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Integrating new institutional logics: sustainability and climate action in local government practices in Finland and Indonesia

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International climate and sustainable development policies and initiatives have converged into a distinct institutional logic, which local governments need to integrate into their organizational practices. However, smaller and medium-sized governments often struggle to do so. Given their resource constraints and limited capacity, these government organizations frequently join networks that can serve as platforms for the institutional work required to integrate a new logic. Yet how such networks facilitate or hinder this integration remains largely unexplored. Using a most-different comparative design contrasting a mature Finnish SDG network with Indonesia's Water as Leverage (WaL) initiative, we examine how network characteristics shape the political, technical, and cultural institutional work needed to integrate the socio-ecological logic into municipal accounting and district-level spatial planning. In Finland, a stable, cohesive network co-produced a 'model practice' that municipalities could apply in their organizational practices. In Indonesia, the absence of central coordination and shared interpretive frameworks left institutional work fragmented, and no model practice emerged. Consequently, the socio-ecological logic was only weakly integrated into local practices. These findings demonstrate that networks function not merely as coordination platforms but as social institutions whose carrying capacity—defined by coordination structures, actor alignment, and available resources—critically determines whether institutional work translates into organizational practice change.

Local governments play a key role in implementing international climate and sustainable development policies, addressing global problems at the local level[1–3]. However, they often struggle to integrate sustainability and climate action into their organizational practices[4–6]. Local government practices are embedded in an institutional environment comprised of regulative, normative, and cultural-cognitive institutional elements that congeal to form institutional logics[7,8]. The literature distinguishes several ideal-typical institutional logics, i.a. a state, family, corporate, community, religious, market, and a professional logic[9,10]. Institutional logics, here, can be seen as "the socially constructed, historical patterns of material practices, assumptions, values, beliefs, and rules by which individuals produce and reproduce their material subsistence, organize time and space, and provide meaning to their social reality" ([11], p. 804). Institutional logics, thus, are considered to provide meaning and direction to organizational practices[12] and can be seen as determining an ideal-typical or 'model practice' that actors can draw from in their own organizational practices.

Traditionally, institutional logics have been understood as ideal-typical frameworks that prescribe or correspond with specific organizational practices, effectively linking one logic with a clear set of practices. Recently, however, research acknowledges that organizational practices are increasingly informed not by a single logic, but rather by multiple, overlapping logics that together constitute a logic constellation[13,14]. Within these constellations, several institutional logics interact, collectively underpinning organizational practices. In the public sector, for example, local authorities

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frequently find themselves navigating between a state logic, which emphasizes regulatory compliance and public accountability, and other logics such as a market, managerial and community logic[15–18]. We witness that the convergence of climate change and sustainability initiatives has evolved into an own distinct "socio-ecological" institutional logic[19,20], which connects formal regulations (e.g., climate laws, international sustainability commitments), normative expectations (e.g., environmental responsibility, collective action), and cultural-cognitive frames (e.g., interconnectedness of ecosystems and societies, intrinsic value of nature) in a coherent manner, providing an institutionalized rationale for sustainable actions and behavior guiding organizations toward sustainable practices. The logic encompasses a 'strong' view of sustainability rooted in an eco-centric worldview[21], and directs attention on the impacts of human activities on societal and ecological systems. However, while sustainability is increasingly considered as a fundamental objective of local governance, organizational practices in local governments are often still informed by other logics than the socio-ecological logic[19]. As the socio-ecological logic gains more and more traction[19,20], local governments are thus faced with the challenge to integrate the socio-ecological logic into existing logic constellations and their organizational practices. However, many local governments, especially smaller and medium-sized, struggle to do so because of limited resources and reliance on external support, resulting in lower capacity to deal with multiple overlapping and possibly conflicting institutional logics and instigate changes to their organizational practices[4,6,22].

To deal with the complexity arising from multiple overlapping institutional demands and integrate the socio-ecological institutional logic into their organizational practices, local governments need to engage in institutional work[23,24]. Institutional work refers to the activities undertaken by individuals and organizations to create, maintain, or disrupt institutions[25]. It encompasses efforts to address both practices and boundaries within constellations of institutional logics, and may mean various types of work, including technical, political and cultural work[26]. Focusing on the integration of the socio-ecological logic into existing organizational practices, technical work, for instance, can include the creation of governance frameworks and performance metrics to help local governments manage sustainability. Political work could focus on building coalitions and advocacy for strategic climate action. Cultural work aims to reshape organizational cultures through, for example, educational initiatives and a common sustainability language, such as the UN Sustainable Development Goals (SDGs)[6]. Through institutional work, actors can address and change the general understanding of the actor roles (i.e., the institutionalized identities), situations (i.e., the institutionalized frames), and the set of appropriate actions (i.e., institutionalized expectations) that constitute their practices[27].

