Organization Science

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Dancing with Giants: How Small Women- and Minority-Owned Firms Use Soft Power to Manage Asymmetric Relationships with Larger Partners

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Abstract. We explore how minority- and women-owned suppliers lacking hard power manage asymmetric relationships with larger, more powerful buyers in the context of supplier diversity relationships. We examine how these suppliers create and use soft power to manage the opportunities and challenges they encounter trying to maintain their positions in large buyers' supply chains. We find that these easily substitutable firms use a variety of information sources to identify and make themselves cognitively central to individuals inside and outside the buyer organizations who can serve as functional and political influencers. They then employ these influencers to affect the buyer's decisions when their position in the supply chain is threatened, largely without the buyer noticing. Our study contributes to the literatures on the use of soft power buyer-supplier power relationships and supplier diversity.

Introduction

Many suppliers face a critical tension: although working with large, powerful buyers creates opportunities to access more lucrative markets and grow their firms, it also creates risks that can threaten their survival. The literature is replete with examples of powerful buyers coercing suppliers to comply with their demands or risk losing their business (e.g., Cox et al. 2002, Crook and Combs 2007, Gulati and Sytch 2007, Maglaras et al. 2015). In such contexts, "power is largely discussed in terms of control, coercion, or legitimacy" (Ireland and Webb 2007, p. 483), that is, as hard power (Santos and Eisenhardt 2009). Hard power comes from formal authority that is related to actors' positions in organizational hierarchies, the resources the actors control, or their access to others who control key resources (Pfeffer and Salancik 1978, Provan 1980, Wry et al. 2013). Given that hard power in buyer-supplier relationships typically favors buyers (Maloni and Benton 2000, Gulati and Sytch 2007), suppliers are often portrayed as having limited options for protecting their interests (Gulati and Sytch 2007).

However, lacking hard power does not mean that a firm is powerless. Recent studies have highlighted how firms lacking hard power can exert influence through "soft power" that is based on less overt subtle persuasion (Santos and Eisenhardt 2009). For example, entrepreneurial firms with proprietary resources but lacking hard power can use the soft power tactics of illusions, timing, and exploiting others' natural tendencies to bolster their influence and protect their resources and market positions (e.g., Katila et al. 2008, Santos and Eisenhardt 2009, Diestre and Rajagopalan 2012, Hallen et al. 2014). However, although this research highlights the options available to firms prior to entering relationships with more dominant partners, it does not provide insights into managing these relationships once they are formed. Further, a major complication with using soft power is that it can be easily countered if its use is recognized (Cialdini 2004, Santos and Eisenhardt 2009). Given the prevalence of power asymmetries in buyer-supplier relationships (Crook and Combs 2007, Nyaga et al. 2013) and the fact that distinct approaches are required for forming and maintaining relationships (van de Ven 1976, Polidoro et al. 2011), understanding how and why firms with limited access to hard power succeed and fail is a critical issue.

We asked the following question: how do suppliers with limited access to hard power manage their relationships with more powerful buyers? Using a grounded theory approach (Strauss and Corbin 1994,

Edmondson and McManus 2007), we explored this question in the context of supplier diversity programs where large organizations purchase goods and services from small minority- and women-owned business enterprises (MWBEs; Adobor and McMullen 2007). Supplier diversity programs are a context where power asymmetries in buyer-supplier relationships are particularly pronounced because MWBEs typically lack the size and resources to negotiate equitable contracts that would penalize the buyers for noncompliance (Williamson 1975, Whetten 1981). Additionally, their size and resource disadvantages make it challenging for them to adequately meet larger buyers' needs or to use the coercive tactics that are available to resource-rich firms (Santos and Eisenhardt 2009). They are also likely to have difficulties employing relational embeddedness, which is based on trust, reciprocity, reputation, and mutual interests that grow out of organizational similarities (Granovetter 1985, McPherson et al. 2001, Vissa 2011).

Supplier diversity programs originated as a way to bolster the growth of firms founded by individuals from marginalized populations (Marlow and Patton 2005, Calas et al. 2009, Shelton 2010, Jennings and Brush 2013). However these firms generally lack hard power because they rarely control the "critical assets" (Cox et al. 2002, p. 3) that provide hard power in supply chains. Rather, MWBE suppliers typically provide easily obtained products and services (Shah and Ram 2006), placing them in a weak position relative to large suppliers with economies of scale and scope. Furthermore, because many buyers with supplier diversity programs get credit when they procure products or services from any MWBE, these suppliers face the additional complication that they can also be substituted with other MWBEs that provide different products or services. Thus, although relationships with large buyers present substantial opportunities, MWBEs' efforts to meet their demands can put their very survival at risk if the buyer decides to no longer do business with them or if they overextend themselves trying to meet the buyer's expectations. MWBE-buyer relationships, therefore, provide an "extreme case" (Eisenhardt 1989, Baum and McKelvey 2006) for developing theory about how firms lacking hard power can employ soft power as an alternative.

Our study makes three contributions. First, most soft power research focuses on how soft power is used to directly influence others (e.g., Katila et al. 2008, Santos and Eisenhardt 2009, Hallen et al. 2014). We instead highlight how developing cognitive centrality (Bunderson 2003) with key individuals who play distinct roles both inside and outside the organization serves as a soft power mechanism for influencing those with hard power. Cognitive centrality results

from a shared understanding about who possesses knowledge and expertise related to a particular task or tasks within a network (Bunderson 2003, Fund et al. 2008) and enhances the cognitively central actor's influence within a network (Fund et al. 2008). We show how suppliers' cognitive centrality with "functional and political influencers"[1] allows them to further exercise soft power to affect buyers' decisions, generally without the buyers realizing it. We provide insights into the nuanced processes through which cognitive centrality is established and how it is used as a tool for building soft power that can be employed across different actors. We also show how both being the focus of and avoiding attention play roles in exercising soft power.

Second, we extend beyond the dyadic and buyer-centric focus of prior research on buyer-supplier relationships. This research has emphasized how buyers dominate suppliers in direct interactions (e.g., Gulati and Sytch 2007, Bode et al. 2011, Maglaras et al. 2015) and how suppliers might attempt to develop hard power to counteract the buyer's hard power (e.g., Cox et al. 2002, Gulati and Sytch 2007, Bode et al. 2011, Nyaga et al. 2013, Maglaras et al. 2015). By taking the supplier's perspective, we show that suppliers lacking hard power can leverage the institutional context and interests of those inside and outside the organization to shape buyers' decision making without the buyers recognizing the influence is being employed. Given the increased use of contracting and outsourcing and the fact that industry consolidation has increased the market power of the largest firms in many industries, it is important to understand the strategies that suppliers employ to protect themselves in relationships with large buyers.

Finally, we contribute more generally to the literature on supplier diversity. Although supplier diversity programs are ubiquitous, research on them is largely descriptive (Whitfield and Landeros 2006, Wu 2010) and mostly focuses on the concerns of the buyers who established the programs. By adopting the supplier's perspective, we identify the challenges, as well as the opportunities, these programs create for MWBEs and how they navigate the constraints created by the very programs put in place to help them.

Theoretical Background
Managing Power Asymmetries in Interorganizational Relationships
Power asymmetries are a reality of many buyer-supplier relationships and can significantly affect their outcomes (Maloni and Benton 2000). Power is based on "having something that someone else wants or needs, and being in control of the performance or resources so that there are few alternative sources, or no alternative sources, for obtaining what is desired"

(Pfeffer 1981, p. 99). Thus, power is closely linked to dependence (Mechanic 1962, Pfeffer and Salancik 1978, Hillman et al. 2009, Wry et al. 2013), because actors can gain power over their partners if they are able to reduce their dependence on their partners and/or increase their partners' dependence on them (Provan et al. 1980, Casciaro and Piskorski 2005). Power is also multidimensional and, in interorganizational relationships, is a function of such factors as organization size, control over the rules governing exchange, control over strategic interdependencies (Boje and Whetten 1981), and being able to choose a "do without" strategy (Oliver 1990, p. 243).

In the context of supply chains, power is most frequently conceptualized as coercive "hard" power, where powerful buyers expand their dominance by forcing their weaker suppliers to forgo a portion of the value created by the relationship (Gulati and Sytch 2007). This makes it difficult for the suppliers to manage their relationships and meet their goals (Ring and van de Ven 1994). Powerful buyers can "skim generated surplus from the dyad" (Schleper et al. 2017, p. 102) by demanding price concessions, canceling or renegotiating contracts, cutting margins, and shifting both risks and costs to suppliers (Maglaras et al. 2015). For example, U.S. automakers formed arm's-length relationships with a large number of suppliers so that they could pit them against each other (Gulati and Sytch 2007). This allowed them to force cost reductions and product-development expenses onto their suppliers, threatening to replace them if they did not comply (Maloni and Benton 2000). Although these practices can strengthen buyers' competitiveness, they can have adverse effects on the supply chain's overall performance because they reduce trust and commitment and increase conflict (Maloni and Benton 2000). Consequently, over half of buyer-supplier relationships with significant power asymmetries fail, and suppliers suffer the most from these failures (Crook and Combs 2007).

Given the negative implications of power asymmetries for low-power actors in the supply chain, the limited research on how suppliers can manage these challenges in their relationships is surprising. Research has instead primarily recommended developing joint dependence (Gulati and Sytch 2007) through embedded relationships or direct control over critical resources and to be willing to use that control to force the buyers' hands (Handley and Benton 2012). In other words, they recommend that suppliers should counter the buyers' hard power by developing hard power of their own. Little attention has been given to how firms lacking the means or motivation to gain and use hard power can protect their interests. Another suggestion is that suppliers formally bargain with buyers or renew their commitments through

legal and psychological contracts to ensure their goals are met in an efficient and equitable manner (Ring and van de Ven 1994). However, this assumes that buyers' and sellers' goals are aligned and that they are equally motivated to pursue the relationship. When, as is more typical, buyers and suppliers have incongruent goals, their ability to extract value from the relationship reverts to how much hard power a firm has (Gulati and Sytch 2007, Maglaras et al. 2015).

