Leveraging A Lenient Category in Practicing Responsible Leadership: A Case Study

Xueting Jiang¹ · Bogdan Prokopovych² · Garrett DiStefano³

Received: 8 June 2021 / Accepted: 18 October 2021 / Published online: 31 October 2021
© The Author(s) 2021

Abstract

In this extended case study, we examine how business leaders translate a responsible leadership mindset into practice. By studying the leadership team and stakeholders of a large US college dining provider, we found that organization executives leverage the lenient market category of local food to successfully connect with and satisfy the interests of different stakeholder groups. We show that lenient categories, those with ambiguity and unclear boundaries, could be used by organizations as strategic devices to integrate the diverse needs of their stakeholders and foster positive stakeholder relationships. Based on our findings, we develop a theoretical model to illustrate how responsible leaders take advantage of meaning structures of the market category they have adopted to achieve both financial and social benefits for a broad range of stakeholders.

Keywords Responsible leadership · Category · Stakeholder management

There is never a shortage of stories about how firms fail to bring stakeholders on board with their strategies. At the end of 2017, the Cape Wind Energy Project, a pioneer business initiative to bring coastal wind energy to the United States, announced that it abandoned its lease for the seabed area in Nantucket Sound (Bureau of Ocean Energy Management, n.d.). Their initial plan of installing 130 wind turbines near the coast failed in the face of fierce opposition from local property owners, politicians, and environmentalists (Seelye, 2017; Whitcomb & Williams, 2007). Similarly, in February 2019, Amazon announced that they had to abandon their plan of building its second headquarters in Long Island City of Queens, New York, due to the intense pressure from local lawmakers and progressive activists (Goodman, 2019; Stevens et al., 2019). Residents of the local communities interpreted the corporate strategies by Cape Wind and Amazon as threats to their communities' interests rather than benefits.

Or at least, the organizational leaders were unable to alleviate the concerns of many of their critical stakeholders.

In the existing stakeholder management literature, in particular, scholars studying responsible leadership, proposed that an important responsibility of leaders includes “building and cultivating ... ethically sound relations toward different stakeholders ... in an interconnected stakeholder society” (Maak & Pless, 2006, p. 101). They defined responsible leadership as “an orientation or mind-set taken by people in executive-level positions toward meeting the needs of a firm’s stakeholder(s)” (Waldman et al., 2020, p. 5). In practice, responsible leadership appears to be much broader than just “an orientation” or “mindset.” Business leaders need to manifest their responsible leadership with actual organizational outcomes that relate to all their stakeholders. In doing so, they can engage in “assessing the legitimacy of their claims, and determining how those needs, expectations, or interests can and should best be served” (Waldman et al., 2020, pp. 5–6). However, the extant responsible leadership literature lacks studies about specific processes through which organizations execute responsible leadership to achieve organizational outcomes of interest. For example, how can business leaders translate a responsible leadership mindset into effective stakeholder management in an organization? Is there anything that could aid organizations in their efforts to better engage stakeholders in building mutually beneficial relations and cooperation (Greenwood, 2007)?

✉ Xueting Jiang
xjiang08@nyit.edu

¹ School of Management, New York Institute of Technology, Old Westbury, NY 11568, USA

² Isenberg School of Management, University of Massachusetts Amherst, Amherst, USA

³ UMass Auxiliary Enterprises, University of Massachusetts Amherst, Amherst, USA

We seek to address these questions in a case study of UD, a college dining service at a large public university in the Northeast United States. UD is one of the largest comprehensive food service programs and one of the top campus dining services in the country. This award-winning organization has earned accolades from its customers, suppliers, peer institutions, and the local community. By tracing their practices, we found that UD has been fully embracing the theme of “local food” in its day-to-day operations over the past fifteen years. UD’s demonstration of its commitment to local food has helped it manage relationships among stakeholder groups with often diverging demands.

We argue that local food can be viewed as a lenient category that features vagueness of boundaries and simultaneously includes multiple meaning elements (Chliova et al., 2020; Pontikes & Barnett, 2015). Earlier, organizational scholars pointed to the absence of clearly defined boundaries of a market category as an impediment to decision making and to the identification of organizations belonging to that market category (Grimes & Gehman, 2017; Lo et al., 2020). We found, however, in our case that local food with loosely defined boundaries helps UD appeal to broad ranges of audiences and gain legitimacy with their stakeholders (Hsu et al., 2009; Zuckerman, 1999). The business leaders of UD use the leniency, i.e., the unclear categorical boundaries (Gehman & Grimes, 2017; Lo et al., 2020; Pontikes & Barnett, 2015), of local food as a strategic device to practice responsible leadership and build relationships with stakeholders who may have conflicting and separate interests. This “hat” of “local food” worn by UD enables it to achieve mutual goals and cater to the interests of a broad range of stakeholders to produce preferable organizational outcomes.

We propose that the loosely defined boundaries of “local food” allow for flexible use of its meanings, helping the organization advance its goals. In our case study, the UD leadership team was able to put the responsible leadership “mindset” into action. In this study, we elaborate a concrete mechanism that helps implement responsible leadership through psychological and knowledge-based influences on stakeholders. Drawing on the extant theoretical responsible leadership model, we explicate the behaviors and actions of organizational leaders associated with a lenient category to manage stakeholder relations. Additionally, we show the stages that an organization can pass through when utilizing different frames of a lenient category to manage a diverse set of stakeholders.

Theory

Organizations respond to environmental pressures in a variety of ways (Oliver, 1997), and their business decisions depend on stakeholders’ expectations (Freudenreich et al.,

2020; Nason et al., 2018). As recently argued in the management literature, the way organizations create value is subject to the views and potential impacts of stakeholders (Barney, 2020; Kaplan, 2020; McGahan, 2020). As stakeholders have the potential to influence a firm’s ability to create value (Schneider, 2002), business leaders need to be aware of interconnectedness and interdependence of different stakeholder groups to reach “balance, fairness, and harmony within the whole system of stakeholders” (Freeman et al., 2020, p. 221). This argument echoes the view of stakeholder theory as “corporate responsibility”; that is, organization leaders should demonstrate responsibilities to all of their stakeholders through their decisions and actions (Barney & Harrison, 2020; Freeman et al., 2020; Parmar et al., 2010). In managing relations among stakeholders, business leaders, most of the time, cannot rely on power or authority to resolve conflicts as a result of their different values, mindsets, and interaction styles. Instead, their leadership success resides in the wellbeing of the entire social systems in which different stakeholders share a morally sound vision of business for achieving common beneficial objectives (Maak & Pless, 2006; Miska et al., 2014; Patzer et al., 2018).

