

STAKEHOLDER POLITICAL IDEOLOGY, PURPOSE OF BUSINESS BELIEFS, AND RESPONSES TO CEO ACTIVISM: INTRODUCING AN ASYMMETRY MODEL

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CEO activism refers to public stance-taking by CEOs on politically polarized issues. The prevailing view is that liberal and conservative stakeholders respond symmetrically to CEO activism, like how liberal and conservative voters have been found to respond to ideological causes. Specifically, both groups are thought to similarly favor ideologically aligned CEO activism, and disfavor ideologically misaligned CEO activism and non-activism. We question the assumption that liberal-conservative symmetry in national politics translates to stakeholder preferences. Extending research indicating that liberals scrutinize the perceived benefits and costs that businesses impose on society more than conservatives due to differences in purpose of business beliefs, we theorize that liberal stakeholders respond more favorably to aligned activism, and less favorably to misaligned activism and non-activism. We corroborate our *ideological asymmetry model* in three preregistered experiments examining job seekers and consumers. Crucially, conservatives, unlike liberals, prefer non-activism over aligned activism, even when conservatives feel strongly about the underlying issue. Experimentally reducing the liberal-conservative gap on purpose of business beliefs reduces these asymmetries. Our work challenges the assumption that liberal-conservative symmetry in politics translates to business; sheds new light on the strategic implications of CEO activism; and may explain the rarity of conservative CEO activism.

Recent years have witnessed various episodes of CEOs taking public positions on polarizing social and political issues not directly tied to their firm’s core business, referred to as CEO activism (Chatterji &

Toffel, 2019). Through participating in interviews with the media, coming together to sign petitions, and buying op-ed space in prominent newspapers, CEOs have taken stands on topics such as police reform, guns, LGBT rights, climate change, voting restrictions, and abortion (Chatterji & Toffel, 2019; Fezzey, Drnevich & Borgholthaus, 2025; Hambrick & Wowak, 2021). Due to its highly public nature, CEO activism stands in stark contrast to long-standing forms of corporate political influence, such as corporate lobbying and donation-giving, which are often purposefully discreet (Bhagwat, Warren, Beck & Watson, 2020). In addition, unlike traditional corporate social responsibility (CSR) initiatives, which involve material commitments made by the firm, CEO activism is often “strictly talk” (Hambrick & Wowak, 2021). At the same time, the act of CEOs taking public positions on polarizing issues is understood to be consequential because it can affect the firm’s relationship with its various stakeholders—including employees, customers, and suppliers—who play an important role in shaping firm performance and survival

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(Burbano, 2021; Chatterji & Toffel, 2019; Hambrick & Wowak, 2021; Hou & Poliquin, 2022).

How do stakeholders respond to CEO activism? While stakeholders display heterogeneity along various dimensions (Bridoux & Stoelhorst, 2014; Dorobantu, Henisz & Nartey, 2017; Mitchell, Agle & Wood, 1997), the growing body of work addressing this question suggests that *stakeholder political ideology* is central in shaping stakeholder responses to CEO activism (Hambrick & Wowak, 2021; McKean and King, 2024; Wowak, Busenbark & Hambrick, 2022). Research in political psychology and political science suggests that liberal and conservative voters generally respond *symmetrically* to the promotion of ideological causes in the context of national politics, such that liberals and conservatives, to a similar extent, support ideologically aligned political causes and movements, which they view as beneficial to society; and oppose ideologically misaligned political causes and movements, which they view as detrimental to society (Brandt, Reyna, Chambers, Crawford & Wetherell, 2014; Frimer, Skitka & Motyl, 2017; Iyengar & Hahn, 2009; Proch, Elad-Strenger & Kessler, 2019; Skitka & Bauman, 2008).

Assuming (largely implicitly) that symmetry in the context of national politics translates to stakeholder responses to CEO activism, the stakeholder alignment model (Hambrick & Wowak, 2021; Wowak et al., 2022) proposes that liberal and conservative stakeholders, to a similar magnitude: (a) favor CEOs promoting causes aligned with their ideology, (b) disfavor CEOs promoting causes misaligned with their ideology, and (c) disfavor CEOs staying silent on salient social and political issues. That is, liberal stakeholders reward liberal CEO activism and punish conservative CEO activism, and conservative stakeholders respond in an opposite fashion but with a similar magnitude. Liberal and conservative stakeholders are also assumed to punish CEOs who choose not to speak up.

But is it accurate that liberal and conservative stakeholders respond symmetrically to the promotion of ideological causes by CEOs (and a lack thereof), similar to how liberal and conservative voters respond in the context of national politics? While prior empirical research has been unable to directly test this assumption, evidence from practitioner accounts seems to run counter to it. Interviews with CEOs, for instance, are replete with examples of the pressure CEOs face from stakeholders to publicly support various liberal social and political causes, but very few examples of corresponding pressures from the conservative end of the political spectrum (Allen & VandeHei, 2021;

Seib, 2021; Taylor, 2018). The evidence of asymmetric demands from liberal stakeholders for CEO activism points to the possibility that liberal and conservative stakeholders may also be asymmetric in their *responses* to CEO activism.

Contrary to the stakeholder alignment model, we posit that liberals and conservatives respond differently in their role as stakeholders to businesses than they do as voters in the context of national politics. Our theory—which we refer to as the *ideological asymmetry model*—is rooted in the notion, corroborated by research on political ideology and organizations (Chin, Hambrick & Treviño, 2013; Tetlock, 2000), that there are important differences between liberals and conservatives in their beliefs regarding what the purpose of business should be. Conservatives tend to view the purpose of business as focusing on activities related to its core functions so as to generate profits. In contrast, liberals tend to believe that businesses have an additional responsibility to pursue behaviors that promote societal well-being and refrain from activities that harm societal well-being, even when this approach negatively affects business functioning (Chin et al., 2013; Friedman, 1970; Tetlock, 2000).

Combining these insights with the widely accepted notion in political psychology that individuals view the promotion of ideologically aligned causes as beneficial to society, and the promotion of ideologically misaligned causes as detrimental to society (Jost, 2006; Jost, Federico & Napier, 2009), we theorize that liberal stakeholders favor ideologically aligned CEO activism more, and disfavor ideologically misaligned CEO activism and non-activism on the part of the CEO more, than their conservative counterparts. In short, while liberals and conservatives generally respond symmetrically to ideological causes in the context of national politics (Brandt et al., 2014; Frimer et al., 2017; Iyengar & Hahn, 2009; Proch et al., 2019; Skitka & Bauman, 2008), we theorize that they respond *asymmetrically* in the domain of stakeholder responses to CEO activism due to a liberal-conservative divide in beliefs regarding the purpose of business.

We test our theory across three preregistered experiments examining reactions to CEO activism by two types of stakeholders—job seekers and consumers. The results of these studies strongly support our theory. We find that liberal stakeholders are more sensitive to alignment and misalignment than their conservative counterparts, responding more positively to ideologically aligned CEO activism, and more negatively to ideologically misaligned CEO

activism. Liberal stakeholders also react less positively to CEOs who decide not to engage in activism than conservative stakeholders. Importantly, we find that conservative stakeholders, unlike their liberal counterparts, prefer CEOs who decide not to engage in activism over CEOs who engage in ideologically aligned activism. This suggests that conservative stakeholders punish CEOs who deviate from the firm's core activities, even when the deviation is in service of a cause that conservatives support in the political context.

Thus, CEO sociopolitical activism is multidimensional, with both mode (i.e., the act of CEOs speaking up on social and political issues) *and* content (i.e., the ideological valence of the position advocated by the CEO) up for stakeholder scrutiny. We also find that liberals and conservatives feel equally strongly about the underlying issues we examine (e.g., transgender bathrooms in Experiment 1b, gun control in Experiment 2), illustrating that *symmetry* found between liberals and conservatives in the political context does not translate to the context of firm–stakeholder relations. When we reduce the liberal–conservative gap in beliefs regarding the purpose of business using an experimental mediation design (Experiment 2), the observed asymmetries in the responses of liberal and conservative stakeholders to CEO activism dissipate, providing additional empirical support for our proposed theoretical explanation.

In sum, the present research builds—and provides evidence for—a new model of stakeholder responses to CEO activism that holds that ideological divides manifest differently among stakeholders in the business context than voters in the national-political context. By shedding new light on the strategic implications of CEO activism, our work also has practical implications for how CEOs can navigate polarizing social and political issues vis-à-vis their stakeholders.

THEORY AND HYPOTHESES

Stakeholder Responses to CEO Sociopolitical Activism

Corporate executives in the United States generally shied away from speaking on politically polarizing issues until very recently, with their public communications almost always focused on business-related topics. CEOs made statements about their firms, the industries in which they operate, and the state of the macroeconomic environment. When they did publicly speak on political topics, it was almost always in reference to the material impact that government policy may have on businesses (e.g., the effect of trade

policy). Other forms of corporate political activity, such as lobbying and making monetary contributions to election campaigns, were relatively more discreet (Borisov, Goldman & Gupta, 2016; Cohen, Hazan, Talarita & Weiss, 2019).

Recent years, however, have witnessed a change in these norms, with CEOs seen publicly voicing positions on various polarizing issues, such as abortion, climate change, LGBT rights, guns, voting laws, and criminal justice reform (Chatterji & Toffel, 2018; Hambrick & Wowak, 2021; Nalick, Josefy, Zardkoohi & Bierman, 2016). Episodes of CEO activism tend to be widely covered by traditional media and generate heated discussions online, suggesting that they are highly visible to the focal firm's stakeholders (Wowak et al., 2022)—that is, the individuals and groups who can influence or be influenced by the focal firm as it pursues its goals (Freeman, 1984).

Organizational scholars have long recognized that firm success is intimately tied to the firm's relationships with its various stakeholders, such as its employees, customers, and suppliers (Donaldson & Preston, 1995; Freeman, 1984). Since CEOs tend to be not only the firm's most visible member but also its most influential, stakeholders tend to pay close attention to the CEO's public communications in calibrating their relationship with the firm (Busenbark, Lange & Certo, 2017; Cowen & Montgomery, 2020; Fanelli & Misangyi, 2006).

Indeed, very recent research suggests that CEO activism plays an important role in shaping firm–stakeholder relations, finding that it influences job seekers' choice of employer (Appels, 2023); employees' organizational commitment (Wowak et al., 2022) and motivation levels (Burbano, 2021); and consumers' product purchase intentions (Chatterji & Toffel, 2019) and store visit decisions (Hou & Poliquin, 2022). A common theme that has emerged in this literature is that stakeholders' political views—and, in particular, their political ideologies—are crucial in understanding how stakeholders respond to CEO activism.

Political Ideology

Political ideologies are philosophies regarding “how society should be governed” (Jost et al., 2009) and reflect individuals' closely held values (Caprara, Schwartz, Capanna, Vecchione & Barbaranelli, 2006; Jost, 2006). U.S. politics is starkly divided along ideological lines between proponents of liberalism (i.e., liberals) on the one hand, and proponents of conservatism (i.e., conservatives) on the other.

In a broad sense, liberals champion minority rights, egalitarianism, and environmentalism, whereas conservatives champion traditional values, laissez faire economics, and property rights. When CEOs engage in sociopolitical activism, they are engaging in issues that are hotly debated between liberals and conservatives at a given point in time (Hambrick & Wowak, 2021; Wowak et al., 2022), which is also true of the examples of CEO activism that we discussed earlier. For instance, liberals are much more likely to support gun control legislation, abortion rights, anti-discrimination laws, and climate change legislation than are conservatives (Brenan, 2018; Campbell & Kay, 2014; McCarthy, 2017; Oliphant, 2017).

