SOCIAL MOVEMENTS,
STAKEHOLDERS AND
NON-MARKET STRATEGY
RESEARCH IN THE SOCIOLOGY OF ORGANIZATIONS

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INTRODUCTION: INTEGRATING RESEARCH PERSPECTIVES ON BUSINESS AND SOCIETY

Jocelyn Leitzinger, Brayden G King and Forrest Briscoe

ABSTRACT

While there are a number of theoretical traditions that study the interactions of business and society, research in these spaces has failed to sufficiently engage across these traditions. This volume aims to bridge these domains, creating a conversation among scholars working at the nexus of stakeholder theory, non-market strategy, and social movement theory. In this introductory chapter to the volume, we review the historical context of these three theoretical areas and explore how they connect in current research. We follow this discussion with our recommendations for common themes that might further integrate these subfields. Finally, we conclude the chapter with a description of each paper in the volume, highlighting how each contributes to our understanding of the dynamics of business and society, as well as the integration of our three focal subfields.

Keywords: Social movements; stakeholders; non-market strategy; organizational theory; business and society; private politics
Businesses play a prominent yet multi-faceted role in capitalist societies, fulfilling many of the basic needs that people and communities have while also creating numerous unintended consequences. Consumers, investors, and employees are all—in different ways—primary beneficiaries of business. Much organizational theory seeks to better understand the relationship between these primary stakeholders and organizations. But businesses are also embedded in a complex web of relationships with other types of organizations and individuals (Granovetter, 1985). As Karl Polanyi (2001) reminded us, the very functioning of the capitalist system relies on the embeddedness of economic organizations within communities and institutions—including the government—that both benefit and suffer from the churning of market exchange and the transformation of public goods into “fictitious commodities.”

In recent years, organizational theorists have renewed interest in the dynamic relationships between business and society. At one time, organizational theory scholars sought to primarily imagine society as an open system consisting of various cultural and normative elements that continually infiltrate and shape organizations. Recent research on business and society has become interested in the problematic and often contentious relationships that exist between the organizations and actors that make up civil society. Organizations are inherently political creations, imagined as legal fictions that take on lives of their own and seek to dominate by gaining power, status, and wealth (King & Walker, 2014). Actors in civil society have their own goals, values, and ambitions, which may at times conflict with the aims of business. This new strand of organizational theory seeks to understand how these conflicts play out, creating new opportunities for innovation, organizational change, and potentially, political standoffs (Briscoe & Gupta, 2016).

The idea for this volume emerged out of conversations among scholars working in different theoretical areas that touch on the dynamic relationship between business and society. The purpose of the volume is to begin integrating those perspectives. Stakeholder theory views businesses as made up of various constituent groups, some of which are its primary stakeholders and others which have secondary claims on the organization. Rather than imagine that businesses only have a single purpose of wealth creation, stakeholder theory pushes us to see organizations as balancing between the multiple demands of their various constituencies. Non-market strategy seeks to understand how businesses influence the political and social domains in order to generate and maintain advantages, including a focus on how organizations respond to various types of non-market pressures. Social movement theory explains how various types of constituencies mobilize and engage in collective action to influence and reimagine institutions. Inasmuch as social
movement theorists have engaged organizational theory, they have examined the “private politics” that exists outside formal institutional channels where activist groups seek to influence the policies and practices of corporate actors and new entrepreneurial ventures (de Bakker, Den Hond, King, & Weber, 2013).

This volume brings together new empirical papers bridging one or more of these theoretical perspectives. Our goal in editing the volume is not just to highlight the provocative new research occurring at the nexus of stakeholder theory, non-market strategy, and social movement theory; rather, we also hope to set an agenda for theorizing about business and society. This agenda takes seriously the various kinds of stakeholders comprising society and having claims over business, incorporating the goals and objectives of businesses to survive and thrive, and placing an important role on the process of mobilization and contentious interaction between actors whose goals inherently conflict. Our aim is to be theoretically inclusive, given that scholars from stakeholder theory, non-market strategy, and social movement research may have different theoretical priors. We are united, we believe, by a common interest in the strategic choices and behaviors of activists, stakeholders, and firms (Jasper, 2004).