Soft power is an option for firms with limited access to hard power (Katila et al. 2008, Diestre and Rajagopalan 2012, Hallen et al. 2014).[2] It requires more subtlety and patience to employ and thus can be more difficult to detect (Brass and Burkhardt 1993, Santos and Eisenhardt 2009). It can also be more easily countered when its use is recognized (Cialdini 2004). Soft power employs informal forms of influence that originate from normative frameworks within organizations (Mechanic 1962), others' perceptual biases (Santos and Eisenhardt 2009), and interpersonal persuasion (Cialdini 2004) to get others to "want" to take the desired action—often without the target even realizing it (Cialdini 2004). Thus, it contrasts with hard power's use of rewards and punishments or other coercive techniques that "make" others take certain actions. Soft power does not require the size and resources that hard power tactics do; as such, firms that can influence the information, people, and physical assets within the organization can wield considerable soft power (Mechanic 1962, Pettigrew 1972). In addition, firms that can decrease their partner's uncertainties can also increase their soft power because "an actor's ability to control these contingencies becomes central when organizational functionality is dependent on it" (Fleming and Spicer 2014, p. 250).

Scholars have emphasized the utility of soft power for protecting firms from having their valuable resources misappropriated when entering relationships with more powerful "sharks" (Katila et al. 2008). However, this research has paid limited attention to employing soft power to maintain relationships once they are formed. This distinction is important, given that the approaches required for forming relationships are often different from those required for maintaining relationships (van de Ven 1976, Polidoro et al. 2011). Further, these tactics typically focus on directly influencing the more powerful actor. We extend this work by illustrating how suppliers develop and employ cognitive centrality (Bunderson 2003) as a source of soft power to get influencers inside and outside the buyer organization to act on their behalf when their position in the supply chain is threatened, often without the key decision makers noticing. Cognitive centrality is linked to "perceived expertise or reliability in the knowledge domain" (Kameda et al. 1997, p. 298) and enhances an actor's

influence within a network (Fund et al. 2008). When someone is looking for the solution to a problem, information, or an example of a successful supplier to offer others, they will likely identify suppliers who are cognitively central and thus are the most easily recalled. Bunderson (2003, p. 559) noted that signals of an actor's expertise that make them cognitively central can be "as obvious as an expert role assignment or a performance ranking, or as subtle as past experience or assertive behaviors."

Research Context

We studied MWBEs that participated in the supplier diversity programs of two large hospital systems located in the mid-Atlantic region of the United States. Supplier diversity programs are increasingly prevalent among American corporations, originating as a way to bolster entrepreneurial efforts by marginalized populations disadvantaged by societal structures that limit their access to capital and other critical resources (Marlow and Patton 2005, Calas et al. 2009, Shelton 2010, Jennings and Brush 2013). President Richard Nixon initiated supplier diversity programs in 1969 through executive orders to "promote the mobilization of activities and resources of state and local governments, businesses and trade associations, universities, foundations, professional organizations and volunteer and other groups towards the growth of minority business enterprises and facilitate the coordination of the efforts of these groups with those of federal departments and agencies" (Nixon 1969).

Since then, nongovernmental involvement in supplier diversity has grown tremendously, such that it touches virtually every industry, government agency, and government-funded project. Purchases from minority-owned firms by the approximately 3,500 member corporations of the National Minority Supplier Development Council grew from $86 million in 1972 to over $110 billion in 2012 (National Minority Supplier Development Council 2012); almost every major university and hospital in the United States has a supplier diversity program, as do a significant proportion of the Fortune 500 (Menendez 2010). MWBEs can typically register with a buyer's supplier diversity program by directly entering their information into the buyer's supplier database. However, this does not guarantee that the suppliers will receive any business from the buyer. As with most sales experiences, references and network connections are often required to generate an initial purchase order. Furthermore, staying in the system and continuing to get purchase orders can be even more challenging.

MWBEs experience more constraints than the average non-MWBE firm, which, when coupled with the economic demands on large hospitals, makes it difficult for them to thrive in the healthcare supply chain (Pearson et al. 1994). For example, African American–owned firms generate average sales of $58,000 compared with $546,000 for firms owned by nonminorities (McManus 2016). Minority-owned firms account for about 29% of businesses in the United States but only 12% of sales and 13.5% of employment. Less than 10% of minority-owned firms have paid employees; these disparities are present even within industries, such as home healthcare services and educational services, where MWBEs are overrepresented (Desilver 2015, McManus 2016).

MWBEs also find it difficult to finance their growth through loans. They instead rely on personal funds (Robb 2013), resulting in chronic undercapitalization (Fairlie and Robb 2008). This can stymie their growth and make it difficult to service large customers. As suppliers, MWBEs are clustered in a few industries and provide easily obtained products and services (Shah and Ram 2006). Further, these suppliers can be substituted with other suppliers who provide different products or services but who possess the MWBE designation. Thus, although entering a relationship with a large buyer presents substantial opportunities for value creation for MWBEs, their survival can be at risk if buyers opt to use hard power to manage the relationships.

As an additional complication, government and consumer pressures to adopt supplier diversity programs, although intended to provide an economic boost to MWBEs and local communities (Krause et al. 1999, Ram et al. 2002, Worthington et al. 2008, Min 2009), collide with the fiscal realities and goals of the healthcare industry. Hospitals must balance somewhat incompatible organizational goals. They need to accomplish their primary function of patient care—which means always having the necessary supplies—while providing that care as efficiently as possible. Thus, the healthcare industry in the United States, which accounts for about 18% of the gross domestic product (GDP), constantly faces pressures to reduce costs and has focused its cost-cutting efforts on its supply chains (Elmuti et al. 2013). To do so, over 90% of hospitals have joined purchasing alliances that enable them to generate economies of scale and standardize their products, limiting variability that can ultimately affect patient care (Burns and Lee 2008). Consolidation increases efficiency by reducing the number of supplier relationships that the hospital systems must manage; thus, about 70% of healthcare spending is done through a few group purchasing organizations (GPOs) and distributors (Kwon et al. 2016)—supply chain intermediaries that create efficiencies by purchasing and warehousing products from many manufacturers, thereby reducing the number of suppliers with which the hospitals must interact (Mudambi and Aggarwal 2003). Supplier diversity programs threaten

to undercut these efforts because buyers are expected to increase the number of MWBEs they work with, even when they do not meet their size and capitalization criteria (Pearson et. al 1994). Working with many suppliers increases the hospital systems' administrative costs; when MWBEs cannot compete on price, the hospital systems' materials costs also increase.

Large buyers have attempted to reduce supplier diversity program search costs through "second-tier reporting," where they count their distributors' preexisting procurement from MWBEs toward their own supplier diversity program goals (Kase 2012). This draws directly on the fungibility of MWBEs and creates an additional challenge for them, because they end up competing not only with other suppliers that provide the same products and services but also with other MWBEs providing entirely different products and services. Second-tier reporting also sidesteps the issue of economically bolstering the local community. All these dynamics contribute to MWBEs being hard power disadvantaged in their relationships with large buyers, making this setting especially appealing for examining how suppliers manage persistent hard power asymmetries.

Data and Method
Data Collection
We collected data from July 2011 to March 2014 on the supplier diversity programs of two large hospital systems (HSs) and the MWBEs participating in their supplier diversity programs. The hospital systems operated in the same geographic region, shared many of the same suppliers, and used the same distributors. HS A had approximately five hospitals, whereas HS B had approximately ten hospitals. Both hospital systems managed their supplier diversity programs through a central procurement office that was housed in the largest hospital of each system.

We used multiple sources of data, including archival data, naturalistic observation, and interviews. The archival data sources included company websites, brochures, newspaper articles, press releases, and procurement data from the hospital systems. These data sources provided information on the relationships between the hospital systems and individual suppliers as well as how the hospital systems characterized their roles in supplier diversity programs. In line with naturalistic observation, we attended an industry supplier diversity conference to understand diverse stakeholders' viewpoints, including representatives from the hospital systems, suppliers, politicians, and community organizers. We were subsequently invited to a half-day healthcare supplier diversity forum. Both these events were recorded with the permission of the organizers, transcribed verbatim, and coded.

Our primary data source was semistructured interviews that allowed us to compare responses across questions and to pursue theoretically interesting leads as they emerged. The result was a more holistic understanding of our informants' experiences and insights. Kisha's extensive prior work experience in facilitating relationships between buyers and suppliers in supplier diversity programs was instrumental in developing the interview protocol. Our primary MWBE informants were the companies' chief executive officers (CEOs), because they typically were the ones who directly interfaced with the buyers (Zaheer and Venkatraman 1995). In a few cases, we interviewed someone else in the firm if that person was responsible for operations or business development with the HSs.

Because supplier diversity programs are characterized by significant power asymmetries, prospective informants were often concerned that their participation could jeopardize their positions in the hospital systems' supply chains. Given the difficulties with accessing informants in this context, we used snowball sampling to identify other MWBE informants after our initial wave of purposeful sampling. This approach was invaluable because "the use of snowball strategies provides a means of accessing the vulnerable and more impenetrable social groupings" (Miller 2003, p. 275). Our sample included 13 MWBE service (e.g., legal, printing, and staffing services and equipment repair) suppliers and 3 MWBE product (e.g., scrubs, medical supplies, office supplies) suppliers. The preponderance of service providers in our sample is representative of supplier diversity programs more generally.

We also interviewed professionals within the two hospital systems who were centrally involved in procurement. We wanted to gain an in-depth understanding of the context, so at each site we used purposeful sampling to deliberately select informants who were the most knowledgeable about the phenomenon of interest (Strauss and Corbin 1994). We interviewed chief operating officers (COOs), vice presidents of procurement, procurement managers, supplier diversity professionals, and end users with intimate knowledge of how the supplier diversity programs and associated relationships were managed. We were unable to conduct dyadic interviews that matched procurement managers' comments with specific suppliers' comments because of confidentiality issues; the hospital interviewees were uncomfortable discussing specific suppliers. However, we had access to each supplier's sales to the hospitals over time, enabling us to triangulate their accounts of what was happening in the relationship with changes in their sales to the hospital system.