Maak and Pless (2006) suggested that a business leader may integrate diverse leadership roles, mobilize, and align stakeholders for a commonly shared vision. For instance, leaders could view themselves as value guarding stewards who build and retain integrity and morality in society. Leaders may recognize themselves as citizens, caring for others and positively changing the culture and environment of a community. Leaders could be motivated to become a coach who consistently trains and nurtures others for their development and growth. Additionally, leaders could be inspired by a future vision to tell stories of their organizations and create meanings for their business. Maak et al. (2016) further proposed two leadership styles influenced by the value orientation of business leaders. For example, according to them, leaders with fiduciary duties feel a moral obligation toward the owners of their business. Motivated by an economic cost–benefit logic, instrumental responsible leaders, for the most part, choose to maximize organizational achievements and fulfill their job requirements. They might select powerful and urgent stakeholders to increase revenue, growth, profit, and value and lead their business with a focus on the financial bottom line. Leaders with a social welfare orientation, on the contrary, feel a moral obligation toward a broader range of stakeholders (Maak et al., 2016). Motivated by a prosocial cost–benefit logic, integrated responsible leaders are considering their positive impact on society and creating economic value out of social values. They mobilize and network all legitimate stakeholders for more effective collaboration and alignment and lead business with a focus on a dual bottom line, consisting of both business and societal imperatives. The most salient point of integrated

responsible leaders is that they endeavor to reconcile business with societal goals (Patzner et al., 2018). This presents considerable challenges for business leaders to accommodate economic interests along with societal integration as well as maintain appropriate power and influence in their communicative action.

David Marquet pointed out in his book “Leadership is language” that leaders need to balance two basic modes of human activity, thinking and doing, to achieve goals (Marquet, 2020). Although responsible leadership is known as “the art of building and sustaining good relationships to all relevant stakeholders” (Maak & Pless, 2006, p. 104), the concept of responsible leadership alone may not be sufficient to secure the desired organizational outcomes (Marques & Gomes, 2020). Actually, knowledge is lacking about the process in which microlevel efforts of responsible leaders can affect stakeholder relationships at a macrolevel (Miska & Mendenhall, 2018). Doh and Quigley (2014) proposed that responsible leaders take two distinct pathways to engage stakeholders for positive organizational and societal outcomes. The psychological pathway includes building trust, psychological ownership, and commitment, and the knowledge-based pathway relates to promoting creativity, knowledge sharing, and information flow. Despite the work of Doh and Quigley (2014) portraying the approaches of engaging stakeholders, little is known about how an organization could effectively practice responsible leadership through psychological and knowledge-based pathways. More particularly, is there any specific “device” that can be used by responsible leaders to offer psychological benefits and manage knowledge flows within stakeholder networks?

In our search for a toolkit that organizations can use to bring diverse stakeholders onboard, we draw on the construct of category from the sociology of markets (Glynn & Navis, 2013; Kennedy & Fiss, 2013; Vergne & Wry, 2014; Zuckerman, 1999). The essence of a category can be described as mutually shared understandings of ideas, artifacts, and practices associated with common perceptions and expectations (Bajpai & Weber, 2017). On the one hand, categories provide organizations with labels signaling their belonging to a distinct set of market offerings and a group of organizational actors. With membership in a category, organizations are to be perceived in a particular manner and grouped with those that share a similar set of characteristics (Glynn & Navis, 2013; Navis & Glynn, 2010). On the other hand, categories comprise a set of enabling and constraining devices for organizations to make sense of their membership (Orlikowski, 1994; Porac et al., 1999) and determine how distinct they should be from other members (Gehman & Grimes, 2017).

One type of category, known as lenient categories, has unclear boundaries and includes less similar organization in its membership (Gehman & Grimes, 2017; Lo et al., 2020;

Pontikes & Barnett, 2015). Earlier, researchers pointed to the risk of a “categorical imperative” penalty of being misunderstood by critical stakeholders (Vergne & Wry, 2014; Zuckerman, 1999). A recent argument in the literature has moved on from the view of categories’ ambiguity as a temporary phenomenon or an impediment to an organization’s achievement of goals (Chliova et al., 2020). Anecdotal, there are plenty of examples where categorical ambiguity persists, as there appears to be no certitude about the precise definition of constructs such as “digital currency,” “sharing economy,” or “planetary health.” Chliova et al. (2020) argued that such persistence of category ambiguity could facilitate the introduction of divergent frames of ambiguous categories and further provide organizations with a greater scope for their framing strategies.

Under the conditions of ambiguity within a category (Chliova et al., 2020), an organization could utilize flexibility in its use of multiple elements of meaning (Kennedy et al., 2010) and appeal to different stakeholders. Given this insight, we assume that the leniency of a category can be strategically advantageous for business leaders in managing multiple stakeholder expectations. Does the leniency of a category assist responsible leaders in influencing the supply and demand side of markets and other critical stakeholder groups in the community? To address this inquiry, we identify an exemplary organization and examine how its business leaders successfully adopt a responsible leadership mindset in practices to align the interests of stakeholders inside and outside the organization. We also seek a model to elaborate mechanisms of how organizations strategically work out meanings in leniency categories and enact responsible leadership in stakeholder management.

Methodology

We exploit an in-depth case study approach to explore the mechanisms used by an organization to practice responsible leadership. We focus on a national award-winning college dining service provider, UD, to examine how its business leaders demonstrate responsible leadership with respect to its stakeholders and connect the university campus with local communities. UD is a self-supporting nonprofit organization affiliated with a State University in New England. The Princeton Review has been selecting UD on the top of Best Campus Food in the country.

We collected data by using the extended case method, a particular ethnographic approach that enables researchers to examine complex macrolevel questions through their everyday manifestations in microlevel social settings (Wadham & Warren, 2014). In addition to such traditional case studies that draw on archives, interviews, questionnaires, and observations, the research team has

proceeded with ethnographic data collection in UD since 2015. Active participation has taken various forms, such as working as regular service and culinary employees, assisting with organizing seasonal events, attending meetings of management teams, and visiting suppliers and local vendors. Close interaction with UD employees and managers as well as their strategic partners is an essential part of this study since personal engagement can provide more insights into how organizational members understand strategic categorization and how they experience learning within and between organizations. In addition, the extended case method enables researchers to investigate how UD works with other organizations on campus and in the community to navigate between categories and maintain strong, enduring and holistic connections among their stakeholders.

