

CALL FOR PAPERS

Special Issue of California Management Review

Legal and Regulatory Entrepreneurship: How Organizations Take Advantage of and Shape the Rules of the Game

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THE FOCUS OF THE SPECIAL ISSUE

Law and regulations permeate every stage of organizational life, from incorporation to liquidation. Legal and regulatory frameworks structure finance, contracts, intellectual property, labor relations, and governance, and they shape strategic moves such as acquisitions, divestitures, market entry, and partnerships. Today, firms compete, collaborate, and innovate through their engagement with legal institutions. Increasingly, firms do not just comply with the rules—they actively shape them. A growing body of research has begun to explore legal and regulatory entrepreneurship: strategic actions by firms to influence, create, circumvent, or exploit law and regulations in order to gain competitive advantage.¹ Such behavior is particularly common when laws are ambiguous, conflicting, or incomplete and when organizational actions fall under competing authorities or jurisdictions, such as in newly created markets or sectors experiencing rapid technological change.²

Legal and regulatory entrepreneurship includes a wide range of tactics. They include the selection of favorable jurisdictions in product positioning³, incorporation⁴, or litigation⁵; targeted lobbying⁶, co-creation of compliance regimes with authorities⁷, and changing the authority overseeing a given set of business activities⁸. These tactics can also include unconventional uses of legal instruments—such as patenting to deter competitors' entry⁹ or filing for bankruptcy to force a negotiation advantage¹⁰—or more hostile engagement with legal or regulatory authorities¹¹. In some cases, firms even drive the creation of entirely new regulatory categories or authorities¹².

Understanding legal and regulatory entrepreneurship is important for three key reasons. First, it offers a lens on how firms compete by treating law and regulations not as a constraint but as a malleable field for innovation and advantage.¹³ Second, it reveals how private actions often catalyze broader legal, regulatory, and institutional changes, sometimes unintentionally. Indeed, firms' efforts often transcend

private gain by reshaping the law itself, through litigation, lobbying, or redrawing jurisdictional boundaries. Relatedly, legal systems are also increasingly viewed as complex systems, wherein myriad organizational actions can aggregate in intricate ways to shape system-level outcomes.¹⁴ Finally, because legal and regulatory entrepreneurship can alter the legal order, it raises fundamental questions about social welfare, the capacity and legitimacy of state governance institutions, and the market equity consequences of corporate influence over public rules.¹⁵

This special issue invites original, evidence-based research that examines when, how, and with what consequences organizations engage in legal and regulatory entrepreneurship. We seek papers that analyze firm behavior and that offer actionable insights for business and policy audiences.

TOPICS OF INTEREST

We will prioritize empirical papers based on quantitative or qualitative data. Studies that build theory through computational or formal modeling and detailed case analyses are also welcome. Review essays and purely theoretical syntheses will not be considered. Submissions may address, but are not limited to, the following topics:

Tactics of Legal and Regulatory Entrepreneurship and Enabling Conditions

- What are the primary goals organizations seek through legal and regulatory entrepreneurship? How and why do these goals vary across industries, ownership forms, or institutional settings?
- Which organizational (e.g., legal expertise, resource slack) and network capabilities (e.g., connections with authorities or legal experts), as well as external conditions (e.g., institutional voids, regulatory fragmentation) prompt organizations to engage in legal and regulatory entrepreneurship?
- How and why do organizations sequence the tactics of legal and regulatory entrepreneurship over time or combine them to maximize advantage? Under what circumstances are certain combinations of tactics especially potent or counterproductive?
- Where does control over legal and regulatory entrepreneurship reside, and what prompts it to move outside the firm (e.g., from in-house counsel to external law firms or lobbying professionals)?
- How do organizations decide which authorities to target—for example, when to lobby legislators versus courts—and whether to engage them sequentially or simultaneously?

Organizational Outcomes of Legal and Regulatory Entrepreneurship

- When and how does legal and regulatory entrepreneurship improve organizational outcomes (e.g., profitability, innovation, risk mitigation)? What factors undermine its effectiveness or generate unintended consequences?
- Under what conditions do courts, regulators, and legislators collaborate, acquiesce, or retaliate in the face of organizational efforts to shape law and regulations?
- How do rivals react to a focal firm's entrepreneurial moves in legal and regulatory space, and what are the implications for competitive advantage and the evolution of law?

- When do firm-level efforts to shape the legal environment cascade into broader legal or regulatory changes or reforms? What time horizons and feedback loops are involved?

Social Welfare, Governance Capacity & Justice Implications of Legal and Regulatory Entrepreneurship

- How does legal and regulatory entrepreneurship influence corporate reputation, ESG ratings, or relationships with investors, employees, and civil society?
- How does legal and regulatory entrepreneurship redistribute value among stakeholders and affect social or economic inequality?
- Under what circumstances does organizational legal and regulatory entrepreneurship strengthen, or erode, the governance capacity and legitimacy of legal, judicial, and regulatory institutions?
- What governance innovations (e.g., self-regulation, multi-stakeholder initiatives, public–private partnerships, algorithmic compliance tools) can curb adverse spillovers of companies’ efforts to shape law and regulations?
- How does legal and regulatory entrepreneurship intersect with public trust, transparency obligations, and democratic oversight of corporate power?

