization studies. We suggest that recent work toward the development of historical organization studies as an emergent domain of scholarly inquiry holds promise for generating empirical knowledge that can help management and organization studies to achieve greater practical resonance based on a broader view of empirical observation. We explore how grounded theory can be

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problematized and adapted for generating insightful knowledge from historical observations.

INTRODUCTION

A research methodology is a set of underlying principles that guides the generation of knowledge from empirical observation (Kara, 2015; Silverman, 2020 [1997]). Such principles can focus, for example, on the general manner in which empirical observation is designed and conducted (e.g., Gioia, Corley & Hamilton, 2013), the meaning of specific methods of observation and analysis (e.g., Eisenhardt, 1989), the trustworthiness of specific forms of observation and analysis (e.g., Pratt, Kaplan & Whittington, 2020), or the preferred applications of empirically-derived knowledge (e.g., Burg, Cornelissen, Stam & Jack, 2020). As underlying principles, methodologies are generally taken-for-granted *within* a given domain of research practice. This taken-for-grantedness may be appropriate when research is situated within a single domain, but interdisciplinary research—including recent work that introduces historical methodologies into management and organization studies—requires the development of methodological reflexivity that can enable scholars to situate differing methodologies with respect to one another. Interdisciplinary research, thus, involves a process of situating sets of underlying principles across domains with the communicative intent of "reaching understanding" (Habermas, 1984, p. 286) within and across otherwise disparate domains.

In this chapter, we seek to develop such an understanding focused on the notion of insightfulness in the generation of knowledge. We explore how empirically-derived, insightful knowledge can be can be realized through methodology that is situated

simultaneously in both history and management and organization studies. When we use the words "insightful" and "insightfulness" in this chapter, we mean the ability to elicit knowledge that is understood to represent a useful or worthwhile achievement with a strong potential for resonance within management research and practice.

We argue that the need for precision and reflexivity regarding questions of insightfulness is particularly important when the empirical observations of a scholarly domain are routinely oriented toward either (1) real-time observations in the immediate field in which a phenomenon is instantiated and (2) toward historical observations that are distributed across wider spans of time and space. We observe that the generation and justification of insightful empirical knowledge from "grounded theory" (e.g., Glaser and Strauss, 1967) in management and organization studies (e.g., Locke, 2001; Suddaby, 2006; Gioia, Corley and Hamilton, 2013) have tended to privilege the former (i.e., proximate observations grounded primarily in interviews with participants in a field). But, in our view, the emergent methodological formulations of historical organization studies (e.g., Maclean, Harvey & Clegg, 2016; Maclean, Clegg, Suddaby & Harvey, 2021, Maclean & Harvey, Chapter 3) hold potential for developing a broader and more practical conception of insightful empirical knowledge in management and organization studies that is also attentive to the latter (i.e. to observations of phenomena that, by nature, extend beyond an observational field to encompass wider spans of time and space).

By comparing the underlying principles governing the generation of empirical knowledge that can be considered insightful for theory and practice, as described in these articulations of grounded theory and more recent historical organization studies,

we seek to identify methodological principles that permeate both. Such methodology, we argue, can enable the development and justification of a broader view of knowledge about management and organizations that can encompass phenomena that are stretched through time and space beyond the present, sensory experiences of the observer.

Furthermore, we argue that such an extended view of insightful empirical knowledge is critical for the ongoing success of management and organization studies as applied domains of knowledge. Despite grounded theorists' pragmatic approach to defining insightfulness (e.g., Glaser and Strauss, 1967; Locke, 2001)—much of the knowledge that has proven to be resonant in management practice has relied not only upon direct, field observation but also on broader historical modes of theory generation and elaboration (e.g., Chandler, 1993 [1977]; Christensen, 2013 [1997]; Collins, 2001; Freeman, 2010 [1984]; Mintzberg, 1978; Weick, 1993). For this reason, we focus specifically on how the means of generating knowledge of phenomena that are distributed across time and space can be made more accessible to a broader group of scholars who are working to generate theoretical knowledge from historical research. In this respect, we draw inspiration from the core ethos of grounded theory methodology that has focused explicitly on the development of a "rhetoric of [theory] generation" (Glaser and Strauss, 1967, p. 18) which can help to democratize, guide and justify the creation of insightful knowledge on the basis of research methodologies.

INSIGHTFUL EMPIRICAL KNOWLEDGE IN GROUNDED THEORY AND IN HISTORY

A research methodology is concerned with the ways in which empirical observations are and should be organized in a research process (Kara, 2015). Such

organization—informed by theory—is the means through which inchoate observation becomes rationalized as knowledge (Silverman, 2020 [1997]). Unlike methodologies that focus predominantly on the verification of hypotheses, grounded theory is closely related to theorization itself insofar as it adopts as its overarching goal the abductive development of theory with and from empirical observation (Reichertz, 2007).