Liberal–Conservative Symmetry in the Political Context

According to research in political psychology, ideological differences place liberals and conservatives at opposite ends of social and political debates. Polarizing issues are highly moralized—or, in other words, strongly imbued with moral conviction and a sense of “right” and “wrong” (Mooijman, Hoover, Lin, Ji & Dehghani, 2018)—and, therefore, motivate voters on each side of the debate to participate in the political process to bring about their preferred end (Koleva, Graham, Iyer, Ditto & Haidt, 2012; Ryan, 2017). In the context of national politics, the tendency of such issues to spur political engagement, to engender positive reactions when aligned with one’s political ideology, and to engender negative reactions when misaligned with one’s political ideology, have been found to be similar among liberals and conservatives (Brandt et al., 2014; Frimer et al., 2017; Iyengar & Hahn, 2009; Proch et al., 2019; Skitka & Bauman, 2008).

Liberals and conservatives view the vocal advocacy and enactment of ideologically aligned policies as beneficial for society, and ideologically misaligned policies as detrimental for society (Jost, 2006; Jost et al., 2009). This, in turn, encourages both groups—to a similar magnitude—to support political movements and leaders who champion similar social and political views as themselves, and oppose political movements and leaders who champion conflicting views (Brandt et al., 2014; Frimer et al., 2017; Proch et al., 2019; Skitka & Bauman, 2008). For instance, 2024 data from the American National Election Studies (2025) reveal that liberal and conservative citizens felt similarly warm toward the major political party they ideologically aligned with (i.e., the Democratic Party for liberals, the Republican Party for conservatives), and similarly cold toward the major political

party they ideologically misaligned with (i.e., the Republican Party for liberals, the Democratic Party for conservatives).¹ Evidence of symmetry can also be found in voting behavior, as exit poll data from the 2024 U.S. presidential election reveal that 90% of conservatives voted for the Republican Party candidate and a similar percentage of liberals, 91%, voted for the Democratic Party candidate (NBC, 2024). In the current highly ideologically polarized era, virtually all national-political leaders promote ideologically freighted causes that can be placed on the liberal–conservative spectrum (Abramowitz & Saunders, 2008). To the extent that an ideologically neutral political leader exists, research in political psychology indicates that both liberals and conservatives would view such a leader similarly (Harbridge, Malhotra & Harrison, 2014; Ryan, 2017)—that is, in a typically negative fashion, since the leader’s lack of support for specific ideological causes is often viewed as hurting their prospects.

Liberal–Conservative Symmetry in Stakeholder Responses to CEO Activism

The stakeholder alignment model (Hambrick & Wowak, 2021; Wowak et al., 2022) is arguably the most fleshed out theoretical model that has been proposed to explain stakeholder responses to CEO activism. According to this theoretical perspective, liberals and conservatives are “fully symmetrical” (Wowak et al., 2022: 559) when reacting to the promotion of ideological causes by CEOs in their role as stakeholders of businesses, similar to how they react to the promotion of ideological causes in their role as voters in the political context. More specifically, the stakeholder alignment model predicts that liberal stakeholders positively adjust their behavior toward the firm when CEOs publicly espouse liberal causes (e.g., gun control) and negatively adjust their behavior when CEOs publicly espouse conservative causes (e.g., gun rights), whereas conservative stakeholders

¹ For this analysis, we examined scales measuring how warm or cold (1 = *Extremely Cold*; 100 = *Extremely Warm*) participants felt toward each of the two major parties. There were no significant differences between liberals ($M = 69.66$, $SD = 22.29$, $N = 931$) and conservatives ($M = 68.48$, $SD = 24.42$, $N = 1,095$) in how warm they felt toward the ideologically aligned political party ($d = 0.05$; $r = 0.03$, $p = \text{n.s.}$). There were also no significant differences between liberals ($M = 18.06$, $SD = 21.27$, $N = 930$) and conservatives ($M = 20.05$; $SD = 24.33$, $N = 1,094$) in how cold ($d = 0.05$; $r = 0.04$, $p = \text{n.s.}$) they felt toward the ideologically misaligned party.

react in an opposite fashion with a similar magnitude (Hambrick & Wowak, 2021; Wowak et al., 2022). The model further suggests that liberal and conservative stakeholders equally disfavor CEOs who choose not to speak up on salient sociopolitical issues (e.g., the issue of guns).

Empirically testing the assumption that liberal and conservative stakeholders respond symmetrically to the ideology underpinning CEO activism, and a lack of CEO activism, would require examining six different scenarios: (1) liberal stakeholders' reactions to liberal CEO activism (i.e., liberal response to ideologically aligned activism), (2) conservative stakeholders' reaction to conservative CEO activism (i.e., conservative response to ideologically aligned activism), (3) liberal stakeholders' reaction to conservative CEO activism (i.e., liberal response to ideologically misaligned activism), (4) conservative stakeholders' reactions to liberal CEO activism (i.e., conservative response to ideologically misaligned activism), (5) liberal stakeholders' reaction to CEOs who do not engage in activism, and (6) conservative stakeholders' reaction to CEOs who do not engage in activism. See Table 1 for a pictorial representation.

Liberal–conservative symmetry in responses to ideologically aligned activism exists if Scenario 1 and Scenario 2 are in the same direction and similar in magnitude, whereas liberal–conservative symmetry in responses to ideologically misaligned activism exists if Scenario 3 and Scenario 4 satisfy these same criteria. Likewise, liberal–conservative symmetry in responses to CEOs who decide not to engage in CEO activism exists if Scenario 5 and Scenario 6 are in the same direction and similar in magnitude.

No study, to the best of our knowledge, has empirically tested any of these three symmetries, making it unclear whether liberal–conservative symmetry in the political context translates to the context of firm–stakeholder relations. Notably, Wowak and colleagues (2022) conducted the only published empirical study we are aware of that utilizes the stakeholder alignment model as its primary theoretical lens. They examined stakeholder responses to liberal CEO

activism (i.e., CEOs signing a petition opposing legislation in North Carolina restricting access to public restrooms by biological sex) and found that the more liberal the firm's employees, the more these employees increased their organizational commitment in response, consistent with the stakeholder alignment model. Yet, as the authors acknowledged themselves, they were unable to assess liberal–conservative symmetry in stakeholder responses, given that they did not examine conservative CEO activism. They conjectured, however, that their “logic is fully symmetric and could be used to predict reactions to either liberal or conservative activism” (Wowak et al., 2022: 559).

Importantly, practitioner accounts seem to run counter to the notion that liberal–conservative symmetry found in the political context translates to the context of firm–stakeholder relations. These accounts are replete with discussions of the pressure CEOs frequently face from liberal customers and employees to speak up in support of liberal causes, but virtually no discussion of a corresponding demand from conservative stakeholders for conservative CEO activism (Allen & VandeHei, 2021; Seib, 2021; Taylor, 2018). This suggests that liberal stakeholders may favor CEO activism more than their conservative counterparts. Moreover, a rich body of literature in political psychology holds that liberals and conservatives differ substantively in their cognitive styles, values, and motivations (e.g., Caprara et al., 2006; Graham, Haidt & Nosek, 2009; Jost, 2017; Nair, Anderson, Spelman, Mosleh & Kouchaki, 2025), further highlighting the possibility that liberals and conservatives may be asymmetric in how they view CEO activism.

Overall, the evidence suggesting likely liberal–conservative asymmetries in stakeholder *demand* for CEO activism hints at the possibility that liberal and conservative stakeholders may perhaps also be asymmetric in how they *respond* to (a) CEO activism espousing ideologically aligned causes, (b) CEO activism espousing ideologically misaligned causes, and (c) non-activism on the part of the CEO. Yet, no work to date has theorized about this possibility, or empirically examined it. An understanding of the

TABLE 1
CEO Activism Scenarios

	Liberal CEO Activism	Conservative CEO Activism	No CEO Activism
Liberal stakeholders	Ideologically aligned (Scenario 1)	Ideologically misaligned (Scenario 3)	No CEO activism (Scenario 5)
Conservative stakeholders	Ideologically misaligned (Scenario 4)	Ideologically aligned (Scenario 2)	No CEO activism (Scenario 6)

phenomenon is necessary, not only to arrive at an accurate theory of how stakeholders respond to CEO activism, but also to address the broader theoretical question of whether liberals and conservatives respond differently to the promotion of ideological causes in their role as stakeholders to business than how they behave in their role as voters in the political context. It would also help us gain a better understanding of the strategic benefits and costs associated with CEO activism for firms.

The Liberal–Conservative Divide in Beliefs Regarding the Purpose of Business

Our theory, which we label the *ideological asymmetry model of stakeholder responses to CEO activism*, predicts asymmetries, rather than symmetries, in the responses of liberal and conservative stakeholders.² The diverging predictions proffered by the stakeholder alignment perspective versus our ideological asymmetry model are rooted in contrasting views regarding the extent to which the behavioral patterns displayed by liberal and conservative voters in national politics translate to stakeholder responses to CEO activism. The stakeholder alignment perspective (largely implicitly) assumes concordance between behavioral patterns in the two domains. In contrast, the ideological asymmetry model we propose suggests that ideological divides are likely to manifest differently in the business world compared to the national-political context due to a liberal–conservative divide in beliefs regarding the purpose of business.

² We want to emphasize that we recognize, of course, that stakeholders display heterogeneity on various dimensions aside from their political ideology. For instance, stakeholders vary in their role (e.g., employees, customers, community members), the influence they hold over the firm, the degree to which they identify with the firm, their access to alternative interaction partners, and various other dimensions (Bridoux & Stoelhorst, 2014; Dorobantu et al., 2017; Mitchell et al., 1997). We focus on stakeholder political ideology because we are interested in understanding within-group heterogeneity (e.g., among job seekers, among consumers; Wolfe & Putler, 2002) in stakeholder responses to CEOs speaking up on polarizing issues that are hotly debated by liberals and conservatives in the political realm. Importantly, we acknowledge the relevance of other dimensions on which stakeholders display heterogeneity, both when we discuss differences between the stakeholder groups we studied in our experiments, as well as when we identify key avenues for future work.

Research on political ideology and organizations has long posited that conservatives and liberals differ in their beliefs on the purpose of business, and, as a result, also their views regarding the primary responsibility of the firm's CEO (Chin et al., 2013; Tetlock, 2000). According to conservatives, firms should focus on their core business functions—in other words, those that directly yield profits and those undertaken to support this primary goal (Chin et al., 2013; Friedman, 1970; Tetlock, 2000)—with the caveat that this should be done without engaging in fraud or illegal behavior (Friedman, 1970). For example, the CEO of a restaurant chain may decide to invest more in attracting and retaining experienced chefs, sourcing fresh ingredients, quality décor, and advertising, all in a bid to outcompete the firm's rivals. Conservatives believe that a firm's pursuit of its bottom line is beneficial for society, as it fuels economic growth and prosperity (Friedman, 1970; Tetlock, 2000). At the same time, pursuing societal well-being (above and beyond core functions) should be a secondary concern. Since the CEO is an agent who is hired and compensated by the firm and its owners to pursue their interests, conservatives hold that the CEO's primary responsibility is to focus on the firm's core functions (Friedman, 1970; Tetlock, 2000). In contrast, liberals believe that firms should focus not only on their core functions but also on pursuing activities that promote, and do not harm, societal well-being (Chin et al., 2013; Gupta, Briscoe & Hambrick, 2017; Tetlock, 2000). Accordingly, when there are tradeoffs between pursuing societal well-being versus core functions, liberals believe that CEOs should often prioritize societal well-being (Tetlock, 2000). For instance, CEOs should pursue environmentally friendly firm practices, even if the financial implications of doing so are negative and these practices are not required by law.