While existing literature has thus highlighted the need to engage in processes of institutional work to integrate a novel logic like to socio-ecological logic into existing organizational practices, to date, little insight is available into how these processes operate in the context of smaller and medium-sized local governments. Given their resource constraints and oftentimes limited capacity, small- and medium-sized local governments often rely on collective action and engage in institutional work through different types of networks. While the literature on the role of networks in climate has been growing fast in the last decades, the number of articles studying such networks from an institutional perspective remains low[28–30]. Consequently, how such networks facilitate or hinder the integration of the socio-ecological logic into organizational practices through institutional work has remained largely undiscovered. Hence, in this study, we focus on the following research question: how do networks in which local government organizations participate influence the institutional work undertaken to integrate a socio-ecological logic into local government practices?

To answer to this research question, we explore how processes of institutional work, focused on the integration of the socio-ecological logic in two organizational practices, are influenced by differences between the networks in which the local government organizations participate. In doing so, we selected our cases on differences in, what are often called, conditioning or background variables[31,32] since we suspect that for small and medium-sized local government organizations, what are traditionally considered background factors, have considerable influence on institutional work in practice. Accordingly, adopting a 'most different' comparative design allows us to foreground what traditionally remains background.

Our analysis focuses on accounting and spatial planning practices of municipalities and districts in Finland and in Indonesia, respectively, representing two different contexts and two different practices. The practices, here, do not solely refer to what organizations 'do'. Instead, as also argued by Smets et al.[33], we distinguish between praxis and practices. The former relates to "the everyday work performed by and in organizations". The latter are "patterns of activities that are given thematic coherence by shared meanings and understandings. Separately, these activities may appear trivial, but together they have meaning and order because of their common purpose and understanding of how specific activities should be done" ([34], p. 879).

Examining Finland, we focused on the accounting practices of local authorities. Data were collected using semi-structured interviews ($n = 47$) with different professionals involved in these practices, including, among others, coordinators, financial managers, strategic managers and branch managers. Additional empirical data were derived from participatory observations conducted on the meetings of the Network of Strategic Management of SDGs in Cities ($n = 2$). Respectively, in Indonesia we focused on local spatial planning practices, in particular in districts (*kecaman*) in Semarang. Data were collected in two rounds, using site visits, participatory observations of workshops ($n = 3$), and semi-structured interviews with professionals such as urban planners and water managers along with international experts, community leaders and villagers ($n = 36$) involved in the Water as Leverage (WaL) program. We sought to qualitatively capture the institutional logics that influenced the organizational practices at our focus in both countries, and identify the patterns of institutional work and then explore, through establishing differences in the context of both practices how these factors (e.g., the networks the local government organizations participated in) influence the processes of institutional work of the organizations involved.

We find that in both countries, actors pursued institutional work in response to the introduction of socio-ecological logic into the existing logic constellation. Actors sought to modify the institutionalized understandings of roles, situations, and appropriate actions in ways that would accommodate the socio-ecological logic. However, the nature and effectiveness of this work were shaped by differences in the institutional character of the networks within the institutional work took place. In Finland, the presence of a stable and cohesive network enabled the co-production of a model practice that provided a foundation to change organizational practices. In Indonesia, by contrast, the absence of such a coordinating infrastructure and shared interpretive frameworks meant that institutional work remained fragmented, and no model practice emerged. As a result, the socio-ecological logic was only weakly integrated into local organizational practices. These findings suggest that networks are not just facilitators of institutional work, but that their institutional carrying capacity—defined by their coordination, alignment, and shared cultural frames—critically shapes whether and how such work translates into organizational practice change. In the rest of the article, we will unpack this further. The remainder of this article is organized as follows. In the next section, we present the results of our analysis of the integration of socio-ecological logic into the accounting practices in the Finnish municipal sector and in spatial planning practices in Indonesia. In the following third section of this study, we provide a discussion and conclusion. Finally, in section four, we outline our comparative research approach in more detail.