This introductory essay has three parts. First, we sketch the three theoretical perspectives that inspired the volume and recent developments that have brought them closer together. Second, we propose some common themes that we think could form the basis for a more integrated lens on business and society. And third, we summarize the papers in this volume.

**BUSINESS, SOCIETY, AND ORGANIZATIONAL THEORY**

Society consists of three overlapping domains: civil society, markets, and the state. Organizations span each domain. Each of the theoretical perspectives that motivated this volume draws attention to a greater or lesser degree these different domains and theorizes how each domain interacts with the others.

Stakeholder theory developed as a theoretical corrective to the economic-oriented model of firm behavior, which tended to prioritize shareholder wealth maximization as the primary purpose of firms. Early proponents of stakeholder theory reconceptualized organizations as consisting of different sets of stakeholder groups (e.g., customers and communities), each of which is influenced by the organization’s actions and simultaneously seeks to
influence the firm (Freeman, 1984; Mitchell, Agle, & Wood, 1997). Inherently, the stakeholder model promoted a view of organizations as open poli-
ties, formed and evolving in relation to the competing demands of different stakeholder groups (Weber & Waeger, 2017).

Early versions of stakeholder theory had a decidedly managerial bent – not surprisingly, given that they evolved out of conversations about the responsibilities of the manager to shareholders versus other types of stake-
holders. As stakeholder theory evolved, scholars began to reconceptualize the stakeholder environment as dependencies (Frooman, 1999), social networks (Rowley, 1997), or as complex political environments (Scherer & Palazzo, 2007). Regardless of the particular conceptual angle, the dominant theme in stakeholder theory was to imagine how organizations could better integrate the needs of stakeholders with managerial decisions.

Non-market strategy research, in contrast, focused on the strategic goals of firms. Non-market strategy emerged as a heterodox perspective on corporate strategy that examined the firm’s relation to the state and other non-market elements of their environment (Baron, 1995, 1999). Although financial perfor-

mance optimization continued to be seen as the ultimate goal of organiza-
tions, the non-market strategy literature recognized that firms depended on non-market entities and therefore needed to strategically manage their non-market environment in order to enhance their performance. Early research in this literature featured the state as a critical non-market force inasmuch as it possessed the power to create laws, regulate, and moderate the competitive forces of markets. Thus, firms’ non-market strategies usually have a politi-
cal angle in which seeking to influence the state in order to obtain favorable competitive conditions is central to effective strategy (Hillman, Zardkoohi, & Bierman, 1999; Lyon & Maxwell, 2004; Werner, 2012).

As non-market strategy evolved, greater emphasis was placed on “private politics” – or the attempt to bypass the state to develop a strategy to directly engage with various politically mobilized constituents (Baron, 2001; Baron & Diermeier, 2007; Feddersen & Gilligan, 2001). An assumption of much of this research was that “doing good” was strategically linked to enhanced corporate financial performance (Sen & Bhattacharya, 2001). Therefore, much non-market strategy research sought to investigate the relationship between “social performance” and financial performance (e.g., Hillman & Keim, 2001; King & Lenox, 2001).

The final theoretical perspective – social movement theory – grew out of sociology and political science as an explanation for how groups mobilized in an effort to create social and political changes. Throughout much of the subfield’s history, scholars have been concerned with the internal dynamics
Introduction

of movements, including explaining why people participate in activism and understanding the mechanisms that lead to collective action (e.g., McAdam, McCarthy, & Zald, 1996; Morris, 1992). Its focus has typically been oriented toward the interaction between civil society and the state as a policymaking arena (McAdam, Tarrow, & Tilly, 2001). Recent work has taken a significant cultural turn and has begun examining the dynamics whereby movements foster the creation of new collective identities, influence public opinion, and shape other cultural outcomes (Armstrong & Bernstein, 2008).

