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Article

Towards a Multi-Level Understanding of the Strategies Employed in Managing Hybridity: A Systematic Review

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Abstract: This article aims to investigate the scientific literature on the management of tensions and trade-offs in hybrid organizations. These can arise from the hybrid nature of these organizations and involve diverse aspects relevant for their management. From our corpus of 16 papers, we assessed as being of 'high quality', we categorized different types of tensions and the solutions put forward to manage or mitigate those tensions. The systematic literature review is subdivided into five categories: (1) framing the question(s); (2) identifying relevant works; (3) collecting data; (4) analyzing evidence; (5) interpreting the findings. An iterative process of discussion about codes helped us to compose the final categories for analysis. Our results explain how hybrid organizations go through a constant process of balancing various logics, and how this balancing works to address issues that are both endogenous and exogenous to the organization. We identify two strategies that organizations employ to manage hybridity—decoupling logics and logic shifting—and each strategy has different effects at different levels of the institutional context. Because we focus only on the literature assessed as being of 'high quality' this inevitably leads to many excluded articles.

Keywords: hybridity; trade-offs; tensions; institutional logics

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1. Introduction

The literature on 'hybrid' organizational forms has developed significantly both in scope and sophistication over the last decade, particularly since Doherty et al.'s [1] influential review article on social enterprises as hybrid organizations. Such organizations combine, or attempt to combine, multiple 'institutional logics' into one entity [2–7]. Institutional logics are defined as

> "the socially constructed, historical pattern of material practices, assumptions, values, beliefs and rules by which individuals produce and reproduce their material subsistence, organize time and space and provide meaning to their social reality" [8]

Over the last few decades, we have witnessed a blurring of the boundaries of various organizational types from different sectors of the economy. This has resulted in different institutional logics being combined in interesting and challenging ways, such as the mixing of business activities with social missions (e.g., the rise in interest in social enterprise) or, in the drive to make economic systems more sustainable, a realization of public interest by private companies to combine the maximization of profits while simultaneously achieving a degree of environmental sustainability.

While combining diverse logics can allow organizations to achieve multiple goals, doing so raises inevitable tensions. These tensions arise when different logics come into conflict and/or contradict each other. If not attended to appropriately, these tensions can compromise performance, efficiency and outcomes [9–13]. The main types of institutional logics that frequently come into conflict are: (a) the 'market logic' that generally guides mainstream, for-profit organizations and is characterized by profit maximization and efficiency [14]; (b) the 'social logic' that guides a social mission, the aim of which is to generate social benefit for beneficiaries of (particularly) nonprofits [5]; (c) the 'state logic' whereby government organizations seek to create public value for citizens [15]; and (d) the 'environmental logic' that seeks to minimize or reduce detrimental human impacts on the natural world [16].

The organizational hybridity literature has presented a range of ways in which organizations manage hybridity. These range from attempting to internally balance the conflicting logics [17–19] to managing and maintaining relationships external to the organization as a way to mitigate tensions [20–22]. To date, there has been no systematic effort taken to examine and synthesize the various strategies for dealing with the tensions and trade-offs that seem to be inherent in managing and governing hybrid organizations, which is the core contribution provided by this paper. We have to consider also how the systematic literature review on topics related to hybrid organizations can enhance their understanding as feasible solution to implement the sustainable development [23]. We are guided by two key research questions:

(1) *What are the various forms of tensions that hybrid organizations face?*
(2) *What are the various strategies employed by hybrid organizations to manage or mitigate these tensions?*

Our paper is organized as follows. After outlining the methods we have employed in our systematic review, including the keywords and search strategy, the search terms we employed, and explaining and justifying our selection and exclusion criteria, we present our findings. Our findings are based upon our analysis and synthesis of the 16 papers that fell within the scope of our review. We show how the literature has encompassed a variety of tensions and solutions—both endogenous and exogenous—in diverse contexts and market conditions. We then explain how solutions can be grouped into two categories: (1) to form a new logic; or (2) to decouple pre-existing logics. In conclusion, we explain how hybrid organizations can be understood to have diverse impacts at multiple levels—the micro, meso, and macro levels—of their institutional contexts. First, however, we turn attention to our methodology.