Grounded theorists use the term *theory* to denote the intellectual architecture through which sensory experience is organized so as to constitute empirical observation. So, while debate persists within management and organization studies regarding the meaning, importance and forms of theory (see, e.g., Suddaby, 2014a) grounded theorists have adopted a broad view of the nature of theory. For grounded theorists, theory exists in the "middle range" between essentialist "grand theories" (construed as universal laws) and the new-to-the-world chaos of unmediated sensory experience (e.g., Merton, 1968). Theorizing is, thus, an instantiation of disciplined imagination that enables the observer to *describe* and, in some manner, *explain* an identifiable set of observations as a phenomenon that can be characterized with and through language (Weick, 1989; 1995). It is for this reason that Suddaby (2014b, p. 407) writes "theory is simply a way of imposing conceptual order on the empirical complexity of the phenomenal world".

The fundamental methodological question of grounded theory is the manner in which such conceptual order is established in empirical observation. American sociologists Barney Glaser and Anslem Strauss believed that sociological research of the mid-twentieth century was characterized by "too great an adherence to verification as the chief mandate for excellent research" (1967, p. 2). As they saw it, sociologists

were far too deferential to Weber, Durkheim, Marx, etc., who established the "grand theories" which everyday sociologists worked to validate, verify, falsify, or modify. If empirical knowledge had to be justified in research based on "a rhetoric of verification" (p. 7) then sociology was, in Glaser and Strauss's view, an intellectual pyramid scheme where established authorities acted as "'theoretical capitalists' to the mass of 'proletariat' testers, by training young sociologists to test their teachers' work but *not* to imitate it" (pp 10-11).

Instead, Glaser and Strauss (1967) sought to articulate a "rhetoric of [theory] generation" (p. 18) that could justify empirical observation as insightful knowledge on the basis that explanations of phenomena were "systematically worked out in relation to the data during the course of the research" (p. 6) and, therefore, broadly resonant "to laymen and colleagues alike" (p. 30). In this sense, the aspiration of grounded theory is that "the people in situations for which a grounded theory has been developed can apply it in the natural course of daily events" (p. 249).

Given that grounded theory has defined what we are terming insightful empirical knowledge using such practice-focused criteria, it is not surprizing that it has become a dominant methodology for qualitative research in management and organization studies. After all, management and organization studies are applied disciplines which aspire to, ultimately, generate knowledge that can inform the ways in which management and organization are conducted in the world. This notion of applied knowledge was, perhaps, best articulated by James Thompson (1956) who (as editor of the first edition of *Administrative Science Quarterly*) argued that "an administrative science will be an applied science, standing approximately in relation to the basic social

sciences as engineering stands with respect to the physical sciences, or as medicine to the biological" (p. 103). Grounded theorists concur and the methodology has become a dominant form of knowledge generation in scholarly domains such as nursing (e.g., Cutcliffe, 2000), education (e.g., Hutchinson, 1986) and social work (e.g., Oktay, 2012) which require knowledge that synthesizes insights among basic scientific and practical domains. It is for this reason that Locke (2003, p. 96) writes, grounded theory "with its insistence on pragmatic usefulness as a criterion of good theory, is particularly adept at bridging theory and practice, providing employees and managers a way to identify and institute changes that might improve their situations".

In this sense, the chief methodological principle governing the generation of empirical knowledge provided by grounded theory focuses on interpreting "the actual production of meanings and concepts used by social actors in real settings" (Gephart, 2004: 457) rather than on verifying theory which was generated by mere guesses or by logico-deductive reasoning from conceptual priors. It is in this sense that Suddaby (2006) argues that grounded theory is "most suited to efforts to understand the process by which actors construct meaning out of intersubjective experience" and focuses on "knowledge claims about how individuals interpret reality" (p. 634). Grounded theory, thus, follows the long sociological tradition of explaining "the subjective meaning of human action in context" (Weber, 2019 [1921], p. 79).

The role of "the field" in grounded theory's definition of insightful empirical knowledge

We adopt a stance of critical appreciation with respect to grounded theory—highlighting both those aspects of thought that we believe to be generative and also

foregrounding problems that we perceive in grounded theory's definition of insightful empirical knowledge. That is, as we see it, grounded theory has tended to assign a privileged ontological position to real-time, proximate observations in the field. The analytical toolkit developed by Glaser and Strauss (1967) is, in some ways, deeply ahistorical in the sense that it is geared primarily toward explaining observations that surface within the immediate sensory experience of the direct observer. Glaser and Strauss (1967, p. 226) idealize such observation writing "the field worker who has observed closely in this social world has had, in a profound sense, to live there. He has been sufficiently immersed in this world to know it". Grounded theorists assume that phenomena in the social world can be known, or at least interpreted, through up-close observation in the field.

It is perhaps for this reason that many methodological articulations of grounded theory prescribe systematic, analytical coding as a means through which observations can be organized using static, entitative idioms such as "conceptual categories" or "conceptual properties of categories" (Glaser & Strauss, 1967).[3] The most insightful of these categories are seen as those which apply to the largest number of units of analysis, termed "cases". that constitute discrete phenomena that are deemed to be part of the same conceptual category. The applicability and usefulness of conceptual categories is, in grounded theory research, established by "comparative analysis" (Glaser & Strauss, 1967, p. 28). By qualitatively comparing cases, theorists are enabled

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[3] Coding, as a means for identifying conceptual categories, is more central to Strauss and Corbin (1990) than to Glaser (1992). While Strauss and Corbin (1990) emphasize the importance of systematic coding, Glaser (1992) places relatively greater emphasis on the "theoretical sensitivity" of the scholar.

to "delimit a grounded theory's boundaries of applicability" (Glaser & Strauss, 1967, p. 24). The goal of such comparative analysis is not verification or validation per se but, rather, to expand the imagination to modify emergent conceptual categories. This is because, as Glaser and Strauss (1967) note, "a theory's only replacement is a better theory" (p. 28).

