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Reconciling Conflicting Institutional Logics: Community Reinvestment Officers at the Intersection of Public Policy and Market Forces

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Reconciling Conflicting Institutional Logics: Community Reinvestment Officers at the Intersection of Public Policy and Market Forces

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Abstract

Although the public policy literature has traditionally focused on public sector agencies' roles in the policy implementation process, private sector managers who oversee regulatory mandates for their organizations are also policy actors. These actors operate between multiple conflicting field-level institutional logics that create demands that they must reconcile through their work. In the banking sector, the Community Reinvestment Act (CRA), enacted in 1977, and its associated policies are monitored by the banking regulatory agencies and implemented by the senior managers responsible for these mandates at regulated financial institutions. Simultaneously with their responsibility for the policy mission of the CRA, CRA officers (CROs) are business managers who must support the commercial missions of their banks, as well as respond to the pressures of their community contexts. This dissertation contributes to the policy implementation literature in two ways. First, by linking the institutional logics and institutional work perspectives, this study extends our understanding of how managers in private organizations reconcile the demands of public policy with their market driven missions, and second, by examining the factors that contribute to policy implementation in the field of community reinvestment. By employing central tenets derived from the institutional logics perspective, the dissertation recognizes how the constitutive and interconnected material (organizational structures and practices) and symbolic (conceptualizations of market and policy demands) elements of the institutional orders of society inform these managers' policy work. Furthermore, the institutional work framework recognizes the enduring nature of institutions, but also that institutional logics can change over time as constituted by actors' agency and the evolving discourse and norms in the field. This micro-level focus on individual actors recognizes that organizations are not unitary, but instead are comprised of diverse employees who reference

institutional logics in divergent ways. The second key contribution of the dissertation is its elucidation of the primary factors that contribute to CROs' abilities to reconcile the demands of conflicting institutional logics, informed by the institutional work perspective. The study illustrates how structural work (job responsibilities and organizational authority), conceptual work (policy worldview and its intersection with race and personal identity, as well as organizational and leadership commitment to CRA performance), operational work (community market context) and relational work (professional identity and gender of the CRO) influenced interpretations of CRA mandates. The most significant finding was related to the race and ethnicity of the CRO, which influenced the conceptualizations of CRA as community development, as opposed to compliance, as well as perceptions concerning the importance of the CRA statute.

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Dedication

My dissertation is dedicated to my daughter, Clara Josephine Adkins. At the mere age of four (two when I began to write), Clara approached the circumstances of life with mommy's book exhibiting maturity beyond her years.

My Clara, one day this year, as my dissertation neared completion, you asked me why I planned to dedicate a book to you that you cannot read? On another occasion, you suggested that the editor might want to add some pictures! You lovingly offered to illustrate the cover for me. Someday, I hope that you will read it. Today, it is more than enough to be done. For many years, it will sit on our living room bookshelf before you take it down. When you read it, I hope that you will know that the immense joy you give me made this all achievable. I hope that you will be proud. Although it may not be your preferred genre anytime soon, it is a reflection of the strength within us to accomplish whatever we set our minds to! I cannot wait to support you as you set your mind to many feats of your own in the years ahead!

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Chapter One: Introduction

Private sector managers responsible for enacting public policies wear multiple hats as they experience implementation related pressures from policy regulators, their business leaders, and local communities. In managers' attempts to comply with regulatory demands, they play a multitude of potentially conflicting roles as they are simultaneously policy actors, business managers, and community members. The external facing roles position the managers to answer to interests that may diverge from internal organizational goals that they navigate as business employees of for-profit organizations.

In fact, research shows that individuals and organizations from different sectors tend to operate under divergent institutional logics, that is, the socially constructed practices, rules of action, assumptions, beliefs, and values that are embodied in the shared identities of sectoral actors (Friedland & Alford, 1991; Lindblom, 1977; Perry & Rainey, 1988; Thornton & Ocasio, 1999). Logics influence what is considered important, as well as the implicit rules and practices that are accepted in various social scenarios (Bridwell-Mitchell & Sherer, 2017; Thornton & Ocasio, 1999). The focus of the institutional logics perspective is to ask how these logics affect sensemaking and behavior of individual actors. Although actors may reference multiple institutional logics as they navigate their daily lives—dependent on their societal or organizational roles and responsibilities (for example, as employees of for-profit or non-profit organizations, as citizens of various global political systems, and as family members)—field level logics of their industries and professions exert powerful influences on work-life (Friedland & Alford, 1991). Institutional logics drawn from the broader American social institutions of market capitalism, bureaucracy, democracy, and family have distinct differences in their overarching belief systems that shape the behavior of field actors (Bridwell-Mitchell & Sherer, 2017; Friedland & Alford, 1991).

The private sector's driving force is profit, framed by the market logic and the institution of capitalism, although business leaders increasingly recognize the complexity of the profit bottom line and necessity of thriving communities for their operations. Under a dominant market logic, business managers focus on resources, acquisition, and profit growth (Averch & Johnson, 1962; Dahl & Lindblom, 1953; Downs, 1967; Epstein et al., 2016; Friedland & Alford, 1991; Shleifer & Vishny 1994; Thornton & Ocasio, 1999; Wamsley & Zald, 1973). Despite business managers' best intentions for their customers and communities, if a business is not profitable, it will no longer be able to operate.

Public sector agencies and their employees reflect dominant beliefs—ascribed to a bureaucratic logic—in centralized authority, standardized operations and regulatory procedures, and measurement of service program outcomes (Bridwell-Mitchell & Sherer, 2017). The bureaucratic logic centers on addressing societal issues and the public interest and is concerned with regulating private firm externalities that may be at odds with the public interest, as well as providing goods and services that are not adequately supplied through economic markets (Atkinson & Stiglitz, 1980; Epstein et al., 2016; Lyden, 1975; Rainey, 1983; Viscussi et al., 2005).

Non-profit organizations and their team members may reflect logics that are more aligned to market or bureaucratic logics, or to democratic or development logics, dependent on their organizational structures and resource-based relationships (Knutsen, 2012). Democratic logics center on community engagement or civic participation and concerns about equity (Bridwell-Mitchell & Sherer, 2017; Knutsen, 2012). The development logic focuses on community development and concerns such as poverty alleviation. Whereas in the market logic clients are customers and sources of income, in the development logic clients are seen as beneficiaries and are deserving of assistance (Battilana & Dorado, 2010).

When actors carry out work that spans institutional boundaries—whether because of organizational form, cross-sector partnerships, or regulatory mandates—divergent institutional logics may clash, or at other times converge over time as one sector influences the practices of another. Public policy mandates on business have the potential to create contradictory or conflicting pressures on the actors responsible for policy compliance. The varying interests and actions of stakeholders internal and external to the organization can be associated with dominant institutional logics of the various institutional orders at play. Managers responsible for enacting policy mandates are on the direct receiving line of these pressures. Thus, the question arises, how do they respond to the pressures of policy compliance, and what factors influence their responses?

In this dissertation, these issues surrounding cross-sector work are illustrated through an examination of the mandates of the Community Reinvestment Act (CRA; 12 U.S.C. 2901) on regulated banks, which is one arena with the potential to create conflicting institutional demands for the managers responsible for policy execution.[1] Community development has traditionally been the focus of community-based non-governmental organizations in conjunction with public sector agencies; however, government increasingly has engaged the private sector to achieve public goals (Donahue & Zeckhauser, 2011; Ferlie et al., 2003). One such example, and the

[1] The Community Reinvestment Act (CRA), enacted by Congress in 1977 (12 U.S.C. 2901) and implemented by Regulations 12 CFR parts 25, 228, 345, and 195, is intended to encourage depository institutions to help meet the credit needs of the communities in which they operate (FFIEC, 2017).

focus of this dissertation, is the CRA, which requires the private sector, specifically financial depository institutions ("banks"), to lend and invest in low to moderate-income (LMI) communities in order to be granted licenses to expand their operations (Haag, 2000; Stock & Noreika, 2001).[2] This presents a rare federal mandate on businesses for what would otherwise be limited to voluntary corporate social responsibility or market demands.

Figure 1

Institutional Demands on Bank Managers Related to CRA

Private sector organizations typically base performance incentives and rewards on profitable product and service delivery (Banfield, 1975; Epstein et al., 2016; Khojasteh, 1993; Rainey, 1983; Wittmer, 1991). Specifically, the economic markets private firms operate in

[2] A bank [depository institution] is a financial institution licensed to receive deposits and make loans. Banks may also provide financial services, such as wealth management, currency exchange and safe deposit boxes. Commercial/retail banks are typically concerned with managing withdrawals and receiving deposits as well as supplying short-term loans to individuals and small businesses. Consumers primarily use these banks for basic checking and savings accounts, certificates of deposit (CDs) and home mortgages. (Investopedia, 2017). The CRA is applicable to all banks who carry FDIC insurance.

purportedly provide a clear profit incentive and goal clarity for the firms' managers to focus their work activities (Barton, 1979; Dahl & Lindblom, 1953; Downs, 1967; Lyden, 1975). Yet while financial returns, even for community development projects (if returns are tracked at all), can be tracked through standardized accounting procedures, social impact lacks consistent measurement practices. Thus, measuring the impact of community development activities or the social outcomes intended by the CRA diverges from the more dominant evaluation norms and practices in the private sector, especially around financial measurement (as opposed to impact measurement). Furthermore, market capitalism can be at odds with sustainable community development strategies whose goals are to improve quality of life for all residents, for example through environmental destruction from mass production or the growing wealth gap of capitalist economies (Green & Haines, 2016; Hill, 2009; Radke, 1995). In the banking sector, lending to an LMI customer generates lower returns than lending to a high-income customer. Given this, an important question becomes, would banks still make these loans if it were not for the regulatory mandates of the CRA?

If conflicting logics are at play when private sector managers are tasked with implementing public sector policy goals, challenges may arise as they attempt to enact policy requirements (Bardach & Kagan, 1982; Coglianese & Lazer, 2003; Donahue & Zeckhauser, 2011). For example, operationally, conflicting priorities may influence the desirability of community development projects as compared to more profitable investments. Even if a bank manager was committed to an LMI project investment, would she have the support of her broader organization?

Given the potential for conflicting institutional demands across sectors, an intriguing question is how the bankers' interpretations and implementation of CRA policy mandates are associated with institutional logics. Furthermore, how do these managers experience and respond to the pressures created by policy mandates, and how might we explain the variation in their responses? (Battilana & Dorado, 2010; Bridwell-Mitchell & Sherer, 2017; Garrow & Grusky, 2012)?

Statement of the Problem

Public policy has been defined as "deliberate action by a government to establish new transaction patterns or institutions or to change established patterns within old institutions. *Policy formulated by a government, then, serves as a tension-generating force in society*" (Smith, 1973, p.202). When policies are implemented, pressures are experienced by actors at the receiving line, who must try to adapt to mandated changes to practices and procedures. As elucidated by the institutional logics perspective, these pressures are heightened when the core norms of the regulatory body and the regulated profession diverge from each other substantially. New institutions may emerge over time as tensions are reconciled and established procedures are recalibrated, while others remain steadfast. This process of actor-driven institutional change and maintenance is captured by the institutional work literature (Lawrence et al., 2011; Lawrence & Suddaby, 2006). Managers need to reconcile these pressures in their day-to-day work, and where incongruencies arise, they can cause policy implementation to be less effective than policy makers intended. Indeed, a number of policy studies have found that public policy often produces less desirable outcomes than expected (Cooper et al., 1996; Edelman, 1992; Edelman et al., 2001; Ferlie et al., 2003; Lipsky, 1980; Pressman & Wildavsky, 1979; Smith, 1973).

Yet, both organizational theory and the traditional policy implementation literature tend to focus on the organizational level of analysis in response to institutional demands, treating organizations as unitary actors (Oliver, 1991). This underestimates the importance of the agency of individual actors, specifically how actors embedded within organizations respond to the institutional demands created by public policy while simultaneously managing internal demands (Battilana et al., 2009; Cloutier et al., 2016; DiMaggio, 1988).

The majority of public policy work that looks at actors' roles in policy implementation focuses on top-down or bottom-up approaches to explain successes or failures. Top-down failures tend to focus on improper policy design, poor planning, or lack of communication (Matland, 1995; Montjoy & O'Toole, 1979; Sabatier & Mazmanian, 1980; Van Meter & Van Horn, 1975). Bottom-up failures are often attributed to frontline staff and civil servants—"street-level bureaucrats"—who are perceived to fail to carry out policy reforms as intended due to on-the-ground conditions, lack of resources, or existing workloads and routines (Lipsky, 1980; Marinetto, 2011; Matland, 1995; Maynard-Moody & Musheno, 2000). While this policy implementation literature is rich in insights, the shortcomings of these approaches are not only the focus on the public sector to the exclusion of the role of private sector actors, but also that they fail to recognize the vital boundary-spanning roles of organizational managers. These are the actors who oversee the frontline staff, interact with policy regulators, and make crucial decisions about how policy implementation will be carried out.

A focus on senior-level managers is largely missing in the public policy implementation literature—the individuals who are the direct intermediaries with the regulatory agencies tasked with implementing policy, and who are responsible for managing the teams who will carry out the mandates (Cloutier et al., 2016). "[S]urprisingly, little attention has been given to the nature of the ongoing work demanded of and engaged in by actors at this managerial level…even though it is here that ambiguities in reform proposals and contradiction with preexisting frameworks are likely to be most salient" (Cloutier et al., 2016, p.260). This focal point is crucial for study, specifically understanding how managers respond to policy pressures while trying to ensure that their job roles contribute to organizational success (Cloutier et al., 2016).

Research Questions

This study presents unanswered questions about how private actors respond to institutional demands and work towards their firms' goals while also meeting policy mandates. In doing so, it poses the following research inquiries:

- Research Question 1 (R1): To what extent can linking the institutional logics and institutional work perspectives illustrate the potential for conflicting institutional demands created by the Community Reinvestment Act (CRA) for regulated banks, as well as the conflict response strategies of managers who are responsible for policy mandates? (Canning & O'Dwyer, 2016; Gawer & Phillips, 2013; Lawrence & Suddaby, 2006; Lawrence et al., 2009; 2011; 2013; Thornton & Ocasio, 1999; Thornton et al., 2012).
- Research Question 2 (R2): How do Community Reinvestment Act officers (CROs)[3] reconcile the institutional demands created by the CRA? How are their interpretations of policy mandates and references to institutional logics associated with (1) features of their banks; (2) their communities; and (3) their individual attributes and background? (Battilana & Dorado, 2010; Bridwell-Mitchell & Sherer, 2017; Chazdon, 1996; Cloutier et al., 2016; Garrow & Grusky, 2012).

[3] The acronym CRO is used throughout the dissertation to refer to bankers who are responsible for compliance to the CRA. Dependent on the bank's organizational structure, there are various managerial positions responsible for the CRA across different operational units, and with varying levels of seniority from manager to vice president to bank executive. Titles also vary widely. Therefore, the term CRO is used more generally to describe a variety of working titles. Yet all CROs in the study share core responsibilities regarding carrying out CRA mandates for their banks. Furthermore, for the purpose of examination, banks must name a single CRO officer (Perlmeter, 2017).

Statement of Potential Significance

Ample literature exists across sociology, management (including organizational studies), political science, and public policy on the differences between the public and private sectors (Appleby, 1945; Barton, 1979; Dahl & Lindblom, 1953; Downs, 1967; Ferlie et al., 2003; Malhotra et al., 2019; Viscussi et al., 2005;), and how these institutional fields and logics influence and shape organizational behavior (Ferlie et al., 2003; Meyer, 1979; Thornton & Ocasio, 1999). Traditionally focused on the organizational level of analysis, the literature has neglected to sufficiently consider how individual actors experience and react to these institutional field dynamics when interpreting policy mandates that may not clearly align with their firms' primary missions (Battilana & Dorado, 2010; Cloutier et al., 2016; Greenwood & Hinings, 1996; Hirsch & Lounsbury, 1997; Pache & Santos, 2010; Perry & Rainey, 1988). Given the potential for challenges in policy implementation posed by conflicting institutional logics of the public and private sector, this is a key area for further study (Ferlie et al., 2003). The application of the street-level bureaucracy literature (Garrow & Grusky, 2012; Lipsky, 1980; Marinetto, 2011; Maynard-Moody & Musheno, 2000) is of limited utility in this case, (a) because it largely examines goal misalignments between public agencies, albeit at different federal levels and (b) because its focus is on lower level (street-level) workers, as opposed to managers.

In the research at hand, the focus on agents that span institutional sectors, interacting in the process of policy reform and implementation, contributes to addressing a theoretical gap in the literature. In doing so, the research also unites two literature streams out of the neoinstitutional tradition, including the literature on institutional work and that on institutional logics, which have previously been studied mostly independently from one another (Canning & O'Dwyer, 2016; Gawer & Phillips, 2013; Thornton & Ocasio, 1999; Thornton et al., 2012).

Furthermore, the perspective applied in this work draws from multiple academic fields, particularly the management, public administration, and public policy literatures. The business and policy academies often operate in administrative isolation from one another with rare cross pollination. Yet, business exists within the regulatory environment, and both business and policy scholars would benefit from more understanding of one another's work and theory. Furthermore, extensive research on public sector policy implementation lends insight to our understandings of the private sector (Ferlie et al., 2003).

This dissertation is about policy issues with broad scope and significant practical relevance, given the wide reach of the CRA and extensive resources of the banking industry (Dover & Lawrence, 2010). In addition to theoretical development, this research aims to offer utility for bankers, regulators, and policy makers. David et al. (2019) argued that institutional theorists often lose sight of the real-world impacts of institutionalization in their desire for rich descriptions. Instead, the practical relevance of institutional theory for managers, leaders, regulators, policy makers, and even societal outcomes should be the focus (David et al., 2019). There is significant practical relevance in understanding how CROs manage and react to the institutional demands of the CRA, including insights that could be used for organizational structures, job roles and responsibilities, operating procedures, and hiring, socialization, and training practices. It will also point to initiatives that the regulators could support, such as training and education. Ferlie et al. (2003) posited that the development of theory across the public and private sectors would aid researchers to utilize empirical evidence to both conceptualize and inform policy reform. Similarly, Cloutier et al. (2016) called for policy makers to have more understanding of managerial work before proposing reforms. This research may uncover potential pathways to find common ground on CRA policy design and policy reform, including enhancements that will ultimately improve community development and societal outcomes.

Conceptual Framework

The purpose of this dissertation is to provide a deeper understanding of the institutional demands of public policies, as well as the contextual factors that influence the response strategies of actors in the direct line of policy implementation. It does this via in-depth analysis of a particular institutional research setting, community reinvestment banking. Private sector CROs operate between multiple field-level institutional logics as they respond to the demands of the CRA and its associated regulatory policies. They are policy actors responsible for executing CRA mandates and managing the community development banking strategy, business managers who must responsibly deploy resources and navigate across work priorities, and community members who face public and social pressures in the course of their work.

Employing key principles of the institutional logics perspective, this dissertation recognizes that each of the institutional orders in society has both material (structures and practices) and symbolic (ideation and meaning) elements that are "intertwined and constitutive elements of one another" as embodied by sectoral actors (Thornton et al., 2012. p.10). Within the field of banking, philosophies around profit and market demands influence bank structures and policies, as well as employees' conceptual understandings and professional practices. But because the institutional logics perspective examines the effects on micro-level processes, a focus on individual actors recognizes that with varied backgrounds and role structures, institutional logics vary not only across sectoral fields, but also as they are referenced by diverse employees of organizations and in the sensemaking of these individual actors.

As these private sector managers attempt to interpret, react to, and reconcile public policy mandates with goals of their firms, they influence institutional maintenance or change in the course of their work. This reconciliation of logics can be appropriately captured by the institutional work literature. The institutional work perspective has developed our understanding of the agency of actors in the course of institutional construction, disruption, and transformation (Lawrence & Suddaby, 2006; Lawrence et al., 2011). As diverse actors work across sectors, social norms and values may seep across field boundaries, creating new forms of hybrid logics in place of the old. However, institutional work is recursive, thus new institutional logics are constrained and influenced by the elements of former logics. New elements may hybridize or graft onto the prevailing practices and existing norms of the field (Cloutier et al., 2016).

In this study, integrating the perspectives of institutional logics and institutional work enhances our understanding of the experiences of institutional actors. The theoretical framework recognizes both the embeddedness and power of socialized norms and practices linked to the institutional logic of the banking field, as well as acknowledges that these logics can change over time. Actors in the field, with their own varied backgrounds and social experiences, may contribute to institutional change over time as they respond to the demands of public policy and engage in institutional work. This theoretical framework and the case analysis is expected to deepen our understanding of the broader phenomenon of agent-driven institutional change at the intersection of competing institutional logics. Furthermore, it fills a gap in the literature with its focus on the day-to-day discourse and actions of individual actors, specifically private sector managers.

Additionally, the combined institutional logics and institutional work perspective, as employed here, builds upon the robust framework of institutional work categories proposed by Cloutier and her colleagues. This study heeds their call for further study of managerial institutional work in other policy settings (Cloutier et al., 2016). Their institutional work framework—which consists of structural, conceptual, operational, and relational work—provides an illustrative lens to examine the reconciliation strategies that actors employ when faced with institutional demands triggered by policy mandates. Furthermore, it allows the consideration of how the material and symbolic artifacts of institutional logics may influence these strategies. Of particular interest are the environmental contexts of employers, communities, and managers' individual backgrounds.

Summary of the Methodology

The research for this study took place following the CRA regulatory policy reform proposal initiated in 2018 by the Office of the Comptroller of the Currency (OCC), one of the three primary banking regulatory agencies. The banking sector has continuously called for regulatory revisions in the decades since the passage of the CRA. In recent years, their calls for regulatory reform regarding the implementation of the CRA have gained steam. In 2018, the OCC, led by former Comptroller Joseph Otting (a banking executive), adopted the stance that the regulatory framework for the CRA should be modernized. The OCC issued an Advanced Notice of Proposed Rulemaking (ANPR) in September 2018 inviting public comment in advance of final rule revisions. In response to this ANPR, CRA managers and executives at regulated banks across the U.S. submitted 358 letters and comments to share their input on reform efforts.[4]

[4] Additional letters were submitted by non-bank financial institutions, non-profit organizations, retirees, former regulators, professional associations, and other individuals and private citizens

Eighty of these letters were analyzed via discourse analysis to address R1, in order to explore the application of the institutional logics and institutional work literatures to inform our understanding of the conflicts in institutional demands created by the CRA for CROs.[5] Discourse analysis was employed to further develop our understanding of the discursive conflict response strategies used to influence CRA policy. The empirical research to address R2 consisted of thematic analysis of interview transcripts from a purposive and stratified sample of 23 of the CROs who wrote these letters (or who represented banks who sent in letters), to further explore in-depth their strategies to reconcile the demands of CRA policy and how these might be influenced by features of their banks, their communities, and their individual attributes and backgrounds.

The reform window provided an appropriate context to address the potential for conflicting institutional demands created by CRA regulatory policies for CROs (R1). This was primarily because first, CROs' letters were written to regulators, evidencing discourse and conflict response strategies at the intersection of the public and private sector (which are expected to reflect divergent dominant institutional logics, a bureaucratic logic versus a market logic). Presented with the prospect of regulatory reform, CROs expressed their challenges with the pressures of regulatory policies and their desire for reform in letters to the OCC. Managers' responses to policy pressures are affected by the institutional arena and associated rules, practices, and values. Attempts at policy reform are thus conceived of as intentional actions to change institutions, as elucidated by institutional work (Cloutier et al., 2016). The institutional

[5] On September 5, 2018, the OCC issued an Advanced Notice of Proposed Rulemaking (ANPR) entitled "Reforming the Community Reinvestment Act Regulatory Framework." The ANPR outlined the agency's principles for modernizing the CRA and asked 31 specific questions for the public to provide feedback on (OCC, 2018). Data collection included 358 secondary documents, specifically CROs' letters and comments submitted to the OCC between September 6, 2018 and January 9, 2019. These documents were publicly available online. The letters were analyzed via discourse analysis, but saturation of the themes was met after review of 80 of these letters.

logic perspective adds new insight to institutional work by introducing the idea that individuals from different sectors and backgrounds tend to reference divergent sets of norms and values, which create tensions in shared understandings. Discourse analysis was deemed the best fit qualitative method because the intent of the written letters was to persuade regulators to reform CRA policies in the manner desired by the letters' authors, thus language was an important and primary tool for persuasion.

The reform period additionally offered the opportunity to explore how CROs reconcile the institutional demands created by the CRA, which required speaking directly with a sample of these managers. This enabled further analysis on how their reactions—shaped by their interpretations of policies and their references to institutional logics—are associated with features of their banks, their community context, and their own attributes and backgrounds (R2). As with the first research question, the experience of institutional demands was evident, as CROs expressed their challenges with the CRA when they were invited to comment on the OCC's reform efforts. This provided an excellent selection pool from which to recruit participants for primary research. To understand how CROs experience the CRA, how they reference institutional logics and interpret policy mandates, and how their banks, communities, and backgrounds shape their experiences and reactions, it was necessary to gain further information from a purposive and stratified sample of bankers who wrote the letters. Qualitative interviews with 23 CROs were conducted to discuss bankers' experiences in-depth, as well as have the opportunity for clarifications and follow-up questions that would not be available with other data collection methods. The data collected for the second research question, transcriptions of the interviews, was analyzed via thematic analysis (Braun & Clarke, 2013). Understanding the norms, values, and systems of meaning for participants was a primary goal to address the research question, and thematic analysis can be applied flexibly to analyze all forms of qualitative data, including research questions where patterns in meaning are sought (Braun & Clark, 2013).

Limitations and Delimitations

As a qualitative research project that examines one field in great detail, it is important to recognize that the findings of this study will not be broadly generalizable across time or professional fields. Field-level institutional logics, though deeply embedded, change over time. The material and symbolic elements of institutional logics are formative for field-level actors, but these actors also influence institutional change. Thus, field-level logics shift over time, and the state of the field and its norms and accepted principles may look very different in the future. The story woven from the themes in the data from this research setting may look quite different in an analysis of the banking industry in twenty years hence.

Lawrence et al. (2013) wrote that institutional work theory does not address the outcomes of work efforts, yet the majority of institutional work literature has focused on the connection to intended outcomes of institutional work. Thus, they call for more research to "uncover and understand the messy day-to-day practices of institutional work" (p.1029). In this vein, this study aims to analyze the daily activities and discourse that influence institutional change. The research design here is not intended to test hypotheses, create new theory, or examine the direct outcomes of institutional work, such as how CROs' reform efforts are reflected in current public policies. Rather, the focus is on the processes of reconciliation of conflicting logics, captured by institutional work, as CROs respond to policy mandates.

Furthermore, the hybridization of logics in other professional sectors regulated by public policies may look quite different from the banking sector. Thus, the relevancy of this qualitative study is in providing a deeper understanding of the processes and strategies through which agents manage and respond to institutional demands within one field, and the influencing factors on their sensemaking. It does not claim to provide more generalizable insights into how private sector actors respond to institutional pressures created by public policies in other professional fields, but complementary studies of other groups of professionals would be beneficial for further theoretical development.

Summary

In summary, while the primary policy goal of the CRA is to strengthen community development through private sector reinvestment and access to credit in LMI neighborhoods (Haag, 2000), CROs must balance the commercial goals of their firms with compliance to a law that is regularly enforced through approval processes for bank expansions (Stock & Noreika, 2001). In order to do so, private sector managers tasked with the implementation of these goals must reconcile public policy mandates with business demands, as well as their own sense-making of the policies, which is linked to institutional logics. In the process, they work to influence institutional change to their advantage (Cloutier et al., 2016). While this study focuses on a specific set of actors, the framework could be replicated in other studies that also seek to understand how heavily regulated private sector managers respond to institutional demands created by public policies, e.g., in the fields of transportation, energy, or health care. Ultimately, the insights drawn are expected to aid policymakers to design community development policies, and regulators and private sector policy actors to implement them, in a manner that will be more effective to regulate the private sector.

This dissertation is organized into six chapters. The first chapter is the introduction. The second chapter describes the research setting. It provides more detail on the CRA and the regulatory context, as well as the work and responsibilities of CROs. The third chapter presents the review of the literature, specifically tracing the development of the institutional logics and institutional work perspectives out of the neoinstitutionalism literature, and within the broader public policy field. This chapter will also develop the theoretical framework. The fourth chapter covers the research design, methods, and data sources. The fifth chapter presents and discusses the findings. It is followed by a sixth chapter which discusses the findings and the implications. Finally, a seventh chapter offers closing thoughts, policy recommendations, and avenues for future research.

Chapter Two: Research Setting

Introduction

On an online forum for bankers, a poster asked "Does anyone have a job description for CRA compliance officer?" (Happy Traveler 2, 2010). Another poster responded: "CRA Officer: must be fluent in bureaucratic English, patient with heavy senior management demands and light senior management support, have a great sense of humor and good at groveling during examinations (please bring your own knee pads)" (Len S, 2010). Despite the sarcastic tone, the respondent's humorous "job description" alludes to the high expectations for a Community Reinvestment Act officer (CRO): extensive job demands and work responsibilities with limited resources and internal support, and onerous regulatory standards and compliance exams. These all speak to the pressures a CRO must navigate in his or her daily role. Additionally, the response suggests the tensions between private sector CRA managers and their regulators, referring to the regulator's language as "bureaucratic English," as if it were a foreign language. This is suggestive of the conflicts in institutional logics between the private sector and the public sector, expressing the idea that they hold such divergent understandings of their daily work that they in essence, not only speak different languages but also conceptualize the purposes of their work differently. At the same time, CROs also may face pressure from their communities to do more, given the public service intent of the law and the option for community leverage via public comment. These institutional demands and how they are experienced, as well as their historical context, are further explored in this chapter.

The intent of this chapter is to describe the research setting. It will provide context for the study, set the stage to describe the conflict in institutional demands faced by CROs, and discuss the appropriateness of the theoretical framework. It does this through making two key points about the history and implementation of the CRA, as well as describing the present-day material and symbolic elements of the institutional logic of banking, including job responsibilities, professional practices, and bank structures.

The first key historical point is that the CRA is a public sector mandate on the private sector, passed due to significant community pressure and policy makers' acceptance that banks should better serve these communities. In essence, CRA—both in its original statutory form (though less enforceable), and in the regulatory policies that have accumulated since passage to prescribe policy implementation—entails requiring the private sector to answer to public interest. Banks are required, via the CRA, to carry out the community development goals of the public sector, as expressed in the law and its associated regulatory policies. The resulting mismatch in sectoral goals can be explained through the institutional logics perspective.

The second important historical point is that although it was initially weak, CRA now carries substantial weight, as enforcement mechanisms today include not only the risk of negative publicity, but also the ability to deny mergers and acquisitions or bank expansions. In short, CRA matters. The enforcement power of CRA, and thus its importance to banks, contributes to a research setting where institutional demands are heightened, in addition to these pressures operating across sectoral boundaries, as indicated in the first key point.

After detailing the historical background of the CRA, the chapter also describes the typical job responsibilities of CROs and common bank structures for managing the CRA today. This discussion is predicated on the historical context, which has significantly shaped the scope of job responsibilities and the bank structures best suited to manage CRA compliance.

The next section will elaborate on CRA as a public sector mandate on the private sector, before moving into the expansion of CRA regulatory mandates in the subsequent section. These two key points trace the development of the CRA, setting the stage for the CRA regulatory framework as it exists today. The final section of Chapter Two will move into bank structures and job responsibilities of CROs.

History of the Community Reinvestment Act

Public Sector Mandate on the Private Sector

> If funding does not come from the government, the next logical source is from the banking and finance industry…True empowerment comes when the members of a community are able to help themselves, being given basic tools such as financing to reach their goals. With more such government-facilitated but private-sector based partnerships, society can more expediently find some lasting solutions to a myriad of economic and social problems, bringing about a brighter future (Santiago et al., 1998, pp. 650-651).

U.S. banking laws as early as the 1930s contained the principle that banks should serve their local communities through fair lending (Murphy & Cunningham, 2003, p. 242). The principle is based on the premise that U.S. financial institutions receive privileges from the federal government, including charters to do business, special arrangements to borrow money, and federal deposit insurance. In fact, the CRA only applies to financial institutions that carry Federal Deposit Insurance Corporation (FDIC) deposit insurance (OCC, n.d.). Yet, the mandate on the banking sector to serve low-to-moderate income communities is not simply a quid pro quo for deposit insurance. The CRA was passed during a policy window where discriminatory lending practices by banks had been exposed, and by legislative bill sponsors who argued that banks should be monitored not only for discrimination, but for a more intentional role in capital access to address economic inequities. This chapter tells that story.

The Role of Community Pressure in Congressional Action

In the years leading up to the CRA, there was widespread discontent about barriers in access to credit and inequitable lending practices in American communities, particularly in inner cities. Community groups were concerned about redlining—the practice of literally drawing red lines around certain low-income and minority neighborhoods. Redlining meant that some depository institutions were declining to make loans in certain geographic areas based on race, housing conditions, or other factors, despite creditworthiness of individual loan applicants (Haag, 2000).[6] Where financial institutions accepted community deposits, there was concern that they were investing them elsewhere (Murphy & Cunningham, 2003). This contributed to the deterioration of low-income areas, such as inner-city urban districts (Silver, 2019).

The political climate that led to CRA arose out of grassroots organizing for community reinvestment begun in Chicago by activists Gale Cincotta and Shel Trapp (Murphy & Cunningham, 2003). By coordinating detached local efforts and ensuring that residents had their voices heard, Cincotta and Trapp spurred a national movement that garnered congressional attention to both the policy problem of neighborhood disinvestment and the role financial institutions played. Their community organizing and activism eventually led to the passage of the CRA during an era of significant urban development (Murphy & Cunningham, 2003).

The 1960s had seen significant demolition and displacement, driving masses of people into public housing while condominiums, expressways, shopping malls, and corporate headquarters were built on the cleared land. Social scientist Herbert Gans concluded that urban renewal policies of the 1960s "benefit[ed] the developer the most, the area residents the least,

[6] The name comes from a bank "literally or figuratively" drawing a line around certain geographies (Haag, 2000, p. 1).

and the public interest in as yet unmeasured quantity” (Murphy & Cunningham, 2003, p. 19). This was also the era in Chicago during which famed community organizer Saul Alinsky inspired urban residents to take direct action to form neighborhood coalitions who would take on politicians, bankers, “slum landlords” and corporations (Murphy & Cunningham, p. 21). An Alinsky prodigé, Tom Gaudette, was Shel Trapp’s mentor (Schutz & Miller, 2015). Fair lending laws arose out of this context. The Fair Housing Act (FHA) of 1968 was passed to prohibit housing discrimination by race, color, sex, religion, nationality, handicap, or familial status; the Equal Credit Opportunity Act (ECOA) of 1974 was passed to prohibit discrimination in credit. The Home Mortgage Disclosure Act of 1975 (HMDA) and CRA in 1977 would soon follow (Walter, 1995, p. 62; pp. 64-65).

By 1972, Cincotta and Trapp convened the first conference of community groups to discuss housing. Over 2000 delegates from 36 states passed a series of resolutions, and started protests soon after (Mariano, 2003, p. 31). Cincotta and Trapp had a difficult road in front of them due to low political efficacy of low-to-moderate income (LMI) community members and the political clout of the other side. The political power of a target group depends on its political resources, including if it is “large, united, easy to mobilize, wealthy, skilled, well positioned, focused on issues of concern to it, accustomed to voting and contacting public officials, and so on” (Schneider et al., 2014, p. 109-110). The neighborhood residents in the CRA narrative fit very few of these attributes, except for being large in numbers. Thus, it took skillful leadership—and the momentum of a national movement—to engage a disaffected public and create political change through activism. But traditional channels of political participation were not enough to gain notice; the community members had to adopt more aggressive Alinsky-style radical tactics because of their lack of political power.

Cincotta and Trapp formed the National Training and Information Center (NTIC) to conduct research and coordinate organizing—as well as provide training on bank-ins—and National People's Action (NPA) as a network of neighborhood advocacy groups (Squires, 2003). Community groups picketed, packed public hearings, organized sit-ins, boycotts, rent strikes, marches, and street demonstrations to protest schools that were segregated and deteriorating, to put pressure on banks, and to block urban renewal plans (Murphy & Cunningham, 2003). The movement began to gain national attention (Squires, 2003).

Cincotta and Trapp realized that they would need evidence of banks refusing to make loans in certain neighborhoods for policy makers to not only take notice of the problem, but to have tangible evidence to argue the case for policy change (Mariano, 2003). In other words, protests would not be enough, rather, hard evidence and information needed to be supplied to legislators. Cincotta and Trapp utilized direct action to convince officials to survey savings and loans institutions in Chicago. This survey produced solid evidence that redlining was occurring (Mariano, 2003). Community pressure mounted after this data was made public, resulting in a meeting with the Illinois governor, with Chicago the epicenter of the movement. By 1974, Illinois passed the first anti-redlining regulation nationwide (Mariano, 2003, p. 32-33).

With Cincotta's support, and Wisconsin Senator William Proxmire leading the charge, the Congress passed Senate Bill 1281 the following year, the Home Mortgage Disclosure Act (HMDA), which required commercial banks and savings institutions to disclose mortgage lending annually. Senator Proxmire affirmed that HMDA probably would not have become law without the research and community organizing of the NPA (Mariano, 2003). HMDA did not have fair lending components, but the requirement that depository institutions report mortgage lending data enabled analysis to investigate discriminatory lending (Walter, 1995). In fact, Cincotta later reflected that HMDA data was a key driver in the reinvestment movement's success. Essentially, the data showed that "the claims of disinvestment were true" (Bradford & Cincotta, 1992, p. 240). The NPA and Cincotta and Trapp played a critical role in presenting information to policy makers about redlining and convincing them that something needed to be done. Community forces gained increasing power collectively, exerting pressure on policy makers through letter writing, media appearances, and testimonies at public hearings, as well as confronting legislators at their offices (Murphy & Cunningham, 2003). They presented solutions to the problem through action-oriented conferences and subsequently drafted legislation.

Following the earlier work with the Chicago City Council and Illinois legislature, then the passage of the HMDA, next steps towards the CRA were developed at a September 1976 conference, "From Redlining to Reinvestment" (Mariano, 2003, p. 33). Following the conference, Senator Proxmire introduced the first version of the CRA to the Senate. A watered-down version of the NPA's draft of the CRA was eventually passed (Mariano, 2003).

The public campaign for community reinvestment is important because it illustrates that neighborhood residents, with the help of community activists and organizers, played active roles in pushing for the CRA. Cincotta and Trapp were able to draw significant attention to the need for policy change and frame the issue around deteriorating neighborhoods and disinvestment caused by redlining. In fact, Taylor and Silver (2003) argued that CRA activism is the primary reason why redlining is understood at all by the American public, signifying the creation of a powerful narrative. But the importance of community pressure was not over after the policy victory. Later, community groups would play a major role in the implementation of the CRA and its expansion in influence, which will be further explored later in this chapter. First, the next section moves from community activism into Congress, where the CRA was signed into law.

Congressional Action

Attention to the policy problem had been accomplished through community activism. Whether or not policy makers will choose to act is a combination of many factors, including their own beliefs, the national mood, and the information they receive from interest groups and political parties, as well as pressure-group campaigns (Cairney & Jones, 2016; Zahariadis, 2014). A change of political parties in government may be an instigator for such an opportunity to arise. By the mid-1970s, Democrats were the majority party in both houses of Congress, and the President was a Democrat (Sidney, 2005, p. 125). Thus, legislative sponsors of the CRA could use their positions to limit controversy surrounding passage of the act. The pressure-group campaign against redlining, as well as the national mood created by publicized findings and exposés in the media, were also influential for legislators (Sidney, 2005).

Following the September 1976 reinvestment conference, CRA was introduced as S.406 by Senator William Proxmire in January 1977 (Mariano, 2003, p. 33; Community Reinvestment Act, 1977). Policy concerning community reinvestment was debated as the American urban landscape was shifting, and Northeast and Midwest metropolitan areas were declining. Additionally, suburbanization of metro areas was accelerating. Thus, supporters framed the issue as one of urban decline and the need to revitalize cities (Sidney, 2005). In this context, when the NPA took the issue of reinvestment to Congress, they found sympathetic Democratic legislators from urban areas. The rationale for burdens to be placed on banks rested on a negative and narrative portrayal of the abuses of the financial institutions (painting them as villains), while urban neighborhoods were situated as victims (Sidney, 2005).

Senator Proxmire, who was chair of the Senate committee on Banking, Housing, and Urban Affairs, was the major collaborator with the NPA and primary spokesperson for the CRA

(Sidney, 2005). Due to the congressional committee system (where ranking Democrats on the Senate Banking, Housing, and Urban Affairs Committee supported the CRA), small sets of legislators control certain policy arenas, and there is little visibility for complex policies such as banking regulation (Sidney, 2005). Thus, members who specialized in this technical arena had significant influence and control over the narrative. During debate over the CRA, ranking Democrats limited debate on the Senate floor, and only a few senators spoke out to oppose it. Democrats also used the rhetorical strategy of arguing that regulators would only need to make limited changes to existing processes that the law would clarify (thus lessening the burden to a powerful target group, financial institutions). Additionally, no funding authorization was allocated to regulators to carry out the new law, reinforcing the idea of business as usual (Sidney, 2005). They also emphasized that the CRA would not punish (there are no explicit sanctions for non-compliance) but would rather incentivize: Senate transcript from 1977 quoted Proxmire: "Bankers sit right at the heart of our economic system…the record shows we have to do something to nudge them, influence them, persuade them to invest in their community" (as cited in Sidney, 2005, p. 127).

Congressional testimony from policy makers involved in CRA passage illustrates that proponents of the law intended for bankers to play active roles in community development, positing that they both had an obligation to do so and were better suited to do so than the government. This outsourcing of responsibility through statutory mandate, rather than private sector contracting or non-profit sector grants, is a point of tension between regulators and bankers. It additionally increases the potential for conflict in institutional demands, as the anticipated outcomes of the community development work are desired by the public sector, while the work to reach these outcomes is demanded of the private sector. It is the banks' responsibility to acquire the expertise and workforce to develop their communities, which may be at odds with the primary aim of the private sector, profitability. In short, their core motivations are not the same, from an institutional logics perspective. By delving deeper into Proxmire's central argument in favor of the CRA, this point is further established.

During the CRA hearings, the bill's author, Senator Proxmire, pointed to the economic deterioration of the nation's cities and appealed for the problem to be addressed in part by the private, not public sector, given their enormous financial resources: "We don't want to solve the problem with Government money. We couldn't do it. We couldn't do it with a Marshall plan for the cities. We have to do it with the people who are there, people who understand the city, live in the city, who know the economy…You are the people, you bankers are the people who can do the job" (United States, 1977, p.329). This appeal espoused a belief that government spending on community development would be less effective than addressing the challenges of LMI populations through the traditional finance sector. Furthermore, it expressed confidence in the banks' expertise and local knowledge of their own communities, which would theoretically be more in-depth and accurate than that of the bureaucrats in the central government.

CRA was ultimately passed into law as Title 12, Section 2901 of H.R. 6655, the Housing and Community Development Act, sponsored by Representative Henry Reuss (D-WI). President Carter signed the bill into law on October 12, 1977 (Housing and Community Development Act, 1977). The overarching purpose of the act was to require federal regulators to assess depository institutions' lending performance and credit access for their local communities (Stock & Noreika, 2001). The goal was for the CRA to spur revitalization of under-served communities and curb investment from moving to geographical financial centers and more affluent communities (Haag, 2000). CRA was a result of both the belief that banking practices were contributors to community divestment and decline, and that they should be part of the solution. Today, regulators monitor CRA-motivated activities through regular examinations of bank performance with significant levers of penalty for banks found to be in non-compliance. This evolution towards expanded influence is explored in the next section.

The Evolution of the Community Reinvestment Act

The second key point regarding the historical context for the CRA is that since passage, the CRA has transformed from a broad-based directive requiring banks to pay some lip service, with little enforcement, into a massive body of regulatory policies with real teeth. According to Stock and Noreika (2001), in the early years after enactment, the banking industry assumed that the CRA merely encouraged compliance. Over time, however, especially following the passage of regulatory revisions that enhanced and clarified monitoring power, the field began to view the law as "imposing a substantive obligation on depository institutions," which is now enforced regularly through performance evaluations (Stock & Noreika, 2001, p. 1). The CRA today affirms banks' obligation to provide equal treatment in communities where they are chartered, to reinvest in their "home areas," and to be regularly assessed by regulatory agencies, which look at bank performance along these lines when considering whether or not to allow financial institutions to expand or renew their charters (Murphy & Cunningham, 2003, p. 242). Regulatory clout is found especially through this ability to deny expansions, merger, or acquisition applications that are put forward by banks who do not achieve satisfactory ratings. Additionally, public disclosure of these ratings and bank evaluations allows the community to play an informal monitoring and enforcement role (Stock & Noreika, 2001). The following discussion will move chronologically, as it overviews the expansion of regulatory clout, starting with the CRA as it was originally enacted.

Community Reinvestment Act Overview

The CRA was enacted by the United States Congress in 1977 as section 2901 of the Housing and Community Development Act (12 U.S. Code § 2901). The statute's purpose is to encourage banks to expand credit access in the communities where they do business, including for LMI areas. At the same time, they are encouraged to maintain adequate safety and soundness checks in their lending and investments (FFIEC, 2017).

Banks are required by the law to:

i. "demonstrate that their deposit facilities serve the convenience and needs of the communities in which they are chartered to do business;

ii. the convenience and needs of communities include the need for credit services as well as deposit services; and

iii. regulated financial institutions have continuing and affirmative obligation to help meet the credit needs of the local communities in which they are chartered" (Housing and Community Development Act, 1977).

CRA examinations are conducted by the federal agencies that supervise depository institutions, including the Board of Governors of the Federal Reserve System (FRB), the Federal Deposit Insurance Corporation (FDIC), and the Office of the Comptroller of the Currency (OCC) (FFIEC, 2017). Although the statute said little about how its goals would be accomplished, it gave the regulatory agencies the power to create an evaluation structure, which the agencies gradually expanded in the several decades after passage (Housing and Community Development Act, 1977; Silver, 2019).

Initial Shortcomings of the Community Reinvestment Act

When initially passed, CRA was not as strong as activists fought for, which Sidney (2005) attributed to the power of the banking lobby. In Cincotta's words, "they have their corporate jets and we have our…school buses" (Mariano, 2003, p. 28). Sidney (2005) argued that financial institutions occupy a privileged position in political debates because they are revered as the "critical engines of the U.S. free-market economy" (p. 125). Even so, the bank lobby did not lead a major campaign against the bill, helping it to pass (Sidney, 2005). Certain design elements ensured that implementation would not burden the financial sector greatly, however. In Senate hearings, community activists had pushed for more rigor in regulator demands of banks, but in the final version of the bill, these demands were taken out, thus the final bill was weaker than the NPA had pressed for (Sidney, 2005). In fact, rather than focusing on the needs of blighted neighborhoods and impoverished communities, legislators instead debated whether or not the overhead costs and regulatory burden would be too great for financial institutions. During debate, most legislator statements specifically referred to regulators or lenders, as opposed to the individuals the statute was intended to benefit (Sidney, 2005). Furthermore, despite the fact that grassroots activists had put redlining on the political agenda, testified at hearings, helped draft the bill, and anticipated using the CRA through the public comment process on bank applications, legislators did not even mention community organizations during the Senate debate (Sidney, 2005). The importance of these organizations changed substantially with reforms introduced just over a decade later.

1989 Community Reinvestment Act Reform

In 1989, the CRA was revised to require public reporting of CRA ratings on each institution's record in meeting its community's credit needs and performance levels were introduced (Getter, 2015, p. 5). Additionally, repercussions were established for poor performance through CRA evaluations, and community pressure was poised for greater importance by the requirement that evaluations be made public. These reforms were critical to the enhanced clout of CRA.

The CRA requires periodic evaluation of each institution's record in meeting its community's credit needs. According to the 1989 reforms, these evaluations had to be written and public (Haag 2000, p. 1). The information regulators consider in their evaluations when banks are applying for "charters, mergers, acquisitions, relocations, consolidations, or establishment of branch offices," is to be made publicly available by financial institutions, and then can be monitored and commented on by the public (Murphy & Cunningham, 2003, p. 243). Haag (2000) has explained that such applications can include: (a) for a Federal bank or thrift charter; (b) for FDIC deposit insurance; (c) to establish a new branch; (d) to relocate a branch or home office; or (e) for mergers, acquisitions, or the purchase of assets or liabilities of a regulated financial institution. The ability to delay or deny an institution's application is now the primary enforcement mechanism of the CRA. There is now a significant incentive to work with community groups and assure regulators that access to capital and credit will be addressed for underserved populations (Murphy & Cunningham, 2003). This is because CRA has become a gatekeeper for profit-maximizing business models, which often include opening new branches or bank acquisitions.

Community activists have also been able to use avenues such as the media as increasingly potent tools to publicize CRA challenges and ensure that other lenders take heed (Murphy & Cunningham, 2003). Additionally, because local citizen groups can monitor an institution's public file, power is also entrusted to the community to encourage improvement on inadequate

CRA performance (Haag 2000, p. 1). A community group can challenge a bank's application by filing complaints, and it can also request a public meeting or hearing on the issues raised in the challenge. National non-profit organizations like the National Community Reinvestment Coalition (NCRC) and NPA have continuously instigated campaigns to strengthen the CRA since passage, including organizing hearings and submitting public comments to tell regulators how the CRA can be improved (Murphy & Cunningham, 2003).

All of these actions can create costly delays for banks leading to a multitude of new agreements between community partners and banks (Squires, 2003). CRA agreements between banks and community organizations are often complex, multi-year programs that address LMI neighborhoods' needs, and how they can leverage the resources and expertise of both sides of the partnership. The NCRC (2007) has found that many CRA agreements are implemented collaboratively, often utilizing the community partner's expertise and network with marketing, financial counseling, and other services meant to enhance the success of the bank's products or services (NCRC, 2007). The nonprofit selected for partnership is likely to have an integral mission around enhancing credit-access for the local community, and it will deploy its core capabilities. At the same time, the bank will benefit by ensuring its products are profitable in tandem with success-enhancing services and financial literacy training, thus ensuring profitability. Within a little more than a decade, banks and community organizations had signed more than 400 CRA agreements worth more than $1 trillion in community reinvestment (Murphy & Cunningham, 2003, p. 244). By 2007, more than $4.5 trillion in reinvestment dollars had flowed through CRA agreements (NCRC, 2007, p. 4). According to the NCRC, 99% of this total has been invested post-1992 (p. 5). This is indicative of the impact of the regulatory reforms.

In this era, the CRA was still focused primarily on lending, or "simply getting capital and financial services into" LMI communities (Moon, 2010, p.50). It is important to point out that when the CRA was passed in 1977, it did not mention race or gender as criteria for the lending test. And although revisions proposed in 1994 would have required reporting on race and gender data, these were ultimately not passed (Stock & Noreika, 2001). Nonetheless, given socioeconomic disparities in wealth, researchers in the decade that followed 1989 CRA reforms primarily focused on minority borrowers and discrepancies in access to financial services and lending, for both individuals (or households) and small business lending. Many of these academics found that home mortgage lending to LMI and minority borrowers was increasing at a more rapid rate than for upper-income borrowers over the same time period (Avery et al.,1999; Avery & Bostic, 1996; Campen, 1998; Evanoff & Segal, 1996; Squires, 2003). Between 1993 and 2000, single-family home mortgages to LMI borrowers rose from 19 to 29%. Loans to Black and Hispanic households increased from 3 or 4% to 6 to 7% (NCRC, 2001, as cited in Squires, 2003, p. 1). In her review of the literature from 1990 to 2000, Haag (2000) pointed out that studies generally showed that home mortgage lending to LMI households and minorities had increased at higher rates than lending to other population segments (and attributed this to the CRA and other fair lending laws), with some periods of reversal. However, although small business lending had increased overall, it was still greater in upper-income than lower-income communities. Furthermore, loan denial rates for Black and Hispanic-owned businesses were much higher than for white-owned businesses (Bates, 1997; Blanchflower et al., 1998; Haag, 2000; Townes, 2008), as were mortgage loan denial rates (Canner & Passmore, 1994; Munnell et al., 1992; Schill & Wachter, 1994). Nonetheless, the studies showed evidence that CRA was having a positive effect overall, especially with regards to mortgage lending.

Riegle Community Development and Regulatory Improvement Act of 1994

The next congressional action to affect CRA implementation was not a direct reform to CRA, but rather was a new statute that aimed to supplement the CRA and enhance access to capital through bolstering community lending by and through traditional financial institutions. It did this through both the creation of a fund and encouraging partnerships between Community Development Financial Institutions (CDFIs) and traditional institutions (Clinton Digital Library, n.d., p. 1-2).[7] In 1994, former President Bill Clinton, with bipartisan support, created the CDFI Fund via the Riegle Community Development and Regulatory Improvement Act of 1994 (CDFI Fund, 2017). CDFIs engage in activities such as training and capacity building, including financial literacy, LMI housing projects or mortgages, small business credit, and community facilities (Clinton Digital Library, n.d.). The fund, initially authorized at $382 million, was developed to promote economic revitalization and community development by investing in and assisting CDFIs (Clinton Digital Library, n.d., p. 1). It has awarded over $2 billion since its creation (CDFI Fund, 2017). Bank investments in CDFIs have enhanced CRA ratings of banks through indirect investment in community development, particularly because of the infusion of bank capital into organizations whose business models and missions are to develop communities (Clinton Digital Library, n.d.).

[7] Community Development Financial Institutions (CDFIs) are mission-driven financial institutions that create economic opportunity for individuals and small businesses, quality affordable housing, and essential community services throughout the United States. Four types of institutions are included in the definition of a CDFI: Community Development Banks, Community Development Credit Unions, Community Development Loan Funds (most of which are non-profit), and Community Development Venture Capital Funds. Some, but not all, CDFIs are certified by the CDFI Fund. Certification is often necessary in order to receive support from the CDFI Fund (OCC, 2017).

Hagg's (2000) survey of the literature suggested that the Riegle Act increased opportunities for partnerships and investments in CDFIs that linked CRA compliance and a large network of community-based organizations that had worked essentially in parallel to one another for the previous 25 years (Haag, 2000, p. 22). Enhanced by the Riegle Act, the CRA was now fostering cross-sector partnerships and loan consortia amongst banks, local and state governments, and community development organizations (Haag, 2000). For example, the CRA has spurred new investments through bank CRA commitments, such as one of the first, Citibank investing $1 million to capitalize CDFIs (National Community Capital Association, 1997). Because the Citibank investment was one of the earliest of its kind, the regulatory agencies issued a joint advisory opinion on the investment in an interpretative letter from the FDIC, Office of Thrift Supervision (OTS), and FRB (FFIEC, 1997). The opinion stated that the CDFI investment was indeed a qualified investment under the CRA investment or lending tests (because the investment was to be eventually repaid and required interest payments). Furthermore, Citibank would earn CRA performance evaluation credit and could claim a share of the community development loans made by the CDFI as long as the loans benefitted the bank's assessment area (or a broader region) (FFIEC, 1997).

The investment and lending elements of CRA have played a progressively more important role for community development as bank partnerships have increased in number (Haag, 2000). Multiple authors praised the promise of partnerships with CDFIs to maximize the potential of the CRA, noting that CDFIs are located in the communities served and develop specialized market expertise and services that a bank often cannot provide (Avery et al.,1997; Lento, 1994; Marsico, 1995; Santiago et al., 1998). "Each side brings resources to this partnership. CDFIs bring knowledge of local and distressed markets, expertise in community development finance, and philanthropic and government resources to bear on the problems faced by economically distressed communities and individuals. Banks bring the resources of scale, as well as the ability to tap secondary markets and a broader network of financial services" (Immergluck, 1998, p.1). Indeed, Santiago et al. (1998) confirmed that the major need for CDFIs is financing, which can be provided by banks.

McLenighan and Tholin (1997) argued that LMI communities need institutions that can be flexible on their borrowing policies, that may accept unconventional collateral, and that help these borrowers to enhance their financial literacy and build their credit. This lender must prioritize community development first, not "maximizing profits" (McLenighan & Tholin, 1997, p. 3). In agreement, Avery et al. (1997) also encouraged banks to take advantage of the Clinton revisions to the CRA by establishing new partnerships with CDFIs, Community Development Banks (CD banks), or loan consortia to generate economies of scale in local markets. They argued that loan demand is low in LMI neighborhoods, thus pooled resources through innovative institutional arrangements may better serve communities (and be more profitable for banks). In a 2001 Brookings Institution article, Pinsky (2001) reported that a sample of 81 CDFIs managing $1.8 billion in assets had provided more than $2.9 billion in financing, with only a 1.8% cumulative loss rate, low delinquencies, and no loss of investor principle. 137,000 jobs had been created or retained, and 121,000 affordable housing units had been built. Overall, some 550 CDFIs manage more than $6.5 billion in assets (Pinsky, 2001).

Giving further support to these types of collaborations, the U.S. Government Accountability Office found that the higher credit risk of LMI borrowers was alleviated when initiatives offered applicant education, technical assistance, investments in community groups that would counsel home buyers, and lending consortia to spread risk and develop shared expertise (U.S. Government Accountability Office (GAO), 1995). A quote from MacInnes (2014) captures the sentiment of the other authors. Investment in CDFIs is “the best form of CRA compliance for financial institutions” (MacInnes, 2014, p.588). However, only large banks are evaluated via the investment test of the CRA, thus investment in CDFIs is more likely to be pursued by the larger institutions than community banks.

1995 Rule Changes

In 1993, President Clinton directed the regulatory agencies to revise the regulations for implementation of CRA in order to increase investments in LMI communities by making exams more performance-based, to reduce the cost of the regulatory burden, and to streamline and clarify the regulations and performance standards (Bernanke, 2007; Braunstein, 2008). The new regulations rolled out in 1995 adopted a three-pronged performance test for large banks in lending, investments, and services, while small banks could qualify for a simpler examination focused on lending. For large banks, innovative approaches to addressing community development and access to capital were encouraged and rewarded (Bernanke, 2007).

The lending test evaluates credit-access, including mortgage, small business or farm, or consumer lending (Haag, 2000). The lending test is composed of: (a) extent of consumer and small business lending in the bank’s assessment area; (b) geographic distribution of loans within the assessment area as well as percentage of loans to low, moderate, middle, and upper-income geographies; (c) characteristics of borrowers, including income class and small business revenues; (d) community development loans (and their “complexity and innovation”); and (e) innovative or flexible practices to address needs of LMI individuals (Stock & Noreika, 2001, p. 5). Under the service test, the institution’s system for delivering banking services—including community development services—in its assessment area (or a broader region) is measured, as well as their reach and level of innovation. Community development services include, for example, providing technical expertise such as new home buyer education or credit counseling, or financial literacy programming in schools (Haag, 2000). Finally, under the investment test, the institution's ability to meet its community's credit needs is measured through its investments or monetary donations towards community development in the assessment area. An example of a qualified investment would be a grant to a local organization that educates and counsels first-time home buyers (Stock & Noreika, 2001). Other examples include investments or grants to CDFIs or community development corporations (CDCs), to affordable housing developers, small business investment companies, day care facilities, or to non-profit organizations serving community development needs (Haag, 2000). The investment activity is evaluated to determine its dollar amount, innovativeness, responsiveness to community development needs, and the extent to which the investments are not typically made by private investors (Haag, 2000).

Because the CRA initially did not specify how to measure performance and ultimately impact on communities, the regulatory authorities (as delegated under the CRA) began to issue regulatory guidance beginning in 1995, including the publication of questions and answers and interpretative letters, that detailed how institutions and their community development activities would be evaluated with regards to meeting CRA obligations (FFIEC, 2017; Stock & Noreika, 2001). With regards to evaluating the community "impact" of an organization, most community development practitioners mean the measurement of outcomes of completed programs or activities. Assessments of outcomes seek to understand the positive changes in conditions that a program brought about for communities (Immergluck, 2008). However, it is important to note that the CRA examines banks more on their community development activities than on the outcomes of those activities (Moon, 2010).

CRA examinations are conducted approximately every three years (Porteous & Narain, 2008, p.102). Regulars may also conduct site visits to check on progress post-enforcement action, to investigate complaints, or after applications are submitted for mergers or new branches (FDIC, 2017; Walter, 1995). The regular on-site and periodic CRA examinations are individually scored and rated as: outstanding, satisfactory (or low or high satisfactory), needs to improve, or substantial noncompliance (Stock & Noreika, 2001; Porteous & Narain, 2008). The institution is then given an overall CRA rating based on the independent composites; however, the individual tests are combined with a weighted average, with the lending test weighted the most. In fact, lending counts for 50% of the overall rating. Furthermore, small depository institutions are only evaluated under the lending test, unless they wish to invite consideration of their investment and service activities (Haag, 2000). The 1995 amendments to the CRA enhanced the ability of regulators to focus on the depository institution's real record of lending, service, and investments in its assessment area (Haag, 2000, p. 1).

The CRA requires banks to map and specify their assessment areas and LMI demographics (referred to as "local community delineation" in the earlier years) (Sloan et al., 2015). CRA-related efforts are then concentrated in this area. The bank is responsible for meeting credit needs in the communities within the assessment area, and any city or town in which a bank operates must be included within the assessment area (also, it cannot "arbitrarily exclude" LMI neighborhoods) (Antonakes, 2001, p. 2). Performance tests are applied in the context of the bank's market, in recognition of the assessment area's socioeconomic and demographic characteristics; lending, investment and service opportunities; the bank's offerings and business strategy; its capacity and constraints; and the bank's past performance and performance of similar banks (Haag, 2000). However, the performance context is not meant to be a formal needs assessment, nor are banks required to conduct them (*Federal Register*, 2016). One critique of the assessment area demarcation has been that banks are able to maintain assessment areas with primarily higher income, non-minority residents (Antonakes, 2001).

The 1995 revisions to the CRA are credited to fair lending advocates. In fact, the Federal Reserve explicitly recognized the work of activists and the NCRC in the preamble to 1995 rule changes. In fact, more community groups than banks commented on the proposed reforms (Taylor & Silver, 2003, p. 170). In this vein, activists have engaged community organizations, supportive public officials, the media, and academics to pay attention to the implementation of the CRA, and community groups have waited for the right windows of opportunity to offer revisions to the CRA. They have successfully kept the issue on the policy agenda, and worked with sympathetic policy makers and bureaucrats to improve the legislation. There is a long history of community pressure related to the CRA.

The Banking Industry Response

Although this section has illustrated the expansion of CRA regulatory clout, it is important to note continued resistance from the banking industry against the expansion of CRA policies. Despite reforms secured by community activists and sympathetic politicians, the banking industry has also been able to continue lobbying against the CRA, "with muscle and adroitness, steadily chip[ing] away at the effectiveness" (Murphy & Cunningham, 2003, p. 22). While some financial institutions recognize that there could be profitable business in distressed communities, most continue to resist government regulation according to Murphy and Cunningham (2003). By 1999, the U.S. Congress significantly weakened the CRA by exempting more than 80% of depository institutions from performance reviews by regulatory agencies when it passed the Gramm-Leach-Bliley Act (Murphy & Cunningham, 2003, p. 22; p. 243). Under the act, banks were able to merge with finance, insurance, and securities firms without CRA regulation. The NCRC worked to sponsor the Community Reinvestment Modernization Act of 2001 (H.R. 865) to reverse the impact of these changes, but the bill died in committee (Murphy & Cunningham, 2003, p. 243; Library of Congress, 2017). This back and forth illustrates the constantly evolving nature of CRA policy pressures, and the battle between the private and public sector regarding what the role of banks in community development should be.

Another important aspect of the CRA is who it does not apply to. CRA is only applicable to depository institutions. Non-bank financial institutions, including many FinTech (i.e., financial technology) companies, as well as credit unions, are not subject to the CRA (Haag, 2000; Stock & Noreika, 2001). In 1993, D'Arista and Schlesinger warned of a parallel banking system where many financial firms are not regulated or licensed. CRA coverage does not apply to this parallel banking industry, which would include insurance companies, pension funds, mutual funds, independent mortgage companies, credit unions, and other non-bank finance companies (Stock & Noreika, 2001). Independent lenders were the primary sources of subprime and questionable mortgages in recent years, as well as a majority of redlining and discriminatory practice cases (GAO, 2009; Taylor & Silver, 2009). FinTechs create a "unique dilemma" for the regulators as it is unclear where their community obligations lie (Stock & Noreika, 2001, p. 3; Silver, 2017). A primary reason that this is important to the banking industry is the competition aspect. Their environment for attracting customers is increasingly competitive and the targeted nature of CRA regulations may increase the pressures on banks in this business market.

Finally, it is important to point out that, though they may be averse to regulation in general (Murphy & Cunningham, 2003), most banks see themselves as holding vital roles in economic development in the communities where they operate. For example, Fettig (1995) argued that banks have engaged in community lending and investment, whether driven by their own philosophies or the CRA. For example, James Schlosser, executive vice president of the North Dakota Bankers Association, declared, "throughout the state, banks are providing scholarships, sponsoring community events, organizing fundraising efforts for community causes and helping [to] revitalize Main Street" (Fettig, 1995). This mantra of commitment to community is widespread across banks.

Overall, the expansion of CRA regulatory policies has resulted in increased pressure on traditional depository institutions—banks—to allocate resources and human capital to comply, and associated expansions in bank structures and CRO job responsibilities have been necessary in order to carry out CRA mandates. Over time, this has changed the nature of the professional field and hiring practices, especially for the largest banks. The field is less homogeneous, employing CROs with various backgrounds and motivations for working in the banking field (Chazdon, 1996; Dreier, 2003). These CROs may draw meaning that influences how they approach their work from different field-level logics than traditional private sector bankers, and through their work and responses to policy reforms, influence shifts in the dominant institutional logics over time.

The Role of Community Reinvestment Act Officers in Policy Implementation

The managers in charge of community reinvestment and fair lending compliance have particularly challenging roles in today's complex banking regulatory policy environment. Community Reinvestment Act officers (CROs) operate between multiple field-level institutional logics and encounter institutional demands across each, given external demands of the banking regulators and their communities, as well as internal demands of bank leaders and colleagues. They are policy actors responsible for carrying out public interest programs, potentially clashing with their roles as business managers who must balance the directives of bank leadership and shareholders against public sector mandates. Community development projects are often less profitable than other investments for the bank, potentially leaving the CRO on the defensive to allocate needed resources. Additional tensions are experienced through CROs' roles as community members who potentially face external pressures and calls to do more to help the community. CROs' experiences and reactions to these institutional demands are shaped by the symbolic elements of institutional logics, including the norms and values of the sector and their professional networks, as well as from references to logics associated with other sectors from a banker's background. These symbolic elements influence references to institutional logics aside from the field's dominant banking, private sector logic.

CROs' reactions to institutional demands are also affected by the material (structure and practices) components of their position and authority within the bank. The symbolic and material structures of institutional logics both affect and are affected by the institutional work of CROs, driving change in the institutional logic of the banking field over time. The boundary spanning role of CROs, between the private and public sector, requires more explanation to appropriately set the stage for the empirical research of this dissertation. Further exploration of this intersectoral role includes detail on CRO job responsibilities, starting with a basic overview of the CRO role, and then putting the role in the context of regulatory, bank, and community institutional demands, as background information for the research setting. Across each of these demands, CROs are simultaneously policy intermediaries, CRA managers and internal influencers, and community members.