During our initial interviews, we discovered that large national distributors, GPOs, the government, and the nonprofit sector played important roles in managing the relationships between the hospital

systems and their MWBE product suppliers. Thus, we revised our research plan and also interviewed members of these groups. The experience and characteristics of the interviewees and the total number of interviews with each group are summarized in Table 1. Overall, we conducted 38 interviews that ranged in length from about 45 to 75 minutes and were recorded with the participants' permission and transcribed verbatim (with the exception of a follow-up interview with one buyer informant and the interviews with two supplier-firm CEOs who declined to be recorded), resulting in an average of 18 pages of transcripts per interview, for a total of about 650 single-spaced pages. The interviewer took extensive notes both during and after each interview. We continued collecting data until we reached theoretical saturation.

Analysis. We followed a grounded-theory methodology (Strauss and Corbin 1994) in the design and analysis of our study. This allowed us to gain an in-depth understanding of the phenomenon from the perspective of the individuals who were embedded in it (Charmaz 2006). We used the qualitative data analysis software MAXQDA to analyze the data. Following the tenets of grounded theory, we used open coding to gain a deep understanding of the key stakeholders in the hospital systems' supplier diversity relationships, as well as suppliers' efforts to navigate this context. During open coding, we derived first-order codes primarily from the study participants' language ("in vivo codes"). These first-order in vivo codes generally took the form of descriptive phrases that we felt appropriately represented an important theme or idea in the data. We then applied these codes to all the data. Coded text segments ranged from a single sentence to several paragraphs; when appropriate, a coded segment could have multiple codes. We generated 94 initial codes and refined them using an iterative process of relabeling, dropping, and/or combining codes, resulting in first-order concepts that were closely aligned with the informants' language.

Concurrent with open coding, we engaged in axial coding (Corbin and Strauss 2008), where we developed second-order themes to explore how our first-order concepts were thematically connected to each other. Through this process, we aggregated the first-order concepts into more theoretically abstract second-order themes. Eight second-order themes emerged. We iterated among data the relevant literature and emerging theory to develop a deep understanding of how MWBEs

Table 1. Description of Informants in Sample

Participant	Title	Years in health systems	Employees	HS A/ HS B	Years in business	Number of interviews	Participant	Title	Number of interviews
MWBE 1	CEO	8	3	Both	25	1	HS A 1	VP	1
MWBE 2	CEO	7	9	Both	10	1	HS A 2	Procurement director	1
MWBE 3	CEO	7	30 temp/2 FT	Both	8	1	HS A 3	Purchasing officer	1
MWBE 4	VP	11	200 temp/4 FT	Both	15	1	HS A 4	Manager	1
MWBE 5	CEO	15	14	Both	40	1	HS B 1	Procurement director	1
MWBE 6	CEO	7	2 PT	Both	10	1	HS B 2	PO	3
MWBE 7	CEO	4	3	Both	25	1	HS B 3	Senior VP	1
MWBE 8	CEO	5	6	Both	8	1	HS B 4	PO	1
MWBE 9	CEO	23	12	Both	23	1	HS B 5	Chief operating officer	2
MWBE 10	CEO	15	3	HS B	19	1	HS B 7	Director	1
MWBE 11	CEO	3	41	Both	12	1	HS B 8	Director	1
MWBE 12	CEO	3	450 temp/5 FT	Both	22	2	Distributor 1	Supplier diversity director	1
MWBE 13	CEO	2	7	Both	17	1	Distributor 2	Account manager	1
MWBE 14	Executive vice president	4	10	Both	15	2	Distributor 3	SD director	1
MWBE 15	CEO	5	8	Both	8	1	GPO 1	Vice president of supplier diversity	1
MWBE 16	CEO	7	5	Both	11	1	Community 1	CEO-business membership organization	1
							Community 2	Government executive	1
						Total = 18			Total = 20

Note. temp, employees work on temporary basis; FT, full-time employees; PT, part-time employees; PO, procurement officer; VP, vice president.

managed their relationships with the hospital systems. In doing so, we grounded our analyses in the data but also ensured that the emerging constructs were abstracted from our context. We then considered the relationships among the second-order themes to further aggregate them into more abstract theoretical dimensions: exercising power with functional influencers, exercising power with political influencers, gaining cognitive centrality, and exercising power with buyers. We went through multiple representations of how the theoretical dimensions connected to each other before settling on a theoretical model of relationship management in buyer-supplier relationships.

Although we did not initially intend to compare suppliers' actions, as our analysis progressed we found that there were differences in the approaches that suppliers employed that were related to their "success" or failure in managing their relationships with the hospital systems. As a result, we systemically documented these differences to identify patterns of equifinality in our data. We used interview and procurement data to evaluate each MWBE's procurement success with the hospital systems over a seven-year period. We treated cases as successes when the MWBE maintained its sales to the hospital systems and as failures when an MWBEs' sales declined or the MWBE was listed as a supplier but received no or few contracts. We found that 11 MWBEs (nine service providers and two product suppliers) were successful in maintaining their positions in the supply chains and that 5 MWBEs (four service providers and one product supplier) were not. We also found that there were multiple paths to success and some clear paths to failure. The less successful firms provided a useful counterpoint for distinguishing actions more likely to be associated with successful relationship management. Table 3 summarizes this analysis.

We also took several steps to ensure the trustworthiness of our findings. Throughout the process, we engaged in member checks by discussing the results with a few select research participants who verified our findings. As mentioned earlier, Kisha also spent several years working in the supplier diversity context—an experience that greatly facilitated her gaining the participants' trust during data collection. Attending industry conferences also allowed her to experience the participants' natural discourse. Throughout the process, we also regularly engaged in debriefings with colleagues who were trained and experienced in qualitative research methodologies. Finally, to confirm that the emergent concepts were an appropriate fit for the data (Butterfield et al. 1996), we asked three doctoral students to independently assess our coding. We provided them with a sample of our first-order concepts as well as a representative sample of data and asked them to code the data in question. The overall

agreement on the codes was 77%, and we reviewed disagreements for clarity. Next, we explore how the MWBEs managed their relationships with the large hospital systems.

Findings
Prior research has focused on using soft power to directly influence another party (e.g., Santos and Eisenhardt 2009, Hallen et al. 2014). Further, when soft power is employed via relationships with others, the target's awareness that these relationships exist has been central to its effectiveness. In contrast, we found that rather than trying to enhance their visibility with the decision maker being influenced (i.e., central procurement), successful MWBEs benefited by largely avoiding central procurement's attention and instead made themselves cognitively central with those who could influence central procurement's decisions—actors we refer to as "functional" and "political" influencers.

Functional influencers were typically the end users within the hospital systems who made direct use of the products and services that the MWBEs provided. They executed work-related tasks and could use their task-related knowledge and experience as a source of influence over those with hard power (i.e., central procurement and the distributors). They included nurses, doctors, human resource administrators, information technology (IT) and legal staff, and other administrative staff. All the successful MBWEs identified functional influencers' needs, cultivated relationships with them, and employed them as a source of soft power. Three of the five unsuccessful MWBEs identified functional influencers' needs, but none of them took the actions necessary to cultivate relationships with them. As a result, they did not become cognitively central with functional influencers and were unable to employ them when their positions in the supply chains were threatened.

In contrast, political influencers needed to be more attuned to the institutional context in which the hospital systems operated and be sensitive to fulfilling the needs of multiple stakeholder groups. They had a general interest in seeing MWBEs represented in the supply chain but did not necessarily have allegiances to any specific MWBE. In our setting, political influencers were local and state government officials, the hospital systems' senior executives and directors, and community leaders. Six of the 11 successful MWBEs—including both product suppliers—identified, cultivated, and employed political influencers, and although three of the five unsuccessful MWBEs also identified political influencers, none of them took the actions necessary to become cognitively central with them and thus were unable to employ them when they experienced severe threats. This included a product supplier that eventually lost most of its business with one hospital systems.

As we will discuss, key to the MWBEs' success was using soft power to become cognitively central with potential influencers and then using their cognitive centrality as a source of soft power to influence central procurement. Central procurement often assumed that in the relationships between MWBEs and end users they were aware of, the end user was acting as a gatekeeper on the HSs's behalf, not as an advocate for the MWBE. Furthermore, central procurement was generally unaware of the relationships between MWBEs and political influencers until they were activated (and sometimes not even then). This allowed the MWBEs to affect central procurement's decisions via these influencers, typically without central procurement realizing how it was being influenced.

Next, we describe how MWBEs were able to use their cognitive centrality with functional and political influencers as a soft power mechanism to effectively counteract the hard power of those who threatened their positions in the supply chains. Our theoretical model is summarized in Figure 1, and Table 2 provides example quotes for the primary constructs in our model. Table 3 compares the 16 MWBEs in our sample with respect

to whether they provide a product or service, their success or failure in maintaining their relationships with the buyers, and whether they engaged in the practices we identified in our analysis, reflected in Figure 1.

Identifying Influencers' Needs

MWBEs were aware of their limitations in engaging with hard power buyers. As we outlined earlier, many MWBEs provided the same products and services available from larger suppliers, but had difficulty competing with them on price because most MWBEs did not possess comparable economies of scale. Additionally, MWBEs were fungible to the hospital systems' buyers because the buyers were able to fulfill their supplier diversity goals by taking credit for their suppliers' procurement from MWBEs, making MWBEs' positions in the supply chain even more tenuous. The MWBEs that were able to maintain their positions in the supply chain did so by identifying influencers and their needs through various means. To identify the needs of functional influencers, MWBEs first had to understand the hospital systems' internal webs of relationships, interests, and constraints and who within those