Various studies have corroborated the existence of this liberal–conservative divide. Early work by Tetlock (2000) found that conservative managers evaluated top management more favorably when it endorsed a management philosophy focused on financial profits, whereas liberal managers evaluated top management more favorably when its management philosophy also prioritized activities directly aimed at benefiting society. Tetlock (2000) suggested that this divide is likely a consequence of conservatives' greater emphasis on property rights—top management is hired and paid by the firm and its owners, and hence, is responsible for prioritizing these parties' interests. Another value difference that could be fueling the liberal–conservative divide is the greater attachment to tradition among conservatives than

among liberals (Caprara et al., 2006; Graham et al., 2009), given that the view that firms should focus on their core functions has been dominant in the United States for a number of generations (Bebchuk & Tallarita, 2020).³ Yet another possibility is that political differences in purpose of business beliefs are artifacts of somewhat arbitrary historical processes (Macy, Deri, Ruch & Tong, 2019). Importantly, while the reason for the divide remains less clear, work since Tetlock's (2000) has further corroborated its existence.

Specifically, recent research on CSR, defined as "actions that appear to further some social good, beyond the interests of the firm and that which is required by law" (McWilliams & Siegel, 2001: 117), also supports the notion that liberals and conservatives differ in their purpose of business beliefs. Building on Tetlock's (2000) research examining middle managers, Chin and colleagues (2013: 204) theorized that

liberals believe that firms should care more about societal needs; in turn, they are more likely to endorse the firm's social engagement... Thus, if Tetlock's sampled managers were to become CEOs and achieve influence over corporate outcomes, we could expect their ideologies to be reflected in their companies' CSR.

Consistent with this notion, Chin and colleagues (2013) found that firms headed by liberal executives invest more in CSR initiatives than firms headed by conservative executives. Moreover, when conservative executives pursue CSR initiatives, these activities appear to be more dependent on profit considerations than when liberal executives pursue these initiatives (Chin et al., 2013). Subsequent work examining top executives and rank-and-file employees has replicated the liberal-conservative divide in support for CSR, thereby providing further indication that liberals, to a greater extent than conservatives, prioritize societal well-being as a key distinct goal for businesses (Chin et al., 2013; Di Giuli & Kostovetsky, 2014; Gupta et al., 2017; Gupta, Nadkarni & Mariam, 2019).

Reactions of Liberal and Conservative Stakeholders to CEO Activism and a Lack Thereof

How do these differences shape liberal and conservative stakeholders' responses to CEO activism? The

mutual provisioning of resources between firms and their stakeholders is the central feature of firm-stakeholder relations (Bridoux & Stoelhorst, 2014; Bundy, Vogel & Zachary, 2018). Of course, the key resource in question varies by stakeholder type—for instance, the firm's product offerings are relevant to consumers whereas employment opportunities at the firm are relevant to job seekers. Regardless of the resource in question, however, most stakeholders, whether liberal or conservative, care about the nature of the resources a firm is providing.

However, our above discussion suggests that another concern is a relatively higher priority for liberal stakeholders than for conservative stakeholders: How are the CEO's activities impacting broader society? We posit that this difference leads liberal and conservative stakeholders to diverge in their responses to ideologically aligned CEO activism, ideologically misaligned CEO activism, and non-activism on the part of the CEO.

As we discussed earlier, political ideologies are philosophies regarding "how society should be governed" (Jost et al., 2009), with liberals and conservatives embracing conflicting visions of what an ideal society should look like. Accordingly, a number of studies in political psychology and political science have found that liberal and conservative voters generally respond *symmetrically* to the promotion of ideological causes in the context of national politics, such that liberals and conservatives, *to a similar extent*, support ideologically aligned causes and political movements—which they view as beneficial for society—and oppose ideologically misaligned causes and political movements—which they view as detrimental for society (Brandt et al., 2014; Iyengar & Hahn, 2009; Proch et al., 2019; Skitka & Bauman, 2008).

At the same time, our theory suggests that due to differences in beliefs regarding the purpose of business, liberal stakeholders will scrutinize the broader societal impact of a CEO's activities, and consequently, the promotion of ideological causes by CEOs, to a greater extent than their conservative counterparts. For liberal stakeholders, the extent to which a CEO is going beyond focusing on the firm's core functions and prioritizing societal well-being is a primary concern. Since the promotion of ideologically aligned causes is viewed as beneficial for society, liberal stakeholders will judge CEOs who engage in ideologically aligned CEO activism as virtuous and worthy of praise. In contrast, CEOs who engage in ideologically misaligned activism will be judged harshly. In fact, to liberal stakeholders, CEOs who

³ According to Bebchuk and Tallarita (2020: 103), this view was "widely accepted and sanctioned by case law" by the 1920s.

take an ideologically misaligned stance with the liberal worldview are not simply neglecting their responsibilities to society. These CEOs are taking active steps to harm society.

For conservative stakeholders, the CEO's impact beyond the firm is less of a priority than it is for liberal stakeholders. Thus, we expect that conservative stakeholders will be less sensitive to ideological alignment compared to their liberal counterparts, and instead be more focused on the nature of resources provided by the firm. Conservative job seekers will be largely focused on the characteristics of the job openings at a given firm, whereas conservative consumers will prioritize the characteristics of the products offered by the firm. As such, conservative stakeholders are less likely to reward ideologically aligned CEO activism by seeking a job at the CEO's company, or purchasing from it, than their liberal counterparts. Moreover, we expect that conservative stakeholders will be relatively more open to forming a relationship with a firm whose CEO engages in liberal activism—whether this is by seeking a job or purchasing a product—than their liberal counterparts would toward a firm whose CEO engages in conservative activism.

In sum, this leads us to predict that liberal stakeholders will be more sensitive to ideological alignment or misalignment with the cause advocated by the CEO compared to their conservative counterparts, such that liberal stakeholders will respond more positively to ideologically aligned CEO activism, and more negatively to ideologically misaligned CEO activism. Accordingly, we formulate the following hypotheses:

Hypothesis 1. When the cause advocated through CEO sociopolitical activism is aligned with stakeholder political ideology, liberal stakeholders react more positively compared to conservative stakeholders. That is, liberal stakeholders react more positively to liberal CEO activism than conservative stakeholders react to conservative CEO activism.

Hypothesis 2. When the cause advocated through CEO sociopolitical activism is misaligned with stakeholder political ideology, liberal stakeholders react more negatively compared to conservative stakeholders. That is, liberal stakeholders react more negatively to conservative CEO activism than conservative stakeholders react to liberal CEO activism.

Hambrick and Wowak's (2021: 48) stakeholder alignment model predicted that both liberal and conservative stakeholders respond negatively to non-activism on the part of the CEO when political issues

are salient, holding that “the more strongly liberal (conservative) the organization's [employees'] ideology, the more negative the effect of an absence of liberal (conservative) CEO activism.” This assumption has also been carried forward into later work (Qin, Luo, Schifeling & Wang, 2025). In contrast, our ideological asymmetry model theorizes that differences in beliefs regarding the purpose of business create asymmetries between how liberal and conservative stakeholders respond to CEO silence.

From the liberal perspective, CEOs who do not take public stances on salient social and political issues are not fulfilling a key job responsibility. These CEOs could have chosen to actively try to make society a better place by publicly advocating for liberal causes, but are choosing not to do so. In contrast, from the conservative perspective, the CEO's public advocacy of social and political causes is not a key part of the CEO's job responsibilities as it is not a part of the firm's core business functions (Chatterji & Toffel, 2019). Thus, CEOs who choose not to weigh in on salient social and political issues are simply focusing on their jobs. Consistent with our arguments, very recent research examining firm and CEO communications about political candidates (Bondi, Burbano & Dell'Acqua, 2025) and Georgia's controversial 2021 election law (Bruno, Cobb, Werner & Wry, 2025) found that conservatives responded more favorably to silence than liberals did. This leads us to hypothesize the following:

Hypothesis 3. When CEOs do not engage in sociopolitical activism, liberal stakeholders react more negatively than conservative stakeholders do.

OVERVIEW OF EMPIRICAL APPROACH

We tested our hypotheses across three experiments. Macro-organizational research has increasingly employed experimental methods due to benefits with respect to addressing endogeneity relative to cross-sectional and longitudinal data (Hill, Matta & Mitchell, 2021; Schilke, Levine, Kacperczyk & Zucker, 2019). Indeed, experiments are widely considered the “gold standard” in generating causal evidence (Antonakis, Bendahan, Jacquart & Lalive, 2010; Kennedy, 2008; Schilke et al., 2019). This is an especially important advantage when studying stakeholder reactions to CEO activism because both the CEO's decision to engage in activism, as well as stakeholders' relationship with the firm, could be driven by the same factors (e.g., CEO reputation, firm visibility, macroeconomic conditions), making it difficult to

ascertain the effect of CEO activism (or a lack thereof) on stakeholder reactions when using conventional methods.

In an experimental design, participants are randomly assigned to conditions that vary only with respect to the variable of interest (e.g., the ideological tilt of activism). Thus, other variables are held constant. As a robustness check, researchers sometimes opt to include control variables. Importantly, as is explained in the supplementary online materials (SOM), we controlled for the possibility that our results are driven by the perception that liberal CEO activism is more common than conservative CEO activism (Bhagwat et al., 2020; Chatterji & Toffel, 2019; Wowak et al., 2022), the fact that liberals may care more about certain political issues compared to conservatives (Nair, Anderson, et al., 2025), the perceived ethicality of a firm (Graham et al., 2009), and controls on demographics (i.e., age, education, ethnicity, gender, income, social class background). Across experiments, our results remained highly consistent with the results reported below after accounting for these demographic characteristics and potential alternative explanations. Thus, we present our results here using our main variables of interest to conserve space, and report results with controls in the SOM.

An additional advantage of relying on experiments is that the relative paucity of conservative CEO activism makes it difficult to study stakeholder reactions to it using traditional methods (see Wowak et al., 2022). Stakeholder reactions to conservative CEO activism can, however, be examined through experimental methods by randomly assigning participants to a condition in which the CEO engages in conservative activism.

We follow a traditional experimental design in Experiments 1a and 1b, where participants were randomly assigned to different levels of the moderator (i.e., ideologically aligned CEO activism, ideologically misaligned CEO activism, and non-activism on the part of the CEO). Experiment 2 followed a concurrent double-randomization design (Cudennec & Durand, 2022), in which we manipulated not only the moderator (as in Experiments 1a and 1b), but also the proposed theoretical explanation (i.e., liberal-conservative differences in beliefs regarding the purpose of business). As we discuss in detail in the lead up to Experiment 2, following the latter design allowed us to empirically test our proposed theoretical explanation while addressing endogeneity. Our experiments have relatively high external validity because we rely on real-world job seekers (Experiment 1a and 1b) and a representative sample of consumers (Experiment 2) to test predictions about how these groups

behave. In sum, our experimental approach substantially reduces endogeneity concerns, examines phenomena that are otherwise difficult to study, and allows us to test our proposed theoretical explanation.

We want to also note that the two stakeholder groups we examine—job seekers looking for an assistant manager position in Experiments 1a and 1b, and consumers of soap in Experiment 2, vary substantially in the degree to which they have options to form relationships with alternative interaction partners. Specifically, the job seekers we examine tend to have fewer options than the consumers. Given that the availability of alternatives is an important predictor of stakeholders' willingness to form relationships with a firm (Hill & Jones, 1992; Porter, 1980), testing our hypotheses among these two different stakeholder groups speaks to the broader generalizability of our theory. Institutional Review Board (IRB) approval and funding was obtained from the second author's institution, and the data and syntax for the experiments reported in the main manuscript and SOM can be found here: https://osf.io/byfer/?view_only=88f0110079624f09ba4302f3c5f4ef1b.

EXPERIMENTS 1A AND 1B

In Experiments 1a and 1b, we tested our hypotheses in samples of job seekers. We presented conservative and liberal job seekers with a job posting for an assistant manager position, and a brief description about the CEO who heads the company that posted the position. For added realism, the ad closely mirrored real-life postings appearing on Indeed (www.indeed.com), a popular employment website. For both experiments, we included filler items and temporally separated predictor and dependent variables across two timepoints (i.e., waves) to reduce common method bias. In Experiment 1a, we manipulated non-specific CEO activism (i.e., liberal vs. conservative activism in general [or a lack thereof], rather than activism on a specific issue) and measured participants' intentions to apply for the job.