Job Responsibilities of Community Reinvestment Act Officers

Banks are not required by the regulators to have a designated CRO, but many intermediate and large banks now have dedicated positions, as the workload to maintain CRA compliance has increased in the wake of regulatory reforms (Perlmeter, 2017). Some large banks have entire divisions or teams dedicated to community development. The specific title of the role and assigned responsibilities vary depending on the bank's asset size, number of branches, business model, and exam type (Perlmeter, 2017). Smaller banks may incorporate CRA responsibilities into an existing role, often in the compliance space. These compliance officers may be responsible for CRA, HMDA, Bank Secrecy Act (BSA), and other fair lending and compliance statutes. Regardless of bank size, there must be a designated point of contact at regulated banks for CRA inquiries (Perlmeter, 2017). An overarching description of the CRO role entails learning and staying up to date on CRA regulatory policies, as well as "developing, implementing, and evaluating CRA strategy for the financial institution" (Perlmeter, 2017, p. 7). The requisite skillsets for CROs are broad, and though these will vary based on the individual, they may encompass community development knowledge, financial, lending, and investment expertise, public-facing outreach and engagement, as well as behind the scenes regulatory policy review and data analysis. Against this backdrop, each of the institutional demands faced by CROs will be reviewed in turn.

Regulatory Pressures Experienced by Community Reinvestment Act Officers

The banking regulatory agencies and their examiners create significant institutional pressures on CROs to comply with an enormous body of regulatory policy written over decades since passage to execute the principles of the CRA statute. If they have direct reports, CRA managers will be responsible for workers who carry out policy mandates, but whether they are solely responsible for CRA or team managers, CROs are the direct intermediaries with policy makers (Cloutier et al., 2016). CROs are the senior bank officers who are directly responsible for CRA regulations and reports, and who prep for and undergo examinations. Essentially, CROs are policed by bank examiners, who aim to maintain regulatory institutions around community reinvestment and ensure compliance with prevailing norms and procedures through regular audits and monitoring (Fox-Wolfgramm et al., 1998; Lawrence & Suddaby, 2006).

In order to receive CRA credit, CROs are required to supply vast amounts of data to their regulators for CRA performance examinations. Prior to examinations, the bank regulators will gather information already in their databases, as well as request additional information from the financial institution via the CRO (FDIC, 2017). Banks operating in today's technological and complex policy environment must supply a vast amount of data to the banking regulators to ensure compliance with fair lending laws and the CRA (Stock & Noreika, 2001). Institutions may use free data reporting software supplied by the regulators, or use their own programs (*Federal Register*, 2016). As of 2009, 96% of banks in the *Fortune* 500 utilized SAS, an information systems software, as a compliance management solution for data collection, reporting, and analysis or risk (SAS, 2009). Exemplary of the hope that technology innovations will ease the pressure of a CRA role, SAS itself advertises that its monitoring capabilities for changing bank regulations and risk indicators helps banks to understand their "fair lending risks faster and better than regulators and the public" (SAS, 2009). Yet, the resources and know-how to use expensive information systems software may be out of the reach of small community banks. In either case, the ability to collect, catalog, and analyze data has become an increasingly important requisite skill for CROs.

The data burden is likely to only increase. Since the 1990s, regulators have used statistical methods for documenting evidence of discrimination (Walter, 1995, p. 70). But in a 2009 audit on fair lending laws, the GAO found that without even more data, the regulators' ability to identify lending discrimination is limited (GAO, 2009). This theme was highlighted at the 2016 CRA & Fair Lending Colloquium. CROs in attendance emphasized the importance of clean statistical data, comprehensive performance contexts, and market analysis in order to tell a "fair lending story." If we do not do this, they warned, "the regulators will tell our story for us" (Wolters Kluwer, 2016).

Furthermore, analysis of electronic data has become more advanced geographically in recent years as well. This is yet another skillset that a CRO may or may not possess. When CRA was passed over 30 years ago, mapping was mostly done on geographic wall maps with pushpins, but today, mapping tools are sophisticated technologies that are critical to compliance for financial institutions trying to mitigate risk (Sloan et al., 2015). Agencies seeking to punish discriminatory practices, such as the Department of Justice, are utilizing maps to visually highlight fair lending violations during court cases, "making the gaps that much more identifiable and infallible" (Sloan et al., 2015, p. 5). The concept of a regulator-defined Reasonably Expected Market Area (REMA) for the bank's activities has been introduced as well, which may or may not overlap with the bank's self-identified CRA assessment area (Yap, 2012; Pry, 2017). Thus, the CRO may struggle not only to collect appropriate data, but also may not be collecting data in the right market. CROs will need to develop maps that show market conditions in their assessment areas, overlaid with demographic indicators and financial data. These maps aid them to show lending and investment performance over time within regions served and allow them to plan for future CRA-qualified activities (Sloan et al., 2015).

By requiring banks to maintain advanced compliance management systems in addition to submitting vast quantities of data, the regulators ensure that the "ultimate responsibility for compliance rests with the institution" (FDIC, 2017, p. II 1.1). For many banks, this means the ultimate responsibility rests with the CRO, creating significant pressure on the CRO to fulfill the regulatory demands on behalf of their bank.

Internal Organizational Pressures on Community Reinvestment Act Officers

A second category of institutional demand on CROs is internal pressure, including pressures from bank leadership, colleagues, shareholders, and their teams. At larger banks, CROs will need to manage teams engaged in the community development enterprise. The regulatory agencies will review CRO's qualifications, as well as those of their teams (FDIC, 2017). The internal pressure stems foremost from the profit motive, central to a private sector institutional logic. Two key facets make the CRO role particularly challenging. First, while carrying out CRA-qualified lending, service, and investment projects, CROs operate within the parameters of a profit-generating organization, meaning financial losses are frowned upon. Yet serving LMI customers is often not considered profitable. Second, if CRA examinations are not successful, the bank will not be able to expand, open new branches, or merge and acquire. As this is a significant growth opportunity for banks, failure to successfully meet the CRA requirements would be a serious barrier against future profit-generating opportunities of the bank.

CROs provide input or even oversee the bank's enterprise in product offerings that serve LMI communities and that are financially sound. They must ensure that these products and services are offered equitably, yet profitability. While lower profit margins are often accepted as a tradeoff for compliance, CROs are expected not to lose money for the bank. Furthermore, they have to ensure that any lending or investment decisions do not compromise principles of safety and soundness, which they will separately be audited on. CROs will be most capable of serving community development needs and fulfilling CRA expectations when they have the skill and expertise to determine which product-lines should be offered in their communities and which will be profitable (Willis, 2009). It is also likely to help if the CRO has healthy resources at his or her disposal. Payton (2014) found that the most significant predictor of an outstanding rating on the CRA performance exam was simply the asset size of the bank. After ensuring that bank offerings are able to effectively serve the LMI community, CROs also have to get these customers in the bank doors, as the numbers of LMI customers served will be monitored by the regulatory agencies. These are central components of the CROs' role as a market player.

In addition to the internal pressure to guard against financial loss, CROs are also CRA influencers in their organizations. Regardless of the size and scope of his or her role, a CRO cannot single-handedly carry out CRA. Compliance applies to the entire organization, and CROs have the particularly challenging role of ensuring that all staff are trained in fair lending practices and that lending, service, and investment activity is encouraged and monitored to ensure that lending decisions are based solely on credit worthiness and to ensure that there are sufficient CRA-qualifying activities.

Community Pressures on Community Reinvestment Act Officers

The third significant institutional demand on CROs is community pressure. Due to the composition of CRA regulatory policies, compliance is de facto enforced by the public, as well as by the regulatory agencies, creating an additional spoke of institutional pressure. HMDA and CRA data are public, and with the Internet, customers, competitors, and local community members all can access it (SAS, 2009). Banks must also maintain public files listing their CRA examinations and all correspondence related to their performance (Stock & Noreika, 2001). These can be requested by members of the public at any time. Community monitoring has the potential to widely publicize cases of discriminatory lending and contributes to the pressure on bankers to fulfill their roles in CRA compliance.

Even community partnerships meant to fulfill CRA obligations can be difficult to execute successfully due to the conflicts in institutional logics of each sector. Arneson et al.'s (2009) report to Nonprofits Assistant Fund (NAF) is illustrative of the challenges of successful bank and non-profit alliances. NAF is a cross-sector partnership between a non-profit CDFI and commercial banks in the Minneapolis-St. Paul metropolis. NAF works with community non-profit organizations, including charter schools, housing, human service, and health care organizations, and community development organizations—to provide loans, technical assistance, and financial management training, such as skill-building workshops. NAF loans range from about $5,000 to $500,000, and are made to organizations that typically do not qualify for traditional financing (Arneson et al., 2009, p.6). The loan fund is fueled by grants from corporate and foundation partners, including large banks such as Bank of America, American Bank, and Wells Fargo Community Development Corporation.

For some CROs in the report, community development was a core value, while others were primarily compliance-driven, simply trying to keep their CRA rating strong. Some CROs saw their profit-first bottom line as mismatched with the service mission of nonprofits. Because banks will ultimately be concerned with profitability above all, while non-profit organizations aim to address a community need, there is a natural incongruence at the outset of any business-to-non-profit alliance. In addition, Arneson et al. (2009) expressed that these "competing cultures speak two very different languages" (p. 2). As with the bureaucratic English of the regulators discussed at the beginning of the chapter, the analogy of speaking different languages is used to illustrate the differences in common values and understanding for cross-sector actors. In other words, the institutional logics of the private and non-profit sectors are often incongruent.

In interviews with the bankers, it was consistently shared that there was a lack of clarity on NAF's products and which types of nonprofits they served. Despite these challenges, NAF is a promising intermediator because it bridges the gap and understands the financial sector and loans, but also a nonprofit's service mentality. Additionally, NAF needed the banks' funding. Thus, the CDFI could serve as a more successful intermediary with community groups than directly working with the community organizations, in this case. The CROs in the study perceived that nonprofits were poorly managed, had little capital, and were organizationally unstable. They also believed the nonprofits would require more technical advice than they were able to give (Arenson et al., 2009). Arneson et al. (2009) found that partnering with NAF could mitigate the risks of loaning to non-profit community organizations as a loan intermediary, and because of the technical training and support provided. Ultimately, partnership with a community CDFI was more attractive than with community organizations because of closer similarities in missions and values. NAF had a financial acumen that provided more economic security on all sides. The bankers interviewed in the study consistently shared that NAF enhanced their impact on non-profit organizations and was uniquely suited to mitigate risks associated with loaning to nonprofits. This report illustrates the mismatch in logics of the private sector and community partners, where even a non-profit financial institution (a CDFI) "speaks a different language" than the private sector, but where grassroots community organizations (the grantees) are even farther removed in their normative values and operating procedures. While there are definite advantages, incongruities may create day-to-day challenges for both sides of the partnership.

Summary

The enhanced enforceability of the CRA since passage has changed the banking field over time as the goals of the public sector mandate have become more important for banks to comply with. The importance of the CRA in recent decades has led many banks to devote more resources to CRA compliance. Entire roles devoted to CRA have been created at some of the bigger banks, as well as community development divisions. Additionally, an enlarged CRA has changed the makeup of the professional field. As banks have expanded their community development efforts, they have correspondingly hired CROs with more experience or desire to work in the field (Chazdon, 1996; Dreier, 2003). After the CRA was passed in 1977, by the 1980s, foundations, including bank foundations, began giving grants to community organizations for community reinvestment activities (Dreier, 2003, p. 199). By the early 1990s, many banks had created stand-alone community reinvestment divisions. "These divisions were often staffed by "liberal" individuals who sympathized with the aims of the community reinvestment movement. Indeed, some of these people had themselves been community activists who were recruited by banks to serve as liaisons with community groups" (Dreier, 2003, p. 200). As the individuals within the banks and community groups became more allies than foes, many banks began to see serving the community as a core part of their business' values, evidence of changing institutional logics through institutional work. These new professionals often espoused the belief that strong community development programs would enhance the bank's reputation while also serving the company's own mission (Dreier, 2003). The processes that drive these changes in institutional logics over time, institutional work of the senior managers, will be further examined in this study.

Chapter Three: Literature Review

Introduction

The literature review for this study is introduced through a discussion about ontology and epistemology, which are theoretical positions that underpin research frameworks, and are thus guideposts for the exploration of relevant theory-driven literature. This discussion is meant to frame the theoretical orientation and the key literature that is reviewed. The remainder of the chapter discusses the pertinent foundational literature and then further develops the theoretical framework. This framework explores the promise of linking the institutional logics and institutional work perspectives to enhance the explanatory power of empirical inquiry within the public policy discipline. Placing the research topics within the academic literature will contextualize them within the broader fields where institutional theory has been applied, and where it needs to be further explored (Braun & Clarke, 2013). The intention is to explain what we understand from existing research, and then to identify where empirical research and theoretical development can provide new or unique insights to build on existing knowledge. In this regard, the literature review is both the dialogue where the linkages of institutional logics and institutional work perspectives are first explored, as well as the backdrop to the empirical work.

The literature surveyed to address research question one [R1] investigated each perspective independently, as well as the foundational literature, followed by exploration of the efficacy of linking the institutional logics and institutional work perspectives. This literature review will provide context for the empirical portion of part one of the study, which investigates the explanatory power of the linked perspectives to explain the conflict in institutional demands created by the Community Reinvestment Act (CRA) (Canning & O'Dwyer, 2016; Gawer &

Phillips, 2013; Lawrence & Suddaby, 2006; Lawrence et al., 2009; 2011; 2013; Thornton & Ocasio, 1999; Thornton et al., 2012). These pressures affect regulated banks, particularly the managers who are responsible for policy mandates. The institutional demands of the CRA on managers have not been explored via this lens directly within the public policy field, but the reviewed literature covers institutional theory and applications of both the institutional logics and institutional work perspectives in related contexts. The literature points to the promise of an application in this novel research setting that draws insights from the linked institutional perspectives.

Second, research question two [R2] asks how Community Reinvestment Act officers (CROs) interpret and reconcile the institutional demands created by the CRA. Furthermore, through empirical investigation in part two of the study, it considers how CROs' interpretations of policy mandates and references to institutional logics are associated with features of their banks, their community context, and their individual attributes and backgrounds (Battilana & Dorado, 2010; Bridwell-Mitchell & Sherer, 2017; Chazdon, 1996; Cloutier et al., 2016; Garrow & Grusky, 2012). In the literature review, the contextual factors and reconciliation strategies of actors in other policy or organizational contexts is reviewed, leading us to consider how structural and symbolic elements of institutional logics shape the thought processes and behavior of individuals engaged in institutional work, including within the community reinvestment field.

Epistemological and Ontological Groundings of the Literature

First, a discussion around ontology and epistemology is instructive for the theoretical orientation of the reviewed literature. Ontological and epistemological orientations are the foundations of theoretical approaches and the associated research methods that are chosen to address the questions of an empirical study (Marsh & Furlong, 2002). Ontology is a theory of being. It asks if there are essential truths about the world that exist independent of our knowledge of it, and across all contexts and all times. Epistemology is a theory of knowledge, or what we can learn (and how) about the world (Marsh & Furlong, 2002). The epistemological classification of positivists versus interpretivists is a useful distinction.

A positivist epistemology is based on a foundationalist ontology, which states essentially that reality exists independently of our developing knowledge about it. Social science is a "science" under this lens, where relationships between social phenomena can be observed objectively, hypotheses and theories can be tested, and theory is created via the scientific method (Marsh & Furlong, 2002, p.22).

Interpretivists, alternatively, argue that institutions are socially constructed. The "lived experience affects agents' understanding of the institution and also helps change it" (Marsh & Furlong, 2002, p. 24). This implies that social structures and the institutions that frame them do not exist independently of the realities of the actors who are both influenced by these structures and who also influence institutions via their agency.

A description of agency is warranted here and will also be key to an understanding of the branches of institutional theory that are discussed in this review. Human agency is defined as the capacity and intentionality of an actor to independently and deliberately make choices that influence his or her life circumstances (Bandura, 2006). In other words, we are not just products of our life circumstances, but we can also influence our situation in life. However, the concept of agency may be visualized on a continuum rather than being absolute. For example, most individual choices involve other agents, such as work leadership or colleagues. Thus, their actions may affect our own, and in the professional environment, effective team performance requires more of a collective intentionality. This requires the group's commitment to shared intentions and action plans (Bandura, 2006). Additionally, agency is influenced by environmental circumstances, including social systems.

Bandura (2006) argued that many theorists present agency and social structure as a duality, wherein agency is non-existent because social structures determine our behaviors and choices. In line with Bandura, that duality is rejected here. Instead, it is recognized that individuals and organizations both create and are influenced by the larger social systems in which they exist. “Social systems are the product of human activity, and social systems, in turn, help to organize, guide, and regulate human affairs” (Bandura, 2006, p. 165). The extent to which interpersonal and behavioral determinants will influence outcomes, as opposed to environmental determinants, will depend on the situational circumstances, as well as the agents’ self-efficacy, personal and organizational resources, and power (Bandura, 2006). Thus, drawing on Burns and Dietz (1992, as cited in Bandura, 2006), there is actually great variation in the interpretation of, adherence to, and avoidance of prescriptions drawn from social structures and norms. Here, we are centrally focused on the interpretations and reactions to prescriptions from the institutions around regulatory compliance. Agents’ reactions to institutional demands of public policies are shaped by dominant institutional logics that structure and clash in the agents’ current spheres and are additionally influenced by their prior social circumstances and intrapersonal dimensions. This discussion leads us back to epistemology, or what we can know and understand about agentic behavior and institutions.

For researchers in the interpretivist tradition, a key understanding of the social world and what we can learn about it is the belief that social phenomena do not exist in their own right but are experienced and interpreted through the discourses and practices of the people involved (Marsh & Furlong, 2002). Thus, social science involves uncovering narratives, deciphering discourses and actions, and developing theories that help us to understand them (Marsh & Furlong, 2002; Braun & Clarke, 2013). The goal is to provide deep insights that advance theory, and to give voice to the people studied through rich description of their experiences and discourses in doing so (Marsh & Furlong, 2002; Braun & Clarke, 2013).

This interpretivist lens underpins the institutional logics perspective, as well as the theory of institutional change and disruption captured in the institutional work literature. Institutional logics are not fixed, but rather they are constitutive of the sectoral actors who reinforce them, yet also break down and rebuild norms and values over time through their agency. Institutional theorists, though epistemologically diverse, are often grounded in this interpretivist epistemology. This is the epistemological lens employed in this research. With this perspective underscoring the exploration of the institutional logics and institutional work perspectives, the following sections will develop the historical background of the theoretical framework through a review of the pertinent institutional theory literature.

Institutional Theory

The theoretical framework applied in this dissertation is framed by the large umbrella of institutional theory, which has a rich and long history that will be briefly discussed in this section. While it is noted that the meaning of "institution" has varied even within this theoretical tradition, it is the most recent literary use of the term that is employed in this study. In the current usage, an institution is not an organization, an organizational form, or a sub-organizational element. Rather, the level of analysis and focal point is at the inter-organizational level (David et al., 2019). Institutions are conceptualized as the product of purposive norms and actions; they are the ordered, established rules, procedures, and shared meanings that define social interactions, hierarchies, and relationships within societal sectors (David et al., 2019; Fligstein, 2001; Jepperson, 1991).

Institutional theory is a prominent theoretical approach in organizational research and sociology, and it is a core theoretical perspective in public policy. Despite the different tracks of scholarship and the divergent core assumptions and concepts, the literature shares a common thread in its focus on social norms and established expectations as drivers of organizational and individual beliefs and actions (David et al., 2019). Over the decades, it can be categorized into multiple waves. Early institutional scholarship ("old institutionalism") focused on the institutionalization of organizations due to contextual and environmental factors (David et al., 2019). Beginning in the 1970s, new or neoinstitutional theorists continued to study institutional embeddedness, but also the potential for change in institutional fields (David et al., 2019, p. 1; Powell & DiMaggio, 1991; Scott, 1995). Institutional entrepreneurship, institutional logics, and institutional work strands arose from the neoinstitutional tradition. Beginning with old institutionalism, the academic literature to present-day will be briefly reviewed.

"Old" Institutionalism

Institutional theory can be traced back to the legitimacy and authority scholarship of Weber, but the theory's founding fathers are considered to be Parsons, Selznick, and Gouldner. Their work focused on organizations and their environments observed in the 1950s and 1960s (as cited in David et al., 2019, p. 1). David et al. (2019) reflected that Parsons' (1956) article on the cultural-institutional view of organizations in *Administrative Science Quarterly* was one of the earliest works of institutional theory. In reflecting on the legitimizing functions of organizations, Parsons identified external relations as an institutional level function (in contrast to more production and managerial organizational levels), which connected and aligned the organization's goals to the wider societal context (as cited in David et al., 2019).

Following Parsons, Selznick (1949; 1957) theorized institutionalization, which involved linkages between the organization and its embodiment of societal values, as a primary task of organizational leaders (as cited in David et al., 2019). Thinking back on his earlier work, Selznick (1996) reflected that he had drawn a distinction between organizations and institutions, where the latter entailed more stable and socially integrated patterns and practices, yet still at the meso-level of analysis (the organization). He also drew attention to the novelty in his scholarship of viewing the corporation as an entity that responds to wider stakeholders, long-term interests, and societal values, as opposed to strictly shareholder interests, which remains a dominant view of the corporation entity-type. This offers insights to theorize corporate social responsibility, and questions the idea that corporations are singularly profit-oriented (Selznick, 1996). Despite differences in the definition of institution, the old institutionalism literature embedded founding principles surrounding the exogenous factors that influence organizations.

Neoinstitutionalism

Retaining the 'old' institutionalism's focus on the influence of environmental factors of institutionalization, but introducing a new level of analysis, Meyer and Rowan (1977) are credited with launching the neoinstitutional tradition in the late 1970s (as cited in David et al., 2019, p. 3). Meyer and Rowan's core argument was that institutional rules function as myths that are adhered to by organizations to gain legitimacy, attain resources, and to simply survive as organizations. Their article was significant because it challenged the dominant economic explanation of organizational behavior, which is that organizational survival is primarily based on quality and efficiency of products and services, in other words, of market-based explanations (David et al., 2019). Instead, they offered a critique to that rationale.

Meyer and Rowan's (1977) article offered a response to contingency theory, which had become popular in the 1950s to 1970s (as cited in David et al., 2019, p. 3). Contingency theory hypothesized that the factors related to variations in organizations' formal structures are linked to autonomous actors maximizing their organizations' market efficiency. For example, these structures could be job responsibilities, work practices and procedures, or staffing structures in the organization (David et al., 2019). In contrast, Meyer and Rowan argued that formal structures also have symbolic properties that signal commitment to certain societal values, as opposed to being related to production efficiencies. Thus, human resources procedures or certain job roles may reflect society's value for those roles or procedures rather than being related to market concerns. Furthermore, the more organizations that adopt these structures, the more institutionalized they become, increasing pressure for the others to adopt them (David et al., 2019; Meyer & Rowan, 1977/1991). Additionally, Meyer and Rowan found that formal structures are often decoupled from production activities, decreasing efficiency while increasing organizational complexity, in order to maintain that legitimacy. Their work also emphasized that plurality in institutional environments contributes to these complex, and often inefficient, formal structures (Meyer & Rowan, 1977/1991). This concept would be later revisited by institutional logics scholars (Battilana & Dorado, 2010; Besharov & Smith, 2014; Pache & Santos, 2010).

Early neoinstitutional scholarship that followed Meyer and Rowan (1977) focused on macro-structures and the influence and power of institutions, especially organizational isomorphism (similarity and imitation of organizational structures) (David et al., 2019; DiMaggio & Powell, 1983). DiMaggio and Powell (1983) revived the organizational quest for legitimacy and explored how organizational forms and practices become the norm due to environmental factors as opposed to reasons related to efficiency necessarily. They explored three primary forces. The first was institutional mimicry resulting from organizational leadership relying on other organizations' behaviors as a guide for their own. "Organizations tend to model themselves after similar organizations in their field that they perceive to be more legitimate or successful" (DiMaggio & Powell, 1983, p. 152). A second key force was normative pressure, including societal expectations for particular policies, practices, and behavior. And a third was coercive pressures, which could be demands of resource-powerful organizations, or more directly linked to government-led regulatory mandates on organizations (DiMaggio & Powell, 1983; David et al., 2019). In addition to important insights on institutional pressures of governmental mandates, DiMaggio and Powell (1983) also importantly theorized the organizational field as a unit of analysis. They defined fields as being comprised of all of the key actors surrounding a layer of organizational life. "By organizational field, we mean those organizations that, in the aggregate, constitute a recognized area of institutional life: key suppliers, resource and product consumers, regulatory agencies, and other organizations that produce similar services or products…the totality of relevant actors" (DiMaggio and Powell, 1983, p. 148). This concept of an organizational field would become important for an understanding of multiple and competing institutional logics within a field. In sum, structures in organizations tend to reflect the normalized practices and organizing principles of the institutional environment, as opposed to purely the demands of the work environment and production activities (DiMaggio & Powell, 1983; Meyer & Rowan, 1977/1991).

In his book *Institutions and Organizations*, Scott (1995) bolstered this viewpoint, arguing that the wider contextual environment shapes the structures of formal organizations. He developed the pillars framework to theorize why individual or collective actors comply with prescriptions, but he did not see these as mutually exclusive silos. The pillars were labeled regulative (policies, rules, laws and sanctions), normative (habits and norms that express social obligations, such as certifications and accreditations), and cultural-cognitive (shared understandings and values that are often mimetic). It was the latter, cultural-cognitive, where he grouped neoinstitutional theorists, such as Meyer and Rowan (1977/1991) and DiMaggio and Powell (1983), noting their emphasis on the cultural context and belief systems that are often integrated into organizations.

Key insights of these neoinstitutional articles are reminiscent of the old institutionalism focus on organizations' interactions with their environments. However, David et al. (2019) pointed out that neoinstitutionalists signaled a contrast with Selznick's (1957) conceptualization of institutions as organizations that had become institutionalized, and instead demarcated the term as sub-organizational elements of formal structures derived from social context (p. 3). Nonetheless, core concerns of the literary tradition carried forward. In 1996, Selznick responded to the wave of new institutionalism that had emerged since his foundational work. While acknowledging new insights and foci that had emerged, especially DiMaggio and Powell's (1983) work on legitimacy and institutional isomorphism, he questioned how different the strands really were, given the continued focus on the sociological contexts of organizations.

Over time however, neoinstitutional theorists shifted from institutional isomorphism to a focus on institutional change, for examples studies that focused on the impacts of new laws and regulations, new market opportunities such as products or services, and new occupations (David et al., 2019). Greenwood and Hinings (1996) argued that the scholars of neoinstitutionalism did allow for models of change whereas old institutionalism did not, due to its primary focus on the power of institutions. While the strengths of neoinstitutional theory's foundational literature are recognized, particularly insights on macro-structures and how they shape organizations, critics have contended that the earliest work in neoinstitutionalism showed limited capacity to explain the micro-level foundations of institutions and institutional change, including human agency (DiMaggio, 1988; Greenwood & Hinings, 1996; Thornton et al., 2012). It is this branch of the literature focused on the interplay of the macro-level of the institution and micro-level actors that is of greatest interest here. Therefore, it is fruitful to take a step back and examine the emergence of the institutional entrepreneurship literature.

Institutional Actors: Example – Institutional Entrepreneurship

Since the late 1980s, there has been a growing focus on the role of actors' agency in the evolution of institutions. One of the earliest actor-centered theories within institutional theory was institutional entrepreneurship, which examined how highly capable actors influence and lead organizations through regulatory change (DiMaggio, 1988; Fligstein, 1997). DiMaggio (1988) spurred an early shift towards this micro-level focus on institutional change. He critiqued institutional theory for its failure to account for the role of agency in institutionalization, which meant that it had neglected to consider how the interests and actions of individuals are related to variations in organizational structures. DiMaggio focused on well-resourced and effective leaders as institutional entrepreneurs. He argued that new institutions could arise if well-resourced leaders see the opportunity to realize high-value aspirations and rally actors around them. A key argument here was that institutionalization depends on the power of the actors involved and whether they support or fight against it. His work also offered a response to an enduring focus in the literature on institutional persistence at the organizational or field levels of analysis (Martí & Mair, 2009). Specifically, he proposed to study institutionalization processes, laying the groundwork for the institutional work perspective and its focus on the intentional activities of individuals that leads to organizational change, such as new policies, procedures, or structures.

Fligstein (1997) also wrote about institutional entrepreneurs and how skilled actors influence institutional transformation. In essence, through their activities, they recombine institutional structures, such as rules and practices of the field. Fligstein specifically focused on how actors with high social capital motivate cooperation in others, especially by influencing the development of shared meanings and identities. He argued that the strategies employed by institutional entrepreneurs vary across contexts and thus encouraged studies in a variety of research settings and professional fields. While the focus on individuals and their role in institutional change was novel amongst a dominant concentration on the organizational and field levels in institutional theory, DiMaggio (1988) and Fligstein (1997) wrote specifically about powerful and prominent individuals with significant resources (Martí & Mair, 2009). Later scholarship, particularly the institutional work perspective, expanded the lens to a variety of institutional actors, including those without leadership roles or who lacked power or resources (Martí & Mair, 2009). However, the institutional work literature holds similar foundational views to that of institutional entrepreneurship.

Integrating Theoretical Concepts

Building on the societal lens of neoinstitutionalism and the actor-centricity of institutional entrepreneurship, the institutional logics and institutional work perspectives have arisen as more recent thrusts of institutional theory. These perspectives have advanced institutional theory with their focus on the intentional efforts of actors, primarily professionals, to affect institutions (Lawrence & Suddaby, 2006; Lawrence et al., 2009; 2011; 2013; Thornton &

Ocasio, 1999; Thornton et al., 2012). There has been continued interest in the institutional entrepreneurship focus of understanding the role of leaders, senior managers and other high-ranking individuals who play a key role in shaping organizations and institutions (DiMaggio, 1988; Fligstein, 1997; Kraatz, 2009; Riaz et al., 2011; Rojas, 2010). However, following Selznick's (1996) cautionary advice, we should be wary of failing to integrate concepts of both old and new institutionalism and "taking full account of theoretical and empirical continuities" (p. 275). Doing so risks embracing dichotomies for rhetorical purpose, when what we really should be focused on is how to implement public policies in more effective ways (Selznick, 1996). In this regard, contemporary literature should invite the key insights of multiple strands of institutional theory. This review has highlighted commonalities across much of the institutional theory literature. We now turn to a closer examination of the institutional logics literature, then the institutional work literature, building up to a linkage of both perspectives to develop a more insightful framework on agentic institutional maintenance and change.

Institutional Demands and Conflict Response Strategies

Institutional Logics Perspective: Institutional Demands

Michael Foucault has argued that institutions acquire meaning through language (Marsh & Furlong, 2002). Actions must be interpreted within the wider discourse of which they are part, specifically the institutions of the field (Friedland & Alford, 1991; Riaz et al., 2011). Friedland and Alford (1991) were the first theorists to identify actor-driven field-level discourses—expressing the norms, values, and accepted practices of the institution—as institutional logics. Institutional logics are defined as the socially constructed norms, beliefs, values, rules and practices of a societal sector, embodied by sectoral actors (Friedland & Alford, 1991; Lindblom, 1977; Perry & Rainey, 1988; Thornton & Ocasio, 1999; Thornton et al., 2012). Institutional logics are both material and symbolic, in that they provide both formal and informal norms around actions, interactions, and interpretations of what appropriate behavior may be; logics thus influence decisions of organizational actors, define social statuses, and influence rewards and penalties within the institutional domain (Thornton & Ocasio, 1999).

Foundational Institutional Logics Literature

Friedland and Alford (1991) viewed Western society as composed of different institutions, such as the state, market, democracy, family, and religion, where each has a unique institutional logic constructed of distinct value sets. These logics have both material and symbolic elements, and broadly provide organizing principles for actors. Indeed, a key insight offered was that not all logics are necessarily compatible. As individuals reference competing institutional logics within a field, their sensemaking of predominant structural arrangements may lead them to reject that structure, and reflect alternative logics (Friedland & Alford, 1991).

> The central institutions of the contemporary capitalist West—capitalist market, bureaucratic state, democracy, nuclear family, and Christian religion—shape individual preferences and organizational interests as well as the repertoire of behaviors by which they may attain them. These institutions are potentially contradictory and hence make multiple logics available to individuals and organizations. Individuals and organizations transform the institutional relations of society by exploiting these contradictions (Friedland & Alford, 1991, p. 232).

The institutional logics perspective thus lends key insights regarding the institutional ordering of society and the demands faced by individual actors and organizations who interface with multiple and competing institutional logics (Battilana & Dorado, 2010; Besharov & Smith, 2014; Bridwell-Mitchell & Sherer, 2017; Friedland & Alford, 1991; Kraatz & Block, 2008;

Pache & Santos, 2010). Critically, Friedland and Alford (1991) argued that multiple levels of analysis (individual, organization, institution) are required to understand society, as "each is implicated in the other" and where organizations and institutions both frame the levels of "constraint and opportunity for individual action" (p. 242). Friedland and Alford's seminal article led to a large body of research in this domain (David et al., 2019).

The institutional logics perspective highlights that individuals and organizations are challenged by both internal and external contradictory demands that result from institutional pressures. A number of authors have called for a deeper understanding of the influence of these pressures on individual and collective actors' behaviors (Battilana & Dorado, 2010; Friedland & Alford, 1991; Kraatz & Block, 2008; Lounsbury, 2007; Marquis & Raynard, 2015; Pache & Santos, 2010). Organizations facing institutional pressures may operate within a variety of institutional spheres or be subject to multiple, and often contradictory, "regulatory regimes, normative orders, and/or cultural logics" (Kraatz & Block, 2008; Pache & Santos, 2010, p. 457). This could be due to the various policy arenas and regulatory agencies that govern organizations, emerging non-traditional institutional models such as social enterprises, or the competing cultural worldviews of rapidly changing communities, for example. Compliance is almost impossible in this context, as satisfying certain demands may directly conflict with others. Institutional demands are more likely to cause conflict when dominate actors at the field level can enforce prevailing logics, such as regulatory regimes that instill penalties for noncompliance or major funders that create resource dependencies (Knutsen, 2012; Pache & Santos, 2010; Thomann et al., 2016).

Particularly relevant are those studies that responded to the call for more research focused on the microlevel or intraorganizational dynamics in response to conflicting institutional logics

(Battilana & Dorado, 2010; Greenwood & Hinings, 1996; Hirsch & Lounsbury, 1997; Pache & Santos, 2010; Thornton & Ocasio, 1999). This literature has departed from a more traditional focus on organizations as unitary entities responding to conflicting institutional pressures, and instead emphasizes the diverse actors within organizations (Battilana & Dorado, 2010; Pache & Santos, 2010).

Thornton et al. (2012) reflected that their intent in the framing of the institutional logics perspective was to revamp neoinstitutional theory. They recognized the strengths of the early insights of the macro-level environmental influences on organizations, but also its weaknesses in terms of explaining the micro-level, or agency and its influence on macro-level institutions and theories of logic multiplicity and change. They were excited by the opportunity for a variety of disciplines to deepen the understanding of the material and the symbolic, including cultural and structural processes of change, across multiple level of analyses, the micro, meso, and macro (Thornton et al., 2012).

Approaches to institutional theory within the broader management field lend insight regarding how organizational actors experience and manage conflicting institutional logics of sectoral fields. Early institutional logics research focused on how a dominant logic is replaced by a new one (David et al., 2019). For example, an influential application of institutional logics was Thornton and Ocasio's (1999) study of the higher education publishing industry. They described how institutional logics morphed over time from an editorial to a market-based orientation. The shift in logic affected the focus of executive leaderships' management practices, as well as executive succession. The authors illustrated how leadership power and interests are influenced by prevailing institutional logics in the wider environment. "[While] power and politics are present in all organizations, the sources of power, its meaning, and its consequences are contingent on higher-order institutional logics" (Thornton & Ocasio, 1999, p. 802). In essence, institutional logics—though "historically variant" and shaped by social and economic structure over time—define the "rules of the game" and whether executive power is gained or lost (Thornton & Ocasio, 1999, p. 802-806). Within organizational fields, these institutional logics are embodied by sectoral actors with competing priorities, resulting in competition and conflict. Within organizations, implicit rules of action and interaction shape social status, appropriate behavior, as well as rewards and penalties. Thus, institutional logics influence conflict and political struggles amongst actors within organizations (Thornton & Ocasio, 1999).

Other research of note has also focused on logics coexisting, such as Lounsbury's (2007) study of mutual funds which have embraced both trustee logics and performance logics, or Reay and Hinings' (2009) study in the health care sector where market-like health care and medical professionalism logics were found to co-exist. Kraatz and Block (2008) defined institutional pluralism as the scenario where an organization operates across more than one institutional domain. This means that the organization may have multiple regulatory regimes, cultural worldviews, normative orders, and thus identities. In their study, Kraatz and Block found that conflicting logics can result in a variety of outcomes, from domination of one identify over another, to the decoupling and compartmentalization of identities, to a balance of identities, or the emergence of new hybrids.

A subset of authors has focused on organizations with multiple logics in the form of hybrid structures, for example microfinance organizations and social enterprises, which blend for-profit and non-profit philosophies (Battilana & Dorado, 2010; David et al. 2019; Fitzgerald & Shepherd, 2018; Pache & Santos, 2010). These hybrids confront institutional logics in unprecedented ways and researchers have struggled to identify theoretical frameworks to explain how institutional actors handle the tensions created by these conflicting logics (Battilana & Dorado, 2010, p. 1419). For example, Battilana and Dorado (2010) argued that traditionally banks are thought to carry a market logic focused on profit, while non-profit nongovernmental organizations (NGOs) embody a development logic focused on helping the poor. In the 1990s, a number of NGOs determined that they could scale by combining these logics and spun off new commercial microfinance organizations that would help the poor through market-driven strategies. Battilana and Dorado found that such hybrid organizations face significant challenges from the tensions and conflicts produced by these divergent market and development-centered institutional logics. Specifically, their findings suggest that hiring policies (defining who becomes an organizational member) and socialization policies (which teach and reinforce behaviors and values) are crucial for developing a sustainable organizational identity. Introducing the lens of institutional work into this type of study would add explanatory power in terms of how institutional logics may hybridize at the junction of sectoral institutional logics.

Pache and Santos (2010) also focused on the intraorganizational pressures that result from conflicting institutional demands for hybrid structures that may lead to organizational failure. At the center of the ideological conflict for a market-driven NGO is the question of whether making a profit in microcredit enterprises is right and whether it would ultimately serve the greater good or be an immoral social goal at the expense of the poor (Pache & Santos, 2010). The conflicting institutional demands emanating from each logic is problematic for microfinance organizations. Echoing the theme that organizations are too often treated as unitary actors thus failing to recognize these challenges, Pache and Santos argued that there is little understanding of the intraorganizational strategies available to resolve conflict in institutional demands (Greenwood & Hinings, 1996; Pache & Santos, 2010). Moving beyond the neoinstitutional tendency to focus on organizations as unitary entities, Pache and Santos examined microlevel action in order to address their research question, i.e. how organizations experience and respond to conflicting institutional demands. Their framework attempted to explain how organizations can manage conflicting institutional demands in some cases, resulting in compromise. Yet in other situations, particularly where internal power structures are balanced, they found a higher likelihood of paralysis or breakup of the organization. This focus on internal organizational dynamics added more depth to Oliver's (1991) model of organizations' strategic responses to the conflict caused by institutional demands.

Institutional Logics and Policy Pressures

The public policy literature has also explored the pressures and conflicting demands faced by regulated actors in relation to the state (government). In fact, the role of the state has been featured since the earliest institutional literature. For example, David et al. (2019) reflected that the state played a key role in Selznick (1949), and that neoinstitutionalists followed Weber (1978) in their conceptualization of the state's role as the "primary rationalizer of social life" (p. 10). Similarly, Meyer and Rowan (1977/1991) and DiMaggio and Powell (1983) had articulated the state's role as the primary influencer of formal structure adoption as organizations sought legitimacy; furthermore, this was largely through the act of passing laws and regulations (as cited in David et al., 2019). Additionally, Friedland and Alford (1991) had described the bureaucratic state logic as one of the central logics of the West. Additional literature has focused on how state policies and regulations have developed new industries, affected corporations' competitive behaviors (e.g., through anti-trust laws), defined the scope of industry boundaries, and led to changes in organizational forms, as well as even legitimated new products or services through the state's own consumption patterns (David et al., 2019).

The concept of institutional logics, while often examined within the management field in isolation from public policy, is important to an understanding of the institutional demands faced by regulated private or public sector managers within organizations. From a governmental institutional lens, public policy is deliberative action to change existing procedures and practices, replacing older policy frameworks with new rules based on shared meanings (Smith, 1973). By pressuring organizations to change their institutionalized operations and procedures, public policy can be conceived of as a "tension-generating force" (Smith, 1973, p. 202). The seminal manuscript on work-related policy pressures, predating the nomenclature or theoretical insights of the institutional logics perspective, was Lipsky's (1980) *Street-Level Bureaucracy*.

In his influential book, Lipsky (1980) argued that policy implementation literature focuses too much on political elites, when in fact it is lower-level public service workers—street-level bureaucrats— who make public policy through their discretionary actions and control of access to government benefits.[8] These street-level bureaucrats are the police, teachers, social workers, public legal defense and prosecutors, health workers, and other social service employees. These bureaucrats "hold the keys," in defining citizen to state relationships (p. 4). Street-level bureaucrats socialize citizens to the provision of government services, frame civic engagement, and both determine benefit eligibility and the services that citizens will receive (Lipsky, 1980). Unfortunately, the outlook for policy outcomes is not positive. Lipsky illustrated that even well-designed public policies often fail on the ground. This is because street-level bureaucrats work without sufficient resources, with overbearing workloads, and with ambiguity and conflict between goals set by both the legislature and administrators regarding their work

[8] Lipsky (1980) defined street-level bureaucrats as the public service workers who interact with the public daily for their jobs and who have significant discretion in terms of how they execute their work.

performance (Lipsky, 1980; Matland, 1995). The institutional logics perspective would have added rich explanatory power to the conflict in goals for these public servants. Furthermore, while Lipsky's (1980) work on street-level bureaucrats has created a voluminous literature in its wake, the contextual factors that were important in Lipsky's study have not been sufficiently applied to more senior-level management or private sector interactions with public policy.

Responding to the street-level bureaucracy literature's focus on bottom-up policy implementation, Matland (1995) theorized that the reconciliation of the false dichotomy between top-down and bottom-up theories of policy implementation could be found at the intersection, which he recognized as dependent on a policy's ambiguity and conflict level. In other words, how clear and aligned are the policy expectations with the realities of the policy implementers? The incongruence could be theorized as a conflict in institutional logics. In fact, some of the public administration and policy literature that followed Lipsky (1980) and Matland (1995) has utilized the institutional logics perspective to analyze policy pressures. Several studies have recently examined how institutional logics create conflicting institutional demands for employees responding to policy pressures (Bridwell-Mitchell & Sherer, 2017; Garrow & Grusky, 2012; Thomann et al., 2016; Watkins-Hayes, 2009).

In 2012, Garrow and Grusky expanded upon the classical focus in Lipsky's (1980) street-level bureaucrats from an institutional logics lens and concluded in short, that logics matter for frontline employees. They examined the core institutional logic of the organizational field and the congruence with policy mandates for actors carrying out healthcare policy on the ground. After controlling for other variables previously shown to affect the success of policy implementation (such as the practitioner's knowledge, experience or training, as well as work constraints such as workload), they posited that the degree of Centers for Disease Control and

Prevention (CDC) policy compliance by HIV counselors would be directly related to the alignment of the mandates with the organizational field's core logic. While Garrow and Grusky's (2012) findings echoed prior literature on the adverse effects of workload pressures on congruence with policy intent, what is particularly novel about their work is their conclusion that alignment of institutional logics with policies was the most significant determinant of congruence with mandates. Organizational fields structure logics for the front-line workers within the field, and thus agency is institutionally embedded. However, the authors did not consider that institutional logics may differ within organizations as well, as they analyzed logics at the organizational level. Indeed, the authors conceded that a limitation to the study was their assumption that each organization adheres to a single institutional logic, as opposed to recognizing that intraorganizational actors may reference multiple competing institutional logics (Bridwell-Mitchell & Sherer, 2017; Kraatz & Block, 2008). Additionally, the failure to account for attributes of workers, such as their personal identities or race, meant that significant nuance was left out of the study.

In fact, Watkins-Hayes (2009) found that race was a significant influencing factor on the internalization of policy mandates and job performance for street-level bureaucrats. Her qualitative study, which included both participant observation and in-depth interviews, asked how caseworkers who implement welfare policy both experience and interpret reforms. In the field of human services and welfare-to-work reform, case workers must provide assistance with employment, accessible transportation, and affordable housing and childcare. Professional identities are composed of norms and values, individual backgrounds, and organizational structures and practices. Ultimately, Watkins-Hayes found that welfare workers' professional identities factor significantly into how they carry out their work. For example, if they act as social workers, they are empathetic advocates willing to flex the rules to support their clients' hardships as they work to get out of poverty. Yet if they operate as efficiency engineers, their greatest concern is reducing caseload and rule compliance, to the detriment of a focus on truly enabling clients to change their lives. A third identity is the stereotypical bureaucrat—the survivalist—who is unproductive, resists change, and cares little about the clients. These professional identities play a significant role in human service delivery (Watkins-Hayes, 2009).

Furthermore, race intersects with professional identity. Although Watkins-Hayes (2009) found that African Americans and Latinos were by no means homogenous groups (and that they could fit into any of the three professional identities described), many shared backgrounds of resource deprivation with their clients. By and large, they were more likely to reference institutionalized racism and the ways in which opportunity is shackled for low-income people of color. Not only did they fundamentally believe in their work and the mission to improve lives, but they were more likely to recognize the institutionalized barriers in access to the market (e.g., a job and living wage) (Watkins-Hayes, 2009). Thus, race can be an important variable in how employees view both their work and the policy mandates that govern their work. This has been found to be true in the education policy sector as well.

In the education policy arena, Bridwell-Mitchell and Sherer (2017) studied how teachers' interpretations of policy reform were associated with institutional logics. Their research project involved a stratified random sample of three schools and 117 teachers (p. 223). The primary research instrument was a survey with both quantitative and qualitative questions, where the latter were inductively coded for salient themes. Through latent class factor analysis, they found that interpretations could be linked to three instructional reform logics: (a) market accountability logics (associated with market-based reforms around school choice and charter schools), (b) communal sentiment logics (linked to democratic reforms prioritizing community engagement policies), and (c) professional bureaucracy logics (connected to reforms that centralize authority or standardize school operations and outcome measures). They argued that the broader cultural context and the logics that arise from them both provide policymakers with frameworks on the formulation of reforms, as well as provide teachers with constructions around interpretation of how to implement those reforms (Bridwell-Mitchell & Sherer, 2017). Bridwell-Mitchell and Sherer argued that the beliefs and practices enacted into the formulation of various reforms represent institutional logics, and that these logics play a key role in policy implementation, not just in policy formulation. The broader cultural, school, and community contexts provide policy implementers, in this case teachers, with conflicting logics for interpreting and implementing policy reforms. Thus, competing logics are also a source of internal turmoil for administrators and teachers. As they implement these reforms in varying ways, Bridwell-Mitchell and Sherer asked to what extent teachers' references to these differing logics were associated with characteristics of their schools, their individual backgrounds, and their participation in professional networks. The authors found that race was the most significant factor to account for differences in institutional logics. Teachers of color were significantly less likely to ascribe to market accountability logics. This is important, because these findings suggest that race—and the social experiences that accompany it—play a greater role in interpretations of education policy mandates than previously understood (Bridwell-Mitchell & Sherer, 2017).

The articles reviewed thus far are studies of institutional logic perspectives in cases of public servant policy implementation. More recently, via an analysis of seven case studies of private sector policy implementation, Thomann et al. (2016) proposed a framework for policy implementation by private actors, which they pointed out had typically been overlooked in the literature. Employing both a top-down and bottom-up approach, Thomann et al. (2016) argued that firm performance, in the face of conflicting logics of the state and the market, would be affected by goal ambiguity (how much leeway there is for interpretation), accountability (enforcement of policies), and hybridity (mutual relationships between public and private actors). They concluded that conflicting institutional logics of the state and private sector plays a key role in whether or not policy outcomes align with policy goals. Specifically, they found that whether or not the private sector performance would align with the public interest would be related to the state's accountability mechanisms (Thomann et al., 2016). In sum, Thomann et al. (2016) hypothesized that conflicting logics of the state and market can hamper policy goals: "If the private implementers cannot reconcile the state logic with their own market logic, then they tend to prioritize the latter" (Thomann et al., 2016, p. 68). Thus, policymakers should expect conflicts between their goals and the goals of the regulated businesses and avoid conflicts where possible.

While these findings on institutional logics add new insights to the literature on street-level public service workers and private sector firms' roles in policy implementation, a focus on mid-level and upper-level private sector managers as policy actors requires more attention. This follows Cloutier et al.'s observation (2016) that senior managers significantly affect policy implementation. Furthermore, the vast majority of these policy studies have been on public sector policy implementation. Thus, turning our attention to the private sector is a promising direction to explore (Ferlie et al., 2003).

Many of the empirical articles utilizing the institutional logics (or similar) perspective in policy studies have focused on policy implementation by street-level employees of the state, such as health care managers (Cloutier et al., 2016), social services (Garrow & Grusky, 2012; Watkins-Hayes, 2009), or educators (Bridwell-Mitchell & Sherer, 2017). Not only would a focus on managers be instructive but examing public policy implementation and private sector actors is particularly intriguing due to the stark differences in norms and values of the market and bureaucratic logics, which are expected to be dominant for each sector. Policy implementation in itself constitutes institutional disruption and generates tensions (Smith, 1973). But at the cross-section of organizational fields that experience institutional pluralism, divergent logics are poised to exacerbate those tensions, resulting in temporal contradictions as managers reference multiple logics as they attempt to carry out their work. As managers attempt to reconcile public policy goals with other institutional demands, they also influence institutional maintenance and change through their work. The reconciliation of conflicting logics is uniquely captured by the institutional work literature, which we will now turn to.

Institutional Work Perspective: Institutional Maintenance and Change

By the early 21st century, there was a substantive shift in scholarly attention to a subfield coined "institutional work" within the broader field of neoinstitutional theory (Lawrence & Suddaby, 2006; Lawrence et al., 2009; 2011; 2013; Phillips & Lawrence, 2012). Lawrence et al. (2013) reflected that institutions and work have had relatively different trajectories in the literature. Within the field of organization studies, work typically was not covered, although it was a focus of sociology of work journals (Lawrence et al., 2013). Thus, institutional work, though born of the neoinstitutional tradition, offers an exciting new direction for institutional theory. Lawrence and Suddaby (2006) are two of the earliest theorists to synthesize previous literature and draw out institutional work as a distinct perspective under the broader institutional theory umbrella. Whereas the institutional entrepreneurship literature had focused on those with the leadership and social status to be institutional entrepreneurs, Lawrence and Suddaby expanded this focus to a taxonomy of all actors who contribute to institutional work. They defined institutional work as “the purposive action of individuals and organizations aimed at creating, maintaining, and disrupting institutions,” and noted that an actor’s social position and control of resources would affect their capabilities (Lawrence & Suddaby, 2006, p. 215). Institutional work theorists conceptualize institutional actors as capable, contemplative, and often goal-oriented (Lawrence et al., 2011; Battilana & D’Aunno, 2009). Their actions are at times highly visible, but are more often subtle or even mundane day-to-day activities (Lawrence et al., 2009). The perspective combined institutional theory with behavioralist literature on political actors, squarely putting the individual back into institutions. It promises to enhance our understanding of the degree to which the agency of actors within organizations can maintain or change institutions, and it answers criticisms of institutional theory for failing to address both structure and agency, and their interactions (Battilana & D’Aunno, 2009; Lawrence & Suddaby, 2006; Lawrence et al., 2009; 2011; 2013; Phillips & Lawrence, 2012). This focus is key to examining a previously unexplored paradox around embedded agency, specifically how institutions are changed by the very actors that they are conditioned by (Gawer & Phillips, 2013).

Individual actors and organizations shape institutions through their activities (such as advocacy, education, self-regulation) and discourse (Lawrence & Suddaby, 2006; Riaz et al., 2011)**.** Particularly, the role of rhetoric (the language of persuasion and influence; the often political or interest-driven use of symbols to persuade) and narrative (language with form and structure to create a series of connected events-- stories) are increasingly recognized as critical strategies for influencing institutional change and maintenance (Lawrence & Suddaby, 2006; Riaz et al., 2011; Shanahan et al. 2018).

Embracing these key insights, the institutional work literature has gained significant popularity. In 2011, Lawrence et al. built upon their earlier work in a dialogue meant to spur researchers to pursue an institutional work research agenda focused on efforts to operate within or against institutional structures. The authors focused on the distinctiveness of the field and its potential for the examination of innovative research questions. While “the ascendance of institutional theory as a macro-theory of organizations is at this point undeniable,” they argued, institutional work puts the individual back into institutions (Lawrence et al., 2011, p. 52). This is crucial, because the institutional perspective loses the “lived experience” of actors within the institutions that “structure and are structured by” these lived experiences (Lawrence et al., 2011, p.52). In 2013, Lawrence et al. reflected that institutional work had become a vibrant research domain, particularly for organizational studies. They surmised that institutional work scholarship had emerged focused on how institutional work occurs (how institutions are created, maintained, and disrupted) and who does institutional work (most prominently, professionals or leaders of organizations) (Lawrence et al., 2013; Suddaby & Viale, 2011). For example, authors employing this lens have focused on group dynamics as a motivation of institutional work (Dorado, 2013); the importance of the construction of expertise as a power-accumulating resource in institutional work (Empson et al., 2013; Lefsrud & Meyer, 2012; Rojas, 2010; Suddaby & Viale, 2011); the role of social status and resource control (Empson et al., 2013; Micelotta & Washington, 2013); or the importance of organizational leaders’ role in institutional work (Kraatz, 2009; Riaz et al., 2011; Rojas, 2010). For example, in their study of the 2007-2010 financial crisis, Riaz et al. (2011) focused on the institutional work roles of elite actors, particularly bank executives, and how they shaped the nature and content of the public discourse throughout the financial crisis.

Indeed, the institutional work perspective focuses on how institutional actors, such as organizations and individuals, might shape change in institutions, as well as their intentional work to resist institutional change, maintenance work (Lawrence et al., 2009; 2011; 2013).

Literature focusing on institutional maintenance, and then change, will be reviewed further in the following two sections. However, it should be noted that the literature is separated by these themes for analytical clarity; many articles discuss both institutional maintenance and change.

Institutional Maintenance

The interchange between regulators and private sector managers in the process of public policy implementation encounters the embeddedness of institutions (David et al., 2019; DiMaggio & Powell, 1983; Powell & DiMaggio, 1991; Scott, 1995). Importantly, however, the institutional work perspective does not see the elements of institutional orders as fixed. The purposive actions of individuals and organizations—on either side of the public-private divide—to preserve institutions, is maintenance work. Lawrence and Suddaby (2006) argued that institutional maintenance, or the work that reproduces and maintains institutions, had remained relatively unstudied from an institutional work perspective.

Public sector regulators play primary roles in reinforcement and maintenance of existing policy norms. For example, regulatory agencies have central roles in the institutional work of policing. This work category aims to maintain existing policy institutions, for example through enforcement activities (such as sanctions), auditing, and monitoring to ensure regulatory compliance (Lawrence & Suddaby, 2006; Fox-Wolfgramm et al., 1998). The U.S. Congress enacts legislation, but policy implementation and enforcement is left to the regulatory agencies (Stock & Noreika, 2001; Walter, 1995). For example, in the banking sector, the bank regulators police the institutional practices around community reinvestment work through carrying out periodic, on-site examinations (Walter, 1995). Fox-Wolfgramm et al. (1998) analyzed how bank regulators, in their implementation of the CRA, define standards for performance ratings assigned during CRA examinations. These ratings play a powerful role in institutional maintenance, primarily in enforcing compliance of existing policy norms, because a bank's CRA rating will be reviewed when it submits applications for mergers or new branches through the federal regulatory agencies (Haag, 2000). In fact, Thomann et al. (2016) found that strong monitoring and accountability mechanisms led to higher congruence with policy goals across the cases that they reviewed. Other forms of maintenance work include reinforcing the bounds of social status, identity, or membership boundaries. This may be part of a formal accreditation process, or standards and certifications in a field (Lawrence & Suddaby, 2006).

Education is also a form of maintenance work, and entails instructing actors on the skills, knowledge, and abilities they will need to support institutional frameworks (Lawrence & Suddaby, 2006). In the banking field, regulators reinforce and maintain the institution of community reinvestment through opportunities for instruction on policy norms and best practices. Examiners provide guidance on CRA policies, train CROs on regulatory policies at conferences, webinars, and other professional development sessions, as well as communicate their findings and areas to improve during CRA examinations (Fox-Wolfgramm et al., 1998). In the course of reviewing the bank's performance, examiners may communicate best practices and share experiences from other institutions (FDIC, 2017). In addition to providing guidance during examinations, regulators engage in outreach activities such as industry conferences, with the goal of sharing information so that banks can improve their community development practices (Yap, 2012).

To counteract the regulators' institutional enforcement, regulated actors mobilize to maintain their normal practices, which typically reflect the market logic within the private sector (Bridwell-Mitchell & Sherer, 2017; Chazdon, 1996; Friedland & Alford, 1991; Thomann et al., 2016). Academics have identified numerous strategies that actors employ to avoid more stringent regulations and continue to conduct business as usual (Cobb & Ross, 1997; Mahon & McGowan, 1997; Oliver, 1991). For example, Oliver (1991) argued that institutional theory had inadequately addressed the strategic responses of organizations to institutional pressures. She set out to categorize and identify various strategic behaviors of organizations in response to institutional pressures, which may include adoption of new norms and conformity, but also may result in alternative conflict response strategies to avoid the infringing institutional practices and ideas. Oliver discussed a number of strategies, including acquiescence, defiance, manipulation, avoidance, and compromise. The primary goal was to contribute to the institutional theory literature via an understanding of organizational behavior in contexts where organizations resist institutionalizing, as opposed to adopting institutional norms (Oliver, 1991). However, Oliver's level of analysis was at the meso-level, with organizations theorized as unitary entities, when in fact, those strategic actions are driven by individuals within organizations.

Following Oliver (1991), resistance to institutional demands is theorized as conflict response. However, the institutional work perspective adds an intriguing dimension to this conceptualization. Instead of organizational-level analysis, an intriguing new focus is on agentic actors and their responses to institutional demands (Lawrence & Suddaby, 2006). Conflict response strategies include various tools, often discursive or narrative tactics, meant to avoid further regulation.

In the case of policy reform and institutional work, many of these strategies fit into what Lawrence and Suddaby (2006) called simply, advocacy. An important role for managers who wish to affect the direction of reform for regulatory norms is advocacy, which involves "direct and deliberate techniques of social suasion" to gain political and regulatory agency support (Lawrence & Suddaby, 2006, p. 221). Advocacy can be theorized as both institutional maintenance and change, dependent on the actors leveraging it and the end goals sought. Advocacy is a form of maintenance work if the private sector managers are attempting to maintain the status quo in their primary domain, which new policies or policy reform would disrupt. Advocacy-based institutional maintenance work may include lobbying, promoting legislative agendas, or proposing or commenting on legislation or regulatory policies with the goal of avoiding new institutional practices or norms (Fligstein 1997; Lawrence & Suddaby, 2006). In the community reinvestment field, CROs have significant opportunity to share their feedback, as the regulatory agencies hold interagency public hearings and invite testimony and written comments from the public and bankers as they consider how to modernize regulations, the state of fair lending, and community development needs (Federal Reserve, 2010).

Strategies of policy advocacy fit well into Oliver's (1991) category of avoidance of institutional demands, because these strategies often attempt to deflect more stringent public policies, or even to roll back some of the more challenging policy elements. Agenda denial is an umbrella concept that is useful to explain several techniques of avoidance (Cobb & Ross, 1997). Cobb and Ross (1997) defined agenda denial as the tactics or strategies used to keep an issue off of the policy agenda. It is closely related to issue containment, which specifically refers to tactics to limit discussion around problems to the narrowest angle or perspective possible, often when more complete agenda denial is not possible. Strategies of agenda denial may include narrative stories spun to garner support, as well as efforts to keep additional regulation off the policy agenda, such as denying that a problem exists, strategies to preempt outside regulation via self-regulation, co-optation of normative concepts and ideas, and arguments that the profession is too complex for regulators to understand (Cobb & Ross, 1997; Mahon and McGowan, 1997; Shanahan et al., 2018; Stone, 2012).

For example, in the 1960s, after substantial scientific evidence showed that tobacco caused health problems, the tobacco companies continued to deny this science, asserting that a problem did not exist (Cobb & Ross, 1997, p. 28). Evidence has now surfaced that tobacco manufacturers were aware of the harmful effects of tobacco, even while they were simultaneously running public marketing campaigns that said the opposite (Cobb & Ross, 1997). Co-optation may involve hiring leaders from the opposition, or actors can co-opt the opposition's symbolic ideas and narratives. For example, the timber industry has successfully been able to call themselves environmentalists and stewards of healthy forests, in response to environmental activism against logging (Cobb & Ross, 1997).

Another strategy is focused on problem definition. Specifically, this technique focuses on the complexity of the problem or the profession under scrutiny. Mahon and McGowan (1997) illustrated how the accounting profession was able to avoid more stringent regulation by focusing on the complexity of their profession and promoting self-regulation tactics, in combination with other influential factors. First, they denied that any problems existed. When blatant cases of accounting error and fraud emerged such that the profession had to admit them, they employed an "antipatterning" strategy, which recognized the problem, but painted the fraud cases as isolated instances (p. 82). When the Securities and Exchange Commission (SEC) was given authority to regulate the accounting profession, the first chairman came from the business community, ensuring that the SEC would shy away from more stringent regulation. Additionally, accounting firms professed that they possess complex expertise that only other professionals in the same field have. The pivotal argument that allowed them to continue self-regulation centered around the idea that only the professional accountants would "understand the intricacies" of the practices and regulations that would protect the public interest (Mahon & McGowan, 1997, p.

76). They were able to skillfully use this strategy to undermine the congressional bills drafted to further regulate them. They pointed out errors in the verbiage and claimed that there was a significant lack of understanding around what accountants even do. Furthermore, they were able to claim that their self-policing practices were sufficient and continue the institutional norm of self-regulation.

Micelotta and Washington (2013) found similar results in a study on Italian professions that directly employed the institutional work perspective. They analyzed how individuals within the professional services sector in Italy were able to avoid government reform efforts, and re-establish their status quo, business as usual. Micelotta and Washington found that social positions and resource control were key to actors' institutional work, wherein Italian professionals, let by two professional associations, were able to ward off regulatory reform efforts by the Italian government (Micelotta & Washington, 2013). In fact, the professionals in Mahon and McGowan (1997) and Micelotta and Washington (2013) were in essence, building a narrative about their expertise and heroic roles in protecting the public interest. Narratives are powerful tools of policy persuasion.

Narrative Policy Framework (NPF) scholars' work can also contribute to theories of institutional maintenance. The NPF focus is on how actors use narrative strategies to gain support for their policy positions or to avoid more stringent regulations. NPF draws on some of the insights of the marketing field, which has long studied the use of effective narrative techniques for advertising, and it applies them to the construction and manipulation of strategic narratives of policy stakeholders (Jones et al., 2014; McBeth et al., 2014; Shanahan et al., 2018; Stone, 2012). The central assertion of NPF is that policy narratives are important; that they have both "generalized narrative elements" and these elements may be "applied across different policy contexts" and thus studied systematically (McBeth et al., 2014, p. 228). A main tenant is that the way in which a story is depicted is equally important to successful policy bargaining as the actions that are taken.

A number of assumptions make up the framework, including four policy narrative core elements. First, the narrative has a setting. There is both a policy problem and orientation within a policy context (such as legal parameters, economic conditions, demographics, geographic boundaries, scientific evidence, etc.). Second, policy narratives have characters, often depicted as villains, victims, or heroes. Stone (2012) theorized heroes as the ones who could fix a policy problem, villains as the ones causing it, and victims as the ones harmed by it. These characters can be individuals, or larger entities such as organizations or even abstractions. Third, there is a plot. Within the policy context, the relationships between characters and actions will be defined. Fourth, there is a moral, which means that policy narratives promote a policy solution (Jones et al., 2014; McBeth et al., 2014). Stone's (2012) policy story types have factored commonly into NPF studies (Jones et al., 2014). Two primary plots include stories of decline and stories of control. In the first, a tale is spun regarding how conditions will get worse if a specific policy action is taken. In the latter, hope is offered by the implication that certain actions can allow a character (a policy actor) to reach previously unattainable goals (Stone, 2012).

Thus, a number of authors have theorized conflict response strategies to institutional demands stemming from public policies. Some of the literature does not fit directly within the institutional theory umbrella, such as Cobb and Ross (1997) and Mahon and McGowan (1997), yet they spoke of conflicts with worldviews and of policy success being linked to the wider environmental context. As illustration, Cobb and Ross (1997) wrote that macro-level forces, particularly the dominant social views of the time, affect whether or not micro-level actions will be successful. Considering these elements, as well as the fact that policy advocacy can be conceptualized as institutional work, their frameworks for agenda denial can be theorized from the institutional perspective (Cloutier et al., 2016; Lawrence & Suddaby, 2006). Strategic responses to institutional pressures can be powerful mechanisms of institutional maintenance. In the next section, response strategies leading to institutional change will be further discussed.

Institutional Change

The literature review has progressed from an overview of institutional theory to a description of the institutional pressures that manifest in the policy arena. Public policy mandates generate tensions, which cause institutional disruption. Conflict is even higher in cases of institutional pluralism, where sectoral actors draw on divergent institutional logics (Besharov & Smith, 2014; Chazdon, 1996; Meyer & Rowan, 1977/1991). These actors may attempt to avoid institutional change through institutional maintenance strategies of institutional work as described in the previous section. Alternatively, they may compromise, adapt, and adopt new constructions, leading to change in institutions through institutional work. A large body of institutional work literature on institutional change has emerged since the perspective was first formalized by Lawrence and Suddaby (2006).

For example, in their review of the role of professionals in institutional change, Suddaby and Viale (2011) describe the critical, yet sometimes invisible role of professionals in institutional work. Based on a review of previous research, the authors observed four primary mechanisms of institutional change, including: (a) the elevation of professionals’ expertise and legitimacy to challenge existing institutions; (b) employ of their social capital to bring in actors that better fit newly defined identities; (c) introducing new rules and standards; and (d) reproducing social capital within the field to change notions of who gains social status and the social order (Suddaby & Viale, 2011).

In a study that examined one industry in particular and processes of institutional change, Gawer and Phillips (2013) analyzed the case of Intel corporation through a comprehensive case study and observed how it had transformed from a supply chain logic to a platform logic. They identified various forms of internal and external work, including practice work, legitimacy work, and identity work, during the shift in logics.

In fact, one of Oliver's (1991) conflict responses strategies, compromise, could be theorized as institutional change (in addition to institutional maintenance, which most closely aligns with her framing, although her article predated the institutional work framework). Oliver argued that when organizations are faced with conflicting institutional demands or demand inconsistencies (for example, regulatory pressures versus work or production efficiencies), they may attempt to balance or negotiate these demands. Balancing involves attempts to accommodate divergent stakeholder demands in the face of multiple institutional pressures. Organizations may find that their situational outcome (and organizational survival) is better if they compromise on competing demands. While Oliver (1991) conceived of compromise as a strategy of institutional maintenance (giving in a little, in order to mostly maintain the status quo), here it is theorized as contributing to institutional change, because over time, these compromises become more embedded, and thus new norms and practices replace the old.

