Johnson
Cornell
SC Johnson College of Business

Administrative Science Quarterly
1–39

Article reuse guidelines:
sagepub.com/journals-permissions
DOI: 10.1177/00018392251331027
journals.sagepub.com/home/asq
Sage

From Constructive Ambiguity to Escalating Commitment: The Evolution of the Bangladesh Accord as a Transnational Institution for Collective Action

Juliane Reinecke[1] and Jimmy Donaghey[2]

Abstract

We investigate a core challenge in building multi-stakeholder institutions for collective action: Constructive ambiguity—the deliberate use of imprecise language on a contested issue—is often needed to overcome conflict and enable agreement among parties. Yet, this initially enabling characteristic may complicate implementation when ambiguous commitments must be translated into concrete actions. To examine this challenge, we draw on an eight-year study of the Bangladesh Accord for Fire and Building Safety, an agreement among unions, NGOs, and more than 200 company signatories to end a series of deadly incidents that occurred in the Bangladesh garment sector. We reveal that, despite the risk of diluting the agreement during implementation, a multiphase political process triggered a reinforcing process of escalating commitment, leading to the institution's expansion in scale and scope. This process involved signatories negotiating more-stringent commitments, on the one hand, and stakeholder dynamics activating cascading layers of commitment enforcement, on the other, which drove signatories toward deeper institutional tie-in (i.e., stake) with the collective action institution. The process resulted in transforming constructive ambiguity into a catalyst for a robust collective action institution. We develop a model that explains how collective rationality can emerge and direct private interests to resolve transnational collective action problems.

Keywords: transnational governance, alliances, organizational theory, industrial relations, sustainability, work, institution building, conflict and cooperation

[1] University of Oxford
[2] University of South Australia

Corresponding author:
Jimmy Donaghey, UniSA Business, University of South Australia, North Terrace, Adelaide, South Australia 5001, Australia
Email: jimmy.donaghey@unisa.edu.au

Multi-stakeholder collaboration has been widely hailed as a much-needed solution for tackling systemic challenges that are prone to collective action dilemmas (Gray, 1989; Koschmann et al., 2012; Stadtler et al, 2024). When successful, collaboration among multiple parties can lead to building institutions for collective action (Ostrom, 1990), which are durable, collaborative forms of self-governance that ''channel private interests toward collective ends'' (Prakash & Potoski, 2016, p. 118). While scholars have made significant progress in understanding the conditions that enable collaboration between different stakeholder groups (Gond & Piani, 2013; O'Mahony & Bechky, 2008), multi-stakeholder partnerships are easier to form than to translate into collective action institutions. Even when partnership agreements conclude, they are often only symbolically implemented and fail to reach their objectives (Kuruvilla et al., 2020; Zuzul, 2019).

We argue that a key mechanism enabling the formation of multi-stakeholder partnerships may also be the one that makes them so difficult to sustain: To overcome a collective action dilemma and induce collaboration among multiple stakeholders, actors need to find common ground (Gray & Purdy, 2018; Grimm & Reinecke, 2023). Doing so is often possible only by setting broad, ambiguous goals that sustain different interpretations among various audiences, with different evaluative criteria and interests (Ansell, 2011; Donnellon et al., 1986). Hence, a degree of ''constructive ambiguity'' (Fischhendler, 2008a, p. 111) is necessary to create collaborative agreements in the formation of multi-stakeholder partnerships. Yet, during the implementation phase of agreements, ambiguity can become unproductive and result in protracted disagreement (Abdallah & Langley, 2014; Denis et al., 2011; Zuzul, 2019). Thus, the feature that enables the formation of collective action, constructive ambiguity, also makes it difficult to sustain collective action. Given this challenge, we ask the questions, how do parties confront constructive ambiguity, and what role does this play in translating partnership agreements into institutions for collective action?

To answer these questions, we conducted an inductive, in-depth study of the Bangladesh Accord for Fire and Building Safety (hereafter ''the Accord''). We chose the Accord, a rare case of success, because it allowed us to understand the transition from failed individual action to effective collaboration among private actors to overcome a collective action dilemma: worker safety in global supply chains, which no one actor can tackle. The Accord is a collective response to multinational corporations' failure to secure even this most basic labor right, as highlighted by the 2013 collapse of the Rana Plaza factory complex, which claimed more than 1,100 lives and injured more than 2,500 workers, mainly young women. The incident prompted unprecedented collective action from over 200 multinational corporations, referred to as *brands* by industry actors,[1] as well as unions and non-governmental organizations (NGOs), to tackle worker safety in the Bangladeshi garment industry. With a remediation rate of over 93 percent as of 2021, worker safety has substantially improved in over 1,600 factories, covering more than 2 million workers. Moreover, the Accord has been repeatedly renewed and has increased in scope and scale, with expansion to other countries underway.

[1] We use this nomenclature in the article as ''brands'' is the term generally used by interviewees to discuss multinational retailers in the sector.

While the Accord was successful in hindsight, success was far from guaranteed at the outset: As far as three years into the agreement, rates of safety upgrades were still alarmingly low. Even though the text of the agreement appeared straightforward, legally binding, and narrowly focused on health and safety, when signatories had to put its terms into practice the implementation risked stalling progress due to a lack of clarity about the concrete responsibilities required of each brand. Moreover, ambiguity regarding multiple expiration dates repeatedly threatened to terminate the institution.

Our longitudinal analysis unpacks how multi-stakeholder collaborators confronted this constructive ambiguity in developing a collective action institution. While ambiguity facilitated the rapid formation of the Accord following the Rana Plaza disaster, signatory parties had to (re)negotiate the specifics of their commitments. Contrary to the view that political conflict impedes collaboration (Zuzul, 2019), our inductively derived model identifies how political processes can lead to escalating commitment, resulting in institution building and expansion in both scale and scope. This process relies on the activation of cascading layers of commitment enforcement to overcome a collective action dilemma. First, labor actors leveraged legal and reputational risks to hold brands accountable. Second, this accountability activated peer policing among the brands, as the risk of free riding motivated industry leaders to pressure laggards to ensure collective benefits. With everyone contributing, a third layer was triggered whereby signatories pooled their collective leverage to compel supplier factories to make necessary safety improvements. Our model suggests that signatories' institutional tie-in, which we define as an individual actor's stake in the success of the collective action, increases as they increase their operational, reputational, and financial investment in the institution.

BUILDING TRANSNATIONAL INSTITUTIONS FOR COLLECTIVE ACTION

There has been growing attention from scholars to the emergence of governance institutions that facilitate the private provision of public goods in transnational realms, such as global supply chains (Bartley, 2007). The overarching consensus is that creating institutions that deliver collective benefits requires collaboration across multiple constituents and, ideally, across stakeholder groups (Fobbe & Hilletotfth, 2021; Gray, 1989; Stadtler et al., 2024). Transnational governance problems often involve a collective action dilemma, a situation in which all individuals would be better off collaborating but fail to do so because of conflicting individual interests or free-rider effects that discourage joint action (Zeyen et al., 2016). While traditional collective action theory emphasized either centralized governmental control or privatization (Olson, 1965), globalization means that much production now occurs in places where states are either unable or unwilling to regulate (Rodrik, 2011). According to Ostrom (1990), voluntary "institutions for collective action" present a third approach to resolving collective action problems. This approach refers to durable collaborative forms of self-governance by private actors to solve a collective action problem as they "channel private interests toward collective ends" (Prakash & Potoski, 2016, p. 119). However, many of Ostrom's (1990, 2010) studies are based on stable communities buffered from outside forces, in which collective governance norms based on trust, reciprocity, and social capital have developed successfully, often over centuries. As Dietz et al. (2003, p. 1907) recognized, ''ideal conditions for governance are increasingly rare'' since transboundary problems such as pollution, tropical deforestation, and climate change ''involve nonlocal influences.'' Global supply chains span national borders and require joint action among global and local actors rather than only local resource users, which increases the complexity of the collaboration challenge. Yet, as we show in this article, collaboration can be a politically contested and driven process.

The Role of Constructive Ambiguity in Negotiating Multi-Stakeholder Partnerships

Multi-stakeholder partnerships have emerged as a way in which voluntary coalitions of actors who have competing interests collaborate to create transnational governance (Soundararajan et al., 2019). Scholars have explored the conditions whereby actors recognize a transnational collective action problem (Ansari et al., 2013), enable the formation of collective initiatives (Gond & Piani, 2013; Maguire & Hardy, 2006), and encourage actors to participate (Levy & Prakash, 2003). However, multi-stakeholder partnerships are often only symbolically implemented (Berliner & Prakash, 2015; Kuruvilla et al., 2020). Commitment often dissipates over time: Corporate actors may join multi-stakeholder partnerships in response to stakeholder pressure (Bartley & Child, 2014) but may lose interest when public attention wears off (Egels-Zandén & Merk, 2014; Turcotte & Pasquero, 2001). These partnerships are also at risk of being co-opted by dominant interests, such as when corporations join for reputational gain but shy away from unfavorable commitments (Levy et al., 2016).

Actors seeking to collaborate ''face the often-daunting prospect of trying to integrate their diverse perspectives and goals, which are frequently misaligned or competing'' (Gray & Purdy, 2018, p. 68). Competing interests discourage joint action, even if all would benefit from collaboration (Olson, 1965). To overcome this key challenge in the formation of collective action, ambiguous goals are needed to mobilize parties with divergent views and conflicting interests to collaborate (Ansell, 2011; Grodal & O'Mahony, 2017). Such goals can sustain multiple interpretations among stakeholders whose conflicting beliefs or interests would otherwise stall collective action (Donnellon et al., 1986; Gray et al., 2015).

In this context, a key mechanism that enables the formation of multi-stakeholder partnerships, constructive ambiguity, may also make it difficult to sustain them. International relations scholars have used the term ''constructive ambiguity'' to describe ''the deliberate use of imprecise language on a sensitive issue . . . to secure its approval'' (Berridge & James, 2003, p. 51). In contrast to ''strategic ambiguity'' as a tactical device to exploit ambiguity in strategy making (Sillince et al., 2012, p. 630), here ambiguity can be politically ''constructive'' for dealing with contentious issues. This sort of ambiguity ''articulates compromise insofar as the sides agree to not agree on a precise wording with regard to a specific issue, which they are interpreting differently'' (Böckenförde, 2016, p. 928). In the crafting of political agreements, such as the Good Friday Agreement in Northern Ireland (Knox & Carmichael, 2005; Mitchell, 2009) or the Jordanian–Israeli Water agreement (Fischhendler, 2008a), constructive ambiguity was useful for bridging disparate interests and establishing common ground between conflicting parties.

Ambiguity in multi-stakeholder partnerships, however, can become a double-edged sword. While constructive ambiguity can facilitate negotiations and enable collective action agreements, the initially enabling characteristics of ambiguity may become problematic (Abdallah & Langley, 2014). Building institutions requires confronting ambiguity by clarifying what the agreement means in the face of complex and evolving realities (Gray & Purdy, 2018). Parties need to translate broad objectives into concrete actions and obligations, and they need to seek material contributions. This process can increase post-agreement costs if parties interpret the agreement differently (Abbott & Snidal, 2010). Political conflicts between parties with differing and competing interests may resurface when parties realize that while they may agree on broad goals, their interests in how they reach them may not be congruent, and the goal is therefore displaced (Grodal & O'Mahony, 2017) or agreements get watered down to a lowest common denominator (Reinecke & Ansari, 2015). In the worst case, constructive ambiguity can turn destructive (Fischhendler, 2008b), result in protracted disagreement, and exacerbate conflict. Ambiguity can ultimately lead to the breakup of collaborations (Zuzul, 2019). Denis and colleagues (2011, p. 225) highlighted how "escalating indecision" due to ambiguity results in failure to resolve issues of common concern despite parties having invested significant time and energy.

This inherent contradiction in the role of ambiguity means that, to understand how institutions channel private interests into sustained collective action, we need not only to look at their formation (Helms et al., 2012; Koschmann et al., 2012) but also to "address how rules and models are reshaped during their implementation" (Schneiberg & Bartley, 2008, p. 49). In this process, constructive ambiguity must be confronted and resolved to produce meaningful collective action.

METHODS

We entered the field to understand how private actors can overcome collective action dilemmas and build institutions for collective action. We adopted an inductive, qualitative process approach (Langley et al., 2013) to study the Bangladesh Accord over eight years. The Accord is a legally binding agreement, extended twice to 2026, among unions, NGOs, and over 200 multinational apparel brands (Croucher et al., 2019; Reinecke & Donaghey, 2023). As our fieldwork progressed, it became increasingly clear that for three reasons, the Accord presents a revealing case of collective action. First, worker safety in global apparel supply chains presents a typical collective action dilemma. All buyers would benefit from safer factories, even if to protect only their reputation (Barnett & King, 2008; Briscoe et al., 2015). Yet, each buyer individually lacks incentives to invest in worker safety due to costs and cross-sourcing relationships that create the risk of free riding from other buyers from the same factory. Second, the Accord demonstrates a rare success in creating a transnational collective action institution. By pooling the resources of over 200 brands, including industry behemoths like H&M and Inditex, it enables cost-effective investment in a safety program covering electrical, fire, and structural inspection by trained engineers and in the creation of worker safety committees. Third, collecting real-time data long before it was clear whether the Accord was a success or failure revealed the complicating role of constructive ambiguity.

Even though the Accord is a legally binding agreement, there was not just the inherent problem of "incomplete contracts" (Hart & Moore, 1988, p. 755), in which the detail often develops with the contract, but also agreement among parties with diverging interests—unions, NGOs, and brands—required leaving key issues underspecified.