Grounded theorists observe a distinction between two types of conceptual categories: substantive and formal. Substantive categories reflect the empirically observed social categories at use in everyday life (e.g., customer, family, children's hospital, etc.) whereas formal categories are more systematic and symmetric in their conceptual composition (e.g., social action, legitimacy, identification, etc.). Most grounded theorists (at least in management and organization studies) tend to see substantive categories largely as an instrumental means for generating formal categories.

Gioia and colleagues (2013) codify this presumptive superiority of formal categories in their description of the process of grounded theorizing as an aggregation from "first order concepts" to "second order themes" and, ultimately, to "aggregate dimensions". In management and organization studies, the aggregate dimensions of Gioia's account generally represent formal categories insofar as they reflect systematic, technical language developed by scholars for the purpose of analysis. Such formal categories obtain privileged status within academic conversations insofar as they are understood to represent insightful observations upon which knowledge can be organized and structured to inform future research, teaching and practice. In this sense, formal categories are taken to be more insightful than substantive categories because

they have a greater capacity to explain systematically the underlying characteristics of a phenomenon that can be observed across comparative cases (Glaser and Strauss, 1967).

Whereas Glaser and Strauss (1967) use the term "field research" to describe real-time proximate observations of phenomena within a situation that is narrowly bounded in time and space, they use the term "library research" to refer to the analysis of historical phenomena using books and other source materials that they associated primarily with libraries. Notably, they argue that the basic principles of grounded theory can be applied directly and unproblematically to such historical research. However, in so doing they assume that the same basic system for conceptual organization used for field research can be applied in a straightforward manner to the analysis of historical phenomena that are distributed over wider spans of time and space. So, for example, they argue that the "various procedures, or tactics, available to the field worker for gathering data have their analogies in library research" (p. 176). They even argued rather dismissively that "historians have made a virtual fetish of chronology and narrative; we need neither be so compulsive about nor so enraptured with the temporal features of library data" (p. 180).

Many of the basic assumptions that make historical thinking and research possible are not always self evident to scholars educated in other methodological traditions. Of course, attention to time and narrative are more than simply a "fetish". And historians' attention to questions of context, time and change (e.g., Wadhwani, Kirsch, Welter, Gartner & Jones, 2020) are not the result of mere "compulsivity". Rather, we perceive subtle differences here in the underlying conceptions of the nature of insightful

knowledge and how this can be realized through empirical research. A narrow view of insightful knowledge places management and organization studies at risk of a narrow understanding of management and organizations. By making explicit the respective contributions *and* limitation of field-based and historical observations we see grounds for expanding definitions of insightful knowledge so as to encompass greater understanding. Indeed, our contention is that a view of insightful knowledge that excludes historical reasoning relegates many of the constitutive phenomena of management practice and organizational life *outside* of the purview of grounded theory.

Evident in Glaser and Strauss's (1967) exploration of the applicability of grounded theory to "library research" are some problematically narrow assumptions regarding the nature of insightful empirical knowledge and how this should be realized in social science research. On the one hand, they—and many subsequent grounded theorists—assume that insightful observations will be comprised by entities that exhibit stable characteristics in the social world such that they can be adequately described and explained using static, synchronic idioms such as "categories" and "properties of categories" (Glaser & Strauss, 1967). This assumption—informed by symbolic interactionism—makes sense when observations relate to the subjective interpretations of participants in some neatly-bounded aspect of the social world. For example, in Glaser and Strauss's (1965) case, the experience of terminally ill patients who had differing knowledge of their health status can be theorized categorically based on variability amongst immediate observations made by scholars in the field. But this assumption may not hold when the salient features of the phenomena under study are

inherently dynamic—such as the temporal variability involved in the emergence of new ventures or processes of organizational change.

Perhaps even more fundamentally, grounded theorists tend to assume that the phenomena under study will exhibit sufficient vibrancy and variability within the social world that they *can*—with sufficient exposure, analytical rigor and creativity—be noticed and observed in their own right and not merely as stable background characteristics or conditions of that world as a whole. This assumption is less likely to hold true for structural or cultural phenomena such as institutions that persist over extended periods of time by virtue of their cognitive legitimacy and taken-for-granted status (e.g., Barley & Tolbert, 1997; Berger and Luckmann, 1966).

By defining grounded theory in a fundamentally static, ahistorical manner Glaser and Strauss (1967) carved out a view of insightful empirical observation that, while helpful in many respects, nonetheless excludes many of the phenomena of greatest importance to management and organization studies. This is particularly the case in an era of grand challenges such as climate change, structural inequality, and residual colonialism (see, e.g., George, Howard-Grenville, Joshi & Tihanyi, 2016), which foreground the critical importance of taken-for-granted institutions that are only recognized and observed through imaginative processes that extend the mind into the distant past and future.