As social movement theory moved into organizational research, markets replaced the state as the dominant arena of policymaking (King & Pearce, 2010). Corporations and entrepreneurial ventures are private avenues of social change. Activists frequently target corporations, and new organizations resulted from the innovations introduced by activists (Hiatt, Sine, & Tolbert, 2009; King & McDonnell 2015; Walker, Martin, & McCarthy 2008). Consumers, employees, nongovernmental organizations (NGOs), and even investors use collective action to express their voices and influence change within the walls of businesses (Briscoe & Safford, 2008; King, 2008a; Vasi & King, 2012). Ultimately, social movement theory differed from the other two perspectives in focusing on the mobilization processes and tactics used by activists in their efforts to instigate change, thus giving greater weight to civil society than to markets.

Although each literature began as a separate stream and community of research, in recent years they have begun to converge in important ways. Organizational scholars have increasingly used social movement theory as an explanatory lens for understanding changes in corporate behavior (Davis, McAdam, Scott, & Zald, 2005; Schneiberg & Lounsbury, 2008; Weber & King, 2014). The theoretical emphasis is predominantly sociological in nature, but empirically these scholars have begun to creep into topic areas earlier reserved for stakeholder theorists. For example, social movement scholars have become increasingly interested in corporate social responsibility (CSR) as a consequence of activism (e.g., Soule, 2009). In turn, stakeholder theorists have progressively moved away from survey-based research of managerial perceptions about stakeholder influence and have started to examine processes of stakeholder mobilization, investigating the tactics of influence whereby stakeholders shape firms’ activities (Doh & Guay, 2006).

Similarly, non-market strategy research has evolved into a more complex model of the business non-market environment – not limited to the state – which includes a variety of actors whose behaviors potentially limit the autonomy of corporations. These actors include activists, NGOs, and interest groups. Importing the theorizing tools of political economy, non-market
strategy scholars sought to explain firm behavior as a calculated response to the strategies of non-market actors (Baron & Diermeier, 2007; Reid & Toffel, 2009). In turn, social movement scholars have begun to take interest in firm responses to social movements, which puts them squarely in the backyard of non-market strategy research (e.g., McDonnell, King, & Soule, 2015).

In addition, research in institutional theory and entrepreneurship began to examine the role of movements and movement-like dynamics in creating new markets and categories. Although much of this scholarship focused on the role of social movements in the cultural legitimation and organization of new industries, research in this stream helped to reconsider firms as not merely reactants to movements but as potentially constituted by movement-like forces that ultimately shaped their identities, values, and membership (Hiatt et al., 2009; Pacheco, York, & Hargrave, 2014; Van Wijk, Stam, Elfring, Zietsma, & Den Hond, 2013; Weber, Rao, & Thomas, 2009).

Thus, social movement theory, stakeholder theory, and non-market strategy research began to converge on a common view of business and society. Firms are constituted by stakeholders, upon which they depended for socio-political and cultural legitimacy. Stakeholder activists frequently mobilize to influence companies, but in doing so, they create social and economic innovations that companies adopt themselves or that inspire new organizational foundings. Stakeholder mobilization is no longer seen as antithetical to market functioning; rather, it is a key input to economic and market innovation.

**OPPORTUNITIES FOR INTEGRATION AND ADVANCING THE FIELD**

As social movement theory, stakeholder theory, and non-market strategy converge, each theoretical perspective brings particular strengths that enrich our collective understanding of the shared domain. Below, we identify some themes that we believe scholars working in these subfields ought to focus upon, creating opportunities for future theoretical integration.

**Mobilization**

Social movement scholarship offers particular insights into why and how civil society groups mobilize. Much research, including studies that descend from the political process tradition (McAdam et al., 1996), focuses on the political
environment and how “political opportunities” make mobilization more or less likely. In contrast, organizational research is considerably less interested in explaining why stakeholder activists emerge and persist (although see King, 2008b).

By drawing on this foundation in social movement research, scholars in the organizational tradition may deepen their understanding of how stakeholders become activated, and why certain issues become sources of contention within markets or organizations. One reason for the dearth of attention thus far to mobilization processes may be that much of the current research on stakeholders and non-market strategy focuses on the consequences of activist influence, rather than on the antecedents of influence. There are exceptions, of course, including research on the founding of employee activist networks (see Briscoe, Chin, & Hambrick, 2014), but the majority of the work in this area is still primarily concerned with the outcomes of activism.