Research Context

The Bangladesh ready-made garment industry epitomizes the globalized supply chain model based on brands' ability to extract value from upstream suppliers in developing countries with low labor costs and little regulation. From the early 1980s, Bangladesh grew to become the second-largest apparel producer after China. In 2013, when the Rana Plaza disaster occurred, about 4,300 export-oriented garment factories generated USD $21.5 billion in annual exports (greater than 80 percent of total exports), employing 4.5 million workers on a monthly minimum wage of only USD $38. Due to this dependence, the country's political system was effectively captured by the garment sector (Alam & Teicher, 2012), with the Bangladesh Labor Law and Building Code remaining largely unenforced. Thus, public regulation failed to protect workers' rights. At the time of the Rana Plaza disaster, the government's labor inspectorate had fewer than 100 inspectors for more than 24,000 factories across *all* sectors, 3 million shops, and two major ports (Reinecke & Donaghey, 2023).

As the industry grew, so did the number of industrial disasters: Between 2006 and the Rana Plaza disaster, more than 600 Bangladeshi garment workers died due to unsafe buildings, including 112 deaths in the Tazreen factory fire less than six months before Rana Plaza (IndustriALL, 2012). Brands had sought to fill the regulatory gap through social auditing (Locke, 2013), whereby individual buyers monitor their supplier factory's compliance against voluntary codes of conduct. However, social auditing has been criticized as a symbolic action to obtain a veneer of moral legitimacy rather than to improve workplaces materially (LeBaron & Lister, 2015). When the Rana Plaza disaster occurred in April 2013, killing over 1,100 workers, it reinforced that worker safety in global supply chains could not be tackled by any individual actor but required an industry-wide, collective response.

The Bangladesh Accord for Fire and Building Safety

The Accord was negotiated just three weeks after the Rana Plaza disaster on April 23, 2013, as unions and labor NGOs leveraged global public pressure to force brands sourcing from Bangladesh into this unprecedented, legally binding agreement (Anner et al., 2013; Reinecke & Donaghey, 2023). Coming into existence on May 15, 2013, it soon grew to over 200 company signatories, covering more than 1,600 supplier factories.

The Accord marked a significant departure from established and less-effective mechanisms of private supply chain governance, specifically voluntary social auditing based on monitoring a company's individual supply chain. First, while social auditing often lacks enforcement in the absence of strong state institutions, the Accord mobilized brands' *collective* economic purchasing power to enforce the laws of Bangladesh in their supplier factories. Second, the Accord was explicit in being legally enforceable against brands in the courts of

Table 1. Governance Actors in the Accord

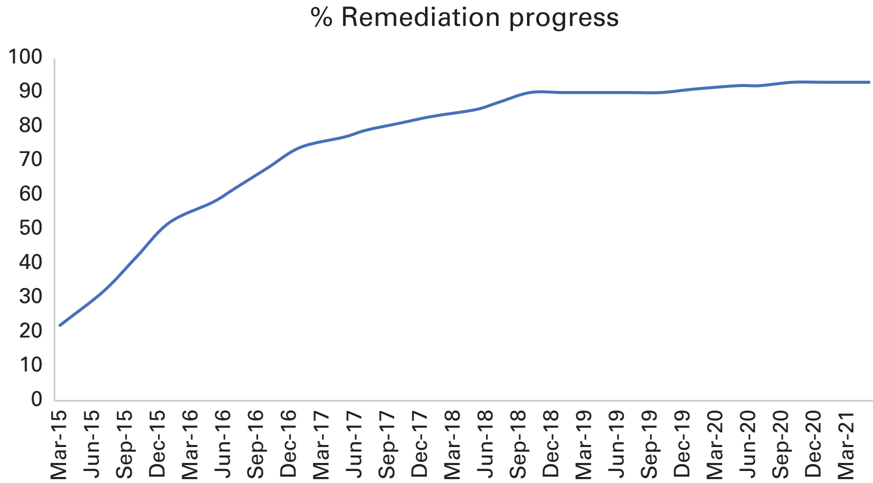
Category of Actor	Actor	Role	Status	Basis for Inclusion
Brand caucus	200+ MNCs, including H&M (Sweden), Inditex (Spain), PVH (USA), and Uniqlo (Japan)	Buyer brands	Signatories	Purchasing from 1,600+ factories in Bangladesh
Labor caucus	IndustriALL plus Bangladeshi union affiliates	Global union federation and affiliates	Signatories	Representing garment workers from Bangladesh
	UNI Global	Global union federation	Signatory	Representing Western consumer country retail workers
	Worker Rights Consortium; Clean Clothes Campaign; Maquila Solidarity Network; International Labor Rights Forum	Labor NGOs	Witness signatories	Western-based labor rights activist groups
Independent chair	International Labour Organization	Non-casting vote chair	Non-signatory	Sister organization of the United Nations overseeing labor issues

their home country. Third, unlike many other private governance initiatives, the Accord, as a union–company agreement, provided equal representation of company and labor interests: Two Global Union Federations (GUFs), IndustriALL and UNI Global, and six local Bangladeshi IndustriALL affiliate unions were full signatories with equal voting rights on the Accord Steering Committee. In addition, four NGOs were *witness signatories*, that is, they attended all meetings and were represented on the governance bodies but without voting power (Reinecke & Donaghey, 2023). Table 1 provides an overview of the governance actors. However, local employers, the Bangladeshi supplier factories, were not a party to the agreement despite being the target of governance, and they were expected to make the safety upgrades or lose the right to supply to any Accord signatory company.

Each signatory company contributed funding to the Accord's operations in proportion to their annual purchasing volume (Art. 24), including for office expenses, training, and salaries for electrical, fire, and structural engineers and inspection expenses (totaling over USD $73 million by 2021).[2] They also committed to ''ensure'' that their tier 1–3 supplier factories participated in inspection and remediation (Art. 21), to pay workers during factory closures (Art. 13/14), and to provide financial incentives for suppliers to invest in safety upgrades (Art. 22), including ''long-term sourcing relationships'' (Art. 23). Yet, key ambiguities emerged regarding brands' exact responsibilities for progress in their supplier factories. But even though these ambiguities allowed signatories to water down the agreement and shirk their responsibilities, brands ended up taking on commitments far beyond initial expectations. The vast majority renewed the

[2] For full text of the 2013 Accord, see https://www.industriall-union.org/sites/default/files/uploads/documents/2013-05-13_-_accord_on_fire_and_building_safety_in_bangladesh.pdf

Figure 1. Remediation Progress in Accord-Covered Factories*



* Source: Accord, Quarterly Reports 2015–2021

Accord repeatedly after the initial expiration, despite significant obstacles, through the 2018 Transition and the 2021 International Accord, which also extended the Accord's scope and scale to other countries.

The Accord's duty to tackle the intractable problem of worker safety was significant. It included detailed fire, electrical, and structural inspection of all factories supplying signatory companies; developed corrective action plans and ensured their implementation vis-à-vis reluctant factory owners or terminated noncompliant ones; and conducted training in the area of worker representation in occupational safety and health. While the Accord was successful in hindsight, its success was far from guaranteed at the outset. As of January 2021, Accord-employed and -trained engineers had carried out a total of 33,253 follow-up inspections in a total of 2,222 factories (Bangladesh Accord Secretariat, 2021). These inspections yielded 145,673 findings showing safety hazards, such as lack of fire escapes, present in every factory. In 17 factories, safety concerns were so severe that the Accord recommended immediate evacuation. Immediate actions were necessary in another 110 factories. Respondents repeatedly stated that another large-scale disaster was imminent without immediate intervention. While initially frustratingly slow, the average remediation rate had reached over 93 percent by early 2021 (see Figure 1). Overall, the presence of the Accord significantly contributed to the radical reduction of fatal accidents in the garment industry, and total export volumes more than doubled after the Rana Plaza disaster, from USD $21.5 billion in 2012–2013 to USD $46.9 billion in 2022–2023 (BGMEA, 2024).

Data Collection

We adopted a grounded theory approach, employing theoretical sampling and thematic coding (Corbin & Strauss, 2008; 2015) to collect and analyze data iteratively over the eight-year period during which we followed the development of the Bangladesh Accord. This approach prompted multiple waves of data collection, resulting in six visits to Bangladesh, 143 semi-structured interviews, and the gathering of extensive documentary data. Table 2 provides an overview of the data sources.

Our data collection was guided by theoretical sampling, a hallmark of grounded theory, in which data collection is driven by emerging themes derived

Table 2. Data Sources

Method	Respondents	N	Location of Respondent	Further Details
Interviews	International trade unionists	21	10 Bangladesh based 11 internationally based	12 initial 9 follow up
	Bangladeshi trade unionists: IndustriALL	14	All Bangladesh based	11 initial 3 follow up
	Bangladeshi trade unionists: non-IndustriALL	3	All Bangladesh based	3 initial
	International NGOs	9	3 Bangladesh based 6 outside Bangladesh	7 initial 2 follow up
	Locally based NGO	1	Bangladesh based	1 initial
	Accord staff	14	8 Bangladesh based 6 outside Bangladesh	7 initial 7 follow up
	MNCs	34	18 Bangladesh based 16 internationally based	25 initial 9 follow up
	Factory management	4	All Bangladesh based	3 initial 1 follow up
	BGMEA	7	All Bangladesh based	5 initial 2 follow up
	International Labour Organization	10	5 Bangladesh based 5 outside Bangladesh	7 initial 3 follow up
	Joint Ethical Trading Initiatives	11	5 Bangladesh based 6 outside Bangladesh	8 initial 3 follow up
	Alliance/Nirapon	5	4 Bangladesh based 1 internationally based	4 initial
	Governments	4	All Bangladesh	4 initial
	Bangladesh-based labor experts	3	All Bangladesh	
	Total interviews	**143**		**107 initial** **36 follow up**
Group meetings	Management	8	All Bangladesh	Meetings during 8 factory visits 16 managers in total
	Workers	6	All Bangladesh	3 facilitated by unions; 3 facilitated by management
Observations	Observations of representative training (3 hours each)	4	Bangladesh	
	ETI Bangladesh Category group meetings (2 hours each)	5	U.K.	Involving MNCs, unions, and staff from the 3 ethical trading initiatives
	3-day Dhaka Apparel Summit	1	Bangladesh	
	1-day Global Social Sustainability Conference	1	Bangladesh	
	Social dialogue stakeholder meetings (2 hours each)	3	Bangladesh	MNC representatives Factory representatives Worker representatives

from the data itself. In our case, studying an ongoing process of institution building in real time meant that the empirical phenomenon and our theoretical sampling evolved together. As we conducted our initial analysis, emergent themes shaped subsequent data collection efforts. For example, we began interviewing respondents in 2013, shortly after the Accord was negotiated, to understand its emergence. Early analysis highlighted brands' reluctance to sign the Accord and the contentious political process of how the agreement was negotiated. These findings then motivated our decision to extend data collection to Bangladesh, allowing us to explore how these dynamics affected the Accord's implementation on the ground.

We continued conducting interviews at regular intervals, often with the same informants, to track changes and deepen insights into emerging themes from previous rounds. This iterative process allowed us to capture the evolving dynamics of institution building as they occurred and to adapt our focus as the study progressed. As the research advanced, we increasingly targeted empirical instances that could enrich the theoretical constructs arising from our data. During our six field trips to Dhaka, we conducted interviews with key local actors involved in the implementation of the Accord, including Accord staff, local company signatories, the International Labour Organization (ILO), Bangladeshi trade unions, and NGOs. We also interviewed representatives from the supplier factories that were subject to the Accord's regulation and their industry association, the Bangladesh Garment Manufacturers and Exporters Association (BGMEA). We interviewed groups of garment workers both during factory visits and off-site in trusted union offices, using a translator. Since the Accord is a transnational institution, we also interviewed signatory companies at their headquarters, as well as international Accord staff, ILO officials, and union and NGO leaders. Interviews lasted 30–180 minutes. Interviews were recorded and transcribed, except in a few cases in which respondents did not give permission and we relied on detailed, hand-written notes.

Finally, we collected publicly available Accord documents, in particular Steering Committee meeting minutes (N=36 as of June 2021) to track formally recorded issues and their resolutions (i.e., adoption of guidelines) as well as updates, press releases, reports, and evaluations by Accord signatories on an ongoing basis. Doing so also allowed us to track brands' combined financial contributions to the Accord's operations (more than USD $73 million by 2021), disclosed in the Accord's annual reports. However, brands did not disclose their financial contributions to supplier factories to make safety upgrades (i.e., through higher prices, pre-financing, or longer-term order commitments), which were deemed financially sensitive parts of commercial contracts. This lack of disclosure limits our ability to quantify brands' total financial contributions.

Data Analysis

Our analytical approach was open-ended, inductive, and involved several rounds of coding and iteration with the literature (Corbin & Strauss, 2008). We performed data analysis both during fieldwork and in between waves of data collection, so that data analysis informed the subsequent round of data collection, as we followed an unfolding process in real time.

First, after returning from fieldwork during the first waves of data collection, we performed coding, using NVivo, to understand the creation and implementation of the Accord. Two salient themes surfaced through this preliminary analysis. First, despite being narrowly focused on health and safety, signatories grappled with significant ambiguity about what implementing the agreement meant in practice. Second, we noted shifts from brands' initial reluctance to sign the agreement to increasing commitment.

During subsequent waves of fieldwork, we focused our data analysis on emerging ambiguities in implementing the agreement. We started by coding the Accord's Steering Committee (SC) meeting minutes. This provided us with an official account of which issues (25–30) were brought up when, by whom, and how the committee proceeded in resolving them. We then interrelated the issues by coding our interview and observation data. This helped us to create issue chronologies (van de Ven & Poole, 2002) of the ambiguous issues, their diverse interpretations, and how these interpretations led to development of new rules, practices, and procedures.

In a third round of axial coding (Corbin & Strauss, 2008), we searched for explanations and patterns in how actors dealt with these ambiguous issues. The term ''constructive ambiguity'' used by political scientists resonated (Mitchell, 2009, p. 321). We coded for the different processes through which actors resolved ambiguities, which we labeled *negotiating meaning of commitments*, and we identified repeating patterns across various issue chronologies. In parallel, we returned to our second theme and coded for indicators of whether and how parties' commitment to the institution evolved, which we labeled *layers of commitment enforcement*. Focusing on stakeholder dynamics, we grouped recurring codes around mobilizing enforcement pressure according to actor groups and noted how this activated interrelated layers: Labor signatories *enforced commitment* from brands, which led brands to *peer police* one another, which in turn enabled labor actors and brands to mobilize *collective leverage over suppliers*. We then analyzed the relationships among these processes.