Our primary qualitative data are from three main sources: (1) over 400 hours of ethnographic fieldwork in UD facilities and 16 visits to local farms; (2) 32 semi-structured interviews with the UD staff and administration, suppliers, and vendors, including 14 internal organizational informants and 18 external informants; and (3) the most recent 8 years of internal archival data and documents provided by UD and the past 15 years of news media articles about UD. We also collected UD purchasing records and weekly menus over the past three years. The use of multiple data sources could enable us to learn the history and context of UD and understand its operation to paint a comprehensive picture of this organization.

Our ethnographic field notes, interviews, and archive documents served as detailed recordings of behaviors, events, activities, and other features that help delineate the daily management and operation of our focus organization. We analyzed our qualitative data by using an inductive thematic analysis approach (Lune & Berg, 2017). We started with first-level open coding to capture various aspects of interaction between UD and its stakeholders. Data suggest that UD strongly relies on the theme of “local food” to collaborate with its suppliers and customers. The theme of “local food” is also salient in its training and marketing activities. After reviewing all the descriptions and interpretations of “local food” collected from UD and its various stakeholders, we confirmed that UD has purposefully navigated the different frames in the meaning of “local food” to develop stakeholder relations. In the second step of the analysis, we compared and grouped the behaviors and actions of UD business leaders to identify their tactics for serving different stakeholder groups and holding them together in conformity with the long-term strategy of UD. Finally, we aggregated these tactics into a broader scope to demonstrate the pathways in which UD business leaders exercise their influences upon stakeholders (see Fig. 1).

Findings

The section is presented in four parts. First, we explain why local food is a lenient category and how this category is understood in varied ways by different groups. Second, we retrospectively examined how, over time, UD and its leaders launched local food initiatives and strengthened their engagement with the community using the concept of local food. Third, we outline how the UD management team utilized the lenient category of local food to strengthen trust and emotional connections among stakeholders. Finally, we present how UD leverages its knowledge-based influence to actively involve more of the community in improving relations within the stakeholder network.

Leniency of Local Food Category

The local food movement started over forty years ago along with the introduction of several federal farm supporting policies in the 1970s. The market emphasis shifting toward local, community-based food became more salient in the following 20 years. For instance, the number of farmers’ markets in the U.S. grew from 340 in 1970 to 3706 in 2004. Meanwhile, community-supported agriculture (CSA) started from two farms on the East Coast in 1986 and expanded to over 1700 in 2004 and almost doubled to 2932 in 2009. (Galt, 2011).

Although the food industry, along its entire value chain, has increasingly been involved in the local food movement, the proximity of “localness” in “local food” is largely contingent on people’s subjective impressions. The United States Department of Agriculture (USDA) defines local food “as the direct or intermediated marketing of food to consumers that is produced and distributed in a limited geographic area” (United States Department of Agriculture, n.d.). However, the USDA acknowledges that “there is no predetermined distance to define what consumers consider ‘local’,” ranging from “a set number of miles” away or within “state/local boundaries.” Due to such unclear boundaries, the definition of local food is open to different interpretations. We collected a variety of arguments about the complexity of defining “local food” from providers and purchasers as well as NGOs (see Table 1).

Since labeling products as local mostly does not require scientific verification, “local” has become a marker used by food producers and purchasers to forge their connections. To a large degree, “local” in the term “local food” signifies a social attribute reflecting its contributions and significance to the communities. Compared with the loose application of local labels, relationship construction turns out to be one of most salient features of local food. A good

The Use of Category Meanings to Practice Responsible Leadership

Fig. 1 The use of category meanings to practice responsible leadership

relationship is a prerequisite for the connection between the farms and consumers at the point of sale. To some people, the concept of local food is loaded with connotations

of familiarity, neighborhood, acceptance, or affinity from which producers could benefit because both parties somehow believe they know each other.

Table 1 Ambiguity and consensus in framing the “local food” category

Customers	UD	Suppliers	Advocate
Ambiguity in framing what “local” entails			
“Food is shipped directly from a farm and travels the least number of miles possible (say under 100 miles within a day) to be served at the school.”	“[N]o, there’s no definition of ‘local.’ And everybody is going to interpret it differently... It’s like it’s been grown here, it’s been produced here, it’s been picked here, it’s been processed here.”	“So is it the manufacturing that’s local or is it the production that’s local? Is it the packaging that’s local you know? The definition, it cannot be clearly defined, and it could be debated forever.”	“So our feeling is that what is local or what is appropriate to buy if you are prioritizing local sourcing really can vary depending on what the product is and what your need is.”
“Food is being sourced from areas no further than a 25-mile radius which I would say is reasonable considering the agricultural setting that is Western Mass.”	“[I]t can be different for every person; it can be anywhere from 50 miles radius to 250 miles radius.”	“It is definitely very broad and would be great if it was defined more clearly.”	
Consensus on the social frames			
“Fresh local food means I can trust that the ingredients used in my food are fresh and local. It’s good to support our local community of farmers and other produce markets.”	“I think our messaging needs to focus on Hey let’s focus here local: what can we actually get; what can we support; what can we require ...”	“[W]hereas we see it local doesn’t necessarily mean it’s good. It’s good for the economy, I mean you’re employing local people, it’s keeping open space, it’s good for the area on its surface.”	“[F]or the purposes of our local hero program we have a very clear definition of local because we work in the three counties along the river so Franklin County, Hampshire County and Hampton County. ... we do have some members from Berkshire and Worcester Counties, who often sell into the Pioneer Valley, so they’re sort of right in the border, and it’s beneficial to them to be part of our campaign but those are the only people that we expect us members in our program.”
“[F]ood is directly bought from the farms and consumed in school. Not only does this help the local economic community, but ensures we are getting a healthy intake of food.”	“I think ‘local’ has more of a connotation to it being fresh, from my own opinion, when I am eating local vegetables, when I am eating local produce... it is a fresher feeling to it.”	“I guess there is a sense of a community definition—it’s being able to spend your dollars within your community to help make an impact and I think individuals determine what that community is. ... Um, and I think it’s the relationship with the people that you want to do business with that start to impact what your definition of local.”	
“[F]ood we eat doesn’t come frozen, from some farm hundreds of miles away. It means that what we’re eating is fresh, and that what we’re eating is good for our bodies.”			