Results

Logic constellations underpinning organizational practices

Comparing the logic constellations underpinning the two practices, we see that accounting practices of the local governments in Finland—i.e., the production of strategies, plans, budgets, annual reports, and other forms of accounts, including voluntary environmental disclosures and audit

committees' assessment—are heavily influenced by a constellation of bureaucratic, financial, managerial, and community logics (see Supplementary Data A). Although local governments in Finland are autonomous from the central government, many of their practices are heavily regulated[35,36]. This also applies to local government accounting, which is not immune to the effects of bureaucratic state logic. However, due to the New Public Management (NPM) reforms across the local government sector, professional financially-driven management of local governments has become more commonplace, in which accounting practices play a central role. Thus, the practice is driven by financial and managerial logics, having recognized and established order and prioritization among the dominant values, norms, rules, assumptions, beliefs as well as material objects that provide meaning and coherence for the practice. In response to demands for greater inclusiveness and public participation on locally relevant issues, also a community logic is included in the logic constellation, making local governments increasingly consider governance as an open, multi-stakeholder endeavor, with accounting practices becoming more transparent and participatory, but to a limited degree. The national government in Finland has strongly committed to Agenda 2030. The six largest cities in Finland—Helsinki, Espoo, Tampere, Vantaa, Turku, and Oulu—have committed to sustainable development as per the National Roadmap and Agenda 2030. They issued an official statement during Eurocities 2022 and committed to conducting Voluntary Local Reviews (VLRs) to monitor their progress on SDGs. Leading cities have created climate budgets and integrated sustainability into their strategies. Finnish legislation's Local Government Act (410/2015) mandates municipalities to promote residents' well-being and area vitality in a financially, socially, and environmentally sustainable manner. Consequently, the Finnish local government sector has, in relatively short time, formed one of the few SDG accounting clusters in Europe[37].

In comparison to accounting practices in Finland, district-level spatial planning practices in Indonesia are shaped by a logic constellation that consists of three key logics: a bureaucratic, community, and financial logic (see also see Supplementary Data A). The practices involve adapting, implementing, and managing spatial policies locally, with a focus on balancing development goals with environmental, social, and community needs. The bureaucratic logic dominates through a statutory planning framework detailing government tasks at each level, including the national government, provinces, cities, and districts (*kecamatan*), each with distinct responsibilities ranging from overarching policy making to localized implementation[38]. At the district level, the third tier of administration after the national government, responsibilities include contextualizing, implementing, and monitoring spatial initiatives devised by higher authorities[38]. Since 1998, Indonesia has experienced several governance reforms focused on decentralization, transparency, and accountability. Many of these reforms were heavily inspired by NPM thinking, especially with international donors (such as the World Bank and the Asian Development Bank) advocating performance-based budgeting, output-oriented planning, and public service reform[39]. However, while decentralization has increased the autonomy for local governments, ensuring effective coordination among these levels remains challenging due to overlapping authorities, varied resource capacities, and competing local interests. Moreover, private developers also significantly influence spatial and infrastructure projects, primarily through financial contributions[40]. Together, especially on the local level, the bureaucratic and financial logics are dominant, limiting the emergence of a managerial logic as was the case in Finland. In Indonesia, the financial contributions from private actors do not necessarily bring performance-based approaches or output-oriented planning, but rather reinforce bargaining or clientelist practices. Consequently, while districts play a vital role in informing, educating, and engaging the community, and organize public forums like Musrenbang meetings that are intended to foster social learning and collaborative decision-making, these meetings are frequently more ceremonial than democratic, with decisions often made by local elites with sufficient resources or familiar with planning procedures[41]. In 2018, the WaL program introduced the socio-ecological logic into the existing logic constellation. This program focused on the city of Semarang and aimed to address water-related challenges such as flooding, land subsidence, and water scarcity[42,43]. Prior to this program, sustainable development and environmental stewardship have received little attention in Indonesian spatial planning[44,45].

Institutional work for practice change

In Finland, the "Network for Strategic Management of SDGs in Cities", coordinated by the Association of Finnish Cities and Municipalities (*Kuntaliitto*), comprising Helsinki, Tampere, Turku, Espoo, Vantaa, and Oulu—while maintaining outreach to many smaller local governments—formed the principal forum through which institutional work for integrating socio-ecological logic as part of the accounting practices in the Finnish local government sectors was undertaken, largely in collaboration with sustainability specialists, coordinators and the strategic managers of the cities and municipalities. As shown in Table 1, the network supported technical institutional work, that centered on co-developing tools for connecting and making sense of SDGs, such as templates for VLRs shared indicators and distributing on distributing these templates and other best practices of measuring municipalities progress.