A fourth round of selective coding (Corbin & Strauss, 2008) fleshed out the effects of these processes over time. We linked our pattern analysis to issue chronologies to understand how the mechanisms affected shifts across the chronologies. This helped us to identify distinct but partly overlapping cycles of resolving ambiguities. Revisiting codes such as *being in it together* or having *skin in the game* indicated a shift in collective rationality, pointing to how over time the political dynamics we observed contributed to a reinforcing cycle of increasing institutional investment, which fueled institutional tie-in.

TACKLING CONSTRUCTIVE AMBIGUITY IN BUILDING A COLLECTIVE ACTION INSTITUTION

> Over the past four years, unions . . . have worked together with global brands . . . to find a solution to the seemingly intractable problem of dangerous factories in Bangladesh. Many said that change was not possible. We've proven them wrong. (Christy Hoffman, Accord SC Member and Deputy General Secretary of UNI Global Union, quoted in IndustriALL, 2017)

Our findings document how private actors addressed the ''seemingly intractable problem'' of worker safety in the Bangladesh garment industry by building a collective action institution, the Bangladesh Accord, among brands, unions, and labor NGOs. Specifically, we unpack how Accord signatories faced and resolved constructive ambiguity in implementing the text of the agreement. Company and labor signatories lauded this previously unthinkable transformation as the result of ''an unprecedented effective initiative of industrial and civil society partners collaborating'' (Brand-E: 2019).[3] Similarly, Accord staff in Dhaka shared their satisfaction: ''So for thirty years nothing has happened [to improve factory safety] and within four years look at the progress that we've made!'' (Accord-A: 2017). Our findings document how brands shifted from reluctantly signing the Accord ''with a gun to our heads'' to taking on commitments that were ''beyond what we envisaged'' (Brand-A.1: 2014). First, we zoom in on the Accord's initial implementation cycle to analyze the political processes through which signatories confronted constructive ambiguity and translated it into stronger-than-expected obligations. Next, we zoom out across implementation cycles to explain how these dynamics led signatories to increase their commitment to the collective action institution in scope and scale.

Confronting Constructive Ambiguity

> The work doesn't end when you sign the dotted line! (Jenny Holdcroft, Accord SC Member and Assistant General Secretary of IndustriALL, 2016)

The quote above emphasizes that creating the Accord was not an outcome in itself but the beginning of an intense, multi-year process of institution building by securing collective action from over 200 brand signatories alongside the labor actors. Indeed, the Accord's success was far from given at the outset. Seven months after the Accord had been signed, it had no office, no bank account, and was not officially registered in Bangladesh. Inspections of the then-1,500 covered factories had not even started. Hence, it was still far from clear whether it would be a success: ''Let's be honest, it's an experiment, it's not a given success'' (MS-A: 2013).

A core dynamic that challenged the implementation emerged when signatories recognized that, despite its focus on worker safety and its legally binding nature, the Accord was an underspecified contract: The ''document's got holes in it'' (MS-A: 2013), and ''from a legal view it was not a good contract'' (Brand-E: 2018). Signatories who participated in initial negotiations explained that a certain ''intent to vagueness'' (NGO-A.2: 2019) was deliberately built into the agreement's text regarding several contested issues.[4] Because the ambiguities

[3] In our data, interviewees are anonymized and alphabetized. Interviewees are categorized according to the organization they represent: Brand, MS (multistakeholder), NGO (non-governmental organization), Accord (Accord secretariat), GUF (Global Union Federation) and BD-Union (Bangladeshi union). Each separate organization within each category is given a different letter. When more than one person from the same organization is quoted, this is signified by adding a numerical identifier. The year of the interview is also indicated. For example, Brand-A.1: 2016 means the first interviewee from the brand anonymized as Brand A in a 2016 interview.

[4] See Online Appendix 1, which traces the major constructive ambiguities in the text of the Bangladesh Accord. It also tracks the agreement's contested interpretations by brands and by the labor caucus, and summarizes the working resolutions that were reached.

could be interpreted in different ways, brands described signing the Accord as "taking a leap of faith in the dark" (Brand-G: 2014) and "taking a step into the unknown" (Brand-A.1: 2014). An Accord staff member explained that signatories were now challenged to negotiate "the implications of what they [brands] have signed" (Accord-C: 2014).

Thus, while constructive ambiguity enabled the quick formation of the Accord after the Rana Plaza disaster, the political negotiation was deferred to the implementation phase as the signatories (brands, unions, and NGOs) had to negotiate the meaning of commitments on an ongoing basis. Figure 2 depicts the general institutional negotiation process of how parties confronted and resolved ambiguities, which we explore below.

Resolving ambiguities in the 2013 Accord. To illustrate why ambiguities stalled the institution-building process and how they were resolved, we examine the implementation of the 2013 Accord.

Ambiguity over brand responsibility for remediation. The scale of the remediation challenge emerged after the first round of inspections in the more than 1,600 covered factories: "100 percent of the factories have safety concerns" (Accord-A: 2015). The Accord's Chief Safety Inspector referred 17 severely unsafe factories to the National Review Panel for immediate closure. For the remaining factories, Accord-employed and -trained engineers developed corrective action plans that Bangladeshi factory owners had to implement. However, almost two years into the agreement, the average remediation rate had barely reached 22 percent. On our second visit to Bangladesh in February 2015, Accord staff shared their frustration that supplier factories were using "every excuse in the book" (Accord-D: 2015) to avoid implementing corrective action. On our next visit nine months later, remediation progress in factories was still "unacceptably slow, at about 31 percent. We're really frustrated . . . basically they're all behind" (Accord-D: 2015). The Accord invested in additional inspection capacity. But follow-up inspections revealed another 30,000 new safety issues within six months alone, while remediation rates remained low.

Under the Accord, brands were responsible to "ensure" (2013 Accord preamble) that remediation happened in their supplier factories. But brands' concrete operational and financial responsibility had also been the key sticking point in agreeing on the text of the Accord, leading to vague phrasing of Articles 21 and 22: "each signatory company shall require that its suppliers . . . participate fully" in inspection and remediation. A steering committee company representative pointed to the lack of definition: "So what does 'seriously require' mean? In the case of H&M with all their bargaining power it might mean something different than for an importer with ten people and no stable contract with their suppliers . . . There is no clear-cut definition" (Brand-E: 2018). Ambiguity about "requiring" remediation interlinked with another core ambiguity, namely, the role that brands would play in making it "financially feasible" for their suppliers to remediate (Art. 22), which was "the biggest sticking point of all" (GUF-A: 2014). As a result, signatories now faced lack of clarity about funding remediation:

> So the wording . . . ended up being a bit of a fudge [between brands and labor actors] in that it's worded around, you know, we'll [brands] use our power to ensure that

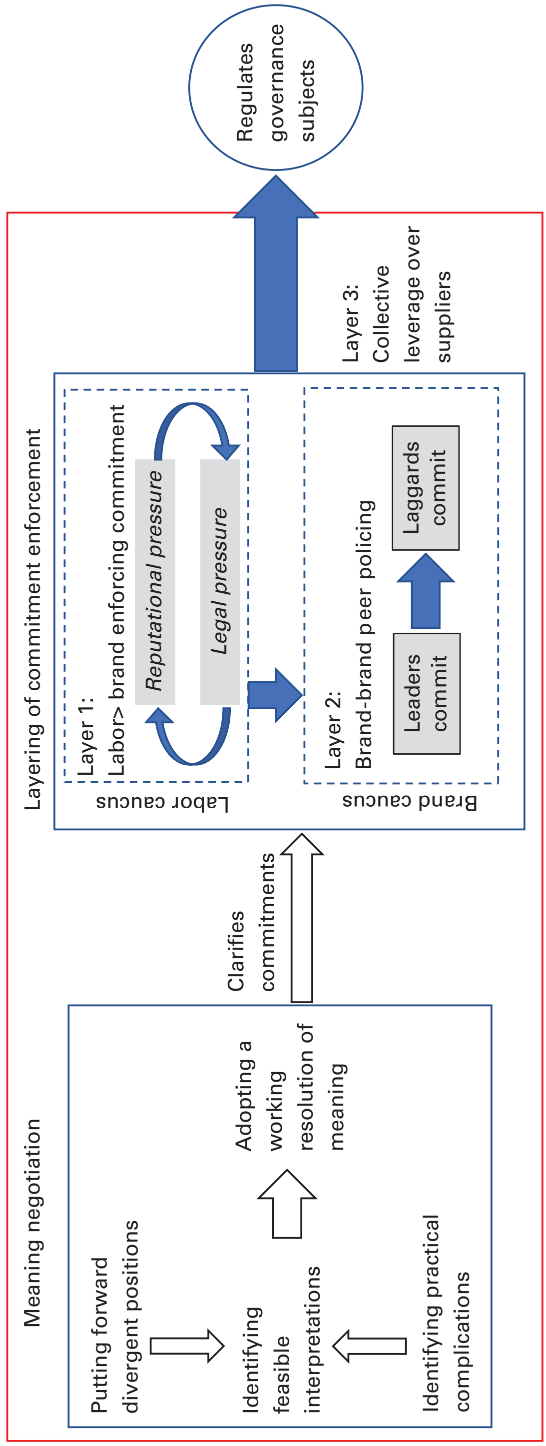


Figure 2. **Institutional Negotiation of Resolving Ambiguities**

> people are paid or ensure that funding is available for this [safety upgrades] to happen, without being prescriptive as to where it comes from. It's not saying that you're [brands are] going to pay for it. (Brand-A.1: 2014)

Moreover, what was financially feasible for factories depended on their financial position, varying from large, ''sophisticated enterprises with strong financials'' to small factories relying on season-to-season orders (ILO, 2016: 43). The International Labour Organization (2016) estimated that total remediation costs for factories covered by the Accord amounted to about USD $403 million, or between USD $120,000 and $320,000 for the majority of factories (80 percent).

Negotiating meaning of commitment. To hold brands accountable and define their concrete responsibilities, parties had to address the ambiguities causing stagnation over multiple, overlapping cycles of *meaning negotiation*. Negotiation was primarily carried out by the steering committee, in which brand representatives had to negotiate with elected (global and Bangladeshi) union representatives, who enjoyed equal say, and NGO witness signatories. Confronting ''grey areas that are difficult'' and ''not legislated within the Accord'' (NGO-A.1: 2014) challenged SC members to negotiate what they meant in practice: ''There is stuff to this day which has still got to be figured out in terms of what does this clause exactly mean? What does that clause exactly mean? And some kind of, you know, sensible agreement needs to be reached'' (Brand-A.1: 2014).

Putting forward their divergent positions. Parties diverged as to how the ambiguities should be resolved. Even if signatories had ''a common interest in making the factories safe,'' there were ''quite big differences of opinion [between brands and labor actors] regarding how you go about that and how you interpret the responsibilities of the company signatories'' (Accord-E: 2018). An SC company representative recalled that the lack of clarity about how brands ''shall require'' their suppliers to remediate (Art. 21) and how this could be financed (Art. 22) became a major point of conflict in the execution of the agreement: ''It was not clear what is expected from a brand. So there's a lot of interpretation. Have they done enough? Have they done less? What is expected? . . . So there are a lot of grey zones where of course brands and unions might end up with a different opinion'' (Brand-E: 2018). Labor and brands had ''different interests when you're looking at how to interpret that article'' (Accord-E: 2018). Labor signatories bemoaned that brands were ''not playing their proper role to support their supply chain as from the agreement in the Accord'' (BD-Union-A: 2015), which, they insisted, implied financial support from brands to avoid job losses. Unions and NGOs saw their role as ensuring a stringent interpretation of brand responsibilities:

> You're basically dealing with a bunch of people [brand representatives] who will try and water it down and co-opt it [Accord] to whatever they can to make it less complicated, less problematic for them. There is that constant battle of holding that line to do! (NGO-A.1: 2014)

In contrast, brands were reluctant to ''offer a blank cheque book'' (Brand-A.1: 2014) to suppliers who were seen as underperforming. They argued that badly run factories should be simply shut down: ''You've got a weak player on the football team, don't perform, you're out. . . . Weak factory, crap management, shut them down . . . We're not just going to prop up any old business if they don't deserve to be propped up'' (Brand-A.1: 2014). Thus, interpreting the text of the Accord was a highly political process involving ''very outspoken and intense debate'' and ''sometimes very aggressive politicking'' (NGO-A.2: 2019) between the two sides.

Identifying practical complications. Tackling the deliberate ambiguities was further complicated by practical complications that arose during implementation. One key complication was that different brands sourced from the same factory, revealing brands' reluctance to accept individual responsibility for shared goods. The same workforce would work on products for Accord members such as H&M and Tommy Hilfiger, as well as non-Accord companies. Citing ''a live example,'' Accord staff explained that ''the three [Accord] members are saying, 'hang on there, there is a $500,000 bill there [for safety upgrades]! We're not paying half a million dollars! What about these guys [other buyers]? What's the process? What's the protocol?''' (Accord-C: 2014). Questions over how brands shared responsibilities for remediation and financing were not specified in the Accord: Was each brand 100 percent responsible for a factory where it made up only a small percentage of production capacity? How would multiple brands share responsibility when sourcing from the same factory?

Adopting a working resolution of meanings. Despite divergent positions, the SC primarily viewed their duty as developing working resolutions in the interest of the Accord:

> It's hard when you work with such a diverse group of actors, it's really, really hard to move forward quickly but I must say that the atmosphere in the steering committee is extremely good . . . You can feel how everybody really pulls together and how personal company interest[s] are really being put aside . . . to try and make this Accord happen. (GUF-B.1: 2014)

Recognizing the need to be ''quite pragmatic and not ideological'' (Brand-E: 2022), Accord signatories managed to negotiate working resolutions between the brands and labor actors, which were continuously reworked and renegotiated as the implementation work of the Accord progressed.