2. Methodology

Following Tranfield et al. [24], we first of all developed a research protocol to guide the scope and conduct of our systematic literature review. This is presented in Supplementary File S1 for purposes of transparency and replicability [25]. Adopting the strategy delineated by Khan et al. [26], our systematic review was subdivided into five stages: (1) framing the question(s) guiding the review (this defined the precise research objects and consequently allowed us to operationalize the analysis); (2) identifying relevant works (developing the selection criteria and the search process); (3) collecting data (selecting the studies for inclusion); (4) analyzing evidence (examination of the extracted information and coding to support that analysis); and (5) interpretation of the findings (analyzing the final results, what they mean, and reflecting upon the strengths and limitations of the study).

An initial scoping phase, which considered the most relevant work on hybrid organizations, allowed us to clarify the main concepts involved in the research and set a strategy for developing the systematic review, including our initial list of search terms. The process of agreeing on search terms allowed us to establish our areas of focus for the following stages. The search terms are shown in Table 1, with the Boolean search parameters and 'wildcard' statements (? *) shown.

To ensure focus on 'hybrid' forms of organization (as opposed to any other meanings of the term 'hybrid', e.g., as employed in the natural sciences) we decided to add combinations of other words to narrow down the results and to explore the tensions, paradoxes, logics and so on. We drew upon three databases and repositories regularly used in such reviews, namely: Web of Science, ProQuest, and EBSCO-Business Source.

Table 1. Keyword Groups for Search in Databases.

Term	Keywords
Hybrid Organization	"hybrid organi?ation" OR "hybrid corporation" OR "hybrid firm"
Tension	tension OR paradox OR conflict OR trade?off OR logics OR "Institutional logics"

Inclusion and Exclusion Criteria

We did not limit the search by the type of method employed in a study, so papers that adopted either a qualitative or quantitative approach (or a mix of methods) were included, but we limited attention to peer-reviewed empirical research papers that drew only upon primary data. The only language considered for the search was papers published in English, and we did not set pre-defined date ranges for publication.

In each database, we ran a separate search using the groups 'Hybrid' and 'Tension', looking at both the title and abstract. The research team then discussed various samples of results from each search. For each search, the above selection criteria were applied, then the groups of results combined. The lists of papers generated in each database were stored in Zotero, the bibliographic citation management software program. After combining the results from each database search, we identified 121 papers. We excluded all duplicates, book reviews and editorials (n = 25), and then all papers that were not relevant to the research aims and those papers that were not empirical (n = 26).

For the remaining 70 papers, we assessed the full text of the paper for quality using a quality assessment tool developed for this purpose by Roy et al. [27] to rate the scientific quality of each work on the basis of six criteria: (1) that the aims and objectives of the study were clearly stated and addressed; (2) a clear discussion of the context and need for the study (i.e., the justification for the study); (3) a clear description and appropriateness of the sampling strategy and method of recruitment; (4) a clear description of the methods used to collect and analyze data; (5) a clear assessment of reliability and validity of quantitative data and the credibility of qualitative data (i.e., the rigor of the process); and (6) inclusion of sufficient original data to mediate between evidence and interpretation. Each criterion was scored (between 0 = weak, 1 = moderate and 2 = strong) to provide an overall score of between 0 and 12 for each paper. Each paper was scored by the lead researcher and one other member of the team, and where the scores deviated between each, the scores were discussed, and a final score agreed. Following Denyer and Tranfield [28], who explain that "the researcher is required to set pre-specified relevance and quality criteria for the selection/inclusion of studies", we focused attention on the best-quality papers in order to have a manageable body of papers to work with and ensure confidence in the findings. Therefore, we decided to only include papers that were considered 'High' quality (that is: a score between 8 and 12) in the final corpus (n = 16—Please find the complete list of selected paper in the "Supplementary Materials" section after the "Bibliography"). In Figure 1, we show our search flowchart, following the Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA) guidelines on best practice [29].

We extracted relevant data from each paper using a data extraction tool designed specifically for this purpose to catalogue information such as: name(s) of the authors; year of publication; journal title; research approach (qualitative/quantitative/mixed); methodology; nation(s) where the research was based; type of hybrid form(s) involved; number of organizations involved; and the type of institutional logics in 'conflict' apparent in each (that is, whether market/social/public/environmental).