In Experiment 1b, we manipulated CEO activism (or a lack thereof) about a specific issue: a "bathroom bill" aimed at banning transgender individuals from using restrooms consistent with their gender identity. At the time of running the study, six U.S. states had adopted bathroom bills, and a number of others had proposed them, with liberals largely opposing and conservatives largely supporting such bills (Atterbury, 2023). We leveraged the politically polarized nature of this issue and randomly assigned participants to a condition with a CEO that either publicly supported, opposed, or was silent about proposed

bathroom bills. We included a measure where participants were asked to provide their email to apply for the listed job, thereby using a more behavioral measure of employment seeking. Experiment 1b also gave us the opportunity to test our theoretical expectation that liberals and conservatives respond *asymmetrically* to CEO public stance-taking (or a lack thereof) on the transgender bathroom issue (Wave 2), even though liberals and conservatives are *symmetric* in how polarized they are on the underlying issue (Wave 1). We preregistered at: https://aspredicted.org/5BD_Y5N (Experiment 1a) and https://aspredicted.org/9DP_MQF (Experiment 1b).

EXPERIMENT 1A

Method

Participants and design. We recruited participants in two waves through the CloudResearch survey platform (<https://www.cloudresearch.com/>). To ensure we would reach our preregistered final sample size of 600, we recruited an initial sample of roughly 1,000 participants in Wave 1 and invited all these participants to participate in another survey a week later (Wave 2). We closed Wave 2's survey as soon as we reached our final sample size of 600 participants (323 males; $M = 37.71$, $SD = 12.35$), with a comparable number of conservatives ($n = 300$) and liberals ($n = 300$). A power analysis using G*Power 3, with an error probability of .05 and an estimated interaction effect size of $\eta^2_p = .05$, shows that our sample size provided us with more than 95% statistical power to detect a moderate effect size.

CloudResearch, formerly known as TurkPrime, is an internet-based survey platform that links social scientists with laypeople interested in participating in surveys, with data quality tending to be excellent and comparable to that obtained via "professional panels" (Kees, Berry, Burton & Sheehan, 2017; Litman, Robinson & Abberbock, 2017). Following recent recommendations on how to use CloudResearch (Hauser, Moss, Rosenzweig, Jaffe, Robinson & Litman, 2022), we ensured data quality by recruiting participants who were officially "approved" by CloudResearch, had successfully completed past surveys at a rate of more than 95%, and had passed an attention check at the beginning of Wave 1's survey. We removed duplicate IP addresses and included manipulation checks to ensure that participants understood Wave 2's activism scenario. We found no significant differences between liberals and conservatives in whether they passed the attention check in Wave 1 ($p = .95$), or manipulation checks in Wave 2 ($p = .75$).

Successfully recruited participants took part in the study at both timepoints. In Wave 1, they answered political ideology questions and demographic information. Participants could only take part in the study when they indicated they were an American resident, job seeker (i.e., were actively looking for a job), and interested in an assistant manager position. Of participants, 60% were currently employed (e.g., were already assistant managers or in mid-level supervisory roles), and 76% identified as White. At Wave 2, a week later, these same participants were randomly assigned to one of the three different CEO activism conditions (liberal CEO activism, conservative CEO activism, or no CEO activism) and answered questions that followed. We used this time-lagged design to prevent common method bias from influencing our results and prevent participants from guessing our hypotheses. We included a suspicion probe at the end to ensure participants were unaware of our aims.

Procedure and Measurements

Political ideology. Self-identification measures are widely used in political psychology (e.g., Graham et al., 2009; Nair, Mooijman & Kouchaki, 2025; Jost, 2006). Following this research tradition, we asked participants in Wave 1: "Which of the following labels describes your political views best?" (we coded participants who responded "conservative" as -1 , and "liberal" as 1). This binary measure of ideology was our focal independent variable.⁴

CEO activism manipulation. A week after filling out the demographic variables and political ideology items, we presented participants with the same job ad as in Experiment 1a. The job was being offered by a firm named Solaris. In the liberal [conservative] CEO

⁴ To leverage variance within the binary categories of liberal and conservative, we also asked participants the following three questions: "Where on the following scale of political orientation would you place yourself?" from 1 (extremely conservative) to 7 (extremely liberal); "Politically, how conservative are you in terms of economic issues?" from 1 (extremely conservative) to 7 (extremely liberal); and "Politically, how conservative are you in terms of social issues?" from 1 (extremely conservative) to 7 (extremely liberal). Because the Cronbach's alpha between these three continuous items is very high ($\alpha = .97$), we averaged them into one continuous political ideology scale ($M = 4.06$, $SD = 2.22$). This continuous measure of political ideology replicated the effects we find with our binary measure of political ideology (for results, see p. 2 of SOM). We therefore report in the current manuscript only the effects of the binary measure.

activism condition, participants then read “As CEO, Ben Smith has been vocal in his public support of various politically liberal [conservative] causes.” In the no CEO activism condition, participants read “As CEO, Ben Smith has not made any public statements on political issues.”

Intention to pursue employment. We then used a five-item scale developed by Highhouse, Lievens, and Sinar (2003), and also used in the CEO activism literature (Appels, 2023), to measure job seekers’ intention to pursue employment at this firm. Items included, “I would accept a job offer from Solaris” and “I would make Solaris one of my first choices as an employer” ($\alpha = .87$; 1 = completely disagree; 7 = completely agree). A rich research tradition in psychology has long held that behavioral intentions are the most proximal drivers of human behavior (Ajzen, 1991). Moreover, meta-analyses of various experimental (Webb & Sheeran, 2006) and non-experimental (Kim & Hunter, 1993) studies reveal that behavioral intentions as measured using continuous survey scales are strongly predictive of actual behavior. Accordingly, behavioral intention measures are commonly used in management (Cowen & Montgomery, 2020; DeCelles, Sonenshein & King, 2020; Engel, Lewis, Cardon & Hentschel, 2023), related disciplines (Jiang, Messinger, Liu, Lu, Yang & Li, 2023; Montgomery & Cowen, 2020), and in the CEO activism literature (Appels, 2023; Chatterji & Toffel, 2019).

CEO activism manipulation check. We asked participants what type of political cause the CEO supported. Nine participants answered incorrectly as to whether the CEO they had read about supported liberal causes, conservative causes, or no cause at all. Results did not change in terms of direction, significance, or effect size whether we included or excluded these participants from the analyses. Per our preregistration, we excluded these participants.

Results

Analytical strategy. We created an “ideological (mis)alignment” variable by coding liberals in the liberal CEO activism condition and conservatives in the conservative CEO activism condition as 1 (ideological alignment; 195 participants). We coded liberals in the conservative CEO activism condition and conservatives in the liberal CEO activism condition as -1 (ideological misalignment; 199 participants). We coded liberals and conservatives in the no CEO activism condition as 0 (197 participants).

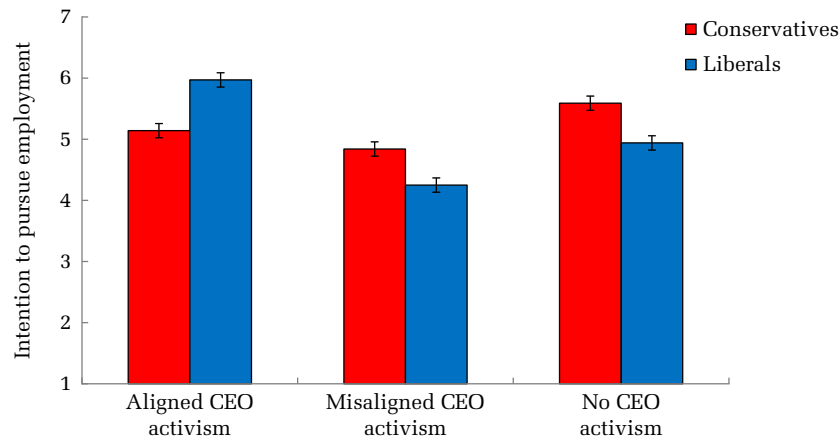
We used a univariate analysis of variance (ANOVA). Our analysis had political ideology ($-1 =$ conservative, $1 =$ liberal), ideological (mis)match ($-1 =$ ideologically misaligned CEO activism, $0 =$ no CEO activism, $1 =$ ideologically aligned CEO activism), and their interaction as independent variables; and the intention to pursue employment as dependent variable. We decomposed the predicted interaction by estimating the mean differences between conditions using post-estimation contrasts for pairwise differences. See Figure 1 for the graph.

Effect sizes reported below refer to Cohen’s d , which is a commonly used effect size measure in experimental research. A d value of 0.2 is commonly considered a small effect, a d value of 0.5 is considered a medium effect, and a d value of 0.8 is considered a large effect (Cohen, 1988). The means and standard deviations of all variables (including control variables not explicitly mentioned in this main manuscript), as well as their correlations, are reported in Table 1 in the SOM on page 14.

Hypotheses testing. Results demonstrated the predicted interaction effect between ideology and ideological (mis)alignment with CEO activism, $F[2, 585] = 25.39, p < .001$. In support of Hypothesis 1, liberals were *more* likely to pursue employment ($M = 5.97, SE = 0.12$) than conservatives ($M = 5.14, SE = 0.12$) when they aligned ideologically with the CEO’s activism, $p < .001, d = 0.87$. In support of Hypothesis 2, liberals were *less* likely to pursue employment ($M = 4.25, SE = 0.12$) than conservatives ($M = 4.84, SE = 0.12$) when they ideologically misaligned with the CEO’s activism, $p < .001, d = 0.41$. In support of Hypothesis 3, liberals were *less* likely to pursue employment ($M = 4.94, SD = 0.12$) than conservatives ($M = 5.59, SD = 0.12$) when the CEO did not engage in activism at all, $p < .001, d = 0.63$.

Additional analyses. Although the results reported above provide strong support for our hypotheses, they do not tell us how liberals and conservatives rank each of the three CEO activism conditions (i.e., ideologically aligned vs. misaligned vs. no activism). For example, do both liberal and conservative stakeholders prefer ideologically aligned CEO activism over non-activism, as existing work has assumed (e.g., Hambrick & Wowak, 2021)? To test this, we compared the mean intention to pursue employment at the firm of (a) liberal job seekers facing ideologically aligned CEO activism versus ideologically misaligned CEO activism versus no CEO activism, and (b) conservative job seekers facing ideologically aligned CEO activism versus ideologically misaligned CEO activism versus no CEO activism.

FIGURE 1
Intention to Pursue Employment as a Function of CEO Activism and Participant Ideology: Experiment 1a



Interestingly, this analysis demonstrated that conservatives were *more* intent on pursuing employment in the absence of CEO activism over the presence of ideologically aligned CEO activism ($p = .007$, $d = 0.49$), in contrast to liberals, who were *less* intent on pursuing employment in the absence of CEO activism over the presence of ideologically aligned CEO activism ($p < .001$, $d = 0.98$). Conservatives ($p < .001$, $d = 0.66$) and liberals ($p < .001$, $d = 0.50$) alike preferred no activism over ideologically misaligned CEO activism. Both liberals ($p < .001$, $d = 1.33$) and conservatives ($p = .08$, $d = 0.25$) were more likely to pursue employment when they ideologically aligned versus misaligned with the CEO's activism, respectively.