Through often lengthy political negotiations, the SC developed numerous policies, rules, and protocols that served to codify the understanding negotiated on behalf of Accord signatories. Respondents described them as ''secondary legislation,'' because it was ''not enshrined in the Accord but . . . adopted through either Steering Committee decisions or even just through practice'' (NGO-A.2: 2019). One prominent example is the ''Lead Brand Protocol,'' which addressed the question of responsibility for shared factories. Each factory was assigned a specific lead brand, which had primary responsibility for ensuring remediation and financing. This specific protocol was contested as it was seen as going beyond the actual legal obligation of the Accord, but it was eventually agreed upon as a necessary way of dealing with the ambiguity over responsibility in shared factories. Tackling ambiguity about financing proved more difficult. The Accord secretariat realized that they could not fully rely on brands and their suppliers to ''work it [financing] out between [them]selves quietly'' (Brand-D: 2014). The SC devised a protocol whereby the Accord would convene joint financing meetings and approve factory finance plans. Overall, the repeated willingness to compromise indicated that parties valued the collective endeavor enough to sacrifice individual positions to make the Accord work.

Layers of commitment enforcement. The right side of Figure 2 depicts the process of activating layers of enforcing commitment to the collective action institution. While negotiating the meaning of ambiguities had clarified "how the meat should be put on the bone" (Brand-A.1: 2019), now Accord signatories also had to implement and enforce these working resolutions vis-à-vis each other and their governance subjects—suppliers—to achieve collective action. Signatory brands therefore agreed that "the only way that [collective action] was going to happen is if people stayed committed" (Brand-F: 2016). We observed a multi-phase process in which stakeholder dynamics gradually activated successive layers of commitment enforcement, which was enabled by the fact that the Accord created new legal and reputational risks primarily for brands. The early stages were marked by confrontation between unions and NGOs mobilizing these new risks against brands, which activated the first layer: The labor caucus applied pressure to ensure that brands honored commitments. This triggered the second layer within the brand caucus, whereby leading brands used peer pressure to enforce compliance from laggard brands. Together, these layers of commitment enforcement activated a third layer, which underpinned the Accord's governance effectiveness: The collective leverage exerted by labor and brands compelled suppliers to implement the necessary safety upgrades.

First layer: Labor caucus enforcing commitment over brands. The labor caucus played a key role in activating successive layers of commitment enforcement. After recognizing the lack of progress, unions and NGOs began to leverage aggressively the new reputational and legal risks that company signatories had adopted upon signing the Accord. They placed significant and repeated pressure on brands to implement the negotiated, often more-stringent interpretations of the agreement, such as the lead brand protocol. Respondents insisted that the Accord's legally binding nature *in itself* was not enough to ensure that brands contributed to the collective effort. Brands could shirk their commitments altogether: "If the brands don't want to do it, well, they could have gone to arbitration. It takes them up to the five years and then the Accord has ended" (Brand-E: 2018). It was up to labor signatories to mobilize the new reputational and legal risks that the Accord had created. NGOs and trade unions pursued complementary strategies: NGOs exerted *reputational pressure* through public campaigning, including naming and shaming tactics, while unions exerted the *legal pressure* of arbitration (see Figure 2).

On signing the Accord, company signatories were exposed to reputational scrutiny as the Accord made progress (or lack thereof) visible by publishing supplier lists and inspection and remediation reports (Art. 19a-c). The mobilization of this reputational pressure from NGOs was illustrated when, in mid-2015, the Clean Clothes Campaign and the Worker Rights Consortium published an analysis of progress made by H&M, the most visible brand buying from Bangladesh (Clean Clothes Campaign et al, 2015). The analysis revealed that the vast majority (89.5 percent) of H&M's 229 suppliers were far behind schedule in making the required repairs. H&M "wasn't the worst" (NGO-B: 2017), but NGOs "felt that if their [H&M's] reputation were challenged that would scare others. So that piece of work wasn't directed just at H&M, it was directed at everybody!'' (NGO-B: 2017). The exposé was a deliberate signal to other brands that their poor performance could be exposed next.

Union signatories pursued a different strategy to enforce commitment from brands by mobilizing legal risks. By signing a legally binding agreement, signatory brands became subject to a binding arbitration process if disputes arose, with arbitration awards enforceable through the courts of the signatory's domicile (Art. 5). A unionist recalled, ''Things went much more slowly than we imagined . . . so we had to do something that would have, yeah, the biggest impact'' (GUF-A: 2019). Unions targeted poor performers who could be pursued legally, rather than industry leaders like H&M that ''[were] always at the forefront of the remediation'' (GUF-A: 2019). From late 2015, unions started to collect company performance metrics, or remediation rates per signatory company. This allowed them to compare and target poorer-performing brands ''to raise concerns and start a dialogue with them bilaterally about the expectation that these companies step up and invest more capacity and resource'' (Accord-E: 2018). Unions intensified dialogue by sending several waves of enforcement letters. These ''probably had the biggest effect'' (Accord-E: 2018) in enforcing commitment to collective action. Initial letters were sent to about 40 poorly performing brand signatories: ''They sort of put the first screw on . . . saying, 'we have reason to believe that you are in breach of the Accord' and then asking for a meeting'' (Brand-E: 2019). These were followed by letters of intent to file charges (20–25) and filing charges (six) with the SC against brands that had failed to make serious commitments to improve. Arbitration was used as a ''last resort'' (Brand-E: 2022) ''to bring recalcitrant brands into compliance with the terms of the Accord'' (GUF-A: 2018). Two unnamed brands that had failed to engage adequately with their over 50 and 150 supplier factories were taken to arbitration. In 2017 and 2018, union signatories reached settlement agreements with the two brands for an undisclosed amount and USD $2.3 million, respectively. Jenny Holdcroft, Assistant General Secretary of IndustriALL, commented, ''For any brand that isn't in compliance, this decision sends a message that they cannot shirk their responsibilities to worker safety'' (IndustriALL, 2017). While arbitration was seen by all parties as a conflicted and time-consuming process to be avoided, it nevertheless demonstrated the power of unions to leverage the Accord's accountability mechanism.

Second layer: Peer policing. These complementary pressures exerted by the labor caucus catalyzed a dynamic that activated the second layer, *peer policing*, by which company signatories became increasingly tied to the Accord: Brands exerted peer pressure to avoid free riding. Even if, initially, brands strongly disliked pressure from labor signatories, it ultimately had the effect that most ''renewed their commitment'' (Accord-D: 2015) by having them assume greater responsibility for remediation progress in their factories. As an NGO activist explained, ''There is an easy way to deal with it, namely spend more time, resources and energy around this remediation trajectory. So we saw much more intensity in the engagement with the supplier base'' (NGO-A.2: 2019).

To fulfill effectively the role of lead brand, many brands took on a ''much more hands-on approach'' (NGO-A.2: 2019) in engaging directly with their suppliers. Rather than delegating to the Accord, they actively monitored their suppliers' remediation progress. Some brands started to open local offices and hire engineers to establish remediation teams that could support the factory remediation process in Bangladesh. ''Brands started to see this much more as a project, like managing a project, and put resource under it'' (NGO-A.2: 2019). The SC reported that some ''companies are linking staff bonuses and incentives to Accord progress rates'' (SC minutes October 2017). In addition, most brand signatories ''started to take this just much more at a higher level'' (NGO-A.2: 2019), using their purchasing power to place pressure on suppliers. Sourcing directors, who commanded much greater authority due to their commercial position than CSR staff did, started to address remediation progress during supplier visits. Brands reluctantly and sometimes covertly took up financial commitments such as paying workers' wages in cases in which a factory had to be closed for renovations, or they offered financial support for remediation on a case-by-case basis.

This increased commitment reflected a significant shift in collective action dynamics: Once industry leaders had stepped up their commitment, they realized their interest in ensuring that the other, less committed brands followed suit. Realizing that ''we're all in it together'' (Brand-I: 2017), strongly performing brands now had an interest in sanctioning free-riding brands, as their lack of action would harm the performance of leaders. Even if industry leaders ensured 100 percent remediation in all their supplier factories, they still exposed themselves to reputational risks through unsafe Accord factories with which they had no active business relationship. Thus, industry leaders were keen to ''avoid that you have some brands which are really pushing forward and a lot of other brands who are just, yeah, coming along, sometimes free riding'' (Brand-E: 2018). Brands now sought to ''make sure that everybody [all brand signatories] plays their part whether they want to or not'' (Brand-A.1: 2014) so that their individual investment was matched by everyone else. Brands even started to appreciate the role of the unions in sanctioning free riding by non-performing peers: ''One brand actually told me that the single most useful contribution that the unions ever did to the whole Accord was sending out those enforcement letters'' (NGO-A.2: 2019).

To avoid free riding by ''laggards'' (MS-A: 2013), SC company representatives made a series of interventions to put pressure on their peers to step up. They devised sanctions for poor performers, such as by strengthening the lead brand guidance ''to state that failure to undertake [actions] could lead to a charge being brought by another signatory'' (C&A, SC minutes October 2015). To target free riders more directly and effectively, the representatives decided to enlist the ten largest Accord signatories to ''address worst performers in the [brand] caucus . . . to express that [they] would like to see action within a given timeframe'' (H&M, SC minutes October 2015). Over time, self-policing by brands replaced the need for labor signatories to enforce commitment: ''Really the brands lead each other at this point because, you know the ones that are more active won't tolerate that other brands don't have that same degree of commitment'' (GUF-A: 2019). This second layer, peer policing, became more prominent but operated against the background of the first layer, enforced commitment.

Third layer: Collective leverage over suppliers. Brands' commitment, which was created and maintained by the layering of labor and peer pressure, then enabled the activation of a third layer of enforcement: It activated collective leverage by the Accord's signatory brands over their suppliers, the Accord's main sanctioning mechanism vis-à-vis suppliers. This leverage was important since it became evident that suppliers would implement the required safety upgrades only if their buyers actively supported or pressured them. Illustrating these layered dynamics, UNI Global Union put pressure on brands sourcing from a supplier factory that had failed to make progress because the factory manager kept missing meetings with the Accord. A previous union employee recalled how this pressure prompted the lead brand's sourcing director to intervene immediately to impress on this supplier the need to engage with the Accord: ''She was just furious to her supplier, she was like 'I was contacted by this guy at UNI Global, it's an important organization, we are getting problems because of your agenda conflict, so fix it' . . . And you immediately saw the kind of effect'' (NGO-A.2: 2019).

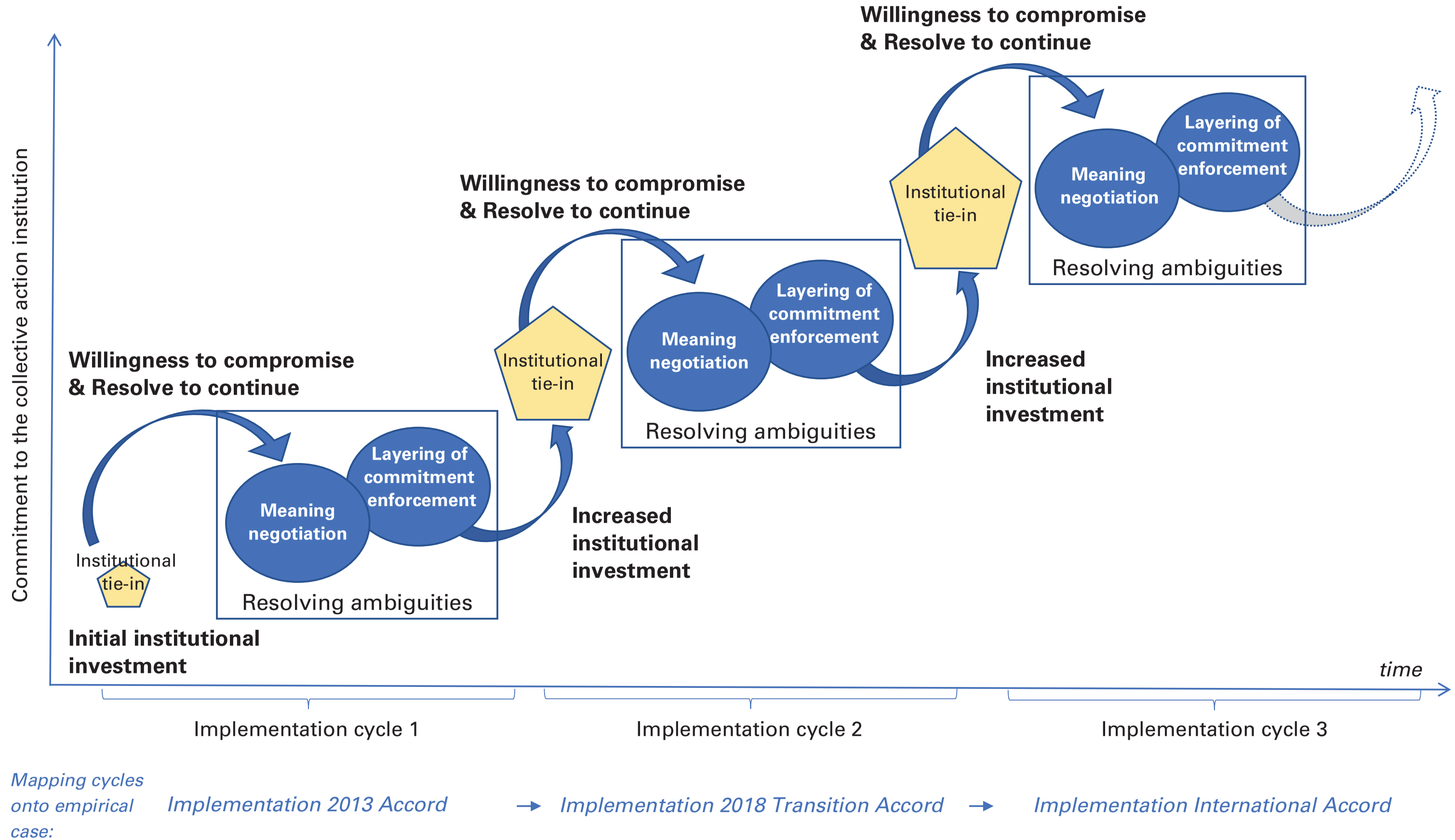
Hence, labor pressuring brands translated into brands pressuring their supplier factories. Moreover, supplier factories faced pressure not only from a single brand but from all Accord signatory brands to make the necessary safety upgrades identified by Accord inspectors: ''If you don't remediate you lose your orders from 215 brands. That's leverage, that's how you get things done in Bangladesh'' (Brand-C.2: 2019). This collective leverage over suppliers led to substantial progress in remediation, reaching an 85 percent completion rate by the time the first Accord ended in 2018.

