Stakeholder studies have discovered that strong stakeholder corporate social responsibility (CSR) orientation can motivate firms to engage better in environmental activities. However, when multiple stakeholders are involved, strong yet incongruent stakeholder pressure may not lead to improved environmental performance. The authors integrate complexity science with stakeholder management theory to address this issue. Using a sample of 149 Chinese small and medium-sized enterprises, they find that the average stakeholder's CSR orientation improves environmental strengths, but generates an inverted U-shaped relationship with environmental concerns. Further, results indicate that the congruence in stakeholders' CSR orientation enhances this inverted U-shaped relationship, and that the moderating impact of congruence is weaker when entrepreneurial orientation is higher.
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