Figure 1. A Model of Relationship Management for Suppliers Lacking Hard Power
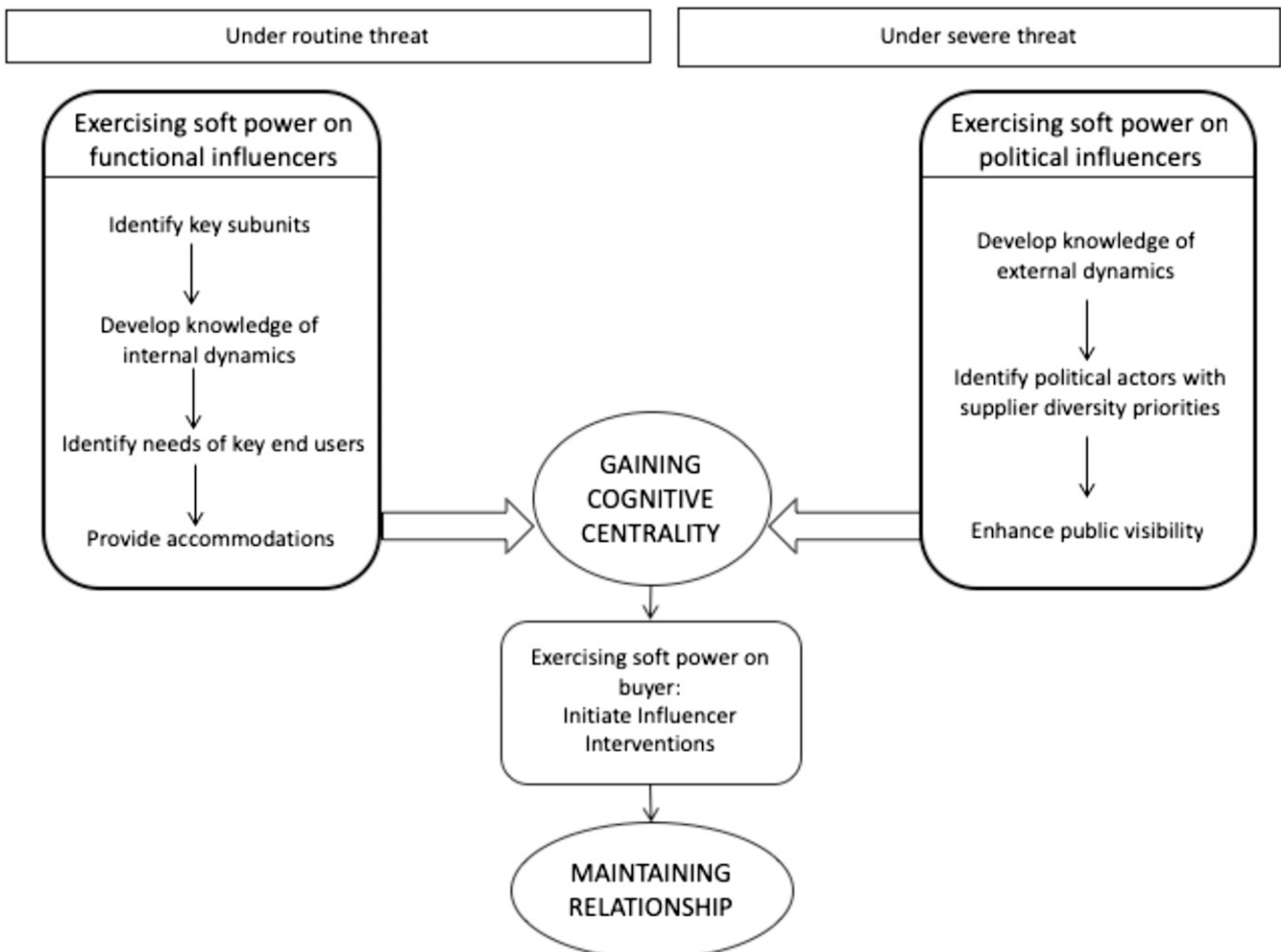
Table 2. Representative Supporting Data for Second-Order Themes

Theoretical categories and second-order themes	Representative first-order data
Exercising soft power on functional influencers: identify key subunits	"Within HS A, departments are allowed to choose their vendors and then of course they have procurement services that are for everything from new doors to print services to contractual services to anything you can think of. Within HS A my motive is to get directly to the people that makes the decision on who they want to print mail." (MWBE 11) "You've got to start to figure out okay who can make the decision because those are the people you want to get to because otherwise you're gonna waste your time. So you want to figure out who makes the decisions in this organization. You try to figure out what might they may be having difficulty with and what might you have to offer." (MWBE 16) "Because of our background in healthcare, in human resources, we would know who the key leaders are to go to. I mean you know you need to go to the human resources department to look for their staffing needs. But more importantly, you need to go to nursing leadership and so you work both sides of that." (MWBE 12) "The right person quite frankly can be someone that believes that what's going on inside the institution is wrong and they wanna be an internal champion for a particular issue. And that person could be in the stock room or that person could be at a senior level. Or that person could be a board member. It could be a patient or a person who was a patient. It could be just about anyone." (MWBE 8)
Exercising soft power on functional influencers: develop knowledge of internal dynamics	"In many of the hospitals the purchasing folks tend to be fairly lazy. They would rather just deal with the distributor who's gonna do everything for them. So no matter how much money you're saving they prefer to stay with who they have now." (MWBE 10) "You bring a product to HS A, it dies with [the distributor]. He says – oh he's gotta bring it to the committee. If he doesn't bring your product to committee – and then he says maybe if he brings it to committee it's gonna take away from his business. It never makes it." (MWBE 6) "The work is posted on a website and theoretically we all have access to that website and an equal opportunity to provide nurses who are the open to the job, but the hospitals still work on a informal network. Those opportunities that I might be able to provide the nurses for never appear on that website because it is still a informal network where a call has been put out to agencies they know. Do you know what I am saying?" (MWBE 3)
Exercising soft power on functional influencers: identify needs of key end users	"You identify who the key people are who you need to connect with, staffing office, senior nurse leadership and get to know more about the facility and what services they have so we can match up the services, because we offer what their needs are." (MWBE 4) "You deal with the doctors, all of the doctors in every state, they have associations and medical societies that they tend to meet with and have ongoing continuing meeting. So one of the ways that you can sorta … start to hang out with the doctors is to make sure you know when those meetings occur and you start to be a person that shows up at those meetings. Then that gives you the opportunity to hang out with them, you know, try to get a sense of who's who and then try to move your agenda forward." (MWBE 14) "What we do is primarily 90% of it is based and focused around the doctors needs okay." (MWBE 5)
Exercising soft power on influencers: provide accommodations	"So, it'd be harder and it will take you a lot longer but you have to try to figure out within that department who you might cozy up with and see if you could get them to start talking." (MWBE 14) "In the case of any large institution where there are many working parts before we even hear about it, we have to be able to solve any problem that comes up or answer any questions before it becomes a problem by providing solutions." (MWBE 7)
Exercising soft power on political influencers: develop knowledge of external constraints	"Their concern is to run the hospital and manage all of the external variables. Some they don't care about, unless they get pressure from an outside person or source." (MWBE 2) "They all say that you know when you talk to them and they say why we do it because it's the right thing to do or you do it because it makes good business sense. I am saying yeah they do. But behind that are you getting any State and Federal money? Look, we just had an increase in getting some business from [X]. They've been 'told', they have to increase their MBE dollar. See?" (MWBE 10) "Hospitals do some of the things they do [supplier diversity] simply because they're getting government money. HS A is doing what they've been doing because they receive federal funds, so does HS B. They haven't done that because they're nice guys." (MWBE 1)

Table 2. (Continued)

Theoretical categories and second-order themes	Representative first-order data
Exercising soft power on political influencers: identify political actors with supplier diversity priorities	"[Politicians] they wanna make sure that each entity in the state is utilizing businesses in the state, so the dollars don't leave the state and jobs are created" (MWBE 2)
	"You need to get the right people to the table and so that's where the politicians come in. [The hospitals] won't go to the table without someone tied to their purse strings without them assisting that getting to the table. And [the hospitals] are not just gonna come to the table because it's the right thing to do. They don't do that." (MWBE 11)
	"There is an entire department that does reports to the federal government and each granting agency. We don't just report to the feds. There are other people who give us money that we have to report to. I mean, I told you, we are a large recipient, so there a lot of reporting going on. And it depends on where the money is coming from, and who wants the report. I can create a report that can tell you how much money we have done in the zip code and I can give you a national report. It's based on who's asking." (HS A 5)
	"They're always asking me to present at these conferences. Why do you think that is? It's because they know I make them look good. I'm the example of MWBE success looks like." (MWBE 2)
Exercising soft power on political influencers: enhance public visibility	"And we also have from our hospital system our director of cultural competency and inclusion. That shows how serious we are about supplier diversity. And we have [MWBE supplier], who is such an amazing example of our commitment to supplier diversity." (procurement officer of HS B speaking at conference)
	"I have the pleasure to work with a number of minority firms such as [MWBE 1] who wanted to expand their business. He is here with us today and will talk to later about his experiences in the program." (political influencer speaking at conference)
Gaining cognitive centrality	"None of the contracts we've had over the last 12 years have been out for a bid at all. Remember now, we're working with the doctors. So the doctors, if they like you and you're doing a good job, then there's no need for them to look for somebody else." (MWBE 5)
	"I have a great relationship with [end user]. You have to understand, I've been there with [end user] for a very long time and I know what he needs even before he asks for it. I am the first person he calls when a new need arises." (MWBE 10)
	"We're doing our due diligence at the beginning. And there is one . . . let me give you an example. It's one of the firms that been quite successful here in the state of [X]. It's [MWBE supplier 1] and they've partnered with a major manufacturer. And they came out an idea that is very basic. They sell [a commodity item] to the hospital and we use their product throughout the hospital." (HS A 5)
Exercising soft power on buyers: initiate influencer interventions	"All of these hospital have had an initiative and those opportunities always "existed", but it wasn't until [community organization] came along and said 'Hey guys, you know, you're the big three. We need your assistance.' And it didn't increase their pricing, it just made them start doing business a little bit differently." (MWBE 1)
	"We are [working with the downtown campuses] because many years ago we were able to convince the doctors. Not all of the doctors. We only do one contract with a select group of doctors." (MWBE 4)
	"[The political influencer] minimized the risk initially because they [the hospitals] screened nurses. But they go around the system to limit small businesses and other companies from having access to the openings in order to place their people there. It's the strangest thing. It is supposed to work so everyone has equal access to it and it still doesn't." (MWBE 3)
	"The end user, the customer can possibly help you navigate that if they really want your product and I'm having a hard time getting through the purchasing or something. They can assist with that but I think that you really have to go through the proper channels to do business with the hospitals." (MWBE 5)
	"Yes, that happens too [that distributors will try to replace an MWBE]. Hmm-hmm. But that's when you have to be able to have a relationship with the customer. The customer has a relation with you, so unless there's a reason you give them [end users] to substitute you, there are no substitutes. Because the distributors only get what the customers ask them to get, no more no less." (MWBE 1)

webs had the ability to affect central procurement's decisions. Most of the suppliers were smaller firms with limited resources, so gathering this knowledge took time and resources away from other efforts to grow their firms.