Finally, to fully prepare for the analysis of the corpus, we coded relevant elements from each of the 16 papers. This involved a round of full-text reading to have a clear idea of the specific contents of the corpus, and then we started to draft a list of possible codes for the analysis, organized into either 'tensions' or 'solutions'. After a team discussion on the results associated with explanations of each code, we decided to divide 'tensions' and 'solutions' into subgroups. Having a defined list of codes, we carried out the core process of analysis and coding via NVivo, employing narrative synthesis [30] to support the process of critically analyzing and organizing our findings. We focused attention on 'higher-level' synthesis, namely interpretation and explanation, which Rojon et al. [31] explain is seen relatively infrequently in systematic reviews within management and organization studies.

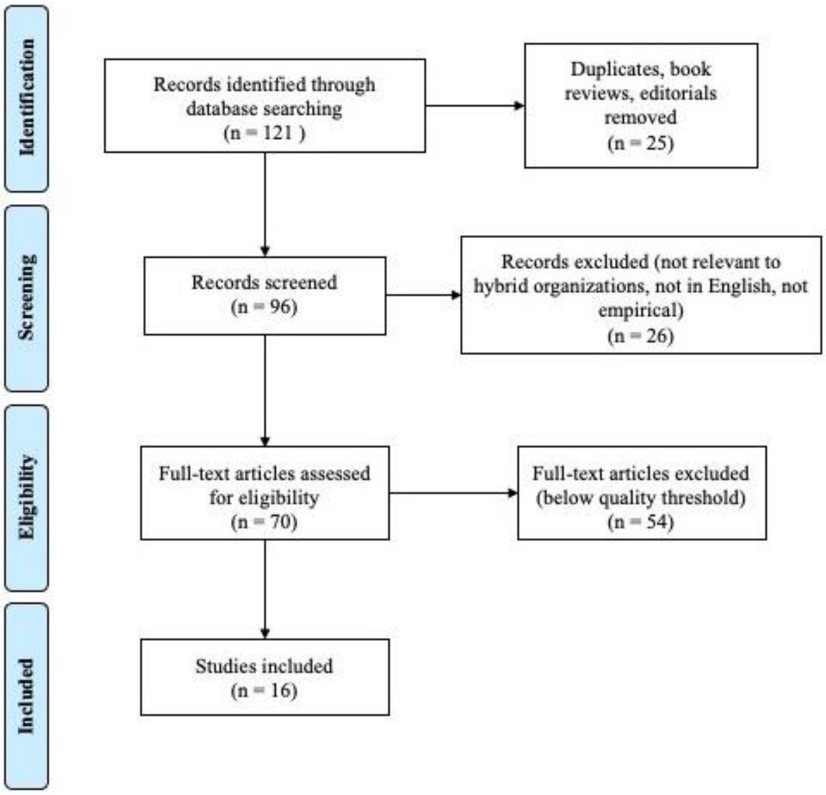

Figure 1. Search Process Flowchart.

3. Results

Our Supplementary Table S1 presents all of the codes and categories of "Tensions" and "Solutions".

3.1. Market vs. Social

This first combination aims to combine the capacity of the market logic to organize business activities to produce goods and services with social missions, such as solidarity, mutualism, or altruism. Misbalances may arise because social aims are mostly incompatible with profit making.

A *coherent vision* for the organization is critical to ensure efficient functioning of management [32,33], but managers who embody one marked logic can be skeptical of another if they feel they are not competent enough to deal with it. Issues can arise when managers favor one logic, ignoring problems deriving from the underestimation or misunderstanding of the other, e.g., considering a critical economic loss worthy if the social mission is fulfilled [34]. Favoring the social institutional logic can also compromise the financial return on investment and weaken the *economic stability* of a hybrid company [35], while prioritizing the market institutional logic can jeopardize the social mission of the hybrid organization [35–37]

The background of leaders is also a key factor in determining imbalances; leaders are able to bring their former professional experiences, personal values, and vision to the organization and shape the mission and strategy of the business, but they might not estimate adequately the value of one of the two composing logics [9,21,34,38]. The *workers' background* in one logic or the other can influence the hybrid organization's functioning, particularly when the hybridization process affects an already existing organization. Workers with a strong social institutional logic might reject the 'marketization' of the organization; similarly, market-oriented employees might not fully appreciate or understand what they might term as an inefficient business choice proposed to achieve social impact. The misbalance of the two logics can compromise the *production process*; hybrid organizations must take care to provide social support to their beneficiaries and generate social impact and reflect a set of values, but they also need to act as an efficient business [34].