Thus, we argue that “local food” has emerged as a lenient category due to the indeterminacy of the geographic boundaries of “local.” Such vagueness leads to multiple interpretations from either purchasers or producers signaling that they are a part of the local agricultural community. Since “local food” is associated with a wider breadth of meaning, this lenient category allows for flexible use of its geographical and social components in managerial practices, helping the organization influence its stakeholder audiences.

UD Local Food Engagement

In New England, buying local food has long gained widespread acceptance among customers mindful of the multiplier effect of local food on the local economy and environmental benefits for communities. Additionally, state laws suggest that purchasing agents, such as public schools, hospitals, state colleges, and universities, prioritize the agricultural products grown or produced in-state over out-of-state products (Farm to Institution New England & Center for Agriculture and Food Systems at Vermont Law School, 2019). Since educational institutions

are seen as the frontiers of the local food movement, this social trend gave UD and its leaders a strong push toward developing business operations oriented on sourcing local food.

One of the early moves on this path by UD was to initiate a locally grown program in 2001, which focused on increasing the amount and variety of locally grown food in the dining service. In the fall of 2005, UD decided to partner with the Community Involved in Sustaining Agriculture (CISA), a nonprofit organization founded in Pioneer Valley, to strengthen connections with local farms and help build the local food economy. UD joined a “Be a Local Hero, Buy Locally Grown” campaign launched by CISA that raised awareness and sales of locally grown farm products. A UD executive pointed out that for its dining services, the organization could benefit from local programs that provide affordable, high-volume sourcing of locally grown food.

We are proud to be taking a leadership role in support of the local farmers and growers, ... Our students have commented on the freshness and taste of local products. It’s a win-win for everyone. (News archive)

CISA resources enable UD to effectively connect with local farm participants of Local Hero program. UD set a long-term commitment to increase local food purchasing by 2% each year. In 2006, UD expanded its locally grown program by working together with four other local college dining services in its neighboring areas. In 2010, UD and the School of Agriculture of its host university sponsored the founding of an on-campus permaculture program involving students, faculty, staff, and community members to convert underutilized grass lawns into vegetable gardens. In 2013, UD obtained a grant from the Kendall Foundation to promote regional resilient food systems. A UD executive indicated the mission and responsibility of the dining service were based on the fact that “[w]e are the largest foodservice program not only in New England but in the nation, so, we have a responsibility and it’s the right thing to do to support the regional food system.” (News Archive) From 2014 to 2017, UD increased its local and sustainable purchasing over 80 percent and extended its business with over 100 vendors all over New England. In the long term, UD is proposing to meet the Food Solutions New England (FSNE) challenge to source 50% local food by the year 2060 (see Fig. 2).

The Psychological Influences Associated with Local Food

Over the years, UD has explored the “local food” category and adjusted their connections with suppliers and customers. One pathway through which UD business leaders show responsibility is their attempts to demonstrate trust, respect, and commitment to stakeholders.

Unlike many grocery stores or food service providers that prioritize economic benefits in selecting suppliers, UD has endeavored to be more considerate of social interaction with their partners and managed to accommodate their needs in a more personal way. UD is closely located to local farms, and the leadership team of UD has undertaken frequent farm visits to current and potential vendors as an approach to building and maintaining sociopsychological bonds (Freudenreich et al., 2020). Meanwhile, UD managers invited local farms and suppliers to visit dining halls and attend campus social events over the semester. This model of interaction was more communicative rather than transactional, which reflects a positive attitude of inclusiveness toward local farms and further extended the stakeholder networks of UD through word of mouth (Doh & Quigley, 2014; Patzer et al., 2018). One local farm owner noted how he built his business with UD from in-person contact with its executive.

UD’s Milestones in the Development of Local Food Sourcing

Fig. 2 UD’s milestones in the development of local food sourcing

[H]e and his wife had been out to some farm stands or something, and I do not know where they got our honey... I think that is when he was sort of thinking why do not we buy more from these farm stands, this is good, good products. I remember they came here one day to get some honey and he said: 'oh, I'd like you to sell honey to UD'... They really invited us to sell. And I, and honestly, I think that is still true of the dining - I think they reach out to people if they want you to... They like what you're doing, they kind of go and find you. So they're proactive, I think. They're not waiting for people to come to them. (Local farmer)

One unique approach that UD has been using is to partner with the local suppliers for preseason planning and contract farming. The regular expectation in the competitive food sector is that prices change from year to year and depend on the availability of items in the marketplace. In turn, availability is subject to various external factors, such as weather and harvest, in a particular year. To protect local farmers from radical price changes under unforeseen circumstances, purchasing directors and executive chefs invited these suppliers to visit campuses in wintertime and to coordinate the variety and quantities of their produce for the coming year. This practice, referred to as a "golden handshake," is a trust-based agreement between UD and local farmers. Since consistency of pricing helps suppliers stay afloat in any seasonal circumstance, local farmers could benefit from this policy in terms of psychological safety and participation in decision making (Doh & Quigley, 2014).

... it's very clear to me that the risk of landscaping is a lot less. ... it's been amazing to work with (UD)... Last year was a bumper crop, I had a cooler full of apples. I call up of the UMass purchasing department and offer them a bulk discount, they offer me an order, they get me out of a jam because I gotta pick apples. I got nowhere to put them. The whole market flooded that month, and it was about mid-September. And so the purchasing department was able to you know work with that discount and help me out a lot so they have been really great to work with. (Local farmer)

UD also provided local farmers with considerable flexibility in purchasing. Such flexible expectations, which would be uncommon in the hypercompetitive grocery sector, helped reduce pressure on this group of stakeholders and allowed them to grow fruit or vegetables free from worry. As a large-scale purchaser in the regional market, UD empathized with small and midsize local producers, perceiving their needs, and understanding their vulnerability. UD has become a trusted servant to stakeholders, demonstrating close alignment with suppliers and acting as a sympathetic listener by giving constructive reflection to their concerns (Maak & Pless, 2006;

Patzer et al., 2018; Pless & Maak, 2011; Spears, 2010). The awareness of the local community's expectations shown in UD communication and decision making kept the suppliers deeply committed to the organization.