EXPERIMENT 1B

Method

Participants and design. As in Experiment 1a, we again recruited participants in two waves through the CloudResearch survey platform. We recruited an initial sample of roughly 1,000 participants in Wave 1 and invited these participants to participate in a survey a week later (Wave 2), closing Wave 2's survey when we reached the final preregistered sample size of 600 participants (304 males; $M = 39.34$, $SD = 12.55$), with a comparable number of conservatives ($n = 295$) and liberals ($n = 306$; note that we ended up with 601 participants because the last two participants took the survey at the same time). A power analysis using G*Power 3 with an error probability of .05 and an estimated moderate δ between the slopes of groups of .30 shows that our sample size provided more than 95% statistical power to detect a moderate effect. We removed duplicate IP addresses and included

manipulation checks to ensure that participants understood Wave 2's activism scenario. We found no significant differences between liberals and conservatives in whether they passed the attention check in Wave 1 ($p = .82$), or manipulation checks in Wave 2 ($p = .15$).

Participants in Wave 1 answered questions about their political attitudes and demographic information. Participants could only take part in the study when they indicated that they were an American resident; were a job seeker (i.e., were actively looking for a job); passed an attention check; and were interested in, and qualified for, an assistant manager position. Of participants, 75% were employed and 73% self-identified as White. For Wave 2, a week later, these same participants were randomly assigned to one of the three different CEO activism conditions (support, oppose, silent) and answered questions that followed. We included a suspicion probe at the end of the experiment to ensure participants were not aware of what the aim of the experiment was.

Procedure and Measurements

Political ideology. We utilized the same binary ideology measure as in Experiment 1a.⁵

⁵ As in Experiment 1a, we also asked participants about how strongly liberal or conservative they were (a) in general, (b) on social issues, and (c) on economic issues. Because the Cronbach's alpha between these three continuous items is very high ($\alpha = .97$), we averaged them into one continuous political ideology scale ($M = 4.13$, $SD = 2.13$). This continuous measure of political ideology replicated the effects we find with our binary measure (for the results, see p. 2 of SOM). We therefore report in the current manuscript only the effects with the binary measure.

Support for, or opposition to, transgender people's use of public restrooms. In Wave 1, participants also indicated how negatively or positively they felt toward a variety of sociopolitical issues, including “the right of transgender people to use public restrooms consistent with their gender identity rather than biological sex” (1 = very negative, 7 = very positive).

CEO activism manipulation. A week after completing demographics and political attitude items, we presented participants with a job ad from a firm named Solaris. Participants also read information on the CEO. All participants saw the following:

Ben Smith is an American business executive who currently serves as CEO of Solaris Corp, an S&P 1500 company operating in the consumer goods and restaurant industries. Ben Smith also currently sits on the board of Don Willis LLC. Before joining Solaris Corp, Ben Smith served in various executive roles in companies operating in the restaurant industry.

In the liberal [conservative] CEO activism condition, participants read “As CEO, Ben Smith has publicly opposed [supported] state laws banning transgender people from using public restrooms that conform with their gender identity.” In the no activism condition, participants read “As CEO, Ben Smith has not publicly voiced his support for any political causes, including those related to transgender people.”

Likelihood of pursuing employment. Following research on petitions (e.g., van de Rijt et al., 2016), participants were asked to provide their email address if they were interested in applying to the job so that they could be sent more detailed information about the application process. We coded responses that entered an email address as 1 and responses that did not as 0.

CEO activism manipulation check. To ensure that participants understood the CEO activism scenario, participants indicated whether “the CEO publicly opposed state laws banning the right of transgender individuals to use public restrooms that conform with their gender identity,” “the CEO publicly supported state laws banning the right of

transgender individuals to use public restrooms that conform with their gender identity,” or “the CEO did not make public statements regarding political issues.” Regarding whether the CEO they had read about supported or opposed the bathroom bill, or was silent on the matter, 35 participants answered incorrectly. Results did not change in terms of direction or significance whether we included or excluded these participants from the analyses. Per our preregistration, we excluded these participants.

Results

Analytical strategy. We created an “ideological (mis)alignment” variable by coding liberals in the liberal CEO activism condition and conservatives in the conservative CEO activism condition as 1 (ideological alignment; 196 participants). We coded liberals in the conservative CEO activism condition and conservatives in the liberal CEO activism condition as -1 (ideological misalignment; 180 participants). We coded liberals and conservatives in the no CEO activism condition as 0 (190 participants). Given the binary nature of our outcome, we used a binary logistic regression where we decomposed the predicted interaction effect by estimating the mean differences between conditions using post-estimation contrasts for pairwise differences. See Table 2 for the predicted probability mean estimates. Before we describe this analysis, we first verify using data from Wave 1 that liberals and conservatives are *symmetric* in their political attitudes about the trans-bathroom issue.

Support for, or opposition to, transgender people's use of public restrooms. Consistent with the polarized nature of the trans-bathroom issue, conservatives were more likely to be negative ($M = 2.17$, $SD = 1.77$) compared to liberals, who were more likely to be positive ($M = 5.96$, $SD = 1.45$; $t[563] = 27.84$, $p < .001$, $d = 2.34$), toward the right of transgender individuals to use the restroom of their choice. In fact, when comparing responses to the midpoint of the scale (4)—which indicated neutrality with the response option “not positive or negative”—conservatives were as negative (difference score = -1.83) as liberals were

TABLE 2
Proportion of Participants Applying as a Function of Ideology and CEO Activism: Experiment 1b

	Ideologically aligned CEO activism	Ideologically misaligned CEO activism	No CEO activism
Proportion of liberals applying	.37 (.05)	.08 (.03)	.20 (.04)
Proportion of conservatives applying	.20 (.04)	.21 (.04)	.39 (.05)

positive (difference score = 1.96), $t(563) = 0.92$, $p = .36$. This means that conservatives and liberals were *symmetric* in how polarized they were in their political views about the transgender bathroom issue. In addition, controlling for support for, or opposition to, this issue did not change our pattern of results reported below (see SOM, p. 6).

Hypothesis testing. Results demonstrated the predicted interaction effect between ideology and ideological (mis)alignment with CEO activism, Wald $\chi^2 = 18.86$, $p < .001$. Following Hypothesis 1, the estimated proportion of liberals pursuing employment was *higher* ($M = .37$, $SE = .05$) compared to conservatives ($M = .20$, $SE = .04$) when they aligned ideologically with the CEO's activism, $p = .010$, odds ratio = 1.50. In support of Hypothesis 2, the estimated proportion of liberals pursuing employment was *lower* ($M = .08$, $SE = .03$) compared to conservatives ($M = .21$, $SE = .04$) when they misaligned ideologically with the CEO's activism, $p = .008$, odds ratio = 0.55. In support of Hypothesis 3, the estimated proportion of liberals pursuing employment was *lower* ($M = .20$, $SE = .04$) compared to conservatives ($M = .39$, $SE = .05$) when the CEO did not engage in activism at all, $p = .003$, odds ratio = 0.63.

Additional analyses. To also examine how liberals and conservatives rank each of the three CEO activism conditions (i.e., ideologically aligned vs. misaligned vs. no activism), we compared the estimated likelihood of pursuing employment for (a) liberal job seekers facing ideologically aligned CEO activism versus ideologically misaligned CEO activism versus no CEO activism, and (b) conservative job seekers facing ideologically aligned CEO activism versus ideologically misaligned CEO activism versus no CEO activism.

This analysis demonstrated that the estimated proportion of conservatives pursuing employment was *higher* in the absence of CEO activism compared to the presence of ideologically aligned CEO activism ($p = .004$, odds ratio = 0.40), in contrast to liberals, whose estimated proportion of pursuing employment was *lower* in the absence of CEO activism compared to the presence of ideologically aligned CEO activism ($p = .009$, odds ratio = 1.32). This contradicts prior theory on CEO activism but is consistent with the notion that conservatives prefer firms to focus on core activities whereas liberals prefer for firms to also pursue activities that they view as directly benefiting society. We also find that both conservatives ($p = .008$, odds ratio = 2.35) and liberals ($p = .013$, odds ratio = 3.00) preferred no activism over ideologically misaligned CEO activism. Additionally, liberals ($p < .001$, odds ratio = 2.64) were more likely

to pursue employment when they ideologically aligned (vs. misaligned) with the CEO's activism, whereas there was no significant difference for conservatives, $p = .88$, odds ratio = 0.97.

Experiment 1A and 1B Discussion

Experiments 1a and 1b provide evidence that regardless of whether CEO activism is operationalized as being about a specific issue, or whether the preference for seeking a job is measured based on behavioral intentions or actual behavior (Van Balen & Tarakci, 2024), liberal and conservative stakeholders are *asymmetric* in their responses to CEO activism, as we theorized. Importantly, Experiment 1b shows that liberals and conservatives are *symmetric* in their views about transgender bathroom rights, but *asymmetric* in their reactions to CEOs taking public stances on the issue (or a lack thereof). This highlights that, consistent with our theory, liberal-conservative symmetries documented in the political context do not translate to the context of firm-stakeholder relations. Interestingly, conservative stakeholders, unlike their liberal counterparts, favor non-activism over ideologically aligned CEO activism, in stark contrast with their liberal counterparts. This is consistent with the notion that conservative stakeholders favor CEOs not going beyond core business functions, even when the CEO is advocating for causes that conservatives support in the political context.

EXPERIMENT 2

Experiment 2 differed from Experiments 1a and 1b in three key respects. First, we focused on a different stakeholder group, consumers, in order to gauge the generalizability of our pattern of findings. Second, we examined how stakeholders respond to CEOs weighing in on guns. Third, Experiment 2 followed a concurrent double-randomization design (Cudennec & Durand, 2022), which entails manipulating not only the moderator (i.e., the CEO activism condition), as in Experiment 1, but also the proposed theoretical mechanism (i.e., perceived purpose of business). The advantage of this approach is that it allowed us to go beyond a mere measurement-of-mediation approach (i.e., measuring the perceived purpose of business), which is plagued by endogeneity issues (Fiedler, Harris & Schott, 2018; Spencer, Zanna & Fong, 2005).

As a result, statisticians increasingly recommend another approach to testing mediation, referred to as experimental mediation or "manipulation-of-mediator" design (Fiedler et al., 2018; Pirlott & MacKinnon, 2016; Spencer et al., 2005). Experimental

mediation involves randomly assigning participants to different levels of the mediator, which allows researchers to observe what happens to the relationship between X and Y when Z (the mediator) is experimentally manipulated (Pirlott & MacKinnon, 2016). If a previously observed relationship between X and Y changes when Z is manipulated, then there is strong evidence for a causal role of Z . Management scholars are increasingly adopting this method given its benefits over the measurement-of-mediation approach (e.g., Cudennec & Durand, 2022; Hill, Johnson, Greco, O'Boyle & Walter, 2021). Applied to the present research, if the observed response asymmetry between liberals and conservatives changes when the perceived purpose of business is manipulated, then this provides evidence that the perceived purpose of business plays a causal role in explaining the effects.

Our approach to experimental mediation involved asking participants to write about an important reason why businesses should do things that would benefit society rather than solely focusing on profits. A plethora of research has shown that engaging in such a self-persuasion exercise can temporarily change individuals' attitudes and perspectives, which, in turn, can modify their behavior (Aronson, 1999). For instance, people are more likely to endorse collectivistic, rather than individualistic, morality when asked to write about the virtues of collectivism (Mooijman, Meindl, et al., 2018), and experienced debaters have been found to be more likely to personally believe a position's factual and moral superiority after being randomly assigned to argue for the position (Schwardmann, Tripodi & Van der Weele, 2022). Asking participants to write about an important reason why firms should go beyond profits to also pursue activities that better society should therefore make this salient in participants' minds, at least for the duration of our study.