As intersectoral actors work together and interact (in both harmonious partnerships and through more conflictual mandates) norms and values may seep across field boundaries, producing hybrid logics. While new normative structures may emerge, former logics exert powerful maintenance forces, thus new logics are blended with the previous (Cloutier et al., 2016; Lawrence & Suddaby, 2006; Rojas, 2010). As novel normative associations emerge, practices are reformulated between accepted norms of behavior and their moral and cultural foundations, for example applying private-sector approaches to a non-profit field in social business, or in the case of community reinvestment, addressing the implementation of public sector goals within private sector activities (Knutsen, 2012; Lawrence & Suddaby, 2006).

Through institutional work, institutional logics may hybridize, or they may be displaced. Knutsen (2012) found that the assumptions of public, private, and non-profit institutional logics failed to reflect all non-profit organizations' behavior. In fact, institutional logics that may have been more innate to nonprofits often shifted to external institutional logics based on resource dependency. Thus, the non-profit organizations would adapt their institutional logics due to competing logics and relationships with funders who held a conflicting logic (Knutsen, 2012). Adaption or displacement is on a continuum with hybridization of institutional logics, where it would be difficult to draw hard boundaries across these outcomes.

In the higher education field, Rojas (2010) utilized the institutional work perspective to illustrate how a college president reshaped the school's structure and norms. Building on the institutional entrepreneurship literature that predated institutional work, he explored how institutional work both expresses and facilitates the attainment of power. Institutional work may lead to the creation of recombinant institutional logics, as concessions are made to "rival logics and interests" and "[a]ctors may incorporate competing belief systems that shape behaviors and practices (i.e., institutional logics) into new policies…Simultaneously, external actors, such as stakeholders or state authorities, may intervene in response to an expansion of power within an organization. Recombinant institutions result as actors combine rival logics and outsiders roll back practices deemed inappropriate within a new political and social environment" (Rojas, 2010, p. 1264). Actors' belief systems may be influenced by the dominant logic of the professional field, often reflected by their colleagues and professional networks. Alternatively, the institutional logics that are more dominant in their actions may have developed through diverse career or life experiences that preceded the current role. Institutional work helps to explain these power struggles, hybridized logics, and the resulting new normative orders (Rojas, 2010).

Furthermore, institutional work is a valuable lens for the policy arena. The institutional work lens frames policy change as a result of the activities that actors engage in to affect change. "Rather than viewing policy change as solely flowing from political decision making to administrative implementation," the processes of implementation, and resulting misalignment, can be viewed from an institutional work perspective (Svensson et al., 2017; p.150). Indeed, excepting Lipsky's (1980) literature on street-level bureaucrats and the policy implementation literature that followed, policy change is too often framed as a linear evolution from government strategy constructed of rational preferences, followed by aligned implementation efforts (Svensson et al., 2017). Through a case study of Lithuanian cultural policy, Svensson et al. (2017) found that the implementation of policy required institutional work techniques such as benchmarking experiences from other fields of practice, the buildup of external support, and the construction of legitimacy.

Furthermore, Canning and O'Dwyer (2016) reviewed how the accounting profession, in this instance, in Ireland, became regulated by independent oversight bodies, marking the finale of the profession's decades long grasp on self-regulation. Canning and O'Dwyer employed the institutional work lens to consider how individuals within the Irish oversight body were able to achieve regulatory change. A key insight was the extent to which socio-political factors supported the institutional work to enact regulatory reforms, enabling the shift in regulatory logics, as constructed by institutional work. Interestingly, the authors encouraged future research to explore how the accounting professionals (targets of the regulation), engaged in institutional work in response to the pressures of regulatory demands. In fact, Mahon and McGowan's (1997) chapter on the U.S. accounting profession's avoidance of regulatory reforms could be freshly updated and gain additional nuance from this theoretical perspective. Canning and O'Dwyer's article, following much of the foundational work on institutional work and institutional logics, points to the intriguing research direction of linking the institutional logics and institutional work perspectives, within the regulatory arena specifically (Canning & O'Dwyer, 2016; Ferlie et al., 2003).

Linking Institutional Logics and Institutional Work Perspectives

The review of existing literature, including articles such as Rojas (2010) and Canning and O'Dwyer (2016) that employed insights from both lenses, suggests that integrating the perspectives of institutional logics and institutional work offers great promise regarding the role of institutional actors in both institutional maintenance and change. In fact, Chazdon's (1996) dissertation, *Contradictions of Compliance: The Ideological Work of Community Reinvestment Officers*, is notable for the similarity of research setting to the study at hand (although it was a study of CROs within one city, as opposed to nationwide). Although Chazdon's research predated the more formal institutional work literature, his conceptualization of the ideological work of CROs, as well as his findings, align with a sociological institutional work perspective. His work was clearly embedded within institutional theory, and analyzed the social context, and thus symbolic and material elements, which influenced CROs' thought processes and legitimizing work around the CRA. Drawing from Friedland and Alford's (1991) theory of contradictory institutional logics, he viewed CROs as approaching their work within a banking field where they would be navigating the conflicting logics of industry (profit and growth), regulators (standardized procedures and rules), and community (shared identity and stability).

Chazdon's use of "ideological work" followed Berger's (1981) conceptualization of a process whereby individuals legitimate their own actions and beliefs in yielding to the pressures of external social pressures (as cited in Chazdon, 1996, p. 2). He found four primary techniques of CROs in their ideological work, including techniques of complaint (describing the contradictions they faced), as well as coping techniques such as avoidance, accommodation, and cooption of the market logics. Utilizing these techniques, he categorized CROs' roles as community bankers, old school bankers, CRA advocates, or CRA product specialists. Ultimately, he found that banks that created specialized CRA positions, which was rapidly becoming an institutionally embedded and replicated best practice (especially at larger banks), were in danger of deflecting the adoption of novel financial principles to support community development more centrally, because they decoupled or siloed the CRA role from the mainstream work of the bank. This often led to partnerships with community organizations, where the more difficult work of technical assistance, such as credit counseling, could be outsourced to partners (Chazdon, 1996).

Although he did explore regulatory reactions as ideological work in the face of contradictory pressures drawn from institutional logics, Chazdon (1996) wrote within the field of sociology, analyzing the discourse around motive from a sociological point of view. Therefore, he focused more on CROs' internal thought processes around their work, as opposed to their intra and extra-organizational institutional work strategies for policy avoidance or compromise. Recognizing that Chazdon's research was an insightful exploration of CROs within the institutional logics perspective, the public policy arena offers an exciting new direction to build upon the strategies of institutional work of CROs in the face of conflicting institutional logics.

More recent literature has also pointed to the promise of a linked perspective. Gawer and Phillips (2013) recounted that early work on institutional logics had focused on the broader organizing principles of societal sectors, constituting institutional logics. Yet, more recent work offered new insights on how these logics are both embodied and evolve over time at the field level. Gawer and Phillips argued that institutional work offers this elaboration of how logics change. In fact, in their recent review of the institutional theory literature, David et al. (2019) recommended that more studies focus on the role of agency, but that doing this adequately would likely require theorizing across the different branches of institutional theory that have emerged. Specifically, they recommended combining the strengths of insights from the institutional logics and institutional entrepreneurship perspectives (which institutional work is built upon), which would develop our understanding of how field-level logics change and evolve. This would also prevent accounts of "unbridled agency." "In brief, studies that offer full accounts of agency (institutional entrepreneurship and work) while at the same time accounting for institutional context (logics and their interaction) may be best positioned to avoid the caricatures of *homo economicus* and *homo sociologicus*" (David et al., 2019, p. 12). These analogies refer to a tendency of academics to view individuals as either rational, self-interested and profit maximizing actors versus habit-driven, socially constructed actors entirely shaped by their environments. David et al. (2019) called for a nuanced integration of both, e.g., the role of agency within institutionalized contexts, and they additionally recommended more work that bridges the state and institutional agents, particularly where market actors work to influence public policies.

A blended framework recognizes both the embeddedness and power of socialized norms and practices due to the institutional logics of bureaucratic and private sector professional fields, as well as the acknowledgement that these logics can change over time as agents within organizations exert influencing forces on the logics of their fields through institutional work. These individual actors, with their own varied backgrounds and social contexts, reconcile the institutional demands of public policy in divergent ways, and influence policy outcomes in doing so.

The question of what contextual factors influence how professionals reconcile the institutional demands created by public policies may be best considered via insights from both institutional logics and institutional work. While the institutional logics perspective helps to explain the potential of conflicting institutional demands, it is the institutional work perspective that assists in the exploration of how policy actors respond and reconcile these demands. Understanding actors' institutional work strategies requires evaluation of both the material and symbolic nature of institutional logics, including structure and practices, as well as implicit assumptions that constitute actors' value-systems and behavior (Thornton & Ocasio, 1999). Thus, the linked perspectives invite additional focus on contextual factors—such as individual attributes, organizational context, and community influences—that impact both how actors reference institutional logics, as well as their conflict and reconciliation strategies (Battilana & Dorado, 2010; Bridwell-Mitchell & Sherer, 2017; Chazdon, 1996; Cloutier et al., 2016; Garrow & Grusky, 2012). These linked institutional perspectives hold explanatory potential broadly within public policy. However, cross-sector scenarios are particularly interesting to explore given that challenges are expected to be even greater in this type of setting. Indeed, conflict in institutional demands is found within single organizations, or within the public sector, as this review has shown. Thus, the scenario is likely to be further complicated when there are a multitude of organizations that span the public and private sector.

Private sector managers who are responsible for public policy implementation are policy actors at the intersection of public and private sector institutional logics. These logics are embodied by individual actors within each sector, and evident in their discourse and practices (Riaz et al., 2011). Institutional logics are composed of integrative symbolic and material elements that influence the activities and sensemaking of sectoral actors (Thornton et al., 2012). While the institutional logics perspective acknowledges that logics can change over time, even in the face of institutional forces that resist change, the institutional work perspective brings theoretical clarity to the actor-driven micro processes of institutional change that lead to hybrid logics or displacement. As sectoral actors, who may possess deep-seated differences in their belief systems, interact in inter-sectoral relationships (whether mandated by regulation or voluntary cross-sector partnerships), their references to institutional logics drive their actions and the way that they make sense of policy implementation and compliance.

Linking the two perspectives of institutional logics and institutional work is expected to be especially insightful in studies of policy implementation. Applying these perspectives within public policy represents an enhancement of the older street-level bureaucracy literature (Garrow & Grusky, 2012; Lipsky, 1980; Marinetto, 2011; Maynard-Moody & Musheno, 2000), which also examined the role and discretion of individual actors but failed to pay attention to the crucial role that organizational leaders play (Cloutier et al., 2016). Furthermore, an exciting research direction involves studies that are inter-sectoral, rather than between public sector actors.

Contextual Factors and Reconciliation Strategies for Institutional Demands

The institutional logics and institutional work perspectives can develop our understanding of how actors experience, manage, and reconcile institutional demands created by public policy. External demands may conflict with the internal demands of organizations given the differing norms and principles of dominant institutional logics across sectors. Thus, actors engage in institutional work to reconcile these demands. Individual actors' abilities to manage institutional pressures and to adapt or work against them is influenced by a number of environmental influences. This may include pre-existing structures of the organizations that they work for or features of their communities (Bridwell-Mitchell & Sherer, 2017; Chazdon, 1996). Individuals' responses may instead be more related to their personal attributes and backgrounds, which influence sensemaking about the meaning of policy mandates, including whether policy is just or not (Bridwell-Mitchell & Sherer, 2017; Watkins-Hayes, 2009). The final influential article discussed in this literature review is Cloutier et al.'s (2016) application of institutional work in the context of health care policy reform and implementation. The theoretical framework they developed is useful to explore the institutional work strategies of managers faced with policy reform. It would be enhanced through the addition of the institutional logics perspective.

By the early 21st century, institutional work theorists had begun to recommend more research on institutional work in day-to-day activities, and to call for institutional work scholarship that would have practical relevance (Canning & O'Dwer, 2016; Dover & Lawrence, 2010; Lawrence et al., 2013). Cloutier et al. (2016) joined the institutional work dialogue, applying the institutional work perspective first developed by Lawrence and Suddaby (2006) and Lawrence et al. (2011), with the intention of conducting empirical public policy research that would enhance policy implementation and offer practical application. One of the primary elements of institutional work is the study of individual and collective actors for their practical skills, cultural competency, and reflexivity within their respective fields (Empson et al., 2013; DiMaggio, 1988; Fligstein, 1997; Kraatz, 2009; Lawrence & Suddaby, 2006; Lefsrud & Meyer, 2012; Micelotta & Washington, 2013; Riaz et al., 2011; Rojas, 2010; Suddaby & Viale, 2011). In this vein, Cloutier et al. (2016) identified institutional categories of work to clarify senior managerial roles in policy implementation within their organizations.

Cloutier et al. (2016) focused on the day-to-day experiences and challenges of public sector managers implementing policy reforms. The authors conducted a multi-year, longitudinal case study of managers in Canadian health care organizations responsible for implementing policy reforms. This setting allowed them to explore the sociohistorical entrenchment of work practices and roles, and the challenges that reform creates within these embedded institutional contexts. Challenges arose due to a lack of conformity in interests and values of various stakeholders of policy reform.

Specifically, Cloutier et al., (2016) asked how managers responsible for health care organizations defined and carried out their roles to operationalize government reforms. Actors were seen as "embedded agents" whose activities were crucial in shaping reforms and driving policy implementation internally, where policies were at times unclear and lacked legitimacy among stakeholders (Cloutier et al, 2016, p.262). These professionals had to manage, manipulate, and adapt to policy reform, which is often ambiguous and contradictory. The authors found that managerial work often diverges from the original intent of policy—despite significant effort—affecting the scope of reform implemented. This is not only due to ambiguity of the mandate, but also due to contradictions with existing institutional norms. Cloutier et al. found that the managers' responses to policy pressures were affected by the institutional arena and the dominant norms and practices that constituted meaning. This can also be described as the institutional logic of the field, though this nomenclature was not used by the authors. The managers in the study affected institutional change in the course of their jobs through institutional work.

To enhance explanatory power after review of their data, Cloutier et al. (2016) developed a framework categorizing modes of institutional work to better understand managerial roles in policy implementation. After 136 interviews with managers and CEOs in the health agencies, as well as with regulatory agencies and partners, Cloutier et al. (2016) developed a theoretical model of institutional work that proposed that managers engage in four kinds of institutional work as they attempt to enact, adapt, and at times, appropriate public sector reforms. The four primary categories of institutional work include structural, conceptual, operational, and relational work strategies. Each has distinct elements and entails difficult and time-consuming work. Understanding managers' activities clarifies how implementation will proceed and what actions contribute to policy slippage. These four types of institutional work categories will be described in the following sections.

Structural Work

Structural work refers to managers' efforts to create the material practices, roles, job responsibilities, and resource allocations that enable adherence to policy mandates. These structures tend to precede more operational activities (Cloutier et al., 2016). This kind of work entails creating the appropriate organizational structures for the staff who will carry out reforms, including departmental composition and staffing charts. Prior institutional arrangements may be embedded, making reform challenging. Managers often must act quickly to clarify how reform will be implemented, even as they are attempting to understand the reforms themselves.

In the case of the CRA, Kane (1993) found that managers must analyze their staff's strengths and weaknesses in order to implement successful community investment plans, then organize their internal staffing structures for community development. Managers may need additional staff or staff training to be able to adhere to new data reporting requirements or to measure outcomes utilizing new methodologies. The banking regulators will review how bank managers conduct their compliance training (which may be conducted internally at small banks, or through external audits and formal third-party training at large banks), if it is current, and how staff responsibilities are assigned, in addition to the existing written policies and procedures. Even the level of resources dedicated to compliance will be examined (FDIC, 2017). This implies that regulators are not just judging performance outcomes, but also the structures that CROs instill to adhere to policy mandates.

Key literature reviewed in this chapter supports the importance of structural work in policy implementation. For example, early literature, including Matland (1995) and Lipsky (1980), and later Watkins-Hayes (2009) focused on the difficulty of policy implementation when street-level bureaucrats work without enough resources, stifling workloads, and with ambiguity regarding the intentions of policy makers and administrators. Within institutional theory, Meyer and Rowan (1977/1991) found that job roles and even the creation of new units was likely to reflect institutional pressures, as well as the societal context, as opposed to market strategies of efficiency. More recent scholarship, such as Battilana and Dorado (2010), found that hiring practices and socialization practices, which defined who became an employee of the organization and how they were trained and onboarded, were critical to the development of novel institutional identities. Furthermore, in line with earlier scholarship, Suddaby and Viale (2011) and Thomann et al. (2016) reflected on the importance of introducing new rules and standards for congruence with institutional logics, as well as confirmed challenges with goal ambiguity in managing appropriate organizational structures.

Conceptual Work

Conceptual work involves managerial efforts to influence the symbolic elements of institutional logics. In conceptual work, managers will attempt to influence interpretative schemes and norms to support regulatory mandates that they are responsible for (Cloutier et al., 2016). While the federal regulatory agencies may provide supporting guidance, documents, or training, managers still must understand what policy mandates or reforms mean for their organizations and how to adhere to them, as well as communicate guidelines to staff and stakeholders. Internal training and documentation will have to be created to clarify ambiguities, particularly when mandates disrupt existing understandings that employees hold about their roles and responsibilities within the organization or the primary goals of the organization (Cloutier et al., 2016).

Regulators expect for managers to be responsive to changes in banking laws, regulations, and market conditions (FDIC, 2017). Any guidance from federal regulators may give managers additional clarity about what the regulations mean, but it will not guarantee policy success. Although interagency questions and answers and other guiding documents are meant to provide clarity on how CRA exams will be conducted, a substantial lack of understanding remains due to the complexity of regulatory compliance, particularly in community reinvestment policy.

Ultimately, the success of conceptual work is expected to be influenced by the institutional environment (Bridwell-Mitchell & Sherer, 2017; Cloutier et al., 2016; Dimaggio & Powell, 1983; Garrow & Grusky, 2012). This may include features of the organization, such as leadership commitment and organizational culture supporting the policy mandates (Cloutier et al., 2016; Dimaggio, 1988; DiMaggio & Powell 1983; Fligstein, 1997; Kraatz, 2009; Riaz et al., 2011; Rojas, 2010). It may be affected by features of the community, such as local factors that may have led the organization to be more community-oriented prior to policy mandates (Bridwell-Mitchell & Sherer, 2017; Chazdon, 1996; Cloutier et al., 2016). Or, it may be affected by individual attributes and backgrounds of managers, which affect their sensemaking of policy mandates, whether policies are right or wrong, and whether policies are in line with their sense of their roles and responsibilities and the primary objective of their organizations (Bridwell-Mitchell & Sherer, 2017; Watkins-Hayes, 2009).

Where managers accept policy mandates as worthwhile and just, conceptual work is expected to be managed more effortlessly. Managers may even be involved in driving external policy change as part of their professional networks. CROs may believe that responsible lending to lower income areas is not just a regulatory mandate, but that it makes "good business sense" in a competitive market (Chazdon, 1996; Gardineer, 2016, p. 3; Kane, 1993). Kane (1993) argued that community investment is a market and should be approached with a profit motive. What's more, expecting a profit out of community investment is likely to predict performance in the market. If CROs conceptually believe that their work on behalf of public sector mandates is actually contributing to business success and profit, their work may feel more aligned with the dominant market logic of the banking sector.

Operational Work

Operational work consists of managers' concrete efforts to implement daily practices and operative policies for their organizations and particularly for frontline team members whose work contributes to policy compliance (Cloutier et al., 2016). Operational work differs from structural work. While both involve the more structural elements of institutional work, operational work entails specific initiatives or on-the-ground programs. Initiatives may be disjointed without corresponding success of other types of institutional work given the synergistic effects each has on the others. Operational work is also contentious in that operationalizing policy involves negotiating with many stakeholders, who may not be supportive of policy mandates. Operational work has budgetary or investment implications as well, which may lead to resource struggles, which is especially crucial in the private sector where a market-driven institutional logic is likely to be dominant. Entrenched interests may better fit older institutionalized rules. Thus, operational work confronts powerful actors and entrenched power hierarchies where institutional demands conflict with existing practices (Cloutier et al., 2016).

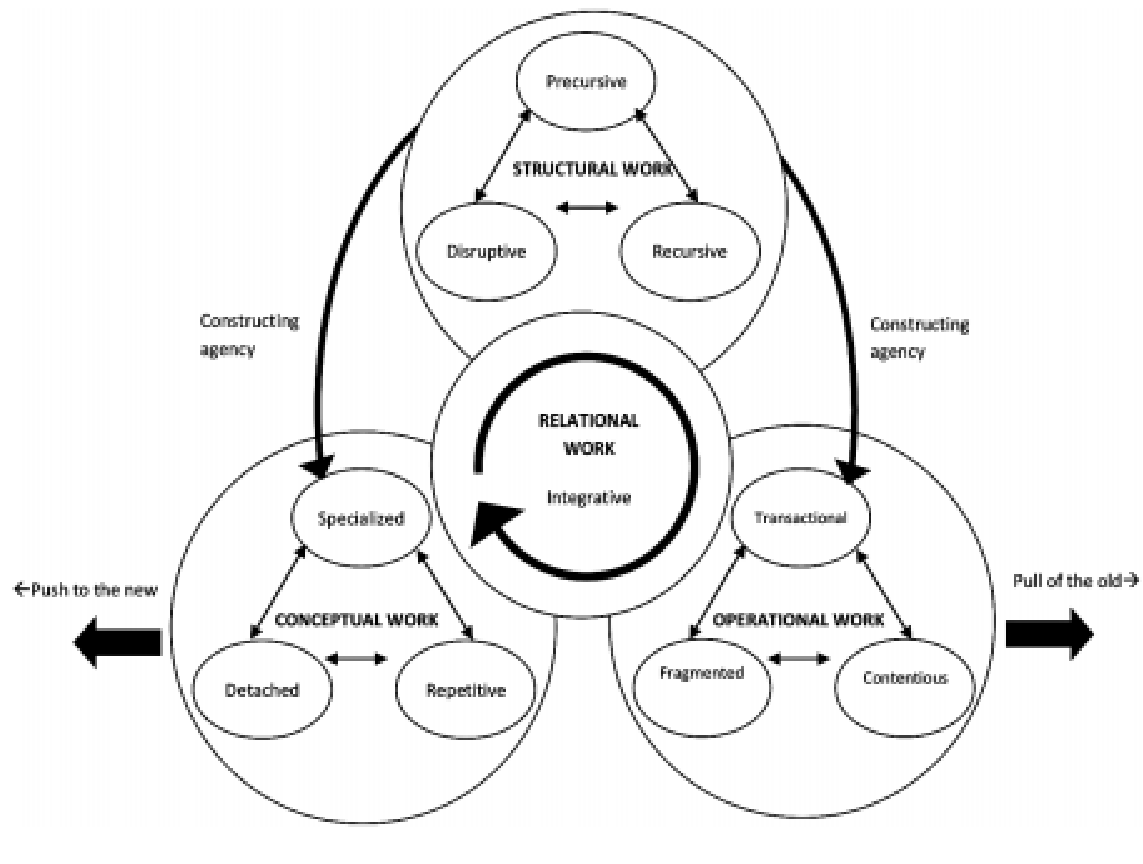
Managers may attempt to influence policies to their advantage so that their operational work can be more successful (Cobb & Ross, 1997; Lawrence & Suddaby, 2006; Mahon & McGowan, 1997; Oliver, 1991; Stone, 2012). For example, in the community reinvestment field, CROs have the opportunity to influence policy reform through interagency public hearings and requests for public comment on proposed regulatory changes (Federal Reserve, 2010). In recent years, CROs have increasingly advocated for greater predictability in CRA examinations, more precision around exam ratings, streamlined data collection mechanisms, and enhanced consistency across regulatory agencies and examiners (Willis, 2009; Perlmeter, 2017). They have also advocated that published lists of CRA-qualified activities would support these goals (Perlmeter, 2017). With more clarity on which programs and initiatives will qualify for CRA credit, managers could be clear which programs they should implement. This lobbying reflects responses to the institutional pressures of policy compliance, and points to reforms that would bring clarity to CROs' operational work.

Relational Work

Relational work plays a central and integrative role, underpinning other types of institutional work (Cloutier et al., 2016). This type of work entails collaboration and trust-building and it requires strong interpersonal skills to forge coalitions around policy compliance. "Although new structures, concepts, and operational projects could be developed on paper, defined in offices and presented in PowerPoint presentations, without relationship work, they [are] unlikely to penetrate very far" (Cloutier et al., 2016, p.269). Policy implementation and compliance requires managers to interpret regulations (conceptual work), develop structures, strategies, and initiatives to adhere to them (structural and operational work), and build trust and support from the team members responsible for carrying out day-to-day tasks (relational work). But without the latter, initiatives are likely to fall flat. Ideally, this means that managers must create shared understandings around the policies, enabling the other types of work to take place (Battilana & Dorado, 2010; Bridwell-Mitchell & Sherer, 2017; Chazdon, 1996; DiMaggio & Powell, 1983; Garrow & Grusky, 2012; Watkins-Hayes, 2009).

As depicted in *Figure 2*, reproduced from Cloutier et al. (2016), their model proposed that managers engage in all four types of work as they attempt to implement and shape public policies. While it is useful to separate them as an analytic exercise, the figure illustrates how each type of work is connected and reinforcing, and where "ambiguity, pluralism, and contradiction" influence policy outcomes (Cloutier et al., 2016, p. 266).

Figure 2



Forms of Institutional Work in Policy Implementation

Note: Reprinted from "Agency at the Managerial Interface: Public Sector Reform as Institutional Work," by C. Cloutier et al., 2016, *Journal of Public Administration Research and Theory* 26(2), p. 265. Reprinted by permission of Oxford University Press.

In the case of CRA compliance, if CROs have a clear vision of how to manage institutional demands created by the policy, they will be better prepared to engage their teams in policy compliance. Thus, relational work is interwoven with conceptual work. Although compliance will be evaluated in line with the bank's products, services, and market context, regulators will fully expect that the board of directors and leadership of the bank are aware of and effectively manage community reinvestment compliance, and that they model a "commitment…to compliance" (FDIC, 2017, p. II 1.3); this requires a well-integrated and embedded team effort. At CRA & Fair Lending Colloquiums, participants have shared that it is vital to make the CRA part of the institutional culture for the whole team—creating a "culture of compliance"—rather than just another regulation; furthermore, adherence to the CRA and widespread institutional "buy-in" is a business strategy and should be considered in all business lines, not just the community development division (Wolters Kluwer, 2016). Under a compliance culture, CRA and fair lending managers have "a seat at the table" more centrally, and they will have visible roles in their organizations to ensure executives are aware of strategies to successfully manage CRA policy requirements.

Summary

Cloutier et al. (2016)'s research findings point to the need for further studies, such as this dissertation, on the institutional work of senior managers, particularly during windows of policy reform. Given that policy reforms tend to have poor implementation outcomes, the authors recommended that academics could offer policy makers a more nuanced understanding of how managers carry out their work, their daily challenges in implementing policy reforms, and what they can accomplish. More informed policy formulation can critically influence policy outcomes on the ground (Cloutier et al., 2016).

Although the empirical research carried out by Cloutier et al. (2016) made a significant contribution to the institutional work literature, it has limitations that also point to opportunity for new insights given the research setting of this dissertation. First, the context for their study was government-led public policy reforms that were implemented within public service agencies, as health care is nationalized in Canada. What new insights would emerge if the study were of private sector managers implementing public policies? Both cases entail public service-focused and government-led policies implemented by senior managers of organizations, but the latter introduces a new challenge for managers, the conflict of institutional logics across the public-private sector divide. Though undoubtedly policy implementation is challenging within the singular sector of the public realm, this between-sector scenario introduces a new set of tensions and potential conflict in priorities to reconcile (David et al., 2019; Ferlie et al., 2003).

This new research direction presents an exciting opportunity to expand traditional foci of institutional theory to the regulatory policy environment of the private sector, and to update the street-level bureaucracy literature (Garrow & Grusky, 2012; Lipsky, 1980; Marinetto, 2011; Maynard-Moody & Musheno, 2000). Many years ago, Selznick (1996) pointed out that the foundations of institutional theory are rooted in the study of bureaucracy and how bureaucrats can carry out their duties in more effective and responsive ways. “After many years of research, and much earnest theorizing, the ideal of an effective, fair, and responsive bureaucracy remains elusive. Our society desperately needs organized ways of dealing with social problems; we cannot rely solely on market strategies” (Selznick, 1996). Exploring the interplay of hybrid bureaucratic and market strategies in addressing these social problems is an area of institutional theory that needs to be more deeply explored at present.

Furthermore, introducing the theoretical lens of institutional logics into Cloutier et al.’s (2016) study would have added clarity to the mechanisms through which norms of the health care managers clashed with norms of the policy regulators, as well as insights regarding how institutional work can result in the face of conflicting logics, leading to new hybridized logics. An understanding of both institutional work and institutional logics would be fruitful.

This literature review has shown evidence of conflicting institutional demands that were explored across a variety of fields of literature, as well as numerous professional fields and policy contexts. The review has also attempted to illustrate how the application of either institutional logics or institutional work perspectives to the more singular theoretical frameworks of many of the studies would have added explanatory power through a linkage of both perspectives. Existing literature in public policy has not yet explored the conflict in institutional demands created by the CRA for CROs, the managers who are responsible for policy compliance. Both the community development banking sector and the theoretical development for institutional perspectives offer an exciting avenue for research discovery.

In the community reinvestment field, the interplay of market, bureaucratic, and development logics reflected at the micro-level, influences discourse, practices, and structures of the macro-field. From the thought leadership originating in professional networks, to the strategies CROs implement to respond to policy mandates, the reforms pushed by public and private actors, and the structures of bank departments that enact community reinvestment programs, the entire enterprise around CRA is constituted by the actors involved. This includes all of the actors in the organizational field, including the regulators, the regulated and the sectoral actors they interact with, and the communities who are affected by policy activities. For CROs in the course of CRA policy compliance and reconciliation of conflicting demands of regulators and their employers, it is through the social interactions and actions of these actors over time—their institutional work—that institutional logics are created, disrupted and changed (Lawrence & Suddaby, 2006; Lawrence et al., 2011). Existing literature suggests that there is the potential for enhanced explanatory power by linking the institutional logics and institutional work perspectives (Canning & O'Dwyer, 2016; Gawer & Phillips, 2013; Thornton & Ocasio, 1999; Thornton et al., 2012). This combined approach, as well as the perspectives' application within the community development policy field, is expected to expand our understanding of the effects of conflicting institutional demands. Furthermore, it will point to the determinants of success in public policy compliance. It is to this exciting research direction for empirical exploration that we now turn.

Chapter Four: Research Design

Introduction

This chapter describes the research design, the blueprint, for this dissertation in depth. It begins with an overview of the methodology, including the motivation for the study, as well as the theoretical orientation that framed the approach to the research questions. It then moves into the tools and techniques used to address these questions—the research procedures—including data collection, data analysis, and operationalization of the research constructs. Substantive detail is included to ensure that the research design of the study is credible, transparent, and may inform future research.

Methodology

Overview of Methodology

The purpose of this study was to understand first (research question one or "R1"), if the combination of two institutional theories, institutional logics and institutional work, could inform our understanding of the experience of conflicting institutional demands created by the Community Reinvestment Act (CRA) for bank managers responsible for CRA policy mandates—CRA officers (CROs). Second, the empirical research in this project was intended to develop our understanding (research question two or "R2") of the microprocesses through which CROs reconcile the institutional demands created by the CRA. R2 asks how institutional logics are related to these reactions and explores the contextual factors of bank features, communities, and individual attributes and backgrounds of the CROs. Institutional logics are constituted and transformed by the actors in the fields where CROs interact, where CROs bring their personal and work experiences to the field and influence discourses of bank leadership, colleagues, and professional networks. These processes of actor-driven institutional change are understood as institutional work.

Throughout the research, the intent was not to test the theories, but rather to further contribute to their development in concert with each other. This was done by focusing on a specific research setting, but the approach can be reproduced in other settings during future research studies. The research employs theoretical principles from both the institutional logics and institutional work literatures, responding to calls in the literature to explore theoretical questions utilizing learnings from each (Canning & O'Dwyer, 2016; Gawer & Phillips, 2013; Thornton & Ocasio, 1999; Thornton et al., 2012).

The first stage of research, which centered on R1, was intended to initially address the appropriateness of the theoretical framework for illuminating the institutional demands of the CRA and how CROs experience them, before conducting primary research. A blended theoretical framework was expected to contribute to our understanding of the institutional pressures bankers face and conflict response strategies they employ as they operate between multiple field-level institutional logics. They are at once policy actors responsible for carrying out regulatory mandates, business managers who answer to leadership demands to remain profitable and avoid negative publicity, and community members who respond to community pressures to act responsibly. A better understanding of conflicting institutional logics is expected to provide explanatory power regarding how CROs experience, manage, and react to multiple levels of institutional demands, articulated as conflict response strategies.

After the initial data suggested that the framework enhanced explanatory power for the research setting, the empirical study was carried out in response to R2. Institutional logics are evident in contextual factors and CROs' adaptation strategies, including the dominant material (structure and practices) components of CROs' authority and job responsibilities within the firm and in their communities. Additionally, CROs' individual attributes and backgrounds, as well as the influence of their peers and professional fields, is reflected in the sensemaking of their roles—the symbolic elements of institutional logics. It was these environmental elements and variables that lead a CRO to be better or worse at adapting to conflicting logics that R2 sought to understand.

Institutions are maintained or change over time as actors exert influencing pressures on institutional fields and associated logics, through these agents' day-to-day actions and discourse, their institutional work. Accordingly, institutional fields have the potential to hybridize over time as sector-based actors (with varying sectoral backgrounds themselves) work together and exert influencing pressures on their respective fields through their actions and discourse. The dimensions of institutional work studied here include structural and conceptual work (associated with features of banks and organizational culture), operational work (associated with communities) and relational work (associated with CROs' individual attributes and backgrounds) (Cloutier et al., 2016). The next section explains the methodological choice of a qualitative research design for this study.

Epistemology and the Qualitative Paradigm

Researchers' ontological and epistemological orientations are embedded in and underpin their theoretical approaches and research methodologies (Marsh & Furlong, 2002). This orientation undergirds all of the choices made in a research design. This dissertation approached the research questions from an interpretivist epistemological orientation and from the qualitative research paradigm, recognizing that institutions do not exist independently of the lived experiences of actors affected by them, and who also influence institutional change through their agency (Marsh & Furlong, 2002).

Typically, an interpretivist employs qualitative methods to study the social constructions of institutions, to uncover how these constructions form, morph, and yet exert influence over time (Marsh & Furlong, 2002). Social construction questions the idea that knowledge could be produced to reflect an objective reality of the social world. Rather, what we know of the social world, as well as ourselves, is constructed or produced through various discourses and systems of meanings. The social world is understood within specific social and cultural contexts (Braun & Clarke, 2013).

Qualitative methodology refers to both this wider framework or paradigm for a research study, as well as to qualitative research techniques, including both data collection and data analysis, that may be employed by a qualitative study (Braun & Clarke, 2013). A qualitative study does not convert qualitative data into numerical representation (Braun & Clarke, 2013). This study uses strictly qualitative methods for both collection and analysis.

It also recognizes that research is essentially a subjective process. Researchers bring their own "histories, values, assumptions, perspectives, politics and mannerisms into the research—and we cannot leave those at the door" (Braun & Clarke, 2013, p. 36). It is not problematic in itself that this subjectivity exists. It would be more of a concern to not recognize it. Researchers can appropriately consider subjectivity by being reflexive, which refers to a process through which we reflect on both knowledge production and the researcher's role in the process (Braun & Clarke, 2013). What we find interesting to research, the ways in which we ask questions about these topics, and the aspects of our data analysis that we find intriguing and interesting reflect our subjectivity as researchers.

Knowledge produced is therefore going to reflect the social context from which the researcher writes. This is no different for the participants in the research, who also bring their own experiences and perspectives. In qualitative research paradigms, our human perspectives become research tools in themselves through our explorations of and participation in the discourse of our research. We can also be attentive to functional reflexivity, or how the choice of tools influences the research (Braun & Clarke, 2013). For example, this involves attention in data collection processes, such as how the dialogue in a focus group may develop differently than a semi-structured one-on-one interview where the researcher is the only discussant other than the participant.

This discussion has supported the choice of a qualitative methodology to address the research questions in this study. Additional detail on this research design and the methods used for this study will be covered in more detail in what follows. The next section will overview the specific qualitative research procedures that were employed in this dissertation.

Research Procedures

Overview of Research Design

The purpose of this research study was to use principles from institutional logics and institutional work to further develop our understanding of the ways in which private sector managers attempt to reconcile public policy goals with the goals of their firms. The non-experimental, qualitative research design here utilized the case study approach and the application of institutional theory to explore the research questions. The case focused on a particular profession and the public policies these employees are mandated to follow, specifically CROs and the institutional demands of the CRA. The population of study was all CROs at regulated U.S. depository institutions (banks), including a range of asset sizes and regulators.

The unit of analysis was the CRO. The empirical research was conducted after thorough review of the relevant literature, as well as after initial analysis on secondary data. This initial data lent evidence that the theoretical framework held promise and that gathering primary data could offer additional explanatory insights.

The research design was not intended to illustrate causation or to test theory. Rather, the focus was on theoretical development and deepening our understanding of the day-to-day experiences of institutional logics and institutional work strategies (Canning & O'Dwyer, 2016; Lawrence et al., 2013). Thus, the study design took a cross-sectional vantage point, rather than analyzing changes over time (Shanahan et al., 2018).

"How" and "in what way" questions, such as those explored in this study, typically lend themselves to qualitative research procedures, as relatively open-ended, rich and nuanced explanation is sought to describe the manner in which behaviors play out (Berg, 2007). The first research question, which explored institutional pressures and conflict response strategies, was addressed through an analysis of publicly available letters written from bankers to the Office of the Comptroller of the Currency (OCC) after a September 2018 Advanced Notice of Proposed Rulemaking (ANPR). It asks, to what extent can the theoretical lens of institutional logics linked with institutional work explain the potential for conflicting institutional demands created by the CRA for regulated banks and the conflict response strategies of managers responsible for policy mandates?

The second research question focused on contextual influences and reconciliation of institutional demands, and it was examined by conducting primary qualitative research, specifically interviews with CROs. The question asks: how do private sector managers, specifically CROs, reconcile the institutional demands of a particular public policy, the CRA?

And in what way do these reactions and actors' references to institutional logics relate to their own backgrounds, their organizations, and their communities? Interviews, as a research method, have the ability to provide rich data to understand research subjects' experiences and the meanings they draw from them (Castillo-Montoya, 2016). The empirical evidence, twenty-four qualitative interviews, was gathered from June through September 2021.

Case Study Method

These research questions were addressed via the case study method, which is an approach to systematically examine events or phenomenon with the intent to describe and explain, thus contributing to theory development, but not typically theory testing (Berg, 2007). This was a good fit given the emergent nature of the theoretical framework guiding this work, as well as the lack of policy literature exploring private sector managers' implementation of public policies via this lens.

Many qualitative researchers use the case study approach because by focusing on a single phenomenon, the researcher can develop a deeper understanding and rich information about the many contributing factors and characteristics that might be overlooked in more quantitative studies. It should be noted that the case study method is often specific in focus and conceived of as an in-depth examination of one person, group, or event (Berg, 2007). However, some researchers effectively argue that the case study approach can examine a broad view of society, capturing many unique nuances and patterns that other research approaches overlook, and enabling the study of complex phenomenon (Berg, 2007). Here, the case study is not of a single bank or CRO (a person), but rather looks at the community reinvestment profession as a whole across regulated banks of all sizes in the United States.

Yin (2003) contended that theory development prior to the collection of case study data is important. Thus, although studying the community reinvestment field was of interest for a dissertation in community development policy, institutional theory was thoroughly surveyed in the existing literature prior to arrival at the research questions and the selection of the case study. This is because (1) theory was utilized to select the appropriate case to be studied, and (2) theory informed what would be explored in the case study and the appropriate research design. The a priori research model supports generalizations the researcher draws with regards to other cases that may be worthy of review against the same theoretical lens (Yin, 2003). In brief, the goal was to further develop and understand the utility of two linked theories through the case study, and to more richly understand the case via this perspective.

Case Selection

The intent of the research, the central guidepost for how the case study was selected, was to deepen our understanding of the influencing effects of institutional logics on policy interpretations, and how those logics both form and change through institutional work. The case in this dissertation was selected for three primary reasons. First, following Yin's (2003) recommendation that theory drive case selection, this study offers to expand our understanding of institutional work when conflicting institutional logics must be reconciled. CROs are responsible for policy compliance at the intersection of the private and public sector, given the highly regulated nature of their work. Regulatory agents, expected to most dominantly reflect a bureaucratic logic, are charged with assessing the community development performance of banks through periodic examinations typically managed by the CRO. Yet CROs have a dual responsibility to the bank as a profit-maximizing organization operating under a capitalist market logic. In this context, CROs may face internal opposition against potentially less profitable low-to-moderate income lending and community development investments and are at the same time under scrutiny from their regulatory agencies, as well as their communities.

Second, the CRA, originally enacted in 1977, has undergone multiple iterations of regulatory policy reform. An active window of regulatory reform commenced in 2018 when the OCC launched a request for public comment on proposed reforms. The reforms were still undefined in 2021 when the empirical data for this study was collected, and by 2022 the regulatory agencies had issued a new joint proposal to modernize and strengthen the CRA and again asked for public comment (Board of Governors of the Federal Reserve System, 2022).

As the financial industry changes, the regulatory policies for banks subject to the CRA have also shifted, driven by the actions of civil society actors such as fair lending and housing advocates, regulators, and the bankers themselves. Because policy reform aims to alter rules and practices, reform efforts are attempts at "deliberate institutional change" (Cloutier et al., 2016, p.261; Smith, 1973). Thus, this case offered the opportunity to assess the explanatory power of the lens of institutional work at the intersection of conflicting institutional logics, and the post-empirical analysis contributes to the scholarly literature on institutional theory.

Third, the banking sector is one of the few private industries in the U.S. that is directly mandated to invest in communities and then monitored by federal regulatory agencies for its outcomes, making the sector particularly intriguing for community development policy, especially policy aimed at supporting low-to-moderate income (LMI) individuals in the United States. Additionally, the banking sector holds significant financial resources. This makes the CRA potentially highly influential on community development outcomes if it meets policy goals of revitalizing U.S. communities through capital access.

Data Collection

This was a study of the institutional work and institutional logics referenced by private sector managers attempting to implement federal mandates. Thus, the level of analysis for the research and data collection was primarily micro-level and was focused on actions and discourse of the unit of analysis—CROs—operating within their organizations and the macro community reinvestment field. However, because the focus was on actors' agency, their responses to federal regulatory agencies, and institutional field logics (micro, meso, and macro), the dissertation examines the linkages between levels of analysis, which is a "ripe area of research" (Shanahan et al., 2018).

In order to collect empirical data about CRO bank managers appropriate for the research questions, the data collection involved two stages, including a set of bankers' letters written to the OCC advocating regulatory policy revisions, followed by interviews with a select set of the bankers who wrote these letters. The first sample was of all bankers who commented on CRA modernization to the OCC over a distinct period of time, and the second sample was a smaller subset of those bankers. Specifically, the large "N" letters from the first dataset were used to create a purposive sample to conduct interviews (Greene et al., 1989). This is a non-probability sampling method.

Although labeled simply Community Reinvestment Act Officer, or "CRO," in this research project, a CRO's specific title and role within each bank varies widely (seniority in the bank and job duties were both considered during data analysis). Some CROs were titled "CRA Officer" directly or a similar title such as "SVP/VP, Community Development," while others were in broader managerial roles, typically in compliance. Large banks are more likely to have dedicated managers for CRA or even entire divisions for community development, while smaller banks often have to rely on one manager for compliance to CRA as well as other banking regulations. It was expected that this role within the organization would affect bankers' references to institutional logics.

The bankers who wrote letters during the OCC's call for reform were an appropriate sampling pool of the population for the case study, all CROs, because they represented a wide variety of CROs from banks of all sizes, across the U.S., and reporting to various regulatory bodies. Some of the largest banks in the world were represented, as were many small community banks. The characteristics of the pool will be described further in this chapter. However, it should be noted that CROs represented in the sample could potentially possess stronger opinions about the CRA than the general population of CROs, whether positive or negative, because they took the time and effort to compose letters to the OCC and express their perspectives on the direction of reform efforts. There could be some elements of these extremes in any sampling strategy that requires time and effort to respond, however.

Furthermore, while it is valuable to be cognizant of this, the sampling strategy enabled access directly to CROs whose perspectives were appropriate to the theoretical underpinnings of the research design. Three key points compose this argument. The CROs who were motivated and informed enough to submit letters were: (1) most likely the key responsible party for CRA within their organizations, which was important to identify the manager who would be a policy intermediary; (2) leaders within their profession who are knowledgeable about CRA; and (3) they were likely more actively seeking CRA reform since they opted to comment on the reform efforts, which is evidence of intentional institutional work (Cloutier et al., 2016).

There were several reasons for conducting two stages of data collection. The primary reason was to first explore the appropriateness of the theoretical framework, a linkage between institutional logics and institutional work, prior to conducting data collection for R2. The second research question was expected to require a much larger empirical research effort, and it needed to be appropriately informed by the analysis of the first research. Improved research validity and a richer understanding of CROs was expected through data triangulation, the use of two different data collection strategies to answer two distinct, but intertwined research questions (Berg, 2007). Each set of data lent itself to different data gathering techniques and introduced diverse knowledge.

In stage one data collection, documents were compiled to address the first research question. The database of letters to the OCC offered a glimpse of institutional work in the form of direct communication for the purpose of reform efforts (though it is not bi-directional) between actors at the intersection of the market and bureaucratic institutional logics, as bankers' letters were directed to the regulators.

In stage two, to address the second research question, the collection of empirical interview data allowed deeper exploration of institutional logics through questions to CROs designed to more directly understand how CROs describe their experiences with the institutional demands created by the CRA. It also allowed direct inquiry about contextual factors, such as their individual backgrounds, role structures within their organizations, and their interactions with their communities. Furthermore, interview questions drew out information to connect these actor-level experiences of adaptation with their interpretations of policy mandates and references to institutional logics. The first dataset provided very little visibility to the day-to-day experiences of CROs in managing CRA, to their bank structures, or to CROs' backgrounds, and thus was not well-suited to address the second research question.

In addition to informing different, yet iterative, research questions, two stages of data collection enabled a feasible sampling and contact strategy within the project scope. The CROs who submitted letters were not only an appropriate sampling pool, but the database of letters also offered a method for directly contacting a smaller-N purposive sample of CROs for interviews, as contact information was submitted with many of the letters. Obtaining contact information for CROs would otherwise have presented a particular challenge for the research, as CROs' working titles vary widely (and sometimes bankers are responsible for CRA within broader job duties such as compliance) and contact information is challenging to find on banks' websites or elsewhere online. Additionally, previous researchers studying CRA officers have had difficulty matching the names of banks in the CRA examination online database with the public name (Perlmeter, 2017).

Data to Examine: Institutional Demands and Conflict Response Strategies

The data used to explore R1 was textual data, or data produced in written form (Braun & Clarke, 2013). Secondary data is the use of written words that already exist; the researcher does not play a role in the production of the data.[9] Secondary data offered advantages, including access to perspectives without the challenge of shaping responses through more researcher-engaged data collection methods, including interviews (Braun & Clarke, 2013). R1 did not engage with the social context of the individuals in the sample. Rather, the intent was to observe how these individuals communicated, through written discourse, with the regulators.

The first data set, documents submitted through the OCC's portal for Advanced Notice of Proposed Rulemaking (ANPR) feedback, consists of 358 secondary documents collected to

[9] Secondary data may include documents, online forums, or transcripts of television programs, to name a few examples (Braun & Clarke, 2013).

initially respond to R1, specifically CROs' letters and comments submitted to the OCC between September 6, 2018 and January 9, 2019.[10] These documents were publicly available online via individual download; however, the agency was directly contacted to obtain a zip file.[11]

The full docket obtained from the OCC contains 1,487 letters and comments from bankers, non-bank financial institutions or other businesses, private citizens, and civil society members. Submitters could post their name, email, phone, address, and organization name, but some elected to submit anonymously. Comments ranged from single lines to formal multi-page letters. About a fourth of the submissions were reasonably determined to be written by CROs, either via the title of the submitter or the content of the letter.[12]

The OCC regulates about a fifth of all banks in the U.S., but the ANPR had implications for the entire banking industry because the OCC was a first mover in 21st century modernization of the CRA. The other regulatory agencies publicly stated that they would observe the OCC's efforts and consider collaboration in final joint rulemaking (Sullivan, 2018). Perhaps because the OCC was the only agency that had asked for comment regarding modernization at the time—and had cited collaborating with the other regulators—the comments that were submitted came from

[10] On September 5, 2018, the OCC issued an Advanced Notice of Proposed Rulemaking (ANPR) entitled "Reforming the Community Reinvestment Act Regulatory Framework." The ANPR outlined the agency's principles for modernizing the CRA and asked 31 specific questions for the public to provide feedback on (OCC, 2018).

[11] All of the public letters and comments were available on the federal government's regulations.gov website by searching for Docket ID OCC-2018-0008. Each submission was available to review and download. However, it proved to be a labor-intensive process to download the letters individually (particularly since identification of the bankers' letters was difficult via meta details alone, and each letter had to be skimmed to determine if it would be included in the data set). Initially, the general help desk number on regulations.gov was contacted, who suggested to contact the OCC directly. Therefore, the agency contact listed on the docket (counsel at the Chief Counsel's Office for the OCC) was contacted. The counsel was able to identify a program specialist who emailed a zip file with all of the documents in the docket.

[12] One of the researcher's initial assumptions was that any banker who submitted a letter had an intimate knowledge of or interest in the CRA. After becoming familiar with the dataset, review of the majority of the bankers' letters confirmed that the letters were likely written by CROs. This assumption was validated further through the interviews in stage two, as many of the authors of the letters were contacted for interview, and it was confirmed during this process that they were, in fact, CROs for their banks.

a wide range of bankers whose organizations are regulated by all three regulatory agencies. Reviewing feedback from a subset of banks regulated by each of the three regulatory agencies was important to ensure that the study would have relevance across each agency.

A Microsoft Excel spreadsheet with meta details about each of the submissions was also exported from the regulations.gov site.[13] This file was used to assess the types of documents submitted, and which ones were from CROs. However, there was limited ability to infer the type of submission using the meta details, unless "bank" was in the organization name, and at times submissions were anonymous. Thus, in combination with reviewing the details, the documents themselves were skimmed in order to categorize submissions. This process also aided in familiarity with the data. All submissions that were identified as being written by bankers were tagged for inclusion in the first data set.[14] These initial data collection efforts resulted in both an Excel index with key details and document ID numbers, and the corresponding 358 documents, which comprised the ANPR feedback data set. Letters were stored with their document ID number as the title and uploaded to NVivo.

[13] The meta details provided in the download included: document ID, title, first name, middle name, last name, organization name, submitter's representative, email address, phone number, mailing address, city, state, country, zip, date posted, tracking number, and submission type.

[14] A variety of non-bank submission types were excluded from the data set for analysis, including non-bank financial institutions (such as non-bank CDFIs), community development corporations and coalitions, government entities, trade associations, non-profit organizations, academics or researchers, regulators, small to medium business enterprises, non-affiliated private citizens, duplicates, submissions in the incorrect docket, and submissions that were unidentifiable.

Data to Examine: Contextual Factors and Reconciliation Strategies to Meet Institutional Demands

Data Selection

In order to develop a second primary data set of interviews, a purposive and stratified sample of 50 CROs who submitted contact information was identified from the first data set for the initial outreach list. There are no set rules for sample size in qualitative research, but it should be credible. A final sample of 15 to 30 individual interviews is common in research that aims to identify patterns across qualitative data (Braun & Clarke, 2013, p.55). Sample size is also affected by the purpose of a study and what it intends to explore (Braun & Clarke, 2013). The concept of saturation, or the point at which additional data yields no further insights, is the accepted standard to determine sample sizes, however, the point of saturation is not something that can be pre-determined (Namey, 2017).

Morgan et al. (2002) plotted the number of new concepts identified across successive interviews across multiple datasets. They found that almost no new concepts had been identified after 20 interviews. Reviewing this data, Namey (2017) found that approximately 80-92% of concepts were identified in just the first 10 interviews. Namey (2017) reported that Guest et al. (2006) also found that 92% of themes were identified in their first 12 interviews. Additionally, the themes that were the most common were evident early in the study, as the first 12 interviews contained 97% of the most highly prevalent themes. These analyses lend credibility to the approach in this study of pursuing approximately 25 interviews.

To adequately explore R2, the sample size needed to be large enough to segment participants in a variety of ways without having too small of an N in the associated category, thus the target number of participants was 25, which would allow smaller thematic groupings to emerge, such as by race, gender, generation, seniority in the bank, or bank asset size, to name a few. A response rate of approximately 50% was expected, resulting in initial outreach to 50 CROs. A larger sample size also ensured that there would be some flexibility for the number of interviews needed for saturation.

Purposive sampling is common in qualitative research, as it allows the researcher to focus on the topic of interest and on participants who are expected to provide relevant data (Braun & Clarke, 2013). Additionally, stratification of samples is a technique used to include a range of characteristics in the data set, when they are important to the research topic and question (Braun & Clarke, 2013). Here, the factors of importance were geographic diversity, inclusion of a range of bank asset sizes (identified via the proxy of exam type), and representation of banks across all three bank regulatory agencies. Although characteristics such as gender, race, seniority in the bank and more were of interest in R2, these characteristics were not known for respondents in the first data set, so they were not part of the sampling strategy (but they were collected for the interview respondents later). Thus, the purposive stratified sample of 50 CROs was identified using a multi-step process with the following three key principles in mind.

First, the researcher sought to maintain geographic diversity in the sample. The CRA is a federal law regulated by three federal regulatory agencies. Because it applies to all FDIC-insured banks across the United States, it was important to ensure that the widest variety possible of geographic representation was selected to avoid a regional bias in respondents' perspectives.

Second, the researcher sought to maintain diversity in the size of the bank. Large banks are examined under one set of CRA examination criteria, while small and intermediate small banks have a different set of criteria. It was important to speak with respondents representing a variety of bank asset sizes in order to capture how reactions differ by bank size. Additionally, features of banks, as well as CRO role and job responsibilities, were expected to vary widely across different sizes of banks. And finally, different size banks may attract individuals from quite different backgrounds, which was also of interest. For example, a small bank where a VP is responsible for CRO and other compliance regulations may be more likely to have a compliance background, whereas a large bank with a well-resourced community development division may attract individuals who have worked in the community development field previously. In fact, Payton (2014), found that a bank's asset size was the best predictor of outstanding CRA ratings. Banks with more financial assets tend to make larger commitments to investments and lending in LMI communities, reflected in their higher ratings. These ratings may also reflect the larger staff size and combined expertise of team members in community development divisions at larger banks. Being well-resourced within a division that manages CRA is expected to create less pressure for the CRO in the role.

Finally, it was important to maintain a variety of regulatory agencies across the banks in the sample. While Payton (2014) did not find ratings by regulator to differ significantly, suggesting that there is no one easy grader, the various regulators conduct their own trainings and education for regulated banks under their purview. Thus, it was expected that banks' experiences with the regulators might vary by regulator even if average ratings do not.

The process followed to select the interview sample is described next. First, the CRA ratings database was downloaded from the FFIEC Interagency CRA rating search database (FFIEC, 2017). This database includes all banks regulated by the CRA in the U.S., by name and regulator. Additionally, the database includes the regulators' ID for the bank, asset size (in thousands), exam method, recent CRA ratings and exam dates, total CRA qualified investment dollars, CRA services as measured by bank locations or ATMs in LMI neighborhoods, median income in the assessment area, and city/state of the bank's headquarters. Second, this ratings database was utilized to merge details with the initial index spreadsheet of 358 bankers' letters from the first data set. The index was filtered to individuals who listed banks as their organization (bankers associations and retired bankers were excluded, which narrowed the data set to 300). Next, anonymous submitters whose bank name could not be identified were removed.

Then, utilizing the CRA ratings database, the regulator, asset size, and exam method was recorded for the 265 identifiable banks and their representatives. Next, the index was filtered to the 86 individuals at banks who included contact information (emails and phone numbers) in their submission.[15] Of these 86 letters, the banks that were listed as regulated by the Office of Thrift Supervision (OTS) were removed (as this regulatory agency was merged with the OCC), leaving 82 banks. The index was further refined to only include banks that are examined by one of the three main examination types: large bank, small bank, and intermediate small bank. Eight banks were removed that did not have an examination type recorded or had exceptional examination types listed such as "strategic plan" or "wholesale/limited purpose." This review of the data narrowed the data set to 73 CROs at 73 banks located across 36 states.

Finally, to further narrow the purposive sample to 50, the index was sorted by state to ensure geographic diversity in the sample. One to two letters were purposefully selected from each state. Where only one or two letters had been submitted from a particular state, all submitted letters were marked for inclusion. Where more than two letters had been submitted from within one state, two letters were marked for inclusion with attention to the overall data

[15] In hindsight, it would have saved time to filter to the 86 individuals with contact information available first, and then record the regulator, asset size, and exam method for each submission.

set's variety of exam methods (indicative of asset size of the bank and the corresponding examination level), as well as a variety of regulators.

This sample intentionally had more evenly disbursed geographic spread than the first data set, but similar samplings of regulator and examination type. A major advantage of utilizing the first data set to obtain the purposive sample of the second data set was that the letters contained contact information (email and phone number) for the CROs. Ultimately, 23 individuals agreed to be interviewed. Table 1 shows a quantitative overview of the filtering of the data set to arrive at the initial interview sample. The final two rows show the distribution of the final cohort of 23 interview respondents across regulator, exam method, and region. In general, the distribution remained relatively consistent between the identifiable letters and the final interview sample enrolled. The following section will provide more detail on the recruitment and enrollment of these study participants.

Table 1

Filtering the ANPR Feedback Data Set to Final Interview Sample

		Regulator				Exam Method						Region			
Description	Total Number of Respondents	OCC	FRB	FDIC	OTS	Large Bank	Small Bank	Intermediate Small Bank	Strategic Plan	Wholesale/Limited Purpose	Other	West	MidWest	South	NorthEast
Identifiable letters (by bank name)	265	82	35	128	20	109	43	83	10	3	17	NA	NA	NA	NA
	% of Respondents	31%	13%	48%	8%	41%	16%	31%	4%	1%	6%	NA	NA	NA	NA
Letters with contact information	86	30	8	44	4	33	23	21	1	3	5	18	31	21	16
	% of Respondents	35%	9%	51%	5%	38%	27%	24%	1%	3%	6%	21%	36%	24%	19%
Letters by primary regulators/exam types	73	27	7	39	0	31	22	20	0	0	0	15	26	18	14
	% of Respondents	37%	10%	53%	0%	42%	30%	27%	0%	0%	0%	21%	36%	25%	19%
Purposive Sample to Recruit for Interview	50	20	7	23	0	22	14	14	0	0	0	13	14	14	9
	% of Respondents	40%	14%	46%	0%	44%	28%	28%	0%	0%	0%	26%	28%	28%	18%
Final Interview Sample Enrolled in Study	23	7	5	11	0	12	2	9	0	0	0	4	5	10	4
	% of Respondents	30%	22%	48%	0%	52%	9%	39%	0%	0%	0%	17%	22%	43%	17%

Participant Rights, Privacy and Recruitment

This section discusses actions that were taken during and following data collection for R2 to ensure participants' rights and privacy were protected, including protocol submission with the Institutional Review Board (IRB).[16] Recruitment of interview participants is also covered. Data to address R1 involved documents that were publicly available and thus IRB review was not necessary. However, R2 was well-suited to be addressed through primary evidence, specifically via interview data where additional information about the sample subjects' backgrounds, employers, and communities could be obtained along with exploration of their experiences with CRA policy regulations. Because this entailed Human Subjects Research (HSR), an IRB protocol was submitted prior to recruiting participants or commencing CRO interviews.[17]

A total of 23 interviews were conducted. The IRB protocol explained the target population and recruitment process for interviewees. This population included individuals employed by financial depository institutions (banks) in the United States who had some level of responsibility for the implementation of the CRA. Interview participants were recruited via introductory emails to the sample of 50 CROs, with follow-up emails when necessary if there were no response.[18] Many individuals in the initial sample were reminded one or two times about the request to interview before an interview was scheduled while approximately half of the sample did not respond at all. Five individuals declined to participate.

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[16] The University of Arkansas, where this research was carried out, is committed to the safe and ethical conduct of research. Accordingly, it maintains an IRB Institutional Review Board (IRB) that oversees all Human Subjects Research (HSR).

[17] Expedited Approval was obtained from the IRB prior to the commencement of recruiting participants or conducting interviews. The IRB coordinator found that the research is exempt from full board review under Category 2 (45 CFR 46.104(d)(2)). Approval was received June 15, 2021 with Protocol number 2105335433. A copy of the approval letter is in Appendix 1.

[18] The introductory email to participants can be reviewed in Appendix 3.

It had been anticipated that responses from CROs at large commercial banks would be a logistical hurdle. CROs at these banks might be very senior-level managers within their organizations and might ignore or decline a request to interview. One of the largest banks in the sample did decline to participate. However, the final set of participants had a relatively even balance between large banks and small or intermediate small banks in the interview sample.

Each CRO was requested to participate in a one hour Zoom call.[19] If the participant agreed to be interviewed, the Informed Consent Form document was emailed along with a calendar invite. The form advised research participants about the study and its purpose, why they were being asked to participate, and their rights, including their ability to withdraw at any time, as well as how to request results of the study.[20] No possible risks were identified. Before the interview or recording commenced, the participant would be asked if he or she had any questions concerning the form or her rights and the interviewer would verify receipt of a signed consent form (Braun & Clarke, 2013). The demographic questionnaire was sent after the conclusion of each interview.

An important ethical aspect of HSR is protecting privacy of interview participants. Several steps were taken in this study to ensure confidentiality. First, interview recordings from Zoom (stored as MP4 files), transcriptions generated by Zoom, final interview transcriptions, and the demographic questionnaires were all stored in a secure, password protected University of Arkansas Box folder. No hard copies of data were stored. Recordings of the interviews were

[19] The interviews were estimated to take one hour and filling out the demographic questionnaire added five minutes to the overall time estimate.
[20] Other elements of the rights of the research participants were detailed in the Informed Consent Form, including how to contact the University of Arkansas Research Compliance Office and the IRB Coordinator. A copy of the form is available in Appendix 2.

deleted after transcriptions were finished. Additionally, participants' names, states, and the names of their employers are anonymized in the report of the findings in this dissertation.[21]

Interview Data

Designing the Interview Protocol

The first step to curate primary data to explore R2 was to develop the main research instrument, an interview protocol. There is an art to designing effective interview protocols (Castillo-Montoya, 2016). Interviewing can be defined as a more formal or professional conversation, with the goal of encouraging participants to share about their perspectives and experiences in order to understand the meanings they make of them (Braun & Clarke, 2013; Castillo-Montoya, 2016). Semi-structured interviews, as employed here, are common in qualitative research. In this style, an interview guide is prepared before commencing interviews, but the researcher does not rigidly adhere to the question guide and may ask follow-up questions during the interview (Merton & Kendall, 1946; Braun & Clarke, 2013). In fact, the lack of rigidity is a major benefit of using interviews in qualitative research. The order of the questions can be contextual and responsive to the conversation as develops with the participant. The researcher becomes a research tool by engaging in the conversation and developing a rapport and comfort with the participant that draws out his or her experiences (Braun & Clarke, 2013). This flexible format allowed CROs the ability to discuss topics that they found important, and even topics that had not been anticipated and offered key insights (Braun & Clarke, 2013). Nonetheless, the conversation was guided to cover key concepts of interest to the study in the short time allotted.

[21] It was also important to keep a separate, password-protected document that contains the non-anonymized data to keep transparent records, including the pseudonym key (Braun & Clarke, 2013).

Irrespective of the intention to be flexible, this steering of the conversation and proper preparation of the interview guide is essential to successfully use interviews in qualitative research (Braun & Clarke, 2013). Effective wording of the interview questions is critical to ensure quality data collection that elicits responses to what the researcher actually wants to know, thus questions were revised multiple times (Braun & Clarke, 2013). Additionally, the interview protocol was evaluated against the criteria of: (a) interview question alignment with the research questions; (b) eliciting an inquiry-based conversation; (c) incorporating key informant feedback (Castillo-Montoya, 2016). Each of these criteria ensured that the research instrument was congruent with the purpose of the study and research questions (Castillo-Montoya, 2016). They will each be covered in more detail in the next three sections.

Alignment with Research Questions

The first criterion for evaluation was alignment between the research question and the interview questions (Castillo-Montoya, 2016).[22] It is important that interview questions are examined for their utility to the topic of research, as well as to eliminate extraneous questions that may digress from the central focus and waste valuable and limited time. Human experiences are complex and not easily unraveled. An interviewer must draw out these experiences (Castillo-Montoya, 2016). The key point here is that a qualitative interview protocol is not intended to attain basic answers to informational or descriptive questions. Rather, the goal is to understand the participants' lived experiences and how they make meaning of them through the lens of the theoretical framework in the study (Castillo-Montoya, 2016). Skillful planning of these interview

[22] Because the theoretical framework for institutional work developed by Cloutier et al. (2016) was to be explored in this setting, Cloutier was contacted to request the interview guide that she and her colleagues used during interviews of health care organization managers after policy reform. It was surmised that the questions could be adapted to the pre-reform context, and then the questions could be modified, adding an additional level of external validity to the questions used. However, ultimately, after reviewing their protocol, the determination was made that it would not be appropriate for the research question of interest in this study or for this setting.

questions ensures that the interviews will draw out these rich personal accounts (Braun & Clarke, 2013).

A matrix approach can be utilized to chart interview questions against the conceptual constructs of the research questions and identify alignment. This approach also facilitates review of question order. Questions that are most central to the core purpose of the study should be asked in the middle of the interview to ensure that rapport has been established prior to more complex questions (Rubin & Rubin, 2012). Ultimately, every question in the matrix should be reviewed under the lens of what the question intends to uncover, and whether the question is optimally designed to uncover that information (Braun & Clarke, 2013). The researcher can anticipate what respondents might answer by responding to each question him or herself as a mental exercise (Braun & Clarke, 2013).

The interview protocol was designed from a review of the relevant literature, and after findings and insights in response to R1 were developed.[23] The initial dataset had provided evidence of the conflict between private and public sector institutional logics, as well as institutional work processes as reactions to the institutional demands of the CRA. The overarching intent of R2, and thus the intent of the research instrument, was to ask questions that would aid in the understanding of how CROs' banks, communities, and backgrounds influenced their reactions and adaptation to the institutional demands created by the CRA. While the first data set allowed for the analysis of conflict response strategies in the face of conflicting institutional logics, the data lacked the context to draw deep understanding of the material (structures and practices) and symbolic (ideation and meaning) elements of the institutional orders that CROs interface with. These elements may influence adaptation to institutional

[23] The interview protocol can be reviewed in Appendix 4.

pressures as experienced by individual CROs and elucidated by the institutional logics perspective. To achieve this level of understanding, further discussion with the CROs who wrote the letters was required (Thornton, et al., 2012). It is evidence of these material and symbolic elements as influencing mechanisms that the interview questions intended to uncover.

