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Sourcing Under Pressure

A Case Study on Supplier Decision-Making under Geopolitical Uncertainty

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Abstract

Global sourcing increasingly takes place in a politically unstable environment where supplier relationships are shaped by traditional factors like cost and operational performance, but also by geopolitical uncertainty. While existing literature has examined broad supply chain responses to geopolitical disruption, limited attention has been given to how sourcing professionals reason and respond at the level of individual supplier relationships. This study addresses that gap by examining how sourcing professionals navigate supplier relationships under geopolitical uncertainty and what drives their responses.

A qualitative abductive case study design was adopted, drawing on nine semi-structured interviews with sourcing professionals across European-based firms with global supplier bases. Resource Dependence Theory served as the theoretical lens, enabling analysis of how supplier decisions are shaped by dependency, legitimacy, stakeholder pressure, and constraints on managerial discretion.

The findings demonstrate that geopolitical uncertainty leads to sourcing professionals navigating five distinct responses: staying by choice, switching under pressure, staying by constraint, implementing proactive measures and turning disruption into strategic opportunity. These responses are not mutually exclusive and are shaped by the interrelation of resource dependence, external pressures, operational requirements and the availability of viable alternatives. A notable finding is the identification of an ambidextrous positioning strategy, in which geopolitical polarization was actively leveraged as a source of competitive advantage by maintaining legitimacy across competing geopolitical blocs.

This study contributes to research by advancing understanding of how geopolitical uncertainty is translated into managerial reasoning and relationship-specific sourcing decisions. This shifts the analytical attention from structural reconfiguration to the decision-making process itself.

Keywords: Geopolitical uncertainty, supplier relationships, resource dependence theory, supplier decisions, ambidextrous strategy, supply chain management

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1. Introduction

This study examines how sourcing professionals make supplier-related decisions under conditions of geopolitical uncertainty. While supplier selection has traditionally been understood as a decision mainly guided by economic and operational factors, contemporary global sourcing takes place in a more politically unstable environment (Bednarski et al. 2025; de Boer et al. 2001). As a result, supplier decisions should also be shaped by the broader geopolitical environment. This introductory chapter begins by describing the background of this study and the context in which sourcing professionals now operate. It then presents the study's aim, objectives and research purpose followed by the research question. Finally, it will address the delimitations of the study and provide an outline of the thesis structure.

1.1 Background

Supplier selection constitutes an essential activity within purchasing and supply chain management and has direct consequences for cost efficiency, product quality, and firm competitiveness (de Boer et al. 2001; Saputro et al. 2022). Suppliers are not merely providers of inputs, but actors that, when managed, can contribute resources and capabilities that are essential to a firm's value creation process (Kähkönen & Lintukangas, 2018). The selection and management of these relationships are therefore important decisions that have significant implications for both operational performance and long-term strategic positioning.

For several decades, the interconnected global business environment enabled firms to organize sourcing activities across national borders to achieve lower costs, greater specialization, and increased efficiency (Witt, 2019). As global supply chains expanded, firms had access to a larger pool of suppliers, allowing them to optimize geographically dispersed production networks (Witt, 2019). However, recent developments have shown that the conditions that enabled highly integrated global sourcing have weakened and politics has become a principal factor driving this evolution (Witt, 2019). This is especially relevant for global supply and value chains where new forms of risk and uncertainty have been introduced (Ivanov, 2025). Today, firms operate in contexts shaped by various phenomena such as trade tensions, tariffs, regional conflicts, and regulatory discrepancies (Ivanov, 2025). In this context, supplier decisions may no longer be adequately explained solely by cost considerations.

In line with this, supplier selection literature has traditionally framed supplier choice as a performance-driven process where firms select suppliers based on operational and economic criteria, without external restrictions limiting supplier selection (de Boer et al. 2001; Ho et al. 2010). Although more recent literature emphasizes why geopolitical disruptions matter for supply chains and what broader managerial strategies may be undertaken, there remains a limited understanding of how individual supplier relationships are selected and evaluated (Bednarski et al. 2025). Existing frameworks are therefore unable to fully capture the complexity of this process. Hence, there is a need for further research aimed at understanding how sourcing professionals incorporate geopolitical considerations into supplier selection decisions.

1.2 Aim and Objectives

The aim of our study is to examine how decision-makers navigate and respond to geopolitical disruptions in supplier selection and evaluation processes. More specifically, we seek to develop a deeper understanding of how geopolitical uncertainty affects sourcing professionals' reassessment of existing supplier relationships, what subsequent decisions look like, and how such decisions are shaped by perceived risk, supplier dependence, stakeholder pressures, and the availability of alternatives. The aim is addressed through three main objectives:

(i) To identify the drivers that cause managers to reassess existing supplier relationships and criteria under geopolitical disruption.

(ii) To analyse whether and how these drivers are translated into responses under prevailing geopolitical conditions.

(iii) To evaluate the empirical findings in relation to resource dependence theory and existing literature.

For clarification, in this thesis, geopolitical uncertainty refers to the broader unpredictable political environment in which sourcing decisions are made. Geopolitical tensions refer to ongoing political frictions, conflicts, or strained relations between states that shape this environment and may increase pressure on firms and supply chains. Geopolitical disruptions refer to concrete geopolitical events or shocks that interrupt or reshape supply chain conditions. Geopolitical risk refers to the perceived exposure to negative consequences arising from such conditions, tensions, or events.