Role of the State

Although traditionally, the state and the political environment have played a central role in both social movement theory and non-market strategy research, the state no longer has a prominent role in organizational scholarship. Organizational researchers have replaced the political opportunity structure with corporate or industry opportunity structures (King, 2008b; McDonnell et al., 2015). The state as a complex and potent political force has receded in importance in our collective imagination. The absence of the state in our theoretical explanations seems especially short-sighted given the salience of the current presidential administration.

Hence, although much has been gained by reorienting our vision to the market as a target of movements and an arena of movement-led change, our perspectives would be greatly enhanced by considering a complex political environment of movements, firms and the market, and the state. For example, we need to better understand the differences between state regimes and how they shape the kinds of mobilization that take place against firms.

The field is ripe for investigations of how different political institutions shape stakeholder mobilization, and how, in turn, this process leads to different types of responses from the business community. Our current perspectives on activist mobilization is incredibly American-centric (although see Dorobantu, Henisz, & Nardey, 2017). Countries elsewhere in the world will exhibit different patterns of mobilization due to differences in market–state relationships. Comparative research would also help us to better understand
why in some countries movement organizations use tactics like boycotts and lawsuits to influence firms, whereas in other countries direct appeals to lawmakers are more common.

Varieties of Stakeholders

One of the strengths of stakeholder theory is its emphasis on the variety of stakeholders that make up the business environment. Stakeholder theory sensitized us to the possibility that different groups make different, sometimes competing, claims on organizations. Labor, customers, investors, and communities each occupy a different position and are motivated by different interests. Moreover, stakeholders may switch in and out of roles, depending on the situation. Companies’ actions may vary considerably, depending on which kinds of stakeholders become mobilized.

Much of stakeholder theory sought to understand why managers and other decision makers would pay attention to stakeholders. For example, Agle, Mitchell, and Sonnenfeld (1999) theorized the conditions in which CEOs would find particular stakeholders to be salient to their decision making. This study and others like it emphasize that stakeholders compete for attention. Thus, it is imperative to better understand the situational dynamics that shape attention to stakeholders and how this influences managerial decision making.

Repertoires of Organizational Activity

Attention to particular stakeholder concerns ought to directly influence the kinds of tactics that firms use to shape their non-market environment. Firms have a breadth of tactics at their disposal when dealing with stakeholders. A clear advantage of much non-market strategy research is its consideration of the varying kinds of political tactics that firms take to influence their environment. Some tactics seek to directly influence national and state politics, including lobbying and PAC contributions (McDonnell & Werner, 2016; Werner, 2012), while others, like grassroots lobbying (Walker, 2014), are intended to shape public opinion and local government institutions. Therefore, another important area of future research is to consider the breadth of political responses that firms use and how relationships with various stakeholder groups affects which types of political actions they use.
Managerial Decision Making

The way a firm responds to, and interacts with, its various constituency groups is ultimately a function of the decision making among that firm’s managers. Recognizing this, stakeholder theory initially presented the influence of stakeholders as a function of the cognitions and perceptions that executives and managers had of different stakeholder groups. Recent research in social movement scholarship has underplayed the mediating mechanism of cognition and perception (although see Briscoe et al., 2014; Briscoe, Gupta, & Anner, 2015)

Managerial cognition and perception underlie much of our understanding of organizational decision making, including when managers respond to reputational threats and status anxiety caused by activism against their firms, and when they draw inferences from observations of peer and rival firms. When stakeholders seek to alter organizational practices, they are also hoping to alter managers’ perceptions regarding the rectitude of those practices. Indeed, rules of the game, norms, and cultural beliefs about behavior in markets are all, ultimately, perceptions. Future research ought to consider how those perceptions change, and examine situations in which they are shared (e.g., cognitive legitimacy of a new business model) or contested (e.g., competing institutional logics). A focus on the perceptual and cognitive dynamics of managers may give us a better understanding of the situational influence of movements.