We believe that the broader aspiration and potential of Glaser and Strauss's (1967) work in translating the underlying ethos of grounded theory to historical methods was muted by the degree to which they assign privileged ontological status to observations in the field. The use of entitative idioms such as "categories" and

"properties" that they developed for use in field research—and the associated tools of analytical coding and the creation of data structures to clinically demonstrate processes of analytical abstraction from substantive categories to formal categories—are not well suited for the theorization of the dynamic, extended phenomena of primary interest to historians. Such tools and the methodologies can of course sometimes used or adapted to explain and justify historical observations. But the *standardization* of such grounded theoretical assumptions and tools in qualitative research in management and organization studies can also impose unnatural, unneeded and unreflexive requirements on the generation and evaluation of empirical research that is organized around the more narrative, processual idioms commonly favored in historical modes of explanation and theorization (see, e.g., Langley, 1999).

By defining grounded theory methodology in a way that privileged narrow field observations over forms of observation that are distributed over wide spans of time and space, we argue that Glaser and Strauss (1967) and many subsequent grounded theorists in management and organization studies carved out a relatively narrow, largely synchronic vision for the nature of insightful empirical knowledge. More troublingly for the future of management and organization studies, it would appear that a growing number of managers, entrepreneurs and other practitioners in organizations have come to believe that such a limited vision of empirical knowledge—one focused squarely on the here and now—is not a very far-seeing vision after all (e.g., Suddaby, 2014b).

The observation of phenomena that are distributed over time and space in historical research

Many of the most important practical concerns in management practice and

organizational life relate to temporally extended, processual phenomena (such as new venture emergence, sustained competitive advantage, and institutional change) which are not well explained only by static theoretical idioms such as conceptual categories or properties (Cornelissen, 2017; Langley, 1999). And, while such temporal concerns may not be well explained by traditional field-based approaches to developing grounded theory, historians have developed sophisticated techniques for orienting and organizing empirical observations in a manner that can account specifically for dynamic, temporally extended phenomena.

Historical modes of observation and theoretical elaboration are not new to management and organization studies. Early theorists of organizations—including Weber (2019 [1921]) and Schumpeter (2008 [1942])—were extremely adept at explaining the pressing strategic concerns of current-day managers within well-organized, richly-illustrated theoretical narratives. Indeed, while most academic management and organization theorists of the late twentieth century focused their attentions respectively on the large sample verification of logico-deductive theory or on grounded theory development in the field, many of the management ideas that have actually gained the most currency amongst practitioners have tended to come from highly imaginative *historical accounts* (e.g., Chandler (1993 [1977]), Christensen (2013 [1997]), Collins (2001), Freeman (2010 [1984]), Mintzberg (1978), Karl Weick (1993) and others). In such accounts dynamic phenomena (including organizations, technologies, systems, etc.) extend well beyond the perspectival capacity of specific participants. Insightful observations in this vein are observed and explained primarily by stitching together evidence taken from variegated settings in the past and extending

suppositions and patterns thereby derived into the imagined future.

For these reasons, we argue that the main problem currently facing those of us who want to use historical observations to develop management and organization theory is *not* the articulation or legitimation of historical research per se.[4] Rather, we think that we are faced with a variation of the same dilemma that Glaser and Strauss (1967) identified where there is a need for *democratizing* the use of historical methods for generating theory such that the capacity to justify such efforts is not limited to the recognized leaders of management theory and practice only. Indeed, just as Glaser and Strauss (1967) argued for the need to develop methodologies that could extend beyond the verification of established frameworks, we believe that there exists a similar need in the articulation and use of historical analysis for the production of knowledge that is seen as insightful across the domains of management theory and practice. Accordingly, we feel that there exists a need to draw upon and synthesize both grounded theoretical and historical approaches to develop a broader and more practical vision for the creation of empirical knowledge in management and organization studies that is oriented toward observations of phenomena that encompass broader swaths of time and space.

Helpfully, there has been a recent and concerted effort to develop and elaborate a formal set of methodological principles that can be used to realize, and rhetorically justify the use of, historical observation for the development of theory about management and organizations (e.g., Bucheli & Wadhwani, 2014; Clark & Rowlinson,

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[4] Indeed, the present volume is part of a broader series of sophisticated treatises on the applications of historical methods, techniques and approaches in management studies (e.g., Bucheli & Wadhwani, 2014; Decker, Kipping & Wadhwani, 2015; Rowlinson, Hassard & Decker, 2014; Wadhwani & Decker, 2017; Wadhwani, Kirsch, Welter, Gartner & Jones, 2020).

2004; Booth & Rowlinson, 2006; Rowlinson, Hassard & Decker, 2014; Maclean, Harvey & Clegg, 2016; Maclean, Clegg, Suddaby & Harvey, 2021). And we see these methodological principles not only as a means for enhancing the trustworthiness and rigor of historical observations but also as an emergent "rhetoric of [theory] generation" (Glaser and Strauss, 1967, p. 18) for democratizing the use of historical methods for the development of more insightful empirical knowledge in management and organization theory.

