

Boli, John (Atlanta, Georgia) 2000

***World Culture and Transnational Corporations:
Preliminary Results***

This paper reports preliminary results of a project investigating the impact of global trends on the structure, activities, and self-presentation of transnational corporations (TNCs). Drawing on neo-institutionalism in organizational research and world-polity institutionalist theory, we argue that, while TNCs may be powerful, goal-oriented actors, they also are subject to many sources of pressure from their global cultural and structural environment to conform to global trends that are largely not of their own making. Global trends whose impact are assessed include, among others, environmentalism, general and women's equality, individualism, standardized accounting, and corporate culture. A number of mechanisms leading to TNC conformity with such trends are discussed, including processes of normative conformity to maintain or enhance organizational legitimacy, coercive pressure in the form of state regulatory efforts, and mimetic isomorphism as TNCs copy the behavior of exemplary or especially successful TNCs.

The preliminary results reflect data from a random sample of 100 companies on the Fortune Global 500 list of the world's largest corporations. The source of information on TNC behavior and self-presentation is corporate annual reports for 1997, whose narrative sections have been coded for a wide range of relevant variables to capture global trends. The results indicate considerable TNC conformity with many global trends, though we do not yet have longitudinal data that would allow us to assess the hypothesized increase in conformity that we expect to find when we have generated data for earlier time periods (eventually reaching back to 1977).

As the project proceeds, we will be able to use our analyses of the data to draw conclusions about competing theories of global change, notably world-system theory, neo-realism, neo-liberal institutionalism, and world-polity theory. As the first study of its kind, the project reflected in this paper opens a new field of investigation that should help produce a more complete understanding of the role of TNCs in global structuration and change.

(work in progress)