PAPERS IN THIS VOLUME

The empirical papers collected in this volume make some notable inroads along the thematic lines outlined above. Many of the chapters expand our understanding of the repertoire of organizational activities being taken in an effort to shape markets – including strategic framing, engaging in CSR, making changes to core products, campaigning for public support, and lobbying the state. Several chapters also incorporate the state as an object of influence efforts and/or an actor in its own right alongside civil society and industry. The dynamics of varied stakeholders are also examined in some depth, including spillover effects among different types of NGOs, and worker movements and grassroots employee activists operating within the boundaries of the organizations they seek to influence.

To structure this volume, we grouped the eight empirical papers into three sections according to the theoretical tradition in which they are most strongly
rooted. That said, as befitting the aspirations for our volume, we should note that many of the papers cross boundaries to such an extent that they could have been placed in more than one section. Within each section, the empirical chapters are followed by a capstone essay authored by one of the leading experts in that domain. Finally, the volume ends with a reflection essay on the progress and prospects for an emerging synthesis for this research program on business and society.

Social Movements and Organizational Theory

In the first paper in this section, Sunasir Dutta, Hayagreeva Rao, and Ion Bogdan Vasi examine the role of social movements in the development of the electric car industry in California. Importantly, the authors incorporate the state into their theorizing, suggesting that one way social movements and technology enthusiasts may support the emergence of new industries is through the production of public goods. The authors indicate that these actors may influence state and local governments as a means of creating a more favorable market environment. Dutta et al. use a mixed methodology approach, combining rich interview data investigating the extent of evangelism within the electric auto enthusiast community with quantitative models to test their hypotheses on the relationship between environmental social movement organizations (SMOs), technology SMOs, and public good procurement. The authors find that institutional relay, whereby generalist SMOs facilitate the development of specialized SMOs which then advocate for public goods in support of the emerging industry, is an important mechanism through which movements influence new market emergence.

Cyrus Dioun also examines the intersection of social movements and market emergence, offering an important look at how SMOs can impact the industries they champion well beyond their initial development. In an industry study spanning 49 US states, Dioun examines how social movements advocating for medical marijuana framed their arguments both during the initial stages of legalization and later as the market expanded. Like Dutta et al., Dioun incorporates the role of multiple stakeholders in his study, including consideration of how state governments impact emerging markets through legislation. Drawing on theories of social stigma, the author proposes a process by which social movements may use strategic framing to diminish a market’s stigma over time, both before and after legalization. Incorporating interview data with a frame analysis of organizational press releases, Dioun offers an in-depth examination of how SMOs can alter the moral boundaries
of a market. The study concludes that social movements may change their framing strategies over the course of a market’s development – at first following moral boundaries by employing frame amplification and later using frame extension and transformation to make the moral boundaries more permeable – resulting in the dilution of market stigma.

In this section’s final study, Forrest Briscoe and Sean Safford also examine how the impact of a social movement changes over time in their chapter on the adoption of domestic partner benefits in Fortune 500 companies. Briscoe and Safford build on established models of contentious institutional change by incorporating the role of uncertainty and the networks that key stakeholder groups use in addressing uncertainty. The authors theorize that in a three-stage model, social movement efforts to establish viability of the practice will drive change in the first phase, elite decision makers assessing the legitimacy of the practice will drive change in the second phase, and that middle managers – in an effort to conform – will drive change in the third phase. Like the other two studies in this section, Briscoe and Safford employ a mixed methods design, combining a qualitative historical analysis and quantitative network diffusion analysis to reveal how decision maker uncertainty, the set of relevant actors, and inter-organizational networks impact the process of practice adoption and institutionalization over time. The authors conclude that while there is a direct effect of social movement advocacy on the adoption and institutionalization of practices within firms, the impact may be limited to the initial phases of the process.