3.2. Market vs. State

For 'market' vs. 'state' hybrids, problems can occur due to *commercialization* of public services and the adoption of business practices and ethos into structures that were not necessarily designed with this purpose in mind. This development in public management (known as 'New Public Management'—see, for example, Dunleavy and Hood [39])—tends to encourage the imposition of protocols and procedures from the market, particularly aimed at maximizing efficiencies in the use of time and resources within public bodies. This regularly instigates trade-offs within public services: a decrease in the quality of outcomes is inevitable if public services are not invested in properly, but raising funds by (for example) introducing charging for services regularly exacerbates inequalities, since this will inevitably exclude people who can least afford to pay [40–42]. When employees who are used to working under a pure public logic must then switch to dealing with a new market logic, and consequently with new colleagues and managers who embed this logic, then tensions can emerge. For example, public organizations have been characterized for a certain grade of rigidity and standardization of practices aimed at the public good [40,43], but when the logic of the market is introduced, cost-efficiency regularly becomes the main driver, demanding behavioral changes (e.g., providing the same standard of medical assistance while spending less time per patient [40]).

3.3. Market vs. Environment

Hybridizing a market logic with the environmental logic regularly involves making a business 'eco-friendly' with the aim of reducing harm to the environment through, e.g., pollution. At the beginning of the *production system*, it is necessary to check suppliers and their sustainability; this can compromise *economic efficiency* because it can slow down the production process and raise production costs. Consequently, the trade-off between environmental sustainability of products and services and their final *price* comes out again; organizations can choose to risk a strategy that benefits the environment, but potentially at the risk of compromising the sustainability of their business plan [37].

3.4. General Tensions for Hybrid Organizations

There are tensions that are applicable to all three categories of hybrids we have mentioned so far. *Employees, beneficiaries, and volunteers* can be affected by trade-offs in many different ways: conflicts may appear between member groups with different visions and values within organizations, and they can agitate and lobby to prioritize one logic ahead of, or instead of, another [18,44–47]. Furthermore, an inadequate 'mix' of workers inserted through two diverse logics (e.g., 'regular' workers and workers who need the assistance and support often provided in social enterprises) can compromise business efficiency if the production process is not well-defined; they risk overloading responsibilities to a particular group, slowing down the process and not adequately fulfilling clients' requests [34]. Tensions regularly emerge when workers and employees, particularly those who have worked within one institutional logic framework for a significant time (e.g., public sector employees, or non-profit staff), are confronted with having to adapt to a new 'market' logic [40]. The changes in behaviors and practices may be unfamiliar to them or may not be consistent with their ethos or ideals.

Managers can have difficulties in addressing the right solution for the hybrid organizations if they do not have a clear vision on goals, objectives, and priorities. Without this, they cannot set an adequate prioritization of resources for the diverse parts of the hybrid organization with the consequent risk of underestimating certain aspects (e.g., not considering marketing a priority, disinvesting in this, or not conveying adequately the hybrid nature of the organization to customers or the public when this is appropriate) [34].

Clients, consumers, and customers are fundamental stakeholders for every business. As explained previously, the generation of revenues is rarely as straightforward as in a traditional business model: compromises often have to be made regarding the quality of final product and/or service quality for various reasons. Indeed, social/state/environmental logics can be totally ignored or overlooked by clients who may regularly demand better quality or cheaper prices [20,34,48].

3.5. Endogenous Solutions

One solution emerges regarding the capacity of organizations to build a process of *sense-making* about what hybridity is. It is possible to consider this 'sense-making' as the identification, expression, discussion, and reconfiguration of the tensions that derive from the nature of the hybridity [17,45,46,49,50]. A shared vision and consciousness, based on the common *values* of the staff or members of the organization, play a key role in tackling tensions, creating an emotional bond between members and organizations, enabling them to understand the nature of hybridity and accept it [18,44,51,52]. An emotional bond facilitates the creation of a normatively underpinned identity, shaped by the values in common [12,18,47,49]. Shared vision also means that workers, managers, and members who characterize diverse institutional logics help each other in understanding the different perspectives they bring into the organization and motivate their position by explaining why they are good for the hybridity and how their skills and experience can be combined with the other logic [35]. Hybrids can also develop this awareness about their nature, adopting a 'big-picture perspective' of their role; this implies the consideration of conflicts and tensions between the two logics within the wider perspective of what the organizations does and why it is important to give the right credence to any choices and decisions [35]. Overall, harmonization of competing logics requires a strong awareness and commitment by *leadership,* which needs to clearly set out, agree on and communicate shared values, social missions, and commercial objectives [34].

