

Companies' political leanings influence engagement with activists

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Liberal-leaning companies are more likely to work in concert with the demands of activists of all kinds than conservative-leaning companies, according to researchers at Penn State and the University of Washington. The findings suggest that not all companies make concessions to activists as a result of threats but may instead have a workforce that is more amenable to activists' requests.

"We usually think of businesses as being focused solely on making a profit and being neutral or detached from [political beliefs](#)," said Forrest Briscoe, professor of management and organization. "Our research suggests that organizations' openness to [social activism](#) is related to their employees' political ideologies and not necessarily a response to threats."

The researchers identified the political leanings of the Fortune 500 companies using publicly available data on employees' political campaign donations. They documented the companies' responses to activism both through interviews with some of their corporate social responsibility officers and through the collection of data on protest events from articles published in U.S. newspapers. The results appeared online on May 28 in *Administrative Science Quarterly*.

The team found that organizational liberalism is a significant predictor of a firm's likelihood of yielding to activists' requests.

"Liberalism tends to be characterized by a belief in the interconnectedness of humans whereas a more conservative belief is that

there is more independence of individuals," said Briscoe. "Our research supports this idea because it shows that liberal organizations tend to be more open to engaging with [civil society](#)."

The team also found that the more geographically concentrated a company's employees are, the more their values matter to the companies' responses to activists.

"Some companies' employees are all located at headquarters, whereas others have employees all over the country," said Briscoe. "You can imagine how someone in headquarters who is deciding how to respond to an activist might be more inclined to make a decision that aligns with the general mood of the employees if he or she is located in the same building with those employees and has to walk down the hall and face them. That's what we found; the more concentrated the employees are in a physical space, the more their values matter to the decision that gets made by the company."

Another finding is that the more an organization's [political ideology](#) is incongruent or out of alignment with the community where it is headquartered, the more its ideology matters to decision making.

"This makes sense if you think about the salience of an organization's values being greater when those values are different from those of the people just outside the boundary of the organization," said Briscoe. "In general, differences increase salience."

According to Abhinav Gupta, assistant professor of strategic management, University of Washington, the findings have implications for organizations and civil society actors, such as social activists, who are often struggling to figure out where to deploy their tactical efforts and which organizations to target.

"The conventional wisdom holds that social activists should target companies that can be readily named and shamed into capitulating to their demands," said Gupta, a former Penn State graduate student. "But our research suggests that there is additional merit in identifying companies that are ideologically attuned to engaging with social activists and using them to build momentum for the cause."

More information: Abhinav Gupta et al, Organizational Political Ideology and Corporate Openness to Social Activism, *Administrative Science Quarterly* (2019). [DOI: 10.1177/0001839219852954](https://doi.org/10.1177/0001839219852954)

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