The interview protocol for this study was mapped against the a priori identified conceptual constructs. R2 asks how CROs experience, manage and reconcile the institutional demands created by the CRA. If CROs' experiences with the CRA are influenced by material and symbolic elements of the dominant institutional orders, then a better understanding of these elements may explain their interpretations of CRA policy mandates and reactions to these institutional demands. Specifically, within the banking sector, structure includes (a) features of the bank the CRO works for, such as internal policies and practices around profit and appropriate program design, or hierarchy of the organization and the CRO's level of influence within the organization. Furthermore, (b) features of a CRO's community and professional network may influence structure through best practices on organization structure and practices, as well as influence symbolic elements of the field-level logic through norms, values, and ideas. Symbolic elements of these institutional orders include not only the norms and values of the banking profession, but also the realization that CROs, with their own (c) varied backgrounds, experiences, and individual attributes, may differ in how they reference field-level logics, and may even reference a different sector's logic or a hybrid of institutional logics.

Questions to establish a frame of reference around interpretations of CRA policy mandates and references to institutional logics included:

- To what extent do you think that the CRA has produced greater bank investment in local communities than would otherwise be achieved through corporate social responsibility or market demands (Bridwell-Mitchell & Sherer, 2017; Chazdon, 1996; Cloutier et al., 2016; Friedland & Alford, 1991)?

  - Do you feel that your opinion is mainstream or commonly held by banking professionals? Or is it more of an unconventional response?

- To what extent is your regulatory agency helpful with regards to carrying out your CRA responsibilities? For example, do they (a) provide training, (b) educational material, (c) webinars, (d) conferences, or (e) other resources or assistance to improve your exam score or clarify regulatory policies (Chazdon, 1996; Cloutier et al., 2016; Lawrence & Suddaby, 2006)?
  - Which of these resources or services are most helpful to improve your CRA outcomes?

The intent of these questions was to gain an initial understanding of CROs' interpretations of CRA policy mandates and their regulatory agencies, as well as the worth of the CRA via early evidence on their attitudes and desire to work in community development. It also drew out their perceptions about other CROs and their philosophies, which would point to shared norms and values with other CROs, an expression of institutional logic. And finally, these questions and most of the questions that follow below, continued exploration from R1 on the evidence of conflicting logics, e.g., conflict in the commercial and social mission of the bank and the regulator.

Questions to explore features of the bank included:

- Can you tell me about your CRA related responsibilities and what percentage of your role is focused on the CRA (Battilana & Dorado, 2010; Chazdon, 1996; Lipsky, 1980)?

- Would you categorize yourself as a senior leader, middle manager, or entry-level manager within this organization (If not senior leader, who do you report to?) (Bridwell-Mitchell & Sherer, 2017; Chazdon, 1996; Cloutier et al., 2016; DiMaggio, 1988; DiMaggio & Powell, 1983; Fligstein, 1997)?
    - How much authority would you say that you have to determine CRA policy implementation for your bank?
    - Have the team size or responsibilities changed since you started your work here? Why?
- Could you describe the size/responsibilities of the team working on CRA, and your role within that team (Bridwell-Mitchell & Sherer, 2017; Chazdon, 1996; Cloutier et al., 2016; DiMaggio, 1988; DiMaggio & Powell, 1983; Fligstein, 1997)?
    - Do you have a sense of how this compares to similarly sized banks that you are familiar with in the state or nationally?
- How do you measure profitability in your CRA activities? In your view, to what extent do CRA responsibilities align or conflict with the business bottom line, making a profit (Battilana & Dorado, 2010; Chazdon, 1996; DiMaggio & Powell, 1983; Friedland & Alford, 1991; Scott, 1995; Thomann et al., 2016)?
    - If pressures to make a profit conflict with your CRA responsibilities, where are these pressures coming from?
    - If you’re spending a lot of time on CRA, does that mean less time where you could work on projects that are more profitable? (Battilana & Dorado,

2010; Chazdon, 1996; Friedland & Alford, 1991; Thomann et al., 2016; Watkins-Hayes, 2009)

- What are some of the major hurdles you face to increase community investment or to fulfill other CRA requirements (Chazdon, 1996; Cloutier et al., 2016; Lipsky, 1980; Matland, 1995; Watkins-Hayes, 2009)? For example, are challenges more related to:
    - Staffing/time availability and job role demands related to your non-CRA work?
        - What would you be able to do if you had more time?
    - Safety and soundness or underwriting standards?
    - Profitability of CRA related investments?
    - Competition for community development loans?
    - Have these challenges changed in recent years?
- I see that your most recent CRA rating was (X). Is there pressure within your organization to raise this score? If so, from whom (Battilana & Dorado, 2010; Bridwell-Mitchell & Sherer, 2017; Chazdon, 1996; DiMaggio, 1988; DiMaggio & Powell, 1983; Fligstein, 1997; Kraatz, 2009; Riaz et al., 2011; Rojas, 2010)?
- To what degree is your bank/bank leadership committed to the goals of the CRA? (Battilana & Dorado, 2010; Bridwell-Mitchell & Sherer, 2017; Chazdon, 1996; Cloutier et al., 2016; DiMaggio, 1988; DiMaggio & Powell, 1983; Fligstein, 1997; Kraatz, 2009; Riaz et al., 2011; Rojas, 2010)?
    - Do compensation package structures (for example base versus commission) deter from working with LMI customers?

- Have you taken any actions to gain more buy-in on the CRA from your leadership or colleagues (Cloutier et al., 2016)?

This robust set of questions about features of the CRO's bank intended to draw out a deep understanding of the structural elements of institutions of the banking sector, including job responsibilities, authority or decision-making power within the hierarchy of the organization, staffing structure (including size and makeup of the team devoted to community development), These questions also touched on more symbolic elements of the institutional order of banking, including interactions and influence of peers and bank leadership concerning demands of the CRA, changing structures over time, and views on profit and social missions of the bank. They also drew out experiences with the demands of the CRA, including the primary issues faced in implementation, the commitment of the organization and bank leadership to CRA policy performance and to community lending. Finally, these questions dealt with strategies to deal with these challenges and influence institutional buy-in around CRA.

Questions aimed at features of bankers' communities included:

- Are there groups or members in your community that are pushing for you to do more with regards to CRA (Bridwell-Mitchell & Sherer, 2017 Chazdon, 1996; DiMaggio & Powell, 1983; Garrow & Grusky, 2012; Scott, 1995)?
  - Where do you see most of the community pressures coming from (like local government, community-based nonprofits, etc.)?
  - What do they want you to do?

This subset of questions aimed to understand the conflict in institutional logics between the community and the banking sector, as well as how these institutional demands might be expressed.

Questions designed to explore CROs individual attributes and backgrounds included:

- How did you get into your current profession in banking? Have you spent significant time in a different field (Battilana & Dorado, 2010; Bridwell-Mitchell & Sherer, 2017; Chazdon, 1996; Watkins-Hayes, 2009)?
    - If a probe was needed, the participant was asked: with which of the following professions have you spent the bulk of your career? (a) Career banker; (b) Business finance or other private sector; (c) Public sector (e.g. government, including regulatory body); (d) nonprofit/community development; (e) Other?
- Did you specifically seek out a career or role with CRA responsibility? Why or why not (Battilana & Dorado, 2010; Bridwell-Mitchell & Sherer, 2017; Chazdon, 1996; Watkins-Hayes, 2009)?
    - How is the role aligned with your personal career interests (e.g. regulatory compliance, finance, social impact, etc.) (Chazdon, 1996)?

Questions regarding the individual attributes and backgrounds of CROs were primarily intended to understand how backgrounds and social values might affect references to institutional logics and interpretations of policy mandates. For example, did career bankers identify with the dominant institutional logic of the banking sector, and did public sector or community development professionals reference more of a development logic?

Inquiry-Based Conversation

The second criteria for evaluation of the interview protocol was that, as a method of inquiry, it asked questions intended to draw out participants' experiences and understandings through a conversation about participants' ideas and life experiences (Castillo-Montoya, 2016).

Castillo-Montoya (2016) called this balance of inquiry and conversation an “inquiry-based conversation” (p.813). The key components of an inquiry-based conversation include: (a) interview questions written differently than the research questions; (b) a protocol that is organized via social norms for ordinary conversations; (c) attention to question variety; (d) a protocol script that plans for probing questions and transitions (Castillo-Montoya, 2016).

First, interview questions should utilize everyday language, not the theoretical language of the research question, where the concepts of institutional logics and institutional work would be too complex and broad to answer. Thus, components of these theoretical notions were broken down into more common verbiage around regulatory demands and the reconciliation of multiple pressures from banks, communities, and regulators. Interview questions are used to develop the broader understanding sought by the research inquiry, but there is an art to developing interview questions that fit the context of participants’ everyday lives. Interview questions must be accessible and easily understood by research participants, and thus take into account their context and the research setting of the case, such as the professional field and norms of their daily work (Castillo-Montoya, 2016). Notions of the banking field, such as corporate social responsibility, safety and soundness, regulatory compliance, and financial inclusion were commonly understood references for bankers.

Second, the social conventions of ordinary conversations should also be followed in interviews, which are a form of conversation. This includes attention to asking questions that are easily accessible or in recent memory for the participant, as well as social norms such as asking one question at a time, actively listening, and not interrupting the participant. It is important that the interview guide is prepared to build both trust and rapport with the respondent in order to draw out personal information (Braun & Clarke, 2013). As in a normal conversation, it is important to acknowledge that you are hearing what the respondent has said, including through visual cues such as nodding, or reactions such as clarifying questions or responses, transitioning smoothly between topics, and developing rapport throughout, such as by expressing gratitude for responses (Castillo-Montoya, 2016; Rubin & Rubin, 2012). At the end of the conversation, the researcher should express gratitude.

Third, sequencing of questions is important to ensure that the flow is logical and clustered into topics to allow smooth transitions (Braun & Clarke, 2013). Various types of questions are useful to progress both conversational and inquiry goals of an interview (Castillo-Montoya, 2016). Introductory questions set the tone and begin the interview with straightforward and non-threatening questions that draw out narrative description, develop rapport, and ease the participant into the mode of describing his or her experiences (Braun & Clarke, 2013; Castillo-Montoya, 2016). These early questions should be “less probing, sensitive and direct than later questions” (Braun & Clarke, 2013, p.84). The earliest questions in the interview protocol for this study focused on how the CRO got into banking and general opinions on the CRA, which allowed the exploration of career narratives and built rapport early on. Transitional or structuring questions or phrases keep the inquiry-based conversation moving forward towards key questions but retain a conversational tone. These questions can signal shifts towards new topic areas (Braun & Clarke, 2013; Castillo-Montoya, 2016). Three key sections were structured in the protocol, with transitional phrases between each. Key questions are intended to draw out the most valuable insights for the study. These questions are instrumental for understanding the case and made up the bulk of the question set (Castillo-Montoya, 2016).

Finally, an inquiry-based conversation can be supported through the development of a script as part of the interview protocol, although it is not read word-for-word, but rather is used to be well-prepared to skillfully execute the interview (Castillo-Montoya, 2016). The script should support a conversational tone and makes a plan for guiding the respondent regarding where the conversation is headed, as well as smoothly transitioning between topics. This included writing an introductory script to ensure key information about the study would be reiterated at the beginning of the interview, thoughtful construction of the order of questions, and categorizing the questions with transitional phrases between sections. Furthermore, the interview protocol planned probing questions in case the initial interview question had not elicited the information of key interest (Braun & Clarke, 2013; Castillo-Montoya, 2016; Rubin & Rubin, 2012). These probing questions, when used, encouraged respondents to expand on their initial answers and provide more detail relevant to the research (Braun & Clarke, 2013).

Key Informant Feedback

The fourth criterion for design and evaluation of the interview protocol is to refine it through feedback. Some researchers go even further than this and pilot the protocol via interviews that simulate the actual interview conditions, as in a dress rehearsal (Castillo-Montoya, 2016). This aids in testing rapport and timing and helps to fine-tune the research instrument (Braun & Clarke, 2013; Castillo-Montoya, 2016). However, this is not always realistic given time available or access to potential participants. Given the bounds of this research project as an introduction to empirical research through a dissertation in the pursuit of a doctoral degree, piloting the interview protocol was deemed unpractical given the study scope and time limitations. Indeed, Braun & Clarke (2013) found that there is usually limited scope for formal piloting in most research studies. Where piloting the protocol is skipped, gaining feedback from key informants becomes even more important (Castillo-Montoya, 2016).

Accordingly, after the researcher has developed an interview protocol that is conversational and designed to draw out key information relevant to the purpose of the study, the interview questions can be improved by obtaining this feedback (Castillo-Montoya, 2016; Chazdon, 1996). Feedback should be obtained from volunteers who are similar to the participants who will be recruited for the study itself, but they are not actual research participants. The purpose of this feedback is to improve the deliverability and reliability of the protocol as a research instrument. It is quite useful to try out the questions, and ask for advice on tone, clarity, and difficulty of questions (Braun & Clarke, 2013; Castillo-Montoya, 2016). Key informants can also provide a safeguard to test if participants will be likely to understand the questions and whether responses are in line with what the researcher hoped each question would elicit in response (Castillo-Montoya, 2016).

The interview protocol for this study was refined through informational interviews with two bankers who were contacted through professional networks of the researcher. They were asked to provide insight on the appropriateness of the questions within the discourse of the banking field. Personal network can be an important strategy for gaining access to key informants (Chazdon, 1996). Particularly, due to a lack of direct researcher experience in the banking field, it was important to engage with informants in the field who could speak the professional field jargon and identify any questions that might not make sense to peers. Thus, interviews with these two individuals did not provide data for analysis, but the conversations aided in the refinement of the interview protocol.

Both of the key informants oversaw CRA compliance for their banks. Conversations with these bankers resulted in valuable modifications and edits to the draft interview protocol, but also confirmed that overall, the interview protocol would likely be effective at eliciting the information sought for the study. One key informant stressed, “Who is the banker—what is their role in the bank? This all plays into how they perceive the CRA” (personal communication, May 3, 2021). This confirmed the value of the questions meant to understand the background of the CRO and the structure of the CRA responsibility in the bank. In fact, this banker had previously been a regulator, which she attributed to her appreciation for regulations, in contrast to many bankers in the field. Additional questions were suggested around bank structure. For example, banks have the ability to structure compensation packages in ways that incentivize or disincentivize working with LMI populations (personal communication, May 3, 2021). This was added to the interview protocol.

Another validating discussion was around the need for banks to reconcile regulatory pressures with community pressures with safety and soundness. The verbiage around safety and soundness was useful jargon of the banking field to add to the protocol, but the wider discussion also indicated that CROs were likely to experience conflicting pressures across these institutional orders of the regulatory field, communities, and bank practices. “A big heart only goes so far for a CRA officer” as she bumps into safety and soundness or employer pressures (personal communication, May 3, 2021). Additionally, the first key informant encouraged exploration of whether or not the CRO makes the assumption that the CRA is not profitable? How does she measure profitability in CRA activities? These perceptions could be key to understanding experience with the CRA and the ability to reconcile various pressures created by the regulatory policies. Questions about profitability could be fundamental to an understanding of alignment with the institutional demands of the CRA regulatory demands and the market logic of the banking field.

Continuing an expression of support for the interview protocol, the key informants agreed that bank structure is vital to understand. The size of the CRA team is critical to the ability of CROs to manage CRA. Large banks have dedicated CROs typically, whereas in a small bank the CRO may be stretched and have a lot of responsibilities (personal communication, May 3-4, 2021). In addition to bank size, geography and the rural-urban divide could be key to feelings of worth about the CRA. Rural banks are the center of America. They are there to support the community, and many of the rural banks feel that it is the big metro banks who were not doing the right thing, yet CRA was saddled on everyone. This is further complicated by the increasingly competitive market, especially for smaller banks due to banking consolidation. Certain markets are overserved for community development loans while others continue to be vastly underserved. Despite the regulatory burden and overhead, you can't be a community bank without taking care of your community: "Anyone who says CRA is onerous, well their bank isn't doing a very good job" (personal communication, May 4, 2021).

A key logistical modification was that the length of interview time was adjusted from an estimate of 45 minutes to 60 minutes (comprising of 55 minutes for interview questions and 5 minutes for introductory and closing statements), noting that 45 minutes was too brief to cover the entire protocol. Other minor adjustments were also made, including some verbiage edits for clarity and professional jargon.

After obtaining this valuable feedback from key informants, the interview protocol was thoroughly aligned with the key purpose of the research study, it was prepped to be conversational yet inquiry-driven, and it had been examined for clarity and answerability (Castillo-Montoya, 2016).

Conducting the Interviews

All of the interviews in this study were conducted via Zoom. Zoom Meetings is a video teleconference software program developed by Zoom Video Communications.[24] During the COVID-19 global pandemic that swept across the United States starting in the spring of 2020, use of video software such as Zoom became ubiquitous as millions of Americans grappled with working from home with offices and campuses closed to prevent spread of the virus. The interviews for this study took place in the summer of 2022, thus there was a general familiarity of video teleconferencing software that was quite rare prior to the pandemic.

Interview participants were located across the United States. Prior to the pandemic, the interviews likely would have been conducted via telephone, before teleconferencing became a norm of everyday work-from-home environments for so many Americans. Despite the majority of the interview participants being quite familiar with Zoom and equipped with cameras and microphones to participate virtually, a few participants called into the teleconferencing line. These participants tended to be at small community banks in more rural areas of America, where they had continued to work in the office during the pandemic and had not shifted to more technology-enabled modes of working. The benefits of conducting interviews via either telephone or video conference were that the sample was not limited by geography. Furthermore, respondents could participate in the location that would be most comfortable and conducive to the interview from their perspective (Braun & Clarke, 2013). Video teleconferencing has a number of benefits over telephone interviews, however, including the ability to more clearly communicate due to visibility of the respondent's face, as well as a significantly enhanced ability

[24] Although there is a free plan available, the enterprise license of the University of Arkansas was available to the researcher, which enabled additional features such as conference calls over forty minutes in length, call recording, and call transcription.

to build rapport through visual cues such as nodding, or other visible expressions of acknowledgement or empathy.

The interviews commenced with a greeting and expression of gratitude to the research participant for taking part in the study (Braun & Clarke, 2013). First, the intent of the research and its purpose was described. Participants are often interested in the personal motives of the researcher or may have other questions, thus the opportunity to ask questions was presented both before the interview began and at the end of the interview (Braun & Clarke, 2013).

As planned via the election of a semi-structured interview guide, the interview protocol was used to steer the conversations, but it was not adhered to in exacting order. This allowed reflexivity and responsiveness to the research participant’s developing story (Braun & Clarke, 2013). This means that questions were sometimes asked out of order, that some were not asked at all (especially due to time limitations), and that unplanned questions were asked (Braun & Clarke, 2013). This is all part of the qualitative research process and discovery.

It is important that participants open up and talk. The researcher must be prepared to use effective conversational strategies such as silence, asking for clarifications or examples, and active listening. The researcher showed interest in what participants were saying via body language and verbal cues that conveyed active listening, and even provided feedback that opinions expressed were interesting (Braun & Clarke, 2013). Evaluative comments, including honest agreement or empathy regarding experiences, were used to build trust and rapport (Braun & Clarke, 2013). Empathizing with the bankers on the pressures they face in their job responsibilities was helpful to build rapport. It also reflected the researcher’s own developing and personal understanding of the difficulty of compliance roles where managers attempt to carry out an incredibly complex regulatory framework which is often at odds with the commercial mission of their firms. Again, qualitative researchers are not robots. They are extensions of qualitative research instruments, and while it would not be ethical to feign interest or agree with antithetical opinions, it is a natural part of human interaction to personally engage in the interview within the bounds of professional and polite conduct.

At the conclusion of the interview, the participants were asked if they would like to add anything else, then the recording was turned off and they were given the opportunity to ask anything further about next steps in the research study (Braun & Clarke, 2013). As is common, several participants wanted to know if they would receive the final report (Braun & Clarke, 2013). Two retiring CRO officers shared contact info for incoming CROs for this report. In these cases, the participants thought that the incoming CRO might benefit from reading the study results.

A couple of the participants in this study requested that findings be published in more practitioner-facing journals, such as *American Banker* or via the *American Bankers Association,* or even community-facing media so that the readers would not be limited to academics. One respondent, Tiffany, expressed frustration at the general negativity towards bankers and expressed hope that this research was being done and could help to change that narrative. "I hope through this that, you know, it becomes clearer as to what banks' purposes really are and what we're trying to achieve in our communities as well as with CRA…to serve those communities and be there and provide the services where we're needed, we need the relationship with our customers, so that's you know, where I'm coming from, from a CRA initiative, is I do want to change that narrative one way or the other of what the banks' purposes are." Tiffany's expression of the inherently good nature of most bankers was echoed by other bankers, and it was important to validate these feelings of worth through empathy and understanding of the normative nature of their intentions to make a positive impact.

Interview Transcription

Transcription is often left out of research methods chapters, as a seemingly technical (though extremely time-consuming) concern. However, Braun & Clarke (2013) have pointed out that transcriptions involve choices surrounding how speech is translated into written texts, thus it is a theoretically influenced practice in itself.

Orthographic transcription, otherwise known as verbatim, focuses on transcribing spoken words and sounds into recorded data, but it does not attempt to record how it was said, as in phonetic or paralinguistic styles of transcription (Braun & Clarke, 2013). Verbatim transcription was appropriate for R2, as the focus was more about the thematic content of respondents' answers and did not concern linguistic aspects of their responses.

The translation from spoken into written English can be challenging, and it is very labor-intensive. Despite having Zoom transcriptions from each interview, transcriptions took about four to five hours per one hour interview and involved playing each segment of the recordings a number of times. Yet this is half as much time as transcriptions typically take in qualitative research as reported by Braun and Clarke (2013), evidence that the Zoom transcription service saved time. Verbal speech does not use punctuation, but rather uses pauses, intonation, and varying volume or methods of speech to convey meaning. Furthermore, speech is messy, including hesitations, misspeaking, stumbling over words, repetition, or trailing off (Braun & Clarke, 2013). Transcribers make choices about how to preserve what they hear in the recording, and how to maintain consistency across transcriptions of all interviews. Braun and Clarke (2013) recommended being especially careful to watch for punctuation choices that might alter meaning from the original speech, quotation mark errors on reported speech, accidentally leaving words out, or misquoting. Despite these challenges, it is critical that transcriptions are thorough, accurate, and high quality (Braun & Clarke, 2013). This necessitated concentration, multiple replays of the recordings, and transcribing the interviews as close as possible to the actual conduct of the interview so that it would be in recent memory (Braun & Clarke, 2013). Again, Zoom enabled higher quality transcriptions in this regard as well, because video recordings conveyed more cues for accurate transcription than an audio recording alone.

Demographic Questionnaire

A demographic questionnaire was designed in order to classify the participants during analysis.[25] The form captured gender, race or ethnicity, hometown, number of years in current community, age group (26-44: Gen Y/Millennials; 45-56: (Gex X); 57-75: Baby Boomer) (The Center for Generational Kinetics, 2020), number of years with CRA responsibilities, and number of professional years of experience in banking (Bridwell-Mitchell & Sherer, 2017; Chazdon, 1996). The purpose of collecting this data alongside interviews was to capture demographic characteristics that might influence references to institutional logics and interpretations of policy mandates through the social constructs of age, gender, race, and professional career, as well as the connection to one's community. For example, is there a connection between banking and community development in one's hometown versus a community transplant?

Data Analysis

Good qualitative research analysis aims to gain a deep understanding of the data under study and is "plausible, coherent and grounded in the data" (Braun & Clarke, 2013, p. 21).

[25] The demographic questionnaire can be found in Appendix 5.

Qualitative analysis is interpretative, and goes much further than descriptive analysis, aiming to uncover deep insights from the research data to understand what is going on in the data and how to make sense of it (Braun & Clarke, 2013). This type of analysis produces rich understandings of the data that has been collected, looking beyond surface understandings in order to produce insights, generated via the theoretical lens, to illustrate meanings and concepts found in the data (Braun & Clarke, 2013). The aim is to generate insights around how or why respondents answered in the way that they did, and further develop theory in doing so.

Qualitative analysis begins with data immersion, where the researcher becomes keenly aware of the content of her data. Through this process, content relevant to the research questions of the study begins to emerge (Braun & Clarke, 2013). The analytic process of engagement with the data in this study entailed reading documents and interview transcripts numerous times, looking for content of interest, jotting down initial impressions or conceptual ideas, and keeping notes along the way (Braun & Clarke, 2013). In stage two data collection, engagement with the data began as early as active listening during the interviews, making analytic notes on potential themes at the end of each one, and continuing this process of analysis during interview transcription.

Yet the data analyses a qualitative researcher produces are not free from subjectivity. There is not a singular way to draw meaning from the data analyzed in a research project (Braun & Clarke, 2013). Though analysis should have clear logic and a thoroughly explained research design that illustrates how conclusions and insights were drawn from the data, qualitative research allows for the fact that we bring our own socially constructed identities to analysis. Thus, what is salient to the researcher may be influenced by his or her personal experiences (Braun & Clarke, 2013). However, a deductive approach to analyzing the data can ensure that theory is the driver of the analysis, not the researcher. Validity requires the researcher to be open minded and to look at how the data could be influenced, seeking to detach from oneself to examine the data in a constructive manner (Norris, 1997). By being self-aware, the researcher can attend to validity and guard against retrofitting the data into what she hopes it will say. Familiarization with the data, at its heart, is reading the data as data, and reflecting on what it means in relation to the research questions and within the theoretical perspective employed by the researcher to explain the case (Braun & Clarke, 2013).

We are not robots, nor are Computer-Assisted Qualitative Data Analysis Software (CAQDAS) programs; they simply aid in our organization of the researcher-derived meanings drawn from qualitative research data. Accordingly, CAQDAS programs offer convenient tech-enabled tools as the researcher works through analysis. NVivo, a CAQDAS produced by QSR International, was utilized to manage the analysis of both data sets in this study, including 358 bankers letters and comments, as well as 23 interview transcripts. NVivo allows the user to upload data sets, after which the researcher can classify, sort and organize the data by coding themes, as well as by interview question. When the data is from interviews, it is especially helpful that NVivo can autocode using paragraph styles via the use of heading styles for various questions. All verbiage under that heading will be coded to the question. This allows all the participants' responses to a single question to be compared side-by-side, aiding the analysis. Many other features assist in the analytic process, such as data memos, annotations, a variety of methods to code data via line-by-line coding, and queries according to participant classifications.

The NVivo visualization tools include a mind map that is especially helpful for the brainstorming phase of coding, clustering themes, and identifying aggregate dimensions. Conceptual maps of codes and themes were created to explore relationships between codes and themes. Visualizations can help to explore the connections, refine them, and land on a final form of the analysis (Braun & Clarke, 2013).

The first data set was analyzed via discourse analysis, and the second was analyzed via thematic analysis. The following sections will delve deeper into these qualitative methods as they were employed in this study. Furthermore, analysis was conducted after each of the two stages of data collection, a development research strategy, which encompasses the sequential use of different methods or data to generate new observations about the phenomena under study (Greene et al., 1989). The theoretical framework was further developed during and following the empirical research after new insights were formed through the case study data.

Discourse Analysis of Institutional Demands and Conflict Response Strategies

The first data set in the study has several interesting features, including that the intended audience was the regulatory agencies, thus there is communication across two levels of institutional orders, the public and private sectors. Because the comments were written, the primary mechanism for influencing the audience (regulators) was language. Lawrence and Suddaby (2006) found that Discourse Analysis (DA) would be particularly insightful in studying how individuals rely on discursive devices in their attempts to influence institutional change—institutional work. Thus, DA was utilized to better understand both the rhetorical and narrative features employed by CROs operating as policy actors attempting to influence CRA policy change and the regulatory field. DA was used to examine institutional work processes at the intersection of two potentially conflicting institutional logics.

DA is an interpretative, constructionist, and qualitative method that focuses on how text and discursive structures of written or spoken language are used by participants to make sense of various topics and aspirations (Hardy et al., 2004; Gering, 2015). These discursive structures may include the use of concepts, ideas, stories, strategies, and roles (Lawrence & Suddaby, 2006). Specifically, as in other methods of qualitative analysis, patterns are sought, in this case across linguistic data (Braun & Clarke, 2013). Pattern-based analysis DA is the systematic identification and reporting of salient features in the data, as well as interpretations of these patterns. The assumption is that “ideas which recur across a dataset capture something psychologically or socially meaningful” (Braun & Clarke, 2013, p.223). While frequency could be of importance, DA is distinct from content analysis in that it seeks to understand the saliency, or most meaningful patterns of language use, not necessarily the most frequent (Braun & Clark, 2013). This differs significantly from Content Analysis, which is positivist, quantitative, and grounded in statistical analysis; furthermore, it is disconnected from its context, as it assumes a consistency of meaning that enables the textual and quantitative counting of word usage (Hardy et al., 2004).

Language and its patterned features are viewed as important tools to understand social context and the construction of these contexts (Braun & Clarke, 2013). Thus, DA takes the importance of the wider social context into account. Additionally, language is understood as a tool, not just used to provide descriptive information (Braun & Clarke, 2013). To get beyond description, discourses must be examined within their sociohistorical context (Hardy et al., 2004). This point is critical for this dataset, as much of the data in the ANPR letters was descriptive. Analysis sought not to capture specific regulatory revision recommendations, but instead to understand the discursive techniques that were used to deliver these recommendations, and how features of the message delivery might offer clues as to the institutional pressures and conflict response strategies employed by CROs.

Rhetoric and narrative are key categories of discursive techniques that DA seeks to understand. The reoccurrence of these techniques and the common narratives that are told help to construct meaning out of data. Rhetoric is centered around persuasion and influence, while narrative conveys a series of connected events—a story. Policy narratives possess the general elements of narrative, are applicable across various policy settings, and can be studied systematically (McBeth, Jones, & Shanahan, 2014). In the policy context, the rendering of the narrative around that context can be a more crucial factor in achieving desired policy outcomes than even concrete actions (Stone, 2012; McBeth et al., 2014, p.225). Through DA of the first data set, the narrative around community reinvestment policy pressures and conflict response strategies could be richly explored for R1.

In fact, DA works well with more general research questions where the goal is to understand implicit meanings and the nature of the phenomenon under study (Gering, 2015). R1 was more general than R2, in that it sought to explore the intersection of private and public sector institutional logics via the lens of institutional work and through the experiences of regulated CROs. It did not attempt to review the specific aspects of a CRO's background or bank structure that might influence these experiences, as was the focus in R2. Rather, analysis on R1 served as the foundation to establish the potential for conflict between commercial and social missions for a CRO. Thus, DA was an appropriate qualitative method to explore how bankers use discursive techniques to define their societal roles and the ways in which they balance market and moral imperatives, in the reconciliation of institutional demands.

Data set one, consisting of 358 letters, was uploaded and analyzed within NVivo. This is quite large for a qualitative research project where samples are usually closer to 15 to 30 (Braun & Clarke, 2013, p.55). However, qualitative analyses of printed text do tend to be quite a bit larger than interview datasets (Braun & Clarke, 2013). Additionally, because R1 was a more general research question to review the potential utility of further exploring the institutional logics and institutional work theoretical lens, this data set was not reviewed in its entirety. Rather, when about 25% of the letters had been coded, data saturation was reached, or the point at which new insights were no longer being uncovered in relation to the research question (Braun & Clarke, 2013). Because additional review of the letters was failing to generate new insights related to R1, and because moving into the second research question was of keen interest, the first data set was only partially coded and the final sample was 80 documents.

Thematic Analysis of Contextual Factors and Reconciliation Strategies to Meet Institutional Demands

Thematic Analysis (TA) was employed to respond to R2. Although TA has been around in various forms since the 1970s, Braun and Clarke (2006) are credited with penning TA and establishing clear procedures (Braun & Clarke, 2013). The authors were frustrated by the lack of a named and more systematic research approach to analyze and identify themes (patterns) across qualitative data. Since 2006, TA has substantially grown in popularity, now being recognized widely and frequently employed (Braun & Clarke, 2013, p.178).

TA is specifically a research method for qualitative data analysis. Thus, it does not prescribe data collection methods, the use of particular theory, or epistemological or ontological frameworks. This makes TA incredibly flexible, inviting to new qualitative researchers, and it can be used to analyze data collected to address a wide variety of research questions (Braun & Clarke, 2013). In essence, TA is a pattern-based analysis that seeks to identify and interpret the most salient features across datasets (Braun & Clarke, 2013). Themes—captured via patterned responses and meanings in the data— capture what is important about the data with regards to the research question. Whereas a code captures one idea, themes have central organizing concepts. Various ideas and aspects of the data (typically captured by codes), cluster together around these central organizing concepts (Braun & Clarke, 2013). In short, codes are mapped together to form themes which interpret the data in connection to the research question of the project. The data analyst actively engages in how to craft these themes into the story the data tells. While the data provides the basis of analysis and the bounds on what is possible to derive from it, the story told in qualitative analysis cannot be entirely pre-determined (Braun & Clarke, 2013). It is possible to create different analyses from the same qualitative data if there were different researchers using different tools. This recognizes that the theoretical lens and the method of analysis influences the overall story of the analysis. It is not possible to represent everything that is said, but the intent is to draw out the most salient features of the data (Braun & Clarke, 2013). Ultimately, there is no one true story about the data, but the story that is told should be "faithful to the data" (Braun & Clarke, 2013). It should be transparent, reasonable, and clearly explained through the theoretical lens.

Although themes can be identified inductively, in a data-driven and "bottom-up" way, they can also be analyzed deductively, "top-down," where the data is used to explore and further develop a particular theoretical lens (p.178). In fact, TA has great interpretive power employed within the lens of a theoretical framework. Without that, it errs on just entailing descriptions of what participants said.

In this study, the foundation for the theoretical framework linking institutional logics and institutional work was already established through the first data set. Thus, the deductive approach allowed further exploration and development of this multi-perspective framework.

Constructs and Coding

This section explains how the research constructs in the study were conceptualized and operationalized and how they connect to the coding and pattern-based DA and TA analyses. Whereas some variables in the study could be directly measured, such as a CRO's age, gender, race, or seniority in the bank, most of the qualitative constructs could not be directly measured as they were more abstract and not easily directly observed (Bhattacherjee, 2012). This section will clarify how these more complex constructs were conceptualized within the context of this research study. This is crucial for clarity, because constructs usually have more than one meaning (Lund Research ltd, 2012). Unidimensional constructs consisted of a single underlying dimension (such as a CRO's age), while multidimensional constructs consisted of at least two or more dimensions. After a theoretical concept is defined, it is operationalized through indicators of measure. Given the fuzziness of theoretical constructs, they tend to be measured via multiple indicators. Analyzing linkages between these indicators aids in research reliability (Bhattacherjee, 2012). Sufficient attention to research constructs during the research design phase was essential to research validity and reliability. We now turn to an overview of the coding process in this study, before moving into conceptualization and operationalization of the research constructs for each of the research questions.

The coding process identified elements of the data that connect to R1 and R2 and their component parts, the research constructs. Phrases of interest were coded and viewed as analytical "building blocks" (Braun & Clarke, 2013, p. 207). These codes were then strung together to develop themes and subthemes, and ultimately, aggregate dimensions. Selective coding was utilized to identify analytic concepts in the data (Braun & Clarke, 2013).[26] While critics may advocate that line-by-line coding is more systematic, especially for theory creation, selective coding can be done transparently and analytically when guided by a pre-existing theoretical lens and analytic knowledge (Braun & Clarke, 2013). This aids in the identification of the relevant concepts and supports theory development. In this study, the first dataset was used to explore the utility of the institutional logics and institutional work perspectives to explain the conflict in institutional demands caused by the CRA. The second dataset dug into the application of this theoretical perspective further. Thus, theory-driven coding was appropriate as an exploration of a particular lens during theory development.

Selective coding was employed in NVivo to code 80 of the 358 ANPR feedback letters, at which point saturation was reached with regards to the initial coding scheme. Saturation is key to how much data is needed, and at this point in the analysis, the data was not leading to new insights (Braun & Clarke, 2013). Sufficient data is necessary for rich insights and a comprehensive story about the case, but an abundance of data may prevent engagement with the data in a way that allows deep examination of the research question (Onwuegbuzie & Leech, 2005). The letters contained significant detail about highly specific reforms that bankers sought with regards to the CRA regulatory framework. The intent of R1 was not to assess the prevalence of specific regulatory recommendations in this feedback, as was likely the intent of the OCC itself in reviewing the letters. Rather, the intent was to examine the discursive features of the text through DA, in order to (a) understand the potential for conflict at the intersection of institutional

[26] Alternatively, line-by-line or complete coding is the process of reading the entire data set with the intention of identifying everything that could be of interest or relevance to answer the research question (Braun & Clarke, 2013). Rather than selecting out components of the data, all data is coded that could be relevant to the research question, in a systematic and thorough manner (Braun & Clarke, 2013).

logics; and (b) to understand the ways in which CROs used rhetoric and narrative as discursive processes of institutional work as they attempted to reconcile these conflicts.

With the second dataset, deep familiarity with the interview transcripts had already been developed when coding commenced because of prior engagement with this data including both during and after the actual interviews. Indeed, throughout the interview period, conversations were transcribed soon after the interview concluded, and reflections and potential themes of interest were noted. Due to the previously developed knowledge from the first dataset regarding the promise of the institutional logics and institutional work perspective in TA, as well as prior engagement with the data, selective coding was again the most appropriate strategy. In this second case, institutional theory guided the coding process, with regards to both material and symbolic elements of institutional orders, including features of CROs' banks, communities, and their individual attributes and backgrounds. The next two sections will describe the constructs and coding for R1 and R2, respectively. Although the relevant codes are mentioned, the full codebook and their definitions is found in Appendix 6.

Operationalization of Institutional Demands and Conflict Response Strategies

Institutional Demands

The first key construct with regards to R1 is *institutional logics*. Institutional logics are the socially constructed norms and practices embodied by sectoral actors (Friedland & Alford, 1991; Lindblom, 1977; Perry & Rainey, 1988; Thornton & Ocasio, 1999). The umbrella concept must then be broken into the specific institutional logics analyzed in this research. The key institutional logics of interest in this study were market logics, bureaucratic logics, and development logics), and hybrids that emerged through the process of analysis, which were labeled shared value logics. A market logic reflects the dominance of the capitalist market system, and is focused on resources, growth and acquisition, and profit (Averch & Johnson, 1962; Bridwell-Mitchell & Sherer, 2017; Dahl & Lindblom, 1953; Downs, 1967; Epstein et al., 2016; Friedland & Alford, 1991; Shleifer & Vishny 1994; Thomann et al., 2016; Thornton & Ocasio, 1999; Wamsley & Zald, 1973). A bureaucratic logic reflects shared norms around public service and the public interest, including regulating private firm externalities that conflict with the public interest, and providing goods and services that are not adequately supplied through economic markets (Atkinson & Stiglitz, 1980; Bridwell-Mitchell & Sherer, 2017; Epstein, et al., 2016; Friedland & Alford, 1991; Lyden, 1975; Rainey, 1983; Viscussi, et al., 2005). It may also reflect dominant beliefs regarding centralization, regulation, and standardization of operations and procedures (Bridwell-Mitchell & Sherer, 2017). Community-based institutional logics may reflect various values, but democratic logics tend to encompass democratic values such as concerns about equity, as well as a development logic focused on community development and concerns such as poverty alleviation (Battilana & Dorado, 2010; Bridwell-Mitchell & Sherer, 2017; Chazdon, 1996; Knutsen, 2012).

A third logic also emerged in the dataset, and thus was also coded; it was labeled “shared value” (Porter & Kramer, 2011). Throughout the letters, there was substantial evidence of compatibility between community development and business missions, as opposed to a strict incompatibility of logics between social and commercial missions. Shared value is the creation of business value by identifying social problems that intersect with business. In essence, it is the belief that public benefit, or advancing the economic and social success of a community where a business operates, makes the business more competitive and profitable over time (Porter & Kramer, 2011). Thus, it is a hybrid of market and bureaucratic logics, with some elements of development logics. However, development logics value clients as beneficiaries (Battilana &

Dorado, 2010), and shared value is more akin to market logics in this regard, because shared value sees clients as customers and sources of income. The key institutional logics were coded where CROs' discourse in the ANPR feedback letters reflected one.

The second key construct is *conflict*, specifically addressing institutional demands. Because institutions provide the guiding principles for individuals' and organizations' work, give legitimacy to norms and practices, and govern the distribution of power and resources, their demands are significant (Pache & Santos, 2010). These institutional demands create pressure or tensions. For example, in the public policy field, policies are intentionally disruptive to private sector institutions, in that they mandate changes to the regulated organizations' normal practices (Smith, 1973). Failure to adhere to public policies typically has undesirable consequences, which increases this pressure (Scott, 1995; Thomann et al., 2016). Individuals that work in more fragmented fields—including cross-sector collaborations or regulatory relationships— are more likely to deal with contradictory institutional demands from each institution where they interface than more linear fields (Besharov & Smith, 2014; Kraatz & Block, 2008; Meyer & Rowan, 1977/1991). Because different sectors hold distinct institutional logics, the norms, practices, and values reflected in these logics are often incongruous and incompatible. The ability to manage conflicting institutional demands depends on how they are perceived. This is where the construct of institutional logics is useful. Dependent on the dominant institutional logics referenced by an individual, their beliefs may be more or less compatible, and therefore more or less conflictual, with institutional demands.

The pressures of institutional demand conflict are reflected through the expression of challenges or struggle (Chazdon, 1996; Oliver, 1991; Pache & Santos, 2010). The primary manifestations of these tensions in the case of CRA are grievances with policy mandates and were related to primacy of the business model and profit motive (including codes such as "local market conditions" (CROs felt that their assessment area limited opportunity for CRA-qualified investment), "inflexibility" (regulations did not adjust to support the bank's business model), and "modernization," or the antiquity of the policy regulations considering technological advances such as online banking), as well as "ambiguity" (unclear interpretation of policy expectations) and the strain of "workload and resources" (the regulatory burden exacerbates a situation where workloads are high and resources are insufficient). The conceptual map for these codes can be found in Appendix 7. The codebook with definitions can be found in Appendix 6.

Institutional Maintenance

Conflict, as defined in this study, is mental struggle due to incompatible demands, specifically, institutional demands in this case. In addition to the manifestations of conflict through grievances, evidence of conflict is clearly identifiable through reactions to institutional demands. Reactions are theorized as institutional work, which is defined here as the deliberate actions of individuals to create, disrupt, or maintain institutions (Lawrence & Suddaby, 2006; Lawrence et al.,2009; 2011; 2013). In this research, these institutional work activities were evidenced in written responses to the OCC regarding proposed CRA policy reforms. These responses can be conceptualized as conflict response strategies (Oliver, 1991; Pache & Santos, 2010). Conflict response strategies, as institutional work, were separated into two main thematic constructs: *avoidance* strategies and *compromise* strategies. Avoidance strategies are theorized as institutional maintenance, in that they are intentional strategies to maintain existing institutional norms within the profession, while avoiding the changes that public policy reform seeks (Cobb & Ross, 1997; Lawrence & Suddaby, 2006; Mahon & McGowan, 1997; Oliver, 1991; Stone, 2012). Within avoidance, rhetorical strategies of agenda denial were first coded. Initially codes were created for “complexity of the regulated profession” (a strategy that depicts a field as too complex for others to understand or regulate), “co-optation” (borrowing the narratives from one’s opponents and using them in your own arguments), and “self-regulation” (strategies for private regulation to avoid more stringent regulations), however, these strategies were not identified widely in the data (Cobb & Ross, 1997; Gunningham & Rees, 1997; Mahon & McGowan, 1997; Malhotra et al., 2019). Denial that a problem existed was the most common agenda denial strategy noted. Then, narrative plot strategies such as “stories of decline” (tales about conditions getting worse without specific actions being taken) and “stories of control” (tales that certain actions can enable attainment of previously unreachable goals) were coded (Stone, 2012). Narrative characters were also coded, such as banks as “heroes” in their communities and banks as “victims” of undue regulatory burden (Stone, 2012). Furthermore, policy narratives with “villains” were coded, such as credit unions (who are not regulated by the CRA), large banks (who are blamed for the CRA, this was also conceptualized as “antipatterning” (depicting issues as isolated incidents) following Mahon and McGowan (1997)), or the regulatory bodies (who enforce the institutional demands of public policies) as villains. (Stone, 2012).

Institutional Change

Conflict response strategies of institutional work can also include *compromise*, which entails a blending of qualities between institutional logics (Besharov & Smith, 2014; Kraatz & Block, 2008; Thomann et al., 2016). In this case, it is the blending of the market and bureaucratic logics. In this scenario, as opposed to maintaining the status quo, actors enable institutional change over time through compromise in response to institutional demands. Here, institutional logics hybridize over time, evidence of adaptation to the institutional pressures of imposing institutional demands. The primary evidence of compromise was specifically the emergence in the data of a hybrid logic, “shared value,” which was coded as such (Porter & Kramer, 2011).

Operationalization of Contextual Factors and Reconciliation Strategies

The second research question builds on the first, thus there was a continued interest in the relationships of institutional logics and institutional demand conflict. After the analysis for R1 had shown evidence of conflict in institutional demands through the response strategies of CROs, R2 was explored in order to introduce the environmental—or contextual—influences that could affect the ability to more or less skillfully manage and reconcile these institutional demands. Specifically, the key categories of inquiry from R2 need additional explanation, including bank features, communities, and individual attributes and backgrounds. They will be overviewed below within the wider aggregate dimension of institutional work of which they are part. The institutional work framework, which comprises of structural, conceptual, operational, and relational work, is adopted from Cloutier et al. (2016). This framework both informed the theoretical development of the study and the composition of the interview questions, alongside other pertinent literature. However, the empirical data were initially coded more loosely, leaving this framework to the side. During the data analysis, after all of the codes, themes, and higher-order themes had been mapped, the appropriateness of Cloutier et al.’s model emerged as a particularly well-suited framework for the aggregate dimensions of these themes. The framework is intended to aid in our understanding of managerial efforts to implement public policies, specifically how managers reconcile government mandates with their organizational and individual missions. Following Cloutier et al., however, the framework is utilized as a conceptual and analytical tool, and the categories should not be seen as silos. The institutional work categories are recursive; each category is part of the whole, and the elements of each type of work are intricately linked with elements of the others.

Structural Work

Structural work, the first institutional work strategy, entails the efforts of managers to establish formal rules, procedures, roles, and resource allocation models within an existing or new policy framework (Cloutier et al., 2016). The multi-dimensional construct, *organizational culture* (under the umbrella theme of bank features in R2), fits first here, as well as under the next dimension of conceptual work. There is little consensus on what organizational culture is (Watkins, 2013), making it especially important to define here. In this study, *organizational culture* is understood as the forces that shape patterns of behavior in organizations, including how behaviors are legitimized through incentives or sanctions, as well as the collaborative process of sense-making and shared norms (Bridwell-Mitchell & Sherer, 2017; DiMaggio & Powell, 1983; Scott 1995; Watkins, 2013). Thus, organizational culture has material or structural elements, as captured here, as well as more symbolic elements. Internal structures, such as how job roles are structured, departmental composition, and authority of various positions within the bank are all understood as dimensions of organizational culture. Codes included "100% CRA" (the CRO's job responsibilities were entirely related to CRA as opposed to many bank regulations) and "many hats" (a CRO was responsible for many banking regulations or compliance functions within the bank), where the latter included "back-end data analyst" (the CRO had to comb through extensive bank data to identify CRA-qualified activity, but had very little opportunity to influence actual CRA activities), "lending portfolio" (job responsibilities of the CRO included a lending or investments portfolio, such as affordable housing), and "regulatory compliance soup" (responsibility for multiple complex banking regulations where the CRO had difficulty comprehending all that the CRA or other regulations entailed). An additional code set was “workload,” which included “managing data,” which was connected to the challenge to collect, document, and analyze all of the data required for CRA, and “ambiguity,” which pointed to unclear interpretations of the policy (Cloutier et al., 2016; Garrow & Grusky, 2012; Lipsky, 1980; Marinetto, 2011; Matland, 1995; Maynard-Moody & Musheno, 2000; Watkins-Hayes, 2009). Additionally, the internal structure of “authority” was coded, which was evidenced in the ability of the CRO to influence structural requirements of policy mandates as well as conceptual understandings. Other variables that could affect structural work were more easily and directly measured, and included the bank regulator, asset size, exam method, and exam rating. The conceptual map for this set of codes is in Appendix 8. The codebook with definitions can be found in Appendix 6.

Conceptual Work

The notion of conceptual work captures efforts by managers to cement belief systems, norms, and shared sensemaking consistent with policy mandates (Cloutier et al., 2016). It requires managers to develop an understanding around what policies mean to them, and then to bring others alongside them consistent with those notions. Conceptual work entails two constructs that are related to the social construction of the individual. The first is *worldview*, or the CRO’s CRA worldview, which entails one’s conceptions of the world around them. In the context of this study, the interest is on the manager’s worldview about the CRA, which specifically points to their broader notions and internalizations of the mandates. This symbolic construct gauges an overall understanding of what CRA policy and being a CRO actually mean to the CRO. For example, does CRA offer a market opportunity? Two codes in response were “CRA is profitable,” as well as “CRA isn’t profitable.” The first was evidenced in CROs discourse around whether CRA activities offered market opportunities while the latter more directly either did not calculate profit at all (de-coupling functions) or the CRO specifically voiced that CRA was not profitable. Additionally, what was the CRO's view on whether CRA has made a difference? CROs varied on whether they believed that the CRA has had a greater impact on capital access than would have already been achieved through the market alone.

The second construct connected to social construction was personal identity. *Personal identity* is our individual identity, or those traits or attributes which are defining or distinguishing about an individual (Olson, 2002). In this study, social constructs such as race and ethnicity, gender, and age group were understood to be part of personal identity, as was the geographic region where the CRO worked. While age and region are not necessarily social constructs in themselves (your age is defined by the year you were born, and your region is simply where you live), they have socially constructed elements regarding how our age groups or region of the U.S. are viewed by others and ourselves, and thus were considered as part of personal identity. Region, race, gender, age, and region were directly measured via the demographic questionnaire, while race and gender were additionally explored within the data.

A key variable of organizational culture is organizational and leadership *commitment* to CRA. How much support has been pledged? First, whose responsibility is the CRA? It is the sole responsibility of the CRO? Or do others in the organization, such as the loan and investment officers, have a key role to play? The related codes include "CRA is everyone's responsibility" (where bank leadership embraced a distributed vision of CRA implementation throughout the organization) and "CRA is your responsibility," where the CRO was fully responsible for compliance. This could entail analyzing every loan searching for CRA activities that could be documentable. Additionally, this conceptual variable entails consideration of the organization and leadership's commitment, but commitment to what? Codes included "commitment to CRA performance," where bank leadership sought an outstanding CRA rating, and "commitment to community," where bank leadership voiced support for the community more broadly, recognizing the importance of economic development. A final element of organizational culture was the organizational and leadership conception of what type of work is required for CRA and whether it is compliance alone or necessitates community outreach. These were the final two codes for this section. The first was evidenced where the CRA was viewed in the same category as other banking regulations and necessitated analytics and checklists of activities and amounts. In the latter, CRA was viewed more as community development, and thus it necessitated community engagement and outreach to enable LMI individuals' increased access to capital.

Operational Work

Operational work is the concept of managerial efforts to implement more on-the-ground or concrete initiatives that will affect how the team involved with policy compliance carries out their work. Operational work is deeply embedded within the community context in the case of CRA. Here, the construct is called *community market context* as an umbrella theme. The community includes the assessment areas where banks operate, while the market refers to the economic activity in that area. Variables of interest for this construct included market competition from non-bank financial institutions, large banks, or credit unions; changing communities (as demographics changed or incomes rose, banks would find that fewer LMI residents lived in their assessment areas, limiting opportunities for CRA-qualified investments); and community pressure on the bank to do more for the community. Market competition also included the code "decline of the community bank," which connects to a narrative around community banks in America declining in numbers due to the proliferation of larger banks, exacerbated by extensive banking regulations and overhead cost. One facet of market context was modernization and its impact on the workplace. A related code was “technology changing the way we work,” where the CRO pointed to new banking technologies and the necessity of advanced data software that might require sophisticated skillsets. Another code was “innovation and intrapreneurship,” which necessitated keeping pace with market needs by innovating new financial products or services for market opportunities. Two other variables of interest with regards to operational work were whether the CROs were banking in their home states, and the number of years they had spent in the community. These were collected via the Demographic Questionnaire.

Relational Work

The final aggregate dimension of the institutional work framework, relational work, entails managers’ efforts to build trust and collaboration between the people involved in policy compliance. Relational work is intimately connected with the other three types of institutional work, and in fact without it, the others are unlikely to be successful. Relational work requires trust and collaboration between team members (Cloutier et al., 2016).

The aggregate dimension of interest here, relational work, was a primary mechanism for expressing CROs’ individual attributes and backgrounds. This is because the ability to both trust oneself and for others to hold that same trust while working collaboratively, is intricately linked to the social construction of the individual. Social construction refers to the notion of how individuals develop their knowledge of the world through social interactions. These understandings are historically and culturally situated (Burr, 2015). They are also core to the construction of trust. There is one key construct of interest here, *professional identity*. *Professional identity* is understood as one’s professional self-understanding based on beliefs, values and experiences (Ibarra, 1999; Slay & Smith, 2010). It also has been defined as internalization of the norms of a profession leading an employee to think and act like a member of that community (Welch et al., 2020). Professional identity included CROs' self-understanding of their professional roles as outreach or compliance professionals, where the codes were "CRA necessitates community outreach" and "CRA equals compliance." These themes refer to divergent understandings of what being a CRO entails, including community engagement versus a focus on regulatory compliance. A final set of codes was within the area of professional interactions. This set included "in their shoes" (interpersonal relations with the team were enhanced because the CRO had held similar roles to others previously and understood what the day-to-day of other teammates entailed), "teamworking" (the capacity to effectively cooperate to accomplish collective goals), and "agreeableness" (the aspect of professional identity that leads to contentment in the workplace and investment in one's work and relationships) (Wilmot & Ones, 2022). Additionally, the personal identity variable of gender was included here, because as expressed by women CROs, gender was an aspect of their professional identity. Professional identity also included the more directly measurable variables of seniority in the bank, years with CRA responsibility, and years in banking, which were included in the Demographic Questionnaire.

Summary

Throughout the coding process, patterns in the codes became themes. Themes identified early on in the data (even as early as the written reflections immediately after each interview) were provisional. They were let go where they did not provide the most interesting ways to look at the data (Braun & Clarke, 2013). Qualitative analysis is an iterative process. Themes and subthemes, as well as numerous codes, were organized and reframed multiple times as the data became more familiar. In analyzing the data for the research questions, revisions of the NVivo mind maps could be made while saving copies of the earliest drafts. Once the map was satisfactory, the map was automatically turned into codes through NVivo's "Create as Codes" feature in visualizations. After that point, numerous rounds of adjustments were made in concert between the code map and the NVivo codes to better capture the story of the data.

After themes and subthemes were identified, the analysis could be more fully developed. This is the point at which the researcher starts to interpret and make deeper analytic sense of the thematic patterns that have evolved from working with the data. At this point, writing of the findings commenced, as in fact, writing and qualitative analysis should be done in parallel (Braun & Clarke, 2013). The next chapter will explicate the findings of the analysis.

Chapter Five: Findings

Introduction

This chapter discusses the primary findings of this dissertation in two parts, supported by the empirical evidence. The subsequent chapter will discuss these results and elaborate upon how they fit into the existing literature, as well is what is novel and adds to our understanding about policy implementation.

The first data set was analyzed via the theoretical lens of institutional logics and institutional work to understand the extent to which the perspectives can explain institutional demand conflicts and actor-level responses. The report of the findings from the first data set will begin with a presentation of the discourse that reflected dominant norms embodied by CROs. It will then move into the specific pressures and responses that CROs express with regard to CRA regulations that they see impacting their work. These findings are presented in *Part One: Institutional Demands and Conflict Response Strategies*. These findings were primarily informed by discourse analysis of the first data set in this study, 80 letters written by bankers to the Office of the Comptroller of the Currency (OCC) in response to a 2018 Advanced Notice of Proposed Rulemaking (ANPR) requesting public and banker feedback on proposed regulatory changes.

A development research strategy was employed in this study. Two sets of data, collected via different research methods, were analyzed to generate rich observations about the experiences of private sector managers—Community Reinvestment Act (CRA) officers (CROs)—and how they interpreted institutional demands of public policies. The analysis indicated that the institutional logics perspective holds promise in framing the responses. The analysis was further enriched by in-depth interviews with a smaller sample of CROs to draw out more contextual data regarding how CROs reconcile institutional demands stemming from public policy, as well as the contextual or environmental factors that influence their interpretations and reactions. These findings were informed by 23 interviews with CROs who worked for banks who responded to the ANPR. These findings are presented in *Part Two: Contextual Factors and Reconciliation Strategies for Institutional Demands*.

Part One: Institutional Demands and Conflict Response Strategies

Research Question 1 (R1): *To what extent can linking the institutional logics and institutional work perspectives illustrate the potential for conflicting institutional demands created by the Community Reinvestment Act (CRA) for regulated banks, as well as the conflict response strategies of managers who are responsible for policy mandates?*

Institutional Demands

To address the question of whether institutional logics and institutional work perspectives may help to explain the potential for conflicting institutional demands created by the CRA, data set one was analyzed for references to institutional logics (including bureaucratic, market, or development logics).

First, findings regarding the dominance of a profit-first discourse, reflecting a market logic, will be presented in this section of the chapter. Evidence of bureaucratic and development logics will be returned to under the section of this chapter labeled “Institutional Change.”

Profit-First: Dominance of the Market Logic

In letters to the OCC where they had been invited to comment on the ANPR, bankers, such as the respondent identified as “Gary,” described the need for reform of the CRA such that it would align with their business models and practices so that they could continue to be “engines of economic growth" for community development (CD).[27] Many conveyed that through their lending and investment activities, economic development was catalyzed through the infrastructure improvement, new businesses, and jobs that were created. Banks contribute to development by providing access to capital, they maintained, thus associating the capitalist market with economic growth, which may include, but is not exclusive to LMI communities in the dominant viewpoint.

Gary stated simply that banks take "pride in being engines of economic growth," a concise summary of the prevalent view expressed by bankers that banks are economic development catalysts. Many respondents asked that banks receive CRA recognition for economic development more broadly, including for "projects that benefit the entire community," or for "workforce development [and] financing the construction of infrastructure and community service establishments, such as hospitals," "to upgrade sewer lines…" or for "homeless or abuse shelters; drug addiction facilities; neighborhood revitalization projects; [and] financial literacy," as well as "libraries, theatres, [and] youth/senior centers…". Craig suggested that community development loans and investments receiving CRA credit should count financing of community infrastructure "without regard to LMI geographies. Not allowing these loans/investments to be considered as CD limits the economic development of all the communities a bank serves." Another anonymous banker suggested that its own investments count for CRA, as it spent "millions of dollars building branches, building operation centers, and hiring employees in and from LMI communities."

[27] To protect the identity and confidentiality of submitters to the ANPR, they have been assigned pseudonyms. Where they submitted anonymously, the anonymous terminology was retained. All of the comments and letters are available via the online repository (GSA, 2018).

More directly focused on LMI individuals, Brighton Bank proposed that “job creation and economic development initiatives in LMI communities should all count for CRA consideration” and that the CRA not overly focus on low wage jobs such that they are prioritized over better paying middle-income opportunities.[28] Another bank shared a few examples of indirect impacts of investments in moderate- or higher-income tracts, which could attract new businesses, and create jobs for LMI individuals (William). “Shouldn't the standards reward banks for lending to all companies that hire people regardless of the wages those companies pay” (Charles)?

The narratives often included comments about banks’ profitability and market competition. Edmund asked for CRA reforms to be flexible so that a bank would be able “to compete in its local market while maintaining profitability.” Arthur described how inflexible regulations interfere with the free market:

> Requiring banks to meet the lending, service, and investment tests artificially drives funds to certain activities. The CRA regulations should be revised to allow banks to serve their communities more effectively. Inefficient time is spent monitoring this [sic] criteria. This has an impact on time, expense and efficiency.

Market competition was frequently discussed, especially competition between community banks and larger banks. For example, Blythe argued that the regulators’ comparison of banks to one another was challenging for “community banks who have difficulty competing with [the] number of resources and lenders available at larger banks or banks with larger market shares.” Echoing that sentiment, another banker lamented that they had only a small market share in their assessment areas, thus “the opportunities for CRA activities are slim. The mega banks and large

[28] Bank names are also fictitious, and have been assigned pseudonyms where the submission was under a bank name rather than an individual’s name.

regional banks take the majority of loans and investments so smaller banks must get creative when searching the CRA opportunities” according to one anonymous submitter. Another anonymous banker expressed that “it is very difficult to compete with larger banks that lack branches in our area but offer loans here. Since they don't have assessment areas here they are able to make loans to only the best borrowers, those with the highest incomes and the best credit.” In other words, they were able to take the most profitable higher-income customers from the local banks’ market share.

Even for a larger bank, one bank echoed the peer-comparison challenge as a $10 billion dollar bank being contrasted with trillion-dollar banks. Sarah, at this large bank expressed that the even larger banks have “significantly greater resources, capacity and ability to provide a broader range of products…peer assessments need to be tailored to the relative size and operating models of the institutions being evaluated.” Furthermore, the respondent argued that all institutions cannot serve LMI individuals equally. There will always be market leaders. There is “a finite amount of demand for services, investments and loans at any point in time,” therefore, the CRA regulations should not “penalize institutions that fall short of peers when they are also actively trying to serve LMI areas” (Sarah). Understanding these nuances would require a more localized lens of market competition.

Another quote illustrates that in addition to fierce competition for community development products, banks stressed that each market looks quite different from others:

> Opportunities vary from market to market and what is available in a major MSA may not be available in a rural, underserved, or distressed county. For example, in certain Assessment Areas, there is a limited availability of qualified

> investments and multiple banks competing for the same community development dollar (Kathryn).

William echoed this sentiment, arguing that a bank's performance must be tied to where it actually has the ability to lend and has a market edge: "How can a bank with a very low market share of deposits and relatively little name recognition in a community be expected to perform at the same level as a bank with a longstanding presence in the community?" Brighton Bank echoed that "banks need time to grow their business and services, develop relationships in the community and expand their operations sufficiently to respond to the credit needs of the community…" Furthermore, allow the bank to determine its assessment area "based on the local economy…then validate if the community is being effectively served" (Jack).

Many banks were unhappy that the CRA does not apply to non-bank competitors, such as credit unions or FinTech companies. To illustrate how this market competition could create tensions for the bankers, one relevant example is a metaphor that expresses frustration with the uneven application of regulations to credit unions:

> Due to the lack of regulation, [credit unions] are able to offer interest rates that our small community bank cannot match and would be criticized by our examiners if we did. *Ultimately, we're playing the same game as they are, but by a totally different set of rules* [emphasis added]. Until the credit unions are required to follow the same criteria as the banks, many of our goals will remain unattainable (Carrie).

Other bankers also expressed that non-bank competitors challenge regulated banks with market competition, where uneven regulation was blamed for exacerbating the problem. Sarah wrote about the number of non-bank mortgage lenders in its market, who were directly competing with banks for loans to LMI populations. “For example, in our California assessment area during 2017, there were a total of 4,250 HMDA [Home Mortgage Disclosure Act] loans originated…There were 590 lenders competing for this limited market of loan opportunities” (Sarah).

Many of the other respondents echoed the call for CRA regulations to apply equally to non-bank competitors: “The time has come for credit unions to be held to the same CRA standards” (Gary); “All banks and financial institutions that function as banks should be subject to CRA. Credit unions, federal agencies (SBA, USDA, and Farm Credit) should all be required to comply with CRA regulations and be subject to regular examinations” (Anonymous). Without CRA regulations being “applied equally to marketplace competitors,” credit unions are able to advertise statewide, yet invest their deposits in the biggest metro areas, just as the CRA does not allow banks to do (Julia). Or as Albert expressed:

> Our institution has been making residential mortgage loans since our inception, and we feel strongly that this is a core part of our mission. Still, between the intense competition from all sides (including credit unions not subject to the CRA and large “factory lenders” like Quicken Loans) and increasing cost of compliance, we are constantly questioning whether or not it makes sense to stay in the mortgage business.

Not only did bankers express that credit unions are gaining more market share without being subject to CRA, it was pointed out that credit unions are exempt from paying income taxes, and thus “one could argue that they are well positioned to reinvest at a higher level of activity than Community Banks that have always and continue to support local, state, and federal government through the payment of our taxes” (Matthew). Agreeing that mortgage companies and credit unions should be held to CRA, Craig argued that "banks should not shoulder the responsibility of community reinvestment alone."

New market products also strongly affect business growth and profitability. "More credit should be given to convenient services such as online banking, mobile banking, text banking, mobile deposit, and even ATM access especially when these services are clearly invested in an LMI geography" (Penny). Sarah also asked for credit for other forms of consumer lending that serve communities, such as "student loans, automobile financing, credit cards and small dollar loans." Another example was Cassandra suggesting that a metric approach to CRA examinations could provide more flexibility that would allow the bank "to choose the products and activities on which we focus so long as we meet the prescribed ratio." Others asked for financial incentives to offer those new products: "Incentivize banks in areas that may need special incentives to lend in an economically stagnant or depressed market…" (Edmund). Furthermore, regulation can stifle modern market innovation. "It is imperative we provide excellent service while also maintaining the latest in banking technology. However, to provide the latest technology, but be regulated by rules put in place over 40 years ago, simply doesn't make sense" (Jack).

In sum, many bankers desired for CRA to better fit their business models and allocations of financial resources that reflect their specific competitive environments and community conditions in which they conduct business. "Understanding the monetary expectations for support, perhaps compared to asset size, customer base or profitability would be helpful in budgeting and allocation" (Jim). More generally, Charles argued that the CRA exam should be "tailored to the bank's business model." Also expressing the need for flexibility in business models, Sarah expressed the "challenges for various business models," where peer analysis reviews lead to evaluations of banks "in areas that might not make sense for the institution." And while Sarah agreed that the general principles of the CRA were legitimate, “reform is necessary to give greater consideration to the way banks do business today.” This idea of flexibility in the regulations was a way for bankers to express that they needed to be able to operate according to their market strengths while focusing on their communities. The regulations need to be “flexible to adapt to changing [market] conditions over time,” to “determine whether more flexibility should be allowed in order to incent smarter development” (Sarah), and to allow “strategic flexibility that allows us to choose the products and activities on which we focus” (Cassandra). And the regulations should allow “for greater flexibility to address the financial needs of LMI areas outside a bank’s assessment area…” as well (Sandy).

Helen provided a closing comment consistent with the common position that the business model of a bank requires that it already do what CRA intends for it to do, so why be further regulated on it? Quoting from the CRA, Helen wrote: “if we were not "helping to meet the credit needs of our communities, including low-and moderate-income neighborhoods, consistent with the safe and sound operation of the bank,” we certainly would not be in business after 74 years.” Helen’s synopsis is the final evidence reported here to illustrate the dominance of a profit-first, market logic in the discourse of the respondents to the ANPR. In the next section, we move into findings related to the evidence of conflict or tensions in the interpretation and reconciliation of the public policy demands of CRA.