They people are friendly and nice. All most all of them. Um for the most part they are very nice to work with. They're empathic. For instance. I planted 25 acres of Brussel sprouts. And I saw where in Europe some French chef. They were cooking the Brussel sprout tops. That was something we were just harrowing into the ground when we were done harvesting. So I kicked that idea around with some of the people at UD, they started putting it on their menu. So then they started buying the tops of the Brussel sprout plants. I mean they are supportive of most ideas. (Local supplier)

Furthermore, UD made efforts to strengthen the long-term sustainability of the local agricultural community. UD managers tend to consider developing their business through an ethical lens and pursue long-term success for the organization and stakeholders out of "doing good" and "avoiding harm" behaviors (Maak & Pless, 2006; Miska et al., 2014; Stahl & Sully de Luque, 2014). For instance, the purchasing team has been looking to protect the local food value chain by reserving certain portions of local products for the local market. In contrast to the many food service companies that focus on short-term profitability, UD chose to avoid exhausting all the produce from any one supplier regardless of how small the farm is. By doing so, it has helped local farms reduce their dependence on major purchasers and develop competitiveness in the food market. Additionally, UD maintained its relationship with each individual supplier and sought to balance its commitment to each vendor without compromising their dedication to others. A UD manager explained it as follows:

Do we bring a new farm on, or do we not. Uh... The toughest thing is, if we have... like, our A Farm, who we started a relationship with... about year ago. Really wants to sell us potatoes ... But, if we buy it from them, then we're taking business away from J farm. ... they're both coming locally. So a new farmer, uh... you know, when we brought A farm on, it was because they grow a ton of lead lettuce – romaine, green leaf lettuce... which J farm doesn't grow. ... So it's a good way to build relationships with new farmer. (UD manager)

The Knowledge-Based Influences Associated with Local Food

Upon exploring the "local food" category, UD and its management team have fostered stakeholder relationships in local communities through knowledge sharing, promoting food-growing innovations, education, and training. Due to

the shortage of existing standards on productivity at small farms, UD pushed for the adoption of sustainable/health-conscious sourcing practices to change the mode of how local suppliers produce and guided them toward a growing awareness of societal and environmental development (Maak & Pless, 2006; Miska et al., 2014). Many local providers viewed working with UD as a badge of approval that gave the providers legitimacy. Being a preferred customer among a wide range of small-scale local suppliers provided UD with a channel to influence how and what local produce is supplied.

(UD) has also done what it calls “creative engineering,” in other words using its power to incite change. For example, the school uses 850,000 pounds of chicken each year spending \$2.5 million on the product and pushed its suppliers to switch to chicken without antibiotics. (News archive)

Another salient group of stakeholders of UD are college students. UD chose to connect them with local suppliers by displaying the information of local farms in the dining common areas. Throughout the dining halls and retail outlets, UD highlighted the local food pointing out the ingredients in the nutritional information. The organization used the “Local Hero” label and displayed it in prominent spots in dining halls, and featured it on local food service marketing materials, as well as on its website. Additionally, the menu identifiers of local food available at food service stations in

dining halls or campus food retail stores contain information on the distance of the sourced food. Such messages remind customers of their share of responsibilities toward the local community (see Fig. 3).

UD is very dedicated to linking local farmers and customers by raising social awareness of sustainability and health and wellness on campus. UD business leaders tried to transform and educate stakeholders through various teaching programs. Over the semesters, UD invited guest chefs and local farmers to give lectures on healthy eating and sustainability on campus and instruct students how to cook local and seasonal produce. In return, the student groups felt empowered and motivated to initiate more sustainability activities and local supporting programs on campus. They chose to become a driving force to promote local business and improve food operations. As one of the customers noted in the comments to UD service,

... (UD) makes every effort to provide for the local agricultural community. Not just on a level of the purchase of their commodities but also dedicating school resources to their aid in the context of student involvement for those with fields of study pertaining to agriculture. Students could take skills from their course studies and apply it to real-life situations. (UD customer)

UD provides a wide variety of boundary spanning activities to improve the information flow throughout

An Exemplary Menu Identifier for a Dish Served at UD

Fig. 3 An exemplary menu identifier for a dish served at UD

stakeholder networks (Carroll et al., 2020; Doh & Quigley, 2014). The organization launched workshops and social events to connect with suppliers and purchasers and increase local sourcing in the regional food system. For instance, it hosted several rounds of New England Farm to Campus Summit and poultry gatherings for more active collaboration between local farming and colleges. Many major regional institutional food service operators participated and shared their knowledge of effective sustainable practices to utilize regional produce with food producers, state and federal agricultural agencies and NGO representatives in New England. This interorganizational cooperation took the shape of collective efforts to build up an environment that supports local purchasing. Viewing itself as a “living laboratory,” UD has experimented with local food innovation and further advocated consumption of local food by constructing a narrative of local food for the public. Local food has remained a constant presence through the Facebook, YouTube, and other social media channels of UD. The marketing department has long developed and maintained a local food hub website, where customers and potential vendors could access information, helpful resources, and applications. The constant efforts and innovative work of UD have gained wide recognition in the community. Several local private foundations chose to develop partnerships with UD and supported its sustainability initiative to create a local and community-based food system. With funding granted by local foundations, UD was able to publish a guide for food service operators and help peer institutes change the way that customers think about food and food consumption so that people could obtain more access to local healthy food and contribute to a strong and vibrant local food economy.

