

# From Silos to Synergy: Institutional Entrepreneurship in Collective Digital Transformation in the Public Sector\*

Marcus Matteby<sup>1</sup>

<sup>1</sup>University of Gothenburg, SCDI, Forskargången 6, 417 56 Gothenburg, Sweden

## Abstract

While digital transformation (DT) in the public sector has attracted growing scholarly attention, research on institutional entrepreneurship (IE) within inter-municipal collaborations remains limited. This study examines a case of collective digital transformation (CDT), a collaborative initiative between two municipalities aimed at promoting equal access to digital welfare. Drawing on longitudinal interview data, the paper explores how institutional entrepreneurship is enacted in this collaborative context. The findings reveal that IE unfolds through three distinct phases: convergence, divergence, and confluence. This study advances understanding of how IE is enacted in the public sector, particularly in the context of inter-municipal collaboration. It also offers practical insights for policymakers and practitioners involved in similar DT efforts.

## Keywords

public sector, institutional entrepreneurship, institutional entrepreneurs, collective digital transformation

## 1. Introduction

DT, here understood along the lines of Crusoe et al [1], as a method for operations development through digital solutions is increasingly promoted as a viable approach to safeguarding continued relevance in the public sector. Predominantly studied in a private sector context, we have seen a substantial increase in contributions from studies from the public sector [2]. At the core of DT is the capability to enhance efficiency in existing operations while simultaneously enabling new paths for value creation through innovation [3]. While both functions of DT have been studied before, we have traditionally seen a dominance of studies primarily geared towards enhanced efficiency. As noted by Torugsa and Arundel [5], the public sector is in essence networked, endowed with strong dependencies and inter-relationships between its different organizations. Welfare, one of the primary deliveries of the public sector, often involves a necessary collaboration between different organizational entities, yet as argued by Lægreid and Rykkja [6] public organizations are often counter-productively designed to achieve said collaboration. Juell-Skielse et al [7] address the notion of inter-municipal collaboration through identifying a set of different modes of collaboration, utilizing existing legal frameworks, and identifying distributions between different modes. Carlsson et al [8] introduce the concept of collective digital transformation (CDT), referring to a collaborative process wherein multiple municipalities coordinate efforts to achieve DT while simultaneously advancing broader objectives, such as promoting equitable access to digital welfare services across municipalities.

Although DT has been extensively studied, there remains a significant gap in understanding the types of leadership needed to effectively engage with it in the public sector, as well as how such leadership can be practically enacted [10, 11]. As argued by Porfirio et al [9], DT requires new skills and characteristics in leadership, typically in relation to the ability to continuously stay true to the mission of the organization [40]. The success of collaboration often hinges on the joint actions of key actors from involved organizations who assume leadership roles in driving change. These

\*Proceedings EGOV-CeDEM-ePart conference, August 31-September 4, 2025, University for Continuing Education, Krems, Austria.

<sup>1</sup>Corresponding author.

✉ marcus.matteby@ait.gu.se

 0009-0007-1196-5659



Copyright © 2025 for this paper by its authors. Use permitted under Creative Commons License Attribution 4.0 International (CC BY 4.0)

individuals, frequently referred to as institutional entrepreneurs (IEs), are defined as “agents who initiate, and actively participate in the implementation of, changes that diverge from existing institutions, independent of whether the initial intent was to change the institutional environment and whether the changes were successfully implemented” [4]. Rather than conforming to existing structures, IEs actively seek to reshape organizations by crafting a vision, mobilizing resources, and inspiring others to drive change. In collaborative settings, akin to celestial bodies influencing each other's paths, IEs and other stakeholders need to align their objectives and actions to generate momentum for transformative change. Despite a few notable exceptions, such as Tassabehji et al. [12], research remains limited on how IE is enacted in public sector DT, particularly from the perspective of IEs themselves and how they collectively pursue DT goals. To address this research gap, I pose the following research question: *How is institutional entrepreneurship enacted in inter-municipal collaboration for digital transformation?*

I address this question by examining the “Ångsvall” initiative, a DT partnership between two Swedish municipalities: Ånge and Sundsvall. Catalyzed by a shared higher purpose of equal welfare, the collaboration was driven by two IEs who initiated and facilitated the process. Using longitudinal data of four rounds of interviews with key stakeholders in the two municipalities conducted during 2022-2025, along with field-notes and secondary material, I trace how these IEs navigated different phases of the initiative and developed their relationships with each other through what I inductively find to be three phases of enactment. The findings contribute to IS research and practice by illuminating how IE is enacted in the context of inter-municipal DT collaboration, particularly in contexts where smaller municipalities face challenges in achieving digital scale while needing to enhance service accessibility and quality [39].

The remainder of the paper is organized accordingly: After this brief introduction, I present the previous research in the form of an overview of studies conducted on collaborative DT in the public sector and IE. This is followed by an overview of the method applied in the study, with clear motivations for my choices. After this, I present the results of the study in the form of three phases of the longitudinal case. This is then discussed and used as a basis for developing my contribution.