Moving on from this general finding, hybrids can opt for two main solutions to deal with their tensions and trade-offs: they can establish a *new institutional logic*, which merges aspects of each, or *decouple* the structure into diverse areas that carry out activities in pursuit of each logic in parallel. We discuss each approach in turn.

3.6. Logic Shifting: Developing a New (Merged, Hybrid) Institutional Logic

The first main step in designing a process for creating a *new institutional logic* is the acknowledgement of hybridization itself; without a clear and aware intention to modify a pre-existing institutional logic, the development of a new logic can be difficult [17,18,43,44,46,53]. The new institutional logic is generally developed through a *new organizational template* which merges the multiple established logics and their associated activities [17,18,22,46]. This process begins with setting out the underpinning theorization of the new logic, explaining and justifying its core elements so subjects can understand the mechanisms and objectives [17]. Hybrid organizations, therefore, need to have a set of 'cultural toolkits' which allow them to be reflexive on what they do and how they do it; this can support the combination of both logic elements and adapt the organization to environmental demands [18,46,54,55]. Consequently, this means they should not uncritically mimic or copy practices from one logic or another, but should select which practice suits specific goals and consciously introduce these into the organization [17,18,22,54]. Overall, the hybrid functioning needs to be supervised carefully and consciously, with the effectiveness of this process continually assessed and reviewed [18,46,52].

The organizational structure based on the new logic must guide members' and workers' behaviors, which can pass through a series of radical changes. The hybrid organization has to continually assess what '*success*' will look like through incorporating diverse meanings, creating social value, fostering public interest and/or developing sustainably while commercial revenues are being generated; thus, the commercial value is facilitated by the social value [56]. Moreover, changing the meaning of 'success', particularly within the frame of the market logic, often leads to a consideration of the levels of profit that are required to enable the organization to survive, but not to take profit maximization as the endpoint, but as the *means* to the end [18,37,44,57]. Adding another institutional logic to the market logic can support the development of a new position within the market, stressing the fact that hybrid organizations produce goods and services that reflect a certain set of values, such as social or environmental impact [33,34]. Hybrid organizations have to comprehend their economic goals and strengthen their legitimation given by their overarching social purposes [35]. Instead of having the mission and the business logics separated, the new logic encourages the development of products and services that strongly embed the social/public/environmental mission [21,22,37,46,48].

The *governance* structure of hybrid organizations must shift to accommodate and embed new logics. Hybrids need to employ *new managers and workers* with a solid grounding in the new, merged logic [41–43]. The new entrants must, however, be careful when introducing new protocols and practices. Often, the best solution is for discussions between colleagues from different areas about the implications of tradeoffs and possible adjustments to balance the logics [41]. Profitmaking may have to be introduced as an essential aspect for organizational functioning, but profit maximization cannot be the main and unique goal. Balancing logics means continually assessing the 'most valuable' result for the public interest, rather than (necessarily) the 'most profitable' option [42]. Overall, *leadership* has a key role in maintaining the new logic within the governance structures and contributing their professional and life experiences to shape the organization [12,21,43]. There is also a need to rethink the concept of 'time horizon' as another way to facilitate hybridization; the profit-making institutional logic conceptualizes time as a resource-consuming/return-on-investment factor, but if a hybrid wants to produce a consistent social/public/environmental impact, it must justify adequate investment in the short, medium and long terms [35]. In this sense, the new logic cannot just consider the immediate economic results or future impacts but must balance these two aspects.