INSIGHTFUL EMPIRICAL KNOWLEDGE IN HISTORICAL ORGANIZATION STUDIES

In this section we contribute to recent efforts associated with the creation of "historical organization studies" as an emergent domain of scholarly inquiry. That is, we work toward a set of methodological principles, mutually grounded in history and organization studies (see, e.g., Maclean, Harvey & Clegg, 2016; Maclean, Clegg, Suddaby & Harvey, 2021), that can facilitate the generation of insightful empirical knowledge in management and organization studies. We do so by exploring how certain methodological principles articulated by Maclean and colleagues (2016; 2021) hold promise for fruitfully extending those introduced by Glaser and Strauss (1967). Our intention in doing so is to begin to identify underlying methodological principles that can enable the generation and justification of empirical knowledge of dynamic and/or enduring phenomena that extend through time and space. We also supplement this section with lessons we have gained from our own experiences where we are working to use historical observations to develop theoretical narratives in management and organization studies.

As previously noted, any research methodology has, as a fundamental concern,

the ways in which empirical observations should be organized in a research process (Kara, 2015; Silverman, 2020 [1997]). In this broad sense, both grounded theory and historical organization studies are focused on the manner in which empirical observations are conceptually organized and justified such that they constitute insightful knowledge. Yet there are important linguistic differences in the manner in which such conceptual organization is structured between grounded theory and historical organization studies. Whereas Glaser and Strauss (1967) argue that insightful observations are those that generate new conceptual *categories* and *properties* that can be used to explain the underlying features of phenomena derived from comparative analysis in the field, Maclean, Clegg, Suddaby and Harvey (2021) argue that insightful observations are those that generate "historically-informed theoretical narratives" that can explain "organizational dynamics" and "the contexts and forces bearing upon organizations" (p. 3).

The domain of historical organization studies, thus, comprises "organizational research that embeds organizing and organizations in their socio-historical context(s) to generate historically informed theoretical narratives attentive to both disciplines" (Maclean, Harvey, Suddaby & Clegg, 2021, p. 4). So, within the emergent methodological formulations of historical organization studies, the static idiom of "conceptual category" is replaced with the dynamic idiom of "theoretical narrative" as the primary analytical structure through which empirical observations are organized in research on management and organizations (see also Foster, Coraiola, Suddaby, Kroezen & Chandler, 2017).

The emergent methodological principles of historical organization studies have

yet to fully elaborate. For example, the notion of "theoretical narratives" remains somewhat ambiguous. We work to unpack this central concept in terms of its relationship to the substantive and formal categories of interest in grounded theory. So, as we see it, the domain of historical organization studies involves two main types of theoretical narratives. The purpose of the first type of narrative is to organize historical observations so as to account for the passage of actors and events through relatively broad swaths of time and space, whereas the purpose of the second narrative is to organize historical observations to solve some higher order conceptual tension. Following Glaser and Strauss (1967) we suggest that the first type of stories can be called *substantive narratives* and the second type *formal narratives*.

The insightfulness of substantive and formal narratives in historical organization studies

The natural tendency of the historian is to generate substantive narratives. So, for example, Chandler (1993 [1977]) writes about the historical emergence of the modern, multiunit business enterprise. While Chandler's (1993 [1977]) narrative is cast in the substance of everyday life, it is, in our view, both highly imaginative and theoretical in the sense that it constitutes a novel, well-organized *explanation* of historical observations. Substantive narratives in this sense represent the temporally-extended theories of everyday life that are used to make sense of the relationship between the past, present and future on the basis of some overarching, diachronic conceptual order (see, e.g., Roberts, 2001). Substantive narratives are thus intended to describe and explain phenomena that can be identified and studies as such through indirect observation based on traces that are scattered across disparate spans of time

and space. Substantive narratives are traded not only amongst scholarly communities but may also obtain the status of "living history" (e.g., Suddaby, Israelsen, Saylors, Bastien & Coraiola, 2022) through their intersection with the collective memory of broader audiences.

In our ongoing work using historical methods, for example, substantive narratives have to do with the formation and evolution of children's hospitals, business dynasties, water management projects, or state-owned marketing agencies. We enjoy working with substantive narratives, in part, because of their richness and the effect of reality (Barthes, 1968) which they provide to our conceptual understanding of the world. We also appreciate the practicality of substantive narratives and their connection to, and sometimes resonance with, the historical consciousness of individuals in the world of management and organizations.

In contrast, formal narratives operate at comparatively higher levels of conceptual abstraction. In their literature review on theory building in management research, Shepherd and Suddaby (2017) argue that "compelling theories are at their core compelling stories" (p. 60) and note that the requirements for generating theory in management include the same basic elements that constitute good stories: conflict, characters, setting, plot and narrative arc. They write:

> *Management theories are typically triggered by tensions that exist between what we know and what we observe. […] Conceiving of and constructing theories involves developing the main characters (or constructs), constructing the context or setting, and actively engaging the audience's imagination through the introduction of plots and themes. Finally, […] the theorist needs to select the story elements that build the narrative arc of a theory, that is, justify and evaluate the theory.* (Shepherd & Suddaby, 2017, p. 80)

In this sense, we suggest that the theory-as-narrative idiom introduced by Maclean and

colleagues (2016; 2021) does not eliminate the sort of conceptual categories of interest to grounded theorists. Rather, it animates them as the main characters of an abstract story that can solve a conceptual drama around which an overarching theoretical narrative is cast.

