PROJECT OVERVIEW

In the past decade, liberal democracies have experienced unprecedented political unrest, prompting a growing demand for businesses to address Grand Challenges—complex environmental and social issues that extend beyond short-term economic goals. While conventional wisdom suggests that institutional pressures should drive firms to conform to these expectations to avoid legitimacy penalties, empirical evidence contradicts this notion, as normative deviance does not consistently lead to firm isolation.

Our project is rooted in Organizational Institutionalism, blending micro (individuals, organizations) and macro (industries, institutions) elements to provide a comprehensive perspective on the antecedents and moderators of organizational responses to Grand Challenges. We draw from diverse theories at individual (e.g., cognitive psychology), organizational (e.g., stakeholder theory), and environmental (e.g., industrial organization) levels.

We employ a range of methodologies, including qualitative, quantitative, and mixed-methods approaches. Qualitative studies allow us to integrate the perspectives, intentions, and actions of various actors involved in Grand Challenges, including the underlying rhetoric, discursive processes, and power dynamics. Quantitative studies rely on aggregate databases like The U.S. Energy Atlas, Open Secrets, The Wharton Research Data Service, and T.R. Eikon. We also leverage machine learning algorithms to categorize firms based on their latent profiles of non-conformity strategies and to conduct content analysis of textual information. Mixed-methods research complements these approaches, helping us identify underlying relations or constructs and providing insights into theorized mechanisms that drive organizational responses.

We expect the results of the project to have broad implications. From informing management professionals about the long-term pressures, they face in relation to the Grand Challenges, guiding political actors at different levels of government in addressing the shortcomings of the corporate system, empowering NGOs and third sector organizations to act on the critical drivers of meaningful change, or benefiting students, educators and the broader community interested in improving their engagement with democracy to strengthen institutions.

Our proposal's feasibility and impact are supported by our team's strong track record of previous publications in outlets such as Organization Science, Harvard Business Review, Journal of Operations Management, Journal of World Business, Organization Studies, and Research Policy, along with our extensive experience in internationally-funded projects, many of which are related to Grand Challenges.