**ONLINE APPENDIX: STAKEHOLDER ENGAGEMENT STRATEGIES, NATIONAL INSTITUTIONS, AND FIRM PERFORMANCE: A CONFIGURATIONAL PERSPECTIVE**

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# APPENDIX 1: ROBUSTNESS CHECK

In this appendix we document results of robustness checks performed by varying the frequency and consistency thresholds used in the main results. Table 1a reports the results of the analysis when the frequency threshold is changed from 2 to 1. As was the case in the main results presented in Table 4, these findings provide show that a substitutionary strategy is linked to high performance for a firm in a context characterized by strong capital and weak labor. In a context featuring both strong labor and capital, we again observe that the two extremes of encompassing and minimalist strategy are linked to high performance. Finally, in a context with only strong capital, we observe that either a substitutionary or a minimalist strategy is linked to performance.

Table 1a Configurations for high performance



Table 1b shows the results of the analysis when we change the consistency threshold from 0.85 to 0.82 (i.e., the next natural break point in raw consistency scores in the truth table). As in the main results shown in Table 4, we find that in a context characterized by strong capital, a minimalist strategy is linked to performance. The findings also suggest that in such a context a substitutionary strategy focusing on employees but not shareholders is associated with performance. As earlier, in a context with strong capital and weak labor, a substitutionary strategy; and in contexts with both strong labor and capital, either a minimalist or encompassing strategy is linked to high performance. In addition, we find one configuration representing a context of strong labor (configuration 6). This configuration shows that for high-tech firms (along with dispersed ownership and high internationalization as peripheral conditions) in a context with strong labor, a complementary strategy focusing on employees but not on shareholders is linked to high performance.

Table 1b Configurations for high performance



# APPENDIX 2: ADDITIONAL ROBUSTNESS CHECK

This appendix reports the results of robustness checks using alternative calibration thresholds corresponding to 90th, 50th, and 10th percentiles for full membership, the crossover point, and null membership, respectively.

Table 2a Configurations for achieving high performance



# APPENDIX 3: RESULTS FOR THE ABSENCE OF HIGH PERFORMANCE

In this appendix we report the configurations that we found to be consistently linked to the absence of high performance. Configurations 1 and 2 combine the absence of strong capital and labor institutions, as represented by Switzerland in our sample. Configuration 1 represents low-tech firms with low ownership concentration and low internationalization that follow a substitutionary stakeholder engagement strategy, emphasizing shareholder rights. Configuration 2 represents firms that also have low ownership concentration but are high-tech and highly international; for such firms, not emphasizing employment quality but attending to shareholder rights is linked to high performance. This configuration shows that, in the absence of strong institutions favoring labor, high-tech firms that do not focus on employees may find their performance compromised.

Configuration 3 shows that in an institutional context of weak labor institutions, firms that are not high-tech, have dispersed ownership, are not highly internationalized, and pursue encompassing stakeholder engagement, have consistently low performance. In this institutional context, low-tech firms with a strong domestic orientation appear not to benefit from the commitment of resources to employees or shareholders; that is, in the combined absence of strong norms favoring labor and any firm-level incentives to focus on labor, an encompassing stakeholder engagement strategy may be a poor use of a firm’s resources.

TablE 3a Configurations for the absence of high performance

A screenshot of a cell phone

Description automatically generated