Like one of the originators of grounded theory (Glaser, 1992), historical organization theorists are seldom content to merely "code" or "abstract" categories from a synchronic or unidimensional mass of data, rather we derive emergent conceptual characters from across the assorted landscape of available sources and traces from the past. And we work to immediately put these characters to work (sometimes in spite of their flaws) as a means of explaining some conceptual conflict—a paradox, problem or challenge that exists in the gap between the literature and the world. For example, in our published work, formal narratives have focused on the explanatory work performed by conceptual characters such as "stakes" and "stakeholder identification" (e.g., Mitchell, Israelsen, Mitchell & Lim, 2021) and "entrepreneurial visions" and "rhetorical history" (e.g., Suddaby, Israelsen, Mitchell & Lim, 2021). We enjoy working with formal theoretical narratives, in part, because of their elegance and the degree of aesthetic and explanatory coherence which they can impose on reality. Formal narratives are, in our view, an important means of bringing order, coherence and beauty into the otherwise chaotic or messy world of unmediated empirical observation. We also value formal narratives because they enable us to participate in conversations that extend across the domains of management and organization studies and practice.

However, in contrast to some articulations of grounded theory in which substantive categories are made instrumental primarily for the creation of formal

conceptual categories (e.g., Gioia et al., 2014), our contention is that, in the most insightful empirical knowledge, substantive and formal narratives *weave together and interpenetrate one another*. Some of the best exemplars for this style of blended theoretical storytelling in management and organization studies are Karl Weick's historical reconstructions of organizational accidents such as the deaths of firefighters in Mann Gulch, Montana in 1949 (e.g., Weick, 1993) or the gas leak and industrial disaster in Bhopal, India in 1984 (e.g., Weick, 1988; 2010). In such works, Weick seamlessly blends historical observation and narration with a small cast of conceptual categories (e.g., enactment, sensemaking, etc.). The goal, in this style of work, is neither to make a contribution the historiography surrounding these events (in fact Weick relies heavily on existing historical accounts) nor to generalize through the sort of comparative case analysis described by Glaser and Strauss (1967). Rather, such work is conceptually useful *because* the empirical observations were at once idiosyncratic and resonant. That is, by blending substantive and formal narratives, Weick (e.g., 1988; 1993) was able to catch the imagination of large audiences of both scholarly and practitioner communities and helped them see both their own work and the broader social world with fresh eyes.

In our view, Weick's work achieved such resonance largely *because* he did not allow substantive narratives to become merely instrumental for the creation of formal narratives. Because he used substantive, idiosyncratic historical narratives to introduce and communicate formal, abstract theoretical narratives, Weick's concepts gained a "reality effect" (Barthes, 1968) that they would not have had if they had been articulated only in the formalized genre of prevailing theories of management and organization. For

this reason, he reserved his more formal theoretical language for *after* he had established his reasoning and argumentation on the basis of substantive narratives— thereby using privileged intellectual space to tell rich stories about the observable world.

In this sense, we do not believe that substantive narratives are, in any way, less important for theorization than formal narratives. Some highly imaginative historical works, such as Chandler's (1993 [1977]) work on the managerial revolution in American business or Crosby's (2016 [1972]) work on the Columbian exchange, have been enormously insightful largely because of the creativity and persuasiveness of their substantive narratives and their interpenetration with formal narratives. Indeed, such work has not only formed academic disciplines (i.e., business history, environmental history) but also led to substantial changes in the ways in which resources are organized in the world of practice (informing both public and corporate policies around the world). Yet such substantive narratives rarely "generalize" in the sense of comparative case analysis described by grounded theorists. So, as Wadhwani and Decker (2017, p. 123) observe "for historians, theory also encompasses the explanation of unique events which may not be fully, or even not at all, generalizable to a broader category".

Theoretical narratives need not generalize per se but they must have resonance. Whereas a generalizability-based criterion for insightful knowledge involves the degree to which a conceptual category is formally applicable across units of analysis (e.g., Glaser and Strauss, 1967), a resonance-based criterion for insightful knowledge involves a more pragmatic, substantive expression of interest by scholarly and practitioner communities (see, e.g., Van Maanen, Sørensen & Mitchell, 2007). Bedford

and Snow (2000) argue that the resonance of any theoretical frame is based on socially-situated criteria such as credibility (e.g., internal consistency, empirical credibility and authorial legitimacy) and salience (e.g., perceived centrality, commensurability and narrative fidelity).

Resonance is established through collaborative acts of distributed intellectual agency in which the patterns and stories derived from scholarly observations of a given phenomenon are described with just enough richness to catch the imagination and to enable the reader to "determine how closely their situations match the research situation and, hence, whether findings can be transferred" (Merriam, 1995, p. 58). In this sense, the theorization process is a highly systematized, naturalistic form of "communicative action" (Habermas, 1984) in which scholars make observations and interact with one another and with broader audiences for the socially-situated purpose of "reaching understanding" (Habermas, 1984, p. 286).

