

How actors at different levels manage the transforming international business arena? – SMEs as agents in institutional change

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ABSTRACT

This paper presents a theoretical framework for exploring the collective agency of firm and policy actors in institutional change. The aim is to shed light on the interaction between business and policy makers, highlighting the role of not only large but particularly smaller firms in changing markets and trade. The study stems from the changing dynamics of global trade, trade policy systems and thereby the environment for international business. The transforming institutional logics of global trade governance pressure companies, industries, and nations to renew the way they build strategies and operate. These new strategies and operation forms again create a need to change the global level structures. Therefore, this study views institutional change as a complex evolutionary process, and suggests collective opportunity recognition as a mechanism for agency in evolutionary changes.