Within the network there was a consensus that socio-ecological logic had to be embedded into the management cycles and the budgeting processes to drive broader sustainability change. Recognizing that this requirement challenges some established values and beliefs, members engaged in that presented the SDG framework as a "common vocabulary" and as a "shared future vision" thereby altering the underlying value base upon which the present thinking of local government performance was assessed.

To promote sector-wide uptake, the network actors undertook political work in the form of collaborative advocacy on three fronts. First, they expanded SDG and sustainability accounting practices in general across the local government sector by organizing events, disseminating information, and sharing experiences across municipalities. Second, working through *Kuntaliitto*, they sought to influence decision-makers and politicians so that sustainable development would move to the center of the decision-making and policy debates. Third, the network provided peer support for the professionals involved in the SDG work to champion or "spread the gospel" inside their home organizations. The supporting evidence from the for each type of institutional work is summarized in Table 1 below.

In Indonesia, the WaL program introduced a diverse and international network that included local government agencies in Semarang, spatial design and architecture firms, NGOs, international development banks such as the World Bank and AIIB, knowledge institutes like Deltares, and national-level actors including the Netherlands Enterprise Agency and the Dutch Ministry of Infrastructure and Water Management. As also summarized in Table 1, this network was intended to foster institutional work for integrating socio-ecological logic into spatial planning practices. However, it lacked the structured coordination, clearly defined roles, and ongoing collaborative routines observed in the Finnish case. These missing elements significantly limited the capacity of the network to serve as a platform for coherent institutional work.

In terms of political work, the network failed to establish a unified advocacy front. Several actors pointed to the absence of strong engagement from key government stakeholders—particularly at the national level—and described difficulties in securing commitments from city administrations, which had only limited jurisdiction over water and coastal planning. Advocacy efforts were further hampered by a fragmented landscape of participating organizations and funders, each operating with differing mandates, priorities, and timelines. In contrast to Finland, where political work was centrally orchestrated through an established municipal association, the Indonesian network lacked a clear central organizing entity, weakening its ability to translate advocacy into alignment.

With regard to technical work, while various workshops and training activities were organized, these remained isolated, focused on the short-term, and were constrained by regulatory fragmentation and a lack of institutional capacity at the local level. The dispersed nature of these efforts,

Table 1 | Types of institutional work

Analytical dimension	Country	Description	Illustrative quotes
Institutional work			
Political work	Finland	Collaborative advocacy	*"At turn of the year we could do some long-term planning [within the network] and in the spring we [members of the network] could have some VLRs ready which the participating local governments could get inspiration to their own work, and they [VLRs] could also contribute to the national discussion. We need to get involved in the national work, and political actors should also be involved to bring about change".* (Sustainability coordinator)
	Indonesia	Fragmented advocacy	*"The local stakeholders' willingness to engage was initially very limited. There was hesitation from the local government (BAPPEDA). The initial reaction was actually who are you guys and why didn't we know about this?". (Architect)* *"We needed strong commitment from the national government because local governments don't have a lot to say, especially when it comes to water and coastal zones. But this commitment wasn't present when the teams arrived". (Local NGO)*
Technical work	Finland	Sharing and co-developing new tools and distributing best practices	*"There are these themes where we [local governments] can learn from each other, help each other, when the network organizes time to do it, and documents and facilitate the progress. And if something is developed and there are good practices, then the network can finalize and package them, even now like with this SDG analysis tool and this SDG canvas of ours, to sculpt and work on them [the accounting tools] in such a way that they can be distributed to others nationally and internationally"* (Sustainability coordinator) *"I think the SDG network, it has quite important role at the moment, so we are getting ideas and tools, and for example, [in] Helsinki, they are using kind of an evaluation tool, through which you can evaluate different strategies and programs [mapping their connections with SDGs]. And now we are doing the same, using that same tool"* (Strategic manager)
	Indonesia	Dispersed technical initiatives with limited integration	*"We conducted workshops and trainings, but implementation is fragmented and very small-scale because it must fit within financial and legal limitations. There's no coherent integration".* (Spatial Designer)"
Cultural work	Finland	Collective sensemaking and shared sustainability values	*"It´s also about building a common vision of the future, bringing all that information together, synthesizing it so that we can see a similar vision". (Sustainability coordinator)*
	Indonesia	Grassroots-level cultural work without coherent vision	"*Community members are interested, but stakeholders have no common vision. Each actor still pushes their own specific agenda, which prevents collective action and alignment".* (Local NGO)

combined with donor preferences for narrowly scoped, bankable project proposals, obstructed the formation of a shared technical framework. This stands in sharp contrast to the Finnish case, where municipalities collectively co-developed and disseminated tools through their network to support SDG implementation and align technical work with the socio-ecological logic.