One supplier explained it this way: "We depend on working with HS A and HS B. Our budgets are structured with that in mind. Our resources have been pulled together to get the information that we need to make those relationships work" (MWBE 11). To mitigate the costs of working with much larger buyers, MWBEs needed to identify key subunits and/or people within those units, concentrating their efforts and resources on the people and departments where they

Table 3. MWBE Approaches to Maintaining Relationships with Buyers and Their Outcomes

Participant	Type of supplier	Identified key subunits	Identified needs of key end users	Provided accommodations	Identified political actors with supplier diversity priorities	Enhanced public visibility	Outcome
MWBE 1	P	Yes	Yes	Yes	Yes	Yes	Maintain
MWBE 2	S	Yes	Yes	Yes	Yes	Yes	Maintain
MWBE 9	S	Yes	Yes	Yes	Yes	Yes	Maintain
MWBE 10	P	Yes	Yes	Yes	Yes	Yes	Maintain
MWBE 14	S	Yes	Yes	Yes	Yes	No	Maintain
MWBE 15	S	Yes	Yes	Yes	Yes	No	Maintain
MWBE 16	S	Yes	Yes	Yes	Yes	No	Maintain
MWBE 4	S	Yes	Yes	Yes	No	No	Maintain
MWBE 5	S	Yes	Yes	Yes	No	No	Maintain
MWBE 8	S	Yes	Yes	Yes	No	No	Maintain
MWBE 11	S	Yes	Yes	Yes	No	No	Maintain
			The firms below were unsuccessful in maintaining business with the hospital systems				
MWBE 6	P	Yes	Yes	No	Yes, but did not use under severe threat	No	Decrease
MWBE 3	S	Yes	No	No	No	No	Decrease
MWBE 13	S	Yes	No	No	Yes, but did not use under severe threat	No	Decrease
MWBE 7	S	No	Yes	No	Yes, but did not use under severe threat	No	Decrease
MWBE 12	S	No	Yes (only with HS2)	No	Yes, but did not use under severe threat	No	Decrease

Note. P, product; S, service.

felt they could develop relationships that could be a source of soft power over the procurement office. All the successful MWBEs and three of the five unsuccessful MWBEs engaged in key subunit identification; however, what they did with that knowledge distinguished those who were more successful in maintaining their supplier relationships with the hospital systems from those who were not.

Developing Knowledge of Internal Dynamics. Identifying key subunits allowed MWBEs to gain specialized knowledge about the internal constraints, needs, interests, motivations, challenges, and attitudes of key actors within different units of the hospital systems. For example, not everyone within the hospitals was supportive of the supplier diversity program. The CEO of one MWBE noted the following:

> The different hospital departments in the healthcare system are headed by people who don't necessarily have the same desire to engage minority- or women-owned businesses. So even though a letter was sent around to the different heads of the hospitals, to say that "I want you to engage Genesis—they're one of our new suppliers," there was no response. There was no consideration. (MWBE 2)

Unreceptive decision makers within the hospital systems' units and procurement officers' tendencies to maintain the status quo made it difficult for MWBEs to integrate into the supply chains. For example, one MWBE noted, "[Preexisting buyer] relationships are often difficult to overcome. And when you are a first generation entrepreneur you have to understand that" (MWBE 12). Both successful and unsuccessful MWBEs were attuned to the webs of relationships that constituted the hospital systems' supply chains. For example, the CEO of a small product supplies company that eventually lost most of its business with one of the hospital systems recognized that having to work through the distributors further reduced his limited power: "[T]hey [distributors] control the information. They control the distribution. They even have offices now in the hospital" (MWBE 6). He realized that the distributors' embeddedness within the hospital systems deeply affected his firm's stability within the supply chain. Thus, understanding the hospital systems' web of relationships was vital for MWBEs in determining how to maintain their own relationships.

Furthermore, central procurement's overall approach toward supplier diversity programs was challenging. Once MWBEs were in the supply chain, central procurement expected end users in the hospital systems to coordinate the relationships with service suppliers and distributors to coordinate the relationships with product suppliers (central procurement was much more engaged in managing the hospital systems' relationships with larger suppliers). One of the procurement officers at

HS A stated, "We do the alignment [of the small suppliers] with the larger firms and so in many cases it's easier to have a small firm deliver to a [distributor] and let the [distributor] make the delivery to us on a daily basis." By creating these linkages, central procurement was hoping to commit as few resources as possible to managing relationships with MWBEs, thus creating efficiencies for the overall supply chain while still meeting their institutional supplier diversity mandate. As the vice president for procurement at HS A responded when asked about what made for a successful relationship with MBWEs, "I get no phone calls [from end users], I get no complaints." Through these linkages, central procurement was inadvertently ceding some of its power to these third parties—power that could destroy the MWBEs, but power on which the MWBEs could also capitalize.

Knowledge of the hospital systems' internal dynamics and their preferences for managing relationships with MWBEs enabled successful MWBEs to *identify the needs of key end users* and to determine whether catering to those needs would provide them with access to small pockets of influence. As such, MWBEs did not restrict themselves just to whomever they were assigned to work with and often extended their efforts to other powerful units and the influential individuals within them. They gained an appreciation for the different pressures and objectives the units faced, identified failings in the current arrangements, and pinpointed where they believed they could provide a solution. MWBEs would also often alter their offerings in significant ways to accommodate these individuals' specialized needs. Consequently, the individuals and their units came to rely on the MWBEs and were willing to provide their support, becoming functional influencers when the MWBEs needed them.

Developing Knowledge of External Constraints. In addition to using knowledge of the hospital systems' internal dynamics to access power, there were also opportunities to access power by understanding the hospital systems' external constraints. MWBEs found themselves in an institutional environment that created opportunities for the MWBE category as a whole but that presented obstacles to individual suppliers. For individual suppliers to maintain their positions in the supply chain, they needed to understand this unique environment—in particular, how the buyer firms enacted it (Weick 1995). They needed to analyze the political structure in which the hospital systems were embedded and the distribution of power both within and external to the hospitals and, perhaps most important, *to identify key political actors with supplier diversity priorities* who would be willing to hold the hospital systems accountable for their supplier diversity programs. Successful MBWE suppliers were strategic about how

they gathered this information, often circumventing formal communication channels. One CEO stated,

> I wouldn't have found out some of the things that I found out by just getting to some of the "decision makers." I think sometimes you have a tendency to overlook some of the small people, and when you start doing your own cold calling you find out things that you wouldn't otherwise find out. (MWBE 8)

For example, MWBEs were aware of the demographic changes that spurred governments to seek ways of creating or stimulating economic opportunities for businesses such as theirs. They were also aware that the hospital systems were pressured by local, state, and federal governments to include MWBEs in their supply chains. A distributor for HS A expressed the government expectations in this way:

> Most of the hospitals receive some type of federal reimbursement, and they are pretty comfortable within the realms of what's been established by the federal government. Some hospitals, based on their patient demographics, have different focuses. For example, they might focus more on African American supply chain diversity. Others may focus on women or veterans. Others may focus on Hispanic Americans. So it depends on the community of the hospital. [That] is what drives what the local hospital is looking for [Distributor 2].

Another MWBE stated the following:

> Political leaders are part of every hospital. They're a part of their [hospital's] funding process they receive state dollars or federal dollars. So if they're going to receive our federal tax dollars, I have a right to go to a politician and say "Hey! They're receiving our funds. We need to see what we can do about them spending the money back in the local community." (MWBE 7)

The politicians, community activists, and others responsible for spurring economic development in their districts needed to show their constituents evidence that they were fulfilling their objectives; the ability to showcase specific, successful MWBEs' participation in supplier diversity programs was useful in this regard. This need to produce visible outcomes made these individuals attractive to MWBEs as political influencers. The hospital systems' top executives could also be valuable political influencers. Although they are responsible for ensuring that the hospitals are fulfilling their economic and efficiency goals, unlike procurement officers, they are sensitive to institutional expectations and to the hospital systems' image. Indeed, in response to pressures to adopt supplier diversity programs, the hospital systems' top executives in our sample coordinated with each other to devise ways to implement the programs.

It is important to note that it did not matter as much to the politicians and top executives *which* MWBEs

they could point to as their success stories as long as there were *some* MWBEs to which they could point. The key for the successful MWBEs, then, was to enhance their cognitive centrality with political influencers. In this way, political influencers would first think of a specific MWBE and would be willing to exert influence on that MWBE's behalf.

Exercising Soft Power to Become Cognitively Central with Influencers

Knowledge of the hospital systems' internal dynamics and external constraints provided MWBEs with the foundation for identifying influencers and their needs. However, MWBEs had to become cognitively central with these influencers if they were to use them as sources of soft power to counter the hard power asymmetries they faced. Not only could central procurement end a relationship with an MWBE, distributors—who controlled the flow of information from the MWBEs to central procurement—could misrepresent the MWBEs' capabilities and encourage central procurement to terminate the relationship. In addition, via second-tier reporting, both distributors and central procurement could replace one MWBE with another while still getting credit for promoting supplier diversity. Successful MWBEs protected themselves by using soft power to increase their cognitive centrality with functional and political influencers, which, in turn, allowed them to employ the functional and political influencers as a source of soft power against these threats.

Functional influencers first think of suppliers who are cognitively central because they help them fulfill important job-related tasks (Kameda et al. 1997). As a result, they will expend effort to protect these suppliers. MWBEs became cognitively central with political influencers when they took actions that enhanced their public visibility with them. Their public visibility made them salient to multiple stakeholders and enabled political influencers to easily cast them as "exemplar" MWBEs when they needed to illustrate their successes in championing minority businesses. Our data revealed that becoming cognitively central with each type of influencer required different soft power tactics. Additionally, the two types of influencers served distinct purposes: functional influencers helped the suppliers manage routine threats in their day-to-day interactions with the procurement office and distributors, whereas political influencers helped reinforce MWBEs' positions in the supply chain when they experienced severe threats.