DISCUSSION

We began this chapter by noting that research methodologies represent underlying principles that guide the generation of knowledge from empirical observation (Kara, 2015; Silverman, 2020 [1997]). Within this chapter, we have worked to situate grounded theory with respect to historical organization studies with the overarching intent of carving out a pathway for realizing and justifying empirical observations of historical phenomena as insightful within the domains of management and organization studies. Furthermore, in this chapter we have argued that the future success of management and organization studies as applied fields of knowledge may be contingent on the development of a rhetoric of insightful empirical knowledge that can

account for dynamic and extended phenomena that encompass more time and space than can be observed within the narrow context of an immediate observational field. And we have argued that recent articulations of historical organization studies hold promise for developing such a rhetoric.

More work is required in order to fully realize this vision for the methodological potential of historical organization studies. Grounded theory provides some clues as to how we might (and might not) proceed with this effort. First, the core insight of Glaser and Strauss (1967; see also Merton, 1968) was that theory exists in the "middle range" and can be developed abductively with, and articulated from, empirical substance. Research in historical organization studies builds on this insight by weaving abstract, formal language into the empirical observations of the world. Theory is something that should be communicated using the substance of everyday life—whether that substance arises from a proximate field or from what has been termed "mental travel" to distant locales in time and space (Suddendorf, Addis, & Corballis, 2009; Tulving, 1985).

Second, we learn from grounded theory that there are dangers in defining empiricism narrowly in terms of the knowledge from immediate sensory experience. There is no observation without imagination. While grounded theorists recognize the importance of imagination in comprehending phenomena that they encounter that fits within a perspectival lens with the scale and scope of the field, they have largely failed to extend this insight to account for observations with greater scale and scope. Historical observation is particularly dependent on the ability of the observer to conjure up distant worlds based on fragmentary evidence from the past. The analytical strictures of coding and data structures used by grounded theorists to demonstrate movement

from substantive to formal categories can sometimes impede—rather than facilitate—the development of disciplined historical imagination (see, e.g., Carr, 1961; Partner & Foot, 2012). More problematically, these tools may inadvertently convey what we see as an erroneous assumption that the substantive narratives and the vibrant "living histories" of everyday life are, somehow, less important to scholarly understandings of the world than the formal, technical (and admittedly sometimes rather bland) language of abstract theory.

Third, grounded theory provides clues regarding the way empirical knowledge can be justified as insightful in applied domains of inquiry in which major intellectual achievements are understood to resonate not only within intellectual communities but also broader communities of practice. Specifically, grounded theory adopts a very practical definition of insightfulness and aspires to intellectual recognition by "laymen and colleagues alike" (Glaser & Strauss, 1967, p. 30) where "the people in situations for which a grounded theory has been developed can apply it in the natural course of daily events" (Glaser & Strauss, 1967, p. 249). As noted, management and organization studies can be said to suffer from a relevance crisis due to a lack of resonance of academic theory for practice (e.g., Suddaby, 2014b). And we believe that the domain of historical organization studies has the potential to address this problem, which can lead to further justification and legitimation of historical research methods in management and organization studies.

In our view, the domain of historical organization studies contains an emergent set of methodological principles that build upon the core ethos of grounded theory whilst also working to address its core limitations. To make these methodologies actionable for

grounded theory development, future work should develop more specific tools and recommendations for scholars seeking to establish empirical knowledge of dynamic and extended phenomena that is useful for researchers and practitioners alike.

For example, future work should seek to situate and integrate common principles and tools—such as triangulation from diverse sources of data—in the development of historically-grounded theory. In practice, much grounded theory has been developed using unidimensional data (often in the form of field interviews). However, Glaser and Strauss (1967) note that reliance on a single source of data is actually problematic for grounded theorizing. "A grounded theory that is faithful to everyday realities of a substantive area is one that has been carefully induced from diverse data . . . Only in this way will the theory be closely related to the daily realities (what is actually going on) of substantive areas, and so be highly applicable to dealing with them." (Glaser & Strauss, 1967, p. 239). Historical research often combines diverse sources of data—synthesizing amongst archival documents, historiography and other assorted traces of the past—in order to theorize (e.g., Bucheli and Wadhwani, 2014). The necessity of triangulation in historical research, thus, addresses a common limitation in the development of grounded theory.

Furthermore, Suddaby (2006) noted that "theoretical sampling" and "constant comparison" constitute two basic methods for conducting grounded theory research. We suggest that future methodological work in historical organization studies can work to further develop and extend these practices to explain how decisions of what to observe and how observations and analysis should proceed in the research process. So, on the one hand, methods are needed to specify how the exploratory selection of historical

evidence should be sensitized by and premised on evolving conceptual narratives. And, on the other hand, the methods of historical organization studies can help to explain the specific forms of comparison incident to historical observation.