Managerial Implications

- How can organizational decision-makers determine when to view the legal system not merely as a constraint but as a resource that can be strategically navigated—or even shaped—to create market advantage?
- What is the sequence of steps for successful legal and regulatory entrepreneurship?
- How should organizations weigh the benefits of legal and regulatory entrepreneurship against likely counteractions from competitors, regulators, or other stakeholders?
- Which resources and capabilities are essential for effective legal and regulatory entrepreneurship, and how do organizational structures and governance arrangements influence its success?
- What are the most effective ways to manage external service providers—such as law firms, lobbying groups, and consultants—when pursuing legal and regulatory entrepreneurship, and where should the locus of decision-making control reside?
- How can organizations undertake legal and regulatory entrepreneurship ethically and responsibly, and what techniques or tools can they use to monitor and assess the broader societal impact of their actions?

SUBMISSION PROCESS AND TIMELINE

Please review this section carefully. We welcome submissions from any disciplinary or methodological background. *California Management Review* publishes evidence-based articles that offer actionable insights for practicing managers while advancing theory. Successful manuscripts will:

- Employ rigorous qualitative, quantitative, mixed, or innovative methods
- Integrate cross-disciplinary perspectives on organizations, law, and regulations
- Provide clear prescriptions for executives, boards, policymakers, and other stakeholders

- Communicate in an engaging, accessible style consistent with CMR standards (see the submission guidelines at <https://cmr.berkeley.edu/resources/submit/>)
- Find [sample CMR articles](https://cmr.berkeley.edu/resources/sample-articles/) at <<https://cmr.berkeley.edu/resources/sample-articles/>>

Initial submission. Full papers (5,000–8,000 words excluding charts, tables, figures, and end notes, double-spaced, 12-point font) are due January 5, 2026. Submit your manuscript to [CMR’s Online Submission Portal](https://mc.manuscriptcentral.com/uc-cmr) <<https://mc.manuscriptcentral.com/uc-cmr>> and include a one-page cover letter that summarizes:

- Author information
- Purpose and research question
- Alignment with the special-issue theme
- Managerial and scholarly relevance
- Intended contribution and impact

Editorial screening. The guest editors will review all submissions and select approximately twelve papers with the greatest potential for high impact. Authors of these papers will receive an invitation to upload their revised manuscript to the CMR online portal by March 1, 2026.

Peer review. Invited papers will undergo CMR’s formal double-blind review process. Final publication decisions rest with the CMR Editorial Team.

¹ Pollman, E., & Barry, J. M. 2016. Regulatory Entrepreneurship. *Southern California Law Review*, 90: 383; Gurses, K., & Ozcan, P. 2015. Entrepreneurship in Regulated Markets: Framing Contests and Collective Action to Introduce Pay TV in the U.S. *Academy of Management Journal*, 58(6): 1709–1739.

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³ Ozcan, P., & Gurses, K. 2018. Playing Cat and Mouse: Contests over Regulatory Categorization of Dietary Supplements in the United States. *Academy of Management Journal*, 61(5): 1789–1820.

⁴ Rao, H., Yue, L. Q., & Ingram, P. 2011. Laws of Attraction: Regulatory Arbitrage in the Face of Activism in Right-to-Work States. *American Sociological Review*, 76(3): 365–385.

⁵ Sytch, M., & Kim, Y. H. 2021. Quo Vadis? From the Schoolyard to the Courtroom. *Administrative Science Quarterly*, 66(1): 177–219.

⁶ Wolfson, M. 2001. *The Fight Against Big Tobacco: The Movement, the State, and the Public’s Health*. Taylor & Francis Group.

⁷ Gao, C., & McDonald, R. 2022. Shaping Nascent Industries: Innovation Strategy and Regulatory Uncertainty in Personal Genomics. *Administrative Science Quarterly*, 67(4): 915–967.

⁸ Yue, L., & Wang, J. 2024. Policy Learning in Nascent Industries’ Venue Shifting: A Study of the U.S. Small Unmanned Aircraft Systems (UAS) Industry. *Business & Society*, 63.

⁹ Hall, B. H., & Ziedonis, R. H. 2001. The Patent Paradox Revisited: An Empirical Study of Patenting in the U.S. Semiconductor Industry, 1979–1995. *The RAND Journal of Economics*, 32(1): 101–128.

¹⁰ Hinthorne, T. 1996. Predatory Capitalism, Pragmatism, and Legal Positivism in the Airlines Industry. *Strategic Management Journal*, 17(4): 251–270.

¹¹ Grandy J & S Hiatt. 2024. The radical flank revisited: How regulatory discretion shapes the effectiveness of social activism on business outcomes. *Organization Science*, 35(3): 835–852.

¹² Gao, C., DeSantola, A., & Guilbeault, N. 2024. “Clean” Meat? Regulatory Entrepreneurship and Jurisdictional Contestation in a Nascent Industry. *Working Paper*.

¹³ Sytch and Kim, op. cit., Bhattacharya, U., Galpin, N., & Haslem, B. 2007. The Home Court Advantage in International Corporate Litigation. *Journal of Law and Economics*, 50(4): 625–660.

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- ¹⁴ Murray, J., Webb, T., & Wheatley, S. 2018. *Complexity Theory and Law: Mapping an Emergent Jurisprudence*. Routledge; Ruhl, J. B. 1996. Fitness of Law: Using Complexity Theory to Describe the Evolution of Law and Society and Its Practical Meaning for Democracy, *Vanderbilt Law Review*, 49: 1406.
- ¹⁵ Braithwaite, J. (2008). *Regulatory capitalism: How it works, ideas for making it work better*. In Regulatory Capitalism. Edward Elgar Publishing; Rawls, John (1999). *A Theory of Justice* (Rev ed.). Cambridge, MA: The Belknap Press of Harvard University Press.