## **2. Previous research**

### **2.1. Inter-municipal Collaboration in Public Sector DT**

Numerous studies highlight the inter-connected nature of the public sector [13]. Since welfare services inherently involve inter-disciplinary, inter-functional and inter-organizational efforts [14], this introduces significant complexity and underscores the critical need for collaboration [15]. Within this context, public sector organizations increasingly engage in DT, i.e., operational development through the utilization and diffusion of digital technologies [1]. Previous studies have identified various modes of collaboration [7], as well as different rationales for pursuing collaboration within public sector DT [16]. At the same time, DT is increasingly acknowledged as a relational phenomenon [17], i.e., not delineable by organizational boundaries. This more porous nature of the organization in DT is also studied in contexts where public sector DT is contested by citizen hacktivism, outlaw innovation, or co-creation [18, 19, 20].

Tana et al. [21] extend the concept of collaboration by framing DT as a form of collective social action, defined as “purposive cooperation among and between social actors (e.g., individuals or groups) who, united through shared values and norms, pursue a joint objective” (p. 2). In the public sector, Carlsson et al. [8] position CDT as an emerging mode of inter-municipal collaboration, based on a longitudinal study of two municipalities working together to ensure equal access to welfare, driven by morally justified rationales. While CDT represents a promising direction for collaboration, it remains an emerging area with a pressing need for further research, particularly concerning leadership and IE dynamics in public sector contexts.

## 2.2. Institutional Entrepreneurship in the Public Sector

IE has long been a burgeoning field of study directed at the process through which individuals or groups act to change, create, or disrupt existing institutional arrangements [22]. From this perspective, it is a field of study that addresses institutional change through focusing (in part) on the institutional entrepreneurs (IEs) and their practices related to the leveraging of resources, utilizing alliances and introducing new logics or practices in conflict with the established order [23].

IE has been applied to the public sector context in several studies, yet so far there are but few studies that directly target the type of institutional change that is involved in DT in the public sector (see e.g., [24]). One notable example of this type of study is that of Tassabehji et al [12], where the study shows the criticality of proactive community-building and legitimization. Through working intently with these activities, CIOs are shown to increase the success of the institutional change. Sundin and Tillmar [25] and Aldrich [26] also critique the tendency within IE research to overly emphasize executive actors, while paying limited attention to what these actors actually do to enact change, particularly their interactions and collaborative dynamics. Building on insights from previous literature, I identify seven types of activities that constitute the enactment of IE (see Table 1 below).

**Table 1**

Types of activities in institutional entrepreneurship

Activity	Description
Identifying opportunities	IEs identify inefficiencies or injustices in existing institutional frameworks and envision alternatives that better support shared goals or values. This requires critical analysis and the foresight to anticipate the benefits of new structures [4, 29].
Mobilizing resources	To implement change, IEs gather necessary resources, including financial capital, human talent, and technological tools. Effective resource mobilization is crucial for initiating and sustaining institutional transformations [8, 34].
Building alliances and coalitions	Forming strategic partnerships with stakeholders who have shared interests or who control critical resources is essential. These alliances enhance legitimacy and collective strength, facilitating broader acceptance of new institutional arrangements [34, 35].
Advocating and framing	Effectively communicating the need for change involves framing the new vision in a way that resonates with stakeholders' values and beliefs. This persuasive communication is vital for gaining support and driving momentum [30, 33].
Navigating institutional constraints	IEs must understand and work within existing rules and norms, strategically navigating constraints to implement change without causing excessive resistance [23, 36].
Establishing new norms and practices	Once changes are initiated, IEs work to embed new norms and practices into the organizational culture, ensuring they are adopted and sustained over time [24, 33].

Leveraging social position	Utilizing their social networks and status, IEs influence others and garner support for their initiatives, leveraging their position to drive change effectively [22, 26].
----------------------------	--

To sum up, despite the growing scholarly interest in DT within the public sector, particularly through inter-municipal collaboration, there remains a significant research gap at the intersection of CDT and IE. While previous studies have outlined collaborative modes, rationales, and relational dynamics of public sector DT, limited attention has been paid to how IE is enacted and how the relationship among IEs driving collaboration is evolving in the process of collaboration. This gap is particularly salient given the critical role IEs play in initiating, legitimizing, and sustaining transformative efforts in complex, multi-actor settings like the public sector. Furthermore, the activities through which IE is enacted, such as opportunity recognition, alliance-building, and norm-setting, remain underexplored, where leadership must navigate both institutional rigidity and inter-organizational dynamics. Addressing this gap, the current longitudinal study focuses on understanding the enactment of IE in an inter-municipal CDT initiative, offering novel insights into the lived practices of IEs working to reshape public digital infrastructures and equal welfare delivery in all municipalities.