In line with collective engagement with external audiences, UD has embedded “local food” internally into its management processes and built a “local food”-oriented management system. For example, in managing the seasonal fluctuations in sourcing different products, UD avoided the cookie-cutter approach of obtaining all the ingredients from large-scale suppliers. Focusing on maximizing local foods in dining offerings, the UD culinary and nutrition experts worked closely on menu design to account for the seasonality of local foods. The management teams are directly involved in developing recipes and modifying their operations to fit the food markets:

You need to be able to be working in the kind of ingredients that are available locally into the menu seasonally. And we had to do the education to the chefs and teach them about what is seasonal and at what time you have to work with orders. So they know what they see when there are tomatoes, it is June or July. We would be ordering heavily, and we

would establish new relationships with local farmers and vendors. (UD culinary staff)

In addition, UD enriched the food culture of the town, where it is located, by raising college dining to the level of fine dining. UD proactively invited local residents to join the service teams and hired them as full-time or part-time employees in all seasons. Among these local employees, some were professionals working in local food services or even the owners of local restaurants. Their industrial experience and culinary knowledge are closely integrated with existing UD operations and continuously contribute to interdependencies between UD and local community. As one of the UD senior managers pointed out,

I think we should be proud of that, and for the most part I actually think, our relationships with many local restaurants are actually very good. ... we focus on our operations, we want to make sure that they run efficiently, effectively that we tell a good story not only for our department but also for the university. You know we want to make sure that we are good neighbors as well. (UD manager)

Discussion

Our paper seeks to enrich understanding of how organization leaders put a responsible leadership mindset into practice and reconcile stakeholder demands that sometimes are competing or conflicting. Drawing on our empirical findings, we propose a possible mechanism that may help bring different stakeholders on the same page. In particular, our data suggest a three-stage model through which organization leaders could utilize a lenient category to exercise responsible leadership roles and accommodate varying expectations of different stakeholder groups (see Fig. 4).

First, organization leaders start at the stage of category selection to open a conversation with all stakeholders potentially related to the lenient category. In our case, the fuzziness and openness of the local food category granted UD a long reach to a wide range of stakeholder groups for further communication. With such easy access, the UD leadership team could demonstrate individual commitment more directly to local suppliers and convince them that UD prioritizes social responsibility over cost–benefit considerations in their sourcing. By witnessing UD participating in local food programs,

Fig. 4 Category work model

its stakeholders in the local community are more willing to accept UD's claims about its local orientation.

In the second stage of category exploitation, organization leaders focus on working with meaning structures within the category to fit the expectations of different stakeholder groups. An organization could use its knowledge of the category to navigate its competitive landscapes and further strategically mobilize category participants for its organizational objectives. In our case, UD undertook a range of activities tailored to each stakeholder group's specific needs under the theme of "local food." This type of category exploitation may include knowledge-based actions toward the maintenance of the category boundaries for the organization and enrichment of the understanding and knowledge about the category for the stakeholders. UD leaders adopted such approaches by nurturing their local vendors, educating and transforming the norms of their customers and suppliers, building new and sustaining existing stakeholder relationships, and embedding the notion of "local food" into their organizational management system.

In the third stage, an organization attempts to promote category by championing the lenient category in the industry and raising its membership among consumers, suppliers, and peers. The organization could create a compelling narrative by using stories and physical artifacts and further bring forward the legitimization of the category (Kennedy, 2008; Navis & Glynn, 2010). In our case study, UD draws on the multiple elements of meaning from the local food category to fit the expectations of its stakeholders. UD successfully distinguishes itself as a leading and exemplary responsible organization benefiting from the local food category and calls on all of its stakeholders to work within this category for their collective interests.

Our model suggests an agentic opportunity to leverage multiple frames, which is consistent with the recent category literature (Chliova et al., 2020). In our case, we found that the leniency of a category could be shown to accommodate organizations with broad offerings (Chliova et al., 2020; Pontikes & Barnett, 2015). Organizations can leverage their contexts by strategically appealing to different elements of meaning of a category that they are associated with (Gehman & Grimes, 2017). We observe that the fuzzy boundaries of a lenient category allow organizations to be flexible in their choice of meaning content to choose from. Our research provides evidence on the potential benefits of the lenient category in managing stakeholder relations. Organization leaders could link their responsible leadership mindsets with category work to fulfill commercial and social aspects of responsibilities to its stakeholders.

According to the current responsible leadership scholarship, the literature lacks studies about the processes through which responsible leadership manifests itself in organizational outcomes (Doh & Quigley, 2014). Our research

addresses this gap and responds to inquiries on how responsible leadership orientations can "help organizations to overcome the potential trust gaps that may exist between certain stakeholders, or between stakeholders and the organization" (Waldman & Balven, 2014, p. 229). Our findings identify concrete managerial practices of responsible leadership related to a category and suggest strategic tools for organizational leaders that may help them develop positive relations within stakeholder networks.

This study also contributes to the burgeoning literature on organizational category distinctiveness (Chliova et al., 2020; Gehman & Grimes, 2017; Lo et al., 2020; Wry et al., 2013). The rich body of research that draws on the categorical imperative tradition (Zuckerman, 1999) suggests that organizations that do not fully fit in a mature well-defined market category may suffer from the so-called categorical penalty (Wry & Lounsbury, 2013). Recent category research has shown the ambiguity of a category to persist, beginning from its emergence to maturity, under certain conditions (Chliova et al., 2020). We add to this body of research by proposing that the lenience of a category can be used as a strategic device for preferable organizational outcomes. We believe that a lenient category under responsible leadership, despite the risk of categorical penalties (Wry & Lounsbury, 2013), could facilitate connecting with stakeholders and getting them on board with organizations' strategies.

Implications for Practice

Practically, there are four lessons that can be learned from our case study. First, categories provide responsible business leaders with meaningful contexts to incorporate their mindsets and actions. Responsible stakeholder management needs to be employed with a deep understanding of the organizational environment (Carroll, 1991, 2015). Usually, a market category could drive organizational actions and further influence organizational identity formation (Glynn & Navis, 2013) for a desired organizational status (Bowers & Prato, 2018). As argued above, the local food category helped organization leaders of UD develop a structured view of the markets, which aids in illustrating the complexity in the business-society nexus. In this sense, the selected category operates as an existing societal mold for organization leaders to gain legitimacy with their stakeholders (Zuckerman, 1999). With an increased focus on this category, responsible leadership as personal attitudes at the micro level could be implemented as an organizational property at the macrolevel when business leaders face tension due to the plurality of stakeholders in various scenarios (Waldman et al., 2020).

Second, lenient categories could pave the path for responsible leaders to influence stakeholders. Membership in a category entitles organizations to be perceived

in a particular manner and grouped based on a set of characteristics that they share (Glynn & Navis, 2013; Navis & Glynn, 2010). Lenient categories could accommodate organizations with broad offerings (Pontikes & Barnett, 2015) either commercially or emotionally. The local food category in our case study encompasses both knowledge-based geographic scope and psychological-related social interaction, from which the organization could single out one attribute and combine two as a means to achieve specific goals. Explicitly, the local category mobilizes and encourages UD to open alternative routes, rational and/or affectionate, of sharing values, interests, and needs with stakeholders and building consensus.