Escalating Commitment to the Collective Action Institution

The second part of our findings zooms out across ten years to show how, over repeated cycles, the political process of resolving ambiguities described above escalated signatories' commitment to collective action beyond their initial self-commitment. Figure 3 is a stylized depiction of this process: Interconnected cycles of tackling ambiguities (x-axis) led actors to increase their institutional investment into the collective action institution. Institutional investments encompassed both financial and non-financial contributions, which were essential for the effective functioning of a collective action institution. These contributions included operational effort, employees' time, expertise, reputation, stakeholder relationships, and organizational commitment needed to monitor and enforce supplier compliance.

While constructive ambiguity could also have led to watering down unclear commitments, in our case it led to escalation of commitments. As indicated in the first implementation cycle described above, escalating commitment emerged from a positive feedback loop between investing in the institution and signatories' ability to tackle ambiguities effectively. Signing up for the institution created new reputational and legal risks for brands, which allowed the activation of layers of commitment enforcement as described above. The more that signatories were committed to invest, the more this strengthened the institution and deepened mutual interdependencies to bind them to a shared fate. It created what our respondents called ''skin in the game'' (MS-A: 2013) and what we term *institutional tie-in*, an individual actor's stake in the success of the collective action institution. In turn, being tied into the institution positively fed back into interconnected and overlapping cycles of tackling ambiguities: It increased parties' *willingness to compromise* and *resolve to continue* the process of tackling ambiguities constructively to protect collective benefits and to

Figure 3. Escalating Commitment to the Collective Action Institution



avert risks. Through this reinforcing cycle, the more that parties invested in the institution, the more it increased their institutional tie-in. Signatories' individual interests gradually shifted toward a collective interest in the success of the institution. Over time, these dynamics led to escalated commitment to the collective action institution, in our case parties making institutional investments exceeding what they had agreed to initially (y-axis of Figure 3).

Table 3 describes the links of institutional (re)investments, institutional tie-in, and its positive effects on the process of resolving ambiguities. While this was an ongoing process and not as sequential as Figure 3 implies, Figure 3 and Table 3 illustrate these dynamics across major cycles of escalating commitment around the three most visible milestone institutional (re)investments: the 2013 Accord, the 2018 Transition Accord, and the 2021 International Accord. Commitment increased both in the scope and scale of the Accord. By scope, we mean that the Accord widened in terms of the areas covered. By scale, we mean that the Accord expanded its institutional reach as it prepared to expand to Pakistan and three other countries.

2013–2018 Accord. The first and most significant investment in the collective action institution was to sign the Accord. The first company signatories only reluctantly ''broke ranks'' and ''crossed the line'' (GUF-A: 2014), ''sign(ing) with a gun to our heads'' (Brand-A.1: 2014) under institutional and reputational pressure from unions and NGOs.

Institutional tie-in. Once signed up, signatories shared a strong, collective interest in making the Accord work and delivering intended outcomes: ''The Accord is there to make those factories safe, come hell or high water! And what we know is a lot of them aren't safe'' (ILO-A: 2014). Signing the Accord induced a shift toward collective interest in reaching intended outcomes, factory safety, spurred on by the realization that everyone was jointly affected and responsible for making this work.

On the one hand, parties recognized that the outcomes of acting collectively were of greater benefit than for each of them to pursue an individual course of action. While one buyer had limited leverage over suppliers, a large number of ''brands signed up'' provided ''large coverage which then would give an industry impact'' (Brand-C.2: 2015). Collective leverage by brands made Bangladeshi suppliers ''wake up to the fact there is only one option, you either remediate or you lose a huge kind of business advantage'' (Accord-E: 2018). Moreover, pooling of resources increased the value of each brand's individual investment: ''You know what? Actually, this is a good business proposition all of a sudden! You share the costs of inspections, [ensuring] remediation and so on and so forth'' (MS-A: 2013). On the other hand, sharing these benefits also raised the risk of institutional failure given the deepened brand and labor signatories' interdependence, which bound them to a shared fate: ''We do not have to think that we are in different boats, no, we are in the same boat!'' (Brand-I: 2017). Neither brands nor unions could afford another deadly disaster in an Accord-covered factory: ''If there is another Rana Plaza tomorrow in one of the factories . . . I need not say any more. All the good work which has been done in the last twelve months would be for nothing overnight'' (Brand-D: 2014).

Due to cross-sourcing relationships at supplier factories, brands realized that their ability to deliver on the Accord was interdependent with other brands

Table 3. Escalating Commitment to the Collective Action Institution Across Implementation Cycles

Institutional Investment	Institutional Tie-In	Deepening Interdependencies	Collective Interest in Institutional Survival	Institutional (Re)investment
2013 Accord (> 200 company signatories)				
Initial commitment: Signing 2013 Accord	Signatories recognize risks of institutional failure: New reputational risks: Publication of supplier lists, inspection, and remediation reports (Art. 19a-c) make inadequate progress visible and expose signatories to potential reputational damage. New legal risks: Signing a legally binding agreement renders signatory companies subject to binding arbitration if disputes arise (Art. 5). New collective benefits: collective leverage over suppliers Pooling of resources	Recognizing shared fate due to cross-MNC sourcing Five-year collective commitment increases dependency on Bangladesh as sourcing country. Acknowledgment of unions and NGOs as legitimate partners in delivering the Accord	Signatories' individual interests shift toward industry-wide coverage and collective delivery of the Accord. Willingness to compromise to protect collective benefits Peer policing by leading MNCs on others to sign up, to avoid free riders	Increase in scope through secondary legislation: adoption and peer promotion of new policies, including bylaws, lead brand role and escalation protocols, and expanding Accord's remit to a boiler safety inspections program following a boiler explosion in 2017 in the Multifabs Factory, in which 10 workers were killed Collective financial and operational investments in Accord inspection capacity (2013–2018: USD $5.3m, 13.4m, 12.3m, 8.5m, 8.7m, 8.2m) MNC-level commercial investments in suppliers: maintain ''long-term sourcing relationships'' (Art. 23) and increased share of sourcing from Bangladesh Increased engagement with suppliers (Art. 21) Supplier incentives for financing wages and/or remediation costs (Art. 13, 22) MNC-level operational investment: staff costs at HQ and Bangladesh to oversee Accord progress
Increase in scope: more legal obligations; implementation of 2013 Accord	Same as above + Accumulation of sunk costs through financial and operational investments into Accord over 5 years	Same as above + Continuation of Accord deepens interdependencies between signatories.	Same as above + Seeking to protect factory remediation progress by securing continuation of Accord Peer pressure on recalcitrant MNCs to sign extension	Continued institutional investments Extension of Accord into 2018 Transition Accord Increase in scope through freedom of association clause
2018 Transition Accord (> 190 company signatories)				
Increase in scope: Freedom of association added	Same as above + Accumulation of sunk costs since Accord creation > USD $100m total Accord institutional capacity: hired and trained 200 local staff, including 79 engineers, 33 remediation case handlers, 52 worker safety, and 5 complaints handlers by 2018. Development of IT systems and remediation protocols. Expending political capital vis-à-vis Bangladeshi industry and government	Same as above + Increased dependency on Bangladesh as a sourcing destination Signatories face joint political fate dependent on High Court ruling.	Same as above + Increased collective stake in institutional survival: securing legacy of the Accord in the long term Collective support for Accord despite resistance from Bangladeshi industry and government	Continued institutional investments (2019–2021: USD $6.2m, 5.2m, 5.2m) International expansion to 2021 International Accord and joint commitment to expand Accord to at least one more country Individual MNC pledges of support for continuation of Accord Commitment to Accord successor in Bangladesh, the RMG Sustainability Council (RSC), while retaining oversight through International Accord
2021 International Accord (> 198 company signatories)				
Increase in scale and scope: International expansion and potential issue expansion	Same as above + Operational investment into factory-level capacity: By May 2021, worker safety committees established at 1,100 of 1,581 factories. Reputational investment in new country expansion	Deepening interdependencies across country supply chains due to expansion of Accord in 4 other countries and environmental issues	Same as above + Unions/NGOs leverage pressure Peer pressure from MNCs to increase signup and contribute resources to expansion effort	Four priority countries identified and feasibility studies carried out. 3-year (+3 year automatic) renewal of International Accord in Nov. 2023; to be implemented through the RMG Sustainability Council (RSC) in Bangladesh Jan. 2024: 100 (out of 121 sourcing) MNCs commit to the Pakistan Accord. Scope extended to include fabric mills.

sourcing from the same factories. To manage these interdependencies, brands realized that the best way to manage their own legal and reputational risks was to ensure that as many others as possible contributed to the collective effort. Thus, once industry leaders, such as H&M and Inditex, ''crossed the line'' (NGO-A.1: 2014) and signed the Accord, their interest shifted toward wanting others to sign up: ''We wanted everyone, or as many as possible to be involved'' (Brand-B.2: 2015). Industry leaders now campaigned for other brands to join. Retailers like Aldi and Lidl put pressure on their suppliers to sign up. ''Once 30-something [brands] stepped across the line,'' a ''domino effect'' (Accord-C: 2013) ensued that eventually led over 200 companies to sign the Accord. After a significant number of brands had signed up, they recognized that ensuring safety in their own supply chain was a matter of collaborating with everyone else: ''This is a collaborative initiative, and all the players are playing the same game and in that sense collaboration is crucial if we want to achieve our common goal'' (Brand-I: 2017).

Resolve to continue and willingness to compromise. Increasing institutional tie-in also helped parties to confront sets of interrelated ambiguities in implementing the agreement over multiple and overlapping cycles of *meaning negotiation* and *commitment enforcement.* Even if signatories agreed that ''it's a very difficult and heavy lift in Bangladesh'' (ILO-1: 2014), the threat of institutional failure united them in their determination to resolve issues collectively: ''We just cannot allow this to fail. It's too important'' (GUF-B.1: 2014). Moreover, mutual interdependency among individual brands and between brands and labor actors created symmetry as each party would bear a significant cost if the collaborative agreement failed. Recognizing their interdependencies meant that parties were willing to take a collective perspective that would protect collective benefits. This allowed parties to recognize prior adversaries, brands vis-à-vis unions and NGOs, as legitimate partners in the institution-building process: ''We all have skin in the game, IndustriALL got as much skin in the game on this as the companies have. They're not sitting on the outside and watching, they're in the center. They've got to deliver this'' (MS-A: 2013). Knowing that unions were equally invested in the agreement helped brands to acknowledge them as legitimate partners, even if it took ''getting used to the fact that you're dealing with strange bedfellows'' (Brand-D: 2014).

Moreover, the five-year time frame committed brands to Bangladesh as a sourcing country. While previously, brands would ''change suppliers like their shirts'' (Brand-A: 2014), signing a five-year commitment ensured that everyone remained committed to resolving the problem: ''We're not going to cut and run out of Bangladesh. We're going to stay'' (Brand-G: 2014). Brands agreed that ''we might as well commit wholeheartedly and the accord was the best vehicle that we could see for doing that'' (Brand-A.1: 2014). This determination made it much more likely that unclear responsibilities were interpreted to allow for substantive enactment of collective action. Indeed, brands credited this assurance of commitment as a key factor in institutional success:

> Why did the Accord work? Because it had a commitment . . . What it said to the brands was, ''No, you're not just going to do this for three months and then once this is kind of a little bit blown over back to business as usual''; it committed those brands to five years so that there could be a strategic intervention, so that it could develop

> and ensure that whatever investment etc. needed to take place, all the stakeholders knew that the brands were committed. (Brand-J: 2018)

Increased institutional investment. Resolving the ambiguities of the 2013 Accord in a substantive way required signatory parties to make significant institutional investments that exceeded the scope of what they had initially signed (see Table 3 for details). Through ongoing negotiations, brands committed to many additional activities, policies, and protocols that were often ''on a thin grey line'' (NGO-A.2: 2019) regarding whether they were going beyond the original agreement. These included the escalation protocol, a boiler safety program, and ''the lead brand role [which] is not formally within the Accord'' (SC minutes January 2016) taking primary responsibility for a designated number of factories. In addition to their financial contributions to fund collective Accord operations, brands had to enforce the Accord in their own supplier factories, which required commercial and operational investments by providing supplier incentives or financing directly lost wages and/or remediation costs on a case-by-case basis to help their suppliers comply with the Accord. Due to expansions in scope, the commitments that brands had taken on went far ''beyond what we envisaged'' (Brand-A.1: 2014).

2013–2018 Accord extension. *Institutional tie-in.* The more that companies invested in the implementation of the Accord, the more they feared losing the benefits of their collective contributions. By the time the 2013 Accord was coming to an end, brands had made significant financial and operational investments in it, as well as at their own headquarters and at the Bangladesh offices. Financial contributions to the Accord's capacity alone had accumulated to over USD $50 million to fund operations, including office expenses, training, and salaries for electrical, fire, and structural engineers, which resulted in a highly specialized operation of more than 200 staff members in Bangladesh. The Accord had inspected over 1,900 factories with up to 500 follow-up inspections each month (Bangladesh Accord Secretariat, 2017). By spring 2017, the remediation rate reached 77 percent. Having made such significant investments and having achieved significant progress further increased Accord signatories' stake in institutional survival.