### 3. Method

This longitudinal, qualitative interpretative case study of Ångsvall, a collaboration between two municipalities, Ånge and Sundsvall, in Sweden, was conducted between 2022–2025. The two municipalities are innately different, with Sundsvall being roughly ten times as large as Ånge in respect to the number of citizens. The inter-municipal collaboration was initiated in 2022 following the recruitment of a new CEO in Ånge that saw impending doom related to the digital capabilities of the municipality. In essence, Ånge did not have the capabilities or resources necessary to assure DT. With DT being critical for the municipality, Ånge saw no other option than to outsource their IT and DT. After contacting the CIO of Sundsvall, the dialogue quickly pivoted from outsourcing to fitting the bill of what Carlsson et al [8] describe as CDT. Utilizing inspiration from Inoue [27] on collective ambidexterity, the idea that formed about the collaboration was one of complementary capabilities. Ånge, the smaller municipality, was seen as having strong innovation potential, its size enabling short decision cycles and a heightened sense of urgency. Sundsvall, by contrast, was viewed as optimized for efficiency, with robust development capabilities and digital infrastructure to support rapid deployment and scaling. Based on these complementary strengths, the municipalities opted for a division of labor, leveraging their respective specialties to drive the collaboration.

A research group comprised of researchers and executive doctoral students (including one from the participating municipality) conducted four rounds (R1: Oct 2022–Jan 2023; R2: Oct–Nov 2023; R3: May–Jun 2024; R4: Nov–Dec 2024) of data collection in the form of interviews (53), field notes (1), steering documents (36), and internal communications (see Table 2 for an overview of the distribution of interviews). The interviews were conducted either on-site or via Microsoft Teams, recorded, and transcribed using a combination of OpenAI’s Whisper and diarization. All interviews were semi-structured and followed a consistent interview guide. The interview guide was organized into thematic sections that addressed key dimensions of the study: (a) respondents’ perceptions of the joint digital initiative and their involvement in its activities; (b) the roles they assumed, the challenges encountered, and the strategies used to address them; and (c) the skills and approaches IEs employed to advance the initiative. The questions were developed in collaboration with practitioners engaged in the Ångsvall initiative and were informed by relevant literature on IE and collaborative governance, as well as insights from a review of comparable case studies. The employees involved in the initiative included IT managers, HR specialists, CIO/CDOs, CHROs, CFOs, CEOs, communication officers, vice presidents in selected areas, and politicians.

**Table 2**

Overview of interviews conducted

Municipality	R 1	R 2	R 3	R 4	Total
Sundsvall	8	12	5	10	35
Ånge	3	4	5	6	18

Three rounds of coding have been conducted. First, I performed open coding inductively on my personal field notes. As one of the initiators of the collaboration from Sundsvall and concurrently an executive doctoral student, I drew on autoethnographic methods to incorporate my firsthand experience of the process. Second, I applied a combination of axial and thematic coding to identify relationships and overarching themes within the field notes, which led to a clear delineation of three chronologically distinct phases in the longitudinal case study. Third, building on these phases, I conducted selective coding of interviews, steering documents, and internal communications to triangulate and deepen my findings. The analysis involved constant iteration between coding, re-coding, and reflection. To ensure validity and credibility, peer debriefing was conducted with other members of the research team to validate the findings and confirm that interpretations remained grounded in the data. The analysis culminated in a detailed description of the case study's three phases as presented in the Results section, which also provides a foundation for the Discussion. I chose to dramatize the three phases and did so from the first-person perspective using inspiration from Davis [28] to force increased self-reflection in relation to personal experiences.

## 4. Results

Below, I analyze the enactment of IE across three phases of the initiative: Phase 1 – Convergence (4.1), during which IEs aligned around a shared vision and purpose, laying the foundation for collaboration; Phase 2 – Divergence (4.2), in which tensions and conflicting priorities emerged as additional stakeholders became involved; and Phase 3 – Confluence (4.3), in which diverse practices and perspectives gradually merged, resulting in the formation of a new shared institutional structure. A synthesis of the results is presented and further elaborated in the discussion section.

### 4.1. Phase 1: Convergence

Reflecting on the early days of our joint DT journey, I vividly recall how we, the IEs, the CEO of Ånge and I, the CIO of Sundsvall, came together united by a shared conviction that digital welfare should be equal for everyone, regardless of location. We recognized that, at that time, a person's municipal service was given solely by their location, which created inequities between our two municipalities. This insight opened the possibility to reimagine a future in which all residents could access equal digital welfare, a vision we were resolute in achieving. In our initial discussions, we aimed to ensure that both Ånge and Sundsvall municipalities would benefit equally from the collaboration, despite our stark differences in size and resources. Drawing on my role as CIO and established networks in both municipalities, I secured essential support and legitimacy for our emerging institution, carefully communicating the initiative's commitment to equity by acknowledging the smaller municipality's potential disadvantage and assuring that IEs would maintain a fair Ångsvall collaboration. In the early stages of the collaboration, establishing centralized shared governance and a unified vision was crucial. I led the creation of a framework for joint decision-making and communication between myself and Ånge's CEO. Together, we produced a video to convey our vision and presented the collaboration at multiple conferences with

our partners. Throughout this phase, I focused on embedding our purpose and guiding principles at the heart of the initiative, despite occasional uncertainty and skepticism:

*“And then we perceive that we can dress in pink veils and think that this is going to be fantastic. We create an illusion that it will be better than it actually is before we start realizing the problems we weren’t aware of from the beginning. It becomes even more important to remember—what is it [that we want to achieve in this collaboration]? Why do we do this? What was it that we originally wanted to do differently?”* (Manager, Sundsvall).