Institutional Logics Conflict

The bankers’ letters to the OCC discussed economic development, doing business, and how regulation can constrain profits, such as when it is unevenly applied to diverse market conditions. The letters also revealed tensions of both comprehension and administration of regulatory mandates, particularly due to the ambiguity (or lack of consistency) in policy enforcement, as well as the strain of workload and resources. Some bankers expressed an opposition to regulations more broadly, using the analogy of "big government" intervention, for example. "This is just one more example of a cookie cutter regulation…It would be greatly appreciated if banks of certain size or located in certain populations [could] be looked at differently *instead of big government throwing a regulation blanket on everyone* [emphasis added]" (Anonymous). Similarly, Henry spoke of regulators with "hidden agendas," Benjamin of regulators who "have adopted unofficial CRA goals (e.g. CRA activities should total a certain percentage of assets or Tier 1 capital)," while Christopher pointed out that "like most regulation the current system puts the burden of proof on the bank without any real guidance…" One southern state's bankers association argued that assessment areas are "overly restrictive and arbitrary" and that "tying Assessment Areas to political subdivision boundaries imposes arbitrary barriers to a bank's ability to logically expand the reach of its services to customers by increasing the risk inherent in an unnecessarily expansive CRA Assessment Area" (Blake). In other words, these respondents believed that regulation and politicians should not define the market, but the business model should.

Bankers also expressed that they had to navigate incongruities between multiple regulatory logics. One set of regulations included safety and soundness standards that governed underwriting standards and credit worthiness of applicants. The other set of mandates connected to the CRA encouraged lending to LMI communities who typically do not meet those credit standards: "CRA compliance cannot be a uniform stringent set of rules as there are too many factors that can affect a bank's ability to compete in its local market while maintaining profitability as well as originating safe and sound loans" (Edmund). Jack suggested that banks under a certain asset size not be regulated by CRA so that the bank could "focus on safety and soundness and the many regulations which have been added over the last 40 years." And Edmund proposed that regulators address the safety and soundness of lending in certain LMI areas on behalf of banks, and then incentivize lenders to lend in those markets, as opposed to "[forcing] a bank to make unsafe and unsound loans that will take years before they will manifest losses as a result of doing so." One banker expressed that as long as LMI individuals qualified for their loan standards, they would be happy to lend to them: "We are happy to lend to low to moderate income individuals that qualify for our mortgage loan products and meet our normal lending underwriting standards" (Paul). However, LMI individuals often do not qualify for normal underwriting standards.

Others conveyed how government regulations have allegedly "damaged" their profits: "Just as loan documentation and collateral requirements choke off lending to small businesses and first-time homebuyers, overly aggressive CRA rules have the same effect" (Anonymous). For another bank, "*due to regulations implemented by government agencies* [emphasis added], the bank no longer makes loans on owner-occupied residential real estate. The elimination of these loans has caused [sic] our loan-to-deposit (ltd) ratio to decrease substantially. This also affects our income" (Anonymous). Or returning to Albert, who had detailed the difficulty of making a profit from mortgages solely within his bank's assessment area, his bank was originating mortgages from outside communities where it had branches but was "concerned that [the bank would] have negative repercussions in [its] next CRA exam because of it." He seemed incredulous that policymakers and bureaucrats would be complacent in the bank taking a profit loss: "I personally can't believe there is any regulator, or legislator, that would prefer we got out of the mortgage business altogether because we can't make money on it serving only our core market."

In addition to more general objections about regulation and interference of "big government," the bankers also expressed specific grievances about the CRA policy framework. The primary additional grievances could be categorized as ambiguity and strain of workload due to committing additional resources.

With regards to ambiguity, defined previously as an inability to comprehend the intentions of policy makers or regulatory agencies, many of the concerns centered on the lack of consistency with policy enforcement, subjectivity of examiners or the challenges of not knowing what would count or how to predict performance on a CRA assessment. In fact, ambiguity was the most common code in the first data set, as references to ambiguity were coded 127 times across 64 of the 80 files. Bankers asked that the CRA reforms "not make it more cumbersome with ambiguity; [CRA] should be reformed with clarity and plain language…" (Carol) and expressed struggle with the ambiguity of the regulation: "The biggest struggle I have with CRA is that the regulation is vague in many key areas…" (Amber).

Joanne stated the challenge with interpretation of CRA due to policy ambiguity concisely: "Are the current CRA regulations clear and easy to understand? No. The regulation is very "gray" in areas and left to the interpretation of the examiner." Or Nathan: "No, as a whole, the current CRA rating system is not objective, fair, or transparent. In fact, the rating system has become more subjective than ever." Charles wrote: "The regulation is very convoluted, and the commentary has gotten so voluminous it is hard to get your hands around. I suggest scrapping all the commentary and write a regulation that is straightforward and much easier to comply with." Other bankers echoed this: "it creates a level of guesswork…" (Blythe); "the reasoning is inconsistent and unclear" (Darren); "it should be clear and conspicuously written so that it does not leave open the opportunity for variance in interpretation" (Linda); "There is also a lack of predictability regarding CRA activities…" (Daniel); "CRA regulation and supervision have become overly complex, unpredictable…" (Gary). Many of these phrases occurred numerous times across separate letters. A quote from Gary summarizes many of the opinions expressed by other bankers:

> There is a lack of predictability regarding activities that count for CRA credit. Regulators should provide clarity regarding activities that receive positive CRA consideration. Challenges arise when: an activity qualifies for CRA credit during one exam, but not the next; a bank believes that an activity will receive CRA credit, but does not; and a bank is unable to obtain confirmation in advance that an activity will receive credit.

As Gary expressed, a lot of the ambiguity for CROs is around which activities are CRA-qualified. "An area of confusion that has plagued bankers is trying to understand what counts towards CRA credit" (Alice); "we have experienced inconsistency from exam to exam regarding activities that count for CRA from our regulator…" (Tina); "In particular, there is a lack of predictability regarding activities that count for CRA credit" (Lucas). Additionally, perceived lack of transparency is linked to ambiguity: "I do not feel the current CRA rating system is objective, fair, and transparent…there is no clear definition on what innovative, complex, or impactful really is and [these] can be very subjective and therefore, not clear or transparent" (Penny). Furthermore, this perceived lack of transparency around activities that would count for the CRA felt like regulatory failure for some. Without proper guidance, "how is the bank to make strategic investment and loan decisions? The CRA regulation has failed if banks are unable to determine if an activity is likely to receive positive CRA consideration during examinations" (Anonymous).

Some of this ambiguity was attributed to the inconsistency and subjectivity of bank examiners. For example, Tina, asked, how can we judge "our performance when we do not have clear expectations set for us by our regulators"? This sentiment that the regulators and examiners have not set transparent expectations was broadly shared. Hyperbole was one rhetorical strategy used to express this frustration: "One very knowledgeable regulatory compliance attorney noted that a qualified CRA investment is '*Whatever the examiner says it is. And that can change if it's raining outside* [emphasis added]!" (Betty). Comments that echoed this frustration included, for example: "[there are] inconsistent performance evaluations between and within agencies (and even amongst field examiners)" (Blythe), and "examiners have inconsistent expectations regarding documentation standards" (Alice); "CRA is indeed a very subjective regulation…[it] depends on subjectivity issues of the examiner" (Edmund); And there are"…several areas of subjective grading that exist in the process…" (Clyde). "This leads to a lack of transparency and consistency regarding the assignment of CRA ratings…[which are] too subjective and often depend[] on which examiner conducts the exam" (Alice); "CRA credit appears to be subjective amongst examiners; what one examiner gives credit for another may not" (Sandy). Sandy's northeaster bankers' association then suggested a training opportunity to their regulator: "We believe the OCC should also develop universal examiner training to ensure examiners are consistent and not subjective when conducting CRA examinations."

Other bankers not only expressed their own views but contended that it was a common concern among CROs in their professional networks with whom they had discussed these issues: "No, the current regulation is not applied consistently because it allows interpretation…Peer discussion indicates that there is no consistent application for identifying CD activities. Interpretation is left to the discretion of the examiners…" (Kathryn); "Based on discussions held at our regular meetings, the underlying criteria used to arrive at the final grades are not uniformly applied, neither across agencies, nor even by different examiners from the same agency on consecutive examination cycles" (Peter). And Penny explained:

> What I consistently hear from other CRA Officers is that Community Development activities "count" depending on your regulator and, more specifically, your examiner. The current system seems to allow for much discretion on the part of each regulatory agency and on the part of the individual examiner.

Many bankers expressed confidence about CRA modernization to address these pressures. For example, Sarah declared that it "supports many of the concepts necessary to modernize the framework to continue to encourage lending and investment in our communities and provide greater clarity and transparency for CRA related activities and CRA performance evaluations." And William closed his letter with: "we feel this is an opportunity to provide clarification and uniform performance standards that will assist banks in striving to meet regulatory expectations for outstanding CRA performance and to even better serve our communities. The need to modernize the regulation and ensure that it reflects the changing banking industry and the changing needs of communities is evident to all." Others asked for the CRA to be rewritten with less ambiguity:

> It would be very beneficial if the CRA was rewritten so that clear objectives are outlined for the different size entities with the expectations under each test, clear examples of investments that may be attainable depending on the size of the bank, clearer definition of community development loans according to the size of the

bank or category, tools for the collection of CRA service reportable criteria, etc. (Carol).

Some bankers offered input regarding how CRA reform would help them to better manage this ambiguity, particularly regarding access to data and software tracking systems. There was not universal agreement, however, that an improved metrics-based system would be beneficial. For example, Cheryl contended that a metrics-based framework would actually not "increase transparency" and that the "quality of reinvestment activity matters just as much as quantity." She was wary of focusing too much on the dollar value of loans, and not enough on the nature of those loans. But many bankers were interested to make better use of shared metrics and databases. For example, "with the proper databases [banks] could have a wealth of information at our fingertips that could essentially tailor a metric framework bank by bank." (Penny). Penny went on to suggest that this database could offer information on assets, deposits, capital, and community development service, loans, and donations, so that banks could benchmark with peers and determine their baseline. Jim added that financial ranges could also be established for donations and investments, along with standardized data tracking systems. One of the bankers' associations found that "Community bankers generally support a more objective and quantitative based approach to CRA performance. A metric-based system could be beneficial for both banks and examiners in helping manage objectives and could add much needed predictability and transparency" (Betty). Brighton Bank also felt that the introduction of metrics for CRA performance would enhance understanding of performance expectations and offer "greater clarity with regard to expectations." They additionally argued that:

> Examiners should be transparent about the databases they use to assess performance and the assumptions they use to do their evaluations. If using

> proprietary data bases, examiners should disclose their assumptions. Banks should have access to data and information used by regulators that will help to improve their performance prior to their exams.

Carol suggested that banks be given access to the regulators' tracking software.

> The software and collection mechanisms/tools need to be reviewed and determine which are the most beneficial for tracking and determining what "counts". If they were made easily accessible and not so costly every bank and regulator could use them so a more accurate comparison could be made from bank to bank.

Similarly, Craig offered that banks could better "monitor or improve their community development lending performance" with "real time data" from the regulators leading to better tracking, and improved "CD lending strategy to achieve desired outcomes, resulting in greater support of economic development in our communities."

In addition to access to the databases and metrics of the regulators, many bankers requested clarity on "activities," or the financial services, investments and loans to specific organizations or initiatives, that would count: "We believe the OCC should look to create a list of acceptable CRA worthy activities that banks can look to when trying to achieve credit" (Sandy); "there needs to be a more specific definition given that describes what is allowed and or counted when examiners are reviewing a bank's Investments" (Carol); "provide clarity regarding activities that receive positive CRA consideration through an illustrative, but not exclusive, list of approved CRA activities and a timely process through which banks could receive advanced confirmation of eligibility for credit" (Blake).

Some bankers pointed out that the ambiguities of the law made it difficult to communicate to other internal or external stakeholders, such as bank leadership or their communities: “Without a defined standard, it is difficult to advise bank management on when an assessment area should be expanded” (Amber); “While the CRA regs [sic] are generally easy to understand for those who are intimately involved in the Community Development arena, the regulation is not clear to all senior level bank managers or to community groups” (Peter). And the reform could offer a way for CROs to manage internal expectations: “A metric-based approach would make regulatory expectations known and reduce subjectivity. A metric would also enable a bank’s executive team to establish CRA goals, obtain Board signoff, and have confidence that the bank will receive a particular CRA rating if it achieves those goals” (Eric). In addition to more clearly communicating to other stakeholders in the CROs’ spheres, some simply asked for more clarity so that they could spend more time on intent of CRA, community development:

> Providing clearer guidance in what is expected of a bank would be helpful to ensure a bank is meeting the needs of its communities and surrounding areas so it can spend more time developing programs, products and/or services to assist those that may be unbanked or underserved (Benjamin).

Bankers argued that they knew their markets and were best positioned to be responsive and innovative to serve their respective community development needs. Speaking on behalf of their many members, a midwestern bankers association pointed out that “the needs of the community are often fluid in nature and require a system of evaluation/interpretation that is very specific to knowing that market. Being highly responsive to the community needs often requires the bank to be innovative.” Furthermore, the association wanted to recognize that the tensions experienced by CRA regulations were more with regulatory practice than with the underlying intent of the law:

> Our members want to do what is right for the communities they serve. They want to fulfill, and often surpass, the expectations of the spirit of the Community Reinvestment Act in their operations, practices and culture of their organizations. Having greater certainty of the expectation, the evaluation of the overall investment to CRA and consistency of what qualifies is needed. Banks also need a process to ensure that an area of investment that they feel is highly responsive to their community needs will be recognized in their evaluation (Ron).

Indeed, many bankers asked that the CRA lessen ״additional compliance burdens to the financial institutions whose business model[s] reflect [] the very nature of the Act itself — community banks” (Helen).

The perceived ambiguity of CRA was also said to create a workload and “compliance burden” for CROs (Anonymous). Much of the time, this often-cited regulatory burden was related to time pressures to both engage in and document activities that would count for CRA. For example, Sarah expressed that her bank “spends hundreds of hours partnering and engaging in CRA programs…as well as vying for loans and investments.” Much of the time the programs don’t count for CRA and the loans or investments don’t come through. Two quotes further illustrate the time burden that ambiguity causes:

> We are spending hours trying to find "proof" that a loan will qualify without knowing what kind of proof will actually satisfy the examiner. All while knowing what worked last time may not work with the next examiner. This *ambiguity*

causes confusion and takes time and resources that community banks don't often have [emphasis added] (Darren).

Oftentimes*, a considerable amount of time and resources have been invested* [emphasis added] in loan, investment or service activities that one agency has determined eligible for community development merit, only to discover at the time of examination by either the same or another agency the activity will not receive positive CRA consideration (Cheryl).

As expressed above, the time pressures are often related to research and documentation. For example, "each bank is spending lots of time "proving" an entity qualifies when probably every other bank in the area has already "proven" that the entity qualifies," while any additional tracking of loans would add to an already "heavy tracking burden" (Penny). The organizations, such as nonprofits, that must be investigated and documented can range in the hundreds: "Annually, we can investigate and gather documentation for over 900 nonprofits, which requires significant time and resources."

Eric echoed the theme of wasted time, mentioning that individual CRA examiners are requiring different methods of calculation on community development loans, leading to the need to redesign their analytic processes multiple times: "This caused confusion, wasted employees [sic] time, and resulted in inconsistent CRA credit…"; "the amount of time it takes to document any and all events that qualify under our tier of CRA regulations is overly burdensome" (Hubert); "an enormous amount of time is spent tracking, researching, and documenting loans, investments and services to LMI income geographies that we believe would qualify for Community Development only to be told that it does not qualify at time of examination" (Linda); "banks spend a substantial amount of time reporting and documenting the CRA benefit of an initiative, project or activity, without necessarily having clear guidance about how acceptable the documentation will be to examiners" (Brighton Bank).

Although closely related to time, educating and keeping track of staff was mentioned as a workload barrier as well. Jason noted that "the first challenge is educating our staff on what qualifies for [community development] loans, services, donations and investments." "Educating and empowering staff to make qualified donations [is] difficult because there is uncertainty as to whether they will receive CRA credit at the next exam" (Blythe). With regards to knowing what staff are doing for community service, Jack shared that "we feel our employees are either our best asset in the success of the bank or our largest struggle…We have chosen to encourage and support employees as they become more involved in various organizations and activities within our community." Similarly, another banker complained that "the cost of maintaining and correlating activity diaries across hundreds of employees is expensive and unproductive" (Anonymous).

Time for compliance and education of employees regarding regulatory mandates also requires financial overhead, and "is both expensive and confusing" (Betty). "Regulatory reporting costs could be significantly reduced if CRA regulatory agencies provided greater clarity and consistency about which activities qualify and offered guidance on what documentation is sufficient to report" (Brighton Bank). Daniel called on the regulatory agencies to "reduce the cost and burden of CRA evaluations…Any new CRA related costs need to be offset by an easier framework to operate under." And one banker went so far as to say that CRA was the most expensive and least effective banking regulation: "Currently CRA compliance is one of our most expensive compliance burdens while at the same time, we believe, one of the least effective in achieving its stated goal of increasing lending and investment in LMI neighborhoods” (Anonymous). One banker even put this time into financial terms, noting the time required to prep the data for CRA: “Tracking involves 10 hours a month costing on average $250 a month and $3,000 annually” (Anonymous).

The workload is also sometimes necessarily passed onto partners, placing strain on those relationships. For example, Tina explained how her bank was not able to count donations to United Way because they donate to entire communities rather than specifically to LMI, thus they would need to ask United Way to document the LMI portion. This burden “has caused strife between the bank and the organization.” Similarly, Benjamin expressed that “banks should not be expected to micromanage nonprofits and document the precise area to which every dollar goes.”

For some bankers, the workload of the CRA was unbearable. For example, Anthony described how he had been with his bank for 25 years and that this was the first time he had “felt the imperative need to comment on proposed regulation reform.” This was because the “current CRA regulatory framework is entirely unfriendly and over cumbersome on any community bank, regardless of asset size, that is located in a smaller populated rural area…” Anthony expressed that it was his “*sincere and urgent request* [emphasis added] to “exempt or re-define” how small banks in rural communities are evaluated. Similarly, Henry, called for CRA regulations to “be simple and reduce the cost of administration. Documentation needs to be streamlined. *Please don’t allow this to be another reason small banks sell* [emphasis added].” And Jack declared that “documentation requirements to maintain an exam rating which does not matter to the community is a waste of valuable resources. This move would be the first of several necessary changes *to ensure community banking does not become extinct* [emphasis added].”

As with the call to clarify the regulations, bankers expressed their desire for the regulators to lessen the regulatory burden so that banks could "continue to meet their community's needs far into the future" (Julia). "We have provided the preceding points of interest that challenge our bank's CRA resources and time, in hopes that modernization will provide relief to enhance our efforts to focus on ensuring that all of our communities have greater access to credit, community development services and economic development" (Cyrus). The workload and "voluminous double reporting…creates unnecessary administrative burden and siphons resources away from entities serving underserved communities" (Don). And while one bank's "efforts are done with a great sense of pride…the complex CRA regulation focuses more on accomplishing number goals versus assessing and serving the needs of the areas we operate in" (Lynn). In other words, if the business cannot be profitable, it will not be able to serve the community at all, including LMI and underserved populations.

Even so, a retired CRO offered the most biting critique of the industry's complaints about the regulatory burden in his declaration that the intent of the CRA "was never to establish a checklist approach so banks could fulfill the requirements of the law without achieving anything. *Burden is an excuse that inefficient banks use to increase their profits rather than improving their services or products for their customers* [emphasis added]" (Steve).

Institutional Maintenance

Evidence of conflict with institutional demands was presented in the previous section. This section will focus more specifically on the discursive and narrative techniques that bankers employ in reaction to the CRA, as they attempt to maintain their existing business practices, avoid further regulation, or even go back to the old way of doing things. Analysis specifically examined bankers' use of discursive strategies, such as narrative and rhetoric, as they attempted to avoid further regulation.

Conflict Response Strategies: Avoidance

Bankers may seek to avoid regulation via a number of strategies of agenda denial that were evidenced in letters to the OCC, primarily centered around denying that a problem exists. For example, bankers may deny that a problem exists and conclude that they do not need to be regulated. For example, the following comments indicate that banks would serve their communities effectively regardless of the existence of the CRA: "Community reinvestment is necessary for the bank to be profitable" (Jack). "As a locally owned and organically grown organization, we have long been committed to safe and sound banking practices and serving the needs of the communities in which we do business" (Sarah). "We are part of the fabric of our community…It seems counter intuitive that a rural bank like ours wouldn't be serving its community" (Barbara). "If a community bank does not serve its community, it will not succeed" (Kathryn); "clearly community banks are dedicated to the areas [where] they conduct business" (Henry). Similarly, "we are committed to the goals of meeting the credit and financial services needs of our customers and communities. Our survival depends upon meeting this goal" (Carl); "our community bank [] must meet the needs of its community for its survival, regardless of regulation" (Jason). "We are a reflection of our community, we live and die by how well our community thrives. We lend, support and invest to make our community better. These items which enhance our community should be awarded CRA credit" (Daniel). "Having worked in many small town banks, all of them not only went above and beyond with their customers and towns, but they were above and beyond according to what was required by CRA" (Anonymous).

This rhetoric indicated that the regulation is useless. By arguing that the situation would not change with or without the regulation, the bankers are indicating that no problems exist.

Worse yet, the CRA was simply painted as entirely ineffective by one small community bank in the south: “The current regulatory framework *does not support the goal* [emphasis added] of effectively serving the convenience and needs of the entire community and encourage banks to lend, invest, and provide services to LMI neighborhoods based on today’s banking environment” (Anonymous).

For many banks, this felt quite personal. For example, recall Helen, who felt that if the bank was not meeting credit needs of its communities, how was it still “in business after 74 years”? “CRA, in reference to my bank in an undesignated rural town of 600 people, has little value to consumers or regulators” (Kerrie). “We do this in order to be successful as a bank and not to meet CRA requirements” (Jack). “Iowa banks are and have always been committed to meeting the credit and financial needs of their customers – not because of the requirements of the CRA – but because banks cannot exist if they don’t” (Julia). “ICB consistently demonstrates its dedication to the Wisconsin farmer and its communities as a whole, because it is the right thing to do, despite the fact that outdated CRA guidance does not qualify most of these commitments” (Stephen). “We are very proud of our industry and our community. Our motto: "Locally Owned and Community Focused!' is our core belief and hand painted on the bank's wall. That belief had nothing to do with CRA requirements” (Jack).

Other banks also felt that they would continue to do right by their communities without CRA. For example, one community bank felt that they “understand the challenges of keeping local deposits invested in our local communities…this was the basis for the creation of most mutual savings banks and cooperatives. Our commitment to those fundamental values has never wavered" (Albert). And one savings bank declared that it "is a 149-year-old mutual organization who gives back in countless ways each and every year. With thousands of employee hours and many thousands of dollars in grants and donations given annually," the bank is "left wondering how all we do for our customers and communities can have such little impact on our Community Reinvestment Act rating"? (Ramsay).

Another strategy of agenda denial was to suggest that regulation would interfere with free market principles, while unnecessarily stifling needed community development innovation: "Ideally, it would be best to regulate all lenders to create a level playing field but politically, that would be an unrealistic expectation which would negatively affect the economy as a restraint of trade" (Edmund). Furthermore, "banks trying to meet obscure CRA objectives are pulled away from innovation that would better serve their customers and communities" (Blythe). The lack of clarity meant that banks could not be "more innovative to address real needs" of LMI communities (Ron). At worst, the CRA is faulted for actually working against its own proclaimed goals to support underserved communities: "CRA implementing rules have not kept pace with the times or with new technologies and actually restrict investment in the communities that the law is intended to benefit" (Anonymous).

Some of the discursive strategies of the CROs in the first data set were consistent with policy narratives, including narrative plots and characters. The first narrative plots identified were stories of decline, essentially where the plot centralized on conditions worsening because of the CRA.

For example, one of these narratives was from a small, rural community bank in Texas. The Executive Vice President shared his "imperative need" to comment on the CRA policy regulations, sending in his "sincere and urgent request" to exempt intermediate small banks

(ISB) from the "near impossible" regulatory mandates. He detailed how the bank had been in business for over 100 years. Even though most of the bank's loans are to small farms and businesses, and LMI individuals, the FFIEC (2017) geo-codes show that the LMI population is dispersed, thus "efforts to target loans to the two small LMI Geocoded areas is next to impossible" (Anthony). Furthermore, it is "near impossible" to invest in rarely available local city and school bonds, and documentation of CD tasks is "arduous" for the "27 hardworking individuals that do not have the time to stop serving our customers that have entrusted us with their business, just to document that we are serving the very same individuals that we are having to ignore due [sic] documentation that fact." Anthony closed with his assertion that the regulators would be "hard pressed" to find anyone in the county that did not believe that the "bank does anything but serve a very healthy cross section of this community. Therefore, I sincerely pray that you would find some way to offer banks such as ours some form of relief from this highly burdensome CRA ISB regulation, which I believe was intended more for metropolitan areas." In addition to conveying the great burden which the CRA regulations would impose, which would harm the end customer and the hardworking employees of the bank, the plot depicts the bank as a hero in the community who cannot continue to do that good work unless the regulators (the villains), lessen that burden.

In Nebraska, another rural banker told a similar heartfelt story. Located in rural Nebraska, this bank is located in a "sparsely populated, rural area…"

> The bank tries hard to make every loan we can that fits within safe and sound lending parameters. Many of our employees grew up in this area and want the area to prosper and succeed. Our employees are active in the community and both they and the bank contribute financially to many organizations and events.

Joe, the bank president, went on to share about his bank's challenges with the mandates of the CRA, specifically how credit is not given for important community development activities. He specifically told one story:

> Recently the bank provided a large donation for the construction of a new community swimming pool [for] which the bank did not receive any CRA credit. Without the bank's contribution, it is unlikely the pool would have been built, leaving the kids in a community of 800 without a summer activity…(Joe).

He went on to share that many of the bank employees held key positions in the community, such as the mayor, school board president, positions at the chamber of commerce, economic development committees, and so on. He suggested, "one test to consider would be to see how the community would function if the bank were to suddenly leave the area. This possibly is a different issue in a rural setting compared to an urban setting where there are numerous banks" (Joe). This depiction of the bank's vital role in the community gave it a hero stature of sorts.

Jack also spoke of the significant damage inflicted on community banks by banking regulations, employing anti-patterning by blaming the ills of the CRA on large banks, and thus depicting both the regulatory agencies and large banks as "villains." As a result of the regulatory burden, inflicted because of the transgressions of larger banks, community banks are on decline, largely closing their doors or being acquired by large banks. Yet, it is specifically the community banks who uniquely focus on community reinvestment.

> Community banks have been irreparably affected and harmed by the numerous regulations they have been forced to address due to the actions and activities of some large institutions. The result has been obvious and devastating to rural and

> small communities. The number of small banks who have either closed or sold to a large institution has been well documented by a number of publications. As the number of community banks has decreased, that void has been filled by large institutions. While they may fit the requirements of CRA purposes, they are NOT supporting the local community or economy. While they may give to national organizations or large relief efforts, they are not providing the unique reinvestment the CRA Act was intended to monitor in small, rural economies (Jack).

Another banker spoke of the severe repercussions for banks that receive poor CRA ratings: "Some banks have lost their ability to branch nationally as a result. If the results are unknown or unpredictable some banks will choose not to branch or choose to close branches in LMI geographies rather than jeopardize their system" (Anonymous).

In addition to stories of decline, one banker's narrative aligned with stories of control, in that it offered hope by implying that the CRA could be modernized, allowing the underlying goals of the law to be met better than ever before. Bethany wrote that the CRA was passed to encourage financial institutions to meet communities' credit needs and to guard against redlining. She believed that "the CRA regulations are clear and easy to understand, but they are interpreted differently by the various agencies and by the examiners within those agencies."

> In today's times, CRA has been a thorn in the side to financial institutions due to the frustration of how it is applied…If CRA were to be reformed and have a set standard for every institution to follow, I feel as if the thorn would be removed…Financial institutions are trying to meet a blind goal that could be

> acceptable for one institution but not acceptable for another. Financial Institutions are struggling with "what is enough?"

Bethany went on to describe how peer benchmarking can create unrealistic expectations, and that thresholds for performance need to be clearer. Ultimately, she felt that CRA and banks are aligned, and that with reform, the CRA could help banks to do even more in their communities:

> Financial Institutions are to serve people, to build long lasting financial relationships, and to be prominent members in the community; CRA reinforces these principles. CRA is necessary, useful, and beneficial tool to the communities we serve; it encourages institutions to live up to the integrity of the services they should provide, but financial institutions are questioning whether the regulation is being used to implement punishment rather than encouragement. With CRA reform I think Financial Institutions would see that the agencies are trying to work with them instead of against them (Bethany).

Though several policy narratives were identified, more independent metaphors of heroes, victims, and villains were often found as isolated references within the letters. For example, returning to the theme of uneven regulation, there were many references to non-bank institutions, such as credit unions as "villains." A few are included here. For example, Matthew argued that since credit unions do not pay income taxes, should they not be even better "positioned to reinvest at a higher level of activity than community banks"? Daniel echoed that given their tax break, credit unions "should be held to a higher standard than tax supporting banks. There is no reason for credit unions to be exempt from CRA…" And Marty didn't mind the CRA so much, but did feel that the credit unions ought to be kept in check:

> We are facing competition from large Credit Unions located in different parts of the state. They are not required to pay taxes and not required to meet CRA requirements. This makes it hard to compete. We do not begrudge the CRA act, for it is important that our banks be required to support projects that will benefit low income individuals. But I would like to see Credit Unions included in these requirements.

At times the non-bank "villains" were unidentified, but simply alluded to as predatory lenders: "CRA has made great strides in ensuring access to credit in LMI communities and among minority and low income borrowers. Systemic economic and social challenges, however, perpetuate to lack of access to fair services for many and allow predatory providers to thrive."

Additionally, in an anti-patterning strategy, many community banks argued that large banks were the "villains." Returning to Jack, he argued that given the decline in community banks, large banks were filling that void and not providing the type of reinvestment the CRA had intended. Sarah also expressed that they "recently had a more challenging time competing with the largest institutions for investments." Even when they bid competitively, the investments were still going to the large institutions. And recall one banker's comment that "the mega banks and large regional banks take the majority of loans and investments" (Anonymous). Cyrus also felt that his bank's struggles were directly linked to "super-regional large banks or much larger financial institutions, whom [sic] often own a majority market share" as well as the non-bank financial institution in the markets "whom [sic] operate under their own distinct supervisory authorities; thereby, creating a competitive imbalance and inflating the aggregate metric for true peer comparison."

Perhaps most telling of the "victimization" the small banks feel by the large and villainous mega banks is Don's description of how this has actually hurt the communities CRA was intended to help: "The decline in the number of locally-based banks and the consolidation of banking assets by a small number of $100-plus billion money center banks has had profound effects on access to capital in LMI communities." Don expressed that CRA is meant to help those communities, while their ability to have fair access to loans is hindered "as more credit decisions are made by geographically remote corporations and/or credit scoring models replace relationship banking."

Institutional Change

Not all of the bankers' references associated with conflicts in institutional logics were strictly linked to more isolated mentions of profit, acquisition, and growth (evidence of a market logic), nor did all bankers voice that the CRA is conflictual with their goals. Furthermore, many of the letters spoke of more harmonious experiences with the CRA, and thus were conceptualized as compromising tactics given the regulatory pressures of the CRA, as opposed to avoidance tactics. Even so, the discourse is still heavily rooted in economic interests, as opposed to the policy emphasis of equitably serving LMI communities. These conceptualizations will be reproduced in the following section.

Conflict Response Strategies: Compromise

References to alignment between the profit-seeking business model of a bank, community needs, and the public benefit intent of the CRA were more prevalent than expected. In some cases, an attitude reflecting that the bank would benefit their communities without the CRA was coded as agenda denial, especially where language specifically indicated that the CRA was not an impetus for any of the community development activities of the bank. Yet, there were multiple banks who emphasized the importance of alignment with the goals of the CRA and expressed a perspective that the CRA had worthy intentions and served an important purpose. In fact, second only to the code ambiguity, this code, labeled *shared value*, was the most common theme in the data, coded 102 times across 55 of the 80 files. While findings related to "shared value" encompassed discourse that related to the market logic, this discourse also exhibited verbiage related to community development and public benefit.

One conceptualization of a bank's role as an "economic engine" relates to this concept of shared value, and heavily alludes to both capitalist market activity, as well as espoused communal values. For example, Alice wrote that her bank takes "pride in being a community bank that helps to promote economic growth in a state where the poverty rate has not decreased since the recession." And Darren declared that his bank was both committed to the goals of CRA and proud of its role as an engine of growth. Cyrus expressed how committed his bank is to the goals of the CRA and their shared purpose in capital access, as well as pride in being "leaders of economic growth and community development" through "substantial financial support, economic investment, considerable service hours and volunteer philanthropy…"

Lucas and Blythe both described what this dual bottom line means to their banks, who are committed to "the goals of CRA" and to providing access to credit for their communities:

> We are very active in area schools and local community college campuses with our Financial Literacy programs, we serve on the boards of the Boys and Girls Club and Habitat for Humanity, and take advantage of investing in CDFI's to help facilitate affordable housing initiatives. Simply stated, we take pride in being a catalyst for community and economic development for our customers in the areas in which we serve (Lucas).

> [Our bank] is committed to serving its communities with conservative banking practices and progressive banking products. We strive to build stronger communities by helping local businesses with their financing and cash management needs. We help build neighborhoods by making it possible for homebuyers to buy, build or renovate property. We give back to our community through our donations and personal involvement with area schools, local organizations and civic groups (Blythe).

These descriptions of banks' roles in community development and affordable housing paints a picture of shared value, and the belief that a community cannot survive if the bank does not invest in it.

The vital role of a bank, and its intimate link with the health of its community was prevalent. For example, Daniel wrote that "we are a reflection of our community, we live and die by how well our community thrives. Almost directly echoing the previous statement, Barbara wrote: "We are a reflection of our community, we survive by how well our community thrives. We lend, support and invest to make our community better." Many other bankers also felt that they were part of the social fabric of their communities: "We are not only located in the community, we are part of the community from teaching financial literacy, to coaching little league, to church members, to civic leaders. We want our communities to prosper and grow along with our institution" (Cassandra). "Community Reinvestment and building vibrant communities is an area in which we have a great deal of passion and commitment" (Craig). In one specific example, Kathryn wrote how banks may even play key roles in the public education system: "In many communities, financial education is no longer taught in schools. A bank's involvement may be the only way these programs can make it into the curricula."

With regards to small business lending specifically as part of that economic growth, Kathryn wrote that “small business lending is the economic engine that benefits the entire community by providing jobs and services.” Frederick echoed that, writing that his bank works “very hard to support businesses within our market so they may provide jobs and good [sic] and services to the local economy.”

Other bankers wrote of mutual interests with the economic goals of the CRA, such as the simple quotes: “CRA is critical to the economic lifeblood of LMI communities” (Don); “The bank believes in the spirt of the CRA” (Clyde); “the bank is committed to the goals of CRA” (Gary); “we are committed to the goals of CRA” (Alice); “we are committed to the spirit and intent of CRA and we strive to meet the credit and financial needs of our clients in our community” (Marty). Or, for example, the Michigan Bankers Association wrote that: “Our members want to do what is right for the communities they serve. They want to fulfill, and often surpass, the expectations of the spirit of the Community Reinvestment Act in their operations, practices and culture of their organizations.”

Some banks wrote that their missions are aligned with the CRA: “As a small community bank and the only bank in the county which is locally owned, being involved with our community is embedded in our mission” (Jack). “We firmly believe in our bank’s mission to serve the needs of our communities through our deposit and lending services, as well as community involvement through investments, donations and volunteering” (Anna). A bank/CDFI wrote: “We serve communities in some of the less economically prosperous states of the country and are considered a leader in supporting job creation and financing housing needs in these communities” (William). In another example, Brighton Bank stated: CRA has promoted access to capital and equitable treatment and encouraged banks to invest in the people and neighborhoods where they do business, helping to create more thriving and healthy communities that are essential to the success of the economy. Specifically, Brighton's goal is "to build wealth in our communities. The bank considers CRA to be good business resulting in well performing assets that contribute to its financial success while also contributing to the economic health of its communities and the people who live and work there." Another example recognized the huge financial impact of the CRA.

> CRA has leveraged significant amounts of loans and investments for low- and moderate-income communities. Since 1996, banks have issued almost $2 trillion in small business loans and community development loans and investments in low- and moderate-income communities. These investments are crucial to the economic vitality of our neighborhoods (Anonymous).

Some banks asked for more flexibility so that they could serve even more LMI families, even outside of their assessment areas: "If we could have this latitude, it would make it easier to purchase investments that benefit LMI families" (Charles). Brighton Bank echoed this goal as well, stating that its "aim [with reform] would be to promote reaching broader markets which would serve more LMI places and people." And Cheryl conjectured that a reformed CRA framework would allow her bank to deliver more "community development activities."

Others described how in collaboration with local partners, banks were well-suited to identify the community development needs of their communities. Banks should identify their "specific development needs," and this should involve "engagement with community or economic leaders (be that local governments or entities that support economic growth) that can identify these needs" (Kathryn). The situation felt more unique for rural banks, who suffered already from out-migration and economic flight. In these situations, the development needs of the community might look different, where “established communities have “pains” that affect all members of the community. When community banks contribute to help build up a local county fairground, schools, or the downtown…every dollar donated to build or maintain [is] helping to reinvest in that local community” (Julia).

Banks also pointed to innovative products that can serve LMI customers, such as alternative delivery channels that can better reach LMI communities (Blythe). CRA reforms could provide incentives so that banks would “create more innovative financial tools,” which would both support LMI communities and be profitable (Margaret). For example, a retail finance program offering financing that would not otherwise be available, programs for health and wellness, or other financing that could be offered to homeowners who cannot afford, for example, home improvement loans (Kathryn). Another bank developed product portfolios, such as small loans, and lower fees to support LMI households (Anonymous). In addition to new product models, one bank suggested that better access to CRA data would help well-performing banks to get more customers. Penny suggested that the public be able to access the same data as the regulators and banks, so that they can compare banks’ community development initiatives as they choose where they bank. Though it is public, it is difficult to pull it in one spot that could be used to “shop around” (Penny).

In summary, while many banks desired reforms of the CRA, respondents expressed that the general intent of the CRA was congruous with the goals of many banks to provide access to capital that will support LMI and broader communities. For example, Brighton Bank encouraged the regulators to continue to modernize CRA and look for shared value opportunities. Accordingly, new norms were voiced, originating from a sustainable development focus, such as suggesting investment in mixed income housing to avoid potential segregation of LMI individuals into blighted neighborhoods: “Although care is required not to promote negative effects of gentrification in communities, banks should receive full consideration for all units for promoting affordable housing opportunity in all communities and those that provide mixed income solutions” (Brighton Bank). This bank joined others in expressing a commitment to community development, but a belief that the structure of the CRA does not always align with more nuanced understandings of pathways out of poverty. Enabling low-income persons to rent or buy affordable housing in higher income communities can be a pathway out of poverty, in their view.

In another example of discourse connected to sustainable development, Sarah suggested consideration of mixed-use planning concepts where individuals could live and work, which might help to decrease the need for vehicles, thereby also cutting carbon emissions while cutting transportation costs for LMI families. Indeed, sometimes meeting the underlying goals of the CRA felt like a mismatch between what counts for CRA and what truly develops communities: “Is it better to support the schools, hospital or sports teams to build a strong community or wait until people have hit hard times before giving support?” (Nelson). Additionally, Peter quoted an economist in his reflection that “investments in early childhood development can reduce downstream costs and support workforce productivity decades later.”

Carol closed her letter with a heartfelt note about both the importance of the CRA and the need to reform it so that more banks would contribute to the vital work to be done in communities: “We feel it is critical that the CRA be reformed and brought current as it is one of the most important regulations in banking.” This reform would “have wide-spread impact on improving our communities if banks are given clear, appropriate guidance on how to accomplish the intended objectives.” Another bank echoed that call: "CRA can be a powerful tool to support disinvested communities, but we urge the OCC and other bank regulatory agencies to update CRA lest it risk becoming functionally obsolete…A strong and effectively implemented CRA is critically important to the LMI communities that we serve" (Don). Additionally, Don asked that CRA reform "help promote financial inclusion among LMI populations, unbanked, underbanked and other vulnerable populations." Another banker warned against making the CRA too broad in what counts as CD: "I feel like for us to make an impact and really move the needle for LMI geographies and LMI individuals we have to keep "the main thing, the main thing" and keep the CRA focus on those areas and individuals" (Penny). These quotes illustrate the passion that many CROs express for their CRA work.

Part Two: Contextual Factors and Reconciliation Strategies for Institutional Demands

Research Question 2 (R2): *How do CROs reconcile the institutional demands created by the CRA? How are their interpretations of policy mandates and references to institutional logics associated with (1) features of their banks; (2) their communities; and (3) their individual attributes and background?*

This section will elucidate the environmental factors that influence CROs' responses to the pressures of the CRA and their adaptation to policy mandates. It will present the evidence surrounding these factors in the second data set.

Structural Work

Findings related to structural work centered on the job duties of the CROs and their peers, such as whether the CRO focused entirely on CRA or also managed compliance with other banking regulations, and whether or not the CRO might also engage in community outreach or have a lending or investment portfolio. Structure also connected to the staffing arrangements in the organization, the size of the team (including whether or not there were data analysts to support the documentation required by CRA), and how both job responsibilities and team composition connected to the overall workload of the CRO. Structure also was connected to organizational authority, which was complex and multifaceted, relating to the reporting structure, but also the diffusion of CRA responsibilities throughout the organization, and control of financial resources, for example. The next section focuses on job responsibilities of the CROs who were interviewed and will elucidate the nuances of the various arrangements of job duties for CRO roles.

Job Responsibilities

The size of the bank correlates with the number of team members who are assigned to work on CRA. It is not linear, however, with great variation especially at the larger banks. However, in most cases, CROs at community banks are assigned CRA as one job duty among many according to the bankers interviewed in this study. The participant identified as Robert, the CEO for his bank, shared that he did have a named CRA officer at his $500 million bank.[29] Previously, he had been at a $75 million dollar institution, "and in an institution of that size, everybody wears multiple hats, and so there, we did not have the depth of the department like we do here." The theme, and even the verbiage, around many hats, was recurrent. For example, Michelle shared her experience with this:

> From what I run into usually in community banks your CRA officer wears another hat or two. You're just trying to keep the [lights on]… and usually you're

[29] In order to gain access to interview CROs, to comply with human subjects research requirements governed by the IRB, and to protect the identity of the respondents to ensure that they would feel comfortable discussing potentially sensitive information, they have all been assigned pseudonyms. Pseudonyms were retained for respondents from the first data set who agreed to be interviewed.

> a one person shop. Whereas a large bank has so many more resources as far as people…at the larger banks, that's, the only thing that person does. Alright, so the focus is different.

Michelle's response indicated the pressure of a CRA role at a community bank in survival mode, just trying to keep the lights on. She compared the robust resources at a large bank to the lack of resources at community banks. At most of the community banks, the CRO was also a compliance officer. When assets reached a certain threshold, banks might be told they need a CRA officer according to Michelle, James, and others.

In fact, Michelle described how her bank had gone through an exam and realized they needed to focus more on compliance. But the job role was to be both the compliance officer and the CRA officer, "because they didn't think at that time the compliance officer would be busy enough. And that certainly changed…" (Michelle). Not only did the work pile up, but Michelle received no training either, without a predecessor. The bank president had been acting as the CRA officer until that point, so Michelle "got no input from him whatsoever and so it [had] been more of an experience by fire…" Furthermore, the weight was increased because of the responsibility to get others to comply as well: "it's challenging to keep everybody focused and making sure they're doing things the way they're supposed to. And the way this job came into play, they just tacked on the CRA stuff because they didn't think that the compliance job was a full-time job." In fact, for some of the CROs, CRA was only a small part of their work portfolio. Thomas, who happened to be quite committed to the importance of the CRA, shared that it was only about 10-15% of his time: "More of my current role is focused on Home Mortgage Disclosure Act (HMDA) data, reconciliation, and fair lending reviews and other compliance reviews, but I mean 15% of my time is still a good chunk." Thomas felt that the bank would have to have him devote more time to CRA with regulatory reform: "if the OCC passes a more robust CRA rule or if the agencies decided to get together and pass a more robust CRA rule, I expect that percentage of my job devoted to specifically community reinvestment act to increase by quite a bit."

Kathryn's experience was similarly stretched across compliance functions: "I am full time compliance officer, that's my title." Like Thomas and multiple others, she was also responsible for HMDA, where her time was about equally split between the two. What's more, until recently, she was the entire CRA team, and that was for a bank with over 70 branches. Previously, Kathryn had been entirely responsible for CRA, including "preparing for the evaluations, putting all the information together, analyzing the investments, the loans, the services, the grants for applicability. [She had] since then added an analyst…[who was] doing that review of those community development instruments to make sure they have those qualities that fit the community development and CRA definition." Though Kathryn had a few analysts conducting data integrity review for HMDA and small business reporting, she was alone running the entire compliance program for an over $10 billion dollar bank.

Melissa confirmed that typically banks under $10 billion in assets may only have a "part time CRA officer who [wears] a hat of something else." Melissa got started in CRA specifically at the time that her bank had decided that they were growing enough to warrant a full-time person. She was able to enlarge the role and further develop the strategy. And Stephanie, at a bank over $100 billion in assets, only did CRA, as did several other people on her team. But she had been the sole CRA officer at a number of community banks previously, where she had been able to run their entire CRA programs. Candice also shared that at smaller banks the CRA officer would typically also do fair lending compliance, but that at larger banks the two functions were separated: “Sometimes if you’re in larger banks you’ll have separate people looking after each part of it, but in smaller banks or moderate sized banks and smaller banks it’s going to be all the same lineup.”

For the most part, holding other job duties, alongside CRA, appeared to spread the CRO thin. While there were some synergies between fair lending compliance and CRA, some of the regulations that CRO/compliance officers were responsible for had little to do with CRA and would have just taken their focus away from it. For example, as a $5 billion dollar large bank, Candice’s response to the percentage of her role focused on the CRA was:

> It's a complicated question because I’m the Chief Compliance Officer and I have duties that are spread across. CRA fair lending is one of my major duties. But I’m, so I’m the CRA officer, I’m also the fair lending officer, but I’m also the OFAC officer, I’m also the BSA officer. And the chief compliance officer, like all together, so I have like the whole of compliance for my bank right now.

With responsibility across so many banking regulations, Candice could not have focused significantly on just the CRA. In fact, CRA was sometimes not even considered the most important job duty for some of the compliance officers who served as CROs at smaller banks. At an intermediate small bank in the Midwest with just over $1 billion in assets, Leslie shared that staff structure for the CRO really just depended on the main role of the CRO. For Leslie, she reported to the Senior Vice President of Operations because 75% of her role was actually Bank Secrecy Act. “So it's very strange, because you know even they don't consider the CRA to be a full time position it's kind of ancillary to your main focus, so whoever takes on the role, whoever they're currently reporting to, that's where it falls.”

Furthermore, when the CRO was responsible for many compliance regulations, they seemed to function more as a back-end data analyst as opposed to proactively engaging in community development. For example, when asked how much time he spent on CRA, John said "whenever I have an exam coming up, then I'm pretty much working on CRA stuff. But whenever the exam is done and it's kind of past us, then you know, the amount of time I spend on CRA is a lot less. Then *it's just a matter of us updating data whenever it becomes available* [emphasis added]." John's other work responsibilities were also analytic. His "non-CRA responsibilities [were] primary BSA, fraud prevention, looking at filing SARs [suspicious activity reports], looking at fraudulent activity and things such as that."

And it was not just because of the other compliance job duties that the CRO could feel like a back-end data analyst. Organizational cultures often relegated the CRO into an audit function regarding financial activities of the bank:

> There's not necessarily an emphasis, especially on the lending side, to go seek community development loans, *the emphasis is make loans and then CRA officer, you need to review those loans to see which ones are CRA compatible or not*…I am not involved in the investments at all. Basically we have an investment advisor that it is his responsibility to basically look at those investments that are profitable for the company. He knows that I'm looking at them from a different mindset than what he is, so he gets a little bit of information from me. But basically we get presented an investment portfolio and told: here are the investments that we've done for the quarter, do your research and see if any of them are CRA compatible.

Similarly, Michelle felt that her bank would mostly do the right thing for its community on its own, and that her role was to just check the boxes for CRA compliance: “primarily again, it was the bank would do it anyway, and then it was my job to see if, by any chance, we could make it work for CRA credit or not.” Similarly to Kathryn, Michelle felt that the investment team would “pretty much have an idea of what kind of investment they want to invest in and then it’s going to be the back office side of CRA and see if, *by any chance*, *you know*, it’s got a CRA purpose.”

A slightly more coordinated effort might be where the loan officer would check with the CRO if something would qualify for CRO, which was a more effective way to ensure more CRA activity. For example, John described how one of his loan officers would call him and ask whether bonds for a specific school district would qualify for CRA credit, for example.

There was one scenario where a multi-focus portfolio appeared to complement and strengthen commitment to CRA as opposed to spreading the CRO thin. In cases where the banker also maintained a lending portfolio, she contributed to the CRA numbers and financial decisions for the bank and also understood the roles of loan officers who contributed to CRA lending. For example, Anna, though primarily focused on CRA, also had “a small lending portfolio of affordable housing types of loans, you know, to nonprofits in the affordable housing space.” Anna shared that if you looked at the expertise on their commercial lending team, there just wasn’t anyone “very skilled at affordable housing.” She went on to explain how her community outreach focus actually made her a prime candidate to play this role:

> I just happened to serve on boards of a couple of affordable housing, you know organizations, nonprofits and I’m a big advocate for affordable housing, and so I just know a lot about the rules, and you know, and all of that, and so it kind of

> made sense. Oh, and then I also because of my community involvement, I have contacts in the in the community that are in this business, who are occasionally looking for you know the lender on the next project, and so they reach out to me. So for me to take that referral and give it to somebody else … the clients who are in my portfolio are clients that are new to our bank that might not have already had a relationship with us, and rather than build a relationship with another lender, you know, they just said why don't you handle it? And, and it seems to be working really fine right now.

Jane also had a lending portfolio. In fact, 90% of the CRA-qualified commercial lending at her bank was in Jane's portfolio! But in terms of job breakdown, she spent probably 35-40% of her time doing CRA general responsibilities and the rest of her time in commercial lending. Jane did not appear to have any trouble keeping up with both of these responsibilities, and she was contributing substantially to the CRA activities of the bank as well.

If the CRO herself did not have a lending portfolio, there were also avenues to embed CRA lending into job descriptions of the production roles in the bank. For example, at Candice's bank, mortgage bankers were designated as CRA mortgage bankers, "because they decided your typical mortgage banker isn't going to spend the time and resources, it takes too much time." In most cases, mortgage bankers would go for the higher dollar home loans, "the low-lying fruit," so they actually arranged the compensation structure differently for CRA mortgage bankers. They still had a base and compensation overrides, but it was a different kind of incentive to support the affordable housing loans.

In general, the small bank and intermediate small bank CROs interviewed were likely to be in the compliance space responsible for multiple regulations, while large banks were more likely to have a 100% focused CRA officer. However, large banks varied substantially in that regard and in the size of the team. Anna was at an institution with just over $1 billion in assets but was fully focused on CRA (in addition to a small affordable lending portfolio, but no other compliance regulations), while Kathryn's bank was approaching $10 billion and still had not created a dedicated CRA position. Additionally, Leah's bank, over $100 billion had around 15 community development managers and another six to eight CRA compliance managers. Yet, Luis' bank, over $40 billion, only had five CRA team members total. He recounted one unnamed large bank with more than 30 people on their CRA team and offered that his own team was a "very small team…but mighty." Similar to Luis, Stephanie was one of only three on the CRA team. These small teams, and especially the CROs who were responsible for many compliance regulations had taxing workloads.

Indeed, the broad data requirements and perceived ambiguity of CRA mandates often left the CRO dealing with a complex workload. This was exacerbated by both responsibility for multiple roles (especially managing other banking regulations) within the banks, but also by the extent of data required by the CRA. Michelle conveyed that a lot of CRA work is "more of a documentation…not only are you looking at service hours and you're looking at donations and you're looking at investments or you're also looking at your small lending to small farms and small businesses." The data requirements meant that John's experience as an economist served him well in a CRA role. "I'm pretty familiar with all of the data out there from Bureau of Labor Statistics, Bureau of Economic Analysis. All of the income data, all the census data FIPS codes and I'm familiar with all that…" John described how he maintained all the databases, pulled the data down, sorted it, and identified which school districts would quality for CRA, for example. John also had a person who would sit in on the loan committee meetings and see if he could pull any loans that qualified for CRA. As at most of the other community banks, CRA was a data documentation and data analysis exercise above all. Ensuring that the data was clean was an additional workload burden and stressor.

For example, Kathryn shared that "if our data integrity is not sound" then the regulators would look at that during exams. "Is your data statistically accurate? And if it's not *then there's a whole other level of pain and suffering that goes on.*" Kathryn was worried that the data burden would only increase with the proposed regulatory reforms. She conveyed that modernization was going to require banks to have to track historical loans and "all these different kinds of transactions in a lot of different areas *so it's a massive, massive amount of record keeping*."

There were also differences regarding who took on that data gathering burden, but for the majority of the CROs, it was almost entirely their responsibility. For example, Anna felt that her lending team has enough "regulations coming at them," so she looks at every single loan that comes through to see if it qualifies. "I look at every one of them and go to loan committee, I read every one of them, and I make my determination as to whether they qualify or not." In a different scenario at a very large bank, Melissa ensured that record keeping was a responsibility shared by all. Melissa, though benefitting from a large team at her over $40 billion dollar bank, described the meticulous record-keeping across the organization: "And then we track those goals monthly, so we have tracking sheets and we track our banks' activity at a market level, so you know, we like to say we're exam ready, or nearly exam ready, at each and every time." Everything was documented in a software system, but Melissa had ensured that data keeping was diffused throughout the organization. Smaller banks might not be able to afford this data-tracking software. For example, Michelle shared how her bank just had a paper form that was completed after loans such as small business or small farm loans were completed. But at Melissa's bank, every team member had to log their service hours and the mission of the organization who they worked for in the software system so that the "responsibility of data collection behind the different pieces of community development" would be reported. Melissa felt that it was her responsibility to set the goals, communicate them, and then report back to executive leadership on how those goals were being executed. But it wasn't her role to execute them. She had the full backing of the bank's executive team to set requirements for all of the bank's market area branches. Thus, she had created a team effort in the data tracking.

The perceived ambiguity of complying with CRA also contributed to the workload. This was tied especially to the complexity of the policy regulations. For example, Barbara's reflection on the CRA was that it is "very complicated…it's like to try and understand some of those regulations, it's like reading Greek and then trying to explain it to the other employees. I mean it took me I don't know how many years, to even halfway understand it and I'm sure I don't understand it completely." And Robert felt the same way about the difficulty of understanding the regulations: "I mean all of this stuff it's, I mean it's nebulous." He went on to explain the need to better understand where you are in meeting the requirements in the interim between exams, which other CROs echoed.

The expressed lack of clarity over what would count for CRA, as well as not knowing what to expect at CRA exams also were tensions. Kathryn recounted a $6 million dollar children's advocacy center loan. She wasn't clear if it would count or not. "Well, now I've gone from outstanding to needs improvement over one credit." Similarly, Stephanie asked:

> And what if you get it wrong? And then one of the examiners comes up and says, you know, no I'm not going to consider any of these for CRA, sorry. And then

> your numbers go down or they get skewed and you know you go into an exam thinking "oh, for sure I have this down," and then you don't.

Stephanie continued, highlighting the unpredictability of the examiners' decisions about what would count for the CRA:

> So I think that's the other challenge, when you have examiners who are not consistent, which I've seen a bunch of times. You get the examiner in charge, who doesn't even know, CRA, right they just got assigned to it. You never know what the examiner's going to take and accept or what it's going to kick out on you. Yeah, so it's a lot of things, you know. It's like you're playing dodgeball when all your teammates are out and you're the only one and the other team has all 10 players on their side. Like you can only do so much before, you know, *you think you got it, you think you got it, until somebody slams you on the side of your head.*

Stephanie laughed over her analogy comparing a CRA exam to dodgeball. But it was a powerful expression of several aspects of the difficulty of the CRO role. First, it conveyed that she was in it alone, that the rest of the bank employees were not contributing to the CRA compliance enterprise ("all your teammates are out"). Second, she communicated the idea that the examiners were trying to find flaw, keeping her in the dark about how well she was doing, and then "slamming her with the ball" upon finding something that was inaccurate in the exam.

Modernization would require more data and record keeping "with no clear expectation or explanation of how you're supposed to get that information" (Kathryn). However, it did promise some clarity on what would count for CRA, including an illustrative list. One issue though was that it was unclear if modernization was moving forward or not, and thus Kathryn found herself having to analyze data two ways, the old way and the new way, and was not sure what would stick. So the reform itself also created additional workload and was a stressor. Candice added that this could be "kind of scary" that the regulatory agencies weren't in sync about the direction of regulatory reform.

Organizational Authority

In general, CROs in the study reported to a senior leader in the bank and felt that they had significant responsibility for CRA compliance. This was often the chief executive, such as the president or CEO of the bank for small community banks or large banks on the smaller side. As banks approached $10 billion, there was likely to be another layer, such as reporting to the Chief Compliance Officer. Mary reported to the Chief Risk Officer and was viewed as the "subject matter expert for this topic." In another example, Kathryn reported to her Chief Compliance Officer: "Seniority wise I'm the second longest tenured compliance professional in our compliance team." At a large bank, Melissa reported to "a C suite member…[the] Chief Communications Officer, so you know, good prominence with the CEO." Even at one of the two largest banks in the study, at over $100 billion, Stephanie only had one supervisor in between herself and the chief compliance officer of the bank. And John and Anna, at banks closer to $500 million to $1 billion, reported directly to the President of their banks. Thomas felt that CROs across the U.S. would vary widely with regards to who they report to in the bank: "You should get varied responses for this…I would probably consider myself somewhere in the middle, so I know that some institutions, their CRA officers are much higher up the chain and then some institutions they are very entry level, so you should see the gamut…" For Thomas, being relatively entry level meant that he did not have much authority:

> I can make recommendations, I do report to the board and the executive leadership team, but when it comes to making an actual decision about our CRA program I have to get everything approved by the board of directors and our executive team here at this institution, [who] are very hands on, keep it kind of tight, close to the vest on that one. That being said, if it is something that benefits our community or the institution normally those leadership boards are very keen to act quickly and allow for those activities to occur so it's not like they're holding it at gunpoint; they're allowing these things to happen, *but there's a definite bureaucracy, a different chain of command and while they consider the CRA important, it's definitely not at the forefront of everybody's mind here*.

Thomas was one of the few Generation Y/Millennials interviewed, and was one of the more junior CROs, while also being at a small bank close to $500 million in asset size. His experience can be contrasted with Michelle's, Anna's, John's or Lisa's at similar size banks from $300 million to $1.5 billion in asset size, but with greater authority for CRA policy. For example, Anna said that she was "responsible entirely for the recommendations" for CRA, and "it is a fairly important, high importance, in terms of the role." Michelle felt that in terms of authority to determine CRA policy implementation for the bank that she "pretty much had the full gamut." And John said, "I'm about the only person that deals with CRA, other than if I get a couple people to help me." Lisa similarly conveyed that "with CRA I do have total support from my direct report, who is considered to be executive management and pretty much anything with CRA, as of recent anyway, that I suggest or recommend for the most part, I receive buy-in." And at a small bank in the west with assets of only just over $40 million, Tina and Amanda, who interviewed together, noted that the CRO reported to the Chief Risk Officer and was "just a couple of degrees of the top echelon" at the bank (Amanda). Tina, having been CRO previously to Amanda thought that "your level of responsibility there is pretty darn high."

These direct lines to the senior leadership of the bank often meant that the CRO was the key strategist for CRA policy compliance. For example, Luis stated that he was "primarily responsible for driving CRA policy, and that includes the development of the policy, as well as procedure development. And so we have an enormous amount of controls around all of the CRA activities…" Luis also chaired a CRA committee with executive leadership that would help steer activity. In fact, Luis shared that most CRA officers "have a number of years under their belt or have extensive experience in this space," because there is so much authority for CRA strategy placed with the CRO.

Despite the fact that most CROs reported to senior leadership, and that they were responsible for CRA strategy, that did not translate into as much authority for CRA implementation as might be expected. This was both due to the lack of influence over financial decisions and resources in the roles, and because the nature of CRA meant that compliance was affected by most senior team members in the bank, not just the CRO. While CRA strategy typically did rest with the CRO, the financial aspects of CRA typically did not. This felt like a career long struggle for Rosa. During a merger, CRA contributions "went down to the level that [the acquiring bank] was accustomed to…" Rosa had to "fight" and try to convince them that they were bigger, they couldn't "spend less." As a larger bank now, they needed to give more to the community, not less. At budget time, if the budget had to be cut, "the first place people always wanted to go was CRA."

In addition to lack of control over budgets, the CROs typically did not have much involvement in CRA qualified activities. Indeed, Jane felt that she was interested to do something for the CRA, she could just “go to the President of the Bank,” so she felt like she had “pretty good influence.” Yet, “ultimately larger donations and investments are a financial decision for the bank overall and so those really rest with the President and with, you know, investment, the accounting department, they all make those decisions.” That was similar for Leslie. When asked how much influence she had over loan and investment activities of the bank, she said “Well, I would say, not a lot.” When it came to bank loans, all she could do was say “here’s how many community development loans we have, and we need to do better, or we need, you know, we’re doing fine. And that’s basically when I’m reporting to audit committee…” She went on to reflect that her authority was related more to making an assessment of what would count for CRA and what would not. “So, to quantify how much influence I have on the CRA program as far as those different areas go, I don't know that I have that much, other than to say here's what qualifies and here's what doesn’t.” In a sense, Leslie was more of a “resource, so that they [loan officers] know what they need to do and what qualifies.” The situation was the same for Barbara:

> Our president of the bank pretty much handles the loan side and our CFO pretty much handles the investment side. They might ask me questions or make sure you know, to see if it will qualify, but it's gotten so they pretty much handle those two areas. But it is up to me, when we do have the CRA exam, that I’m the one that makes sure we have all that information that they've completed what they need to complete, and I’m the one that works with the CRA examiner.

This was also the case for Kathryn. Her biggest roadblock to fulfilling CRA policy stipulations was the “way our program is designed.” She continued on: “there’s not necessarily an emphasis, especially on the lending side, to go seek community development loans. The emphasis is make loans and then CRA officer, you need to review those loans to see which ones are CRA compatible or not." While this was less of an issue on the lending side, because a number of CRA-qualified loans tended to be made because of the bank's commitment to community lending, it was problematic on the investment side. Kathryn expressed her frustration: "I am not involved in the investments at all. Basically, we have an investment advisor that it is his responsibility to basically look at those investments that are profitable for the company…Basically we get presented an investment portfolio and told: here are the investments that we've done for the quarter, do your research and see if any of them are CRA compatible." Thus, on paper, while most of the CROs reported to senior leadership, and had the authority to determine a CRA compliance strategy for the bank, it was often more tied to finding CRA qualifying financial activities, as opposed to driving the financial decisions of the bank.

Rosa was forthright about the lack of control over the financial and budgetary decisions of the bank. Like Mary, Rosa had some authority as the "subject matter expert." Thus she could say what counted, "we will get CRA credit for that, or no, we won't get CRA credit for that, or provide advisement" about whether or not a community development loan was a good one. Yet, continuing on and shaking her head "no" with regards to how much authority she had, Rosa said: "As far as, you know, what our budget should be, or—and everything kind of hinges on your budget you know, or staffing—no, no I didn't." She continued on, "I was always working with a shoestring staff…" She didn't feel it was effective to rely on the existing commercial and retail loan officers to do CRA lending, because "they don't know the regulation, first of all…they're just doing it off the side of their desks. So that's not effective." So without the budget or staffing, Rosa did not really have true authority to drive CRA impact.

Authority was also substantially limited by the holistic team effort required to comply with CRA. The true authority came from the executive, and the support they gave for CRA compliance to be diffused throughout the bank. Thus, the leadership's conceptual understanding of CRA had a significant impact on bank structure. The importance of the leadership commitment to CRA will be further explored in the next section.

Conceptual Work

Findings that provided evidence of conceptual work were connected to the beliefs, norms, and interpretations around CRA policies. This included the organizational culture around CRA, such as the organizational leadership's commitment to community development and to CRA performance. It also centered around the conceptualization around responsibility for CRA mandates, and whether that onus was shouldered by the CRO alone, a group of individuals, or the entire organization. Furthermore, conceptual work connected to the CRO's own worldview on what the CRA policies entailed, such as whether or not CRA can be profitable for the bank and whether or not it has worked, which was closely intertwined with the personal identity of the CRO and their race.

The next section will delve into the findings around conceptual work, commencing with the evidence around how organizational leaderships' commitment to the CRA impacts the efforts of CROs to manage regulatory mandates.

Organizational and Leadership Commitment

Tiffany, at a large $3 billion dollar bank in the northeast reported to a C suite officer, but in response to how much authority she had in the bank, she answered:

> As far as like the policy, the procedures and what we're doing goes, I would say, a good portion of it lies there. The difficult part you have is that with CRA, there's so many other people involved that aren't under your organizational structure umbrella right, you have to get all of the employees involved with CRA, not just one person. So it kind of started to revamp it, *it started with our CEO actually and he was the one that kind of drove it* and said "okay, you know this isn't just a compliance piece, this is everybody's piece, and this is what we have to do to get to the next level when it comes to CRA implementation," if you will, throughout the whole organization. So I would say that the CRA officer has some authority, but in order to really make changes, no, that lies more with the senior management and executive management as far up as the CEO.

Tiffany conveyed that compliance in general and being a CRA officer more specifically are operations roles. "You can make as many changes as you want to your internal policies, your internal procedures, anything that affects your department, but once that kind of goes outside of your department, you're kind of stuck." CRA, by its nature, requires a lot of people in the bank to contribute, so Tiffany "felt like in order to really make changes, in order to really implement something new, you had to go above and beyond and get more authority from executive management than you had on your own." Thus, authority in the bank bleeds into leadership commitment to the CRA goals.

Lisa echoed Tiffany's sentiment. She reported to executive management and felt she generally received support on her CRA strategy, in fact that she had "received huge support with CRA." Yet, "getting buy-in from all the employees and getting that communicated down the line is not always the easiest." Across multiple assessment areas, Lisa needed the employees of the bank to engage in service hours and log them, and while lending could be straight-forward at times, “getting those loan officers to be aware and to try to, you know, fight to get those loans, is really a challenge for sure.” Many of these individuals were not under Lisa’s reporting umbrella, and thus she needed bank leadership to convey what their responsibility was with regards to CRA.