Developing Cognitive Centrality with Functional Influencers.
MWBEs recognized that their presence increased coordination costs for the hospital systems because they were unable to address the hospital systems' economic needs to reduce costs and increase

supplier efficiency. Although MWBEs had to be sufficiently price competitive to gain entry to the supply chain, they were often unable to sustain the relationship on the basis of price alone. "If they buy it on price, you're gonna also lose it on price," said one MWBE CEO. They therefore had to create alternative sources of value. One supplier explained the following:

> Once you get in there because of the price, now you get a chance to be able to bring some value-added reasons that have nothing to do with just putting the price on it. You should be competitive and the other things should make up the difference. Such as your level of service, such as your product quality, your customer support. (MWBE 1)

All organizations have certain tasks that are essential for fulfilling their primary goals. The criticality of these tasks secures power for the units that perform them—power that can counter more formal hierarchical power—because the individuals who perform these tasks have demands that must be met in order for the institution to continue meeting its goals (Mechanic 1962). From their knowledge of the hospital systems' internal dynamics, successful MWBEs were aware of which end users had the greatest influence. By providing value to these end users, MWBEs could potentially entice them to become influencers on their behalf. Successful MWBEs gained cognitive centrality with potential functional influencers by fostering goodwill with them through "accommodations." Providing accommodations involved engaging in additional, often uncompensated services that facilitated the end users' jobs. It included such activities as changing or customizing products and services for the end user or assuming tasks that were normally the end user's responsibility. Although product suppliers were only supposed to interact with the distributors, successful product and service suppliers both used accommodations to build close relationships and gain cognitive centrality with end users.

The CEO of a printing company provided a clear example. Her primary role was to print promotional materials for clients. However, she offered a lot more in uncompensated services.

> I had a client who'd gone through some turnover and didn't really have anybody to take over for the person that left, and I did so much work. I could probably tell you when this person went to bed and when they woke up. I had an instant chat line for him. I made a promise that I would be there, come down thrice a week if I had to. I would always be available—be it phone, email, you name it—and work with them because I knew as well as any insider, although being an outsider, knows what was needed. (MWBE 9)

In this example, the MWBE expended considerable resources to fulfill uncompensated extrarole tasks

that would normally be the end user's responsibility. Although the CEO could have used these resources to generate additional business, she viewed them as investments into the relationship with the influential end user because she expected that her efforts would yield significant payoffs in terms of the end user's loyalty. As she elaborated,

> We, every single moment of every day, know everything on our end: what's not here yet, what needs to be done, the personalities of the people, and the needs of the people we work with so that we can get right on it. Remind them, learn the things the way they think so we know that we have to bother them with a small detail or we know that what's maybe a small detail for anybody else, we realize is a very large detail to this client. So, it's really, really, really always about getting to know your customer, never assuming, always asking questions and then you get down to what becomes the basis or the foundation of that relationship and that is, whatever is unique to a particular client has to be solved. (MWBE 9)

This quote illustrates the investments some MWBEs were willing to make to understand and accommodate the needs of end users who could serve as functional influencers. These activities build on the end user's natural inclination to let others take on tasks they would rather not do, giving the end user an incentive to maintain and protect the relationship with the MWBE that provided accommodations in addition to adequately meeting its contractual obligations. Further, if an MWBE is able to get its products into key units with powerful end users, then other units will likely begin using that MWBE as well. As one MWBE stated, "You take a product and you get it into certain areas, like an ICU [intensive care unit] or IV [intravenous] team, but those products are also used all over. So it's just like you convince the parents—it's there. You know, the family winds up using it" (MWBE 1). Overall, providing accommodations was core to the MWBEs' success in becoming cognitively central with functional influencers.

Failing to Become Cognitively Central with Functional Influencers. MWBEs that did not become cognitively central with or employ functional influencers were unsuccessful. Indeed, only two of the unsuccessful MWBEs worked to identify potential functional influencers and their needs, and one of the two admitted that it became complacent over time and allowed this relationship to lapse. Additionally, none of the unsuccessful MWBEs provided accommodations to become cognitively central with functional influencers. The other unsuccessful MWBEs focused their attention primarily on central procurement and tried to work through the formal supplier diversity structures in place.

For example, the COO of a staffing firm discussed having a contract with HS A for over three years but not getting any business from it.

> We have an agreement to do work with HS B, but I think because of budgetary reasons, certain things have fallen off, but we do have an agreement that we can support them with administrative support personnel. We just haven't done any work with them since we got that agreement. (MWBE 12)

This COO went on to discuss her company's contracts with both hospital systems and her expectation that the hospital systems would notify her when there was an opportunity to execute the contract. "We probably have to be subtler if we want to do any work," she speculated. A year later, she followed up with Kisha. Her company was experiencing great difficulties and had laid off a number of employees. She was optimistic that her company could find better opportunities in another industry—perhaps entertainment.

In another example, an MWBE whose firm staffed the hospitals with nurses discussed having to go through a third-party vendor in order to do business with the hospital systems. She described the challenges of that approach:

> The [third-party vendor] gives them an additional level of assurance for the quality of the staff coming through to care for the patients at the hospital site. You have to join [a third-party vendor program], you have to be accepted, you have to meet quality standards, you have to pay to be a part of it. It's good I think for the hospitals to have that third-party vendor. From a small business perspective, it's a deterrent for us. We cannot compete with a large national firm that has an abundance of resources to manage the additional bureaucracy that's required. We have relationships that we built [with other hospital systems], that are face to face, that are more personal versus . . . um . . . bureaucratic. (MWBE 3)

The CEO had an arm's-length relationship with this vendor but recognized the disadvantages her company experienced from not having more personal relationships with functional influencers. However, she seemed resigned to that reality. Overall, MWBEs struggled to maintain their positions in the supply chains when they either failed to identify functional influencers and their needs or identified them but did not provide accommodations that would allow them to become cognitively central with them.

Developing Cognitive Centrality with Political Influencers. Political influencers were instrumental to the MWBEs for two primary reasons: (1) they were a conduit to opportunities emerging from a changing institutional context, and (2) like functional influencers, they provided

safeguards against the hard power of central procurement and the distributors. However, unlike the strong ties based on frequent interaction, trust, and extensive information sharing (Uzzi 1996) that MWBEs fostered with functional influencers, MWBEs only interacted with political influencers episodically, resulting in more arm's-length, weak-tie relationships (Granovetter 1973). MWBEs increased their cognitive centrality with political influencers by *enhancing their public visibility* with them. Just as MWBEs provided accommodations to functional influencers to build close ties, they leveraged the institutional pressures that the hospital systems faced to enhance their public visibility and create arm's-length ties with political influencers. A community organizer expressed the situation this way:

> At one time, the minority community didn't realize the leverage that they had. Now they do. They're saying, "look, if you want us to procure your services, then we want to see you put some of that money back into our communities through our businesses. Because if you put that money back into our communities through our businesses, then these businesses are going to create jobs, they're going to hire people." It strengthens the economic base of the community, to provide them with money to continue to buy your products and services. (Community organizer 1)

Successful MWBEs were aware that the political influencers cared more that MWBEs as a group were getting business than they did about particular companies. However, MWBEs that could position themselves as the exemplar MWBE could make themselves cognitively central to potential political influencers who could then reference them when they interacted with constituents and needed to provide illustrative stories of their successes with supporting supplier diversity. Once an MWBE has become a central character in a political influencer's success story, the political influencer has a more vested interest in the company and will be more likely to use his or her power to ensure that the exemplar firm does not fail.

To be seen as exemplar MWBEs, the successful MWBEs increased their public visibility with the political influencers and their constituents. The suppliers who were eager to speak publicly about their supplier diversity successes received invitations for speaking engagements alongside the political influencers. There they could applaud the political influencers' and the hospital systems' supplier diversity efforts, even if they privately questioned the hospital systems' motivations and sincerity. They would also emphasize the influencer's hard work and discuss the supplier diversity program's impact on their lives and in the local community. For example, at one of the conferences that the first author attended, an MWBE

CEO who had considerable success with both hospital systems was a featured speaker. He stated,

> For 27 years we've been in this business. Since we've been with [this hospital systems], we've done more business over the last 5 years than we have in the previous 15–20. It's not because we're doing anything different. I know the culture now has changed. I think there are some different people in place, and they are the people who are here. There's a commitment on top, and that makes a huge difference. We've got folks who want to work with us, but their boss does, too. (MWBE 1)

That same supplier was also a presenter at a second conference that the first author attended and continued to laud the top executives of the hospital systems. Also at that conference was another MWBE CEO who spent time praising the hospital executives for their commitment to local MWBE businesses and to the region's economic development more broadly. He also highlighted how that commitment had personally affected his company:

> Our business has grown from about $100,000 to over $8 million. But that growth continues as [the hospital system] continues to grow. Our business continues to expand. So I just want to thank the organization. I especially want to thank the executive director. I see them all up here, my golf partners. I think there's a great future for all of us, and we talk about partnerships. (MWBE 1)

A prominent local politician at the conference, in turn, praised the supplier:

> So at an early age, I really got interested in expanding and growing minority business. Let me tell you why. I believe that as we grow and expand minority business, we improve our economy. I always tell folks, African Americans and other minorities really do want the responsibility for increasing employment in our communities. The only way that we do that is that we grow businesses in our communities. I have had the pleasure to work with a number of minority firms [such as MWBE 1], who wanted to expand their businesses.

Ultimately, many of the successful MWBEs realized that enhancing their public visibility made it more difficult for central procurement and their distributors to exclude them from the supply chain because doing so would likely garner the attention of political influencers (and their constituents) who were invested in the success of supplier diversity. The hospital systems would then be called on to account for the exclusion.

Developing and employing political influencers was less common then employing functional influencers because not all of the MWBEs faced threats that necessitated employing political influencers. Indeed, in contrast with functional influencers, MWBEs generally engaged political influencers only when they were experiencing a greater-than-usual threat of

expulsion from the supply chain. Just 4 of the 11 successful MWBEs said they worked to enhance their public visibility, and all 4 of them employed political influencers, including the 2 successful product suppliers.

Failing to Employ Political Influencers. Unsuccessful MWBEs did not use political influencers when they encountered severe threats. None of the unsuccessful MWBEs took actions to enhance their public visibility, and MWBEs that did face abnormally severe threats and failed to employ political influencers were unsuccessful in maintaining their positions in the supply chains. The unsuccessful MWBEs either overrelied on promises made by central procurement or grew complacent in defending their positions in the supply chains and failed to maintain or cultivate relationships with political influencers. We saw two instances where an MWBE used functional influencers but not political influencers and ended up losing business.