Resolve to continue and willingness to compromise. Whereas cycle 1 resolved many ambiguities related to the implementation of the 2013 Accord, underpinning the entire 2013 Accord was a significant, overarching ambiguity that became more pressing as institution building progressed: What would happen upon the Accord's expiration after five years? Brands could have used the Accord's expiration as an easy opportunity to get out. Moreover, the worst factories had been closed and the most dangerous conditions had been improved, which significantly reduced the (reputational) risk of another large-scale disaster. Thus, as the Accord was due to end in June 2018, intensive negotiations from mid-2016 took place to determine the future direction. In a public statement, UNI Global Deputy General Secretary Christy Hoffman (2017) called on brands to join with labor to extend the Accord: ''It would be irresponsible to abandon the progress that the Accord has made. The Accord's work is not over.'' Both unions and brands shared the fear that their collective investment was at risk if the Accord simply ended and poor safety practices returned.

Even if brands complained about the heavy lift in Bangladesh, they recognized the benefits of collective action: ''For us, the Accord is more resource efficient when doing it together with other brands and it's also more effective when everyone is pushing in the same direction'' (Brand-H: 2016). Leading brands once again urged peers to sign up, pledging their continued support to the Accord:

> I don't see [the] Accord really ending in 2018. Because unless every single factory under [our brand] is 100% remediated and can be 100% structurally, fire safety, electrical safety be in a place that they are green, and they have an OHS committee which is working, I don't think we'll be able to walk away from the Accord. (Brand-K: 2016)

Unions and brands were determined to carry on the work of the institution to protect the legacy of the Accord so that their past efforts were not lost.

Increased institutional investment. Following intense negotiations, labor signatories managed to convince the vast majority of brands to renew their commitment to collective action formally and visibly when they extended the Accord for another three years, until May 31, 2021, by signing the 2018 Transition Accord. Once signed up, brands pledged their steadfast commitment: ''We need to complete our task and we need to continue with our efforts'' (Brand-I: 2017), and ''we want to see 100 percent safety and that's why we're supporting the Accord 2.0'' (Brand-C.3: 2017). Moreover, at the urging of unions, the Accord was extended in scope: A clause was added about protecting freedom of association to enable workers to report unsafe factories.

2018 Transition Accord. The 2018 Transition Accord was meant to operate ''until a set of rigorous readiness conditions are met by local regulatory bodies'' that could take over the Accord's work (Bangladesh Accord Secretariat, 2018). A core ambiguity thus characterized this phase: Bangladeshi factory owners and the government claimed readiness and contested the Accord's extension. Yet, joint research by the Accord's witness signatories revealed ''a shocking level of unreadiness'' of local regulatory capacity (Clean Clothes Campaign et al., 2019).[5]

Institutional tie-in. After over five years of building the institutional capacity of the Accord, signatories realized their collective investment: ''If we look back at what brands have invested into the different Accords, it's more than 100 million US dollars, just for the organization!'' (Brand-E: 2022). Hence, they were unwilling to abandon the progress made: ''We feel strongly that prematurely ending the work of the Accord's Dhaka office would be extremely damaging to the reputation of [the] Bangladesh apparel industry and its customers, and would imperil the tremendous progress that factories there have made''

[5] In early 2019, when 89 percent of remedial actions at more than 1,600 factories covered by the Accord were completed, the factories covered by the government's inspection agencies lagged far behind, and a government database indicated that in 346 out of 400 factories, progress was less than 20 percent complete (Clean Clothes Campaign et al., 2019). The European Union Sustainability Compact's 2018 report also concluded that Bangladesh's newly established Department of Inspection for Factories and Establishments was still not fully operational (European Commission, 2018).

(Esprit, public statement 2018). Brands urged that "the progress should not lose speed" (CSR Director, Kik, public statement 2018). Moreover, the more that brands invested in the factory safety of their Bangladeshi supplier base, the more they became invested in Bangladesh as a sourcing country: "Bangladesh is currently the safest production country in Southeast Asia. That is why we engage for the Accord to stay" (CSR Director, Kik, public statement 2018). A union signatory recalled,

> Because we have made so much progress in Bangladesh, the brands have put more and more of their share of sourcing into Bangladesh. . . . They had to put in an investment in terms of the Accord, which is much less than what you have to do if you do things on your own as a single brand. But you have a destination now which looks really good in terms of safety, and they don't have so many options to go somewhere else. (GUF-B.1: 2022)

Nevertheless, the Accord came under increasing pressure from the government of Bangladesh to close its operations. Bangladeshi factory owners despised the Accord's ability to pool the purchasing power of its over 200 brand signatories to pressure them into compliance with the Accord's inspection and remediation program. Local resistance to the extension culminated in proceedings in the Bangladeshi High Court that mandated the Accord close down its operations. But rather than using government opposition as an excuse to retreat from their commitments to the Accord, brands used their economic power to defend it. They expended political capital by claiming that the Accord was "one of the essential foundations of our business activities" in Bangladesh (Tchibo, as reported by Clean Clothes Campaign, 2019). They threatened commercial consequences, such as when Bangladesh's biggest buyer, H&M, stated, "A premature shutdown of the Accord may lead brands and retailers to consider sourcing decisions and review their reputational risk for [working with] Bangladesh as a sourcing country" (Clean Clothes Campaign, 2019). While this set them on a path of confrontation with local stakeholders, at this stage brands were highly invested in the Accord, and they feared that progress would be reversed and that their significant operational and commercial investments in the country would be lost.

Resolve to continue and willingness to compromise. The Bangladeshi High Court decision to stop the Accord from operating in 2018 meant that brand signatories faced a crisis: They could use this as an opportunity to walk away from their commitments altogether, but they would also lose the resources invested in the institution, or they could reinvent the institution in a manner that would be compliant with the court's ruling. Negotiations were described as "quite complex" and tough, and they required a "last-minute" three-month extension to the Transition Accord (GUF-B.1: 2022). Union signatories threatened to withdraw from the process unless brands renewed their commitments. They also had to resolve significant ambiguities in the new governance model, over which unions and companies clashed. Both unions and brands recognized that "if we cannot demonstrate that we can successfully overcome really difficult challenges . . . then that's the end of all of it" (GUF-B.1: 2022). Both parties needed to demonstrate success in Bangladesh to realize their ambition to expand the program to other countries through the International Accord:

> They realized that if you withdraw, the whole thing is dead here. And not only Bangladesh is dead. Everything you want an International Accord [to] achieve in other countries is also dead. . . . After five years, we had put 100 millions of dollars in a concept which is not sustainable? . . . And well, the result is they [we] are still there. (Brand-E: 2022)

Increased institutional investment. The Accord's brand and labor signatories compromised and reluctantly agreed to transfer the functions of the Accord to a local private regulatory body, the RMG Sustainability Council (RSC), and to share governance oversight with Bangladeshi employer associations and the government of Bangladesh. They also agreed to continue their financial and legal commitments under a renewed International Accord. A company representative on the SC explained why brands gave in to the pressure of the labor caucus for legal liability: ''Brands have a fundamental interest that something like the Accord exists . . . because the system functions,'' and they recognize that ''it is a win–win'' (Brand-E: 2022). Brands justified the need for continued investment out of fear of institutional collapse: ''The fate of most of such programs is the moment you turn your back the moment you reduce your investments . . . well . . . they just collapse . . . And with RSC, this is the attempt to overcome such [a] situation'' (Brand-E: 2022). Committing to continue institutional investments was not automatic but, once again, the outcome of political negotiations and the mobilization of peer pressure.

To increase renewed signup, Accord signatories agreed ''that brands reach out to other brands to have them join the Accord'' to avoid ''non-Accord companies . . . sourcing from these factories and thereby 'free riding' on the Accord programs'' (Accord SC Minutes, July 5, 2022). The mobilization of peer pressure led to significant signup: As of September 2023, 198 company signatories had signed the International Accord.

2021 International Accord. The International Accord represents a significant expansion in scale and scope: Signatories agreed to take their commitment beyond Bangladesh and to establish health and safety programs in four additional countries. By January 2024, 100 brands had signed up to the Pakistan Accord. Feasibility studies are being carried out in Sri Lanka, Morocco, and India. Notably, whereas fabric production such as knitting, weaving, and spinning had not previously been covered, the Pakistan Accord extended the scope to include fabric mills. There have been further discussions, though not agreement yet, on the potential of expanding the scope to cover other human rights and environmental issues.

While the 2013 Accord was created due to externally driven pressure following the 2013 Rana Plaza disaster (Reinecke & Donaghey, 2023), brands agreed to extend and expand the agreement repeatedly despite diminishing public pressure and mounting local resistance. One Accord secretariat member reflected on how unlikely these re-commitments seemed at the outset:

> I remember a lot of brands back then [2013] saying, ''we signed this agreement [Accord] with a gun to our heads, because the public pressure was enormous'' . . . So brands would sign anything . . . but they then said to me, ''we are never going to sign something like this ever again.'' And then five years on, in 2018, almost all the brands signed again [Transition Accord]. And then everybody said, ''oh, yeah, but

> when that expires, we're never gonna sign again.'' And now we're, again back to 183 [company signatories to the International Accord]. So there must be enough gains for the brands . . . because the pressure is . . . nowhere near as high as in the aftermath of the Rana Plaza collapse. (Accord-B: 2022)

In this way, exogenous pressure shifted to endogenous commitment to the institution as an effective mechanism to ensure collective action.

DISCUSSION

Constructive ambiguity poses a fundamental challenge in sustaining collective action: While common ground among conflicting parties may be necessary for agreement, it can also sow the seeds for the subsequent failure of agreements. This dual nature explains why previous research has often highlighted the fragility of collective governance initiatives. However, our findings demonstrate that ambiguity, when confronted and resolved through iterative negotiation and enforcement, can be transformed into a catalyst for escalating commitment. Key to this process is the activation of a self-reinforcing cycle of institutional investment and institutional tie-in, which increases actors' stakes in the institution's success and drives sustained commitment over time, ultimately leading to the development of robust institutions for collective action.

Contribution to Transnational Governance Institution Building: Constructive Ambiguity

We contribute to scholarship on transnational governance by unpacking the dual role of constructive ambiguity in building transnational governance institutions. Drawing on literature from across political science and management, we argued that the double-edged nature of constructive ambiguity provides one explanation for what makes it so hard to make collective yet voluntary governance institutions work: Constructive ambiguity is productive in *inducing* collaboration among different stakeholder groups to bridge their divergent interests and world views (Ansell, 2011; Gray & Purdy, 2018). Yet, when parties must revisit political differences that they had suspended in order to secure the agreement, in the implementation phase political conflict is likely to re-emerge and lead to continued disagreement (Denis et al., 2011; Fischhendler, 2008b; Knox & Carmichael, 2005), symbolic implementation, or in the worst case, institutional breakdown (Moog et al., 2015; Zuzul, 2019).

Our research addresses this conundrum by demonstrating the dynamics and conditions through which constructive ambiguity can also become the engine for a productive political process whereby ambiguous commitments are translated into more-stringent and longer than initially anticipated obligations. We do so by identifying, in the first part of our findings, a set of mechanisms through which parties confront and work through ambiguities during implementation, and in the second part, the self-reinforcing dynamic through which this political process then catalyzes escalating commitment to institution building. In terms of the first part, we identified the constructive role of political stakeholder dynamics in deepening commitment to the institution. This involved the representation of stakeholders with divergent interests and their ability to put forward more-stringent interpretations of ambiguous commitments (meaning negotiation), to mobilize credible threats to enforce commitments from brands, and to secure compliance from suppliers as the ultimate governance subjects (layers of commitment enforcement). In our case, the first layer involved labor actors leveraging reputational risks of consumer-facing brands and legal risks to pressure signatory companies into compliance. This triggered a second layer whereby leading signatory companies applied peer pressure to prevent free riding from laggards. These combined efforts activated the institution's collective leverage over suppliers, compelling them to implement safety improvements. The absence of stakeholder representation of governance beneficiaries—in this case supply chain workers—or their merely symbolic inclusion likely explains why many other voluntary multi-stakeholder partnerships fail to activate political dynamics that translate initial ambiguities into substantive institutions.

Importantly, ambiguity resolution was not a one-time event but an ongoing process. The second part of our findings showed how, through repeated cycles of tackling constructive ambiguities, signatories clarified expectations and strengthened their mutual interdependence. This process ultimately transformed constructive ambiguity from a potential source of conflict into a catalyst for escalating commitment, enabling the development of a robust and durable collective action institution. By explaining *how* and *why* commitment to the institution escalated in both scale and scope, we address a core puzzle in voluntary private governance, namely, how to ensure that participants will effectively implement their self-regulatory commitments (Short & Toffel, 2010). Multi-stakeholder partnerships have been seen as key instruments to wrest voluntary commitments from corporate and other actors (Soundararajan et al., 2019), but how such commitments are sustained or even increased has been less clear. Our findings highlight the concept of institutional tie-in as a central mechanism through which commitment to a collective action institution deepens over time. Referring to an actor's increasing stake in the institution, institutional tie-in emerges from cumulative financial, reputational, and operational investments. These investments create a self-reinforcing dynamic: The more an actor invests in the institution, the more its success becomes essential to safeguarding those investments, thereby strengthening the actor's commitment. Parties are increasingly bound to a joint fate through increasing interdependencies and what our respondents called ''skin in the game,'' as all parties bear the consequences of institutional failure just as much as they benefit from its success (see also Taleb, 2018). Institutional tie-in thus increases parties' resolve to protect the success of the institution by tackling emergent or remaining constructive ambiguities in a productive way. In our case, this led the parties' commitment to increase in scale, scope, and duration beyond the initial self-commitment to the 2013 Accord.

This insight sheds light on escalating commitment as a productive force in collective institution-building processes. In prior research, escalating commitment has typically been viewed as resulting in a tendency to pursue a failing course of action (Ross & Staw, 1986). In contrast, we demonstrate how escalating commitment can act as a driver for institution building in collective action dynamics. Because each actor's individual benefit is contingent on the collective investment by all actors, the more that other actors increase their commitment, the more beneficial it becomes to participate and contribute. This escalating collective commitment can lead to an upward spiral as it reassures parties of the benefit of their mutual investment. This gradual escalation of commitment can counteract "networks of indecision" whereby inability to decide on commitments up front can prevent the effective delivery of a collective initiative (Denis et al., 2011, p. 225). By making cumulative investments during implementation, participants become invested more deeply in the institution itself.