Many of the CROs felt that the CRO responsibility was placed squarely on their shoulders. Across more than 70 branches in one state, Kathryn was the primary individual at her bank with CRA responsibility, other than one analyst who had recently been hired. The responsibility on behalf of bank leadership was enormous. “It's my responsibility to make sure that those evaluations run smoothly and that they comply and that they're successful. Because the bottom line is if they aren't successful then the bank can't do what it wants to do” (Kathryn). What the bank wanted to do, was acquire banks to add to the profitability for its growth strategy. And you had to be satisfactory, at least, on the CRA, to open or acquire new branches. Kathryn continued on, “it is the pressure on me to manage that exam just simply because I know what’s at risk. *If you fail—if you don’t have the ratings that you need, you know, ultimately, you derail the entire growth plan of a company*.” In a more light-hearted tone, Kathryn said, “the good news is *it’s only obscene pressure once every three or four years*, depending upon how the exam cycle is…” But the pressure was indeed enormous. Kathryn was asked “If your exam score were to drop, would you feel the brunt of the blame for that or would it be widespread across the entire organization because there are so many staff whose performance wraps up into that score?” Kathryn’s response was simply, “ultimately, I mean the buck stops with me for CRA performance. If I know there’s a problem and I haven’t alerted anybody to it, *then it’s going to be my head* and rightfully so.” She realized that she was not the one making the loans or services in the assessment areas, but it was her job to monitor them. “If I haven’t given them the right information, then they can’t fix the problem. And, ultimately I’m the only one that knows, because I’m the one that’s seeing the day-to-day, month-to-month.

Defending less profitable CRA activities to bank leadership could indeed be a challenge. Tiffany conveyed that “at the end of the day, our responsibilities are to serve our shareholders and make a profit, and we have to keep that in mind, as well, is we have to remain profitable or we will get bought up.” So maintaining this profitability had to remain top of mind in the design of any CRA products.

Stephanie described her experience with this mentality of CRA performance falling squarely on the CRO as well. She spoke of a loan executive who she tried to inform about CRA requirements. But “he would never show up…He didn’t want to have any part of it.” Stephanie’s leadership did not offer any support either:

> I could go complain to, you know, the other executive management, and they’re just telling me, I’m just ruffling the wrong person’s feathers or something, and they’re like, “well just get it done, just get it done,” and I’m like, “I’m not a lender, I just can’t get it done.” I can't just go out and make loans, that’s not even my job, like I’m not even licensed. You know what to do, you do it. Like, I will tell you how to do it, I will help you do it, I will connect you with organizations that can, you know, provide you with CRA opportunities, but you’ve got to bend with me, and it was just such a challenge, it was almost, you know, it got to almost like a rivalry. *And it’s like listen, if I lose, that means the entire bank loses. It’s not me and I get fired and I get kicked out. It's on you as well, it’s on*

> *everybody*, and when you work in a smaller bank, like that, it really is on everybody to carry it.

Stephanie understood the importance of CRA, but without executive leadership's understanding that CRA could only be implemented effectively through an entire team's efforts, there was not much that she could do alone. The loan executive and his team of lenders did not report to her, and she could not do CRA-qualified loans for them.

At some of the other CROs' banks, the leadership was more committed to the idea that CRA required the attention of the entire team. This was described most directly and succinctly by Melissa:

> What we have is our go to model, it's something that we created…and that was definitely led by our CEO to say, CRA is an important component of our bank, and if we don't get CRA right in your market, it's not Melissa's fault, it's your fault. So, you know, the ownership of CRA activities is at a market level. So I set goals corporate wide and follow up to make sure that we are achieving those goals at a market level, but the markets themselves own their production, and they know, because our C suite has made it very clear, you know to those leaders, that they own their CRA activity. If they don't get it right, they're going to be in trouble, you know…There's accountability on a market level, I guess is a nicer way to say that.

The CEO's elevation of the importance of CRA made Melissa's job "very easy because [she didn't] have to tell or explain to a market president or try to push him or her to do" what was required for CRA, because "he's hearing it from somewhere else too." Where her C suite leadership had “identified the importance of [CRA] publicly, early and often” made an enormous difference in Melissa’s ability to implement CRA mandates.

Though Melissa’s description of her executive support at a large bank over $40 billion was the most empowered account of leadership support, there were cases at smaller banks where the responsibility was also more diffused and supported by bank leaders, such as at Candice’s $5 billion dollar bank. Candice described CRA fair lending as a second line of defense, and it was individuals in the first line of defense, the production crew, that were doing the day-to-day of CRA financial activities. Yet, adherence to CRA was “spread out,” because even though Candice was the one “monitoring and like pushing, every front-line business, every first line of defense business is doing everything they can to get all the deals, they can.” She expressed that they also shared the pressure of CRA:

> If I say to them your percentage to LMI communities dropped as a percentage of overall loans you made this quarter, you need to bring that thing up again, they’re going to be like “oh my gosh, how are we going to bring that up, we're gonna have to do this, we're gonna [sic] have to do that.”

Like at Melissa’s bank, for Candice, the entire team shared the responsibility for CRA mandates.

This was also a key feature of the organizational culture at Anna’s bank. Anna talked about how she, with the support of executive leadership, created a culture around proactive CRA activities. Anna conveyed, “you need people to understand the impact they’re having.” When she talks to the lending team about their CRA activities, she does not just share the numbers of qualified activities. Rather, she puts it in terms to illustrate their impact. Thus, rather than saying “you closed 500 loans”, she would say “you helped 20 people get into their very first home.” There was an important element here that Anna pinpointed: “Now who doesn’t want to feel good about that, right? So we…it's how you change the message to give people a sense of what the purpose is for what they're doing." It was not just about booking loans, but also helping LMI families to get into their first homes, and to "help them on their path to wealth building and wealth accumulation." Anna felt strongly that "everybody wants to have an impact…and you know, any investment in our community is something we're going to feel ourselves, right?" Through this messaging, a focus on helping their community to "thrive and prosper," Anna felt that all of the bank employees would stay very engaged and contribute to the mission of CRA.

Melissa, Candice, and Anna expressed what Stephanie also iterated as critical: "You can't do it by yourself, you have to have everybody involved…You're always hoping you have somebody backing you, you have a team backing you, you really have to get everybody's buy-in." Then, only if you have senior leadership's support, if you run into issues with team members who are not contributing to CRA performance, then you have the ear of your C suite team and board of directors. If they are listening, and they understand the importance of CRA,
"then it's easier to get them to say, "hey listen," to enforce that to, "listen, we need this," you know, "do whatever they say," you know, "*because this is really important, this is actually vital to the bank*." Thus, the strategic influence and organizational authority of bankers is inextricably linked with the actions and discourse of organizational leadership regarding CRA. Yet, the way in which CRA is implemented within the bank is not entirely dictated by senior leadership. It is also tied closely with the conceptualizations of CRA mandates from CROs themselves.

CRO's CRA Worldview

Worldview is an individual's self-construction of understanding about a particular domain, public policy in this context. In this section I will explore to what extent a CRO's worldview about what CRA mandates mean correlated with how they carry out these mandates.

While structures of the bank, operational context (including the market), and internal and external relationships all influenced a CRO's capacity to carry out CRA mandates, implementation necessarily began with the work that the CRO had determined would be necessary. While aspects of the CRO's personal and professional identity were connected to institutional work in multi-faceted ways, there were two primary facets of the CRO's worldview of CRA that were most prominent in the data. The first was their understanding of the connection between profit and purpose, and whether these missions are congruous. The second facet was whether or not the CRO believed that the CRA has increased bank investment more than would have been achieved through the market. Although this second key question is related to the CRO's worldview, it was intimately connected with the race of the CRO in this study, as covered in the subsequent section. Here, we start with the key question asked of CROs regarding whether or not the CRA could be profitable, and to what extent CRA work aligned with the commercial mission of the bank.

Specifically, how did CROs interpret profitability within the context of CRA? Did the CROs measure profitability of their CRA program, and did they perceive that the CRA aligns or conflict with the business bottom line, to make a profit? For most, the CRA is not profitable in the traditional sense. Michelle was clear in her response that she did not measure profitability in CRA because "it's not a profit-making tool for the bank." And Robert stated: "It's really overhead without any revenue…because of the report filing, salaries of these kinds of roles, they're not really a financial contributor, therefore, they just become overhead." And Thomas concurred, "I would say the profit is looked at very little when it comes to the Community Reinvestment Act…"

Similarly, Kathryn answered, “our leadership lovingly refers to compliance as a “loss leader,” because compliance is a necessary evil that doesn’t add to the bottom line.” She continued, you must have compliance personnel because the banking industry is so regulated, and there are penalties for failure. Thus, compliance could affect the bottom line, but only from a penalty standpoint. Kathryn was not involved in any of the production activities at the bank that contributed to the bank’s profit. Rather, it was the lenders who “really feel that profitability crunch.” So it was up to them to “balance that is the loan profitable versus is it going to be CRA compatible?” The lenders knew that Kathryn would be reviewing the loans for CRA qualified activities, but they did not have any incentives related to CRA other than the audit or compliance function (though Kathryn expressed that they’d been satisfactory on exams, so at that point they didn’t need incentives).

Like Kathryn, Robert saw the relationship with profitability as antagonistic within the regulatory framework. “The government takes the approach, I think, because we provide the backstop with FDIC insurance, you’re going to do these things for us.” He felt that the relationship with the government was much more positive when banks were compensated for work the government wanted to see carried out, as opposed to regulatory mandates:

> We just went through PPP [Paycheck Protection Program] with the corporate shut down, and this was a case where we were paid to be the arm of the government really, to help distribute these funds, and it was very positive, but most times when there’s a mandate from the government, it comes and there’s no revenue attached to it, *so therefore it defeats the profitability*.

In Robert’s view, CRA was detrimental to the profitability of the bank. And when the banks tried to come up with ways to still make a profit with LMI customers, the government would again crack down. He gave the example of overdraft fees, a way the bank could make money, and how Congress was trying to do away with those too. He felt that "the market always figures out a way to keep working," but that the regulators would come back and interfere again. "You can't give us a mandate and then not give us the ability to do it in a profitable way." And Robert pointed out that there are "degrees of tolerance." "Is it cheaper to maybe charge [LMI customers] a few bucks for the overdraft privilege, versus loan sharking something to get money where they're charging you 30% interest?" Robert's bank actually had avoided getting into mortgage lending because of all of the HMDA reporting. Considerations about mortgage lending as a new profit line had to be weighed against the compliance cost, the reporting burden. So regulatory policies were experienced as being in direct conflict with profitability.

Although some CROs did feel that the CRA diminished profitability, most of the CROs voiced that CRA was not necessarily profitable, but that it did benefit their communities, and thus resulted in tangential positive benefits for the bank. Tiffany had encouraged her bank to take any marketing costs related to CRA out of their profit calculations. The bank's norm was to calculate return on investment (ROI) for their marketing. But because she felt that they were not doing marketing to LMI communities for ROI, she thought it should be removed from those calculations. They were not doing that marketing for profit, they were doing it "to reach those communities, and we don't care, you know, what our profitability is on it." Most of the bankers did not factor any of these calculations into profitability.

For example, Jane said "we do not measure the profitability of CRA activities, we just do it because we want to support our community…because it supports our community, it's good for the bank." In short, if the bank supported the community, then people would want to bank with you. Marshall also felt that though the yields of community development loans and investments were low, that the benefits they provided to a community were tangible. And Thomas shared how he also had the growth of the community in mind, as did his bank.

> Some of the investments that we do make do have decent interest like you put them into CDFIs…but a lot of the investments that we make too are considered investments, not because we're investing money in order to make a big return on it, we're investing money into our community for the community to grow…

Melissa agreed that CRA was not a profit center. But she also felt that CRA could be profitable, such as tax credit details, and "certainly, you know our investments that we have do make money." Melissa thought that it was good to find better ways to generate revenues with CRA, but she really was not as focused on that as on giving back to the community. She did not think that CROs should have the expectation of making a profit. Thomas agreed with that. "On the one hand, you want to be profitable, but on the other hand, you want to make sure that your Community Reinvestment Act and fair lending programs aren't completely reliant off of making money." If they are, then there might be that gravitation towards the higher income customers. For them, keeping a balance in mind was very important. Melissa reflected that banks generally cannot make loans to the lowest credit score borrowers, they have to leave that more to CDFIs or non-profit organizations. As a large bank, Melissa's bank was a "publicly traded company, we have expectations of us, our shareholders, our investors, etc. So we do have to be prudent in our choices, and we can't just put products out in the home mortgage space and lend to whoever walks in the door, because we still have you know, to make money at the end of the day." Safety and financial soundness, relating to the banks' commitments to make loans and investments only to customers who met underwriting standards, were major limiting factors regarding who the bank could take as potential clients.

These sentiments were echoed by John who explained how getting too many LMI loans out the door could actually be detrimental to the profitability of the bank. "We don't want to do a loan that doesn't meet our current underwriting standards. We're not going to do a loan just because it's CRA eligible." John reflected back to the 2009 Great Recession, and observed, "you know the CRA was probably a contributing factor in it, because there was so much pressure on banks to make low and moderate income loans on homes…" John continued on that if a CRA loan was made, "it's going to be a good loan, it's going to be a profitable loan, and we wouldn't make the loan if we didn't make money on it." In fact, if the bank did make bad loans and "gets itself into financial trouble, then the depositors are at risk." So like Melissa, he was careful to observe that safety and soundness was a limiting factor regarding the ability to do more LMI loans. Michelle bolstered that message: "When you have a safety and soundness exam, you know that, of course, is your primary…you shouldn't make bad loans to just, to get CRA credit for. That's not good business either." But John also shared that that wasn't supposed to be the point of the CRA. The CRA regulations "do not encourage a bank to make a bad loan. That's just not the way it works."

For the CROs who believed that the CRA was profitable, it was primarily from a long-term perspective. LMI customers could be future bank clients, but they needed the technical assistance first. Stephanie shared about how bank programs could be wealth-builders:

> You want to see [LMI individuals] continue to grow their wealth and then be able to offer them the products that they couldn't once afford or couldn't get into but now can, you know now they qualify for those. Because, you know, it's not about keeping people in debt to a bank, it's about investing and, you know, having that

> good debt and having, you know, assets and ownership, you know and that's you know, that's the point right?

Tiffany concurred that outreach to LMI customers “may mean more customers, more households, more deposits.” But she cautioned against equating profitability with revenue. “It may be a revenue driver, it may not be a profitability driver.” Products for LMI communities are more affordable, so the net interest margin is lower. Fees are lower, and the “propensity to lose money on a product is higher.” However, even if profitability wasn’t the main driver, Tiffany did feel that reaching more communities was good for the image of the bank, and that it was the right long-term strategy for the communities they operated in.

The challenge was that the profit was so much lower on LMI products. While affordable mortgage loans do not typically operate at a loss, they are lower dollar loans, so they tend to not generate as much profit as a large loan. Rosa pointed out:

> And your loan originators are all after the half million dollar loans--that's what they're trying to do, because commissions are going to be higher, the bank's profits are going to be higher, so that's where all the attention and focus is, and everything else is just, a drag, you know, on profitability.

Leah concurred that from a short-term line of sight, CRA was not exactly profitable directly, but that long-term “it would only improve profits,” as a long-term community development strategy.

But it was not just about long-term clients for a few of the CROs. Some banks were seeing immediate profits from CRA, such as Melissa, who had reflected that the bank certainly made money on CRA qualified investments. Similarly, Barbara said that her intermediate small bank actually made a profit from CRA participation loans, such as for LMI apartment buildings:

"I mean, and with a lot of our participations, that's where we make a lot of our profit." A participation was a way for banks to buy into other banks' loans. And Anna, one of the only CROs with an outstanding rating, was one of the few bankers to directly answer that she did measure profitability: "I would say that yeah, we do measure, we've started measuring our performance on our CRA investments, and you know overall we're quite happy with the results."

Rosa mentioned that she had not exactly "figured out a way to measure the profitability." Part of this problem was because she did not have the data. It is intermingled with other data, and so for example the investment team measured their overall portfolio, but not the CRA component independently. But it was absolutely something that Rosa had wanted to do. "As an advocate for CRA, you want to show that it's not only doing good in the community, but that it is good business." The lack of staff described earlier contributed further to not being able to measure profitability. With few staff available for CRA, you needed those people just to run the program. "So there's no additional analytical staff to just take the time out and figure out profitability on CRA you know." Rosa felt that the "conventional wisdom" was just that it was something that had to be done for compliance, so just do it, but that it was not making the bank any money. She had long wanted to change that mindset. "Everything's about the bottom line and shareholder values and all of that. And if there is a perception that, you know, the CRA is not providing anything to the bottom line or to shareholder value, *then there's a conflict right there*." So, it was important to show that CRA was "good business" given its tension with the profit bottom line.

Luis, at a large bank just over $40 billion, similar to the size of Melissa's bank, also shared Rosa's sentiment that as a CRA advocate he wanted to demonstrate that CRA was good business:

> Yeah, you know, we do measure profitability, because at the end of the day, you know my job as a CRA officer… is to demonstrate to our leadership that the CRA is not just the right thing to do, but in reverse, like I mentioned earlier, it's also good business, right. And what does good business mean, it means profitability.

That profitability was coming from large mortgage pools, impact investments in private equity funds, in long-term DUS [Delegated Underwriting and Servicing] bonds, and in partnerships with other financial institutions on community development transactions. There is also a monetary and reputational risk to non-compliance with the CRA from an exam rating standpoint, but Luis did feel that measuring profitability was a driver for the importance of the CRA. Like Luis, Mary also recognized that there was a profitability risk to non-compliance. "How much does a damaged bank reputation cost, how much does noncompliance cost?" But she also recognized LMI clients as customers, and important ones at that:

> So, I always come at our CRA products from the perspective of bringing in new customers. *And* that these customers are more likely to stick with you longer and be more committed to you and have what we call the stickiness factor than higher wealth individuals who will leave you over the slightest reduction in an interest rate. But that individual that you helped get their first home or first car or start their first business, is more likely to stay with you and come back to you for their financial needs, *and* they're more likely to encourage their other friends and family members to come to you. So yes, I believe in that wholeheartedly.

James provided a nice conclusion to the comments of other bankers, like Rosa, Anna, Mary, Luis, and Leah, who believed that the CRA could be profitable. James said he would tell his critics that "there's money to be made. I tell them that the people that are smart when it comes to

CRA compliance, know how to make money at it." He conceded that there is less profit with low-income housing tax credits, affordable housing, and LMI loans, but, generally, "they pay you back, you know, you're making loans, new products, and so there's money to be made in servicing the entire community," you just have to do it "in a smart way." James acknowledged that it could be harder to lend to a single head of household first time homebuyer. "It's hard. But that's why you have to know the programs out there, the services out there, the down payment and closing cost assistance programs out there…" If you don't take care of the LMI members of your community then "it's going to bring down the rest of your community."

One factor that was relatively consistent across bankers' comments regarding the profitability of CRA, was race of the CRO. It became apparent from the analysis that the majority of bankers who said that CRA could be profitable, were bankers of color. The next section transitions into a discussion of the influence of race on the CRO's CRA worldview, or conceptualizations of the CRA.

Race and Personal Identity

Personal identity is composed of the concepts about oneself that evolve over a lifetime and encompass your values and life experiences (Olson, 2002). The answer to whether CRA matters, across bankers of color, was unequivocally that the CRA has had a major impact on banking practices. For example, Mary, a Black Gen X woman: "um I say it has been essential, vital, critical, the key…" or Leah, a Black Millennial woman: "I definitely feel that CRA was absolutely necessary!" Most of the White bankers espoused a belief that had been prevalent in the first data set: banks would be committed to their communities without the CRA, as it is good business. While the commitment to community is a tangible value for the banking sector, there was a perceptible difference in commitment to the CRA specifically, based on the interviewee's race.

In response to this question, Rosa, an African American Baby Boomer in the South, responded: "I think if there were not this regulation, that we wouldn't have the lending programs that we have for low-and-moderate income individuals; I think that we would not have brick and mortar branches in low-and-moderate income communities. *I believe that with all my heart*…that this regulation is necessary." The emphatic nature of Rosa's heartfelt response pointed to a career dedicated to CRA.

> …I think because once you understand the regulation and who the regulation is supposed to benefit, and of course that's the most vulnerable populations right, and you see an opportunity to help uplift those individuals by advocating for them, if you will, you know internally in your bank and all that, and you can really see the difference that it makes in lives and maybe have a heart. You know, it can be very satisfying work. And people just don't seem to, to leave, you know. It's a balancing act for sure, but…um, it's a good, it's a good career, it really is, I enjoyed it. I enjoyed my time.

Rosa had dedicated her entire career towards making a difference in low-income individuals' lives through her CRA work, and this stood out in her sincere belief in the necessity of the CRA. She deeply believed that her work mattered.

When questioned about the uniqueness of her response as compared to other bankers who had shared that CRA had not made much of an impact, Rosa was incredulous:

> Those people must not be retired, they must be working for somebody still! [laughs]…Maybe they don't know their communities…um I…*I don't understand*…You know that's the patent answer, you know, it's the right thing to do, but *trust me*, if we did not have this regulation…we *would not see* brick and mortar branches in low- and moderate-income communities. I mean you barely see them now, you don't see a lot of them, but there's enough so that there's access, right. But you know, if you look at closures and stuff, you know, *I can't believe anybody said that with a straight face*. There *IS* a need for this regulation.

This belief that the CRA has changed the nature of banking significantly was consistent across each of the Black bankers interviewed in the study. Like Rosa, Mary, and Leah, James, a Black male Baby Boomer at a bank in the South, believed deeply in the CRA:

> *I think it's huge, quite frankly,* because bankers, you know, avoid risk, and all the models that we look at, you know, that determine risk, seem to all in a lot of cases point back to low-and-moderate income communities…if it wasn't for the CRA some of these communities would not have received money, I feel pretty sure of that. The banks were complicit with their redlining programs and the Federal Government was complicit with their discriminatory programs when it came to lending money, and so the CRA sort of forced that *and I am totally convinced that the CRA was the major reason for that.*

Moreover, James believed that race was a major factor for the disparate responses when he was questioned about why he thought the common mantra across other CROs had been that banks would invest in their community anyway, and that the CRA had not made a difference. First, he credited it to a defensive strategy: "Bankers are defensive, no one wants to be accused of being discriminatory or having disparate impact…You know that's embarrassing, you know you want to speak up for your bank, you want to say we're going to do the right thing." After first sharing that it was overall a strategy to uphold the reputation of the bank, he then expressed that race was a factor in the failure to see this disparate impact. This is exacerbated by the lack of bankers of color: "There's not enough lenders. I can count the number of Black commercial loan officers, probably in this whole state, probably on both hands." Many banks do not have even "a single African American in a leadership position." He felt that bankers of color had to be at the table to focus attention on the inequalities, "to try to make people think about that, to try to look for opportunities, and if you're not at the table talking about that, then it's out of sight, out of mind." James had found himself in the minority throughout his entire career, and he was often the only one to speak up. It could be exhausting.

> And sometimes I get tired of bringing up issues that deal with disparate treatment. And I just sit at the table, sometimes, *and I just look to see, well is somebody else going to bring this up*? Or if they say something and then everybody looks over at James. You know, I'm tired of that, at times, and so I want to…*are there any other allies in the room? Is anybody going to speak up other than me?* I speak up and it's kind of, well that's James, blahblah. And so it's tough, you know.

James's response indicated that bankers of color were more likely to recognize unequal access to capital issues, as well as speak up about them.

The support for CRA was consistent across bankers representing other minority groups as well, such as Luis, a Hispanic Gen X banker at a large southern bank:

> *I know that the CRA has made an impact through its regulatory requirements,* right, but I also believe that the CRA has encouraged financial institutions to

> rethink how they meet the needs of the community, and one of the things that the CRA does, that CSR [Corporate Social Responsibility] does not, is encourage investments and lending. And so the CRA alone has been responsible for over $5 billion dollars of community development lending activity in low income neighborhoods since inception right, and that's just domestically because it's just a U.S. reg. $5 billion dollars to revitalize communities and neighborhoods. *That's a significant number, right?*

Anna, an Asian American Baby Boomer, also pointed out the impact of the CRA, even for community banks:

> I would say the CRA has really gotten us, you know, has given banks, an opportunity to really look at a very different population that perhaps they mostly don't serve… I think CRA gives the bank that opportunity to you know, do a real, you know, realistic assessment of where are the needs, what are those needs, and what should our role be? I think without CRA we probably would be more focused on just the communities with the high population, you know, and I think it would be to the detriment of the overall state, you know.

Like James, Anna pointed to the racial inequalities in the country.

> You know, somebody forwarded me an article that says that the IRS tends to audit predominantly communities that are majority minority based, and that very few audits are done in communities that are predominantly not minority, or African American. And so you look at these things, and how do you ever fix the structural nonsense that's going on even today, right? And I think CRA has a role to play, if nothing, we just talk about it internally, we talk about it externally.

It is important to state that none of the White bankers voiced an explicit desire to not help LMI individuals or communities of color via the CRA. A few bankers indicated that CRA had been intended to help racial minorities, whereas their assessment areas were simply less diverse, as Robert stated:

> Now, I know I will also say in these communities that we're in, again we're in rural [Midwest]. Racial diversity is not much. In other words, there's a little Hispanic population, but you have to go to [the urban cities] for there to be more like Black population. So CRA originally, I think originally was targeted at work, trying to fix the racial inequities and all that kind of stuff. But we, community banks as a whole, have to invest in the community, because that's how we survive. And so, while it may have helped in some fringe areas, from a community banking perspective, *I'm not sure that it's raised the bar.*

Many of the bankers made no mention of race at all, or the racial discrimination evident in lending when the CRA was passed.

The majority of the White CROs simply were resolute that while there might be ill-intentioned banks in urban centers or historically, that their banks would invest and lend to LMI communities without the CRA, even if perhaps they were unique: "Hmm, well, you've got to understand that my bank is probably a little bit unique" (John); "I think my position on that is going to be a little bit different…" (Kathryn). This perception that banks would likely support their communities without the CRA was generally shared by the majority of the White bankers, while not a single banker of color espoused that belief. However, it is also important to note that many of the White bankers, despite the common theme, shared that they were only speaking for their banks, and some, like Kathryn, indicated that perhaps the CRA had made a difference in urban areas, even if not for her bank. The "community first" approach is summed up well by Kathryn:

> I think banks always have had an understanding that you have to give back to the communities in which you're located, because ultimately banking is a business and if you're not a good corporate citizen in those areas in which you are located, you're not going to have the business. *And so I don't really know that CRA has been an impetus in certain areas in this market or in this state*.

Other bankers shared a similar sentiment, such as Michelle's expression that "I think the Bank would help the community, no matter what. Whether we were getting credit for it or not." Robert's response was similar: "Well, I'm gonna generally take the position that community banks as a whole do a whole lot of CRA type activity, whether the CRA was out there or not."

While a minority of White bankers had viewpoints that resembled those of CROs of color, the view that banks would develop their communities without the CRA did not hold for White bankers at banks with asset sizes over $10 billion. For example, Melissa stated:

> *I think it absolutely has been a huge driver*, particularly around lending in low-to-moderate income neighborhoods and to low-income people. As you know, lending is 50% of the CRA exam and you know, banks were not doing enough in that space prior to 1977. You know, the law was enacted initially to combat redlining and banks now look for affirmative opportunities to lend and push very hard on their lenders to find opportunities to lend to low- and mod-income people and in low- and mod-income census tracts, *and that work, I don't think would have would have happened organically*.

Stephanie, another White banker at a large national bank, (who had previous been a CRO at multiple community banks as well), was unconvinced when asked how she would respond to the comment that CRA has made little difference:

> *I don't think so*, um, I think, especially from the beginning…I think when it came out, you know 42 years ago, you know we had some serious redlining issues, and banks were not willing to just give money to anybody, right, that was the problem. And I think banks needed that incentive, uh you're going to get rated on how well you perform in the community.

Like Kathryn, some of the other White bankers, such as Thomas, felt that CRA had made a difference for large, national banks that are located in urban city centers and farther removed from rural communities, but that it had had no tangible impact on his bank, or community banks in general. Thomas explained his view:

> So, a lot of smaller financial institutions like community banks like I work for generally have a desire to get out there and help the communities that they're a part of…also a lot of the smaller banks are just full of good people that want to help the people that they're around. Now, where I think it's had a huge impact is in mega banks, national banks and institutions that are more widespread than a community bank. Because now we've got these institutions that have an incredible amount of capital that are required, through this regulation to give some of that capital back to communities that they probably wouldn't have served otherwise.

Although Robert joked that: "it's not like we all got together and agreed that this would be our story," the community banking response was a dominant theme, reflecting sincere beliefs that community banks would be devoted to the goals of the CRA even were it not enacted. This study cannot discern whether or not CRA really has had an influence on community banks versus large banks or not. It is not a study of outcomes. But the evidence does point to a finding that, for the bankers of color in the study, even those at community banks under $10 billion in asset size, the answer was very different than for White bankers on whether the CRA has worked.

Operational Work

Findings connected to the operational work of CROs were centered around the concrete actions and initiatives to fulfill CRA day-to-day, and the various environmental influences that affected this work. The findings were primarily related to market context, specifically the assessment areas where the banks worked and the relationships with customers and community groups. In the various situations described by the CROs in this study, themes emerged around the barriers to fulfilling CRA requirements given community context and market competition with other organizations such as non-bank financial institutions. This connected to a perceived threat of loss of profitability due to CRA and other banking regulations, as well as a broader concern about the decline of community banking in America. But other CROs approached the market opportunity from a different perspective. These CROs saw a role for innovation and intrapreneurship to roll out the new products and programs that would be needed to appropriately serve the LMI market.

Market Context

Banks' assessment areas are their markets for carrying out the mandates of CRA, including their loan, investment, and service activities. Many of the CROs both in the first data set, and in the interviews that composed the second data set, felt that the nature of their markets was the most significant barrier to carrying out CRA policy mandates. For example, Charles shared that “in most communities, they’re overbanked, and so you're struggling. Any loan that you can originate where the underwriting meets your standards, you're going to take it, you know.” This was the case whether or not the loan was likely to be CRA-qualified or not. Charles went on to express that even where a CRO would try to find CRA investments, often the biggest struggle was to find them:

> We have our brokers, brokerage companies that we buy our bonds from, know that anything that’s in our assessment area that could get CRA qualified…banks are competing for this stuff and so the opportunities are not that great… Any of them that come our way, if we can, if it looks like it's gonna be CRA, we're gonna take it…You know, a lot of this is not at our mercy, you know we're at the mercy of whatever is available out there in the market, plus you’ve got other banks that are asking the broker for the same thing. So it’s difficult, it’s challenging.

Charles expressed that all of the banks would be competing for these CRA qualified bonds, and that it was really out of the hands of the bank if they would get them or not. It depended more upon market competition and whether or not they were a market leader in that community.

Marshall also spoke about how the profitability of CRA investments was tied to the competitive nature of CRA community development loans. Underwriters who come up with bonds, such as housing finance agencies, actually know if something is CRA qualified. “And they know that the demand is out there for CRA qualified investments, so they’re always…the yield is not as good on those.” Marshall felt that it wasn’t “a secret in the industry” that community development loans that were CRA-qualified were coveted. Because CRA loans had such high demand, and so many banks were vying for them, the yield would be much lower, according to supply and demand.

Other bankers, such as Michelle expressed the same sentiment about the difficulty of finding CRA qualified investments:

> And that's probably one of the hardest struggles that we have in our area are finding investments that would also qualify for CRA credit. One because there are so few of them. And there are so many banks within the market area that you know, it's the one that gets there first that gets it. And so the investment side is a struggle for us.

It was a similar situation in Lisa's state. "Trying to find loans that are CRA qualified in the state is very hard." Lisa shared that her state had more banks per capita than in any other state in the country, and each of these banks had to obtain CRA credit. "So, we're all going over the same thing." Barbara had a similar experience: "that's pretty much our biggest hurdle, we are not in a low to moderate income area and, especially, to try and find a loan sometimes when you've got four other banks in town trying for that loan also…" John also had no low-income census tracts and only three moderate income tracts in his entire market area. Everything else was middle or upper income. John had a lot of trouble finding CRA eligible loans because of this, but he also disagreed with the way the CRA was written in general with regards to operations. He felt that any loan that created jobs should be given credit, as those jobs would allow income mobility at all rungs of the income ladder, and those support lower wage jobs as well.

Kathryn reiterated that competition was a challenge, especially in rural markets. Those markets just did not have the same opportunities as a metropolitan area, yet you still had to fulfill CRA requirements there. Reputation was critically important for the bank in this regard. "If you have that reputation of being the leader or being that financial institution that gets it, then you will get the loan or get that opportunity." Similarly, Thomas' Chief Financial Officer was looking for more CRA investments. But they were "really, really competitive" in the region. Good investments that would make a little return or even just break even, while benefitting LMI communities, would often have many financial institutions after them. You would have "to be the first one, with the best rates or best offer to get those investments." A community development loan for affordable housing that was "just like super cut and dry and it's in a low to moderate income community, and you're going to make money," that would definitely be a "unicorn."

As for the bankers in the first dataset, there was also frustration that market competition was disrupted when regulations were unevenly applied. For example, Candice lamented:

> The other thing that's really not right about the CRA right now, is it doesn't apply to credit unions. And there are also non-bank financial, like fintech companies and things that are starting to play in the market…the bank's already at a disadvantage because they don't have the same regulatory environment that we do. And they also can undercut our prices because they don't have to make a profit because they're non-profit, so they undercut our pricing also…that's an unfair playing field for us too…We're still stuck with our economics and they have different economics.

Thus, as had been the case in the findings in the first data set, market competition pressures were exacerbated by being regulated, especially due to the perception that regulations created an unfair playing field for the non-regulated non-bank financial entities.

As had been discussed extensively by the respondents in the first data set, the CRA often was seen as creating tensions between something that would get the bank CRA credit versus an investment that would still be critical for the community yet did not receive credit. For example, banks could invest in local school bonds, but only a fraction will quality for CRA credit because of a condition requiring that a majority of the children be on free or reduced cost lunches. For example, Amanda said she felt that she had to “be careful what you're going out and looking for in CRA investments, because you might unwittingly be ultimately diverting some investment funds from the very areas that you're serving as you go looking for a larger regional investment that might get you that CRA credit.” Luis explained how the lack of profit opportunity in LMI areas could require that the banks take actions that were counterintuitive from a market context standpoint, such as opening a branch in a LMI neighborhood. And that bank branch is “going to spark other economic development…maybe you get a drugstore, maybe a Walgreens or CVS, you know, maybe you get a grocery store attached to that bank branch, maybe you get restaurants, maybe you get housing.” So that bank branch could really create an economic engine for the community. In his view, it was also about doing the right thing as a bank corporate citizen.

The market context was less of a struggle for Leah. Leah was assigned to a growth market for her bank. “So we’re very, very new to the market and my strategy is to utilize community engagement to improve business development opportunities.” She felt that once the bank engaged and volunteered with non-profit organizations, and that the community saw the great work the bank was doing, that the nonprofit employees would “also be our brand ambassadors, as well as clients.” The nonprofits that her bank invested in were investing in the community, into “small businesses that are not ready for traditional capital…and so our nonprofits help to get them ready and then eventually they'll refer them back to us." It was similar for investments in homebuyer education. "Once people are ready to buy a home, where are they going to go?" So, she felt that their community work would bring them business over time.

Jeffrey also referred to the positive goodwill generated by being a good corporate citizen. He knew that CRA activity, and being a strong social business overall, impacted how the bank was viewed in the community. "There are people that value working with organizations, not just banks, but businesses that are, you know, practice responsibility, you know give back to the community, concerned about the environment…" Jeffrey's bank was also a Certified B Corporation, and he knew that they had gained clients because of that. He also felt that investments in the city, such as workforce housing, would help the city and the bank "to retain and attain good employees, I mean that's to me, it's cost effective if I can hold on to somebody and they can live within the community in which they work."

Not only could these customers be attracted to their bank, but new products could be developed to serve them better. Despite his aggravation with the government and regulatory burdens, Robert did point out that innovative products could potentially serve the LMI clientele better. He spoke of his bank's investment in ITMs [interactive teller machines] to serve more rural communities via two-way video to "still have a more personal transaction," without having a bank branch in that area. Unfortunately, the rural communities had not embraced this new technology yet, but they were still trying new initiatives. Another example of a new product related to small dollar loans, which cost a lot to originate, was for the bank to offer a credit card program instead. A lot of the time, it was about finding "the channel that will accomplish the objective and is still the cheapest delivery." Robert also spoke of phone-to-phone transfers of funds in areas with limited infrastructure and he did believe that there were market-based solutions to serve LMI clientele; however, he thought that these would arise in the absence of regulation, not because of it.

In contrast, James felt that this is where the government truly has a role to play. The government could issue bonds to help developers build affordable housing, for example. But also, he felt that this is where innovation comes in, when the industry is faced with the rapid pace of technological advancements in the financial sector. James pointed to the FinTech industry. "The bankers can't play in that space, but why not? How come we can't think enough to try to play in that space? As opposed to us leaving that place to the predatory lenders?" In fact, James ventured that there were "millions of dollars in some of these low-mod income areas, certainly in the urban areas…We just haven't learned how to play in that space." In his view, the opportunity for the CRA would be for banks to learn to operate in that market, and to do it in a "safe and sound way." Perhaps one would not be able to take out all the risk, but James truly believed that "we can do it smarter. We can help people." He went on:

> I think we've got smart enough people to come up with services and products that can service this side of the market. And so, we don't need to have people overdrawing their account. Let's create a product where they can't overdraw their account. Let's do some things, let's do a product where they can't write a check. I mean check writing is going the way of the dodo bird anyway, I mean at the end of the day people are going to have this darn computer in their hand, and they're going to be able to do everything. And so let's think smarter.

Thus, James offered a positive path forward in a rapidly changing market context, pointing to the need for innovation to address these dynamics. And from the larger socioeconomic picture, the banks did have a role to play in changing communities and to do more, at least according to Anna. Anna spoke of how the metro city in her state was becoming gentrified, very fast. Low-income individuals were leaving, as they could not afford to live there anymore. Anna spoke about how you hear of this, and you see the impact on the children who are now getting into trouble with no resources for them to access. “So, you hear that stuff and you think, you know, for all the good that CRA has done, we’re still just scratching the surface in terms of how do we fix some of these fundamental structural issues.” Thus, for many of the CROs, it was about finding the right programs, the right products, and even the right neighborhoods, where they needed to work.

Finally, analysis sought to understand how community pressures might add to the demands of the CRA. Yet, for the majority of the CROs, they did not experience these pressures at all. For many of the community banks, they felt that this was because they were already serving their markets well or they had good relationships with community groups. For example, Kathyrn voiced that she did not “have a lot of pressure from other community groups in our assessment areas because our banks understand the basic premise, that we’ve got to be good in those markets; we’ve got to be good partners; good corporate citizens; good leaders…” She ventured that banks in the major metropolitan areas likely did have more “aggressive pushback” from activists in the community. Thomas also attributed the lack of community pressure to the positive role that his bank played in the community. He shared that their employees were out there in the community involved in events, investing dollars in the community. “I would argue, we probably do more for this community than any other financial institution or, at least as much as any other financial institution so knock on wood, we keep making our community members happy and keep serving them to a high level.” And Marshall shared that he had always had a “very good relationship with our community groups from a donations and volunteer service perspective.” He'd had only positive relationships, and he felt that the groups needed the bank too, from an investment perspective.

Michelle also had never had “any activists, you know, showing any interest in what we did.” She had only had one request to view her public file ever. And John shared, “I really don’t hear anything from the community that really pushes CRA.” Barbara stated simply that they had not heard from any community groups. Lisa wondered if other banks had that pressure, because she had heard about it, but really had not experienced it herself:

> I do participate in many calls and webinars and things like that, I hear so much about these community groups, but I don't hear from any of them, so I don't know if it's just my part of the country and we're uniquely different, but I don't have a lot of pressure from any community groups, in fact, I don't even know any like in the whole state.

Robert also did not think that his bank experienced any pressure, and he thought it could have been because of the lack of racial diversity in his region. “Unlike in the metro areas, we don't have people outside picketing about redlining and all this stuff because, again we don't have the ethnic diversity.” He thought that perhaps the situation would be different in metro areas, both because they would be in more diverse regions, and because big banks in those areas have “deeper pockets.” He also felt that for community banks, doing the right thing was in their “DNA,” but that bigger banks might not be as responsive to their communities. For virtually every other bank in the study, whether small, intermediate small, or large bank the answer was similar that there had not been any community pressure. But the answers changed for large banks with asset sizes over $8 billion.

In fact, some of the bigger banks in the study had experienced either community pressures via CRA activists or had faced fair lending violations. Stephanie, at a bank over $100 billion in asset size, shared that her bank had been hit with fair lending violations that had affected its CRA rating. She believed there were also some individual activists that were out there scrutinizing her bank's performance evaluations and looking for negative comments to publish. And of course, she shared, the National Community Reinvestment Coalition (NCRC) was always pushing the large banks. But she did not have any direct experience with them herself.

Mary did not feel that she had any "adversarial relationships." She communicated that "we work really, really hard to try to engage with community and communicate with community what we are doing." She talked about "grassroots level engagement," and though certainly there would always be groups who would love to do more, she felt that it was a "positive pushing." Melissa also confirmed that organizations like the NCRC was definitely out there pushing on the large banks like hers, especially during merger and acquisition activities. The NCRC would complain about a bank's lack of activity in a market when the opportunity arose during mergers or acquisitions, and so that could be an effective "lever" for community groups to utilize. Yet, for Melissa, "many banks like ours partner with NCRC and we have community benefits agreement in place, so we make sure that we are serving the needs of the community and listen to them for input, so, you know, but yes there's lots of CRA advocacy around." Melissa also confirmed that community groups really do not typically focus on banks under $10 billion in asset size. "The big banks are who they focus on, right, because those are the deep pockets." This sentiment was echoed by others. For example, Leah's bank, like Melissa's and Stephanie's, held over $10 billion in assets. In fact, it was over $100 billion. She felt that there were "absolutely" community groups pushing for more CRA activity. In her view, there were two types of activists, “those that have their own agenda that they're pushing and those that really do want to push the community forward.” While activists who were just pushing their own agenda could be problematic, she felt that there was a real need for the latter kind, “so those activists, we need those, we need them to keep us on our toes.” Rosa also confirmed that yes, there were advocates that thought banks could do a lot more. Yet, they were typically “unrealistic” and didn’t know that the bank was “regulated in a certain way,” and had “safety and soundness” standards to balance. For some activists, they just had it in their mind that “banks are the enemy” and “they’re quick to believe anything negative.” Rosa felt that there “was a lot of pressure there from the community.”

James’ experience was similar to Rosa’s and Leah’s. Both James and Rosa were at large banks between $10-20 billion in asset size. He concurred that there were groups that knew how to leverage the CRA. “They’re going to protest you, they’re going to picket you, do all this stuff.” James would try to develop relationships with those people and encourage them to “use your honey, don’t use your stick.” He would encourage community groups to build relationships with the bank, as opposed to being conflictual. This pointed to the relational work required of the CRO, which is the final contextual factor analyzed in the data.

Relational Work

Findings around the relational work of the CRO comprise the final section of this chapter. This evidence is connected to the efforts of CROs to collaborate and built trust across members of their internal teams as well as with their communities. These findings connect to the professional identities of the CROs, which influence their professional interactions, especially an ability to engage in effective teamwork and to understand the roles of other colleagues in the organization. These interactions were influenced by the way the CRO internalized the responsibilities of the CRA role, especially whether the role necessitated community outreach. This view directly affected with whom the CRO interacted. Finally, gender played a unique role in the professional identity of many of the CROs who identified as women, where CRA work was seen to have been their only professional pathway to promotion, as opposed to other reasons that might have played a more prominent role in their career motivations, such as a genuine desire to do CRA work.

Thus, a central theme in this section focuses on the importance of relationships for the CRO's work. The evidence for relational work will commence with findings regarding the banker's perceptions of themselves as CRA professionals (as opposed to their worldview of the CRA discussed previously). The way in which the CROs internalized their roles influenced the types and nature of the relationships they needed to develop, especially whether they needed to do outreach work or focus internally. Findings related to their strategies for building effective relationships in the organization will follow.

Professional Identity

Professional identity, as previously defined, is a worker's self-understanding as a professional. For CROs who were in their roles because of the outreach and engagement work, their motives were evident. For example, Melissa said "it's really, you know, my kind of passion for giving back and helping community that really drives the work." And Stephanie shared a similar passion for the outreach: "You know, I'm a pretty social person, and what I really love doing is doing the network and outreach part of it, right and you know, things happen, seeing good happen and being able to make, you know, people's lives just a little bit easier." Stephanie knew that social change would not "happen overnight" or "serve the entire community," but she felt that she was doing her part, and thus she would think at the "end of the day, like yeah, I did my part to make the world a better place." Thomas, another Generation Y/Millennial like Stephanie, got into the role because his supervisor thought CRA and fair lending would be something that he "would be passionate about." He continued, "which I am, was, and continue to be because it gives me a role to assist and help the community and get out there and really do things that benefit the people that we serve instead of just the bank." James had gotten into CRA because of his personality. "I'm a people person," he reflected.

Later in the interview, James discussed the key differences between a community "development person" and a "compliance person." He directly identified with the former. Reflecting back on the significant impact he felt CRA has had on the field, he offered an observation about the bankers who did not believe that CRA had made a difference: "Those are compliance people. They're just data people. They just check boxes. They don't, you know…I go out…and that's what I'm passionate about. I don't check boxes."

Anna also elaborated upon this commitment to community engagement. She had lived in her state for over 30 years and had "always been involved in the community with volunteering," and thus had developed a lot of contacts. When the previous CRA officer retired, she was asked "hey, you spend a lot of time in the community, would you like to get involved?" Anna recounted how she had responded, "sure, you know, sounds…doesn't really sound like a job, but I'd love to have it." She continued on, "and so here I am, and it really has, I think helped a lot with the work I do that I've had these relationships across a pretty wide swath of people." In fact, the different contacts she had made in the community were "very, very welcoming" when she began to do community outreach for the bank. Anna had spent her entire career in banking, and from the beginning, she had developed a sense of the magnitude of the "impact of a bank" on the economy, and it just resonated with her. In her youth she remembered thinking “wow, that’s the most powerful position I know that I’d like to have.” Anna expressed a deep satisfaction with the career in banking that she had developed, especially as an outreach professional.

Kathryn recounted that she had also been in banking for over 20 years and had ended up taking on CRA responsibility. In contrast to the outreach professionals, Kathryn was a compliance professional, where CRA was not as popular. In fact, Kathryn shared, “the running joke in, especially in a small financial institution, is the person that winds up doing CRA is the person that was absent the day they decided to name a CRA officer.” Kathryn did not necessarily feel a deep commitment to the CRA itself, but she did to the field of compliance. She was proud of the career she had developed in compliance and felt that she had a strong aptitude for it. Through early compliance roles, she had found that she had, “I don’t want to say gift for it, but a knack for compliance and CRA, and I’m one of those people that I thrive on the challenge. So when I got asked to come back into banking, it was strictly as a compliance professional.” She felt like she was “one of those weird people” that did like compliance. But she was honored that she had been asked about her career. It gave her special recognition for a role that was specifically acknowledged to be quite difficult to carry out. At the end of the interview Kathryn said:

> I'm flattered that you reached out and that I can help you, I mean this is another one of those things I get to kind of check off and say well, this is something I’ve done that I never thought I’d get to do, and so I’m honored that you feel like my information is beneficial to what you're doing so thank you for asking me and allowing me to be a part.

Her graciousness was indicative of the validation the request to interview gave, as it suggested that her role and her reflections on her career were important.

The dedication to a career in compliance was also evident in Candice's interview. Candice had first started as a bank secretary. She had moved around a bit doing home equity lending to consumers, then mortgages. Then she had gotten into a role doing policies and procedures, around the time that the "niche career of "compliance officer"" was born. Prior to that, banks had relied more on outside or in-house counsel. Candice reflected that there had not been a compliance officer role prior to that:

> But then they saw the need, and so they created it, so this was probably the kind of, near the middle to late 80s when they started to see that there was a role for somebody who could zoom in on laws and regulations without actually being counsel, so the compliance officer was born, that kind of concept. And then from there, I've been a compliance officer in different levels of authority all the way up till today, so I've been doing it literally since the 80s. So that's a long time.

In fact, while many of the bankers interviewed had been in banking for over 20 years, Candice was one of four interviewees with the most years in banking, at 38 years in the field, almost all of which had been spent as a compliance professional. She reflected that she "had an aptitude for legalese, which was an important piece to be a compliance officer." Reflective of the career experiences of both Kathryn and Candice, the majority of the other CROs interviewed also identified primarily as compliance officers, as indicated in their job titles, which often explicitly incorporated the word "compliance."

Even for the CROs who prized the outreach work, and may have self-identified more as outreach professionals, they typically still had to have a strong understanding of the compliance component of CRA and its data and documentation requirements. Anna's community relationships and outreach work meant that she had an easier time making CRA loans, and that is why she had gotten into the CRO role to start with. But her agreeable attitude regarding both the outreach work and the compliance work also permeated her responses:

> You know, you can't be in banking for as many years as I have without somewhat enjoying the regulatory aspect of it too. You know and it's good because it does keep you on your toes, it's always, it's always new and fresh. They always come up with new ways to attack the same old problems, so that's, it's been fun.

Anna declared "I welcome exams! Everybody goes: "what is wrong with you?!" I just think, oh that's great, there's something to learn and something to sort of toy with, with the regulators so…" This positivity was key to Anna's attitude about the CRA rating as well. "Well, if you're going to do the work, why not get an outstanding rating, right? And who wants to be second anyways?" Anna was certainly a self-described "big cheerleader for the work" of CRA.

Like Anna, Stephanie identified as an outreach professional, but she also enjoyed the diverse workload and the constantly evolving nature of CRA work, including the analytics side. The agreeableness with which she and Anna approached their roles was palatable. In fact, Stephanie was also particularly strong on the data side having started her career in programming. Resurfacing the metaphor of multiple hats from the section on job responsibilities, the workload also played into how Stephanie perceived herself as a CRO:

> I like all the moving pieces because there's so much, and you can, you know, when you're in a smaller bank, you have to wear all those hats. When you're in a larger bank, you kind of spread it around. But after you know, having all those

> hats, I like to, I like to keep my collection, you know. I like the entire parts of it. It keeps me busy, it keeps me fascinated.

For Stephanie, the career mobility of working at community banks where she had lots of responsibilities and working at large banks where she just focused on one aspect of CRA, had all been exciting and kept her intrigued in the space with all the complexities of CRA.

The CROs' views of their own professional roles were key to their understandings of the relationships that they sought to build with others. Outreach professionals were more externally focused while compliance professionals focused on internal relationships. Relationships with others were critical when it came to influencing CRA performance by other employees at the bank, especially through the professional interactions with colleagues. The fact that almost everyone in the bank contributes to CRA performance directly or indirectly increases the importance as well, as was discussed with regards to organizational and leadership commitment to CRA. Michelle's experience paints a picture of the extent of the pressure here for some of the CROs:

> If you're somebody that has moved from a deposit side of banking of the bank and then moved into compliance, they all look at you like you're crazy in the first place. You know why, would you want to do that…the responsibility is enormous and you have to be able to try, you're not only trying to keep yourself in line, you know, you've got all of you know, the whole network to try to keep in line with banking compliance. And so again, it's like the fact of, if you're driving you know what you're going to do, but you don't know what the other person's going to do.

Michelle's feelings about the importance of relationships for CRA compliance work expressed the challenge well. Accountability is linked to the actions of everyone on the team, and while you can control your own actions, you do not always have the tools to influence others. This makes the personal relationships of the CRO critical. This was discussed from the perspective of sensemaking of CRA mandates with regards to organizational and leadership commitment. Here, it is further elaborated from the standpoint of relationship building.

Melissa discussed how it could be difficult to get "all associates involved in the process…to remind people to log their service hours…making sure that our associates keep CRA top of mind in what they do." Often, the work entailed getting "business partners to do more…to again lower credit scores, to the best of their ability and take on more clients that are, you know, very small businesses, maybe I mean, there's always a push to maybe ask people to make a little less money than they might otherwise, you know."

Communication with other team members was critical. For example, Lisa conveyed: "I think the relationships that I have, and that I have been able to continue to build with our lending team has significantly, made the biggest difference because again they are so production driven, you know because I mean that's what makes the bank money…" While profit was a primary motivator for most of the roles in the bank, it took strong relationships to ensure that there would also be a focus on less profitable CRA opportunities. Reading a loan report really did not give Lisa a great sense for whether the loan might have been CRA worthy or not. "When I talk to the loan officer, it's amazing what I can get out of them just by a conversation overall…because when they start talking about it, I can get, I can find something that they didn't even realize was there." Lisa had been able to improve the bank's CRA compliance through this relationship building with the loan officers in the bank. Stephanie had found similar success through internal networking. On one occasion, when met with some hesitance, Stephanie had asked to see a loan officer's portfolio, and noted he actually had some affordable housing units. Stephanie was able to count them for CRA, to his surprise and delight. “And he’s like, “really? This counts?!” And I’m like, “you have 50% going to affordable housing, this is fantastic! Yeah, let's get started with this.” These are the things I’m looking for, and once you start showing them, they’re like “Oh, I’ve got a whole bunch all over!! Why didn’t you tell me! I could totally do this!” You know, “yay”!” So these were small wins for Stephanie and also, what kept her in CRA. “It’s like that moment, that epiphany, you know, like “this is fantastic!” And I’m like, “exactly, you don’t have to go out of your way, just give this to me when I ask for it!” And, “oh! I got it, I got it now!” So you know…it’s great, except for when everybody is a complete grouch, you know, are completely against it, but it sometimes it takes a lot of massaging.” She took on a lighthearted tone here: “And I also find if you have a drawer full of candy bars, bribing them with chocolate!”

Relationships within the bank often started from communicating the CRO’s own passion for the work. For example, Thomas shared how he would always tell teammates that the CRA is his “favorite because of the spirit of that regulation; it’s about serving our entire communities, no matter who you are, where you’re from, or what you’re about.” Anna agreed that communicating that passion for supporting communities could get colleagues rallied. “Who doesn’t want their community to thrive and prosper? So as long as we can communicate those messages and bring it home to ourselves, I think people stay very engaged.”

Professional interactions with teammates were enhanced for some of the CROs who had previously been loan officers. They had, in a sense, walked “in their shoes.” Kathryn felt like this was the case for her, and that it served her very well for communicating with the loan officers in her bank:

> I mean I’ve been a lender, I’ve been a lending assistant, and that serves me well, in that the lending staff knows I know the language, and they also know that I

> understand the complexities of their position. *I think the pushback sometimes between bankers and compliance personnel is well compliance people don't understand that day to day grind that a lender or a teller or a personal banker has to go through*. Me, I’ve sat at that desk and so I get it, I know that compliance is not the thing you think of first. It's serving the customer and getting the deal done, and so I think that serves me well, that I have that background, because I am able to converse with the lending personnel on a level that's commensurate with what they're dealing with.

Kathryn also realized the importance of thoughtfulness in her interactions with teammates, to say “hey, you did this loan, this loan, and this activity that were all CRA credit; that actually got a mention in the public file or in the public comments report from the OCC. So it's funny you know, everybody likes that pat on the back.” She went on to recognize that the lenders needed recognition and that she could bolster their “point of personal pride of “oh yeah, that was me. I made that one and I did good.” Anna concurred that not only did having the lending background help in relationships, but it also was extremely beneficial to simply capture the CRA qualified activities of the bank. She conveyed that “having the background, in commercial lending or in retail lending, really goes a long way towards helping us identify those opportunities or recognize those opportunities as they come along right and so it's been useful.” Like the other internal relationship strategies, Anna also focused on recognizing production staff for the work they had done for CRA and verbalizing the impact they had made on their communities.

CROs’ professional identities thus played a vital role in their professional work, especially as it connected to whether they viewed themselves as outreach or compliance professionals. CROs' professional identities were also associated with their gender, specifically as it related to career mobility for women.

Gender and Professional Identity

In response to why she moved into the CRA compliance role, Barbara shared that she wanted career mobility: "I wanted to move up in the bank, and I felt that was the only way I was going to be able to." After she observed that at least 75% of the attendees are women at compliance conferences, she considered why there might be more women than men in compliance. Barbara paused, and then responded: "I…maybe for the same reason I went into it, you know, if you want to move up in the bank, maybe that's one of your only opportunities." When pressed for why compliance would be an opportunity to move up as opposed to other fields, Barbara could not say for sure why women do not usually get loan officer positions. "Evidently compliance doesn't matter." But she did surmise that perhaps it is because women "are a little bit stricter or follow rules better than men." Like Barbara, Stephanie had gotten into CRA work as a way to move up in the bank. She had gotten her foot in the door at a large bank by doing tech support, and one year in started applying to many of the internal positions. She found a role with CRA and HMDA because of her programming skills, given the large amount of data on loans they needed to manage. From there, she was able to increasingly progress within the compliance space. But to find senior enough roles, she eventually moved to community banks. "From a professional standpoint, you get a lot further in your career and a lot faster if you go a little bit smaller right. To be you know the big fish in a little pond, so I started running the entire CRA program…" Stephanie's experience of finding career mobility within CRA or compliance was common among the women bankers.

Similarly, Leah had been in a compliance secretary role at her bank, and though she "had no idea what CRA was and what it meant, [she] just knew that there was an opportunity for growth, because [she] didn't want to be a compliance secretary for ever." She surmised that an analytical role would be a good "stepping stone" to "progress in the future." "I just feel that sometimes you know, secretary roles and assistant roles, they kind of are dead ends and so unless you seek other additional opportunities and try to learn more about just other things within the bank, you get stuck in that role." Leah shared that she had grown up in a single mom LMI family, but that that fact really hadn't played into her career choice, it was just the job opportunity. When asked if that looked different for women than men, Leah ventured that "most men don't want to do compliance." They don't want to do the "back-office work and things of that nature, not only that, but with compliance work you don't make the most money…" She offered that the roles in banking that make money are production roles, so lenders, private wealth management, or similar. While compliance is not as low paying as being a teller, it is not the most well-compensated role in a bank. But it is not just about the pay. Leah recounted that "most women go into social work and public service" and so perhaps CRA work is another way to "have meaningful work."

Chapter Six: Discussion

Qualitative analysis is "about telling a particular story about the data, a story that answers your research question[s]" (Braun & Clarke, 2013). That story is told in this chapter and is supported by significant qualitative evidence reported in Chapter Five. The findings of this dissertation add significant depth to the policy implementation literature by focusing on the more senior-level managers involved in policy implementation. While Lipsky's (1980) noteworthy scholarship on lower-level public servants remains one of the most important texts in the public policy field, the findings of this dissertation bring new insights to the discipline. Senior-level managers play important roles in organizations and in policy implementation (Cloutier et al., 2016; Kraatz, 2009; Riaz et al., 2011; Rojas, 2010; Thornton & Ocasio, 1999). They are typically the primary interlocuters with policy regulators and their organizations' executive teams, and they often manage teams who support policy implementation strategies that they direct (Cloutier et al., 2016). As organizational leaders, they are likely to feel the brunt of the pressure related to policy compliance, because ultimately, they will be accountable to their senior leadership should operational strategies not work (Cloutier et al., 2016). Thus, the senior managerial level deserves significantly more focus given the extent to which managers are positioned to affect policy implementation. Furthermore, the bulk of the policy implementation literature primarily focuses on the public sector (Cloutier et al., 2016; Garrow & Grusky, 2012; Lipsky, 1980; Marinetto, 2011; Matland, 1995; Maynard-Moody & Musheno, 2000; Watkins-Hayes, 2009) which tends to obfuscate the heavy involvement of non-governmental actors in policy implementation. Yet many private industries are heavily regulated, including banking. If public policy designers expect businesses to play a part in serving the public interest, then it is imperative that we understand how the implementation of policy goals may fall short. Understanding the complexities inherent in this process can enhance our understanding of how policy makers might improve policy outcomes based on empirical evidence regarding what barriers managers may encounter in the implementation of the goals.

The discussion will commence in *Part One* by focusing on how the institutional logics and institutional work perspectives aid in the explanation of the potential reasons for the existence of conflict among institutional logics and actor-driven responses to these institutional pressures, as illustrated in the case on CROs managing the demands of CRA policies. *Part Two* will explore the contextual factors that contribute to the nature of these responses. How does the environmental context of a CRO's employer, community, and own background contribute to their ability to reconcile the pressures of public policy and carry out policy work? How does institutional work enable them to reconcile the demands of multiple institutional sectors and logics? These questions are the focus of the second part of this chapter.

Part One: Institutional Demands and Conflict Response Strategies

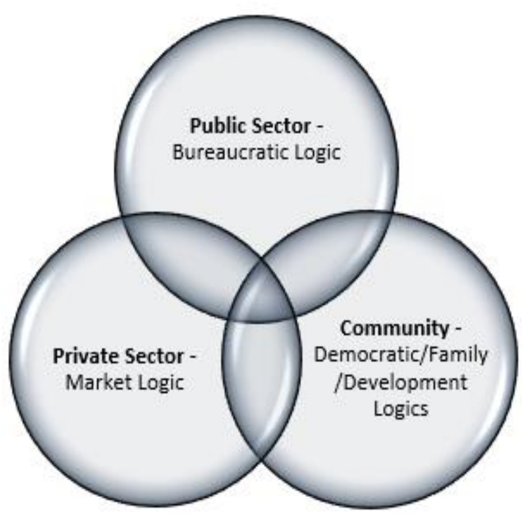
The discussion in this section is informed by ***Research Question 1 (R1):*** *To what extent can linking the institutional logics and institutional work perspectives contribute to the understanding of the potential for conflicting institutional demands created by the Community Reinvestment Act (CRA) for regulated banks, as well as the conflict response strategies of managers who are responsible for policy mandates?*

Institutional Demands

The initial goal of this study was to consider the utility of linking the institutional logics and institutional work perspectives to enhance our understanding of how the CRA creates conflicting institutional demands for the managers who are responsible for policy mandates

(Canning & O'Dwyer, 2016; Gawer & Phillips, 2013; Lawrence & Suddaby, 2006; Lawrence et al., 2009; 2011; 2013; Thornton & Ocasio, 1999; Thornton et al., 2012). Analyzing the discourse of CROs with their regulatory agencies, the case offered evidence of perceived institutional pressures on private sector managers stemming from public policy. Analysis of this discourse from the lens of institutional theory enhances our understanding of how managers experience and respond to these policy demands. The initial task was to analyze the discourse of bankers to understand the dominant beliefs and norms that they espouse, which reflect the dominant institutional logics of the organizational field. Field-level discourses that express norms and values across a professional field inform the institutional logics of that domain (Friedland & Alford, 1991; Marsh & Furlong, 2002; Riaz et al., 2011; Thornton & Ocasio, 1999; Thornton et al., 2012). Evidence for the presence of bureaucratic, market, and development logics were found in the data, as illustrated in *Figure 3*.

Figure 3



Field Level Institutional Logics

Evidence of a profit-first discourse, reflecting a market logic, factored most prominently in the data, despite the fact that CROs carry out public interest work mandated by public policy. Although the discourse of banking policy regulators was not analyzed in this study, prior research has shown that public sector agencies tend to reflect a bureaucratic logic (Atkinson & Stiglitz, 1980; Bridwell-Mitchell & Sherer, 2017; Epstein et al., 2016; Lyden, 1975; Rainey, 1983; Viscussi et al., 2005). Based on the foundational literature, we would expect for the regulators to most dominantly reflect a bureaucratic logic that is largely incongruous with the institutional logic of the private sector, the market logic. The evidence for the dominance of a private sector market logic will be discussed in more detail in the next section.

Profit-First: Dominance of the Market Logic

Although professionals hold multiple societal roles (for example, a professional woman may be a working professional, a consumer, a voter, a mother and a wife, amongst other roles), the dominant institutional logic of her organizational field will play a powerful role in her professional identity and in how she carries out her work (Friedland & Alford, 1991). Institutional logics influence not only the dominant discourses of the workplace, but also organize social life of the workplace, including standards, merits and rewards (Thornton & Ocasio, 1999). For example, logics may influence how job performance is measured, and thus promotions and compensation. They influence how organizations are structured, what is considered important or the right thing to do, and how actors conceive of their job strategies (Friedland & Alford, 1991; Lindblom, 1977; Perry & Rainey, 1988; Thornton & Ocasio, 1999). Thus, institutional logics are critically important in an employee’s conceptualization of her professional identity and her role at work.

In their letters to the OCC, bankers' written comments were heavily laden with allusions to the capitalist market and related principles. The most prominent theme was around a bank's role as an "economic engine" and the "lifeblood of a community," key economic development metaphors. For example, bankers saw their investments and loans to businesses and consumers as key drivers of community well-being and economic development. They felt that the narrow interpretation of the CRA focusing exclusively on LMI census tracts and customers does not encapsulate the extent of the contributions banks make to their communities. For example, respondents mentioned that student loans, auto loans, credit cards, and personal loans could be important for their communities and should receive CRA credit. They saw investments in infrastructure, workforce development, and their contributions to community service organizations (such as libraries, treatment facilities, hospitals, libraries, theatres, youth and senior centers, homeless shelters, and community pools) as critical investments to communities, enabled via access to capital that they could provide. These investments in quality of life, while returning a profit to banks, illustrates how they attempt to manage the conflicting institutional demands while operating their businesses in a highly competitive environment.

This profit-centered lens also framed their desire for the types of reforms they favored, such as asking for more flexibility so that their CRA activities would better align with their business models. As discussed, banks wanted to see a wider definition of community development activities be recognized for CRA credit. They also wanted to see the definition expanded to smarter development, recognizing that higher wage jobs, mixed income housing, sustainable and climate-friendly development are all good for communities that require investments. Furthermore, they felt that the CRA should recognize innovative products and services more broadly, especially modernized banking technology that could positively impact

LMI neighborhoods. Rather than focus mostly on regulatory mandates and monitor compliance, the banks suggested that financial incentives might be more effective to not only streamline compliance but also respond to the changing nature of local communities.

Many of the tensions that bankers expressed through their airing of grievances with the CRA were related to the need to make a profit, business growth, and market competition. Thus, regulations that threatened to damage their profitability felt quite imposing especially in the presence of the pressures from market competition. Highly competitive local or regional markets were seen as threatening the banks via CRA exam comparisons to market leaders. This concern about the lack of comparability of banks of varying sizes and types (such as credit unions, which are not subject to CRA regulations) as well as an uneven consumer market playing field featured prominently in the comments.

These findings are consistent with previous studies. Prior literature has pointed extensively to the public private sector distinction and the dominance of a profit-centric logic for private sector actors in the capitalist market economy (Averch & Johnson, 1962; Dahl & Lindblom, 1953; Downs, 1967; Epstein et al., 2016; Friedland & Alford, 1991; Shleifer & Vishny 1994; Thornton & Ocasio, 1999; Wamsley & Zald, 1973). The findings of this dissertation, regarding the centrality of a market logic within the private sector, add additional confidence to prior scholarship regarding the dominance of this logic. For example, Perry and Rainey (1988) argued that most comparative literature on public and private sector organizations has presented the differences between the organization types as a simple public private dichotomy. They recommended that this distinction be extended to address the institutional mechanisms that shape the logics with these sectors, specifically how economic and political control are organized. A theory-driven empirical analysis, such as this one, goes beyond unitary organizational levels of analysis (Garrow & Grusky, 2012; Meyer & Rowan, 1977/1991; Oliver, 1991) and considers the effects of the public private sector distinctions on the day-to-day experiences of organizational actors at the intersection of both sectors.