In our experience, such comparison and sampling decisions must be undertaken with great care so as to conduct observations primarily within a logic of theory generation rather than within established concepts or metanarratives of received knowledge. The natural tendency of the researcher may be to work quickly to reduce the chaos associated with exploratory historical observation to gain some sense of coherence and plausibility. Such verification and validation certainly have an appropriate and important role to play in historical organization studies (e.g., Maclean, Harvey, Suddaby & Clegg, 2021) but there is a need for methodological elaboration which can explain how historical verificatory techniques such as source criticism and triangulation (e.g., Bucheli and Wadhwani, 2014) can and should be situated within those research processes that adopt, as a primary purpose, the generation of new conceptual narratives (e.g., Decker, 2022). In this sense, we note that additional methodological work in historical organization studies might attend more systematically to the nature of the imaginative, historical thought trials (e.g., Weick, 1989) through which substantive and formal narratives are constructed in research processes.

The goal of theorization in historical organization studies is to create a resonant set of richly contextualized conceptual patterns organized in theoretical narratives that span time and space. Achieving this goal requires the democratization of theory generation amongst scholars working to not only understand similar phenomena across different historical contexts (i.e., in historical disciplines oriented primarily around

substantive narratives) but also across different technical jurisdictions (i.e., in social scientific disciplines oriented around formal theoretical narratives). Being *mutually situated* within and between domains that are oriented respectively around historiographical concerns surrounding substantive narratives (e.g., history of ancient America, early-modern Europe, etc.) and theoretical concerns surrounding formal narratives (e.g., sensemaking, identity, institutions, etc.) requires both methodological reflexivity and ongoing, ever present justification. But we suggest that inhabiting the interstitial intellectual space between substantive and formal research domains represents a means of generating insightful empirical knowledge that, we believe, has a strong potential for resonance within the scholarly communities of management and history, as well as within the field of management practice**.**

ANNOTATED FURTHER READING

Bucheli M and Wadhwani RD (Eds.) (2014) *Organizations in time: History, theory, methods*. Oxford University Press.

> An excellent place to start for scholars interested in learning more about historical methods in management and organization studies, this edited book works to situate historical methodologies with respect to management and organization studies and introduces some basic historical methods such as 'source criticism' and 'triangulation' along with chapters that explore their potential for theory development in management and organization studies.

Decker S, Kipping M, and Wadhwani RD (2015) New business histories! Plurality in business history research methods. *Business History*, *57*(1): 30-40.

> This article argues against the tendancy to reduce the complexity and variety of historical methodologies in interdisciplinary research. We note that a similar argument may be fruitfully applied to grounded theory research—exploring the plurality of historical methodologies alongside variations in grounded theory methodology (c.f. Glaser, 1992 vs. Strauss and Corbin, 1990).

Glaser BG (1978) *Theoretical sensitivity*. University of California.

> In this volume, Glaser emphasizes the importance of the interpretive skill and reasoning of the theorist in grounded theory research. This approach can be usefully contrasted with Strauss and Corbin (1990). In our view there is much to be gained from understanding the role of historical consciousness and historical imagination in fostering theoretical sensitivity in grounded theory.

Glaser BG (1992) *Emergence vs. forcing basics of grounded theory analysis*. The Sociology Press.

> Here Glaser responds to Stauss and Corbin (1990) and challenges their predominant (somewhat mechanical) emphasis on systematic coding for the development of grounded theory.

Glaser BG and Strauss AL (1967) *Discovery of grounded theory: Strategies for qualitative research*. Aldine Publishing Company.

> Scholars interested in developing theory using historical methods should read Glaser and Strauss (1967) from the standpoint of critical appreciation, perhaps focusing specifically on chapter 7.

Maclean M, Harvey C, and Clegg SR (2016) Conceptualizing historical organization studies. *Academy of Management Review*, *41*(4): 609-632.

In this article Maclean and colleagues introduce the idiom of the "historically informed theoretical narrative" as the underlying grounds used for realizing empirical research that can be situated, with "dual integrity", in both historical methodologies and management and organization studies.

Maclean M, Harvey C, Suddaby R, and Clegg S (2021) Historical Organization Studies: Advancing new direction for organizational research. In *Historical Organization Studies*. Taylor & Francis.

In this edited volume Maclean and colleagues expand upon the notion of "historically informed theoretical narratives" and authors of various chapters illustrate how these can be used to structure empirical research in management and organization studies.

Strauss A and Corbin J (1990) *Basics of qualitative research: Techniques and procedures for developing grounded theory*. Sage.

Here grounded theory takes on a heavy emphasis on the mechanics of systematic, analytical coding. This can be contrasted with the more organic, interpretivist approach to grounded theory advocated, for example, by Glaser (1978; 1992)

Suddaby R (2006) From the editors: What grounded theory is not. *Academy of Management Journal*, *49*(4): 633-642.

Suddaby (2006) introduces "constant comparison" and "theoretical sampling" as two key principles from grounded theory for the domain of management and organization studies. We note that future methodological developments at the intersection of historical organization studies and grounded theory may fruitfully elaborate specific techniques for the application of these principles in historical methodologies.

Wadhwani RD and Decker S (2017) Clio's toolkit: The practice of historical methods in organization studies. In *The Routledge Companion to qualitative research in organization studies* (pp. 113-127). Routledge.

Here Wadhwani and Decker note the critical role of the position and perspective of the researcher in historical methodologies. We note that this argument may be fruitfully extended relative to Glaser's (1978) emphasis on the importance of theoretical sensitivity in the development of grounded theory.

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