Both IEs approached the perceived constraints of Ånge as the smaller municipality and its extensive geographical spread. Instead of seeing these factors as limitations, we jointly reframed them as opportunities, conditions that could catalyze transformation. The regular weekly meetings with top management created a distinct rhythm that enabled us to make decisions quickly, further reinforcing our commitment to our shared transformation goals:

*“What we want to achieve is an equal digital welfare and, in the long term, equal welfare. Quite frankly, is that, as I see it, as a representative for Ånge, it’s clear that it’s a small municipality with 9,300 inhabitants, large geographical distances, and yet it is expected to do the same things as Sundsvall or Stockholm.”* (Manager, Ånge).

I see this as a moment of convergence, i.e. a coming together of shared beliefs, values, and vision, that laid the foundation for the broader transformation and collaboration the IEs sought to enable. Our shared commitment to addressing digital welfare inequalities and reframing constraints as opportunities played a crucial role in opening new possibilities for change. We consciously advocated the vision for our politicians to create security on the change we were in the midst of. We actively championed this vision to our political stakeholders, helping foster a sense of stability amid ongoing shifts:

*“My role becomes very much that of a door opener. Partly, it is about working with the politicians so that they feel secure, because we are going to let go of some people who will lose their jobs, which is always a concern for politicians. It is important to be able to reassure them that this is actually better, to sometimes take a firm stance and say: ‘no, this is not an option, this is what we need to do’, but also, of course, to motivate and discuss what is required.”* (Manager, Ånge).

Notably, this convergence occurred not at an organizational level, but between two IEs: the CEO of Ånge and myself. While others may have been involved, perhaps as proto-IEs, i.e. members of the involved organizations displaying early traits of IE without yet having the full influence, legitimacy, or resources to lead change, the core convergence centered on the two of us.

## 4.2. Phase 2: Divergence

As our initiative expanded to include more stakeholders, tensions in the collaboration, i.e. contradictions or competing demands that arise from the coexistence of different institutional logics, interests, or practices, began to surface more and more frequently. These tensions emerged when we realized that we might have diverse goals, structures, or resources while attempting to collaborate within a shared framework. One such tension is illustrated below:

*“I see a challenge in that the model Sundsvall has is based on the idea that there should be more roles within the organization, roles that we don’t have today. I believe there’s a huge risk that Ånge will be overlooked. The Sundsvall model is what’s being applied. It’s a bit of a dilemma to come together in a shared system park and share IT.”* (Manager, Ånge).

I witnessed firsthand that difficult decisions had to be made to overcome significant obstacles, the clearest example being the dismissal of Ånge’s IT manager. This decision stemmed partly from IT manager’s resistance to the initiative and partly from the redundancy created by the new organizational structure, which no longer required dual IT managers. This divergence phase is also characterized by a strong sense of liminality, i.e. a transitional space marked by ambiguity and uncertainty. Internal resistance and structural inertia were at their peak, making it particularly challenging to navigate the in-between state. It often felt as though I was suspended between two worlds: one rooted in the municipalities’ original, independent ways of operating, and the other in

the envisioned future of shared digital governance. It was a delicate balancing act, speaking about the future as though it were already real, embodying the change before it had fully materialized. The quote below reflects the tension between individual agency and collective alignment, as well as the emotional undercurrent of institutional change—where trust, recognition, and momentum become essential counterforces to resistance and uncertainty:

*“Then [Manager, Ånge] has worked in Ånge municipality within our organization together with [Manager, Sundsvall], and we’ve also worked together in Sundsvall’s organization, so at this point, the trust-base is broader than it was in the beginning. The the seed, or the root, or the beginning, was really theirs, they found each other, had trust in each other, and were able to shape it into a good idea. Then it helps that it has been applauded from various sides, and that the initiative itself has gained a lot of attention. It’s nice to get a bit of praise and feel that the wind is at your back for a change.”*

Gradually, as the collaboration moved forward, IEs realized that spreading responsibility among more people instead of merely delegating tasks through traditional hierarchical structures is essential. IEs shifted their focus toward creating conditions that allowed different institutional practices to naturally correspond and evolve together. By appointing coordinators and engaging subject matter experts, IEs established new points of connection where our different ways of working could meet and transform one another. DT became embedded in our daily operations not through top-down mandates, but through an organic correspondence between the existing practices in both municipalities. This divergence phase, for IEs, was less about managing conflict and more about creating spaces where new institutional flows from Sundsvall and Ånge could explore fresh, innovative paths together. IEs learned that transformation emerges most effectively when we work with existing patterns rather than trying to fight against them.

### 4.3. Phase 3: Confluence

In the third phase of collaboration, as our organizations drew closer together into what could be recognized as a new institution, IEs still needed to continuously reinforce Ångsvall’s shared vision and goals:

*“Different viewpoints arise along the way that suggest this may turn out well or that we could have done it differently. It has been very important to be steadfast. The expression goes, ‘to stand one’s ground,’ meaning to stand by what has been decided, regardless of what you think we should pursue instead, as that is no longer relevant.”* (Manager, Ånge).

