

Managing Disputes with Non-Market Stakeholders: What Other Options are Available?

Randall D. Harris

Department of Management & Marketing

FDL Presentation – September 18, 2025



TEXAS A&M
UNIVERSITY
CORPUS
CHRISTI

COLLEGE OF
BUSINESS

Randall Harris

Professor of Management
College of Business

- Background and Field of Expertise:
 - Member of TAMU-CC for 11 years.
 - Department Chair 2018-2022.
 - Editor, Case Research Journal, 2026.
 - Case Researcher
 - Strategic Management
 - Corporate Governance
 - Crisis Management
 - Business and Society

- Lawrence (2010) proposed a typology of managerial strategies in response to demands and concerns by non-market stakeholders. She termed these the “Four W’s”. Harris, et. al. (2024) discovered an anomaly – Facebook “pivoted”. This study concludes that there are five managerial strategies for responding to non-market stakeholders. This expanded typology of responses may partially be the result of the evolution of internet technology,

Abstract

There is a “Pivot” Option for Responding to and Managing Non-Market Stakeholders. This is a risky option.

Project Description

Theme: Managing Disputes with Non-Market Stakeholders

How do Companies respond to Non-Market Stakeholder Disputes?

Previous Research Said: Wage a Fight, Withdraw, Wait, or Work it Out.

New Research Conflicted with the Previous Study.

- Facebook and the Instagram Kids Decision (2024).

- What's a Non-Market Stakeholder?
- **Market Stakeholders** are those that engage in economic transactions with a company.
 - **Examples:** Shareholders, Employees, Customers
- **Non-Market Stakeholders** are people and groups that can affect a company's actions
 - **Examples:** The Public, Activist Groups, Parents, Local Communities
 - **Influence Change:** Internet Technology plays a dominant role post 2010.

Items Produced

FDL Enabled me to spend concentrated blocks of time researching this issue in the data archives and thinking about the issues presented by this research anomaly.

- **Fall 2024**
 - Data Collection – Non-Market Stakeholders
 - Sample Size: **42 Companies/Case Studies**
 - Case Studies from 2010-2024
 - Previous Study: 24 Case Studies (1998-2010)
- **Spring 2025 – Summer 2025**
 - Data Collection – Pivot Strategy
 - Sample Size **38 Companies/Case Studies**
 - Data Analysis
- **Fall 2025**
 - Theory Development and Revision

What is a Pivot Strategy?

Firms pivot when new information conflicts with their current assumptions about the firm's strategy.

Most firms that pivot do so incrementally.

Major pivots are rare because they are so risky.

- A Pivot is a dramatic change in a firm's strategy that reorients the firm's strategic direction. (Kirtley & O'Mahoney, 2020).
- This is a rare phenomenon.
- First described in literature in 2011.
- Pivoting Firms in the newly collected sample were:
 - Startups
 - Tech Firms
 - COVID-19 Crisis

Study Results

The Lawrence (2010) framework continued to explain 98% of the new study sample.

The Pivot (Waltz) Strategy for Managing Disputes with Non-Market Stakeholders occurred only with Facebook in 2021.

A significant shift in how companies resolved these types of disputes occurred in the new data sample.

This shift is hypothesized to be the result of the move to online platforms for activism, dramatically increasing their effectiveness.

New Study	N = 42 Cases	%
Wage a Fight	5	12%
Withdraw	4	10%
Wait	3	7%
Work It Out	29	69%
Pivot (Waltz)	1	2%
Lawrence (2010)	N = 24 Cases	%
Wage a Fight	10	41%
Withdraw	5	21%
Wait	2	8%
Work It Out	7	30%

Did Facebook Make a Mistake?

Short Answer is No

Unequivocal evidence that
Facebook's Pivot Strategy was
Successful.

- Facebook Revenues up 50%
- Facebook EPS up 200%
- Stock Price up 180%
- Pivot to the Metaverse
 - Blue Ocean Market Development
- Current Initiatives in Artificial Intelligence
 - Superintelligence

Theoretical Results

The “Five W” Revised Theoretical Framework

- There are Five Strategies for Managing Non-Market Stakeholder Disputes:
 - (1) Wage a Fight
 - (2) Withdraw
 - (3) Wait
 - (4) Work it Out
 - (5) “Waltz” or Pivot
- “Waltzing” away is risky, due to reputational effects. Only well capitalized firms (Meta Platforms) or possibly internet firms can likely pursue this risky approach successfully. Political Capital is Essential. (Additional Research and Theoretical Development Needed).

Limitations and Future Research

Unique Sample

Challenging to Research

“Pivot” is new and not well researched.

- This is a unique sample and research methodology, results may not be replicated using traditional quantitative research techniques.
- Access to non-market stakeholder observations is limited by the non-market status of these stakeholders.
- The Pivot strategy is a new strategy that is not well researched. Further study is warranted. Much of the current discussion is in practitioner outlets.

Success Strategies

Applying for and Taking FDL

- Have a Clear Research Question.
- Have a Clear Understanding Regarding Research Methods and Data Collection before application.
- Have Support and Feedback from your Research Colleagues regarding the project.
- Be considerate of the needs of your Department and College while considering your FDL application.

References

- Harris, R., Sherman, S. & Lawrence, A. (2024). “Facebook and the Future of Instagram Kids.” *Case Research Journal*, 44(1), 1-30.
- Kirtley, J. & O’Mahoney (2017). “What is a Pivot? Explaining when and how entrepreneurial firms decide to make strategic change and pivot.” *Strategic Management Journal*, 44, 197-230.
- Lawrence, A. (2010). “Managing Disputes with Nonmarket Stakeholders: Wage a Fight, Withdraw, Wait, or Work it Out?” *California Management Review*, 53(1), 90-112.

Companies in Study

ABB	Civic Action	Merck	Royal Dutch Shell	Uber
Ambatovy	Conoco	Michelin Group India	Sea World	Uniqlo
Anglo American Platinum	Cummins	Monsanto	Spotify	Vodafone
Apple	Delta Air Lines	Nespresso	Sri Lanka Wildlife	Volkswagen
Asia Pulp and Paper	Dollar Tree	Niagara Health System	Stoli Vodka	Walt Disney
Boeing	Du Pont	Open AI	Telus Corp.	Watson's Children's Shelter
Brazil Beef Industry	Facebook	Posco	Tintaya Copper Mine	
Carrier	IFRC	Proctor & Gamble	TXU	
Center for Addiction	Lululemon	Rio Tinto	Tyson	

Thank You

Questions?



TEXAS A&M
UNIVERSITY
CORPUS
CHRISTI

COLLEGE OF
BUSINESS