This section concludes with a capstone chapter in which Sarah A. Soule depicts the three phases that scholarship on social movements and the state have passed through. In it, she posits that organizational theory scholars have mirrored these stages in their own work on social movements and markets. Soule suggests that the three studies in this section are examples of the most recent stage of research, which places an emphasis on understanding when social movements impact firms and markets. Drawing from these studies, she presents three areas that warrant future study: How the inter-organizational dynamics of the organizations within a social movement may impact outcomes; how social movement activities can elicit changes in individual opinions; and disentangling the direct and indirect effects of social movements on market-related outcomes. In combination, the three papers and Soule’s assessment of both them and the field suggest that organizational scholarship at the intersection of movements and markets should continue to develop more nuance – uncovering new mechanisms and relationships by asking more complex questions and developing more fine-grained measures.
The volume’s second section begins with a study by Susan A. Kayser on the conditions under which a firm’s CSR initiatives may lead to a decrease in shareholder value after a negative event – which runs counter to much of the extant literature on the topic. In her study of the textile industry and its reaction to the collapse of Rana Plaza in Bangladesh, Kayser theorizes that pressure from activist organizations can further strengthen the negative relationship between event-specific CSR and shareholder value. Employing an event study, the author tests her hypotheses on a data set of 113 companies from 23 countries, answering calls for more internationally focused research in this space. Kayser finds that there are limits to the ability of CSR initiatives to shield firms from shareholder value losses in the face of negative events, especially in the presence of activist pressure. She concludes that future research is needed to determine the extent to which activist pressure may diminish the ability of other types of CSR initiatives to preserve shareholder value.

The second chapter in this section also has a more international focus, with a study by Maite Tapia, Manfred Elfström, and Denisse Roca-Servat comparing a case of worker organizing in the United States to one in China. The authors use the stories of the CLEAN carwash campaign – a community–labor coalition started in Los Angeles, California – and the Yue Yuen shoe factory strike of 2014 – the largest strike in the history of the People’s Republic – to illustrate connections between the social movement and industrial relations literatures. The authors propose that the theoretical concepts of internal mobilizing structures, external mobilizing structures, and mobilizing cultures are bridges that link these two historically separate, yet more recently converging, fields of research. Applying these concepts to the case studies, the authors show that while the two streams of research offer insight into the bargaining processes and strategic actions made by actors, as well as the role of networks and key actors in the mobilization process – neither is able to speak to the importance of leadership and leader capacities. The authors further tease apart how each body of literature is only able to provide a partial explanation of the mechanisms and processes witnessed in the cases, making the argument for greater integration of the social movement and industrial relations literatures.

In the final study of this section, authors A. Wren Montgomery, Thomas P. Lyon, and Dan Zhao examine the impact of stakeholder attention and pressure on service quality outcomes of both publicly and privately owned water systems in the United States. The authors highlight the growing importance of the world water crisis, which has in recent years begun to effect consumers in North America. Montgomery, Lyon, and Zhao develop theory positing
that there are differential responses to types of stakeholder pressure by the
two ownership forms (private and public). Drawing on a data set of more
than 168,000 water systems in the United States, the authors employ a logit
model to investigate how contextual factors impact water quality in the two
types of ownership systems. The authors find that whether the stakeholder
pressure comes from local or national groups has different effects on water
quality for publicly and privately owned water systems.

The section on social movements and stakeholders concludes with a cap-
stone article by Michael L. Barnett on the power and influence of stakehold-
ers. Barnett suggests that stakeholders hold the middle ground between social
movements on the one hand, seeking to influence firms and industries – and
firms on the other hand, seeking to resist influence and retain their operational
autonomy. The author posits that efforts by both movements and firms (via
non-market strategies) to influence stakeholders end up being constrained by
stakeholder cognition – thus limiting these organizations’ ability to impact
social order. Barnett makes the case that whether or not a stakeholder will act
on social movement or firm effort depends on a multi-stage cognitive filtering
process. He concludes his discussion by highlighting how each paper in the
section contributes to our understanding of stakeholder attention and sug-
gesting some directions for future research in this space.

