

Operational Effectiveness vs. Isomorphism

Prompt: What are key similarities and differences between Porter's 'operational effectiveness' and DiMaggio and Powell's mimetic processes for isomorphism? Explain. (Be sure to define 'operational effectiveness' and mimetic processes in your response.)

Business strategist Michael Porter defines operational effectiveness as "performing similar activities better than rivals perform them," (62). Operational effectiveness "includes but is not limited to efficiency," (Porter, 62) and can be seen through a number of different operational efforts such as employing more advanced technologies, eliminating wasted effort, motivating employees better, or having greater insight into managing particular activities (Porter, 62). The main goal of operational effectiveness is to increase profitability especially relative to competitors (Porter, 62). As all organizations seek to increase input while decreasing output, operational effectiveness creates a mimicking effect wherein companies that observe effective techniques of competitors copy these techniques in order to remain competitive. Similar to this idea is sociologists DiMaggio and Powell's notion of mimetic processes. Mimetic processes occur in organizations when they "model themselves on other organizations," (DiMaggio 151).

Operational effectiveness and mimetic processes are similar in many fashions. First, as is evident by their definitions outlined above, both processes lead organizations to be similar to one another. Operational effectiveness facilitates all organizations to similarly incorporate methods of efficiency while mimetic processes is the broad term that encompasses all organizational isomorphism. Both processes are also aimed at achieving success for organizations. Operational effectiveness is often copied by organizations that aim to achieve the same efficiency as other successful firms. Similarly, DiMaggio and Powell state that mimetic processes are modeled after "organizations in their field that they perceive to be more legitimate or successful," (DiMaggio, 152). Furthermore, Porter makes the point that operational effectiveness can lead to "a series of races down identical paths," (Porter, 64) especially when efforts to differentiate are ignored. This can occur when organizations use mimetic

processes as well wherein they copy other organizations and cannot achieve their own competitive advantage.

On the other hand, operational effectiveness differs from mimetic processes in more nuanced ways. One way in which the two differ is their scope of focus. By this I am referring to the emphasis operational effectiveness places on productivity (Porter, 62). Operational effectiveness is primarily concerned with getting “more out of their inputs than others” (Porter, 62) whereas mimetic processes occur when organizations copy *any* aspect of one another including productive aspects. For this reason mimetic processes is a more broad term that organizations partake in whereas operational effectiveness has a smaller scope of processes that organizations copy from one another.

Another aspect that differentiates the two terms is their causes. This relates back to the notion that operational effectiveness is derived from a need to be more efficient and therefore productive. Mimetic processes, however, derive more so from uncertainty. DiMaggio and Powell explain this when they state, “mimetic isomorphism resulting from standard responses to uncertainty,” (DiMaggio, 150).

Furthermore, operational effectiveness has the unique advantage of being able to position a firm as a first-mover whereas mimetic processes do not. Porter admits that keeping an advantage solely from being on the forefront of operational effectiveness is difficult when he says, “few companies have competed successfully on the basis of operational effectiveness over an extended period, and staying ahead of rivals gets harder every day,” (Porter, 63). Although the potential for sustained competitive advantage is small for operational effectiveness, this is more than can be said for mimetic processes. Mimetic processes only copy those of other successful organizations and thus cannot position organizations to be the originally successful ones in their field the way operational effectiveness can.

In sum, Porter, DiMaggio and Powell all aim to recognize the fashions in which organizations tend toward one another. Porter explains how this occurs wherein all organizations strive toward operational effectiveness thus becoming similar and often copying one another to do so. DiMaggio and

Powell explain the phenomenon of organizations copying successful competitors out of uncertainty.

Despite this similarity, these organizational processes also maintain differences in their scope of focus, causes, and ability to position firms as first-movers.

Works Cited

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