Our theory suggests that while both liberal and conservative stakeholders care about relevant resources provided by the firm (e.g., job opportunities for job seekers, products for consumers), liberal stakeholders prioritize the societal impact of a firm's activities to a greater extent. We proposed that this, in turn, explains why liberal stakeholders (a) respond more positively to ideologically aligned CEO activism, (b) respond more negatively to ideologically misaligned CEO activism, and (c) respond more negatively to non-activism on the part of the CEO. Thus, if our theoretical explanation is valid, shifting conservative stakeholders' views on the purpose of business to align with that of liberal stakeholders should bring the two groups into greater *symmetry* in how they respond to ideologically CEO activism, ideologically misaligned

CEO activism, and non-activism. Put differently, we expect that conservative stakeholders with the perceived purpose of business manipulation will become *more positive* toward conservative CEO activism, *more negative* toward liberal CEO activism, and *more negative* toward non-activism on the part of the CEO.

Method

Participants and design. We recruited participants in two waves from a nationally representative panel maintained by survey company LUCID. We recruited an initial sample of roughly 2,000 participants in Wave 1 and invited these participants to participate in a survey a week later (Wave 2), closing Wave 2's survey when we reached the final preregistered sample size of 1,200 participants (603 females; $M = 44.62$, $SD = 16.15$), with a comparable number of conservatives ($n = 600$) and liberals ($n = 600$). A power analysis using G*Power 3 with an error probability of .05 and an estimated interaction effect size of $\eta^2_p = .05$, shows that our sample size provided us with more than 95% statistical power to detect a moderate effect size.

LUCID is an internet-based survey platform that allows social scientists to recruit age, gender, and race representative samples of U.S. participants (<https://lucidtheorem.com/>). Similar to CloudResearch, many studies have been published using this platform and the data quality tends to be excellent (e.g., Peyton, Huber & Coppock, 2022). Successfully recruited participants took part in the study in two waves. In Wave 1, they answered questions on political ideology, their support for, or opposition to, gun control, and demographic information.

Of participants, 60% self-reported being White, 14% Black, 19% Hispanic, 6% Asian, and 1% other; on average, they rated themselves as middle-class. In Wave 2 (a week later), participants performed the writing task or no task, then viewed one of the three CEO activism scenarios, and responded to the behavioral intention dependent variable question. We found no significant differences between liberals and conservatives in whether they passed the attention check in Wave 1 ($p = .65$), or manipulation check regarding CEO activism in Wave 2, $p = .76$. We preregistered at: https://aspredicted.org/V98_3Y1.

Participants were randomly assigned to one of six conditions in a 2 (*control* vs. *societal well-being manipulation*) \times 3 (*liberal CEO activism* vs. *conservative CEO activism* vs. *no CEO activism*) between-participants design. The control condition in this

study is similar to those in Experiments 1a and 1b, other than the fact that we were looking at consumers and their intention to purchase products from the firm, and the fact that we were focusing on the issue of guns. In the societal well-being condition, participants read a prompt asking them to think of one important reason why businesses should pursue activities that promote societal well-being rather than focusing only on profit-generating activities, and to write about this reason, before completing the rest of Wave 2 of the study. To probe participants for suspicion about the nature of the entire study, we asked them to write down what they thought the study was about, and whether they could guess what the researchers were trying to uncover.

Procedure and Measurements

Political ideology. In Wave 1, we used the same binary measure of political ideology we used in Experiments 1a and 1b as our main measure. We also asked the three continuous political ideology questions that we used in Experiment 1. Results using the continuous measure were consistent with the results using the binary measure ($\alpha = .87$; $M = 3.89$, $SD = 1.52$; for results, see SOM, p. 8).

Gun control issue. In Wave 1, participants also indicated how negatively or positively they felt toward a variety of issues, including “gun control” (1 = very negative, 7 = very positive).

CEO activism manipulation. In Wave 2 (a week after Wave 1), we conducted the experiment. All participants saw instructions asking them to read about a CEO and about the product sold by the company the CEO heads before answering the questions that followed. We also told participants that the company sells soap, among other personal care and household cleaning products. We said that we had disguised the company’s name and the CEO’s name for privacy reasons. In the liberal [conservative] activism condition, participants read: “As CEO, Dave Baker has publicly urged the U.S. congress and state legislatures to pass more gun control [rights] laws.” In the no CEO activism condition, participants read “As CEO, Dave Baker has not publicly voiced his support for any political causes, including on the topic of guns.”

Societal well-being manipulation. Participants in the societal well-being condition were asked the following:

Please think of one important reason why businesses should pursue activities that promote societal well-being rather than focusing only on activities that generate profits, and write about this reason in the space

provided below. When we say activities that promote societal well-being, we mean things that, in your opinion, would make society a better place.

Participants were provided with a text box where they could write. Participants in the control condition were not given this task. One independent coder who was blind to the hypotheses, and independent of the project, verified whether all participants wrote a response related to the prompt. Thirteen participants did not follow instructions, or wrote nonsensical sentences. All other participants wrote about why firms should pursue activities relating to societal well-being. Results did not change in terms of direction, significance, or effect size whether we included or excluded participants who failed to follow the prompt from the analyses. Per our preregistration, we excluded participants who failed to follow the prompt.

Intention to buy product. Participants were shown pictures of the type of soap the company sells after seeing the description about the CEO. We then asked a single question, which is commonly used in the marketing literature, to measure participants’ intention to buy products from the firm (“How likely are you to purchase XYZ products the next time you are purchasing soap?”; 1 = very unlikely; 7 = very likely; Cowen & Montgomery, 2020).

CEO activism manipulation check. We asked participants to state the types of political causes the CEO supported. Forty-four participants wrongly indicated whether the CEO supported liberal or conservative causes or no cause at all. Results did not change in terms of direction, significance, or effect size whether we included or excluded these participants from the analyses. Per our preregistration, we excluded these participants from the analyses reported below.

Societal well-being manipulation check. At the end of the survey, participants were asked whether they thought that “businesses should focus on activities that promote societal well-being rather than focusing only on activities that generate profits” (1 = strongly disagree, 7 = strongly agree). Participants in the societal well-being condition were more likely to indicate that businesses should focus on societal well-being ($M = 5.37$, $SD = 1.17$) than were participants in the control condition ($M = 4.76$, $SD = 1.07$), $t(1141) = 9.18$, $p < .001$, $d = 0.54$), confirming that the societal well-being manipulation shifted participants’ views as intended. Consistent with the fact that liberals already strongly endorsed the view that businesses should actively pursue the betterment of society, the manipulation shifted conservatives’ views

more strongly in the direction of endorsing the aforementioned statement ($M_{\text{difference}} = 0.82$, $SD = 1.42$) compared to liberals' views ($M_{\text{difference}} = 0.39$, $SD = 1.54$), $t(1141) = 4.91$, $p < .001$, $d = 0.29$.

Results

Analytical strategy. We used the same analytical approach as in Experiments 1a and 1b (alignment condition = 398 participants, misalignment condition = 360 participants, no activism condition = 385 participants, societal well-being condition = 565 participants, control condition = 578 participants). We used an ANOVA with political ideology ($-1 = \text{conservative}$, $1 = \text{liberal}$), ideological (mis)match ($-1 = \text{ideologically misaligned CEO activism}$, $0 = \text{no CEO activism}$, $1 = \text{ideologically aligned CEO activism}$), societal well-being manipulation ($-1 = \text{control}$, $1 = \text{societal well-being condition}$), and their interactions as independent variables; and the intention to purchase the product as dependent variable. As we expected to replicate Experiments 1a and 1b in the control condition but not the societal well-being condition, we expected to first find a three-way interaction, with a two-way interaction between ideology and ideological (mis)match in the control condition, but not the societal well-being condition. We again decomposed the predicted interaction in the control condition by using post-estimation contrasts for pairwise differences between means across the conditions as a function of ideology. Effect sizes reported below again refer to Cohen's d . The means and standard deviations of all variables (including control variables not explicitly mentioned in this main manuscript), as well as their correlations, are visible in the SOM, Table 3 (p. 15). Like in Experiment 1b, we first verify, using data from Wave 1, that liberals and conservatives are *symmetric* in their political attitudes toward the gun control issue.

Support for, or opposition to, gun control issue. In Wave 1, conservatives were more likely to be negative ($M = 3.35$, $SD = 1.89$) compared to liberals, who were more likely to be positive ($M = 4.72$, $SD = 1.91$; $t[1140] = 12.14$, $p < .001$, $d = 0.72$), toward gun control. When comparing responses to the midpoint of the scale (4)—which indicated neutrality with the response option “not positive nor negative”—conservatives were as negative (difference score = -0.65) as liberals were positive (difference score = 0.72), $t(1140) = 0.65$, $p = .52$. This means that conservatives and liberals were symmetric in how polarized they were in their political attitudes about the gun control issue. In addition, controlling for support for,

or opposition to, this issue did not change our pattern of results reported below (see SOM, P. 9).

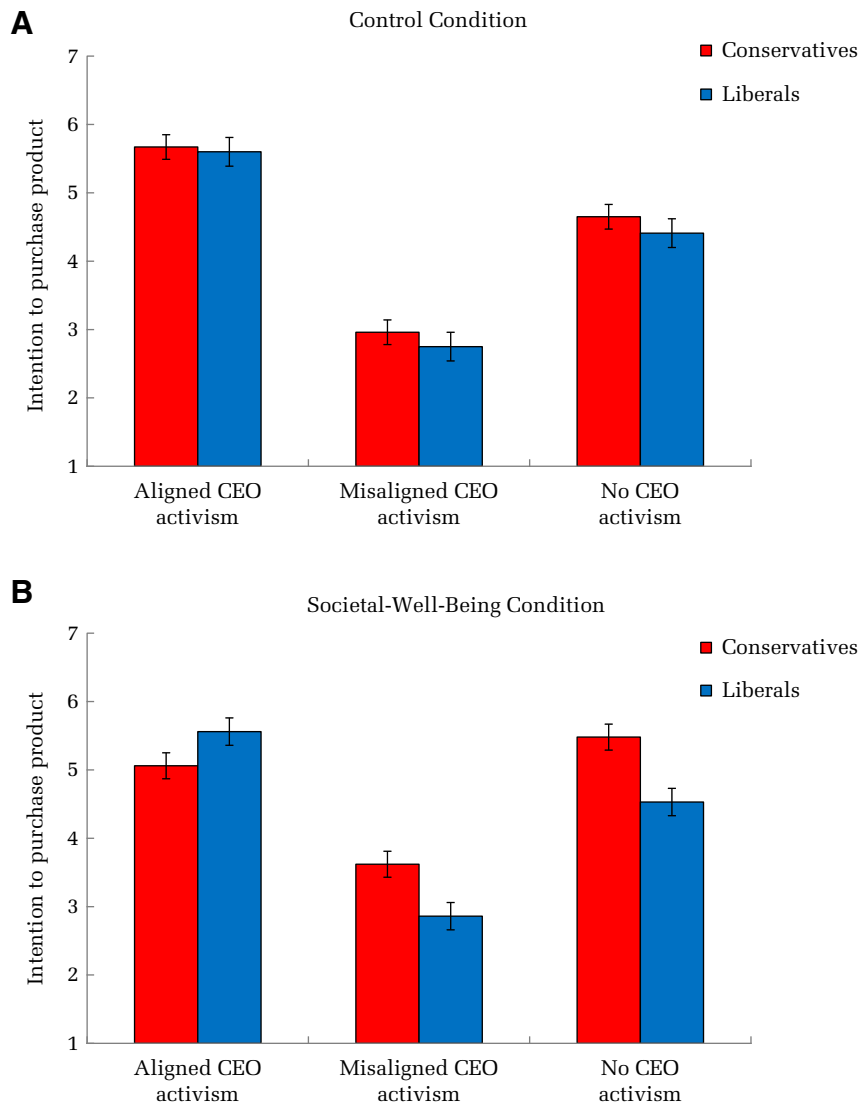
Hypothesis testing. For the first analysis, we find the predicted three-way interaction effect between political ideology, ideological (mis)alignment, and the societal well-being manipulation $F[2, 1131] = 6.91$, $p = .001$.