One supplier CEO who initially employed functional influencers built a substantial stream of business early on but lost most of it during our period of study. His failure to use political influencers when he found himself the target of the distributor's hard power resulted in his company's exclusion from the supply chain. His experience perhaps most profoundly illustrates what happens when political influencers are not employed at the appropriate time.

The CEO's MWBE developed a new product by observing how particular hospital personnel did their jobs. He used accommodations to develop ties with functional influencers, streamlining their tasks while saving money for the hospital system. "I worked with them and developed a kit because they didn't have one, but they wanted one for all of the reasons that I mentioned to you before: standardization of care and convenience" (MWBE 6). Over the course of several years, his product grew into a multimillion dollar business and thus eventually gained the attention of the distributor's account managers. They asked him to route the product through the distributor or risk losing the business when it was put out for a bid. Although he complied, he lost the bid. The MWBE product supplier explained what took place:

> So there's one company in [state] that can build these kits. I went out there to sit down with them. I drove 2½ hours, had my kit, put it up on the man's desk and the man looked at me and he said, "Oh my god, I know what that is. I know who that's for. I know how much volume it is. I know what it costs. I know that's HS A's kit." He was already [building the kits]. Why? Because [the distributor] had brought him my kit, and he had been doing it for three months. (MWBE 6)

Although the CEO built relationships with a key set of end users, he lost most of his business because he failed to continue nurturing these relationships, so he was unable to employ them as functional influencers when first threatened. Furthermore, he did not develop political influencers who could have helped protect the relationship later on after it was put out to bid. He noted the following:

> You cannot be successful unless you have customers, and if you spent all this time and effort and money in just getting set up and now you're set up and now you think they're gonna come to you because you're set up—that doesn't happen. It's like going to college and getting great degrees, and you think, okay, I've done that, now they should be coming to me. It doesn't work like that. If I had to do it all over again, I'd stay closer to the people who were using the products—I'd ask for help from the people who had the power to get things done. (MWBE 6)

In a second example, one of the suppliers described his relationships with end users as follows:

> We never really interact with the organization; we interact with that person. The hospital is a process of interacting with many, many people and being very close to the end user, actually using the product that you're producing. (MWBE 7)

He discussed being a part of the supply chain and having declining business over time: "We also sometimes provide service to HS A. Over the years, it has gotten less and less, though." He went on to talk about his efforts to increase business with HS A by submitting a competitive bid, but it was unsuccessful. He described what happened:

> They were biased toward [large supplier] in the first place, and I think they wanted these other companies engaged so that they could say it was a competitive situation. The bottom line is, they threw all the proposals out, while [the large supplier] never provided them with a proposal. (MWBE 7)

This supplier previously had access to political influencers, but he did not keep the relationships current, and they were thus unavailable when he needed them. He noted: "They [the political influencers] did not get involved at all. So we've had a number of people who we've known on the board of trusties who have moved on."

Overall, successful MWBEs that were able to gain cognitive centrality with influencers deployed soft power to maintain their positions in the supply chain when it was threatened. The knowledge of how and when to activate soft power through functional and/or political influencers was what differentiated successful from unsuccessful MWBEs.

Influencer Interventions

An important factor that allowed MWBEs to counter the procurement offices' hard power by exercising

soft power was that they could employ influencers to intervene on their behalf depending on the specific challenges they faced. Product and service suppliers successfully engaged end users as functional influencers to meet routine threats. MWBE product suppliers' relationships with functional influencers initially went unnoticed by central procurement because it did not expect product suppliers to interact with end users. However, successful product suppliers recognized the end users' power to sway central procurement's decisions and direct distributors' actions. One MWBE CEO explained his view on distributors' and end users' roles as, "They're just a distributor. I do not take it lightly, but they're not using the product; they're not complaining about the product. That will all come from the end user." Thus, he acknowledged that although the distributor was important and should be respected, it was more important to focus on end users because they were the ones who ultimately determined whether a supplier continued to provide a product. Another MWBE CEO illustrated how functional influencers could be used to completely bypass the distributor, thus increasing his firm's profits while saving money for the end user:

> We found one person in the hospital who was willing to be our champion and who went to bat for us, and we said, "Look, we can get the same thing right here; we've got it made, and we can save you this amount of money for a year." It ended up being close to a $100,000 a year. And so that individual that was there said, "Okay, I'll tell you what we're gonna do. We'll get this reviewed," which they did. They got it reviewed, and they started buying it from us. (MWBE 10)

Service suppliers faced somewhat different challenges than product suppliers. One such challenge was open solicitations. Open solicitations are a mechanism for central procurement to seek and vet new suppliers and to reduce the hospital's costs. Because MWBEs typically cannot compete on price, open solicitations put them at a disadvantage and increase their risk of losing the business. As one successful service supplier noted, "If we're really good, we don't have to deal with an open solicitation" (MWBE 9). Functional influencers could help service providers in that regard. Although central procurement was often unaware of the true nature of the relationships between product suppliers and end users, it helped to establish connections between service suppliers and end users and was thus aware that the relationships existed. However, central procurement assumed that the end users would serve as the hospital systems' gatekeepers, not influencers for the suppliers. A service supplier explained how he used functional influencers to stave off open solicitations.

> We get really close to the users, because then we have the opportunity to sit down and discuss their needs and what the procurement office is expecting. We would tell them, "This is the difference; you're not getting apples to apples; you have apples and oranges, and the difference is this." And also there's a difference in the price. If we can get them to understand that, we're golden—we don't have to deal with the procurement office. (MWBE 9)

This quote highlights the importance of suppliers creating strong ties with end users and impressing them enough that they were willing to circumvent central procurement's formal processes on behalf of the MWBE rather than act as gatekeepers on behalf of central procurement. Although central procurement prioritized the hospital systems' cost and efficiency needs, it would compromise on these goals if a powerful end user favored a particular supplier. As one supplier summed it up,

> If the doctor's a strong player in the hospital, you've got to convince the doctor because then he's gonna go to the [central procurement] and tell them what he's gonna do. They're not going to challenge because he is who he is. If you've got a weak doctor, then yeah you've got a problem.

Distinct from functional influencers, political influencers were activated when an especially severe threat arose that was outside the functional influencers' purview. As one supplier stated, "We've had advocates on the board of trustees for us and have had relationships around that. What I am saying is that we always knew that we had access at that level if we needed" (MWBE 15). The same supplier, though having had challenges while in the supply chain, did not believe that those challenges were of a magnitude that required the intervention of a political influencer: "We never had a situation in which, you know, we had to do that" (MWBE 15).

Central procurement generally had no prior knowledge of these relationships and often failed to make the specific connection even after political influencers were mobilized. One MWBE CEO explained how a local politician reinforced his position within the hospital system when his functional influencer left the HS. He recognized the need for a "champion," and he took it upon himself to find one external to the hospital system until he could reestablish his internal relationships.

> Lenny ultimately left the hospital, and then my challenge was at that point convincing the new parties. Actually, I had to go back and resell to them because they almost had essentially just said that we're gonna go this way—we don't need this. At that point, [the politician] was a little more vocal, I would say, because there he was excited to see [that] we had gotten something and [HS B] would actually, I think lead,

if you will, other hospitals in the area to get minorities included, which was his ultimate objective. (MWBE 16)

Indeed, sometimes MWBEs judged a challenge to be so great that they needed to approach it from all angles, using both functional and political influencers simultaneously to help manage potential conflicts and assist in protecting their interests. For example, one MWBE CEO stated,

> I knew [the senator] before. He was the chair of the MWBE committee. Like I said, he was a champion too. And so when I ran into a challenge, I ran to two people that I believed were also a part of the vision; it was the president (of the health system), and it was the senator. (MWBE 14)

Another supplier explained, "We were meeting with political leaders. We were meeting with senior executives. We were meeting with a bunch of nurses and doctors inside the hospital, and we were meeting with the procurement folks" (MWBE 10). Thus, functional and political influencers could be employed individually or in combination by both product and service suppliers to address the threats they faced.

Discussion

Power is a reality of interorganizational relationships; but when the relationship is marked by significant hard power imbalances, the weaker party must often conform to the more powerful actor's desires and can lose value as a result (Casciaro and Piskorski 2005, Gulati and Sytch 2007). Suppliers can contend with their lack of hard power in buyer-supplier relationships by using soft power, but soft power can be thwarted when its use is recognized. In our study, we found that suppliers who use soft power to become cognitively central with influencers inside and outside the firm, and who can then influence the buyer without them realizing it, have an additional soft power tool they can employ to protect their interests. As such, we contribute to an emerging stream of literature that looks at how firms use soft power to navigate environments where they are at a relative disadvantage to partners who possess more hard power (Katila et al. 2008, Santos and Eisenhardt 2009, Diestre and Rajagopalan 2012, Hallen et al. 2014).

Cognitive Centrality and the Exercise of Soft Power
Previous research has emphasized the misappropriation risks that firms lacking hard power face and the defenses they use to protect their competitive resources (Katila et al. 2008, Diestre and Rajagopalan 2012, Hallen et al. 2014). These studies offer valuable insights by demonstrating the options available to firms lacking hard power *prior* to entering relationships and whose primary concern is resource misappropriation. We contribute to this literature by

considering firms without proprietary resources to protect and whose main concern is avoiding losing a valuable relationship once they have it. We show that cognitive centrality is a key mechanism through which firms lacking hard power were able to access soft power to protect their interests.

Exercising soft power is more subtle than exercising hard power because rather than "forcing" another actor to behave in particular ways, it requires getting the actor to want to engage in the desired behaviors of their own volition (Mechanic 1962). Our findings show that this can require combining a variety of influence tactics, that different combinations of tactics are needed to become cognitively central with and influence different actors, and that exercising soft power can benefit from both gaining and avoiding others' attention. For example, different units within organizations have varying goals and needs, even when they are all pursuing the same superordinate goals. We found that in becoming cognitively central with influencers, firms did not just collect information on the needs and constraints faced by the focal unit they ultimately had to influence (i.e., central procurement offices) but also about others internal and external to the organization who could be helpful to them in exerting influence on the decision maker. Although these influencers sometimes occupied positions of formal power (e.g., politicians and senior executives), they often did not—as in the case of functional influencers who operated on the "front lines" and were responsible for accomplishing the organization's goals.