Despite our progress, there were still several instances where individuals expressed a desire to revert to the familiar and comfortable routines. IEs gradually began relinquishing control, empowering participants from both municipalities to take real ownership of our transformation process, a process that spread like an epidemic, replicating IE throughout our organizations. As the collaboration progressed, we gradually embedded new operational routines into our daily work, replacing prior practices with new norms that reflected our commitment to CDT. While both Ånge and Sundsvall successfully navigated their collaboration and ensured mutual benefits, some key issues still needed addressing. IEs made it a priority to ensure that decision-making in project prioritization was equally shared, a move that laid the groundwork for our collaboration:

*“I’d rather see it as us having established a long-term collaboration on these issues. This is essentially our approach now.”* (Manager, Sundsvall).

Continuously fostering the culture of collective ownership and shared responsibility for long-term DT was a conscious strategy vital to prevent conflicts from escalating. Both municipalities had to have an equal voice in prioritizing projects based on mutual benefits. Further recognizing the complementary strengths inherent in our municipalities, we mobilized Sundsvalls’ advanced technical infrastructure alongside Ånge’s agile decision-making, thereby integrating our efforts to drive the digital merger forward: “I know that we do things together. Many around, both in the care sector, I would say, maybe look at applications at some level. I understand it as if they are involved.” (Manager, Sundsvall).

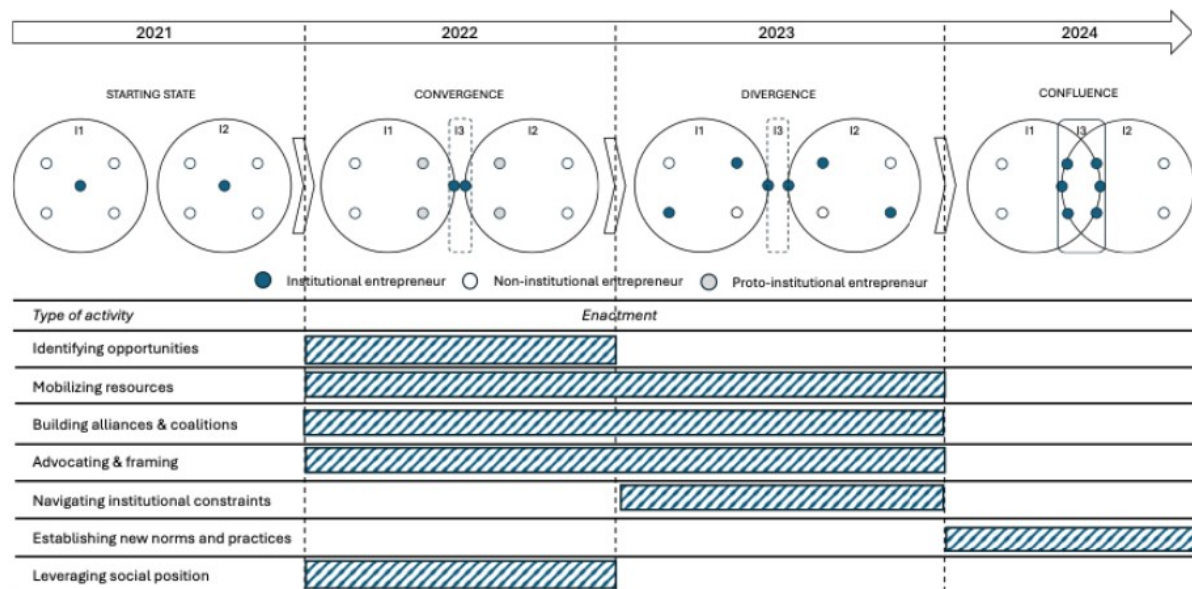
This shift toward shared responsibility in the third phase, confluence, was crucial in reducing the risks of a top-down approach and in spurring innovation from within each municipality. Gradually transferring responsibilities to subject matter experts within our municipal departments ensured that our CDT became a natural part of daily operations rather than a mandate imposed from above, one that emphasized our complementary strengths:

*“So it is just about safeguarding what is so fundamental. We are doing this so that we can achieve equality. It must be complementary strengths. And of course, it must be equal governance. Then? Then there is a chance that it will become sustainable”* (Manager, Sundsvall).

Ultimately, IEs observed how both organizations began to overlap with each other to a significant extent, creating the new institution of CDT and in essence a digital merger of municipalities.