Control condition. Results also demonstrated an interaction effect between ideology and ideological (mis)alignment *within* the control condition, $F[2, 572] = 18.26$, $p < .001$. See Figure 2, panel A for a graphical representation of the effects. In support of Hypothesis 1, liberals displayed *higher* purchase intentions ($M = 5.56$, $SE = 0.15$) than did conservatives ($M = 4.95$, $SE = 0.15$) when they aligned ideologically with the CEO's activism, $p = .004$, $d = 0.43$. In support of Hypothesis 2, liberals displayed *lower* purchase intentions ($M = 2.86$, $SE = 0.15$) than did conservatives ($M = 3.62$, $SE = 0.15$) when they ideologically misaligned with the CEO's activism, $p < .001$, $d = 0.50$. In support of Hypothesis 3, liberals displayed *lower* purchase intentions ($M = 4.56$, $SE = 0.15$) than did conservatives ($M = 5.61$, $SE = 0.15$) when the CEO did not engage in activism at all, $p < .001$, $d = 0.74$.

Societal well-being condition. We next examined whether the observed asymmetries in the responses of liberal and conservative consumers to the three CEO activism conditions dissipate when conservatives are exposed to the societal well-being manipulation. In the societal well-being condition, results demonstrated no interaction effect between ideology and the three CEO activism conditions, $F[2, 559] = .18$, $p = .84$. See Figure 2, panel B for a graphical representation.

Corroborating our first prediction about the effect of the societal well-being manipulation, when there was *ideological alignment* with the CEO's activism, conservatives in the societal well-being condition ($M = 5.67$, $SE = 0.15$) did not differ in their purchase intentions from liberals in the control condition ($M = 5.56$, $SE = 0.15$, $p = .92$, $d = 0.01$), but had higher purchase intentions than conservatives in the control condition ($M = 4.95$, $SE = 0.15$), $p = .001$, $d = 0.48$. Corroborating our second prediction about the effect of the societal well-being manipulation, when there was *ideological misalignment* with the CEO's activism, conservatives in the societal well-being condition ($M = 2.97$, $SE = 0.17$) did not differ in their purchase intentions from liberals in the control condition ($M = 2.86$, $SE = 0.15$, $p = .67$, $d = 0.06$), but had *lower* purchase intentions compared to

FIGURE 2
Intention to Buy Product as a Function of CEO Activism, Societal-Benefit Manipulation,
and Participant Ideology: Experiment 2



conservatives in the control condition ($M = 3.62$, $SE = 0.16$), $p = .004$, $d = 0.41$. Corroborating our third prediction, about the effect of the societal well-being manipulation, when there was no CEO activism, conservatives in the societal well-being condition ($M = 4.65$, $SE = 0.15$) did not differ in their purchase intentions from liberals in the control condition ($M = 4.53$, $SE = 0.15$), $p = .57$, $d = 0.08$), but had *lower* purchase intentions compared to conservatives in the control condition ($M = 5.61$, $SE = 0.15$), $p < .001$, $d = 0.77$. Thus, as expected, conservatives exposed to the societal well-being manipulation acted symmetrically to liberals in the control condition.

Additional analyses. Following the prior experiments, to also examine how liberals and conservatives rank each of the three CEO activism conditions (i.e., ideologically aligned vs. misaligned vs. no activism), we compared the estimated mean purchase intention for (a) liberal consumers facing ideologically aligned CEO activism versus ideologically misaligned CEO activism versus no CEO activism, and (b) conservative consumers facing ideologically aligned CEO activism versus ideologically misaligned CEO activism versus no CEO activism.

Control condition. Replicating Experiment 1, conservative participants were *more* likely to intend to

buy a product when there was no CEO activism than when there was ideologically aligned CEO activism ($p = .002$, $d = 0.32$) whereas liberal participants were *less* likely to intend to buy a product when there was no CEO activism than when there was ideologically aligned CEO activism, $p < .001$, $d = 0.68$. This finding is consistent with the notion that conservative stakeholders penalize CEOs who engage in activities that deviate from the firm's core activities, even if these activities are in support of a cause that conservatives support in the political context. Both liberal (aligned vs. misaligned, $p < .001$, $d = 1.90$, no activism vs. misaligned, $p < .001$, $d = 1.04$) and conservative (aligned vs. misaligned, $p < .001$, $d = 1.67$; no activism vs. misaligned, $p < .001$, $d = 1.44$) participants were *more* likely to intend to buy a product under ideological alignment versus misalignment, and under no activism versus misalignment.

Societal well-being condition. In contrast to conservative participants in the control condition, conservative participants in the societal well-being conditions were *less* likely to intend to buy a product when there was no CEO activism compared to when they ideologically aligned with CEO activism, $p < .001$, $d = 0.72$. This finding is consistent with the notion that when conservative stakeholders care about the perceived benefits and costs imposed on society by businesses, they, like liberal stakeholders, view ideologically aligned CEO activism more favorably than no CEO activism. The other patterns in this condition are consistent with the control condition, so we chose not to report them due to space constraints.

Experiment 2 Discussion

Experiment 2 replicated Experiments 1a and 1b, finding not only liberal–conservative asymmetries in responses to the three CEO activism conditions (i.e., ideologically aligned CEO activism, ideologically misaligned CEO activism, and non-activism on the part of the CEO), but also that conservative stakeholders, unlike their liberal counterparts, favor non-activism over ideologically aligned CEO activism. Importantly, results show that liberals and conservatives are *symmetric* in how strongly they feel about gun control (i.e., in Wave 1), but *asymmetric* in their reactions to CEO public stance-taking on the issue (i.e., in Wave 2). Thus, consistent with our theory, ideological divides in national politics manifest differently in the context of firm–stakeholder relations.

Importantly, Experiment 2 also demonstrated that having conservatives write why businesses should

prioritize doing what is good for society (rather than focusing just on core business functions) led the liberal–conservative asymmetries to dissipate, providing causal evidence that differences in purpose of business beliefs explain these asymmetries. In other words, when we shifted conservative views on the purpose of business using experimental methods, conservatives behaved just like they do in the political context, even favoring conservative CEO activism over non-activism.

GENERAL DISCUSSION

Recent years have witnessed various episodes of CEOs taking public positions on polarizing social and political issues, referred to as CEO activism. The prevailing assumption is that liberal and conservative stakeholders respond symmetrically to CEO activism, like how liberal and conservative voters have been found to respond to the promotion of ideological causes in the context of national politics.

Contrary to this perspective, we theorized that due to a liberal–conservative divide in purpose of business beliefs, liberal stakeholders scrutinize the perceived benefits and costs that CEOs impose on society through their activities to a greater extent than conservative stakeholders do. Accordingly, the two groups respond *asymmetrically* in their responses to ideologically aligned CEO activism, ideologically misaligned CEO activism, and non-activism on the part of the CEO. We found support for our theory across three preregistered experimental studies examining two different stakeholder groups (job seekers and consumers). Moreover, we found that conservative stakeholders preferred non-activism over ideologically aligned CEO activism, in stark contrast to their liberal counterparts. We also found support for our proposed theoretical explanation—that the documented asymmetries are due to political differences in purpose of business beliefs—using an experimental mediation design (Experiment 2).

Our work makes a number of important theoretical contributions. Most directly, we introduce an ideological asymmetry model of stakeholder responses to CEO activism. Specifically, we theorized and found that due to a liberal–conservative divide in beliefs regarding the purpose of business, liberal–conservative symmetry found in national politics (Frimer et al., 2017; Iyengar & Hahn, 2009; Proch et al., 2019; Skitka & Bauman, 2008) does not translate to stakeholder responses to CEO activism. Among the same participants, we found that while liberals and conservatives were *symmetric* in how strongly they

felt about politically polarizing issues (i.e., about transgender bathroom rights in Experiment 1b, gun control in Experiment 2), liberals displayed greater sensitivity to alignment or misalignment with CEOs publicly taking political stances on these issues in their role as stakeholders. Specifically, liberal stakeholders responded more favorably to ideologically aligned CEO activism and more unfavorably to ideologically misaligned CEO activism, compared to their conservative counterparts. Notably, conservative stakeholders, unlike liberal stakeholders, favored non-activism over ideologically aligned CEO activism, indicating that they view CEO activism to be an undesirable activity that strays from the firm's core functions, even when they favor the underlying cause the CEO is publicly espousing (e.g., support for gun rights, opposition to transgender bathroom rights). Thus, our work also challenges the stakeholder alignment model (Hambrick & Wowak, 2021; Wowak et al., 2022), which has theorized that liberal and conservative stakeholders display symmetric preferences related to CEO activism. Experimentally reducing the liberal-conservative gap in purpose of business beliefs led asymmetries between the two groups to dissipate, with liberal and conservative stakeholders behaving like they do in the national-political context.

The insight from our work that ideological divides manifest differently in the business context also has important implications for research on firm-stakeholder relations more broadly. Notably, scholars have documented a liberal ideological skew in the frequency of different types of stakeholder activism, such as consumer boycotts (McDonnell & Cobb, 2020), protests against firms (Gupta & Briscoe, 2020), and employee demands for changes in organizational practices (Briscoe & Gupta, 2016). For instance, McDonnell and Cobb (2020) found that 49% of the consumer boycotts in their sample were ideologically liberal, 34% were ideologically neutral, and only 16% were ideologically conservative, and Gupta and Briscoe (2020) found a similar distribution in their data on protests against firms (see "Appendix B: Distribution of protest issue liberalism and illustrative examples" in the supplementary materials of their paper). Moreover, Seo (2024) found that firms with liberal employee populations tend to invest substantially more, compared to firms with conservative employee populations, in nonprofits that advocate for social and political causes (see Figure 2 in her paper). However, the potential reasons for the liberal skew remain largely unexplored. Our theory and accompanying findings suggest that future work could look

toward the liberal-conservative divide in beliefs regarding the purpose of business as one potential explanation for this phenomenon.

Additionally, our research contributes to the literature on ideological fit in the organizational domain (Swigart, Anantharaman, Williamson & Grandey, 2020). Much of the existing research in this domain has assumed liberal-conservative symmetry, with, for example, job seekers and recruiters theorized to favor organizations and job candidates, respectively, that align with their political ideology (Gift & Gift, 2015; Roth, Arnold, Jack Walker, Zhang & Van Iddekinge, 2022; Roth, Goldberg & Thatcher, 2017). In contrast, some recent work in the management literature has found asymmetries between liberals and conservatives but, due to methodological limitations, has been unable to empirically test explanations for why such asymmetries exist (Bermiss & McDonald, 2018; Busenbark, Bundy & Chin, 2022). This is an important shortcoming given that the explanations given for the asymmetries in this literature (e.g., the existence of liberal-conservative differences on cognitive rigidity and tolerance for uncertainty; Bermiss & McDonald, 2018) have had mixed support in political psychology research directly measuring these variables (Choma, Hanoch, Hodson & Gummerum, 2014; Zmigrod, Rentfrow & Robbins, 2020). We contribute to the literature by not only documenting asymmetries but also by using a novel empirical approach to provide causal evidence that the asymmetries we documented are a product of liberal-conservative differences in beliefs regarding the purpose of business.

Our research also contributes to the growing literature on corporate purpose. This work has (often implicitly) treated stakeholders as homogenous in supporting a conception of corporate purpose that extends beyond core business functions to also consider societal well-being (Gartenberg, Prat & Serafeim, 2019; Hussain, Pitesa, Thau & Schaerer, 2024; Ocasio, Kraatz & Chandler, 2023). This assumption was summed up succinctly in a 2018 letter to shareholders by Black Rock CEO, Larry Fink, who stated: "society is demanding that companies, both public and private, serve a social purpose." The purpose literature also theorizes that adopting a social purpose can improve firm performance by increasing the meaning that employees attach to their work (Gartenberg et al., 2019). Adding to this literature, our work highlights substantive heterogeneity among stakeholders in their purpose beliefs due to their political ideology, and its important consequences for understanding responses to CEO activism. This suggests that the espousal of a social purpose among

businesses—an increasing trend (Ocasio et al., 2023)—is likely to be seen more favorably by liberal stakeholders than by conservative stakeholders, with potentially important implications for firm–stakeholder relations and firm performance.