Third, lenient categories facilitate responsible leaders to perform both purpose-driven and vision-driven management. Since stakeholder groups are not static, business leaders need to envision all the potential conflicts and synergies among stakeholders along with their economic or social positioning. Lenient categories rest on some flexibilities around conceptualization and expectations. Since the degree of variation within a category determines how much organizations can navigate and promote the category (Gehman & Grimes, 2017), responsible leaders could strategically use multiple interpretations of the lenient category (Chliova et al., 2020) to guide stakeholders in their thinking, feeling, and acting toward an emergent cooperative status.

Finally, lenient categories could extend spheres of responsible leadership and concurrently raise the political power of organizations in the social arena. Organizations could become smooth operators in the lenient category with undefined boundaries, as socially skillful incumbents attempt to “produce rules of interaction to stabilize their situation vis-a-vis other powerful and less powerful actors” (Fligstein, 2001, p. 108). In our case, one element in leadership practices of UD is to architect the stakeholder relationship in the community by shaping and promoting the category for continuous enrollment of new participants. Furthermore, compelling narratives through using stories and physical artifacts around lenient categories allows organizations to gain more visibility in mass media and make them a better place in molding the future of the industry.

Acknowledgements We extend our appreciation to Linda Smircich, Silvia Dorado, Joel Baum, Jeannette Colyvas, and two anonymous reviewers for their helpful comments on earlier versions of this article. We also thank Ken Toong, Mzamo Mangaliso, Christopher Howland, and Marlene Navarro for their support to this research. An abridged version of this paper has been included in the Academy of Management Best Paper Proceedings 2021.

Funding Xueting Jiang is supported by ISRC Grants from New York Institute of Technology.

Open Access This article is licensed under a Creative Commons Attribution 4.0 International License, which permits use, sharing, adaptation, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons licence, and indicate if changes were made. The images or other third party material in this article are included in the article's Creative Commons licence, unless indicated otherwise in a credit line to the material. If material is not included in the article's Creative Commons licence and your intended use is not permitted by statutory regulation or exceeds the permitted use, you will need to obtain permission directly from the copyright holder. To view a copy of this licence, visit <http://creativecommons.org/licenses/by/4.0/>.

References

- Bajpai, K., & Weber, K. (2017). Privacy in public: Translating the category of privacy to the digital age. *Research in the Sociology of Organizations*, 51, 223–258.
- Barney, J. B. (2020). Measuring firm performance in a way that is consistent with strategic management theory. *Academy of Management Discoveries*, 6(1), 5–7.
- Barney, J. B., & Harrison, J. S. (2020). Stakeholder theory at the crossroads. *Business & Society*, 59(2), 203–212.
- Bowers, A., & Prato, M. (2018). The structural origins of unearned status: How arbitrary changes in categories affect status position and market impact. *Administrative Science Quarterly*, 63(3), 668–699.
- Bureau of Ocean Energy Management. (n.d.). *Cape Wind*. Bureau of Ocean Energy Management. Retrieved October 15, 2020, from <https://www.boem.gov/renewable-energy/studies/cape-wind>.
- Carroll, A. B. (1991). The pyramid of corporate social responsibility: Toward the moral management of organizational stakeholders. *Business Horizons*, 34(4), 39–48.
- Carroll, A. B. (2015). Corporate social responsibility. *Organizational Dynamics*, 2(44), 87–96.
- Carroll, A. B., Adler, N. J., Mintzberg, H., Cooren, F., Suddaby, R., Freeman, R. E., & Laasch, O. (2020). What are responsible management? A conceptual potluck. In O. Laasch, R. Suddaby, R. E. Freeman, & D. Jamali (Eds.), *Research handbook of responsible management* (pp. 56–71). Edward Elgar Publishing.
- Chliova, M., Mair, J., & Vernis, A. (2020). Persistent category ambiguity: The case of social entrepreneurship. *Organization Studies*, 41(7), 1019–1042.
- Doh, J. P., & Quigley, N. R. (2014). Responsible leadership and stakeholder management: Influence pathways and organizational outcomes. *Academy of Management Perspectives*, 28(3), 255–274.
- Farm to Institution New England (FINE) & the Center for Agriculture and Food Systems at Vermont Law School (CAFS). (2019). *Regional trends in New England farm to institution procurement policy*. Retrieved from <https://www.farmtoinstitution.org/sites/default/files/imce/uploads/Regional-Trends-in-New-England-Farm-to-Institution-Procurement-Policy.pdf>
- Fligstein, N. (2001). Social skill and the theory of fields. *Sociological Theory*, 19(2), 105–125.
- Freeman, R. E., Phillips, R., & Sisodia, R. (2020). Tensions in stakeholder theory. *Business & Society*, 59(2), 213–231.
- Freudenreich, B., Lüdeke-Freund, F., & Schaltegger, S. (2020). A stakeholder theory perspective on business models: Value creation for sustainability. *Journal of Business Ethics*, 166(1), 3–18.
- Galt, R. E. (2011). Counting and mapping community supported agriculture (CSA) in the United States and California: Contributions from critical cartography/GIS. *ACME: An International E-Journal for Critical Geographies*, 10(2), 131–162.