Further, different kinds of actions were required to become cognitively central with different kinds of influencers. A key insight of our findings is that although the actions taken and the nature of the relationships differed across functional and political influencers, in both cases successful suppliers were able to enhance their cognitive centrality (Bunderson 2003) with the influencers, who then used their own power to act on the supplier's behalf when asked to do so. We believe that by identifying how firms developed cognitive centrality with influencers, we have identified another soft power tactic (Santos and Eisenhardt 2009)—one that draws more on the sociocognitive component of relationships and is more generalizable to managing and maintaining preexisting relationships.

Thus, we extend the work of Santos and Eisenhardt (2009) by examining the options available to firms lacking hard power. Bunderson (2003) argued that how individuals' different status cues are interpreted is contingent on the context in which they are observed. Fund et al. (2008) provided evidence that both effort and assertive behaviors can make new firms more cognitively central within networks. We show how effort and assertiveness can enhance a firm's

cognitive centrality with different kinds of potential influencers. We found evidence that effort (reflected in MWBEs' accommodations) was more influential with functional influencers who faced intraorganizational, task-related demands. Conversely, assertiveness (i.e., putting oneself forward as an exemplar MWBE by enhancing one's public visibility at various ceremonial events) was more influential with political influencers who faced more symbolic interorganizational pressures driven by institutional demands. In this regard, we highlight how institutional pressures can serve as a tool for generating cognitive centrality with certain influencers. Future research should continue to explore how actions, needs, and network members' roles combine to influence who becomes cognitively central and why.

We also demonstrate that different types of influencers can be employed in different configurations to address different kinds of threats. We show that suppliers used functional, political, and sometimes hybrid configurations to neutralize the formal power of actors with hard power who could most destabilize their position in the supply chain. As such, like Hallen et al. (2014), we too find that firms lacking hard power make use of powerful affiliates; however, unlike the inhibiting effects of powerful venture capitalists (VC) on corporate VC sharks, in our study, the influencers' involvement is much more subtle and often went unnoticed by the actor being influenced. Indeed, just as attracting the attention of and becoming cognitively central with potential influencers were vital, so was avoiding the attention of the actors they were ultimately attempting to influence. It was this lack of attention to the suppliers' use of influencers that was critical to their success. In addition, rather than erecting barriers to action, the influencers help the weaker firms work around the barriers the actors wielding hard power had erected to protect themselves from the inefficiencies of the relationship.

Supplier Diversity
We also contribute to research on supplier diversity. The scant literature on supplier diversity programs predominantly considers supplier diversity from the buyer's perspective, and focuses on the implications of supplier diversity for corporate social responsibility and as a mechanism for increasing racial diversity within the supply chain (Ram et al. 2002, Greer et al. 2006, Worthington et al. 2008, Worthington 2009). These studies examined the justifications for supplier diversity (Worthington et al. 2008, Worthington 2009), best practices in designing programs (Shah and Ram 2006, Min 2009), the moderating effect of the buyer firm's culture on supplier diversity (Whitfield and Landeros 2006), and the inherent challenges of supplier diversity programs for buyers (Krause et al.

1999, Shah and Ram 2006). What has been lacking is an understanding of the "on the ground" challenges that MWBEs participating in these programs face and how they navigate an institutional environment that on the surface is designed to support their firms, but that in reality creates new obstacles for them. We show that although institutional pressures create opportunities for MWBEs as a category, they also propagate an environment that "de-individuates" the MWBEs by commoditizing their identity and making them substitutable with other firms possessing the MWBE designation. Competing not only with other firms that provide similar products and services but also with MWBEs that provide different products and services creates unintended challenges that individual MWBEs must overcome.

Further, most of the research on supplier diversity uses stakeholder theory to understand "socially and environmentally responsible procurement" (Hoejmose and Adrien-Kirby 2012, p. 232), focusing on stakeholder demands that buyers implement supplier diversity and buyers' efforts to manage these stakeholder demands (Carter and Jennings 2004, Worthington et al. 2008). By taking the suppliers' perspective, we show how MWBEs are able to build relationships that use institutional pressures as an intangible resource to partially compensate for the tangible resources they lack. We thereby demonstrate the MWBEs' agency in managing their relationships—a perspective that is uncommon in the supplier diversity literature.

Buyer-Supplier Relationships and Beyond
Most prior research on power in supply chains has focused on the dyadic relationship between buyer and seller (e.g., Maloni and Benton 2000, Crook and Combs 2007, Gulati and Sytch 2007, Nyaga et al. 2013). Our study advances this literature by moving beyond dyadic buyer-seller relationships to explore how other actors affect this relationship and can shift the balance of power. By treating buyer organizations as multiunit actors with different interests and goals, we demonstrate that the buyer is not a monolithic entity and that sellers can access pockets of influence inside the organization and employ them to influence other units. Further, we also show how and why other actors in the buyers' and sellers' institutional environments are motivated to insert themselves into the buyer-supplier relationship. As such, moving forward, scholars studying these relationships need to adopt a more nuanced and multifocal lens to understand how the context in which buyer-seller relationships play out affects the tools each has to influence the other.

We consider a situation where the buyer's decision to enter into a relationship with a supplier is spurred more by changes in the institutional environment

than by the economic benefits the buyer can get from the relationship. We show that suppliers can have agency even in environments that structurally limit their actions. However, we want to caution that although this agentic view of firms lacking hard power is promising, it also exposes a possible unintended consequence. The MWBEs we studied expended considerable resources just to maintain their relationships. They have to compete with other firms by meeting pricing demands while also engaging in uncompensated accommodation work and aligning with multiple influencers who have the ability to address the threats they face. The burden of success in maintaining these relationships can eventually stifle growth and limit their ability to diversify their customer base. And increasing their dependence on one or a few large customers can mean the firm's demise if these buyers' support is withdrawn. Thus, future research should consider the long-term consequences of success.

Although we developed our theory in a setting that presented us with an "extreme situation" (Eisenhardt 1989, Baum and McKelvey 2006), we believe that our findings are generalizable to other settings as well. All organizations have to deal with issues that arise for a variety of social and political reasons unrelated to their core businesses or missions. In these situations, they most often want to find a satisfactory solution they can implement and then move on, allocating little additional attention to the issue unless problems arise. This creates potential opportunities for firms that lack the hard power to employ the tactics identified here and protect their relationship with the organization.

For example, we would expect similar relationship dynamics in "green alliances"—relationships between large businesses and environmental groups for the purpose of addressing stakeholders' corporate social responsibility demands. These parties generally have different motivations and goals, "rendering the management of relationships between these groups highly complex and frequently problematic" (Crane 1998, p. 574). Environmental groups could employ cognitive centrality with influencers to help them address these challenges. In addition to considering different industry contexts, future research can also employ different methodological approaches. We used an inductive grounded-theory approach to develop new theoretical insights, which has the benefit of a rich understanding of context but can also limit generalizability. Other research approaches, such as comparative case studies or large-scale quantitative studies employing surveys and/or secondary data analysis, should be used to triangulate on and extend our findings. This will help us to further test and refine the boundary conditions of the ideas developed here.

Furthermore, although our context includes end users found in many other large organizations (e.g., human resources and IT personnel), the healthcare context also includes high-status actors, such as doctors, who can serve as functional influencers. In other contexts, the MWBEs may focus more on the influencer configurations that employ senior executives and politicians or other outside influentials. Nonetheless, although the specifics of who the relevant insiders and outsiders are will vary across contexts, the general strategy we've outlined for identifying influencers and using cognitive centrality to employ them when needed should be widely applicable.

Future Research
Our study generated a number of questions that we believe provide opportunities for future research. We found that both political and functional influencers are important for employing soft power but that employing functional influencers, while failing to use political influencers when severe threats emerge, can inhibit capturing value from the relationship. However, this finding may be a unique feature of our research context and the time period that we observed. Future research should further investigate whether it is possible that using political influencers can have long-term consequences. Powerful units could bide their time and retaliate at a point when it is more difficult to connect their response to the supplier's decision to use influencers. It would also be interesting to fully understand the limitations of using influencers. There may be contextual issues that we could not uncover given our focus on a single industry.

Our study also focused only on how suppliers maintained their position in the buyer's supply chain once they were in. Another interesting avenue for future research would be to systematically explore influencers' roles in gaining entry to the supply chain; whether the same actors who can help get a firm in the buyer's supply chain are the same ones who help them stay in; and how the dynamics of the relationship between the supplier and influencer might differ, given that they are both in different positions prior to a supplier relationship being established and thus cannot do the same things for each other that they can do once the supplier relationship has been established.

Additionally, we examined these soft power tactics using suppliers that have certain unique characteristics. For example, MWBEs are often smaller and possess fewer resources than other firms. However, we did not have information on the actions that non-MWBE competitors take to manage similar relationships. Future research should assess the extent to which these characteristics create boundary conditions

for our theory. Finally, future research should also consider whether firms without the same level of public scrutiny are able to use political influencers in similar ways, or if they would need to construct different configurations to meet their needs.

Conclusion

The lack of formal authority and the inability to exert hard power are endemic problems for small firms attempting to conduct business with larger organizations. We have shown how such firms can nonetheless exercise soft power by using different actions to become cognitively central with influencers who can help them survive and thrive in asymmetric relationships. Although visibility matters, it depends with whom. It is important to recognize that sometimes staying under the radar can be an even more effective when trying to exert soft power in asymmetric relationships.

Acknowledgments

Endnotes

[1] Our use of the term "influencer" is distinct from colloquial usage describing individuals who have become prevalent on social media and employ the attention they receive to "influence" their followers to use the particular products or services the influencers are paid to promote. We use the term to denote individuals who can and will exert influence over buyers on small suppliers' behalves when asked to do so. We prefer this term over other terms such as "affiliate" (e.g., Hallen et al. 2014), whose influence can result from their mere presence and is thus more passive. Influencer denotes the active role these individuals play in exercising soft power.

[2] This does not mean that firms that can employ hard power cannot also employ soft power. However, prior research on buyer-supplier relationships suggests that firms with hard power tend to use it because it is more efficient than employing soft power tactics (Maloni and Benton 2000, Gulati and Sytch 2007).

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