In emphasizing the implementation process, we also demonstrate the importance of moving the focus from institution building as the creation of "authoritative texts" (Koschmann et al., 2012, p. 338; Maguire & Hardy, 2006) to the dynamics of how such texts are translated into action. This finding extends the literature on institutional creation for transnational governance, which has often focused on the creation of institutional initiatives rather than on their implementation (Bartley, 2007; Helms et al., 2012). Yet, this literature is based on quite a specific model of institution building that privileges "theorization," defined as the "production of theoretical accounts" and "justification of abstract possible solution" (Greenwood et al., 2002, p. 60). These accounts ignore that political differences cannot be overcome up front, hence the need for constructive ambiguity. In contrast, this study shows that the presence of constructive ambiguity means that institution building is not just about theorizing institutions or the drafting and signing of partnership agreements. By taking an explicitly longitudinal approach, we were able to demonstrate how agreements become institutionalized by constructing new practices, routines, and norms as parties confront concrete, situational problems in implementation.

The creation of transnational governance institutions resembles a two-stage process, similar to the "mixed-scanning" approach of individual actors identified by Etzioni (1967, p. 385), but here in a collective sense: Broad decisions of general direction and design are identified and agreed upon at initiation. But since "all contingencies cannot be anticipated and incorporated in the institutional design" (Prakash & Potoski, 2016, p. 119), the detail of institutional practice is renegotiated during implementation as concrete issues arise. Our study emphasizes that institutional emergence is driven by pragmatic problem solving (Farjoun et al., 2015) through political negotiations (Mahoney & Thelen, 2009). Specifically, our inductively derived model shows how transnational governance institutions are created in the process of negotiating their meaning in action, informed by the divergent interests of the parties in the multi-stakeholder partnership. This requires "pinning down institutions in a certain local context—embedding them in local understandings and social relations" (Ansell, 2011, p. 35) as actors confront ambiguities in practice and must substantiate meanings with concrete action commitments. Understanding the processes of how authoritative texts come to life, are inhabited by actors, and reflect social interactions (Leibel et al., 2018) can explain why some partnership agreements are translated into durable institutions for collective action while others dissipate or induce only symbolic commitment (Zuzul, 2019).

Contribution to Collective Action Theory

Our second contribution is to collective action theory by providing better understanding of how institutions for collective action are built at the transnational level and, specifically, how collective rationality evolves and sustains "durable collaborative forms of self-governance" (Prakash & Potoski, 2016, p. 119). Ostrom's conceptualization of collective action was built around what Streeck and Smitter (1985, p.120) called a ''logic of community,'' community-based management of collective resources involving cooperative relationships of trust, shared norms, and reciprocity (Ostrom, 1990; Poteete et al., 2010). However, transnational economic relations undermine these conditions of trust and social capital in collaborative relationships, since multinational corporations not only are often geographically disparate and interact on a short-term basis but also are competitors in a cutthroat marketplace. Thus, ''the challenge is to devise institutional arrangements that help to establish such conditions or . . . meet the main challenges of governance in the absence of ideal conditions'' (Dietz et al., 2003, p. 1908). Overall, we demonstrate how private actors can overcome competitive dynamics and jointly develop highly effective institutions for collective action.

First, we show that collective rationality, a mutual interest in sustaining the institution, can emerge *during* the process rather than providing the starting point of collective action dynamics. This finding addresses the question of how to maintain commitment to collective goals, which is a core challenge in multi-firm collaboration (Human & Provan, 2000) and even more so in multi-stakeholder collaboration with divergent interests. The traditional economics-based perspective assumes that collective action rests either on rational incentives and a joint interest in overcoming a collective action dilemma (Barnett & King, 2008; Zeyen et al., 2016) or on norms-based approaches involving trust, shared norms, reciprocity, and reputation in community-based management of collective resources (Berliner & Prakash, 2015; Ostrom, 1990; Poteete et al., 2010). Both assume some level of collective rationality and recognition of ''existing inter-dependence'' as a core factor in inducing collective action (Ansell, 2011, p. 178). In contrast, our findings show that interests and motivations are not static or predetermined but are subject, during the process, to modification and to the emergence of new goals (Wilson & Putnam, 1990): As parties engage with each other and the process of negotiating the agreement during implementation, goals and objectives shift. In our case, signatories moved from viewing the Accord as an externally imposed obligation to embracing it as a shared solution for sustaining collective action. This gradual shift played a pivotal role in fostering enduring commitment and ensuring the institution's longevity beyond its initial mandate.

Second, a key concern in creating such durable forms is the question of how to limit the free-rider effect (Hechter, 1988; Olson, 1965). Our analysis provides significant nuance regarding the free-rider problem. Rather than deterring collective action, the fear of free riding can push industry actors to engage in peer policing to ensure that others match contributions. Once industry leaders are pressured to increase their investment in the collective action institution, they realize that they are better off if everyone is contributing. In our case, the fear of free riding meant that brands welcomed the political role of unions as a source of productive conflict to support peer policing and prevent free riding from laggards. Knowing that free riders will be sanctioned can help overcome key dilemmas in collective action, namely, the fear that one's own contribution would make only a marginal difference in the absence of contributions by others. While political conflict is often seen as leading to institutional breakdown (Denis et al., 2011; Zuzul, 2019), it can also be productive in sustaining commitment as all actors can safely renew their commitments in the expectation that others will do so, too. The shifting interest of companies to prevent free riding reinforces our point above that motivations and interests are renegotiated as actors redefine issues and underlying objectives.

Finally, our study challenges the prevailing assumption that firms participate in multi-stakeholder partnerships primarily to gain a competitive advantage. Scholars have traditionally posited that companies participate in these partnerships to reap reputational benefits and to differentiate themselves from competitors through visible participation (Prakash & Potoski, 2007; Zeyen et al., 2016). However, our findings demonstrate a different dynamic: The formation of a collective action institution altered the nature of competitive interactions among firms. Rather than seeking exclusivity to maintain a competitive edge, signatory parties developed a collective interest in encouraging as many firms as possible to join the initiative. This shift was driven not simply by CSR managers seeking to create a "market-protected space" (Schüßler et al., 2023, p.1071) but by a political process that eventually led stakeholders to recognize that the institution's overall effectiveness was contingent on collective participation, since systemic challenges are too vast for any organization to tackle unilaterally. By building an institution that enables pre-competitive collaboration, firms are no longer competing by lowering (labor or environmental) standards in a race to the bottom or seeking to differentiate themselves by adopting higher standards. Instead, collective action removes public goods such as worker safety from competitive dynamics and reframes success not in terms of individual gain but in the broader, collective improvement of industry standards that enhance overall societal and industry outcomes.

Boundary Conditions and Implications

Our contributions are subject to boundary conditions. The key condition for our theorizing is the constructive ambiguity in the initial agreement. Given that many collective initiatives are much wider in scope than the Accord, such as the UN Principles for Responsible Investment (Gond & Piani, 2013) or the Paris Agreement as a legally binding international treaty on climate change, constructive ambiguity is likely to be present in a large number of agreements. Contracts are inherently "incomplete" due to emergent complexities (Edelman, 1992; Hart & Moore, 1988, p. 755). Thus, even in rare cases in which parties' interests fully align on the terms, a degree of ambiguity is likely to bedevil the implementation of multi-stakeholder partnership agreements.

In terms of contextual factors, first, the scale of the Rana Plaza disaster made it a "focusing event" (Schüßler et al., 2019, p. 552), which allowed NGOs and unions to leverage reputational pressure on brands. In the absence of such reputational threats, the enforcement of commitments from private actors is likely more difficult. Second, industry architecture and, specifically, the concentrated economic power of brands in a buyer-led supply chain allowed them to leverage their collective purchasing power vis-à-vis a more fragmented local supplier base and a host state dependent on garment exports. Third, the weakness of national regulatory institutions provided the need and initial legitimacy for private actors to create a governance institution. Even if many supply chain contexts are characterized by governance gaps, a strong interventionist state might have constrained the creation of a private collective action institution.

Nevertheless, despite the same contextual conditions, the Accord's survival and expansion stands in stark contrast to the parallel Alliance for Bangladesh

Worker Safety, a business-led CSR initiative by 28 largely North American companies (Donaghey & Reinecke, 2018). It simply expired in 2018 as its corporate members reverted to an individual social auditing model. This finding suggests institutional design factors, which in the Accord's case facilitated an ongoing political process throughout implementation. Our case study shows that this process involves more than a deliberative process of joint learning and collaborative problem solving, as previously suggested (Ansell, 2011). Instead, it requires a political process in which other stakeholders have the authority to hold corporate participants accountable. Therefore, initiatives that include strong representation of diverse interests and accountability mechanisms, such as legally binding agreements or transparency measures, are more likely to resolve ambiguities and enable substantive implementation of agreements. In addition, the Accord's focus on a specific and tangible goal, worker safety, allowed for transparent progress measurement, unlike other collective goods. Our findings, therefore, provide significant insights for the institutional design of multi-stakeholder partnerships.

One outstanding challenge was that Bangladeshi employers were deliberately excluded from negotiations to avoid conflicts of interest. This design united the interests of brands and unions and simplified negotiations. However, as other research highlighted, it meant that ''the agreement's significant achievements were secured in a context of escalating tension between the Accord's signatories and domestic industry and government elites'' (Bair et al., 2020, p. 975), leading to critiques that the Accord bypassed Bangladeshi government institutions and intruded on national sovereignty (Kang, 2021). These tensions between private transnational and (diminished) local actors in the context of significant power asymmetries highlight a central challenge in the institutional design of transnational collective action institutions. Future research could explore the dynamics of tripartite governance in the expanding International Accord and other collective action mechanisms.

Conclusion

Our findings show how transformative change at the system level can be achieved in a relatively short time through the power of collective action. While private actors are increasingly held responsible for human rights or climate risks linked to a corporation's supply chain, responses typically focus on individual action. Individual action, however, is unlikely to create the meaningful systemic change needed to overcome transnational collective action dilemmas. How voluntary commitment to *collective action* develops at the transnational level in ways that channel private interests toward the collective good has remained a key question. We highlight how private actors tackled a collective action problem by developing a collective action institution: the Bangladesh Accord. Our findings concur with prior research showing that collective action by brands, their joint economic leverage over factories, explains, at least in part, the Accord's vastly superior performance compared to the Bangladeshi government's own inspection program (Bair et al., 2020; European Commission, 2018, p. 29–30). Our case highlights the conditions and processes through which private governance can be (made) effective in protecting the public good and create transformative change, even when prior private efforts and public actors have failed. Thus, insights from the role of constructive ambiguity in this

Accord provide important lessons for developing meaningful institutions that tackle other collective action problems at the transnational level.

Acknowledgments

We thank András Tilcsik and the four anonymous reviewers for their guidance and constructive suggestions. In addition, we thank Sukhbir Sandhu and Carol Kulik for their comments and advice on an early draft, as well as audiences at various seminars and conferences where the work was presented. We acknowledge funding from the British Academy/Society for the Advancement of Management Studies Small Grant (SG141754), Warwick Business School, and the Economic and Social Research Council Impact Acceleration Account. Juliane Reinecke acknowledges the support of the British Academy Mid-Career Fellowship (MD20/200043).

ORCID iDs

Juliane Reinecke https://orcid.org/0000-0001-5674-4218
Jimmy Donaghey https://orcid.org/0000-0002-5453-8223

Supplementary Material

Supplementary material for this article can be found in the Online Appendix at http://journals.sagepub.com/doi/suppl/10.1177/00018392251331027.

REFERENCES

Abbott, K. W., & Snidal, D. (2010). International regulation without international government: Improving IO performance through orchestration. *The Review of International Organizations*, *5*(3), 315–344.

Abdallah, C., & Langley, A. (2014). The double edge of ambiguity in strategic planning. *Journal of Management Studies*, *51*(2), 235–264.

Alam, Q., & Teicher, J. (2012). The state of governance in Bangladesh: The capture of state institutions. *South Asia: Journal of South Asian Studies*, *35*(4), 858–884.

Anner, M., Bair, J., & Blasi, J. (2013). Toward joint liability in global supply chains: Addressing the root causes of labor violations in international subcontracting networks. *Comparative Labor Law & Policy Journal*, *35*, 1–43.

Ansari, S., Wijen, F., & Gray, B. (2013). Constructing a climate change logic: An institutional perspective on the ''tragedy of the commons.'' *Organization Science*, *24*(4), 1014–1040.

Ansell, C. (2011). *Pragmatist democracy: Evolutionary learning as public philosophy*. Oxford University Press.

Bair, J., Anner, M., & Blasi, J. (2020). The political economy of private and public regulation in post-Rana Plaza Bangladesh. *Industrial & Labor Relations Review*, *73*(4), 969–994.

Bangladesh Accord Secretariat. (2017). *Quarterly aggregate report*. https://bangladesh.wpengine.com/wp-content/uploads/2018/07/Accord-Quarterly-Aggregate-Report-May-2017.pdf

Bangladesh Accord Secretariat. (2018). Transition Accord text. https://docs.pca-cpa.org/2016/02/2018-Accord-full-text.pdf

Bangladesh Accord Secretariat. (2021). *Quarterly aggregate report*. https://bangladesh.wpengine.com/wp-content/uploads/2021/06/Accord_Quarterly_Aggregate_Report_May2021.pdf

Bangladesh Garment Manufacturers and Exporters Association. (2024). *BGMEA export performance*. https://www.bgmea.com.bd/page/Export_Performance

Barnett, M. L., & King, A. A. (2008). Good fences make good neighbors: A longitudinal analysis of an industry self-regulatory institution. *Academy of Management Journal*, *51*(6), 1150–1170.

Bartley, T. (2007). Institutional emergence in an era of globalization: The rise of transnational private regulation of labor and environmental conditions. *American Journal of Sociology*, *113*(2), 297–351.

Bartley, T., & Child, C. (2014). Shaming the corporation: The social production of targets and the anti-sweatshop movement. *American Sociological Review*, *79*(4), 653–679.