The creation of a new logic has effects on the external actors that deal with hybrids. The literature states that it is useful to *educate* clients and beneficiaries on what the nature of hybridity means for the operations of the organization [17,37,38,51,58]. The main objective is to convince the client that purchasing from a hybrid organization, such as a social enterprise, will not only fulfil its market need, but it will also support the enhancement of *social value/public interest/environmental sustainability* [17,37,38,51,57,58]. Moreover, such a marketing strategy can convince potential clients to choose the hybrid instead of a pure for-profit, thanks to the social value brought by products and services [17]. It is also possible, with dedicated and appropriate *communications,* to explain why prices may be higher than in other businesses [17]. Furthermore, hybrids can also develop relationships that influence investors as well as other companies in which the hybrid organization invests. In the first case, to avoid tensions related to rates of interest or profit sharing, hybrids must be clear on what the social/public/environmental mission entails and how financial resources will be spent [17]. In the second case, hybrids can leverage the change in other organizations through their investment (e.g., through demanding higher quality standards, reduction of carbon footprint, or use of environmentally sustainable products), so in this way they act via a market logic, but are able to achieve a social/public/environmental impact [35].

There is a role for hybrids to work together as a sector to lobby *government*; public authorities can potentially provide support to hybrids to deal with conflicting tensions, particularly to recognize their social relevance, albeit this needs to be handled carefully to ensure that unnecessary pressure or expectations are not placed upon the hybrid to resolve a social problem outside their remit or competence [34]. Moreover, public authorities can sustain hybrids through establishing contracts with them to deliver services, although there need to be expectations on both sides that this is not (necessarily) a 'cheap option': too much pressure on reducing costs can compromise the quality of social value. Public authorities thus have to be able to appreciate not only the financial costs, but the social value produced [12,18,51,55,59,60]. Government can also play a role in explaining the important role of hybrids in delivering public services and educating the public on the nature of hybrid organizations [17].

3.7. Decoupling Conflictual Institutional Logics

The alternative strategy is *decoupling*, which effectively means that one part of the organization is totally dedicated to one logic (for example, furthering the social mission), while responsibility for actions furthering the other logic is delegated to another section of the organization. Effectively, we see that decoupling involves the *segmentation* of logics, values, and activities into separate companies or timeframes and two diverse strategies for the separate areas [21,36,44,48]. This can allow the hybrid organization to keep services of fundamental public benefit for free or at as low a price as possible [41,42] in order to ensure, as far as possible, those most in need of the products or services are able to take them up. One further benefit of separating out the 'business' area from that of the 'social' is that this can allow the business to be more reactive to market pressures and rapid change and keep the public service areas safe from these volatilities and tensions [42]. One side can generate revenues from business activities while the other can freely coordinate social/environmental activities being funded by the commercial component [56]. This segmentation also provides advantages, as it means that differentiated marketing strategies, targeting diverse markets, clients, and investors for each part of the organization dedicated to the different logic, can readily be undertaken [36,48]. This can allow former public organizations, for example, which convert into hybrids, to decouple their activities, allowing them to operate as commercially as possible in those areas that respond to such an approach, while keeping the other provision—which is perhaps not as suitable for a market-based approach—either free or at low cost [41,42].

4. Discussion

We set out with two main objectives: to categorize the various forms of tensions and trade-offs that can occur in the functioning of these organizations, and to explore the range of solutions to these issues, in relation to how organizations work to balance the various institutional logics embedded in their structures. Although we have attempted to be as rigorous and robust as possible within the constraints we encountered, any systematic review has limitations on what can be included. Focusing on just "high-quality" literature on hybrids increased the confidence that we could place in our findings, but inevitably at the expense of a much larger (and potentially far more difficult to handle) corpus of data from which to draw insights.

Broadly speaking, there are two strategies that organizations employ to 'manage' hybridity: one adjusts to the world as it is (decoupling), and the other seeks to change the world (logic shifting). These are shown at Table 2.

Decoupling involves separating different aspects of the organization operating according to different logics. Logic shifting may involve merging diverse elements from different logics within a single organizational structure. Decoupling strategies are potentially more straightforward in the short term, since they bypass the need to educate workers, customers, and so on as to why organizational practices are legitimate. However, over the longer term, they may require more careful management to prevent dominant (market) logics from detracting from social, public, or environmental goals. Managing the tensions and trade-offs that arise from hybrid organizing requires a constant (re-)assessment of the appropriate balance and an adequate level of awareness to structures, processes, and internal and external relationships.