In terms of cultural work, the Indonesian network supported several promising grassroots engagement strategies, such as community-led resilience concepts (e.g., "kampung resilience"), but failed to generate a unified vision across the involved organizations. Instead, fundamental semantic and interpretive differences persisted between international consultants, government officials, and community actors, reflecting deeper divergences in worldviews, governance norms, and planning cultures. Unlike in Finland—where actors engaged in cultural work to develop a "shared future vision" and a "common vocabulary" for sustainability—the Indonesian network did not foster collective sensemaking or culturally coherent interpretations of the socio-ecological logic.

As a result, although political, technical, and cultural work were observable within the network, these efforts remained fragmented and did not converge toward a collectively accepted model practice. Consequently, the socio-ecological logic remained peripheral to dominant planning routines, and its integration into organizational practices at the district level in Semarang remained limited. These outcomes stand in marked contrast to the Finnish case, where cohesive network structures enabled institutional work to consolidate around shared tools, values, and practices.

Changes to organizational practices

In Finland, as also shown in Table 2, interviewees described changes in the actor's roles, typified situations and the frames of reference informing the practice, as well as appropriate actions and recognized forms of activity due to the institutional work done to establish a "model practice" within the Network for Strategic Management of SDGs in Cities. First, the interviewees described how internal sustainability teams joining together individual professionals from different branches and departments of local governments were established. Second, in cities where there were more resources for SDG work, a role of "sustainability coordinator" or "sustainability specialist" was established. While the role was consultative and held little bureaucratic-managerial power, it also expanded the roles of other officials, e.g., strategic managers, financial managers, and specialists, and connected various professionals to sustainability work. Thus, the socio-ecological logic was integrated into the institutionalized identities of actor roles. This also altered the appropriate actions—or institutionalized expectations—in management and accounting practices, as these increasingly included the consideration of sustainability.

Although the local governments had varying contextual settings and strategic priorities, city officials agreed that for SDGs to advance sustainability, SDGs need to be integrated in the practices of city strategy and management[37]. Through integration into the strategy, sustainability would become central to the local government organizations.

By contrast, as shown in Table 2, in Indonesia the integration of the socio-ecological logic into district-level spatial planning practices remained limited and fragmented. Actor roles largely retained their original form, despite the efforts to introduce novel identities into the process. The proposed inclusion of spatial designers as central contributors to planning and community members as active participants, was encountered resistance in a deeply embedded bureaucratic logic. These new roles lacked formal recognition within institutional structures and where thus perceived as peripheral rather than authoritative

Rather than operating from a converging cultural-cognitive frames within the logic constellation, the actors involved operated from divergent cultural-cognitive frames. Consequently, the recognition of what constitutes a "situation"—that is, the shared understanding of urgency, relevance, and