Berliner, D., & Prakash, A. (2015). ''Bluewashing'' the firm? Voluntary regulations, program design, and member compliance with the United Nations Global Compact. *Policy Studies Journal*, *43*(1), 115–138.

Berridge, G., & James, A. (2003). *A dictionary of diplomacy*. Palgrave Macmillan.

Böckenförde, M. (2016). From constructive ambiguity to harmonious interpretation: Religion-related provisions in the Tunisian constitution. *American Behavioral Scientist*, *60*(8), 919–940.

Briscoe, F., Gupta, A., & Anner, M. S. (2015). Social activism and practice diffusion: How activist tactics affect non-targeted organizations. *Administrative Science Quarterly*, *60*(2), 300–332.

Clean Clothes Campaign, International Labor Rights Forum, Maquila Solidarity Network, & Worker Rights Consortium. (2015). *Evaluation of H&M compliance with safety action plans for strategic suppliers in Bangladesh*. https://www.workersrights.org/wp-content/uploads/2021/05/Evaluation-of-HM.pdf

Clean Clothes Campaign. (2019). *Support for the Bangladesh Accord*. https://cleanclothes.org/file-repository/support-for-accord-8-04-2019.pdf

Clean Clothes Campaign, International Labor Rights Forum, Maquila Solidarity Network, and Worker Rights Consortium. (2019). *Bangladesh government's safety inspection agencies not ready to take over Accord's work*. https://laborrights.org/sites/default/files/publications/RCC%20report%204-1_3.pdf

Corbin, J., & Strauss, A. L. (2008). *Basics of qualitative research: Techniques and procedures for developing grounded theory* (3rd ed.). Sage.

Croucher, R., Houssart, M., Miles, L., & James, P. (2019). Legal sanction, international organisations and the Bangladesh Accord. *Industrial Law Journal*, *48*(4), 549–570.

Denis, J.-L., Dompierre, G., Langley, A., & Rouleau, L. (2011). Escalating indecision: Between reification and strategic ambiguity. *Organization Science*, *22*(1), 225–244.

Dietz, T., Ostrom, E., & Stern, P. C. (2003). The struggle to govern the commons. *Science*, *302*(5652), 1907–1912.

Donaghey, J., & Reinecke, J. (2018). When industrial democracy meets corporate social responsibility—A comparison of the Bangladesh accord and alliance as responses to the Rana Plaza disaster. *British Journal of Industrial Relations*, *56*(1), 14–42.

Donnellon, A., Gray, B., & Bougon, M. G. (1986). Communication, meaning, and organized action. *Administrative Science Quarterly*, *31*(1), 43–55.

Edelman, L. B. (1992). Legal ambiguity and symbolic structures: Organizational mediation of civil rights law. *American Journal of Sociology*, *97*(6), 1531–1576.

Egels-Zandén, N., & Merk, J. (2014). Private regulation and trade union rights: Why codes of conduct have limited impact on trade union rights. *Journal of Business Ethics*, *123*(4), 461–473.

Etzioni, A. (1967). Mixed-scanning: A ''third'' approach to decision-making. *Public Administration Review*, *27*(5), 385–392.

European Commission. (2018). Implementation of The Bangladesh Compact - technical status report.

Farjoun, M., Ansell, C., & Boin, A. (2015). Perspective—Pragmatism in organization studies: Meeting the challenges of a dynamic and complex world. *Organization Science*, *26*(6), 1787–1804.

Fischhendler, I. (2008a). When ambiguity in treaty design becomes destructive: A study of transboundary water. *Global Environmental Politics*, *8*(1), 111–136.
Fischhendler, I. (2008b). Ambiguity in transboundary environmental dispute resolution: The Israeli–Jordanian water agreement. *Journal of Peace Research*, *45*(1), 91–109.
Fobbe, L., & Hilletofth, P. (2021). Stakeholder interaction for sustainability in seaports. Analysing the implementation and its linkages to overarching interaction efforts. *European Business Review*, *33*(5), 693–724.
Gond, J.-P., & Piani, V. (2013). Enabling institutional investors' collective action: The role of the Principles for Responsible Investment initiative. *Business & Society*, *52*(1), 64–104.
Gray, B. (1989). *Collaborating: Finding common ground for multiparty problems*. Jossey-Bass.
Gray, B., & Purdy, J. (2018). *Collaborating for our future: Multistakeholder partnerships for solving complex problems*. Oxford University Press.
Gray, B., Purdy, J. M., & Ansari, S. S. (2015). From interactions to institutions: Microprocesses of framing and mechanisms for the structuring of institutional fields. *Academy of Management Review*, *40*(1), 115–143.
Greenwood, R., Hinings, C. R., & Suddaby, R. (2002). Theorizing change: The role of professional associations in the transformation of institutionalized fields. *Academy of Management Journal*, *45*(1), 58–80.
Grimm, J., & Reinecke, J. (2023). Collaborating on the edge of failure: Frame alignment across multiple interaction arenas in multi-stakeholder partnerships. *Academy of Management Journal*, *67*(4). https://doi.org/10.5465/amj.2021.0466
Grodal, S., & O'Mahony, S. (2017). How does a grand challenge become displaced? Explaining the duality of field mobilization. *Academy of Management Journal*, *60*(5), 1801–1827.
Hart, O., & Moore, J. (1988). Incomplete contracts and renegotiation. *Econometrica*, *56*(4), 755–785.
Hechter, M. (1988). *Principles of group solidarity*. University of California Press.
Helms, W. S., Oliver, C., & Webb, K. (2012). Antecedents of settlement on a new institutional practice: Negotiation of the ISO 26000 standard on social responsibility. *Academy of Management Journal*, *55*(5), 1120–1145.
Human, S. E., & Provan, K. G. (2000). Legitimacy building in the evolution of small-firm multilateral networks: A comparative study of success and demise. *Administrative Science Quarterly*, *45*(2), 327–365.
IndustriALL. (2012). Tchibo joins agreement on garment factory safety in Bangladesh. https://www.industriall-union.org/tchibo-joins-agreement-on-garment-factory-safety-in-bangladesh
IndustriALL. (2016). Enforceability key to changing Bangladesh's garment industry. http://www.industriall-union.org/enforceability-key-to-changing-bangladeshs-garment-industry
IndustriALL. (2017). Leading fashion brands join with unions to sign new Bangladesh Accord on Fire and Building Safety. http://www.industriall-union.org/leading-fashion-brands-join-with-unions-to-sign-new-bangladesh-accord-on-fire-and-building-safety
International Labour Organization. (2016). *Remediation financing in Bangladesh's ready made garment sector*. https://www.ilo.org/sites/default/files/wcmsp5/groups/public/%40asia/%40ro-bangkok/%40ilo-dhaka/documents/publication/wcms_492345.pdf
Kang, Y. (2021). The rise, demise and replacement of the Bangladesh experiment in transnational labour regulation. *International Labour Review*, *160*(4), 407–430.
Knox, C., & Carmichael, P. (2005). Devolution—The Northern Ireland way: An exercise in "creative ambiguity." *Environment and Planning C: Government and Policy*, *23*(1), 63–83.

Koschmann, M. A., Kuhn, T. R., & Pfarrer, M. D. (2012). A communicative framework of value in cross-sector partnerships. *Academy of Management Review*, *37*(3), 332–354.
Kuruvilla, S., Liu, M., Li, C., & Chen, W. (2020). Field opacity and practice-outcome decoupling: Private regulation of labor standards in global supply chains. *Industrial & Labor Relations Review*, *73*(4), 841–872.
Langley, A., Smallman, C., Tsoukas, H., & Van de Ven, A. H. (2013). Process studies of change in organization and management: Unveiling temporality, activity, and flow. *Academy of Management Journal*, *56*(1), 1–13.
LeBaron, G., & Lister, J. (2015). Benchmarking global supply chains: The power of the ''ethical audit'' regime. *Review of International Studies*, *41*(5), 905–924.
Leibel, E., Hallett, T., & Bechky, B. A. (2018). Meaning at the source: The dynamics of field formation in institutional research. *Academy of Management Annals*, *12*(1), 154–177.
Levy, D. L., & Prakash, A. (2003). Bargains old and new: Multinational corporations in global governance. *Business and Politics*, *5*(2), 131–150.
Levy, D. L., Reinecke, J., & Manning, S. (2016). The political dynamics of sustainable coffee: Contested value regimes and the transformation of sustainability. *Journal of Management Studies*, *53*(3), 364–401.
Locke, R. M. (2013). *The promise and limits of private power: Promoting labor standards in a global economy*. Cambridge University Press.
Maguire, S., & Hardy, C. (2006). The emergence of new global institutions: A discursive perspective. *Organization Studies*, *27*(1), 7–29.
Mahoney, J., & Thelen, K. (2009). *Explaining institutional change: Ambiguity, agency, and power*. Cambridge University Press.
Mitchell, D. (2009). Cooking the fudge: Constructive ambiguity and the implementation of the Northern Ireland agreement, 1998–2007. *Irish Political Studies*, *24*(3), 321–336.
Moog, S., Spicer, A., & Böhm, S. (2015). The politics of multi-stakeholder initiatives: The crisis of the Forest Stewardship Council. *Journal of Business Ethics*, *128*(3), 469–493.
Olson, M. (1965). *The logic of collective action: Public goods and the theory of collective action*. Harvard University Press.
O'Mahony, S., & Bechky, B. A. (2008). Boundary organizations: Enabling collaboration among unexpected allies. *Administrative Science Quarterly*, *53*(3), 422–459.
Ostrom, E. (1990). *Governing the commons: The evolution of institutions for collective action*. Cambridge University Press.
Ostrom, E. (2010). Beyond markets and states: Polycentric governance of complex economic systems. *American Economic Review*, *100*(3), 641–672.
Poteete, A. R., Janssen, M. A., & Ostrom, E. (2010). *Working together: Collective action, the commons, and multiple methods in practice*. Princeton University Press.
Prakash, A., & Potoski, M. (2007). Collective action through voluntary environmental programs: A club theory perspective. *Policy Studies Journal*, *35*(4), 773–792.
Prakash, A., & Potoski, M. (2016). Dysfunctional institutions? Toward a new agenda in governance studies. *Regulation & Governance*, *10*(2), 115–125.
Reinecke, J., & Ansari, S. (2015). What is a ''fair'' price? Ethics as sensemaking. *Organization Science*, *26*(3), 867–888.
Reinecke, J., & Donaghey, J. (2023). *Stitching governance for labour rights*. Cambridge University Press.
Rodrik, D. (2011). *The globalization paradox: Why global markets, states, and democracy can't coexist*. Oxford University Press.
Ross, J., & Staw, B. M. (1986). Expo 86: An escalation prototype. *Administrative Science Quarterly*, *31*(2), 274–297.

Schneiberg, M., & Bartley, T. (2008). Organizations, regulation, and economic behavior: Regulatory dynamics and forms from the 19th to 21st century. *Annual Review of Law and Social Science*, *4*(1), 31–61.
Schüßler, E., Frenkel, S. J., & Wright, C. F. (2019). Governance of labor standards in Australian and German garment supply chains: The impact of Rana Plaza. *Industrial & Labor Relations Review*, *72*(3), 552–579.
Schüßler, E. S., Lohmeyer, N., & Ashwin, S. (2023). We can't compete on human rights: Creating market-protected spaces to institutionalize the emerging logic of responsible management. *Academy of Management Journal*, *66*(4), 1071–1101.
Short, J. L., & Toffel, M. W. (2010). Making self-regulation more than merely symbolic: The critical role of the legal environment. *Administrative Science Quarterly*, *55*(3), 361–396.
Sillince, J., Jarzabkowski, P., & Shaw, D. (2012). Shaping strategic action through the rhetorical construction and exploitation of ambiguity. *Organization Science*, *23*(3), 630–650.
Soundararajan, V., Brown, J. A., & Wicks, A. C. (2019). Can multi-stakeholder initiatives improve global supply chains? Improving deliberative capacity with a stakeholder orientation. *Business Ethics Quarterly*, *29*(3), 385–412.
Stadtler, L., Seitanidi, M. M., Knight, H. H., Leigh, J., Clarke, A., Le Ber, M. J., Bogie, J., Brunese, P., Hustad, O., Krasonikolakis, I., Lioliou, E., MacDonald, A., Pinkse, J., & Sehgal, S. (2024). Cross-sector partnerships to address societal grand challenges: Systematizing differences in scholarly analysis. *Journal of Management Studies*, *61*, 3327–3357.
Streeck, W., & Schmitter, P. C. (1985). *Private interest government: Beyond market and state*. Sage.
Taleb, N. N. (2018). *Skin in the game: Hidden asymmetries in daily life*. Random House.
Turcotte, M.-F., & Pasquero, J. (2001). The paradox of multistakeholder collaborative roundtables. *The Journal of Applied Behavioral Science*, *37*(4), 447–464.
van de Ven, A. H., & Poole, M. S. (2002). Field research methods. In J. A. Baum (Ed.), *Companion to organizations* (pp. 867–888). Blackwell.
Wilson, S. R., & Putnam, L. L. (1990). Interaction goals in negotiation. *Annals of the International Communication Association*, *13*(1), 374–406.
Zeyen, A., Beckmann, M., & Wolters, S. (2016). Actor and institutional dynamics in the development of multi-stakeholder initiatives. *Journal of Business Ethics*, *135*(2), 341–360.
Zuzul, T. W. (2019). ''Matter battles'': Cognitive representations, boundary objects, and the failure of collaboration in two smart cities. *Academy of Management Journal*, *62*(3), 739–764.

Authors' Biographies

Juliane Reinecke is professor of management studies at Saïd Business School, University of Oxford. Her research focuses on sustainability and global governance, with a particular focus on global supply chains and human rights. She received her Ph.D. from the University of Cambridge.

Jimmy Donaghey is professor of human resource management at the University of South Australia. His research focuses on worker representation and voice, with a particular focus on transnational worker voice. He received his Ph.D. from Queen's University, Belfast.