## 5. Discussion

This study set out to explore the following research question: “How is institutional entrepreneurship enacted in inter-municipal collaboration for DT?” To investigate this, I examined the Ångsvall initiative, which was spearheaded by two IEs, representing two municipalities. Drawing on longitudinal data, the analysis traced how these actors navigated various phases of the initiative. The synthesis of IE enactment process and activity types is presented in Figure 1 below:



**Figure 1:** Enactment of institutional entrepreneurship in CDT.

As seen in Figure 1, IE in Ångsvall unfolded through three phases: convergence, divergence, and confluence. Initially, IEs aligned around a shared vision of equal digital welfare, establishing legitimacy and joint governance. As the collaboration expanded, tensions emerged, revealing differences in goals and capacities. Rather than impose change, IEs created space for existing practices to evolve together. Over time, shared ownership and mutual reinforcement of complementary strengths led to the formation of a new institutional reality, a collective model for DT, embedded across both municipalities. The findings show that the types of IE activities shift across the three phases of the initiative. I interpret this as conjunctural with the different roles involved in the IE per se, i.e., suggesting that the role of the institutional entrepreneur changes over time as the initiative shifts from instigation to fruition [30]. These findings support the notions from previous research that institutional change is an accumulative process that unfolds over time [31]. The challenges associated with each phase in the creation of CDT differ, from the initial (convergence) searching for opportunities and conjoined sense-making of the two original



IEs, to the more divisive second phase (divergence) with increasingly distributed agency of numerous institutional (proto-)entrepreneurs, to the third and final phase (confluence) with the amalgamation of a new institution. From this, I posit that IEs enact inter-municipal collaboration through a combination of activities, distributed over time and space and with their own specific cadence. The IEs build momentum through a combination of closeness (convergence) and distance (divergence), much in line with the findings from Magnusson et al [32] on the governance of DT per se. Attracting new IEs is a risky process and ultimately leads to a temporary decrease in the pace of formation of the new institution. At the same time, without the diversification of support into new groups of individuals in the organizations, the new institution would run the risk of being stillborn [33].

Fortwengel and Jackson [34] and Nelson et al [35] claim that IE is important to the formation and management of inter-organizational collaboration. In the Ångsvall case, IEs from different organizations were equipped with different potential action repertoires, making it possible to selectively decide on who communicates what and to what end. This increases the freedom to operate for the collaboration per se, but it also complicates things through the two IEs having allegiance with two separate organizations. This pushes complexity in terms of dual loyalties, where the IEs may run the risk of being perceived to be disloyal [34].

## **6. Contributions, limitations and further research**

Starting with contributions, this study's main contribution is the foundation of what I call a mid-range process theory for IE in public sector CDT. The dialectic between closeness and distance, and the oscillation inherent in institutional change, offers a useful lens for future research on the dynamics of public sector DT from an IE perspective. Further research into the micro-foundations of institutional change is needed [36, 37]. Additionally, this study responds to Carlsson et al.'s [8] call for more research on the collective nature of DT by framing CDT as institutional change. While Carlsson et al. use an institutional work perspective, my IE approach adds a leadership dimension.

Concerning practical contributions, as inter-municipal collaborations become increasingly prevalent, driven by the rise of the networked public sector [5] and growing resource constraints in municipalities [38], this study provides valuable guidance for municipal managers on how to lead similar initiatives. Furthermore, the paper offers insights for IEs helping them better prepare for and navigate the pace and dynamics of institutional change during DT.

Turning to limitations, a more explicit delineation and in-depth examination of the roles of IEs, their specific actions, and the underlying institutional logics guiding those actions would have strengthened the clarity and explanatory power of the findings. In addition, the inclusion of autoethnographic elements introduces potential biases, as the reduced separation between the researcher and the research subject may compromise the objectivity and traceability of the findings. This, in turn, may limit the perceived credibility and generalizability of the conclusions.

Further research should continue to develop and clarify the ontological and epistemological underpinnings of the proposed theory. A deeper analysis of institutional tensions, particularly asymmetries, conflicts, and resistance within inter-municipal collaborations, would enhance understanding by drawing on power-focused perspectives. Finally, examining similar initiatives in other national contexts could reveal how differing institutional environments shape DT and IE.

### **Disclosure of Interests**

I am the acting CIO and one of the instigators of the CDT initiative.

## **Acknowledgements**

I thank all respondents for their valuable time and contributions.

## Declaration on Generative AI

During the preparation of this work, the author used Eneo<sup>2</sup> in order to: Grammar and spelling check. After using this service, the author reviewed and edited the content as needed and takes full responsibility for the publication's content.