Institutional Logics Conflict

Through the analysis of managerial discourse in the first data set, evidence of conflict in attempting to meet the institutional demands of the CRA was apparent. Following Smith (1973), policy is a "tension-generating force" because it is a deliberate attempt to change the regulated actors' or organizations' established activities (p. 202). Thus, public policy can contribute intentionally or unintentionally to institutional disruption. This pressure is even greater when the disruption would require significant modifications of existing practices or when it is too rigidly enforced, requiring strict compliance. Thomann et al. (2016) offered two key insights that are important to the context at hand. First, they found that the state and market logics tended to conflict in cases of private and hybrid policy implementation. Policy goals required actors to draw on both logics, and where the stage and market logics are incongruous and cannot be reconciled, private actors are likely to reflect the values of the market more dominantly. Second, they found that private actors who were tasked with implementing policy particularly underperformed when there was weak accountability. In other words, policy outcomes were subpar when compliance was not strongly enforced. These persistent dilemmas for finding a proper balance between flexibility and accountability is clearly in evidence in the case of the CRA.

After the CRA was first passed, the banking industry treated it as a suggestion. However, in the several decades that followed passage, multiple regulatory revisions expanded its regulatory clout (Stock & Noreika, 2001). After CRA performance evaluations and ratings were required to be public in 1989, and applications for branch expansions or mergers and acquisition were tied to the bank's performance on the CRA exam, it became critical for banks to perform well on their CRA evaluations (Haag, 2000; Murphy & Cunningham, 2003). This increased the importance of CRA policy mandates. The associated increased workload to manage CRA documentation and compliance led to the creation of the CRO job role, or even entire divisions related to community development in case of the largest banks (Perlmeter, 2017).

CROs have complicated roles in their organizations due to the multiple internal and external demands they must respond to. They must answer to their bank leadership and to their regulatory examiners, as well as to community organizations if they are actively engaging the bank. Responding to these multi-sector pressures requires a more complex skill set than merely answering to their organizational leadership.

With regards to their interactions with regulatory examiners, CROs appeared to feel constrained by regulatory mandates themselves. They contended that regulations had proliferated over the past few decades (this felt like 'big government' to some), that regulators had hidden agendas, and that the burden of proof was on the bank even when they felt that regulators' expectations were not always transparent or consistent. Answering to multiple regulatory examiners was perceived as another significant strain. Safety and soundness concerns could leave the CRO wondering which would be more important to adhere to, underwriting standards or CRA obligations, where they might feel like it was impossible to comply with both.

In addition to their more general adverse reactions to "big government," some tensions were more specific, especially where CROs pointed to particular examples where they felt regulations had damaged the bank's profits. This also provided more evidence of the prominence of the profit-centric discourse. Two other specific tensions originating from CRA policy implementation included grievances about the ambiguity of CRA policy expectations and workload attributable to the extensive data analysis and documentation requirements.

Policy ambiguity was perceived as stressful in a variety of ways (Cloutier et al., 2016; Lipsky, 1980; Matland, 1995; Thomann et al., 2016). Most of the CROs felt that the regulations around CRA are convoluted and difficult to understand, and that the examiners and regulatory agencies are subjective and inconsistent in their expectations. In addition to a voluminous inter-agency commentary that elucidates performance expectations, respondents complained of a lack of transparency regarding which activities would “count” on CRA performance evaluations. Particularly, banks felt misled by their lack of access to data. For example, while they were spending a significant amount of time and effort to gather economic data, as well as understand the performance of their peers, regulators had most of this data already. Respondents believed that their banks’ contributions to improving community conditions and assisting LMI members were given insufficient credit and support.

Internally, CROs felt that the ambiguity about standards could cause a strain with the CRO’s leadership. Without clear metrics and standards, CROs could not develop their own strategy for CRA compliance effectively, and they also could not advise bank leadership or loan and investment officers in a timely fashion on what needed to be done. CROs who held largely compliance roles believed that their work could benefit from greater interactions with other managers involved, for example with direct lending or with data collection.

Furthermore, the perceived compliance burden of CRA created additional workload for the banks. Many contended that they viewed the compliance burden as “wasted hours and resources” especially when the required documentation was not always clear to them. A frequently heard complaint was that banks were competing in an oversaturated market and committing resources to meeting vague compliance standards rather than addressing the competitive pressures. Others described a large tracking and documentation burden with regards to tracking contributions of non-profit organizations that could be counted toward CRA compliance or for the documentation to validate the bank's positive impacts on LMI populations. Finally, training and educating staff was also seen as a large time drain especially when the compliance standards were not clear or shifting. For some of the smaller banks, the weight of the compliance burden was perceived as unbearable and would spell the end of more community banks.

From an institutional lens regarding the level of analysis for this study (organizational actors), the dominance of the private sector logic for managers who are responsible for public policy mandates is important. Lau et al. (1980) found that management roles in the public and private sectors are quite similar. Their study results indicated that managers in both sectors perform similar activities within comparable job contexts, "both in terms of complexity of job content and roles, and in terms of job characteristics, i.e., the fragmented, high pressure, quick reaction nature of executive positions" (Lau et al., 1980, p. 343). While public and private sector leadership roles may be similar in terms of the nature of job duties performed more generally, these findings fail to recognize the difference in sectoral context that changes the nature and extent of these pressures. While both types of leadership roles may be described as high pressure, a key question is what contributes to those pressures? From an institutional logics perspective, this knowledge is key to making the appropriate structural adjustments, whether that is within the organization or in the structure of policy design. For example, Knutsen (2012) found that due to resource dependency on their grantors, non-profit organizations often had to adapt their own logics to those exerted by external demands. Nonprofit leaders would potentially face pressures because of their varying resource needs which forced them to adjust their staffing, advocacy, or impact reporting. When compared to the work of the CRO, banks are rarely the recipients of grant funds, but managers must manage budgets, revenue, and community investments, while under constant regulatory scrutiny.

Furthermore, these separate institutional contexts would point to the different practices to address the pressures of each. A large body of research has found that ambiguity and workload contribute to policy implementation failures. In the case of CRA implementation, unique insights are gained from understanding the nuances of these pressures because they can be attributed to managing conflicts in logics rather than competitive pressures within an industry. Thus, the findings support previous policy implementation literature that found that policy ambiguity and workload can contribute to policy failures (Lipsky, 1980; Marinetto, 2011; Matland, 1995; Maynard-Moody & Musheno, 2000). Policy ambiguity and the workloads of regulatory mandates are primarily connected to policy design. Yet many of the factors that affect policy implementation are entirely disconnected from the construction of policy or the implementation strategies of regulators.

The next segment will focus on the strategies banks have devised to avoid regulatory mandates to the extent possible, in order to maintain existing structures and practices.

Institutional Maintenance

The work of actors to subvert the imposition of new institutional "arrangements" and to retain existing policies and practices is maintenance work (Cloutier et al., 2016, p. 269; Lawrence & Suddaby, 2006). Powerful actors within the organization may support existing arrangements, making it difficult to modify structures or practices for CROs who may wish to do more with CRA. Often it is the CRO who works to maintain the status quo. The following section discusses the avoidance strategies of CROs in response to the institutional demands of the CRA.

Conflict Response Strategies: Avoidance

Cobb and Ross (1997) defined agenda denial as the tactics that actors use during the policy cycle ("from issue inception to implementation") to keep an issue off of the public agenda (p. 19). Although this literature is primarily focused on agenda setting as opposed to policy implementation, the core insights are illustrative here. In other words, tactics used to keep policies off of the public agenda are similar to tactics actors use to keep more stringent public policies from being implemented. Actors may feel that policies meant to address a public grievance will impose penalties or undue regulatory burden. Applying institutional theory to organizational responses to institutional demands, Oliver (1991) developed our understanding of strategic responses that organizations employ to resist such demands for compliance. Because public policy creates institutional pressures for regulated actors (Smith, 1973), the framework is relevant to studies of policy implementation and provides insights regarding organizational responses to policy pressures. Two key response categories that Oliver theorized were avoidance and compromise when faced with institutional pressures that were inconsistent with organizational norms. Neither Cobb and Ross nor Oliver conceptualized these conflict response strategies as institutional work, because they did not consider, to a great extent, actors within these organizations. Yet individual actors are the ones who actually carry out the compliance work regarding regulatory reform. The tendency of the majority of actors within a field to sustain institutions through institutional work is theorized as institutional maintenance (Lawrence & Suddaby, 2006).

The actor-level of analysis is intriguing from an institutional work perspective. Organizational fields are constituted of individual and organizational actors. The institutional logics of an organizational field contribute both symbolically and structurally to the composition of the field (Friedland & Alford, 1991; Lindblom, 1977; Perry & Rainey, 1988; Thornton & Ocasio, 1999). The concept of agency encourages a view of actors as more reflexive than simply pawns of their social environments. Under certain circumstances, or given unique backgrounds, they may not reflect the most dominant norms and practices of their organizational field (Cloutier et al., 2016; Lawrence & Suddaby, 2006; Lawrence et al., 2011).

Nonetheless, the embeddedness of institutions in institutional practices is important for the stability of a field and tends to be resistant to change once formulated (David et al., 2019; Powell & DiMaggio, 1991; Scott, 1995). Institutional change is typically a slow process, and breaks with dominant institutional norms are uncommon, given the powerful socialization processes associated with institutions. When all of the actors around you are committed to standardized practices and expectations, institutional maintenance can be a powerful force. To break from these norms would be out of step with organizational culture, potentially leading to job strain, damage to promotion potential, loss of wages, or other social ramifications for an individual as well as challenges with relationships with other organizations in the field.

The reported responses from participants in this research illustrate these issues well. A number of conflict response strategies were evident in CROs' responses to the institutional pressures they reported when attempting to comply with CRA mandates. Both avoidance and compromise techniques—institutional responses strategies—were observed in data set one analysis (Oliver, 1991). Strategies of avoidance are covered here, while compromise is discussed in the next section. Conflict response strategies of avoidance are conceptualized as agenda denial, essentially denying that a problem exists or that more stringent regulation is needed to mandate organizations to behave in a certain manner (Mahon & McGowan, 1997; Cobb & Ross, 1997). In this vein, some bankers argued that they would seek to develop their communities in absence of regulation. Bankers primarily argued that their business strategies were in line with community reinvestment and serving their communities, thus regulation was seen as unnecessary overhead. For example, many referred to their ongoing local ties and maintained that the health of their communities would affect their own business health. They also stressed that the verbiage of the CRA statute (‘safe’ and ‘sound’ banking practices and serving the needs of the communities in which they do business) already was consistent with bank business models in general.

Strategies of avoidance were also seen in policy narratives, which employ storytelling principles including ‘plots’ and ‘characters’ (Jones et al., 2014; McBeth et al., 2014). Bankers may wish to avoid additional policy pressures through stories of decline, spinning tales of how conditions will get worse with additional regulation (Shanahan et al., 2018; Stone, 2012). One elaborate policy narrative painted the picture of a small-town community bank, the hero, doing business for decades, and threatened by the regulatory villain. All of the hardworking employees of the bank could not stop what they were doing to manage arduous paperwork, and the banker desperately pleaded for regulatory relief. Another bank stated how embedded the bank was as the ‘heartbeat of small-town America’. The banks’ employees held volunteer positions across the community from mayor to the school board to the chambers of commerce. When the children in the community had no summer activity, the bank donated money for a swimming pool. In this rural setting, the author depicted how the bank was a community hero.

Institutional Change

Institutional work also takes the form of purposive actions to disrupt institutions, conceptualized as institutional change (Lawrence & Suddaby, 2006; Lawrence et al., 2011). In fact, institutional work was intended to enhance neoinstitutional theory through its added focus to explain agentic action and change, as opposed to lingering on high level discussions of institutional embeddedness as had often been the focus (Thornton et al., 2012). Organizational resistance to change, or institutional maintenance stems from the embeddedness of organizations in their institutional contexts (Greenwood & Hinings, 1996). Yet, as the literature has shown, institutions do change, driven by institutional work (Besharov & Smith, 2014; Canning & O'Dwyer; Gawer & Phillips, 2013; Micelotta & Washington, 2013; Suddaby & Viale, 2011; Thornton & Ocasio, 1999).

Conflict Response Strategies: Compromise

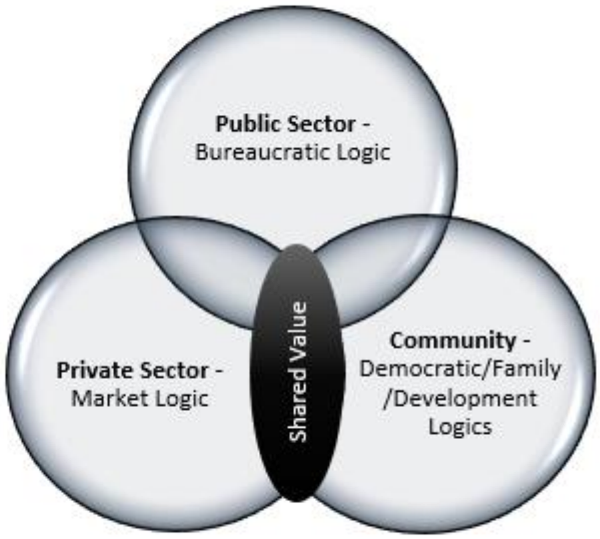
The first data set showed evidence that although the logic of the professional field is likely to be prominently reflected in employees' discourse, references to institutional logics are not singular. Rather, individuals within an organizational field may reference various institutional logics that are reflected in their language (Besharov & Smith, 2014; Canning & O'Dwyer, 2016; Gawer & Phillips, 2013; Knutsen, 2012; Kraatz & Block, 2008; Meyer & Rowan, 1977/1991; Rojas, 2010). While the private sector market logic factored heavily into bankers' discourse, as previously discussed, this was not the sole logic reflected in the written text. Elements of the market, bureaucratic, and development logics were also embedded into some of the language choice. There are two key avenues by which this could be explained.

The first is, normatively, a more pessimistic view of actors' underlying intentions through rhetoric that emphasizes mutual interests during policy advocacy work as a placating strategy. In their theory of agenda denial, Cobb and Ross (1997) found that actors would engage in "symbolic placation" to keep regulation off the policy agenda, a strategy whereby they would "adopt a language emphasizing mutual interests" and set aside more adversarial discourse (p. 34). In doing so, these policy actors might admit that some work needs to be done, but they will downplay the significance, while purporting to be working on a solution. Cobb and Ross wrote that one reason this strategy is employed is that actors may recognize the importance of appearing to deal with a problem which others have recognized as a real issue. Actors may feel that by recognizing the issue, they will be able to influence actions that are taken on it (Cobb & Ross, 1997). This lens could be a portrayal of bankers' intentions in their letters to the OCC. Unfortunately, it is quite difficult to gauge underlying motivations without the benefit of hindsight. Given the conflict expressed with the regulatory burden of the CRA, there is considerable evidence that many banks are averse to more stringent regulation from the CRA. This, along with the rather prominent theme of avoidance described in the previous section, lend support to the supposition that many of the bankers were engaging in symbolic placation, while both a) believing that their bank's business models promoting economic growth should be sufficient for CRA, and b) not actually planning to specifically do more to address capital access for LMI communities.

Despite the evidence that this may explain some of the verbiage around shared value, it is unlikely to explain it all. None of the banks asked for the CRA to be repealed. Only a few asked for their banks to be exempted from the regulations. However, many asked for support to better interpret and manage the regulations, so that they could make more of an impact on LMI communities and community development. Furthermore, and perhaps most importantly, organizations are not unitary entities as previously dominantly studied in the institutional theory literature (Garrow & Grusky, 2012; Meyer & Rowan, 1977/1991; Oliver, 1991). This opens up the possibility that while the private sector may, in general, be averse to regulation, that there may be individual actors within the sector who genuinely believe in the importance of this regulation and the benefits that actually accrue to their organizations and to LMI communities. Understanding that the motivations, worldviews, and dominant belief systems of individual actors are diverse, we cannot make the assumption that banks are uniformly engaging in symbolic placation.

Rather, there was evidence of compromise. Oliver (1991) theorized that when organizations must contend with conflicting institutional demands, they may attempt to balance these demands. In striving for this balance, they will attempt to accommodate the conflicting institutional pressures that they face. CROs face pressures from their communities in both direct and indirect ways. Even if their public files have never been requested, banks face a daily imperative to maintain a positive image in their communities to earn business. Additionally, they must manage the expansive requirements of adhering to the CRA—a major workload regardless of their opinion of the virtue of the act. And finally, they must manage the CRA internally, both conveying to bank leadership or the board how they will comply, as well as guiding staff contributions to CRA compliance. Thus, the prominence of shared value in the data, reflected by some of the bankers, could point to something besides symbolic placation. Rather, it may represent shared norms regarding a bank's role in community development, across the public, private, and community sectors. This intersection of logics is labeled "shared value" and illustrated at the intersection of the bureaucratic, market, and development logics in *Figure 4*.

Figure 4



Field Level Institutional Logics and Hybrids

The institutional work perspective aids in the explanation of some of this fluidity. Oliver (1991) theorized that when faced with conflicting institutional demands or inconsistencies, organizations may balance or bargain their positions. This would be done to accommodate various institutional norms, but would entail only partial compliance, as opposed to total acquiescence. In situations of compromise, organizations would still be active in promoting their own interests, yet they would tend to look for pathways to lessen those tensions. This could include, for example, hiring more individuals that have the knowledge, skills, and passion to do community development work.

These strategies could be theorized at the micro-level as well from an institutional work lens. As new professionals enter the community reinvestment field, they will have different motivations for taking CRO roles. Some may just be assigned, but many will have specifically chosen that path. They may do so because they believe that the CRA mandates are the right thing to do. As new CROs enter the field, they may engage in institutional work that changes the nature of the community reinvestment field, and thereby the banking field.

The findings of *Part One* have given reasonable confidence of the appropriateness of the institutional logics and work perspectives to examine how CROs experience and react to the institutional demands of the CRA. In *Part Two,* the processes that lead to this reconciliation of the multiple institutional demands of the CRA will be explored. More specifically, a deeper understanding of the contextual factors that influence policy interpretations, reconciliation strategies, and references to institutional logics will be explored.

Part Two: Contextual Factors and Reconciliation Strategies

The discussion in this section will address ***Research Question 2 (R2):*** *How do CROs reconcile the institutional demands created by the CRA? How are their interpretations of policy mandates and references to institutional logics associated with (1) features of their banks; (2) their communities; and (3) their individual attributes and background?*

CRA is an example of a public policy created at the federal level, but the actors and organizations are situated in communities where they carry out regulatory mandates (Garrow & Grusky, 2012; Lipsky, 1980; Marinetto, 2011; Maynard-Moody & Musheno, 2000). As much of the earlier policy implementation has illustrated it is this distance that often leads to a dilution of the original intentions of policy makers (Cooper et al., 1996; Edelman, 1992; Edelman et al., 2001; Ferlie et al., 2003; Lipsky, 1980; Pressman & Wildavsky, 1979; Smith, 1973). Public policies may cause institutional disruption for regulated organizational actors, who must change their practices to adhere to policy expectations (Smith, 1973; Cloutier et al., 2016). Yet their ability to modify their own work, as well as influence their teams and executive leadership to support necessary changes, is constrained by existing norms and behaviors (Cloutier et al., 2016; Rojas, 2010). Essentially, the institutional logic of the regulatory bureaucracy is constrained by existing logics on the ground. The differences are especially stark when policies require that public and private sector interact during the implementation process (David et al., 2019; Ferlie et al., 2003; Thomann et al., 2016). Managers' capacity to successfully adapt to policy mandates depends on their ability to reconcile the conflicting pressures of the different institutional spheres that affect their work. This is typically what we conceive of as institutional work, i.e., the norms and practices constituted by workplace demands, policy mandates, and community pressures, and the organizations' or employees' own conceptions of their work. Institutional work is influenced by features of the organization, such as internal structures and leadership commitment and organizational culture supporting the policy mandates (Cloutier et al., 2016; Dimaggio, 1988; DiMaggio & Powell 1983; Fligstein, 1997; Kraatz, 2009; Riaz et al., 2011; Rojas, 2010). In the case of the CRA it may be affected by features of the community that may have led the organization to be more community-oriented prior to policy mandates (Bridwell-Mitchell & Sherer, 2017; Chazdon, 1996; Cloutier et al., 2016). And it may be affected by the individual attributes and background of the manager, which affects their sensemaking of policy mandates, and whether it is in line with their sense of the roles and responsibilities and the primary mission of the organization (Bridwell-Mitchell & Sherer, 2017; Watkins-Hayes, 2009).

Thus, understanding of the factors that influence managers' abilities to adapt to the institutional demands of regulatory policies is important. Policy makers expect that certain outcomes will occur when they write and enact policy, but outcomes often fall short of expectations (Lipsky, 1980; Marinetto, 2011; Matland, 1995; Maynard-Moody & Musheno, 2000; Montjoy & O'Toole, 1979; Sabatier & Mazmanian, 1980; Van Meter & Van Horn, 1975).

Effective policy implementation necessarily must consider the factors that enable successful execution of those policies. There were six primary factors that emerged in this empirical study as influences on CROs' interpretations of the CRA and how they reconciled policy demands with the commercial missions of their banks. Each factor can be mapped back to R2, which asks how features of banks, bankers' communities, and individual attributes and backgrounds of CROs influence interpretations of policy mandates and references to institutional logics. With regards to bank features, the three key factors were (a) job responsibilities, (b) organizational authority, and (c) organizational and leadership commitment; for communities, the key factor was (c) market context; and for individual attributes, the two key factors were (d) the CRO's perception of the CRA aligned with their personal identity, and (e) professional identity. Within each of these contextual factors, a number of symbolic and material elements constitute the institutional logics of the organizational field and interpretations of policy mandates. These elements directly influence CRO managers' efforts to carry out the institutional work that is necessary to enact regulatory mandates (Cloutier et al., 2016). Following Cloutier et al. (2016), the types of institutional work that were analyzed in *Part Two* included structural work, conceptual work, operational work, and relational work. Institutional work categories are not performed in silos; rather, each type of work affects the others. However, each institutional work category is described in association with the contextual factors that most directly enabled or constrained that type of work. Thus, structural work was most centrally influenced by job responsibilities and organizational authority; conceptual work by organizational and leadership commitment and CROs' CRA worldviews; operational work by the market context, and relational work by the professional identities of CROs. The visualization map that illustrates the conceptual associations between categories of institutional work, contextual factors, and themes or codes in the data for R2 can be found in Appendix 8.

Structural Work

Structural work entails the efforts of managers to support policy domains through the formalization of roles and responsibilities, organizing principles, and allocation of resources that accommodate new institutional frameworks (Cloutier et al., 2016). A manager's ability to dedicate time and resources to supporting the mandates of the CRA through her day-to-day work is directly linked to the internal structures of the bank and the job duties performed by the banker who is primarily responsible for the CRA. For most of the bankers interviewed, these structures and job descriptions were set before they assumed these roles, indicating the importance of institutionalized embeddedness of existing practices and structures (David et al., 2019; Powell & DiMaggio, 1991; Scott, 1995). Even where CROs had been able to expand their roles within their banks with increasing asset sizes, other factors limited their abilities to correspondingly increase the sizes of their teams or be allocated additional resources.

Staffing and job duty structures are influenced by the organizational culture, which shapes how roles and responsibilities are allocated and assigned within organizations (Bridwell-Mitchell & Sherer, 2017; DiMaggio & Powell, 1983; Scott 1995; Watkins, 2013). Organizations are part of the wider social system, the field of organizations who share common norms, where field-level institutional logics both shape and are shaped by organizational culture (Hinings, 2012). Thus, organizational culture originates within a wider social context where dominant institutional logics operate. In the banking field, this is manifested in a market-driven logic, where production roles make money for the bank, driving the profit bottom line, while other roles are seen as overhead, to maintain compliance or for administrative functions. Yet, organizations are not homogeneous. Though reflecting the dominant norms of the organizational field, multiple logics can co-exist at the organizational level, and actors within organizations contribute to these subcultures. From a structural perspective, the more symbolic elements of organizational culture and the institutional logic of the institutional field of banking influence how CRO job descriptions are written and how job duties are assigned, staffing structures, resource allocations, and the level of authority that the CRO holds within that structure. Furthermore, the authority that is given to CROs within banks will affect their capacity to direct changes in embedded practices and to determine how CRA will be implemented at their banks. Previous institutional arrangements are deeply embedded, making structural change within organizations quite challenging (Cloutier et al., 2016). Most notably, the CRO role has emerged as a compliance role, resulting in commonalities across banking organizations with regards to their staffing and reporting structures.

Job Responsibilities

A number of structural elements that are pre-established by their official job duties affect CROs' abilities to spend substantial time or resources on the CRA, particularly whether or not their roles are responsible for compliance with CRA specifically, or for a number of banking regulations. While they may exercise the agency to change pre-existing structures, they may only be able to chip away slowly at entrenched traditions (Cloutier et al., 2016; Lawrence & Suddaby, 2006; Lawrence et al., 2011). The percentage of a CRO's job description that is dedicated to CRA is often correlated with the size of the bank. This study has reinforced that community banks tend to assign CRA alongside other job duties, while larger banks often have multiple individuals devoted to the CRA. CROs' workloads will also influence their ability to devote significant time to organizing training and programs within the bank that support the mandates of the CRA. The literature has shown that these training and socialization programs are critical for organizations with hybrid institutional logics to develop buy-in among team members (Battilana & Dorado, 2010).

First, there is a great variety in the job descriptions of CROs. This was directly conveyed by several of the CROs interviewed in this study, and it was additionally apparent when each described his or her responsibilities. In general, small community banks only have one employee with responsibility for the CRA, and this individual is often responsible for other banking regulations as well, including Home Mortgage Disclosure Act (HMDA) and fair lending compliance, as well as potentially Bank Secrecy Act (BSA). At these smaller banks, the CRO is typically a compliance officer. At larger banks, while a position within the compliance department was still the norm, there was a greater likelihood that the CRO would hold a senior community affairs or community development role. The primary trend was, the larger the bank, the more likely the banker was completely focused on CRA, and not on other banking regulations as well.[30]

In general, when the CRO wore "many hats," indicating responsibility for a number of other regulations for the bank, the CRA was experienced as a greater regulatory burden and overhead expenditure for the bank. This was normally the case at smaller community banks, but also was common at large banks under $10 billion in asset size. Without full-time focus, the CRA could be experienced more as a compliance burden among a banking regulatory structure that felt threatening to the future of small community banks especially. In fact, the CRA was not even the primary job duty of many of the CROs at smaller banks who had other responsibilities

[30] The *Interview Respondent Classification Sheet* in Appendix 9 lists the interviewees (with pseudonyms). Titles and states were excluded to protect the confidentiality of the CROs.

that consumed a significant majority of their time. There was also a distinctive connection to resources here. For example, CROs in larger banks had more robust resources to comply with CRA than community banks. Thus, expenditures on CRA felt more out of reach for community banks.

In many of these cases, the CRO operated as a back-end data analyst, documenting the loans and the investments that had been performed by the bank, where the CRA typically had not been front-of-mind when the financial transaction was made. This could feel frustrating and contribute to feelings of powerlessness for the CRO. They felt that they were not influencing the direction of CRO performance proactively, but instead acted as an auditor through the data analysis. In some cases, frustration was not visible, but the structure affected the methods in which CRA was implemented in the bank. In these cases, it was clear that CRA had been lumped in with other compliance regulations as a data entry and audit function. For example, several CROs spoke about their regular tasks for CRA data input and monitoring compliance. Yet CRA was also meant to spur new and innovative financial products and services.

While generally juggling multiple job responsibilities can be seen as burdensome, there was one scenario where wearing many hats had empowering effects. This was in the cases where the CROs maintained lending portfolios of their own. Some of these bankers had gained key skills in affordable housing and small business lending earlier in their careers. Continuing to manage these lending portfolios meant that they could directly contribute to CRA performance metrics actively as opposed to passively. Furthermore, they felt that they earned more respect from other loan officers when they trained them on CRA, because they understood the nuances of retail and/or commercial lending. But there were not just relational aspects. From an institutional logics perspective, bankers that had a lending portfolio (as opposed to being siloed in compliance) were driving profit through this job responsibility and thus contributing to not only CRA metrics, but also the bank's bottom line. This may have made CRA mandates more easily reconciled with the market-first institutional logic that influenced the organizational culture of most of the banks that these CROs worked for (Averch & Johnson, 1962; Evensky, 2015; Kagan et al., 2003; Mill, 1900; Moon, 2010; Palmer et al., 1995; Thomann et al., 2016). While it may be counter-intuitive that a larger workload would lessen the pressure, this job combination may be a better fit in smaller banks where employees have to wear multiple hats, rather than siloing the CRO purely in a compliance office where the CRO does not do any outreach or contribute to the profit bottom line because the work is mostly audit and data analysis.

Similarly, where the CRO did not have a lending portfolio, a bank could ensure that CRA responsibility was embedded into the structure of production roles, e.g., where there were designated CRA mortgage lenders with special compensation structures that incentivized CRA lending activity. This also enabled a focus on the public benefits of the CRA and made it easier to reconcile both the bank's commercial mission and equitable access. In fact, some of the banks that pursued this approach were rated as 'outstanding' on the CRA exam. This could guard against some lenders' desires to earn bonuses from higher dollar mortgage loans. At some institutions that were solely commission based, a lender may go for a higher dollar loan because loans to LMI individuals are more time consuming, often requiring credit counseling or other technical assistance. More promising structures incorporated community development mortgage originators explicitly. The job duties and compensation structures of other roles in the bank could also be important, in addition to the role of the CRO.

While overall workload is also directly tied to whether the CRO can solely focus on CRA or must also manage compliance with a number of other regulations, the concept of workload has a number of distinct elements that are tied to the mandates of CRA policies, including the extensive data requirements of the policies, as well as the expressed ambiguity of the requirements. The challenges of policy implementation based on overbearing workloads, lack of resources, and policy ambiguity is well-documented in the previous literature (Lipsky, 1980; Matland, 1995; Watkins-Hayes, 2009). The documentation and data management requirements of the CRA are extensive as described by the respondents in this study. If CROs are fortunate enough to have data analysts on their team, they may have some assistance with this function. Yet even at the largest banks, it was uncommon to have many analysts in support roles. Getting other employees of the bank and the nonprofit recipients of CRA loans to submit the documentation required for CRA can add more workload. Furthermore, complying with these regulations was specifically tied to the complexity of the data requirements of CRA and the "massive amount of record keeping" CRA modernization was going to require.

Sometimes the banks could afford software that helped them to streamline data collection. But in most cases, the data workload was a pressure that kept CROs from doing more (or any) community outreach work. The discrepancies to address these demands are especially concerning for the smaller banks that do not have the resources to have community outreach roles or to hire more than one compliance role, where instead banking compliance is wrapped into one holistic role. The majority of their time will be spent managing data and documenting loans that qualify for CRA, as opposed to innovating new programs or spending time developing and learning from community relationships. Since 1995 regulatory reforms, smaller banks have qualified for a more streamlined examination focused solely on lending, thus small and large banks have different requirements for performance evaluations (Bernanke, 2007). Yet, the respondents from the smaller banks perceived an outsized regulatory burden as compared to the resources they could dedicate to CRA.

Additionally, the workload was directly tied to the data-driven nature of the compliance mandates of the CRA. Software to manage this data could be provided by the federal regulators to facilitate data sharing and storage by the community banks, given that many of the community banks could not afford the software that large banks were utilizing. The successful diffusion of responsibility for CRA seen at some of the larger banks with robust software systems was not just tied to the existence of a software platform, but also was a result of the leadership commitment to CRA and the authority that was delegated to the CRA manager to ensure that all branches contributed to CRA performance. Thus, technology access alone will not be a singular answer to reconcile the pressures of CRA.

Furthermore, ambiguity often led to extra work due to a lack of understanding around what should specifically be done to improve community reinvestment. Prior literature has also found that ambiguity plays a significant role in policy implementation failures (Cloutier et al., 2016; Matland, 1995; Suddaby & Viale, 2011; Thomann et al., 2016). This theme was extensively discussed in *Part One*, and was a recurrent theme here as well. The difficulties encompassed a need to understand CRA requirements well enough to brief bank leadership and other team members on it, as well as developing the CRO's own understanding, especially when that manager was new to the job. Yet for many bankers, CRA regulations were seen as too complex, like "reading Greek."

A key insight from this study is that wearing multiple hats can be managed with attention to the composition of the total portfolio, and from the institutional logics perspective this will require an understanding of the types of institutional pressures faced. In many cases, it is the nature of the multiple spheres of responsibility that is more important to the reconciliation of conflicting institutional demands than the extent of the workload. Siloing CRA compliance with other banking regulations can be problematic because the other regulations are purely compliance. But CRA is much more than compliance; it requires community outreach and new product innovation, and it requires capital. Thus, when the multiple hats the CRO wears includes contributing to both CRA compliance and the financial bottom line, then the pressures of CRA compliance appear to be more manageable.

Multiple bankers interviewed had become CRO officers because their banks had grown, increasing the importance of CRA compliance for the bank and necessitating the creation of a CRA officer position. Nonetheless, most CROs had little ability to influence structural change in their organizations. This was linked to their authority in the bank as well, which will be explored in the next section.

Organizational Authority

The authority that the banker holds within the bank will have a significant influence on their ability to carry out structural work. A CRO's ability to influence conceptions of the structural requirements for CRA is of primary importance, and authority in the bank is likely to be significant in that regard (Kraatz, 2009; Riaz et al., 2011; Rojas, 2010). This is tied to both the importance of the CRO role for the bank and the reporting structure.

As the CRA has been revised over the years to enhance its regulatory clout, and as some banks' asset have grown, necessitating graduation into more rigorous CRA evaluations, CRA positions have been created at banks. Despite the importance of appropriate structures to implement policy mandates, structural work is an uphill battle, fighting against powerful institutional maintenance forces (Cloutier et al., 2016; Lawrence & Suddaby, 2006; Lawrence et al., 2011). Meyer and Rowan (1977) found that new divisions and job roles were reflections of institutional pressures and Kane (1993) similarly wrote that managers should analyze their staffs' strengths and weaknesses, hire additional staff if needed, and then organize internal staffing structures. Yet, few of the CROs in this study conveyed that they had either an ability to shift CRA responsibilities across team members or to hire new team members. Virtually none of the CROs who were interviewed had described the freedom to change the size of their staff or core functions of team members. Thus, their abilities to enact structural change were constrained.

Most of the CROs who were interviewed reported to a senior executive in the bank. This was indicative of the importance of the CRA role as a compliance mandate for the organization and reflected the study's focus on interviewing senior level managers. However, the reporting structure in the organization did not seem to have a large effect on the actual authority of the CRO in the bank. Even though both bankers at small community banks and at large banks often reported to the executive leadership team or one step below, they appeared to lack significant authority to change course or influence existing structures with regards to CRA compliance in most cases. While many of the CROs said that they had significant authority for CRA, it became apparent that this was authority to determine how CRA data was audited and how the compliance functions would be carried out. It did not mean that they had significant authority to change the nature of how CRA eligible activities were carried out within the bank. These decisions were typically made by the executive and production roles in the bank, including executive leadership and the loan and investment officers.

Very few CROs had full authority to create and execute both the CRA strategy and activities for the bank. If they did, these CROs could ensure that every bank branch contributed to community development performance, and that data analysts could provide support. This enabled the CRO to confidently meet the requirements of the CRA without the constraints of existing internal bank structures because the authority had been delegated to change those structures to ensure high-caliber CRA performance. This was typically not the case for most CROs, who had to accomplish the goals of the policy mandates with limited resources and support staff. Skilled navigation of internal structures links to the institutional entrepreneurship literature, which typically focused on the skills of managers to lead (DiMaggio, 1988; Fligstein, 1997). However, authority is not necessarily earned based on the leadership skills of the organizational actor. CRO officer positions in the bank may have been structured in a certain way prior to commencement of the current CRO, and the institutional logics perspective enhances our understanding of how difficult it is to change these structures. Furthermore, their ability to influence bank structures was significantly tied to the executive leadership's conception of CRA. This leads us to a discussion of conceptual work.

Conceptual Work

Conceptual work entails the ability of managers to develop shared understandings and interpretive schemes personally and amongst members of their teams regarding what the mandates of policies actually mean (Cloutier et al., 2016). To influence behavioral change to adapt to policy mandates, CROs must determine what they believe is the appropriate way to carry out the work required. They may have their own reservations about significantly changing their day-to-day practices. Organizational culture, or the forces that shape and legitimize behaviors in organizations, will also condition actors' responses and their ability to influence the sensemaking of their colleagues and leadership (Bridwell-Mitchell & Sherer, 2017; DiMaggio & Powell, 1983; Scott 1995; Watkins, 2013).

Organizational and Leadership Commitment

A highly significant factor for senior managers' abilities to influence shared norms and create effective structures for the work required to carry out CRA is the support that they have from their leadership, an element of organizational culture. Organizational culture is in turn affected by the institutional logics that organizational leaders reference, most dominantly a market logic reflective of the banking field. While conceptual work may be effective to shape the activities in CROs' immediate departments or for their direct reports, influencing conceptualizations of CRA outside of those departments necessitates leadership commitment. In this study, the importance of CRA for organizational leadership was significant. Bank leadership influenced how CRA compliance was communicated within the bank regarding what all team members roles would be with regards to the CRA.

Kane (1993) found that when senior officers at a bank were involved with community development projects, as well as the chief executive officers and the board, the banks were more successful at profitably serving community development needs. Senior organizational executives can both significantly constrain or enable managers' abilities to fulfill commitments to CRA policies, based on how they conceptualize those policies themselves.

Most importantly, involved leadership will shape team members' understanding of shared responsibility for CRA policy mandates. Whose responsibility is the CRA? On one end of the spectrum, the CROs are fully responsible for compliance. They must scrutinize every loan, investment, and service activity and document it. They are analysts who must fit existing activities into CRA exam requirements. On the other end, leadership embraces a distributed vision of CRA implementation across the organization. Compliance cannot be achieved by the CRO alone. It is a team effort that necessitates intentionality from every member of the team. In this, every branch has goals to hit, and every loan officer must meet metrics. If the bank fails the CRA exam, it attributable to everyone, not just the CRO alone. This idea that the bank must create a "culture of compliance" to CRA was highlighted at recent CRA & Fair Lending Colloquiums (Wolters Kluwer, 2016). This means that CRA is embedded in organizational culture via widespread acceptance from the entire team, as a business strategy and across all business units, not just the community development division (Wolters Kluwer, 2016). Thus, the institutional work perspective further elucidates what practitioners in the community reinvestment space have recommended regarding the diffusion of CRA responsibility throughout the bank.

Another aspect of the leadership and organizational commitment to CRA is the CRA culture of the bank, and specifically the conceptualization of what kind of job roles are needed to comply with CRA. While a CRO's own definition of whether or not they are in a compliance or outreach function is important, the organizational culture around CRA is highly influential regarding what the CRO is able to accomplish. In most cases, structures of bank departments and job descriptions were determined long before the CRO came to the bank. These structures were set in place because of the norms and beliefs surrounding the proper way to comply with the CRA. At the banking field level, and across organizations, the most common practice is to view CRA implementation as a compliance function (Wolters Kluwer, 2016).

Team structures and positioning within departments reflect a central vision regarding whether adherence with the CRA is associated more with compliance or outreach work. It is this CRA culture in the bank that will influence the creation of bank departments, CRA related job roles, and assigned duties of CROs. If CRA is viewed in the same category as other banking regulations, as is the common perception, it is likely to be assigned to the compliance department. There, it will be conceptualized as necessitating adherence to mandates, a checklist of activities and a back-end analytic exercise. If CRA is conceptualized as necessitating community development, then back-of-the house job responsibilities in analytics are shifted to front-of-the house outreach activities. The bank will embrace a philosophy that the mandates of the CRA require intentional community engagement and community development loan portfolios to enable LMI individuals' increased capital access. This also modeled by the cohort of bankers whose leadership enabled them to do outreach work themselves, or to have colleagues and team members who worked in outreach.

And finally, what is the bank leadership commitment to communities, and to CRA performance? Not surprisingly, there was not a single CRO interviewed who had anything but positive things to say about their bank's commitment to community engagement. Ascertaining the scale of actual commitment to community was difficult without analysis of additional variables. However, banks that committed full roles within banking teams to community development have, through one structural element, demonstrated their commitment to development, as opposed to purely compliance. Structures are the material embodiments of symbolic, or conceptual understandings.

Another interesting element was the bank leadership's commitment to CRA performance. In virtually every case, the CRA was considered important. Failing a CRA exam would mean that the bank could not pursue its business goals, such as mergers, acquisitions, or opening new bank branches, in addition to any negative publicity. But for most of the banks, satisfactory was good enough. They just wanted to pass the exam to continue business as normal, they weren't necessarily interested in exceeding expectations. Thus, it was rare for a CRO to have bank leadership who desired an outstanding rating. Perhaps it is counterintuitive that leadership interest in a higher exam score would not increase pressure on the CRO. However, CROs whose leadership championed an outstanding rating on the CRA tended to feel supported by bank leadership who created a positive and shared responsibility around outstanding performance. It was actually the CROs who wished for an outstanding rating themselves yet did not have the same support to achieve it from bank leadership, who felt that they should not spend more time focusing on CRA.

From an institutional logics perspective, the importance that leadership placed on passing the CRA evaluation could result in enormous pressure for the CRO, especially if the responsibility for CRA was concentrated primarily with the CRO. While a satisfactory rating was sufficient for many of the CROs' senior leaders, it was also recognized that a failing grade would be detrimental to the business. Passing grades on CRA performance evaluations were considered essential pre-requisites for the profit and growth strategy of the bank. Though CRA compliance and financial production were considered to be separate functions, a negative rating could result in the blockage of merger and acquisition activity. Yet, CROs often had no control over the actual production roles that contributed to CRA performance, meaning the loan, investment, and service activities in the banks' assessment areas. These CROs took on full responsibility for compliance with the CRA with very little influence over the actual activities performed that would qualify for CRA. In fact, some of these CROs were not even informed about loans and investments until after they had been enacted. These CROs were responsible for enacting regulatory requirements but faced tensions due to the compartmentalization of the compliance function from the profit centers of the bank. They could not actually drive the financial activities that would contribute to the financial bottom line of the organization and to CRA performance, a decoupling of development and market logics.

The social enterprise literature has found that tensions can arise when a core logic (such as the market logic for banks) is embedded in the central organization but other logics (such as development logics) are relegated to the periphery (Besharov & Smith, 2014). Indeed, social enterprises that have successfully combined market and development logics have created common organizational identities and balanced elements of both logics rather than compartmentalizing them into different units (Battilana & Dorado, 2010; Pache & Santos, 2013). Organizational leadership decisions, predicated on their conceptions of what various business functions and regulations will entail, will significantly influence the structures that are created to manage this work.

CRO's CRA Worldview

Despite the vital nature of the leadership commitment to CRA, conceptual work necessarily centers on the primary CRA policy actor in the organization, the CRO. Agency will be constrained by the dominant institutional logic of the field, and existing structures, as well as by the conceptual maintenance work of other actors in the organization (Cloutier et al., 2016; Lawrence & Suddaby, 2006; Micelotta & Washington, 2013). Yet, it is this manager and their sensemaking of CRA policies that will be a primary driver of how CRA policies will be carried out. Though CROs are influenced by their organizations' cultures and the social constructions of their identities (which affect the institutional logics that they reference), they exercise bounded agency within these constructions (Lawrence & Suddaby, 2006; Lawrence et al., 2011). A CRO's CRA worldview refers to the symbolic understanding of what being a CRO means and what the CRA policy mandates mean. Does the CRA offer a market opportunity? Is it profitable? And has the CRA made a difference? Has it actually worked?

A key interview question asked the bankers who were interviewed for this study if they measure profitability in their CRA activities. For most, the answer was no, as CRA was viewed as compliance, a cost center and profit-loss for the bank. Some of the bankers experienced the tensions of the conceptual work required to implement CRA at high-stress levels. For some, CRA policy mandates were viewed as entirely incompatible with the commercial mission of the bank. For example, some CROs felt that the demands of CRA are entirely incompatible with the financial bottom line of banks. Others felt that safety and soundness of loans, which is directly tied to overall profitability of banks, is a key tension with the mandates of CRA.

However, for a few of the CROs, CRA was seen as a profitable business opportunity. For example, some of the CROs felt that if banks were more innovative, they would be able to create the programs and partnerships to expand access to capital and create new customers for the banks. More technical assistance could be carried out in order to uplift the financial status of LMI individuals who could be brought into the banks as customers who would graduate into bigger loans, such as home mortgages. Thus, individual managers offered a range of views based on their assessment of whether or not the CRA was seen as profitable. At one extreme, the CRA is just overhead, while on the other, it is a market opportunity. It might be assumed that the dominant market logic of the banking field would influence the view of the CRA as a potential market opportunity, but the relationship is much more complicated than this. Because CRA is positioned within compliance departments in banks, it is not considered a profit center. While it may hamper the profitability of the bank if a satisfactory rating is not achieved, compliance roles are considered overhead for the bank, not loan or investment production. Yet, the profitability of the bank is at risk because the bank cannot merge or expand if it fails a CRA exam. Thus, the market logic is referenced by CROs and their organizations with regards to the importance of passing a CRA evaluation or where profitability is deemed to be directly impeded by CRA. Yet with regards to the actual work that is entailed by the CRA, CROs did not tend to reference a market logic. Instead, they viewed compliance as the primary function of their CRA work. Many CROs tended to reference more of a bureaucratic logic with their focus on the regulatory aspects of policies that they are responsible for. This observation complements prior findings in the literature that multiple logics can exist within organizations (Battilana & Dorado, 2010; Besharov & Smith, 2014; Canning & O'Dwyer, 2016; Gawer & Phillips, 2013; Knutsen, 2012; Kraatz & Block, 2008; Meyer & Rowan, 1977/1991; Pache & Santos, 2013; Rojas, 2010).

As compliance professionals, some CROs may not feel that their disconnect from the profit centers of the bank is an issue. However, many did experience the frustration of not contributing to the financial bottom line of the bank because CRA performance was comprised of those activities. CRA activities, though focused on community development, are primarily loans and investments at the end of the day, regardless of the profit margin.

On the one hand, this compartmentalization of CRA qualified lending into the compliance division may have been intended to protect community development lending. LMI customers will likely be less profitable than higher-income customers. Therefore, CROs who did not want to concentrate on profitability were partially trying to protect CRA activities from scrutiny for being less profitable overall by not calculating their profitability. Yet, from an institutional work perspective, CRA implementation may be enhanced by adopting more of a blended logic. Blending the market logic and public intent of CRA means that these conflicting goals can be more seamlessly reconciled. If the CRA is a market opportunity, then it fits within the business model of a bank. Some of the most passionate CRA advocates believed that CRA should be central to the bank's business model. This could be in the form of long-term customer growth for the bank, which might necessitate technical assistance activities or investments in CDFIs or nonprofits that would support the wealth-building activities of LMI customers. These were not only potential new customers, they were also devoted customers who were more likely to remain loyal customers of the bank over time.

The question of whether the CRA has made a positive community impact or not is theorized to be central to a CRO's role conception. There was a striking difference regarding the size of the bank and whether or not the CRO felt that the CRA has actually 'worked.' Most of the smaller, community banks, felt that the CRA has made no difference and that banks would have equally invested in communities without the mandate (thus, it is just regulatory overhead). But for most of the large banks, the CROs were more positive about the need for CRA and the major impact it has had on access to capital.

Early on, it had been hypothesized that these views might be linked to the professional backgrounds of the CROs. It was assumed as more bankers with community development or nonprofit backgrounds came into the banking field (Chazdon, 1996), that they would internalize the goals of the CRA as congruous with their previous community development work. Unexpectedly, none of the bankers in this study came from nonprofit or community development backgrounds, so this did not turn out to be significant. In fact, almost all of the CROs had spent practically their entire careers in banking.

Despite not having community development backgrounds, many of the CROs at large banks were in community development roles. Their stated reasons for becoming CROs were because they wanted to make an impact on the community. These large banks had the resources to create roles for CRA that were more directly focused on community outreach, which would attract individuals with this mentality to the roles. While these staffing arrangements are structural in nature, they contribute to conceptual work. The individuals who are hired into community development roles at the larger banks are likely to believe in the importance of the CRA (Chazdon, 1996). Thus, they will continue to progress this positive narrative around the importance of CRA work within their organizations. Community development roles were also more likely to be held by bankers of color. The next section will explore the influence of race on the conceptual work of CROs. This construct emerged as more significant during the interviews than had been expected following the review of the literature.

Race and Ethnicity and Personal Identity

Race and ethnicity of the CRO, a demographic characteristic recorded for each interview participant, played a significant role in both the likelihood that a CRO was in a community development role and in perceptions of the merit of the CRA and thus in conceptual work. Race is also a social construct, and it is a key element of an individual's personal identity, or the attributes which define and distinguish individuals (Olson, 2002).

For example, several of the African American and Hispanic CROs each were SVPs or VPs of community development or community affairs. It is also interesting to note that aside from one other CRO, only the CROs of color who were interviewed had "community development" or "community affairs" in their titles at all. Race/ethnicity also appeared to influence the CRO's worldview of CRA, both with regards to whether or not it was viewed as profitable and whether it was perceived to have made a difference.

In fact, the bankers who said that CRA could be profitable, and should be viewed as such, were also bankers of color. Most of the White bankers shared the belief that CRA activities would have a long-term positive impact on community growth. This was similar to the shared value logic discussed in *Part One*. Yet, it was the CROs of color who were most comfortable with articulating a direct profit opportunity with CRA.

Furthermore, the key variable in this study that correlated with whether the CRO felt that the CRA had made a difference, was also race. This meant that the CRA's mandates were perceived to be more consistent with the interpretative scheme of the work that the CROs of color believed needed to be done by banks. The CRA does not explicitly mention the importance of race in the statute. However, historically, redlining—the intentional decision not to loan in certain areas despite creditworthiness— was disproportionately experienced by racial minorities in blighted neighborhoods, especially in urban areas. Analyses of net worth by race and lending data have consistently shown that minorities are far behind in access to capital and lending outcomes. Therefore, it is important to note the implications of the CRA for racial minorities, who disproportionately fall into the LMI income class that the CRA aimed to help. It was expected that there might be some perceptible differences in attitudes about the CRA across races based on prior research (Bridwell-Mitchell & Sherer, 2017; Watkins-Hayes, 2009), which led to the collection of data on race in the Demographic Questionnaire. However, the differences in perception were striking between the few CROs of color and most of the White CROs with regards to the open-ended question, to what extent has the CRA made a difference?

Individuals who identified as White had a lower estimation of the CRA's impact on the activities of their banks with regards to access to capital. However, a multitude of quantitative studies have found that the CRA has increased lending to LMI communities, particularly for Black and minority borrowers, even though continued inequities exist today (Avery et al.,1999; Avery & Bostic, 1996; Bates, 1997; Blanchflower et al., 1998; Campen, 1998; Canner & Passmore, 1994; Evanoff & Segal, 1996; Haag, 2000; Munnell et al., 1992; Schill & Wachter, 1994; Squires, 2003; Townes, 2008). How can we explain the majority of White bankers failing to attribute any increases in lending to LMI and minority populations to the CRA (or even paying mention of them), in stark contrast to bankers of color? In 1989, Peggy McIntosh wrote, “For me white privilege has turned out to be an elusive and fugitive subject. The pressure to avoid it is great, for in facing it I must give up the myth of meritocracy. If these things are true, this is not such a free country; one’s life is not what one makes it; many doors open for certain people through no virtues of their own” (McIntosh, 1989). Deep-seated racial inequities in the United States are reflected in systemic racism, where discrimination has been embedded in American institutions from the educational system to health care to criminal justice to economic and financial systems. “Systemic racism is so embedded in our societal interactions that racism has become normalized and rendered nearly invisible. So invisible that people deny its existence and instead cast blame on the individual,” when these racial inequities are due to the decades of disenfranchisement for people of color (Jo Persad, as cited in Slater, 2021). McIntosh’s view reflects the dominance of a Capitalist institutional logic, where every person purportedly has the equal opportunity to accumulate wealth through a fair economic system. But McIntosh points to another reality, where de jure discrimination deeply entrenched inequalities within every American institution, and the White majority is often blind to the resulting and continued structural inequities.

White bankers in towns with little racial diversity lacked life experiences that they might have had if the color of their skin were different, and which may have changed their perceptions on whether the CRA has made much of an impact on the banking sector. Few of the bankers of color discussed race at all either, or directly attributed perceptions of CRA to race. However, one CRO had been the only Black banker in the room the majority of their career, too often feeling like the only one to "see" the disparities in capital access or to be willing to speak up about it. This CRO felt confident that hiring more bankers of color would drive this conversation so that the issues would actually be talked about. Many times, the CRO had just sat at the table in the face of blatant issues of capital access, waiting for anyone else to speak up about it—to be an ally—but no one did. This CRO's sensemaking of the inequities that still exist today, which CRA had begun to chip away, was quite different than for most of the White bankers who had not lived through them.

An examination of racial economic inequalities illustrates why it is impossible to separate the CRA's focus on LMI individuals from race or ethnicity. For example, after World War II, returning White veterans could take advantage of low-cost mortgages or free tuition. Over 1.2 million Black men and women had served. Though the GI bill did not explicitly exclude Blacks from college tuition or Veterans Affairs (VA) backed mortgages, the implementation by the VA did (Clyburn & Moulton, 2021). Racist policies of the past directly contributed to the vast advantage that Whites have in building generational wealth. Today, the racial wealth gap is evidenced in the fact that the average White family possesses an average net worth of $141,900, more than ten times the $11,000 average net worth of African-Americans (Jan, 2017; Villanueva, 2021, p. 84). Minority-owned firms are three times more likely than white-owned firms to be declined loans. Additionally, Black-owned firms obtain an average of only $35,205 of startup capital during their first year, as compared to an average of $106,720 for white-owned firms (Villanueva, 2021, p. 84).

The institutional logics perspective sheds some light on these between race differences, although it also points to further questions that were beyond the scope of this study given that questions about race were not directly incorporated into the interviews. Within banking, the dominant institutional logic is a capitalist, accumulation-driven and profit-first market logic. But that capitalist "free" market system has significant systemic inequalities for persons of color, whom have been disadvantaged in a multitude of ways and historically excluded from benefitting from the capitalist market. Post-emancipation, Black Americans have continued to face major hurdles particularly tied to generational wealth, especially the lack of inheritance of either land or wealth that they were previously barred from owning. Continued barriers to access for a quality education, employment, and housing—often due to the lack of generational wealth—have crippled minority families' abilities to accumulate profit under the capitalist system.

In 1965, in President Lyndon B. Johnson's commencement address at Howard University, he said:

> You do not wipe away the scars of centuries by saying: 'now, you are free to go where you want, do as you desire, and choose the leaders you please.' You do not take a man who for years has been hobbled by chains, liberate him, bring him to the starting line of a race, saying, 'you are free to compete with all the others,' and still justly believe you have been completely fair… (University of Rhode Island, 2017).

This history of race and discrimination in America means that the Capitalist system has not produced the same financial opportunities for persons of color. Thus, references to a free market logic may be less dominant for bankers of color. They may not identify with the common identity expressed by other bankers in the financial industry because the assumptions, practices, and values of the market logic have not resulted in meritocracy for persons of color, as they have witnessed in their own life experiences. They are likely more willing to accept intentional practices mandated by public policy that conflict with a pure market logic, such as creating programs that operate at a profit-loss to serve your lowest income customers or locating bank branches in less profitable LMI communities. And, importantly, they are less likely than White bankers to voice the perspective that banks would defy this market logic and lend to low-income customers anyway, without the CRA.

However, it was not that the Black and other minority bankers did not reference market logics at all. Rather, they referenced more of a "social market" logic, a reference to the countries of Scandinavia that embrace social welfare and capitalist market economies (Sanandaji, 2021). These were still bankers. They deeply believed in the need for capital access for socioeconomic mobility. Thus, they were not trying to operate outside of the financial mainstream. Rather, they wanted to see the net widen, and they were comfortable for the government to intervene, to ensure more attention to those who had historically been excluded from capital access. In fact, they were not just comfortable for the government to intervene, they needed it to. Thus, these bankers may have referenced a social market logic, which enabled them to more easily reconcile the institutional demands of the CRA with the other pressures of their work. And while they still often had internal struggles to promote the CRA within their organizations, they at minimum had less self-struggle with the mandates of the CRA.

Bankers of color in this study did not simply embrace the public policy goals of the CRA, but rather, they internalized them as meaningful and righteous systemic work that must be done. Thus, the conceptual work of bankers of color was aligned with the construction of CRA policies and the conceptual conflict was minimized in their sensemaking of these mandates. Their interpretations of the policy mandates were consistent with the work that they believed was the right thing to do, and they were more likely to be passionate for carrying out the CRA work than annoyed at the regulatory burden. Bankers of color, though still experiencing other pressures of compliance (such as advocating for the CRA within their banks), approached their work with a philosophical alignment with the policy goals of the CRA that appears to embrace the law and its intent, and to deeply believe that it has made a difference and is needed. This enabled their conceptual work to adopt and implement CRA policies.

This theme builds upon important findings in prior literature. For example, Bridwell-Mitchell and Sherer (2017), in their study of educators, found that race was the most significant factor that accounted for which institutional logic teachers were likely to ascribe to. Teachers of color were significantly less likely than their White peers to reference market logics. This is similar to the finding here, which points to bankers of color experiencing less pressure from regulatory mandates to serve their communities.

Furthermore, in her study of welfare workers, Watkins-Hayes (2009) found that case managers of color were more likely to recognize institutionalized barriers in access to the market. This pointed to a distrust of the market logic and supports the notion that both public service and private sector managers who identify as racial ethnicities other than White, are less likely to draw on the institutional logic of the pure Capitalist market as a dominant institution. In practice, this may mean that they experience fewer ideological conflicts with regulatory mandates that are intended to develop communities, and that may clash with pure market logics.

The idea that race is an important variable in how employees view their work and the policy mandates that govern their work, is relatively unexplored in the public policy literature (Bridwell-Mitchell & Sherer, 2017; Watkins-Hayes, 2009). Thus, the findings here are of particular importance across the entire slate of empirical findings in this study. This is especially true when considering that communities of color are the primary benefactors of CRA policies.

This study also elaborates important new insights from the previous institutional theory literature, specifically regarding institutional logic multiplicity and the way in which race intersects with institutional work. Importantly, managers of color referenced a market logic that was more aligned with the public sector's bureaucratic logic, and the development logic, termed a "social market "logic here.

Operational Work

Operational work involves managers' efforts to execute initiatives, including programs. products, and services, that will fulfill the mandates of public policies (Cloutier et al., 2016). It necessarily will involve frontline professionals, often the loan and investment officers in the case of a bank, as well as the CRO him or herself driving the strategy. Cloutier et al. (2016) conceived of operational work as where "the rubber hits the road" in policy implementation (p. 268). As with other types of work, there are interwoven linkages. Yet, a tangible and direct link between the market context of communities where CROs lived and worked was influential with regards to CROs' operational work. There was some mention of the desire to advocate for policy change to influence policies to the CROs advantage (Cobb & Ross, 1997; Lawrence & Suddaby, 2006; Mahon & McGowan, 1997; Oliver, 1991; Stone, 2012). This was extensively covered in *Part One*. There, the focus on influencing CRA policy had largely been around enabling banks to operate according to their business models. Elements of these findings included market competition, the changing nature of communities, and at times, community pressure to do more with CRA. Here, market context will be revisited, but more directly from an institutional work perspective, and with new insights from the second data set.

Market Context

CROs experienced community pressures in their operational work to carry out specific activities required by the CRA, including loans, investments, and service requirements. In fact, many of the CROs felt that the challenges of their market contexts were the most significant impediments to do more when it came to compliance with the CRA. This was not because of community pressure to do more with CRA for most of the bankers, as had been hypothesized, but rather it was because of a perceived lack of need for CRA activity. Operational work of the CRO is complex. It is related both to the market area where the bank's activities are already concentrated, as well as where the bank could potentially expand.

There were both material and symbolic elements of the market context. The market context was often experienced as a significant constraint with regards to material elements required for carrying out the operational work necessitated by CRA mandates. For example, many of the bankers explained that their assessment areas had very few LMI census tracts. They simply did not have the LMI population to serve, which did not mean they were not focused on community reinvestment, it just meant that they believed that there was not a community need.

Symbolically, the market context created unique meaning for many of the CROs; it even created anxieties regarding how they would carry out their work. For example, for many CROs, as illustrated in the first data set, a heavy banking regulatory burden worsened a crisis for their profession. They felt that community banks were already threatened by acquisitions from larger banks and market competition, and that the overhead for compliance would only worsen the situation. Reinforcing a finding from the first data set, market competition from unregulated non-bank competitors such as credit unions was seen as a significant threat.

Anxieties also presented surrounding change in the modern workplace, which was discussed in the context of CROs' job duties, but also interfaces with the market context and operational work. With the data burden of CRA came a significant need to learn new technologies and software. Being competitive in the bank's market entailed learning a burgeoning set of banking policies, new definitions around market assessments, and a proliferation of market data. Managing this data burden in order to help the bank to succeed on CRA could feel stifling, leaving little room for innovation. This also meant that the CRO (or organizational leadership) was likely to perform maintenance work to protect the central commercial mission of the bank by siloing it from the bureaucratic logic of regulatory compliance, or audit functions. Back-end data analysts are not actually trying to change anything about the way the bank is operating. They are looking through the bank activities to determine where business as usual might check a CRA box. In this regard, a back-end data analyst has not actually performed any institutional work to change existing practices or to achieve more of the mandates or incentives of the CRA. Instead, their institutional work is of maintenance, as they have avoided doing anything more with CRA mandates than the minimum necessary to pass an evaluation.

This is despite the fact that the CRA specifically recognizes innovative initiatives and programs. In fact, Weatherly and Lipsky (1977) found that innovative policies are constrained during implementation by personnel who are trying to manage a multitude of work demands. Similarly, Blythe, a respondent to the ANPR, had found that "banks trying to meet obscure CRA objectives are pulled away from innovation that would better serve their customers and communities." The data burden and the regulatory ambiguity previously discussed may mean that banks cannot be "more innovative to address real needs" of LMI communities, as Ron told the OCC in his response to the request for ANPR feedback. Thus, the same constraints for structural work, the bankers' workloads, also constrained operational work. For example, very few of the bankers mentioned the need for innovation at all. Yet, making a significant impact on access to capital necessarily requires new products and services. In other words, it requires innovation. Furthermore, moving the needle on community development cannot be as simple as carrying out business as normal and then filling in the corresponding loans for CRA compliance. An innovative CRA program requires a strategy that changes operational practices regarding how to better achieve access to capital for historically disadvantaged LMI groups.

Finally, the institutional demands created by local communities was specifically of interest in R2. However, the vast majority of CROs reported not experiencing any community pressure, or at least this is what they articulated. Only the CROs in the largest banks mentioned that they regularly responded to questions from community organizations. Few CROs had ever even been asked for their public files. It was only at the larger banks that demands were experienced from large advocacy organizations such as the National Community Reinvestment Coalition (NCRC). But even for the larger banks, the CROs attempted to have more collaborative relationships with the NCRC as opposed to conflictual.

Some of the CROs at large banks did have more pressures from community groups than did the smaller banks, but they also tried to maintain positive and collaborative relationships, and to use the opportunity to determine which initiatives they should be engaging in. For some of the CROs, the biggest tension was related to what the bank could and could not do for the community, especially regarding safety and soundness. Thus, the dominant market logic of the field again contrasted with community pressures, as the community members did not understand that CROs could not lower their banks' regulated and institutionalized practices around safety and soundness to lend to individuals with lower credit.

In summary, community pressure as it had originally been conceived was not a highly significant factor with regards to the capacity of CROs to reconcile the institutional demands of the CRA at banks under $10 billion in asset size. Rather, for these banks, the primary conflict was between the conflicting logics of the banker's employer and the regulators. The way that the market context intersected with this was more directly tied to both the commercial mission of the bank and the social mission of the CRA policies rather than a separate pressure. Indeed, the commercial mission of the bank was constrained by the market context, and the social mission of the CRA policies could sometimes interfere with that commercial focus by disrupting the bank's market. But at the larger banks, community pressure did play a role, and it also was often at odds with the market logic of the banking field.

Relational Work

The fourth category of institutional work that Cloutier et al. (2016) identified was relational work. Relational work was the most embedded category and underpinned each of the other categories of institutional work. This type of work relates to the interpersonal relationships between managers and the other individuals who will be vital to policy implementation (Cloutier et al., 2016). For CROs, this includes bank leadership, as well as street-level workers who carry out the financial activities of the bank that affect CRA ratings, including loan and investment officers especially, as well as data analysts, community outreach team members (if applicable), and other colleagues in the bank. It also involves the ability to build trust and collaboration with members of the community to develop an effective outreach and engagement program for CRA, but this is only if the bank has a community outreach program at all, and thus is connected to job responsibilities of the CRO structurally, as well as to his or her professional identity and self-conceptions.

Relational work affects the capacity of an actor to be successful at all the other types of work that affect policy implementation. The ability to develop shared conceptual understandings around ways of working to fulfill CRA mandates necessitates mutual trust and collaboration, which require "developing personal relations" with others (Cloutier et al., 2016, p. 270). Relational work was intricately tied to the professional identity of the CRO. The social construction of an individual's self-understanding of their role in the workplace, or the beliefs and attitudes around an employee's work activities, make up one's professional identity (Ibarra, 1999). Like personal identity, professional identity influences the way an individual experiences their work and internalizes organizational culture, including the ways that policies are understood, and references to the dominant institutional logics in the professional field.

Professional Identity

At a bank, while roles like loan officers are mainly responsible for their own performance, you have to get buy-in and support from the entire team to be successful in the CRO role. This takes a certain aptitude for people skills. The perception of one's professional self is intricately tied to relationships with others. Relational work is both uniquely tied to the traits of the individual, yet deeply dependent on one's interactions with others. Professional identity necessarily starts from the point of what someone understands his or her role to be, as well as her aptitude for that role, and whether that role really matters or not. Following conceptualizations of one's professional self, then interactions with other professionals follow, including whether or not you can relate to a colleague's role and skillsets for such. Professional interactions such as being able to put yourself in your teammate's shoes, teamworking, and agreeableness are all deeply related to professional identity and will influence relational work. Finally, one's gender had a significant effect on professional identity for several bankers, particularly where being a woman was seen as a career impediment, and CRA roles were an opportunity for growth.

Professional identity has several key dimensions that affected CROs' interpretations of CRA policy mandates and how they collaborated with others to achieve their work aspirations. The first dimension of CROs' professional identities was whether they identified as outreach professionals or compliance professionals. Were their relevant skillsets, and their strengths as CROs more closely related to knowledge and abilities around compliance work, or around community engagement? This conceptualization was closely tied to whether they viewed CRA policy as necessitating data analytics and compliance or audit type functions, or whether they viewed it as requiring outreach work and linkages with community groups. The concept of whether CROs felt self-worth in their roles was also closely tied to this. CROs felt that their jobs mattered for different reasons. In a compliance role, success is measured by ensuring that the bank data is flawlessly recorded and that all activities that may count are captured. This requires some relational work, such as ensuring that all service activities are captured and that loans are properly recorded. But it will not require the type of relational work that seeks to change behaviors within the bank, to do more with CRA initiatives, for example. It was also notable that the outreach professionals had distinct overlap with the group of CROs who said that CRA mattered, that it had made a significant difference for the actions of banks in attention to LMI populations. Thus, their understanding of the importance of CRA was conceptualized differently than for the compliance professionals. Conceptual work was intricately linked with relational work (Cloutier et al., 2016).

A second key dimension of professional identity was categorized as "professional interactions." Several interesting themes emerged in the data. For example, for CROs who had previously held front-line roles in the bank, they understood the daily challenges of this type of role. Their ability to influence the activities of these front-line professionals was captured by the metaphor of walking in someone else's shoes, and thus understanding what their daily work lives and job duties are like.