Social Movements and Non-Market Strategy

The first paper in the section on social movements and non-market strategy,
by Ana M. Aranda and Tal Simons, explores the role that both activist and
firm organizing can have on the regulatory institutions governing an indus-
try. Answering calls to account for the dynamics between corporations and
activists, the authors consider how the interplay between social movement
organizing and firms’ non-market strategies can result in institutional change.
Aranda and Simons develop arguments on the role of protests, campaign
contributions, and lobbying as a means of influencing tobacco regulations.
The authors use a data set of state-level smoking bans and movement and
countermovement activities in the United States, applying a probit model to
test their hypotheses. Their analysis reveals that while activists are success-
ful in using both conspicuous and inconspicuous strategies, industry actors
found success only with strategies that were more conspicuous in nature. The
authors conclude that the most effective strategy for instigating or deterring
institutional change is constituency building, suggesting that public support
is more important than financial resources or lobbying efforts.
The final study in this volume, by Mario Aquino Alves and Marcus Vinicius Peinado Gomes, also examines the role that different strategies can have in influencing field-level change. In an analysis of the Brazilian Black Movement and Brazil’s banking industry, the authors investigate how the two groups deployed different strategies – including cooperation, cooptation, and confrontation – in their efforts to influence affirmative action policies in the sector. Alves and Gomes use both a longitudinal case study and a multilevel qualitative analysis to capture the various ways these strategies were deployed, incorporating actions taken both within the United Nations and the Brazilian labor judiciary system. The authors find that the successful implementation of affirmative action policies in the Brazilian banking sector came at the expense of cooptation and demobilization of some segments of the Black Movement. Alves and Gomes conclude that interactions with incumbents may be critical for the success of social movements, but that cooptation by these market actors may hinder future efforts to organize for social change.

This section concludes with a capstone chapter on social movements and non-market strategy by Thomas P. Lyon, calling for greater engagement between the two streams of research. Offering an economist’s view on how these literatures inform each other, Lyon highlights both intersections and opportunities for future research. Most notably, Lyon calls for the creation of a common framework which would incorporate the building blocks of both fields – requiring the development of a common language and set of constructs. He suggests that the economic focus on simplification and clarification married with the sociological emphasis on social aggregation creates a valuable tension that may enrich our understanding of non-market processes. The author concludes his discussion with suggestions for future research, highlighting the need for more complex studies that more closely capture the reality of interactions between multiple stakeholders and firms.

The volume ends with a reflection by Michael Lounsbury on our agenda to bring together scholars from different camps in stakeholder theory, non-market strategy, and social movement theory. His chapter offers a cautionary perspective about the potential downsides of focusing too narrowly on contentious interaction as the primary lens through which we understand business and society.

**CONCLUSION**

Whereas stakeholder theory, non-market strategy, and social movement theory were once considered distant subfields, the papers in this volume
highlight the extent to which conversations between these literatures enrich our understanding of the links between business and society. The embeddedness of business within society and politics is not a peripheral concern for managers and other wealth creators. Activists certainly see markets and firms as targets in their efforts to bring social and political changes and channels through which these changes might occur. These perspectives help us realize just how intertwined business and markets are with civil society and the state. Unrest in civil society constrains business as well as creating potential opportunities for new market growth and expansion. The state continues to be an important actor in creating and shaping markets. As scholars, we now realize more than ever the dangers in failing to consider how each domain of society interacts to shape the behaviors and actions of the organizations we study.

The volume, we believe, also highlights the broadening of the study of business and society to a more diverse group of scholars. We endorse a “big tent” approach to scholarship in this area, promoting theoretical inclusivity as a means to better explain the strategic choices and behaviors of firms, activists, and other stakeholders. Although the theoretical priors of scholars working in these domains may differ, their focus on common empirical questions and problems push us toward greater integration.

Whereas stakeholder theory, non-market strategy, and social movement theory were once considered peripheral areas of inquiry, this is no longer the case. As research in neighboring corners of study become more attuned to the importance of political and social context, these theoretical insights are even more relevant. Organizational research ought to be highly attuned to the dynamics of stakeholder mobilization and the interactions between states and markets. It is from these evolving relationships that new markets and organizations are born. The studies in this volume provide a model for the kind of theoretical integration we think is necessary for the broader field of organizational research.

REFERENCES


Introduction