## References

- [1] J. Crusoe, J. Magnusson, and J. Eklund, "Digital transformation decoupling: The impact of willful ignorance on public sector digital transformation," *Gov. Inf. Q.*, vol. 41, no. 3, p. 101958, 2024, doi: 10.1016/j.giq.2024.101958.
- [2] L. Carter, K. C. Desouza, G. S. Dawson, and T. Pardo, "Digital transformation of the public sector: Designing strategic information systems," *J. Strat. Inf. Syst.*, vol. 33, no. 3, p. 101853, 2024, doi: 10.1016/j.jsis.2024.101853.
- [3] I. Mergel, N. Edelman, and N. Haug, "Defining digital transformation: Results from expert interviews," *Gov Inform Q*, vol. 36, no. 4, p. 101385, 2019, doi: 10.1016/j.giq.2019.06.002.
- [4] Battilana, J., Leca, B., & Boxenbaum, E. (2009). 2 how actors change institutions: Towards a theory of institutional entrepreneurship. *Academy of Management Annals*, 3(1), 65-107.
- [5] N. (Ann) Torugsa and A. Arundel, "Complexity of Innovation in the public sector: A workgroup-level analysis of related factors and outcomes," *Public Manag. Rev.*, vol. 18, no. 3, pp. 392–416, 2016, doi: 10.1080/14719037.2014.984626.
- [6] P. Lægreid and L. H. Rykkja, "Accountability and inter-organizational collaboration within the state," *Public Manag. Rev.*, vol. 24, no. 5, pp. 683–703, 2022, doi:10.1080/14719037.2021.1963822.
- [7] G. Juell-Skielse, C.-M. Lönn, and T. Päiväranta, "Modes of collaboration and expected benefits of inter-organizational E-government initiatives: A multi-case study," *Gov Inform Q*, vol. 34, no. 4, pp. 578–590, 2017, doi: 10.1016/j.giq.2017.10.008.
- [8] F. Carlsson, M. Mattheby, J. Magnusson, and N. B. Lindstrom, "Collective digital transformation: Institutional work in municipal collaboration," *Proc. 24th Annu. Int. Conf. Digit. Gov. Res.*, pp. 583–592, 2023, doi: 10.1145/3598469.3598536.
- [9] J. A. Porfírio, T. Carrilho, J. A. Felício, and J. Jardim, "Leadership characteristics and digital transformation," *J. Bus. Res.*, vol. 124, pp. 610–619, 2021, doi: 10.1016/j.jbusres.2020.10.058.
- [10] N. Edelman, I. Mergel, and T. Lampoltshammer, "Competences That Foster Digital Transformation of Public Administrations: An Austrian Case Study," *Administrative Sci*, vol. 13, no. 2, p. 44, 2023, doi: 10.3390/admsci13020044.
- [11] C. Wilson and I. Mergel, "Overcoming barriers to digital government mapping the strategies of digital champions," *Gov Inform Q*, p. 101681, 2022, doi: 10.1016/j.giq.2022.101681.
- [12] R. Tassabehji, R. Hackney, and A. Popović, "Emergent digital era governance: Enacting the role of the 'institutional entrepreneur' in transformational change," *Gov Inform Q*, vol. 33, no. 2, pp. 223–236, 2016, doi: 10.1016/j.giq.2016.04.003.
- [13] I. M. Nolte and J. Lindenmeier, "Creeping crises and public administration: a time for adaptive governance strategies and cross-sectoral collaboration?," *Public Manag. Rev.*, vol. 26, no. 11, pp. 3104–3125, 2024, doi: 10.1080/14719037.2023.2200459.
- [14] A. Afonso, L. Schuknecht, and V. Tanzi, "Public sector efficiency: An international comparison," *Public Choice*, vol. 123, no. 3–4, pp. 321–347, 2005, doi: 10.1007/s11127-005-7165-2.
- [15] S. Lee and M. Esteve, "What drives the perceived legitimacy of collaborative governance? An experimental study," *Public Manag. Rev.*, vol. 25, no. 8, pp. 1517–1538, 2023, doi: 10.1080/14719037.2022.2026692.
- [16] S. Wouters, M. Janssen, V. Lember, and J. Crompvoets, "Strategies to advance the dream of integrated digital public service delivery in inter-organizational collaboration networks," *Gov Inform Q*, p. 101779, 2022, doi: 10.1016/j.giq.2022.101779.

---

<sup>2</sup> An open source AI-platform, <https://github.com/sundsvallai/eneo> and Claude 3.7 Sonnet as completion model