Furthermore, agreeableness and the closely related dimension of teamworking were found to be significant attributes that influenced the CRO's ability to achieve other actors' buy-in on CRA initiatives. Though this dimension of work has not been explored in the street-level bureaucracy literature, it has been widely studied within the field of management. Wilmot and Ones (2022) studied the personality trait of agreeableness and found that it is highly impactful on real-world job outcomes. Acknowledging the extent to which it has been studied, Wilmot and Ones summarized 142 meta-analyses regarding personality and job performance, with 275 variables, representing over 1.9 million participants and 3,900 studies (p. 1). This meta-analysis revealed that agreeableness has a highly desirable effect on many of the metrics that will impact job performance. They wrote that this personality trait was especially important because it is the one most associated with building positive relationships. Wilmot and Ones synthesized eight characteristics of agreeableness. One of the key characteristics was teamworking, or the capacity to effectively cooperate and coordinate, with others, to accomplish shared and collective aims. Essentially, agreeableness is the aspect of professional identity that leads to contentment, work investment, the capacity for successful integration into social rules, relational investment, and teamworking (Wilmot & Ones, 2022). All of these aspects are highly influential for institutional work, particularly relational work, and they were evident in the practices that several of the

CROs prioritized in their work to influence teammates to contribute to CRA work. Thus, agreeableness contributed directly to the relational work required to implement the policy mandates of CRA.

Gender and Professional Identity

Lastly, gender was a significant dimension that affected the CROs' professional identity. Specifically, gender was tied to the belief that career mobility for women was limited at banks in production roles. This meant that women would have to be in compliance roles in order to move up in the bank, as several of the female CROs all experienced. Some women were willing to speculate that perhaps there is a gendered nature to both compliance and outreach roles (as opposed to production roles). For example, perceptions exist that women pay attention to detail and follow the rules, whereas men do not want to do the back-office work. But more significantly, the career path was more open to them because men did not want to do it, instead opting for the more lucrative production roles. This has several implications for relational work, including the possibility that women will go into roles that they are not particularly keen on because of the mobility potential. There was a certain level of resentment about the compliance work among some of the women interviewed (though certainly not all), which may affect attitudes about both one's work and the CRA policy burden, making the relational work to implement mandates more challenging. The inequitable access to promotion and opportunity will also mean that the person most skilled for a certain role within the bank may not do it. However, this negativity is not necessarily the case for all women, and many of the women in compliance roles that acknowledged a gender difference were also highly positive about their work. In general, for the women where career mobility was involved, there was a more negative dimension of a CRA career path focused on compliance, and a more positive dimension of a

CRA career path focused on outreach. This connected to one observation that perhaps many women become CROs because of the public service or social work aspect of it. If this is the case, then gender is likely to play a role in the reconciliation of institutional demands. Unfortunately, gender did not factor prominently enough in the data to dissect it in much greater depth than these initial observations, but it is certainly worthy of further research.

Chapter Seven: Conclusion and Implications

Introduction

Public policies are the institutional mandates of governments to address societal problems in the public interest (Lassance, 2020). The Community Reinvestment Act (CRA) was enacted in the United States to spur banks to innovate products and programs and engage in services to combat rising socioeconomic inequalities and community disinvestment. Research shows that CRA has narrowed the gap in access to capital for the LMI communities it has intended to support (Avery et al.,1999; Avery & Bostic, 1996; Campen, 1998; Evanoff & Segal, 1996; Haag, 2000; Squires, 2003). Yet the original intent of the CRA remains relevant given continued inequality in America, and particularly the wealth gap between racial minorities and White families. Access to capital for LMI communities, who are disproportionately communities of color, remains as important as ever (Bates, 1997; Blanchflower et al., 1998; Canner & Passmore, 1994; Haag, 2000; Munnell et al., 1992; Schill & Wachter, 1994; Slater, 2021; Townes, 2008; University of Rhode Island, 2017; Villanueva, 2021). Thus, studies on effective implementation of the CRA are critical as this legislation seeks to close the gap in access to capital.

Following Smith's (1973) observation that public policy can disrupt institutionalized norms, community reinvestment policies can be viewed as deliberate attempts to change the institutional practices of banks. Yet these practices are deeply embedded and resistant to change. In fact, institutional change can be disruptive even within the public sector. This was evidenced by public health care managers attempting to internalize and implement public policy reforms as illustrated in Cloutier et al.'s (2016) study of the institutional work processes of managers in the Canadian nationalized health care system.

The institutional logics perspective elucidates the great difficulty of finding common ground when cross-sector actors reference divergent institutional logics (Battilana & Dorado, 2010; Cloutier et al., 2016; Kraatz & Block, 2008; Meyer & Rowan, 1977/1991; Pache & Santos, 2010; Thornton & Ocasio, 1999). These conflicting logics are evidenced by contradictory norms, practices, and belief systems. Deep seated institutional beliefs embodied by private sector actors and evidenced in their daily work activities are challenged by public policies that target change in business practices. Yet adaptation does take place over time, and managers responsible for policy mandates do reconcile the institutional pressures, with varying levels of success, of policy requirements. While elements of entrenched institutions exert powerful maintenance forces, institutional logics do change over time, driven by sectoral actors, through a variety of micro-processes categorized as institutional work.

All managers responsible for CRA mandates experience job-related pressures, just as any organizational employee experiences varying levels of work-related pressure. For CRA officers (CROs), their professional responsibilities are to their organizations, their communities, and to their regulators. This trifecta of pressures faced in carrying out their work is heightened by their responsibility to ensure compliance with regulatory policies created by the public sector, and mandated of the private sector, where these external public interest goals may not align with internal commercial goals. Being monitored for your performance by itself exerts pressure, but these tensions are heightened where there are fundamental misalignments in logics between those under scrutiny and the regulators. How CROs manage these tensions and reconcile the institutional demands created by the CRA is highly variable when examined at the micro-level. This study intended to understand the contributing factors for the successful management of these demands.

As a study building on extant work on policy implementation, this dissertation has examined the promise of the blending of institutional logics and institutional work perspectives to explore the conflict in institutional demands for regulated banks and the senior managers who are responsible for policy mandates. In addition to the development of institutional theory, the linked perspectives provide the framework to explain CRA managers' boundary-spanning role in creating and sustaining new norms in community reinvestment around the concept of shared value, which suggests that market-driven activities can provide social benefit (Porter & Kramer, 2011). The study sought to understand how CROs reconcile the institutional demands created by the CRA. In this regard, it examined in what ways their reactions vary via the institutional logics perspective, and how their individual attributes, backgrounds, communities, and banks influence their responses and their institutional work as they reconcile policy demands. These questions were posed with the underlying motivation of uncovering what works in community development policy to achieve positive social outcomes. This conclusion will suggest some key points that could inform both theory development as well as private sector and governmental practices.

Implications for Theory Development

At the heart of this study is an analysis of conflict in institutional logics and attempts at reconciliation strategies, analyzed via the lens of institutional work. In the current case, these intersectoral institutional conflicts and potential response strategies operate at the intersection of public policy and private business. To demonstrate the potential for conflict, the study employed the institutional logics perspective, which enriches our dialogue about the social constructions of norms and practices expressed by the various sectoral actors (Friedland & Alford, 1991; Lindblom, 1977; Perry & Rainey, 1988; Thornton & Ocasio, 1999; Thornton et al., 2012).

Crucially, institutional logics moves away from a focus on unitary organizations operating within discrete institutional fields. Rather, the perspective can be employed to reorient us to the institutional work of sectoral actors in their agentic attempts to modify or change institutional logics over time when confronted with demands that extend beyond institutional maintenance (Cloutier et al., 2016; Lawrence et al., 2011; Lawrence & Suddaby, 2006). Despite the synergies of these two perspectives, institutional logics and institutional work are often employed independently from one another (Canning & O'Dwyer, 2016; David et al., 2019; Rojas, 2010). Thus, the linkage of both perspectives is a significant contribution to institutional theory development (David et al., 2019).

From the vantage point of both institutional perspectives, we can begin to examine how dominant institutional norms are embodied by private sector actors in their daily work activities (such as the all-encompassing market-driven capitalist logic in the United States) yet recognize that given agency, the market logic is not dominant for all actors even in the same organization or sector, nor is it referenced by these actors in isolation given their multiple societal roles (Battilana & Dorado, 2010; Besharov & Smith, 2014; Canning & O'Dwyer, 2016; Gawer & Phillips, 2013; Knutsen, 2012; Kraatz & Block, 2008; Meyer & Rowan, 1977/1991; Pache & Santos, 2013; Rojas, 2010). Though sensemaking is influenced by the dominant logics of actors' organizations, value-systems are also shaped by actors' backgrounds and experiences, which contribute to their personal identities and affect how they view societal problems, and the public polices implemented to address them.

In this study, race and ethnicity were found to be particularly influential regarding a readiness to adopt the norms of community development policies, which was linked to the ways in which the CROs of color referenced institutional logics, as well as the institutional work that they carried out. Race and ethnicity have only minimally been addressed within the policy implementation literature, where Watkins-Hayes (2009) found that social workers of color were more likely to recognize systemic economic barriers and to “fundamentally believe in their work and the mission to improve lives” thus influencing how these workers more successfully reconciled welfare policy mandates with their work (p.76). Furthermore, Bridwell-Mitchell and Sherer (2017) found that the race of teachers was the most significant factor to account for divergent references to institutional logics during policy implementation. Bridwell-Mitchell and Sherer remarked that this finding is important because it suggest that race, and the life experiences connected to race, play a more significant role in the interpretations of policy mandates than the literature has previously recognized. Thus, this study complements and reinforces this critical observation.

While there is intrinsic value in uncovering theoretical insights to explain empirical observations, ultimately the public policy field seeks to make a positive societal impact via findings uncovered through the theoretical lens. The initial practical implications that this study suggests are offered to the banking sector, and then to the policy regulators, with theory-driven insights embedded throughout.

Implications for the Banking Community

There are practical implications derived from the theoretical insight that race and ethnicity and personal identity are significant factors influencing references to institutional logics and institutional work. The insight indicates that diversity, equity and inclusion (DEI) efforts in organizational hiring will be beneficial in the banking sector and can potentially contribute to enhanced commitment to CRA policy goals as well. The findings have suggested that personal identity is significant in the conceptual work of CROs. Thus, if more bankers of color are hired and involved in community development practice for banks, this is likely to enhance the commitment to CRA goals. Banks can address DEI efforts in both their immediate hiring and their “pipeline” efforts. With regards to long-term prospects for hiring persons of color, banks also should engage in programs targeted to diversifying the fields of study connected to banking at secondary and tertiary institutions. For example, banks can support summer bridge programs for underrepresented youth focused on the finance field, or fund scholarship programs intended for students who are underrepresented in the finance field. Furthermore, in their service activities, banks can pursue educational institution engagement focused on financial literacy, while generating interest in the finance field as a career option.

This study additionally leads to an observation that CROs who believe that they have a role to play in community development and believe that their work is important and necessary will more skillfully navigate the institutional demands of public policy. While race was significant in the conceptualization of the importance of community reinvestment activities, other factors also were important. Indeed, we should not underestimate the power of positivity and agreeableness (Wilmot & Ones, 2022). Believing that you are helping people through your work and that carrying out the mandates of the CRA is the “right thing to do” for the community to prosper, makes a great difference in the ability to confidently execute those mandates day-to-day. Embracing this work also means that those activities will be carried out with the intention of community impact, not simply to fulfill mandates and avoid repercussions of failing CRA evaluation examinations. Organizations and leadership can address this through the positive organizational culture that they create at the bank. Siloing the CRO within the compliance division with other banking regulations and believing that ‘satisfactory is good enough,’ is unlikely to make CROs feel empowered or supported in their work. Instead, bank leadership should embrace a commitment to the goals of the CRA, specifically around capital access and equity, not just a commitment to their communities and economic development more broadly. Critically, leadership should diffuse responsibility for the CRA throughout the organization. It should not be solely the responsibility of the CRO, but instead it is important to recognize and voice that the CRA is the responsibility of everyone in the bank, from the executive leadership to the loan officers and investment team.

While commitment to community and a belief that banks are the cornerstones of American communities is widespread among bankers, at the heart of the CRA is the intention that banks play a central role in systemic issues of capital access. Rather than servicing only the highest net-worth individuals, policy makers asked banks to ensure that LMI customers can access capital and financial tools, including technical assistance, as well as wealth-building products, breaking the cycle of poverty. This study shows that when these products are considered as part of the financial strategy of the bank, CRA commitment is enhanced. In fact, several respondents noted that while profitability may be lower for loans to LMI customers, gains in reputation may generate favorable long-term benefits for the bank. This finding points to two key recommendations for banks and especially the most senior staff members who often lack a complete understanding of CRA requirements. First, it will be valuable to couple the social mission of CRA with the commercial mission of the bank. Second, it is important to embrace the community outreach element of CRA work, not just the compliance aspect.

Banks should not silo CRA within the compliance division, but instead, infuse it within the retail and commercial functions of the bank's financial production portfolios, considering it a long-term market opportunity. According to some practitioners and academics, community investment is a viable market and banks can expect financial return on most CRA loans and investments, and it may be beneficial to promote that refrain (Curry, 2017; Kane, 1993; Perlmeter, 2017). “Bankers who approach the [community development] market with a profit motive” are likely to be profitable (Kane, 1993, p. 30). This will entail not only considering the role that all of the production staff play in CRA, but also innovative models such as hiring CROs who retain lending and investment portfolios, dedicating loan officer roles to affordable housing and community development and focusing on product innovation to profitably serve LMI communities and enable access to capital.

Banks and organizational leaders should also pay heed to the experiences of women in this study. Many had gone into compliance roles because they felt that their career mobility would have been limited in financial production roles, which they believed were more accessible for men. While these career limitations led to some frustrations for women who were siloed into compliance, other women were doing CRA work because of their desire to work in community outreach. Both of these observations suggest that banks should focus on the cross-collaboration opportunities between CRA, community outreach, and financial production functions. This may enable more career mobility for women who support the commercial mission of the bank, as well as engage them in the community outreach work that many women expressed interest and skill in.

Additionally, banks should continue to focus on the benefits of cross-sector partnerships that capitalize on the strengths of each sector. Cross-sector partnerships between the public and private sector have emerged as some of the most promising institutional arrangements to advance sustainable development goals (Glasbergen, 2007; Gray, 2007). Community banks are well-suited to interpret the credit needs of the local market, as well as determine the appropriate product and service offerings that are financially viable within the local market context.

However, they may not have the community development or technical assistance expertise of nonprofits and CDFIs who regularly serve LMI populations. Additionally, as larger banks have become more regional and national, the need for partnerships with community groups who can provide technical assistance becomes increasingly vital for these organizations as well (NCRC, 2007).

With regards to the community outreach element of CRA, this study showed that treating the CRA as compliance is likely to lead to limited change in bank activities, although the bank may still be able to achieve a minimally passing grade on the CRA evaluation. Siloing CRA in compliance becomes primarily an exercise in data analysis and documentation, with no real change in intentional strategic efforts for serving LMI communities. This work is challenging. LMI individuals often do not meet the credit and underwriting standards of banks, so voicing that 'we will lend to any LMI person who meets our standards' is unlikely to move the needle and truly impact community development. In the field of community development policy, ultimately the purpose of doing research is so that public policy outcomes can be improved.

Implications for Policy Process Improvements

Given the policy goals, the government should have a vested interest in the successful implementation of CRA policy. Yet, if the public sector seeks to maximize the private sector's impact on communities through the CRA, it should be cognizant of the dominant institutional logic of the private sector, the market logic, driven by the profit motive. Recall Senator Proxmire's plea to bankers to address systemic socioeconomic conditions: "You are the people, you bankers are the people who can do the job" (United States, 1977, p.329). The federal government believed that community reinvestment was too big of a job for the government alone, and that banks were equipped to support community development, effectively outsourcing elements of public sector work to the banks via regulatory mandate. Thus, given the responsibility that is shouldered by banks, the regulators must support and enable their work, as well as their profitability.

The regulatory agencies are co-implementers of a public mandate on the private sector. Silver argued that “[t]he genius of CRA is that it is not a top-down mandate by the government” (Silver, 2017). Rather, it provides processes for dialogue among bankers, community members, and regulatory agencies on what works in community reinvestment (Silver, 2017). Yet, the majority of the time, this is not the experience that CROs have voiced in this study. Bankers often felt that the regulators were adversaries working against them looking for fault and to penalize them on exams. In order to maximize the potential of banks to improve their communities, regulators should work as enablers and partners in the community development enterprise, attempting to understand the key values and practices of the private sector CROs who implement CRA mandates. There are many challenges to overcome in partnerships that converge over sectors of society. For this reason, it is vital that partners commit to a continual learning process, overcome challenges together, learn to work together more effectively, and are oriented by a problem-solving attitude and long-term commitment to shared societal problems (Austin, 2007). Community development will be more successful if bank regulators and banks approached their partnerships with the same mentality. Thus, the banking regulators have an opportunity to be more agreeable as well (Wilmot & Ones, 2022).

Furthermore, community development expertise and research on best practices evolves over time. Many of the frustrations with CRA policies in this study tied to the belief that the regulatory mandates need to be modernized to fit with the technology advances of modern banking, as well as more sophisticated knowledge about sustainable development practices.

Despite their belief in the importance of the CRA, multiple Black bankers mentioned opportunities to update and reform CRA for more effective community development, especially considering the concern that investments of housing in strictly LMI communities would prevent neighborhood mobility for families of color. Thus, new sustainable development expertise and projects such as mixed income housing developments are worthy of CRA credit. Research shows that banks focus on activities that count towards their CRA ratings, “regardless of their impact on strengthening communities.” This means that viable projects may not be implemented simply because the CRA ratings will not award sufficient credit (Willis, 2009, p. 63). It is therefore essential that CRA regulatory policy is written with a focus on what works in sustainable community development, not simply checking the boxes of regulatory mandates.

The findings of this dissertation also support the claim that the CRA’s community impact was increased exponentially by the Riegle Act in 1994, which created the CDFI Fund, principally because it was a market-based solution (CDFI Fund, 2017). It enabled banks to invest in CDFIs and non-profit institutions who lacked financial capital but had the human capital and appropriate products to effectively lend and service LMI communities. Thus, it leaned on the core strengths of the business models of both traditional banks and CDFIs. Though profit margins may be lower with CDFI investments than with other investment portfolio opportunities, returns are still viable, and the loss and delinquencies common with LMI borrowers are mitigated. There is overwhelming evidence that CDFIs, essentially born out of the same capital access issues that led to the CRA, have been enormous successes. Statistical evidence shows that they have provided billions in financing with a low loss rate and low delinquencies (Pinsky, 2001). Given the dominance of the profit-first logic of the bankers in this study, the findings translate to the observation that market solutions that mitigate concerns about safety and soundness, such as enhancing opportunities for CDFI investments and the CDFI fund, would be excellent ways for policy makers to enhance CRA requirements without diverging as far from dominant norms within the banking sector.

While the institutional logics perspective elucidates why bank/CDFI partnerships are positioned to be successful, analysis points to additional observations and opportunities for future research. If CDFIs can develop specialized, grassroots, LMI market expertise and assistance that a community bank cannot (Lento, 1994; Santiago et. al, 1998), and are more effective than banks at poverty alleviation (Marsico, 1995), then one might observe that a bank could avoid hiring staff with specialized community development expertise by investing in CDFIs or other third-party community development organizations. In fact, Benston (1997) argued that only financial institutions with relevant expertise in LMI lending should do so, not all banks. This "outsourcing" of CRA compliance is an interesting direction for future research, which should focus on what negative aspects there may be for the financial system if this is a model mode of compliance. For example, does it enable banks to avoid making the needed systemic changes to their institutionalized practices? If investing in CDFIs avoids the underwriting guidelines that are often a tension with LMI lending, then working through the CDFI is, in essence, a middleman to avoid that institutional pressure. To examine this proposition was beyond the scope of this dissertation but might be a worthwhile topic for future study.

Either way, the dominance of the market logic for CROs also points to the need to continue to develop innovative market-based approaches. One potential CRA opportunity, from a broad policy perspective, may be to align with a parallel market, the impact investment sector.[31] Impact investing is the financial arena for double or triple bottom line investors, who seek financial performance along with social and environmental attention (Thornley & Dailey, 2010). The field is built on decades of previous financial sector work in microfinance and community development (Clarkin & Cangioni, 2016). In 2010, social impact investments were estimated to reach some $500 billion in market size by 2020 (Moon, 2010, p. 50). As of 2021, the estimated size of the impact investing market globally according to the Global Impact Investing Network (GIIN) is $715 billion (Bradford, 2021).

Socially-motivated investors seek to invest in funds that address social issues, but the investors clearly need to be able to evaluate the impact of their investments, and the balance between financial and social return. In order to tap into larger sources of investment, there is a need to create standardized performance assessment so that investors can make decisions based on a balance of financial and social objectives (Porteous & Narain, 2008). Although the evaluation exam methodology is standardized across banks, according to size, and across regulatory agencies so that CRA ratings are comparable, they are only used for regulatory purposes (Moon, 2010). CRA compliance has not yet led to systematic analysis of outcome data to improve social outcomes or to be used by investors as investment cues. The CRA data systems do not aggregate and systemize the data in a way that investors could use it to track social performance (Porteous & Narain, 2008). Without tracking performance of community loans and investments in a more systematic way, there is a lost opportunity to better understand what really works in community development (Thornley & Dailey, 2010). CRA exams continue to focus on bank activities rather than the impact of these activities (Moon, 2010). Due to the focus on

[31] Impact investing refers to investment targeting social and environmental return, such as in the workforce development, housing, education, or health sectors. Funding is "directly contingent on both delivering and proving impact" (Thornley & Dailey, 2010, p.3).

capital flow and types of activities as opposed to outcomes, Moon (2010) argued that we do not actually know the answer to the question, “to what degree has CRA-motivated lending and investing successfully improved communities?” (p. 50).

There is an opportunity here for the banking regulators to standardize some of the impact measurement tools and impact reporting systems to utilize CRA data and ratings to measure community impact (Moon, 2010). This could potentially provide standardization of social impact data for investment purposes, enabling banks to better pursue the profit opportunity from socially responsible investment. Banks regulated by the CRA already have collected a massive amount of data related to their community development impact. The regulators could play a key role in providing the tools to aggregate and align this data (Fazili, 2010; Moon, 2010). Many of the CROs in this study had asked for the regulators to help them meet CRA obligations by providing them with more transparent benchmarks and publicly available nationwide community development data. Federal agencies have a large amount of data on community needs, which could be more consistently provided to banks and utilized (Bull, 2017). The opportunity for traditional banks to engage more with impact investing is an avenue for future research.

As information providers, the federal regulators can enable better data sharing and reporting consistency and streamlining so that we can learn what works to move the needle in community development. Regulatory policies on data collection should coalesce around measurement of outcomes rather than checklists of quantitative data (Willis, 2009), which simply feel like a compliance burden. More focus on community impacts would help bankers to feel like the CRA is contributing to improving community outcomes through expert insights and support, as opposed to just a tedious data analytics and documentation exercise. Furthermore, streamlining data collection across the various policies related to fair lending and community reinvestment will lessen the costly regulatory burden on banks. This recommendation also recognizes the specialized community development expertise that already exists in the public sector but is inaccessible for many community banks who cannot afford community development divisions or additional outreach staff or data analysts. Furthermore, current performance contexts do not incorporate formal community needs assessments, which are key to measuring impact and how well community needs have been served (Silver, 2016). Without a full understanding of their LMI communities' primary needs, banks cannot effectively measure or target their community impact (Choi & Dowling, 2014). Regulators could incentivize banks to be more responsive to community needs by both empowering them with the data to do so and rewarding them for providing market context analyses that incorporate both quantitative data and qualitative information from community members (Silver, 2016).

In fact, CROs experienced market pressures in their operational work to carry out specific activities required by the CRA in their communities. Many of the CROs felt that the challenges of their market contexts were the most significant impediments to do more when it came to compliance with the CRA. This was not because of community pressure from activists to do more with CRA for most of the bankers (especially the community banks) as had been hypothesized, but rather it was because of a perceived lack of need for CRA-qualified activity in regions that they felt were overbanked. The underlying mechanisms and realities on the ground that contribute to this perception are outside the scope of this study. However, the findings spur additional questions such as if there is a more systemic issue of potential LMI clients needing more technical assistance to raise their credit than the bank was able or willing to provide? Or, was the lack of LMI communities in bank assessment areas more directly related to where banks had chosen to locate their branches, avoiding LMI census tracts?

In other words, to what extent is there a mismatch between the need for capital and the banks' perceptions that their communities are already well-served? This would be an opportunity for a future study to consider that takes into account community profiles and census tract income analyses in cross-section with bank branch locations and assessment areas. The current findings, however, reinforce the need for policy designers to work in concert with banks to provide better data regarding where CRA-qualified investments are needed and undercapitalized, and then provide the credit for banks to invest in those areas. Given the need to align conflicting institutional logics, CRA regulatory policy agencies should think of the CRA work as a cross-sector collaboration with banks and other community-based organizations, where each side brings strengths to the table in pursuit of community development impact. This may necessitate market-driven solutions from the banking side, supported by the regulators (Choi & Dowling, 2014; Silver, 2016). Specifically, regulators should continue to incentivize and reward both innovations in impact investing and cross-sector partnerships between banks and community development organizations which capitalize on the strengths of each, resulting in greater community impact and capital flow.

Prior research indicates that there is a strong positive correlation between firms with strong social performance and financial performance (Simpson & Kohers, 2002; Waddock & Graves, 1997). If these goals are reconcilable, then disadvantaged members of our communities will benefit from greater collaboration between banks and the regulatory agencies. These collaborations should not focus on simply checking the boxes of compliance, or on the volume of activities. Rather, they must focus on the true impact of these activities on banks' communities (Choi & Dowling, 2014). Ultimately, banks will be more effective, have more money to invest, and make a greater impact in their communities if they are profitable. Thus, government agencies and banks alike must focus on initiatives within the financial mainstream, in line with market opportunities, and focused on the intersection of profit and purpose. It is vital that the facially irreconcilable policy goals of profit and social performance work together, not at odds. Banks that fail or shut down branches that are not profitable cannot do anything to help their communities, regardless of regulatory mandates.

In Closing: On May 20, 2020, the OCC issued a final rule overhauling its regulations for the CRA following the collection of ANPR feedback letters and comments that were reviewed in this study and submitted by the subset of bankers who were interviewed. The final rule resulted in the first major revisions to the CRA regulations in nearly 25 years, and applied only to national banks, federal savings associations, and insured federal branches because the OCC had acted alone (Lee, 2020). Ultimately, the FDIC and FRB did not join with the OCC's CRA rule. The OCC's CRA rule revisions were not well-received by the banking community (Ackerman, 2020). Later, the agency announced in July of 2021 that it would rescind the final CRA rule and collaborate with the FDIC and FRB on any future changes (OCC, 2021). On May 5, 2022, the three banking agencies issued a joint proposal to revise the CRA regulations and welcomed comments through August 5, 2022 (Board of Governors of the Federal Reserve System, 2022). Thus, at the conclusion of this study, future reforms of the CRA are still under debate. This study has offered numerous insights that could inform future reform efforts.

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Appendices

Appendix 1. IRB Approval

UNIVERSITY OF ARKANSAS

To:	Meredith M Adkins WJWH 233
From:	Douglas J Adams, Chair IRB Expedited Review
Date:	06/15/2021
Action:	**Expedited Approval**
Action Date:	06/11/2021
Protocol #:	2105335433
Study Title:	Reconciling Conflicting Logics: Community Reinvestment Officers at the Intersection of Public Policy and Market Forces
Expiration Date:	06/10/2022
Last Approval Date:	

The above-referenced protocol has been approved following expedited review by the IRB Committee that oversees research with human subjects.

If the research involves collaboration with another institution then the research cannot commence until the Committee receives written notification of approval from the collaborating institution's IRB.

It is the Principal Investigator's responsibility to obtain review and continued approval before the expiration date.

Protocols are approved for a maximum period of one year. You may not continue any research activity beyond the expiration date without Committee approval. Please submit continuation requests early enough to allow sufficient time for review. Failure to receive approval for continuation before the expiration date will result in the automatic suspension of the approval of this protocol. Information collected following suspension is unapproved research and cannot be reported or published as research data. If you do not wish continued approval, please notify the Committee of the study closure.

Adverse Events: Any serious or unexpected adverse event must be reported to the IRB Committee within 48 hours. All other adverse events should be reported within 10 working days.

Amendments: If you wish to change any aspect of this study, such as the procedures, the consent forms, study personnel, or number of participants, please submit an amendment to the IRB. All changes must be approved by the IRB Committee before they can be initiated.

You must maintain a research file for at least 3 years after completion of the study. This file should include all correspondence with the IRB Committee, original signed consent forms, and study data.

cc: Margaret F Reid, Investigator

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Appendix 2. Informed Consent

Research Study Title-- Reconciling Conflicting Logics:
Community Reinvestment Officers at the Intersection of Public Policy and Market Forces

Consent to Participate in a Research Study
Principal Researcher: Meredith Adkins
Faculty Advisor: Margaret Reid

INVITATION TO PARTICIPATE

You are invited to participate in a research study about how bank managers interpret and manage regulatory demands created by the Community Reinvestment Act (CRA). You are being asked to participate in this study because you are employed by a bank and have job responsibilities related to implementation of the CRA.

WHAT YOU SHOULD KNOW ABOUT THE RESEARCH STUDY

Who is the Principal Researcher?
Meredith Adkins
XXX-XXX-XXXX or mmckee@uark.edu

Who is the Faculty Advisor?
Dr. Margaret Reid
XXX-XXX-XXXX or mreid@uark.edu

What is the purpose of this research study?
The purpose of this study is to examine how bankers responsible for the Community Reinvestment Act manage regulatory demands created by the policy, including how they reconcile pressures from their communities, their regulators, and their employers to support low-to-moderate income clients. I am also interested in how bankers' reactions to the CRA are associated with their own backgrounds, and the norms, values and beliefs of professional fields, which tend to shape a manager's interpretation of their work.

Who will participate in this study?
Fifty participants are being asked to participate in this study. They are all working professionals employed by banks in the United States. They hold various titles and roles within the financial depository institution, but their knowledge and responsibilities for the CRA have been predicted based on a set of letters concerning CRA policy revisions that were sent to the Office of the Comptroller of the Currency in 2018 to 2019. A purposive sample for this study was pulled from the individuals who wrote these letters. The sample was identified by sorting for variation in state, size of the bank, and regulator.

What am I being asked to do?
Your participation will require the following: A one hour interview, via a video conferencing platform (Zoom) or telephone. Following the interview, participation will also include a brief demographic questionnaire sent in follow up to the interview, which should take approximately 10 minutes.

What are the possible risks or discomforts?
There are no anticipated risks to participating.

What are the possible benefits of this study?
In addition to the knowledge gained by the study, it may be beneficial for the participant to learn about how other organizations and CRA officers manage and implement the CRA. Such insights could be used to best structure job roles and responsibilities, organization structure, onboarding, training within the organization, or initiatives that could be shared with banking regulators and other professional networks that offer support on CRA implementation.

How long will the study last?
Interviews for this study will take place over the next 3 months, approximately. Analysis and writing up the research findings will continue through the rest of 2021 and potentially into early spring 2022. In total, the study is estimated to take 8-10 months.

Will I receive compensation for my time and inconvenience if I choose to participate in this study?
No, there will be no compensation for participating in the study.

Will I have to pay for anything?
No, there will be no cost associated with your participation.

What are the options if I do not want to be in the study?
If you do not want to be in this study, you may refuse to participate. Also, you may refuse to participate at any time during the study. If you withdraw, any information previously shared will be removed from the study.

How will my confidentiality be protected?
All information will be kept confidential to the extent allowed by applicable State and Federal law.
Several steps will be taken to ensure confidentiality. This will include storing interview recordings and transcriptions in a secure, password protected University of Arkansas private Box folder. All interview recordings will be deleted after the research has been completed. The recordings will only be used to review responses to ensure accuracy of transcription.
In the research analysis and reporting of results in the final dissertation, additional steps will be taken to ensure confidentiality. Your name, location and the name of your employer will not be utilized directly. Rather, information shared will be reported both in aggregate, and through the use of generic characteristics about the bank (such as size and region) to protect anonymity of your responses.

Will I know the results of the study?
At the conclusion of the study you will have the right to request feedback about the results. You may contact the faculty advisor, Dr. Margaret Reid (XXX-XXX-XXXX or mreid@uark.edu)or Principal Researcher, Meredith Adkins (XXX-XXX-XXXX or mmckee@uark.edu). You will receive a copy of this form for your files.

What do I do if I have questions about the research study?
You have the right to contact the Principal Researcher or Faculty Advisor as listed below for any concerns that you may have.

Principal Researcher: Meredith Adkins (XXX-XXX-XXXX or mmckee@uark.edu)
Faculty Advisor: Dr. Margaret Reid (XXX-XXX-XXXX or mreid@uark.edu)

You may also contact the University of Arkansas Research Compliance office listed below if you have questions about your rights as a participant, or to discuss any concerns about, or problems with the research.

Ro Windwalker, CIP
Institutional Review Board Coordinator
Research Compliance
University of Arkansas
109 MLKG Building
Fayetteville, AR 72701-1201
479-575-2208
irb@uark.edu

I have read the above statement and have been able to ask questions and express concerns, which have been satisfactorily responded to by the investigator. I understand the purpose of the study as well as the potential benefits and risks that are involved. I understand that participation is voluntary. I understand that significant new findings developed during this research will be shared with the participant. I understand that no rights have been waived by signing the consent form. I have been given a copy of the consent form.

Signature Date

Appendix 3. Email to Potential Participants

Good afternoon Mr./Mrs. [Last Name],

I am a Public Policy PhD candidate completing my dissertation at the University of Arkansas, Fayetteville. My dissertation project revolves around the Community Reinvestment Act (CRA), specifically attempting to address the question of how the CRA affects the work and responsibilities of bankers. I came across your contact information in the public comments submitted to the OCC after the 2018 Advanced Notice of Proposed Rulemaking concerning CRA regulatory revisions.

This dissertation, and the corresponding interview questions, are intended to examine how bankers responsible for the CRA manage regulatory demands created by the policy, including how you reconcile pressures from the community, your regulator, and your employer to support low-to-moderate income clients. I am also interested in how bankers' reactions to the CRA might be influenced by their backgrounds, and the norms, values and beliefs of professional fields, which tend to shape a manager's interpretation of their work.

Specifically, my request is to schedule a one-hour interview with you via Zoom video conferencing (or telephone if preferred), to discuss your CRA work. I would ask you to complete a brief demographic questionnaire in follow up to this interview, which would take about 5 minutes to complete. All interview responses will be confidential to the extent allowed by applicable State and Federal law. Your name, location, and the name of your employer will not be utilized directly in the dissertation to protect anonymity of your responses.

I would be happy to share the main findings of the research at the conclusion of the project. In addition to any general knowledge gained, you may be interested to learn more about how other organizations and CRA officers manage and implement the CRA, including how the work is structured within organizations and across roles.

I very much appreciate your thoughts about this important topic and ask for scheduling time to discuss at your convenience. For any further questions, I can be reached at this email, or via phone at XXX-XXX-XXXX.

Best regards,
Meredith

Meredith Adkins
XXX-XXX-XXXX or mmckee@uark.edu
PhD Candidate, Public Policy- Community Development
University of Arkansas

Appendix 4. Interview Protocol

Introduction (approx. 5 min)

Thank you for taking this time to talk with me today. As you know, I am a Public Policy PhD student at the University of Arkansas, and I am working on a dissertation project that examines how bankers responsible for the Community Reinvestment Act manage regulatory demands created by the policy, including how you reconcile pressures from the community, your regulator, and your employer to support low-to-moderate income clients. I am also interested in how bankers' reactions to the CRA are associated with their own backgrounds, and the norms, values and beliefs of professional fields, which tend to shape a manager's interpretation of their work.

I am conducting this research because while a lot of researchers have focused on entry-level workers and public sector implementation of public policies, we know less about how managers within private sector organizations, such as banks, react to policy pressures and how they see or interpret their role in shaping public policies.

You have been asked to participate in this interview because of your role in carrying out CRA policies at your organization. The interview should take about **60 minutes**. I'm truly appreciative of the time you're taking to speak with me to provide us with insights into the complexities of your work.

Before we begin, I would like your permission to record the interview. All recordings will be deleted after the research has been completed. I will only use them to review your responses to assure accuracy of my transcription. Additionally, all the information you share today will be fully confidential. I will not use any identifying information that could associate your name or that of your employer with anything you share today.

Do you have any questions before we get started?

If you agree to these terms, I would appreciate if you could sign the associated form which is required of all research institutions that conduct research like this.

Interview Question	Probing Question (as needed)	Conceptual Constructs	Citations
I. I'd like to start by learning a little about your personal and professional background. (approx. 10 min)			
1. How did you get into your current profession in banking? Have you spent significant time in a different field?	a. With which of the following professions have you spent the bulk of your career? (1) Career banker (2) Business finance or other	References to institutional logics Individual attributes-personal and professional background	(Battilana & Dorado, 2010; Bridwell-Mitchell & Sherer, 2017; Chazdon, 1996; Watkins-Hayes, 2009)

	private sector (3) Public sector (e.g. government, including regulatory body) (4) Nonprofit/ community development (5) Other?		
2. To what extent do you think that the CRA has produced greater bank investment in local communities than would otherwise be achieved through corporate social responsibility or market demands?	a. Do you feel that your opinion is mainstream or commonly held by banking professionals? Or is it more of an unconventional response?	Interpretations of policy mandates and references to institutional logics, including attitude/desire to work in community development, opinion of the CRA; and perceptions about other community lending officers and their philosophies	(Bridwell-Mitchell & Sherer, 2017; Chazdon, 1996; Cloutier et al., 2016; Friedland & Alford, 1991)
II. Let's move into your role as [title**] at [**name of employer**]. (approx. 25 min)**			
3. Can you tell me about your CRA related responsibilities and what percentage of your role is focused on the CRA?		Job responsibilities and weight of role focus on the CRA and community development Features of the bank- structure of the role within the organization,	(Battilana & Dorado, 2010; Chazdon, 1996; Lipsky, 1980)
4. Did you specifically seek out a career or role with CRA	a. How is the role aligned with your personal	Individual attributes-prior personal and	(Battilana & Dorado, 2010;

responsibility? Why or why not?	career interests (e.g. regulatory compliance, finance, social impact, etc.)?	professional background: Social values that may influence references to institutional logics and interpretations of policy mandates Professional-self and role perception	Bridwell-Mitchell & Sherer, 2017; Chazdon, 1996; Watkins-Hayes, 2009)
5. Would you categorize yourself as a senior leader, middle manager, or entry-level manager within this organization? (If not senior leader, who do you report to?) 6. Could you describe the size/responsibilities of the team working on CRA, and your role within that team?	a. How much authority would you say that you have to determine CRA policy implementation for your bank? a. Have the team size or responsibilities changed since you started your work here? Why? b. Do you have a sense of how this compares to similarly sized banks that you are familiar with in the state or nationally?	Features of the bank- structure of the role within the organization; assessment of decision-making power and interactions with colleagues in organization	(Bridwell-Mitchell & Sherer, 2017; Chazdon, 1996; Cloutier et al., 2016; DiMaggio, 1988; DiMaggio & Powell, 1983; Fligstein, 1997)
7. How do you measure profitability in your CRA activities? ▪ In your view, to what extent do CRA responsibilities align or conflict with the business bottom line, making a profit?	a. If pressures to make a profit conflict with your CRA responsibilities, where are these pressures coming from? b. If you're spending a lot	Conflicting logics (e.g. market logic) Features of the bank - organizational characteristics	(Battilana & Dorado, 2010; Chazdon, 1996; DiMaggio & Powell, 1983; Friedland & Alford, 1991;

	of time on CRA, does that mean less time where you could work on projects that are more profitable?		Scott, 1995; Thomann et al., 2016)
8. What are some of the major hurdles you face to increase community investment or to fulfill other CRA requirements? For example, are challenges more related to: ▪ Staffing/time availability and job role demands related to your non-CRA work? ▪ Safety and soundness or underwriting standards? ▪ Profitability of CRA related investments? ▪ Competition for community development loans?	c. (*If time availability is a stated issue*). What would you be able to do if you had more time? d. Have these challenges changed in recent years?	Features of the bank - Main issues faced in implementation and strategies to deal with these challenges Conflicting logics	(Chazdon, 1996; Cloutier et al., 2016; Lipsky, 1980; Matland, 1995; Watkins-Hayes, 2009)
9. I see that your most recent CRA rating was (X). Is there pressure within your organization to raise this score?	If so, from whom?	Features of bank-Accountability pressures of the organization, e.g. recent CRA ratings, commitment of the organization to policy and performance; assessment of organizational commitment to community lending	(Battilana & Dorado, 2010; Bridwell-Mitchell & Sherer, 2017; Chazdon, 1996; DiMaggio, 1988; DiMaggio & Powell, 1983; Fligstein, 1997; Kraatz, 2009; Riaz et al., 2011; Rojas, 2010)

10. To what degree is your bank/bank leadership committed to the goals of the CRA?	a. Do compensation package structures (for example base versus commission) deter from working with LMI customers? b. Have you taken any actions to gain more buy-in on the CRA from your leadership or colleagues?	Features of the bank - organizational characteristics – importance of CRA for employer Processes to gain institutional buy-in	(Battilana & Dorado, 2010; Bridwell-Mitchell & Sherer, 2017; Chazdon, 1996; Cloutier et al., 2016; DiMaggio, 1988; DiMaggio & Powell, 1983; Fligstein, 1997; Kraatz, 2009; Riaz et al., 2011; Rojas, 2010)
III. Let's move to a question about community responses or pressures to increase LMI investments. (approx. 5 min)			
11. Are there groups or members in your community that are pushing for you to do more with regards to CRA?	a. Where do you see most of the community pressures coming from (like local government, community-based nonprofits, etc.)? b. What do they want you to do?	Conflicting logics Community profile and opinion of community pressures	(Bridwell-Mitchell & Sherer, 2017 Chazdon, 1996; DiMaggio & Powell, 1983; Garrow & Grusky, 2012; Scott, 1995)
IV. I see that your regulator is X (approx. 10 min)			
12. To what extent is your regulatory agency (xx) helpful with regards to carrying out your CRA responsibilities? For example, do they • provide training, • educational material, • webinars,	a. Which of these resources or services are most helpful to improve your CRA outcomes?	Interpretations of policy mandates Conflicting logics Opinion and role of regulatory enforcement	(Chazdon, 1996; Cloutier et al., 2016; Lawrence & Suddaby, 2006)

<table>
<tr><td>conferences,
or other resources or assistance to improve your exam score or clarify regulatory policies?</td><td></td><td></td><td></td></tr>
<tr><td colspan="4">Thank you for the time you spent interviewing with me today. Your insights will be very helpful to better understand the implementation of CRA policy. In follow-up to today’s interview, I will send a brief questionnaire to collect several demographic characteristics. Please complete it and email it back to me at your earliest convenience. Please remember that all of your personal information will be held in strict confidence. Thank you again.</td></tr>
<tr><td>Post interview, email a brief questionnaire
Current Job title (Please also send current job description if possible)
Gender?
Race/Ethnicity
African American
Indigenous or Aboriginal
Asian/
Pacific Islander
Hispanic
Multiracial
Caucasian/White
Other
Hometown (city/state)
Years in community
Age Group
26-44 (Gen Y/Millennials)
45-56 (Gen X)
57-75 (Baby Boomer)
Number of professional years in banking (including the number of years of the total working on CRA)_</td><td></td><td>Individual attributes--demographic characteristics that may influence references to institutional logics and interpretations of policy mandates, including race/gender/age, and years of experience in this occupation.

Job title

Hometown (is there a connection between banking in one’s hometown versus a transplant?)</td><td>(Bridwell-Mitchell & Sherer, 2017; Chazdon, 1996; Watkins-Hayes, 2009)

Age groups are developed from The Center for Generational Kinetics (2020)</td></tr>
</table>

Appendix 5. Demographic Questionnaire

Research Study Title-- Reconciling Conflicting Logics:
Community Reinvestment Officers at the Intersection of Public Policy and Market Forces

Demographic Questionnaire

Principal Researcher: Meredith Adkins (XXX-XXX-XXXX or mmckee@uark.edu)
Faculty Advisor: Dr. Margaret Reid (XXX-XXX-XXXX or mreid@uark.edu)

Name____

Employer____

Current Job title_____________________________________

Gender____

Race/Ethnicity

African American

Indigenous or Aboriginal

Asian/Pacifica Islander

Hispanic

Multiracial

Caucasian/White

Other

Hometown (city/state)____

Number of years in current community_________________________________

Age Group

26-44 (Gen Y/Millennials)

45-56 (Gen X)

57-75 (Baby Boomer)

Number of years with CRA responsibilities: _______________

Number of professional years of experience in banking (including above):________

Appendix 6. Codebook

Name	Description
Institutional Demands & Conflict Strategies – Data Set 1 Codebook	
Institutional logics	Institutional logics are the socially constructed norms and practices embodied by sectoral actors (Friedland & Alford, 1991; Lindblom, 1977; Perry & Rainey, 1988; Thornton & Ocasio, 1999).
Market Logic/Profit-First	A market logic was reflected in discourse that focused on market opportunities, profit maximization, or the loss of competitive advantage through regulations that infringed on the free market (Averch & Johnson, 1962; Bridwell-Mitchell & Sherer, 2017; Dahl & Lindblom, 1953; Epstein et al., 2016; Downs, 1967; Friedland & Alford, 1991; Shleifer & Vishny 1994; Thomann et al., 2016; Thornton & Ocasio, 1999; Wamsley & Zald, 1973).
Bureaucratic Logic	A bureaucratic logic was reflected in discourse that espoused a need for regulation, that recognized a need for public benefit programs (including charitable products and services), and that prioritized assessment of public outcomes (Atkinson & Stiglitz, 1980; Bridwell-Mitchell & Sherer, 2017; Friedland & Alford, 1991; Lyden, 1975; Rainey, 1983; Viscussi, et al., 2005; Epstein, et al., 2016).
Development Logic	The development logic is focused on community development and concerns such as poverty alleviation (Battilana & Dorado, 2010; Bridwell-Mitchell & Sherer, 2017; Chazdon, 1996; Knutsen, 2012).
Shared Value	Shared value was notable for its articulation as a balance between purpose and profit. This view was reflected in discourse that recognized market potential through reinvestment in LMI communities and that saw community development as good for business (Porter & Kramer, 2011).
Institutional Conflict	Because institutions provide the guiding principles for individuals' and organizations' work, give legitimacy to norms and practices, and govern the distribution of power and resources, their demands create pressure, particularly at the intersection of divergent sectors where multiple institutional logics co-exist (Besharov & Smith, 2014; Kraatz & Block, 2008; Meyer & Rowan, 1977/1991; Oliver, 1991; Pache & Santos, 2010).
Local Market Conditions	The market of the bank's assessment areas limits opportunity for CRA-qualified investments due to forces outside the control of the bank.
Inflexibility	Regulations are not flexible in line with bank's business model.
Modernization	Bankers felt that the CRA has not kept up with the times, it's an antiquated mandate that doesn't recognize new technologies and the prominence of online banking.

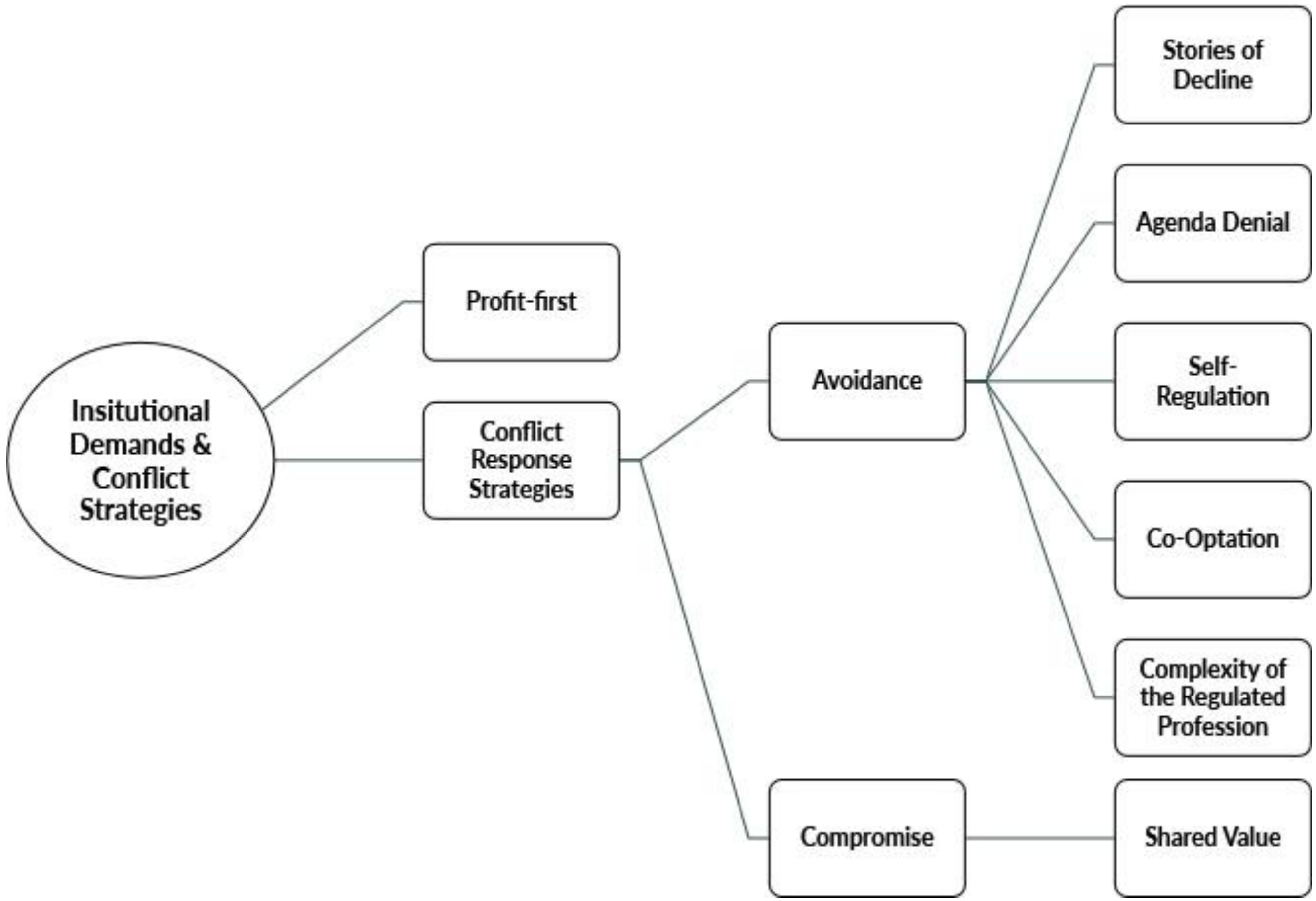
Ambiguity	Policy expectations are unclear/significant leeway for interpretation (Cloutier et al. 2016; Garrow & Grusky, 2012; Lipsky, 1980; Marinetto, 2011; Matland, 1995; Maynard-Moody & Musheno, 2000; Watkins-Hayes, 2009)
Workload & Resources	Workers have overbearing workloads and insufficient resources and the regulatory burden exacerbates (Cloutier et al. 2016; Garrow & Grusky, 2012; Lipsky, 1980; Marinetto, 2011; Matland, 1995; Maynard-Moody & Musheno, 2000; Watkins-Hayes, 2009).
Institutional Work	The deliberate actions of individuals to create, disrupt, or maintain institutions (Lawrence & Suddaby, 2006; Lawrence et al.,2009; 2011; 2013).
Avoidance	Intentional strategies to maintain existing institutional norms within the profession, while avoiding the changes that public policy reform seeks (Cobb & Ross, 1997; Lawrence & Suddaby, 2006; Mahon & McGowan, 1997; Oliver, 1991; Stone, 2012).
Agenda Denial	Denial that a problem exists (banks already seek to benefit communities without regulation (Cobb & Ross, 1997; Mahon & McGowan, 1997).
Complexity of the Regulated Profession	Professionals paint a picture that their field is too complex to be regulated because of the expertise required (Cobb & Ross, 1997; Mahon & McGowan, 1997).
Co-Optation	Actors co-opt issue narratives from the opponents and incorporate them into their own arguments (Cobb & Ross, 1997; Mahon & McGowan, 1997).
Self-Regulation	Private regulation. Strategy to pre-empt more stringent regulations (Gunningham & Rees, 1997; Malhotra et al., 2019)
Denial that a problem exists	Policy strategy to avoid more stringent regulation by arguing that no problems exist that need regulation (Cobb & Ross, 1997; Mahon & McGowan, 1997).
Stories of Decline – Narrative plot strategy	One of two common plots described by Stone (2012). Spins a tale of how conditions will get worse if a specific action is taken.
Stories of control – Narrative plot strategy	One of two common plots described by Stone (2012). Plots of control offer hope by implying that certain actions can allow one to reach previously unattainable goals.
Villains – Policy narrative character	Each policy narrative story contains a structure and components, such as plots and characters, which can be identified and quantified (Stone, 2012).
Heroes – Policy narrative character	Each policy narrative story contains a structure and components, such as plots and characters, which can be identified and quantified (Stone, 2012).
Compromise	Conflict response strategies of institutional work can also entail *compromise*, which entails a blending of qualities between institutional logics (Besharov & Smith, 2014; Kraatz & Block, 2008; Thomann et al., 2016).

Contextual Factors and Reconciliation Strategies – Data Set 2 Codebook	
Organizational Culture	*Organizational culture* is understood as the forces that shape patterns of behavior in organizations, including how behaviors are legitimized through incentives or sanctions, as well as the collaborative process of sense-making and shared norms (Bridwell-Mitchell & Sherer, 2017; DiMaggio & Powell, 1983; Scott 1995; Watkins, 2013).
100% CRA	A theme indicating that the CRA banker was solely responsible for management of CRA responsibilities, as opposed to a variety of regulatory compliance functions. 100% CRA typically meant that the banker engaged in community outreach in addition to data analysis.
Many hats	This theme reflects a commonality between CROs who were responsible for CRA compliance as well as multiple other banking regulations such as HMDA, BSA, and fair lending compliance. Many hats often meant that the CRO was a compliance professional and data analyst , rather than a community outreach professional. Many hats included the following three sub-codes.
Back-end data analyst	This code refers to CROs who functioned as data analysts, combing through existing lending or investment data to identify potential CRA-qualified bank activities. Back-end data analysts had less opportunity to influence CRA activities due to the lack of outreach work and the centralization of job duties within a compliance function.
Lending portfolio	This subtheme of many hats indicated an investments skillset and job responsibilities that directly entailed a lending or investments portfolio, such as affordable housing lending. This finance-based skillset is substantially different than regulatory compliance or data analysis.
Regulatory compliance soup	This subtheme of many hats meant that the banker was often responsible for multiple banking regulations in addition to CRA. It indicates that even CRA alone is highly complex to comprehend given the enormous amount of policy commentary to elaborate the regulatory requirements. Getting mired in the policy left little time for outreach or community engagement work.
Workload	Workload was connected to the job duties, including dedication to CRA or other banking regulations where the latter was a complex workload.
Managing data	A challenge was voiced regarding collecting, documenting, and analyzing all of the data connected to CRA performance.
Ambiguity	Policy expectations are unclear/significant leeway for interpretation (Cloutier et al. 2016; Garrow & Grusky, 2012; Lipsky, 1980; Marinetto, 2011; Matland, 1995; Maynard-Moody & Musheno, 2000; Watkins-Hayes, 2009).
Organizational Authority	Ability of the CRO to influence structural requirements of policy mandates as well as conceptual ones.
CRO’s CRA Worldview	A CRO’s CRA worldview refers to the symbolic understanding of what being a CRO means and what the CRA policy mandates mean.

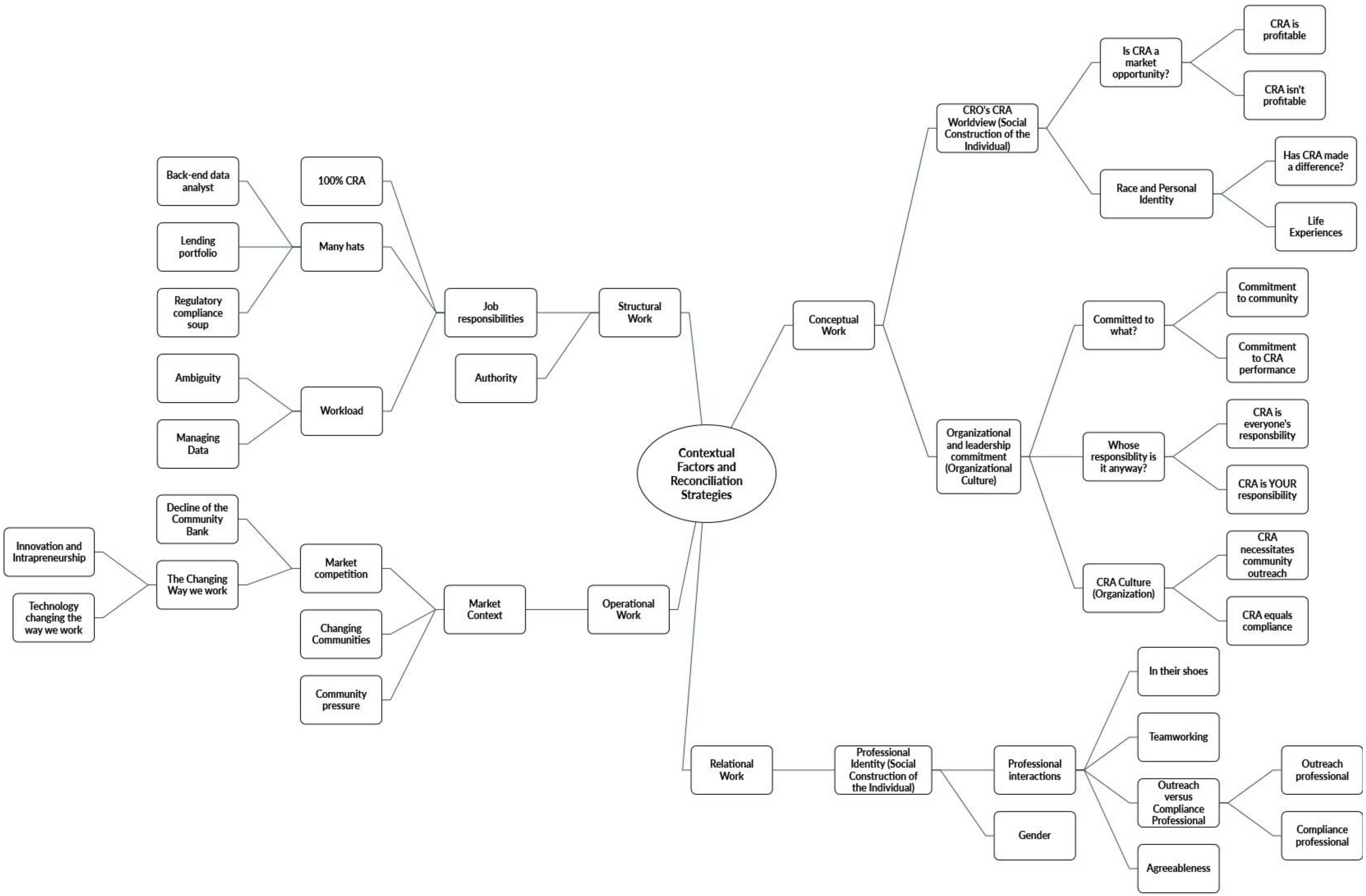
CRA is profitable	CRA was seen as a market opportunity. For example, investments and loans generated returns, and new products could be profitable.
CRA isn't profitable	CRA was not seen as a market opportunity. It was not incorporated into profit calculations of the bank.
CRA has made a difference	Response to whether or not CRA has had a greater impact on capital access than would have already been achieved with the market. This response is that it has.
CRA hasn't made a difference	Response to whether or not CRA has had a greater impact on capital access than would have already been achieved with the market. This response is that it has not.
Personal identity	*Personal identity* is our individual identity, or those traits or attributes which are defining or distinguishing about an individual (Olson, 2002).
Race and ethnicity	Measured via demographic questionnaire. Choices were African American, Indigenous or Aboriginal, Asian/Pacific Islander, Hispanic, Multiracial, Caucasian/White and other.
Gender	Measured via demographic questionnaire. Was fill in the blank.
Organizational and leadership commitment to CRA	A highly significant factor for senior managers' abilities to influence shared norms and create effective structures for the work required to carry out CRA is the support that they have from their leadership, an element of organizational culture.
Commitment to CRA performance	Organizational leadership is committed to CRA performance and seeks an outstanding rating, as opposed to 'satisfactory is good enough'
Commitment to community	Organizational leadership espouses support for the community more broadly, such as economic development.
CRA is everyone's responsibility	Bank leadership embraces a distributed vision of CRA implementation across the organization. Compliance cannot be achieved by the CRO alone. It is a team effort that necessitates intentionality from every member of the team.
CRA is your responsibility	On one end of the spectrum, the CROs are fully responsible for compliance. They must scrutinize every loan, investment, and service activity and document it. They are analysts who must fit existing activities into CRA exam requirements.
CRA is compliance	If CRA is viewed in the same category as other banking regulations, as is the common perception, it is likely to be assigned to the compliance department. There, it will be conceptualized as necessitating adherence to mandates, a checklist of activities and a back-end analytic exercise.
CRA necessitates community outreach	If CRA is conceptualized as necessitating community development, the bank will embrace a philosophy that the mandates of the CRA require intentional community engagement and community development loan portfolios to enable LMI individuals' increased capital access.

Community market context	Community in this sense refers to the particular assessment areas where banks operate, while the market refers to the economic activity in that area.
Decline of the community bank	Community banks in America are on the decline due to extensive banking regulations and the overhead cost, as well as the proliferation of larger banks whose profit model is acquisitions.
Technology changing the way we work	Over the decades the work has changed significantly, particularly moving from push pins on the wall and maps to advanced data software packages.
Innovation & Intrapreneurship	Banks are faced with the rapid pace of technological development, and they keep up with market opportunities by developing new financial products or services.
Professional identity	*Professional identity* is understood as one's professional self-understanding based on beliefs, values and experiences (Ibarra, 1999; Slay & Smith, 2010).
In their shoes	CRO had been in a variety of different roles in the bank and was internally respected because of an understanding of other's roles.
Teamworking	The capacity to effectively cooperate and coordinate, with others, to accomplish shared and collective aims (Wilmot & Ones, 2022).
Agreeableness	Agreeableness is the aspect of professional identity that leads to contentment, work investment, the capacity for successful integration into social rules, relational investment, and teamworking (Wilmot & Ones, 2022).
Outreach professional	CRO was in the field because of community development. Was apt to network and engage in community outreach.
Compliance Professional	CRO was in the field because of regulatory compliance. Was apt to do data analytics and documentation work.

Appendix 7. Institutional Demands and Conflict Response Strategies Conceptual Map



Appendix 8. Contextual Factors and Reconciliation Strategies Conceptual Map



Appendix 9. Interview Respondent Classification Table

Pseudonym	Gender	Race	Age Group	Regulator	Bank Size	Exam Method	Rating	Region	Seniority
Michelle	Female	Caucasian/White	57-75 (Baby Boomer)	FDIC	346-749 Million	INTER SMALL BANK	SATISFACTORY	WEST	VP
John	Male	Caucasian/White	57-75 (Baby Boomer)	OCC	346-749 Million	INTER SMALL BANK	SATISFACTORY	SOUTH	VP
Barbara	Female	Caucasian/White	57-75 (Baby Boomer)	FDIC	346-749 Million	INTER SMALL BANK	SATISFACTORY	MIDWEST	Manager
Robert	Male	Caucasian/White	57-75 (Baby Boomer)	FDIC	346-749 Million	INTER SMALL BANK	SATISFACTORY	MIDWEST	CEO
Thomas	Male	Caucasian/White	26-44 (Gen Y/Millennials)	OCC	346-749 Million	INTER SMALL BANK	SATISFACTORY	WEST	Manager
Jane	Female	Caucasian/White	57-75 (Baby Boomer)	FDIC	750 Million-1.384 Billion	INTER SMALL BANK	SATISFACTORY	NORTHEAST	SVP
Lisa	Female	Caucasian/White	45-56 (Gen X)	FRB	750 Million-1.384 Billion	INTER SMALL BANK	SATISFACTORY	WEST	VP
Leslie	Female	Caucasian/White	57-75 (Baby Boomer)	OCC	750 Million-1.384 Billion	INTER SMALL BANK	SATISFACTORY	MIDWEST	Manager
Charles	Male	Caucasian/White	45-56 (Gen X)	FDIC	346-749 Million	INTER SMALL BANK	SATISFACTORY	MIDWEST	Manager
Kathryn	Female	Caucasian/White	57-75 (Baby Boomer)	OCC	1.384-9 Billion	LARGE BANK EXAM	SATISFACTORY	SOUTH	Manager
Melissa	Female	Caucasian/White	45-56 (Gen X)	OCC	10-50 Billion	LARGE BANK EXAM	SATISFACTORY	SOUTH	SVP
Candice	Female	Caucasian/White	57-75 (Baby Boomer)	FRB	1.384-9 Billion	LARGE BANK EXAM	OUTSTANDING	SOUTH	SVP
Anna	Female	Asian/Pacific Islander	57-75 (Baby Boomer)	FDIC	1.384-9 Billion	LARGE BANK EXAM	OUTSTANDING	NORTHEAST	Manager
Stephanie	Female	Caucasian/White	26-44 (Gen Y/Millennials)	OCC	Over 100 Billion	LARGE BANK EXAM	NEEDS TO IMPROVE	SOUTH	Manager
Luis	Male	Hispanic	45-56 (Gen X)	OCC	10-50 Billion	LARGE BANK EXAM	SATISFACTORY	SOUTH	SVP
Marshall	Male	Caucasian/White	26-44 (Gen Y/Millennials)	OCC	1.384-9 Billion	LARGE BANK EXAM	SATISFACTORY	MIDWEST	Manager
Tiffany	Female	Caucasian/White	26-44 (Gen Y/Millennials)	FDIC	1.384-9 Billion	LARGE BANK EXAM	SATISFACTORY	NORTHEAST	VP
Mary	Female	African American	45-56 (Gen X)	FRB	1.384-9 Billion	LARGE BANK EXAM	SATISFACTORY	SOUTH	SVP
Leah	Female	African American	26-44 (Gen Y/Millennials)	FRB	Over 100 Billion	LARGE BANK EXAM	SATISFACTORY	SOUTH	VP
Rosa	Female	African American	57-75 (Baby Boomer)	FDIC	10-50 Billion	LARGE BANK EXAM	SATISFACTORY	SOUTH	Manager
James	Male	African American	57-75 (Baby Boomer)	FRB	10-50 Billion	LARGE BANK EXAM	SATISFACTORY	SOUTH	Manager
Tina/Amanda	Female	Caucasian/White	45-56 (Gen X)	FDIC	Less than 346 Million	SMALL BANK	SATISFACTORY	WEST	VP
Jeffrey	Male	Caucasian/White	57-75 (Baby Boomer)	FDIC	Less than 346 Million	SMALL BANK	SATISFACTORY	NORTHEAST	CEO