Investigating the link between stakeholder type and strategic responses to institutional pressures: Combining the Mitchell et al. (1997) and the Oliver (1991) models: Public sector context

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ABSTRACT
The management of increased numbers of stakeholder groups with increased and conflicting demands requires refined information on who and what really counts to management in terms of these demands from multiple stakeholders. These requirements challenge stakeholder and institutional theory to effectively support the decision making practice. The purpose of this paper is to examine links between stakeholder theory and institutional theory in a way not previously seen in the literature and present new propositions as a potential extension of these theories. The study makes use of the Mitchell et al. (1997) stakeholder typology model and combines it with the Oliver (1991) model which offers a typology of strategic responses to institutional pressures. This is a conceptual paper which employs a literature based analysis and from this generates six new propositions. These propositions can be tested in future research. The main implication is that the paper has the potential to assist managers in dealing with multiple stakeholders’ interests. Several insights are provided for further research and for improvement in current practice.

Keywords: Decision making, public sector, stakeholder theory, institutional theory, strategic responses, stakeholder type