Moving back to the topic of CEO activism, by examining the preferences of liberal and conservative stakeholders, our work also sheds new light on the incentives that CEOs face in terms of engaging in liberal activism, conservatism activism, and non-activism. Accordingly, we help address two important theoretical questions that have remained elusive to researchers using more conventional approaches: (1) why has conservative CEO activism been rare (Bhagwat et al., 2020), despite the predominance of conservative CEOs in large publicly listed firms (Cohen et al., 2019)? and (2) what could change this current pattern?

Our work provides a stakeholder demand-based explanation for the relative lack of conservative CEO activism. Specifically, we find that liberal CEO activism is favored by liberal stakeholders, but conservative CEO activism is disfavored by conservative stakeholders, with liberal stakeholders responding particularly negatively. Thus, while liberal CEO activism could be financially beneficial for CEOs heading firms with a heavy liberal stakeholder base (e.g., by increasing the firms' ability to attract prospective employees and customers), conservative CEO activism seems invariably detrimental. Our findings suggest, therefore, that the lack of conservative CEO activism may reflect strategic behavior on the part of the CEO, or otherwise, CEOs behaving in ways that conform to the preferences of their stakeholders. This is consistent with the view that firms and their CEOs are often proactive in trying to understand stakeholder preferences (Wu & Liu, 2024). Further supporting our demand-based explanation, a number of studies suggest that CEO and corporate activism stem largely from the need to manage stakeholders, rather than the preferences of CEOs (Chung, Odziemkowska & Piazza, 2025; Fezzey et al., 2025; Homroy & Gangopadhyay, 2025; Hurst, 2023; Wowak & Busenbark, 2024).

Our focus on stakeholder preferences as a likely explanation for the lack of conservative CEO activism is also consistent with work examining the antecedents of liberal CEO activism, which, of course, has been a more pervasive phenomenon. Specifically, Wowak and Busenbark's (2024) found that the two indicators of stakeholder preferences they examined—political liberalism scores of a firm's employees and whether a firm is headquartered in a liberal state—are

independently as strong, or stronger, predictors of a CEO's decision to engage in liberal activism (vs. staying silent) than the CEO's own political liberalism. Indeed, they found that a number of conservative CEOs—from firms with heavy liberal stakeholder bases—engaged in liberal activism. At the same time, research on conservative CEO activism remains largely uncharted territory aside from our own work, suggesting that there are likely other important causes for this phenomenon—a notion we will briefly address in the “Future research directions” section below.

Our findings, particularly in Experiment 2, also suggest that the current lack of conservative CEO activism could change if conservative stakeholders were to become more like liberal stakeholders in their beliefs regarding the purpose of business. A burgeoning body of literature in political science reveals that liberals and conservatives frequently shift their views on various topics in response to the public stands taken by politicians on their respective side of the political aisle (Barber & Pope, 2019; Gollwitzer et al., 2020; Macy et al., 2019). Therefore, a change in the beliefs of conservative stakeholders, if it were ever to occur, could come from a change in the philosophies of conservative political elites. Along similar lines, our research highlights a potential irony—liberal intellectuals have long attempted to persuade their conservative counterparts to display greater concern for the societal implications of business (Ferrero, Hoffman & McNulty, 2014; Friedman, 1970; Ramaswamy, 2021), but if liberals were to eventually succeed in this endeavor, it could lead conservatives to demand that businesses act in ways that liberals find particularly harmful to society (e.g., conservative stakeholders demanding CEOs take public stands in support of gun rights).

Future Research Directions

Our theory and corresponding findings point to a number of important avenues for future research. First, our work focused on stakeholder political ideology as our variable of interest, both because CEO activism tends to involve hot-button social and political issues that liberals and conservatives strongly disagree on in the political realm, and we were interested in shedding light on within-group heterogeneity (e.g., among job seekers, among consumers) (Wolfe & Putler, 2002) in stakeholder responses. However, there are various other dimensions on which stakeholders vary. As an initial step toward acknowledging this heterogeneity, and gauging the broader generalizability of our theory, we examined: (a) two

distinct stakeholder groups in our experiments who differ in the extent to which they have options for alternative relationships (i.e., job seekers vs. consumers of soap), and (b) the robustness of our results when controlling for other dimensions on which stakeholders differ. There are, of course, other important stakeholder characteristics that we did not examine. For instance, our work studied the responses of stakeholders who have the potential to form a relationship with the firm (Mitchell et al., 1997; Starik, 1994), but the dynamics we uncovered could be different when examining stakeholders who already identify with the firm in some capacity. Such stakeholders likely feel the effects of CEO activism more intensely (Elsbach & Kramer, 1996), and may have both subtle (e.g., shifting their motivation and commitment levels; Burbano, 2021; Wowak et al., 2022) and vocal (e.g., engage in counter activism; Hirschman, 1972) avenues to respond to CEO activism (or a lack thereof). Future research can test our ideological asymmetry model with stakeholders who already identify with the firm, while examining diverse avenues by which such stakeholders may respond. Another interesting avenue would be to examine the extent to which our theory holds for stakeholders that serve as informational intermediaries, such as the media—a point we will return to below.

Second, future research could examine how the vividness of CEO activism, defined by Hambrick and Wowak (2021: 38) as “the degree to which [the] action stands out,” influences stakeholder responses to CEO activism. Hambrick and Wowak (2021) theorized that the more vivid an instance of CEO activism, the more stakeholders’ ideologies will manifest in their responses to CEO activism. Our ideological asymmetry model would suggest, then, that vividness could heighten the observed liberal–conservative differences in responses to the ideological content of CEO activism. Specifically, liberal stakeholders prioritize the perceived benefits and costs imposed by businesses on society to a greater extent than conservative stakeholders. Thus, high vividness should push liberal stakeholders to respond even more positively to ideologically aligned CEO activism and even more negatively to ideologically misaligned CEO activism than their conservative counterparts. Moreover, lower vividness should lessen these differences. Testing these predictions is a fruitful avenue for future research, especially given the current dearth of empirical work examining the role of vividness in shaping stakeholder responses to CEO activism.⁶

⁶ As reported in the “Study examining the vividness of our CEO activism scenarios” in the SOM on p. 11, we

Third, future research could test our ideological asymmetry model in the startup context by employing a social media field experiment design. Startups do not yet have an established stakeholder base (Alvarez & Sachs, 2023). Thus, CEOs of startups who take public stances on polarizing social and political issues could have profound consequences for determining who is attracted to the startup as a stakeholder, who is repelled, and ultimately startup success and survival. Recent studies have used a social media field experiment approach with fictitious profiles to study the behavior of users who are unaware they are part of a research study (e.g., Nair, Mosleh & Kouchaki, 2024). Given the growing influence of online communities as a stakeholder group (Fisher, 2019), similar designs could be used in future research to examine liberal and conservative users’ responses to start ups whose CEOs engage in aligned activism, misaligned activism, and non-activism. Social media field experiments are an especially strong empirical design given that they provide the causal identification benefits of experiments, and the external validity of field data (Mosleh, Pennycook & Rand, 2022).

Fourth, the ideological skew in CEO activism in the real world is consistent with the pattern of stakeholder preferences our findings uncovered—a number of CEOs engage in liberal CEO activism (preferred by liberal stakeholders), many others choose to stay silent (preferred by conservative stakeholders), and very few engage in conservative CEO activism (preferred by neither liberal nor conservative stakeholders). While this suggests that the asymmetric stakeholder preferences our work identifies likely play a key role in explaining why conservative CEO activism is relatively rare, there could also be other explanations for this puzzle.

For instance, work by Wright (2023) has pointed to the media as a potential cause for the rarity of conservative CEO activism. Specifically, journalists tend to be liberal-leaning, as indicated, for example, by their campaign contributions (Levinthal & Beckel, 2016). To the extent that CEOs believe that this tilt will affect media coverage about their behavior, it could encourage CEOs to voice support for liberal causes, and

conducted an additional study where participants were asked how vivid they considered the CEO activism scenarios we used in the current paper to be. Interestingly, there was significant variation in the perceived vividness of the scenarios, which speaks, at least somewhat, to the robustness of our findings to varying levels of vividness.

discourage CEOs from voicing support for conservative causes (Wright, 2023), even in the absence of the liberal–conservative asymmetries identified by our theory. Of course, to the extent that our ideological asymmetry theory holds among journalists as a stakeholder group, and CEOs are aware of such asymmetries, these tendencies could be even stronger than previously considered.

At the same time, it is important to note that recent work suggests that there is much more variability in the ideologies of the CEOs engaging in liberal activism than in the ideologies of their stakeholder base, with various conservative CEOs taking stands in support of liberal causes but virtually no CEOs heading firms with conservative stakeholder bases doing the same (Wowak et al., 2022; Wowak & Busenbark, 2024), suggesting that CEO activism is largely driven by the preferences of a firm’s stakeholder base. Evidence from Western Europe, where CEO activism is currently a limited phenomenon, also seems to corroborate this point (Busse & Fromm, 2018). Interviews with executives in the region have found that while a number of CEOs are supportive of CEO activism, they are hesitant to engage in the practice due to fear of backlash from stakeholders who disagree with their positions (Vermeesen, 2020). Nevertheless, it would be fruitful for scholars to more systematically address the extent to which CEO preferences versus stakeholder preferences are responsible for driving CEO activism.

Finally, acts of liberal CEO activism have also become less common more recently (Busenbark, Druckman, Joshi, Kay & Kouchaki, 2025), happening around the same time that conservatives became more politically and culturally dominant in the United States (i.e., after the 2022 U.S. midterm elections, and especially after the 2024 election). At the same time, consistent with what our model theorizes about conservative stakeholders’ preferences, there has not been an increased demand for conservative CEO activism, or increased instances of conservative CEO activism. Since politicians can punish corporate executives who advocate for social and political causes that misalign with their own (Poliquin & Hou, 2025), it would be interesting for future research to examine whether instances of liberal activism in corporations and directed at corporations—as well as their success—ebb and flow with the relative political and cultural power of conservatives versus liberals in the country.

CONCLUSION

Various CEOs have taken public stances on polarizing social and political issues in recent years.

Consistent with research in political science and political psychology finding that liberal and conservative voters generally respond symmetrically to the promotion of ideological causes in the context of national politics, the stakeholder alignment model posits that liberal and conservative stakeholders respond symmetrically to CEO activism (and a lack thereof). In contrast, we theorized and found that liberals and conservatives respond asymmetrically to the promotion of ideological causes by CEOs in their role as stakeholders to businesses due to liberal–conservative differences in purpose of business beliefs. Specifically, liberal stakeholders displayed greater sensitivity to alignment or misalignment with the ideological valence of CEO activism, such that they preferred ideologically aligned CEO activism more, and ideologically misaligned CEO activism less, compared to their conservative counterparts. Moreover, liberal stakeholders preferred non-activism less compared to their conservative counterparts. In fact, conservative stakeholders preferred non-activist CEOs over those engaging in conservative CEO activism. Consistent with our theory, these asymmetries dissipated when we experimentally reduced the divergence between the two groups on beliefs regarding the purpose of business. Our work challenges the assumption that liberal–conservative symmetry in politics translates to the business context and sheds new light on the strategic implications of CEO activism. Our work also has broader insights for research on firm–stakeholder relations, and practical implications for how CEOs can manage their relationships with their stakeholders.

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