Table 2 | Changes of the organizational practices

Analytical dimension	Country	Description	Illustrative quotes
Integration in organizational practices			
Actor roles	Finland	Establishment of internal sustainability teams, transferring sustainability from environmental departments to central administration, and employing dedicated sustainability coordinators and specialists as well as advocating sustainability as an overarching goal concerning everyone that works for the local government	*"They formed a working group again this time. Basically, they hired someone to do this, so they hired a temporary person to coordinate that process for a year, and then that person formed this group of specialists from all the different departments. And then that working group basically met about once a month or something"* (Sustainability coordinator) *"We have in our central administration of the city, new role where the main task is to pursue these goals and also to build models to support this thinking: for SDGs to be more familiar to us and be connected to our work in the city".* (Sustainability coordinator)
	Indonesia	New roles such as 'spatial designers' and 'active community participants' were proposed by WaL but were not integrated into formal planning structures.	"*The local government still sees spatial designers as external consultants; their designs have no bureaucratic authority within formal planning processes*". (Spatial designer)
Situations	Finland	New understanding of SDGs as strategic targets that need to be managed, positioning local governments parts of global agenda	*"Of course, the main, let's say, achievement and also shared understanding is how sustainability is in our strategy and because it is there, it's a topic that is being discussed Not only with the leaders, but actually all the way down in the hierarchy chain of a city organization".* (Strategic manager)
	Indonesia	Despite increased recognition of climate vulnerability (flooding, subsidence) in Semarang, stakeholders lacked a unified institutionalized understanding or framework for addressing these issues systematically. Situations thus remained fragmented without clear integration into existing planning processes.	*"Everyone acknowledges Semarang has problems with flooding and subsidence, but there is no joint understanding of how these issues should be systematically managed within planning processes".* (Architect)
Appropriate actions	Finland	Integrating SDGs into local government strategies and financial statements; Production of Local Voluntary Reviews or employment of new key performance indicators to map SDG progress	*"In next year's budget book, we have SDGs: there's like text explanation again, it's a little bit more than it was in this year's budget. We have the visual SDGs, the visual icons in the budget book. We have these focus areas in the strategy. And then during next year, we will be adding SDGs into more documents, strategic documents and steering systems. We have created tools with other cities. We have, we are piloting, we try making trials on different tools."* (Sustainability coordinator)
	Indonesia	Limited new actions related to sustainability or resilience could be found.	"*Funding institutions prefer clear, narrow-scope projects. They aren't interested in holistic, integrated plans*". (Spatial designer)

responsibility—varied significantly between actors. While many stakeholders acknowledged the vulnerability of Semarang to flooding, land subsidence, and water scarcity, there was no sustained effort to collectively interpret these challenges or to embed them in a coordinated spatial planning response. Instead, multiple, and at times conflicting, framings of the issues prevailed, undermining the coherence needed for joint action.

This fragmentation was further amplified by the prevailing reliance on sector-specific, narrowly scoped interventions—an organizational practice reinforced both by donor requirements for "bankable" projects and by the enduring project-based routines of local planning agencies. As a result, the more holistic and integrated "design-led planning approach" promoted under the WaL program remained loosely connected to existing organizational practices and were rarely institutionalized in a durable form.

Overall, compared to the Finnish case, Indonesian districts were unable to embed the socio-ecological logic effectively into their organizational practices, primarily due to fragmented institutional work at the network level and the absence of a collectively accepted model practice. The result was continued reliance on traditional spatial planning practices and limited incorporation of resilience and sustainability concerns.

The effects of the different networks

The contrasting characteristics and capacities of the networks in Finland and Indonesia significantly influenced the type, effectiveness, and integration of institutional work undertaken to embed the socio-ecological logic into local organizational practices. In Finland, the Network for Strategic Management of SDGs provided a cohesive, structured, and coordinated environment that facilitated institutional work across technical, political, and cultural dimensions. The presence of a clear central coordinating entity (*Kuntaliitto*) was critical in orchestrating and aligning this institutional work. Consequently, Finnish municipalities developed a shared model practice, facilitating relatively consistent and structured integration of the socio-ecologic logic into local governance practices. This approach fostered the institutionalization of new actor roles, unified situational understandings, and coherent actions aligned with SDG objectives.

In contrast, the WaL network in Indonesia lacked structured coordination and clarity of roles among stakeholders, resulting in fragmented institutional work. Without a clear central organizing entity, political, technical, and cultural institutional work remained isolated and sporadic. This fragmentation prevented the emergence of a shared model practice, which in turn limited the integration of the socio-ecological logic: actor roles remained informal or externalized, situational understandings were fragmented without coherent institutional frameworks, and appropriate actions failed to transition from project-based approaches to a more integrated and holistic approach.

These differences also point to a broader insight: networks should not be regarded solely as tools or platforms for coordination but recognized as social institutions in their own right. Our analysis shows that networks are embedded with distinct normative, regulative, and cultural-cognitive structures that shape the conditions under which institutional work takes place. In the Finnish case, the network carried a shared understanding of governance practices, cultivated through collective learning, mutual trust, and a strong sense of sectoral identity. These features allowed the network itself to act as a carrier of institutional change. In the Indonesian case, however, the network's looser and externally driven composition hindered such functions. The lack of shared language, expectations, and trajectories not only fragmented institutional work but also reflected a thinner institutional character of the network itself. Table 3 provides a comparative overview of the network characteristics and how these shaped institutional work in Finland and Indonesia.