Our findings suggest that hybrid organizations need to recognize that tensions are inevitable and require leaders of hybrid organizations to create and maintain an organizational structure and a working environment attuned to this awareness. Support workers, members, beneficiaries, and external subjects need to understand and process the tensions as they arise or mitigate these so that the risk of adverse issues arising is reduced. There is no unique solution that can solve all tensions and trade-offs. What our analysis shows is that whichever strategy is employed, balancing logics is a constant and iterative process of reflection on the organization, its mission, objectives, and activities [50,51,61]. It is important to accept that a 'perfect equilibrium' may not be possible over time; instead, hybrids can likely aspire to a status of conscious 'quasi-equilibrium', where they 'satisfice' between conflicting requirements through constantly assessing their strategies and activities [55]. Hybridization is thus a dynamic process of continual adaptation to both external and internal pressures and changes. Hybrids need to develop these processes of self-reflection about their goals to provide their staff members and managers with the conditions to face these challenges and tensions [13].

Table 2. Hybridity at Various Levels.

Level	Decoupling	Logic Shifting
Micro	Instead of forcing the merging of different logics, the alternative is to separate the different aspects of the organization. Each side is totally dedicated to the pursue of a single logic	Working is not about profit maximization; the new aim is to generate resources to fulfil new social/public/environmental objectives while the whole organizational structure is put under constant appraisal
Meso	To present different aspects of the organization to diverse external subjects. This involves various styles of communication and different approaches suited to each selected target	Educate external subjects, who have relationships with the organization to the new logic. The base is a straightforward communication and the sharing of those aspects that can cause tensions or unwanted trade-offs
Macro	It is not clear what effects decoupling can have at the macro level, but we posit that it would further the 'status quo'	New logic tries to effect 'systems change', shifting the mission of business from profit maximization to the creation of social/public/environmental outcomes

5. Conclusions

Our synthesis shows that decoupling strategies and logic shifting have different effects at different levels. The micro level relates to the level of the organization, and the meso level relates to the contextual elements that shape the organization from the outside, while the macro level denotes the societal level/the political economy sphere.

Organizations adopting decoupling strategies can be seen as pursuing policies aimed at stability rather than change. At the micro (organizational) level, different aspects must be separated into different departments, and employees will have clear job roles consistent with existing logics. Regularly, it is at the management or governance level of the organization that tensions must be addressed. Board members or owners may have to make decisions as to what profit level is acceptable and then provide sufficient resources to (for example) the department providing social work to homeless clients. At the meso level, organizations pursuing decoupling strategies may present different organizational facets to different stakeholders consistent with what is legitimately expected of them. While few, if any, studies deal with the macro-level effects of decoupling strategies, we would posit that there are no social change effects in such circumstances, since institutional logics are left intact. Rather, the aim is to maintain organizational stability.

Logic shifting through the creation of a new institutional logic is, by definition, an approach aimed at creating social change, and such change can occur at one or more levels. At the micro (organizational) level, employees must be persuaded to 'sign up' to the new logic and may have a role in shaping this as organizational objectives and practices evolve. At the meso level, such logic shifting requires innovation in relationships with external stakeholders. Thus, clients, suppliers, donors, and public authorities must be persuaded on how and why the organization behaves differently. Such an approach can instigate changes outside of the organization as those who interact with it become aware of the new guiding logics. This process then becomes one element of creating change at the (societal) macro level. Hybrid organizations might begin to articulate critique of the taken-for-granted existing logics, while simultaneously demonstrating that a new world is possible based on new logics which systematically integrate economic, environmental, and social needs. Future research would thus benefit from widening the focus from internal mechanisms of hybrid organizations to the (comparative) effects of both decoupling and logic shifting by hybrid organizations on the meso and macro levels.

Despite the rigorous methodology applied in this systematic literature review, it is important to underline the limitation that, based on the criteria we applied, only a relatively limited number of papers were included and thus synthesized. Future work that adopts less stringent criteria would clearly result in more papers being brought into consideration.

Supplementary Materials: The following supporting information can be downloaded at: https://www.mdpi.com/article/10.3390/su15010177/s1. Supplementary File S1: Systematic Literature Review Protocol for Hybrid Organizations Internalization of Tensions and Trade-offs. Refs. [17,18,32–37,40–43,46,47,56,62] are cited in Supplementary Materials.

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