- [17] A. Lanamäki, K. Väyrynen, S. Laari-Salmela, and M. Kinnula, "Examining relational digital transformation through the unfolding of local practices of the Finnish taxi industry," *J Strategic Information Syst*, vol. 29, no. 3, p. 101622, 2020, doi: 10.1016/j.jsis.2020.101622.
- [18] C. Ingram-Boguz, J. Magnusson, and M. Rost, "Leave it to the parents: How hacktivism-as-tuning reconfigures publicsector digital transformation," *Government Information Quarterly*, vol. 42, no. 1, p. 101996, 2025, doi: 10.1016/j.giq.2024.101996.
- [19] D. Rudmark, R. Lindgren, and U. Schultze, "Open data platforms: Design principles for embracing outlaw innovators," *J. Strat. Inf. Syst.*, vol. 33, no. 3, p. 101850, 2024, doi: 10.1016/j.jsis.2024.101850.
- [20] N. Haug, "Actor roles in co-production—Introducing intermediaries: Findings from a systematic literature review," *Public Adm.*, 2023, doi: 10.1111/padm.12965.
- [21] S. Tana, C. F. Breidbach, and A. Burton-Jones, "Digital Transformation as Collective Social Action," *Journal of the Association for Information Systems*, 2023.
- [22] R. Garud, C. Hardy, and S. Maguire, "Institutional Entrepreneurship as Embedded Agency: An Introduction to the Special Issue," *Organ. Stud.*, vol. 28, no. 7, pp. 957–969, 2007, doi: 10.1177/0170840607078958.
- [23] T. B. Lawrence and R. Suddaby, "Institutions and Institutional Work," in *The SAGE Handbook of Organization Studies*, S. R. Clegg, T. B. Lawrence, and C. Hardy, Eds., London: Sage, 2006.
- [24] S. Tumbas, N. Berente, and J. vom Brocke, "Digital innovation and institutional entrepreneurship: Chief Digital Officer perspectives of their emerging role," *J Inform Technol*, vol. 33, no. 3, pp. 188–202, 2018, doi: 10.1057/s41265-018-0055-0.
- [25] E. Sundin and M. Tillmar, "A Nurse and a Civil Servant changing institutions: Entrepreneurial processes in different public sector organizations," *Scand. J. Manag.*, vol. 24, no. 2, pp. 113–124, 2008, doi: 10.1016/j.scaman.2008.03.006.
- [26] H. E. Aldrich, "Heroes, Villains, and Fools: Institutional Entrepreneurship, NOT Institutional Entrepreneurs," *Entrep. Res. J.*, vol. 1, no. 2, p. 20122003, 2011, doi: 10.2202/2157-5665.1024.
- [27] Y. Inoue, "Indirect innovation management by platform ecosystem governance and positioning: Toward collective ambidexterity in the ecosystems," *Technol Forecast Soc*, vol. 166, p. 120652, 2021, doi: 10.1016/j.techfore.2021.120652.
- [28] P. Davies, "'Me', 'Me', 'Me': The Use of the First Person in Academic Writing and Some Reflections on Subjective Analyses of Personal Experiences," *Sociology*, vol. 46, no. 4, pp. 744–752, 2012, doi: 10.1177/0038038512437897.
- [29] Perkmann, M., & Spicer, A. (2007). Healing the scars of history': Projects, skills and field strategies in institutional entrepreneurship. *Organization Studies*, 28(7), 1101-1122.
- [30] C. Hardy and S. Maguire, "Institutional entrepreneurship and change in fields," in *The SAGE Handbook of Organizational Institutionalism*, vol. 2, R. Greenwood, T. Oliver, T. Lawrence, and R. Meyer, Eds., London: SAGE Publications, 2008, p. 261.
- [31] T. B. Lawrence, B. Leca, and T. B. Zilber, "Institutional Work: Current Research, New Directions and Overlooked Issues," *Organ Stud*, vol. 34, no. 8, pp. 1023–1033, 2013, doi: 10.1177/0170840613495305.
- [32] J. Magnusson, J. Khisro, M. Björsses, and A. Ivarsson, "Closeness and distance: configurational practices for digital ambidexterity in the public sector," *Transforming Gov.: People, Process Polic*. 15, 420–441 (2021).
- [33] S. Maguire, C. Hardy, and T. B. Lawrence, "Institutional Entrepreneurship in Emerging Fields: HIV/AIDS Treatment Advocacy in Canada," *Acad Manage J*, vol. 47, no. 5, pp. 657–679, 2004, doi: 10.5465/20159610.
- [34] J. Fortwengel and G. Jackson, "Legitimizing the apprenticeship practice in a distant environment: Institutional entrepreneurship through inter-organizational networks," *J. World Bus.*, vol. 51, no. 6, pp. 895–909, 2016, doi: 10.1016/j.jwb.2016.05.002.
- [35] N. Phillips, T. B. Lawrence, and C. Hardy, "Inter-organizational Collaboration and the Dynamics of Institutional Fields," *J. Manag. Stud.*, vol. 37, no. 1, p. no-no, 2000, doi: 10.1111/1467-6486.00171.

- [36] C. Lakshman and M. Akhter, "Microfoundations of institutional change: Contrasting institutional sabotage to entrepreneurship," *Can. J. Adm. Sci. Rev. Can. des Sci. l'Adm.*, vol. 32, no. 3, pp. 160–176, 2015, doi: 10.1002/cjas.1325.
- [37] S. L. Sun, W. (Stone) Shi, D. Ahlstrom, and L. (Rachel) Tian, "Understanding institutions and entrepreneurship: The microfoundations lens and emerging economies," *Asia Pac. J. Manag.*, vol. 37, no. 4, pp. 957–979, 2020, doi: 10.1007/s10490-020-09738-6.
- [38] D. Fila, H. Fünfgeld, and H. Dahlmann, "Climate change adaptation with limited resources: adaptive capacity and action in small- and medium-sized municipalities," *Environ., Dev. Sustain.*, vol. 26, no. 3, pp. 5607–5627, 2024, doi: 10.1007/s10668-023-02999-3.
- [39] Kitsios, F. & Kamariotou, M. (2023). Digital innovation and entrepreneurship transformation through open data hackathons: Design strategies for successful start-up settings. *International Journal of Information Management*, 69, 102472.
- [40] Kusanke, K., Pilgenroeder, S., Kendziorra, J., & Winkler, T. J. (2023). Digital leadership in the public sector: Towards a public sector digital leadership competency model. AMCIS, Panama.