Table 3 | Comparative analysis of network characteristics and their impact

Network characteristic	Finland	Indonesia	Institutional work
Coordination	Clearly structured, central coordinating entity (*Kuntaliitto*)	Fragmented, no clear central organizing entity	Effective vs. fragmented political work
Alignment	High alignment, shared vision and clear roles among actors	Low alignment, differing mandates and priorities	Unified vs. fragmented cultural work
Resources	Strong, pooled resources for shared tool development	Limited, scattered resources and isolated technical efforts	Structured vs. dispersed technical work
Support	Strong and consistent support from organizations involved	Limited and inconsistent support from the organizations involved	Sustained vs. sporadic institutional change.
Approach to practice change	Collaborative development and broad consensus	Individual or organization-specific initiatives, lacking consensus	Established model practice vs. no coherent model practice.

Overall, the comparative analysis illustrates that structured coordination, shared cultural alignment, and pooled technical resources—combined with the carrying capacity of the network—significantly facilitated effective institutional work in Finland. These conditions enabled the development of a model practice that supported the integration of the socio-ecological logic into local organizational routines. In contrast, the absence of such enabling features in Indonesia resulted in fragmented institutional work, the absence of a model practice, and subsequently limited integration of the new logic.

Discussion

This study set out to examine how networks in which local government organizations participate shape the institutional work required to integrate a socio-ecological logic into their organizational practices. Building on comparative empirical evidence from Finland and Indonesia, we find that while political, technical, and cultural institutional work can be observed in both cases, the extent to which this work leads to practice change varies significantly. These differences, we argue, are not simply the result of contextual factors or resource constraints, but reflect fundamental differences in the structure and character of the networks themselves.

In Finland, the network provided a stable environment through which political, technical, and cultural institutional work could be performed in alignment. The presence of a clearly defined coordinating entity (*Kuntaliitto*), a shared normative framework (Agenda 2030), and strong horizontal ties among local governments enabled collective learning and a high level of commitment. These features allowed the network to act as a platform for co-producing a model practice, which was subsequently used by individual municipalities to guide the integration of the socio-ecological logic into their organizational practices. In this sense, the network did not merely support implementation but became an institution in its own right—carrying norms, templates, and vocabularies that stabilized and diffused new ways of working.

In contrast, the Indonesian WaL network lacked many of these features. Without a central coordinating actor and with limited support or alignment among participants, institutional work remained fragmented and did not amount into a collectively endorsed model practice. Instead, organizations operated in isolation, responding to donor preferences or local political dynamics, with limited potential for convergence. As a result, new actor roles remained informal or peripheral, situational frames remained contested, and appropriate actions did not institutionalize. The network itself lacked the carrying capacity to enable stabilization, thus constraining practice change.

These findings contribute to the growing literature on the institutional dynamics of networks. Rather than viewing networks solely as platforms for information exchange or coordination, our analysis foregrounds their role as social institutions—carriers of rules, norms, and expectations that shape how institutional work unfolds. The comparison underscores that it is not merely the presence of a network, but its institutional thickness, that is, its capacity to align actors, support shared vocabularies, and stabilize emerging practices that determines whether institutional work leads to organizational change. In this regard, our work connects to recent scholarship that highlights the performative and constitutive roles of networks in, among others, sustainability transitions[29,46,47].

Our analysis also advances institutional theory by introducing the concept of the carrying capacity of networks—their ability to hold, stabilize, and diffuse new logics into established organizational fields and practices. Networks, we argue, are not merely instruments for advancing sustainability agendas; they actively shape the very conditions under which institutional work takes place, and thus whether it results in meaningful and lasting practice change. This emphasizes the need to view networks as institutional actors in their own right, whose features and cohesion determine their transformative potential.

For policymakers and practitioners, two implications follow. First, institutional work at the organizational level is often conditional upon the institutional carrying capacity of the networks in which local governments operate. Particularly for small and medium-sized municipalities facing resource constraints and limited capacity, networks can serve as critical infrastructures for collective learning, the development of new actor roles, and alignment around shared actions. Second, strengthening such networks requires attention beyond their technical coordination or delivery mechanisms. Instead, support should extend to fostering their normative and cultural dimensions—building shared vocabularies, cultivating common frameworks, and embedding mutually recognized roles. These elements underpin the emergence of collectively held model practices capable of guiding organizational practices to global challenges such as climate change and sustainability. As this study has shown, networks that exhibit these qualities do not merely facilitate institutional work—they become its very medium.