- Gehman, J., & Grimes, M. (2017). Hidden badge of honor: How contextual distinctiveness affects category promotion among certified B corporations. *Academy of Management Journal*, 60(6), 2294–2320.
- Glynn, M. A., & Navis, C. (2013). Categories, identities, and cultural classification: Moving beyond a model of categorical constraint. *Journal of Management Studies*, 50(6), 1124–1137.
- Goodman, J. D. (2019, February 14). *Amazon Pulls Out of Planned New York City Headquarters*. The New York Times. Retrieved from <https://www.nytimes.com/2019/02/14/nyregion/amazon-hq2-queens.html>
- Greenwood, M. (2007). Stakeholder engagement: Beyond the myth of corporate responsibility. *Journal of Business Ethics*, 74(4), 315–327.
- Hsu, G., Hannan, M. T., & Koçak, Ö. (2009). Multiple category memberships in markets: An integrative theory and two empirical tests. *American Sociological Review*, 74(1), 150–169.
- Kaplan, S. (2020). Beyond the business case for social responsibility. *Academy of Management Discoveries*, 6(1), 1–4.
- Kennedy, M. T. (2008). Getting counted: Markets, media, and reality. *American Sociological Review*, 73(2), 270–295.
- Kennedy, M. T., & Fiss, P. C. (2013). An ontological turn in categories research: From standards of legitimacy to evidence of actuality. *Journal of Management Studies*, 50(6), 1138–1154.
- Kennedy, M. T., Lo, J., & Lounsbury, M. (2010). Category currency: A framework for analyzing the effects of meaning construction process. *Research in the Sociology of Organizations*, 31, 369–397.
- Lo, J. Y., Fiss, P. C., Rhee, E. Y., & Kennedy, M. T. (2020). Category viability: Balanced levels of coherence and distinctiveness. *Academy of Management Review*, 45(1), 85–108.
- Lune, H., & Berg, B. L. (2017). *Qualitative research methods for the social sciences* (9th ed.). Pearson.
- Maak, T., & Pless, N. (2006). Responsible leadership in a stakeholder society—A relational perspective. *Journal of Business Ethics*, 66(1), 99–115.
- Maak, T., Pless, N. M., & Voegtlin, C. (2016). Business statesman or shareholder advocate? CEO responsible leadership styles and the micro-foundations of political CSR. *Journal of Management Studies*, 53(3), 463–493.
- Marques, T. M., & Gomes, J. F. (2020). Responsible leadership and/or versus responsible management. In O. Laasch, R. Suddaby, R. E. Freeman, & D. Jamali (Eds.), *Research Handbook of Responsible Management* (pp. 138–154). Edward Elgar Publishing.
- Marquet, L. D. (2020). *Leadership is language: The hidden power of what you say - and what you don't*. Portfolio.
- McGahan, A. M. (2020). Where does an organization's responsibility end? Identifying the boundaries on stakeholder claims. *Academy of Management Discoveries*, 6(1), 8–11.
- Miska, C., Hilbe, C., & Mayer, S. (2014). Reconciling different views on responsible leadership: A rationality-based approach. *Journal of Business Ethics*, 125(2), 349–360.
- Miska, C., & Mendenhall, M. E. (2018). Responsible leadership: A mapping of extant research and future directions. *Journal of Business Ethics*, 148(1), 117–134.
- Nason, R. S., Bacq, S., & Gras, D. (2018). A behavioral theory of social performance: Social identity and stakeholder expectations. *Academy of Management Review*, 43(2), 259–283.
- Navis, C., & Glynn, M. A. (2010). How new market categories emerge: Temporal dynamics of legitimacy, identity, and entrepreneurship in satellite radio, 1990–2005. *Administrative Science Quarterly*, 55(3), 439–471.
- Oliver, C. (1997). The influence of institutional and task environment relationships on organizational performance: The Canadian Construction Industry. *Journal of Management Studies*, 34(1), 99–124.
- Orlikowski, W. J. (1994). Categories: Concept, content, and context. *Computer Supported Cooperative Work (CSCW)*, 3(1), 73–78.
- Parmar, B. L., Freeman, R. E., Harrison, J. S., Wicks, A. C., Purnell, L., & De Colle, S. (2010). Stakeholder theory: The state of the art. *Academy of Management Annals*, 4(1), 403–445.
- Patzer, M., Voegtlin, C., & Scherer, A. G. (2018). The normative justification of integrative stakeholder engagement: A Habermasian view on responsible leadership. *Business Ethics Quarterly*, 28(3), 325–354.
- Pless, N. M., & Maak, T. (2011). Responsible leadership: Pathways to the future. *Journal of Business Ethics*, 98, 3–13.
- Pontikes, E. G., & Barnett, W. P. (2015). The persistence of lenient market categories. *Organization Science*, 26(5), 1415–1431.
- Porac, J. F., Wade, J. B., & Pollock, T. G. (1999). Industry categories and the politics of the comparable firm in CEO compensation. *Administrative Science Quarterly*, 44(1), 112–144.
- Schneider, M. (2002). A stakeholder model of organizational leadership. *Organization Science*, 13(2), 209–220.
- Seelye, K. Q. (2017, December 19). *After 16 years, hopes for cape cod wind farm float away*. The New York Times. Retrieved from <https://www.nytimes.com/2017/12/19/us/offshore-cape-wind-farm.html>
- Spears, L. C. (2010). Servant leadership and Robert K. Greenleaf's legacy. In D. V. Dierendonck & K. Patterson (Eds.), *Servant leadership: Developments in theory and research* (pp. 11–24). Palgrave Macmillan.
- Stahl, G. K., & Sully de Luque, M. (2014). Antecedents of responsible leader behavior: A research synthesis, conceptual framework, and agenda for future research. *Academy of Management Perspectives*, 28(3), 235–254.
- Stevens, L., Vielkind, J., & Honan, K. (2019, February 14). *Amazon cancels HQ2 plans in New York city*. The Wall Street Journal. <https://www.wsj.com/articles/amazon-cancels-hq2-plans-in-new-york-city-11550163050>
- United States Department of Agriculture. (n.d.) *Local foods: Agricultural Law information partnership*. USDA National Agricultural Library. Retrieved October 15, 2020, from https://www.nal.usda.gov/aglaw/local-foods#quicktabs-aglaw_pathfinder=1
- Vergne, J. P., & Wry, T. (2014). Categorizing categorization research: Review, integration, and future directions. *Journal of Management Studies*, 51(1), 56–94.
- Wadham, H., & Warren, R. C. (2014). Telling Organizational Tales. *Organizational Research Methods*, 17(1), 5–22.
- Waldman, D. A., Siegel, D. S., & Stahl, G. K. (2020). Defining the socially responsible leader: Revisiting issues in responsible leadership. *Journal of Leadership & Organizational Studies*, 27(1), 5–20.
- Whitcomb, R., & Williams, W. (2007). *Cape wind: Money, celebrity, energy, class, politics, and the battle for our energy future*. Public Affairs.
- Wry, T., & Lounsbury, M. (2013). Contextualizing the categorical imperative: Category linkages, technology focus, and resource acquisition in nanotechnology entrepreneurship. *Journal of Business Venturing*, 28(1), 117–133.
- Zuckerman, E. W. (1999). The categorical imperative: Securities analysts and the illegitimacy discount. *American Journal of Sociology*, 104(5), 1398–1397.