Methodology

Research design

To investigate how networks shape the institutional work required to integrate a socio-ecological logic into organizational practices, we adopted a most-different comparative design[31,32]. By holding the scale of local government constant, focusing on small- and medium-sized goverments (populations below 500000), and selecting two contexts with sharply contrasting network institutionalization, we foreground network features as the key conditioning variable. Finland's mature 'Network for Strategic Management of SDGs in Cities' and Indonesia's donor-driven WaL program differ markedly in coordination structures, stakeholder alignment, and pooling of resources. This variation allows us to isolate how network "thickness" influences political, technical, and cultural institutional work and, ultimately, the integration of socio-ecological logic.

Case descriptions

Data for the study was collected from two research projects. In Finland, the sample consisted of 18 small and medium municipalities (45,000–315,000 inhabitants), that actively engaged in the Network for Strategic Management of SDGs, which was coordinated by *Kuntaliitto*. Finnish local governments operate under the Local Government Act (410/2015), which mandates financial, social, and environmental sustainability and encourages

Agenda 2030 alignment. In Indonesia, the WaL program focused on Semarang, in which 16 districts (33,000–190,000 inhabitants) are located. Indonesian districts function within a decentralized yet fragmented spatial planning framework, encountering acute water-related risks and a lack of established sustainability routines.

Data collection and analysis

We employed a multi-method qualitative approach in each context. In Finland, we conducted 46 semi-structured interviews (Oct 2022–Mar 2023) with sustainability coordinators, financial and strategic managers, and *Kuntaliitto* staff. The interviews lasted around 1 h (varying between 40 to little over 60 min) and were carried out via Microsoft Teams from October 2022 to March 2023, involving both individual sessions and group discussions with two to three participants. Data collection was complemented by two participatory observations of network meetings. In Indonesia, two rounds of 36 interviews (Spring 2019 and Spring 2020) were held with district planners, community leaders, international consultants, and NGO practitioners, alongside observation of three WaL workshops.

Our analysis proceeded in two phases. First, in both cases, we mapped interview transcripts and observational notes onto ideal-typical institutional logics[48] (bureaucratic, financial, managerial, community[9,10], and socio-ecological[5,20], identifying context-specific logic constellations (see also Supplementary Data A). In this process, we mapped the data onto the components of institutional logics as discerned by McPherson and Sauder[49]. Second, we coded descriptions of institutional work (i.e., political, technical, cultural work) aimed at integrating the socio-ecological logic. While we coded both datasets separately, we compared and discussed the results of the coding among the research team. This allowed us to iteratively refine the analysis in which network characteristics also emerged as the most salient explanation for variation in institutional work outcomes.

Limitations

This study adopted a most-different case design to foreground how divergent network characteristics shape institutional work in the integration of socio-ecological logics. While this approach provided analytical leverage by holding the scale of local government constant and maximizing contrast in network characteristics, it also comes with limitations. First, the differences between the two contexts such as timing, governance systems, and the nature of external support are substantial. Although we treat these differences not as confounders but as reflected in the institutional character of the networks themselves, this framing may limit the generalizability of findings beyond small- and medium-sized local governments operating under resource constraints. Second, the Indonesian case draws on data collected during a donor-driven program in 2019–2020, whereas the Finnish case is embedded in a nationally coordinated initiative from 2022 to 2023. While both represent early-stage attempts to integrate sustainability and climate action into organizational practices, temporal and institutional differences may still influence the interpretation of outcomes. Future research could build on this work by exploring whether and how similar institutional work processes evolve over time, or by comparing networks with more aligned structural characteristics to further isolate the effects of institutional context.

Data availability

No datasets were generated or analysed during the current study.

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Author contributions

T.B. served as principal investigator and was responsible for the overall research design. He also contributed to data collection for the case of spatial planning in Indonesia. T.B. and E.V. jointly developed the conceptual framework and analytical approach. E.V., M.L., O.W., and L.M.S. collected data and conducted interviews for the Finnish case of sustainability accounting. E.V. and M.L. additionally carried out participatory observations. All authors were involved in data analysis. H.L. and O.W. provided comments on the manuscript and O.W. also contributed to the final round of editing. T.B., E.V., L.M.S., and M.L. contributed to in writing and revising the text.

Competing interests

The authors declare no competing interests.

Additional information

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