1.3 Research Purpose

Existing literature appears inadequate in incorporating geopolitical considerations into individual supplier decisions. This creates a knowledge gap regarding how sourcing professionals navigate these relationships under geopolitical uncertainty in practice. The purpose of our thesis is therefore to contribute additional knowledge and understanding of manager-level supplier decision-making under geopolitical uncertainty. More specifically, we seek to examine how sourcing professionals reason when making supplier decisions and how sourcing reconfigurations occur in practice. Therefore, the research question is:

Research question: How do sourcing professionals navigate supplier relationships under geopolitical uncertainty, and what drives their responses?

1.4 Delimitations

This thesis is delimited in several ways. We have chosen not to focus on one specific geopolitical event such as the US-China trade war or the COVID-19 pandemic. Instead, geopolitics is treated as an ongoing and evolving phenomenon that shapes the broader context in which supplier decisions are made. Furthermore, firms are often affected by multiple geopolitical tensions and disruptions simultaneously rather than one isolated event at a time, making it appropriate to examine geopolitics as a broader phenomenon (Roscoe et al. 2022). The purpose behind this choice is to understand the broader shift in how geopolitical uncertainty influences supplier selection and evaluation processes.

Moreover, the empirical focus is delimited to European-based sourcing professionals working with global supplier bases. This facilitates a relatively consistent empirical context, as the respondents operate under broadly comparable conditions. Despite this geographical focus, their global supplier networks allow the study to examine how international political developments are interpreted and managed in supplier-related decisions.

Finally, the study is delimited to individuals involved in the supplier-related decision-making. While all respondents are involved in supplier decisions and evaluations, their organizational role and degree of direct responsibility varies. Some are more closely involved in operational sourcing decisions, whereas others approach these decisions from a more strategic perspective. This variation is valuable because it provides insight into how geopolitical uncertainty is interpreted across different levels of the sourcing process.

1.5 Thesis Outline

Chapter 1 establishes the foundation of the study and introduces important concepts. Next, Chapter 2 reviews literature on supplier selection, global supply chains, and geopolitical disruptions. It then presents Resource Dependence Theory as the theoretical framework. Chapter 3 outlines the qualitative research design, including the semi-structured interviews and thematic analysis. Chapter 4 presents the empirical findings on how sourcing professionals navigate supplier relationships under geopolitical uncertainty. Chapter 5 discusses the findings in relation to existing literature and Resource Dependence Theory. Finally, Chapter 6 concludes the thesis by answering the research question, discussing implications and limitations, and suggesting directions for future research.

2. Literature Review

Understanding how sourcing professionals navigate supplier relationships under geopolitical uncertainty requires engagement with several existing streams of knowledge. This chapter reviews the literature relevant to the study and establishes the theoretical framework on which the analysis is built. The chapter begins with a broad overview of global supply chains with a focus on how the environment in which they operate has shifted. It then narrows down to existing literature on supplier selection and relationship management, before exploring what is known about geopolitical disruptions and their implications for supplier decisions. These literature streams provide a basis for addressing the research gap of this study. Finally, the chapter concludes by presenting Resource Dependence Theory, through which the findings will be interpreted.

2.1 The Expansion and Reorganization of Global Supply Chains

Over recent decades, firms have increasingly organized sourcing and production activities across national borders (Cigna et al. 2022). This has resulted in the emergence of global supply chains, which Záboj (2026) defines as geographically dispersed systems of activities including production, transformation, and distribution of goods and services across multiple countries and regions. As global supply chains have expanded, firms have become increasingly dependent on suppliers in geographically distant regions for critical resources and capabilities that they could not efficiently produce themselves (Cigna et al. 2022).

The growth of global supply chains was driven by technological advancements and the erosion of political and economic barriers (Amador & Cabral, 2014; Cigna et al. 2022). Amador and Cabral (2014) describe the expansion as a result of improvements in communication and transportation, which reduced the cost of reaching geographically distant markets. Moreover, the authors note that political and economic liberalization in Europe created important cross-border networks, including beyond the EU market. Similarly, Cigna et al. (2022) emphasize that the entry of many countries into agreements such as GATT and the WTO further accelerated openness and interconnectedness between economies. Within this enabling environment, firms could move activities across borders to optimize costs and increase efficiency, with just-in-time production becoming a dominant model (Javorcik, 2020). Underlying this model was an assumption of stability, and as Amador and Cabral (2014, p. 295) concluded, the political and economic drivers of global integration were “not expected to reverse in the near future”. This reflects that the global environment was expected to remain sufficiently open and predictable to support long and complex global supply chains.

More recent literature suggests that this assumption no longer holds, which has forced firms to rethink their supply chains (Javorcik, 2020; Ivanov, 2025; Yücesan, 2025). Javorcik (2020) argues that the stability that once encouraged geographic fragmentation of production has diminished, and that the increasing frequency of supply chain shocks has exposed dependencies on certain countries. Ivanov (2025, p. 3561) describes the current environment as one of “*deep uncertainty*” for firms, characterized by a wave of disruptions including geopolitical tensions, the COVID-19 pandemic, shortages of critical goods, and trade wars. He finds that these unpredictable shocks pose fundamental challenges to how supply chains are managed, with managers struggling to determine whether to act immediately or delay their response. Yücesan (2025) further notes that heightened political pressures have reduced the attractiveness of offshoring, resulting in more regionalized supply chains. While these trends of deglobalization and polarization may not signal the end of global supply chains, Yücesan (2025) argues that they instead reflect a broader reorganization of them. This signals a shift in how firms approach decision-making related to supply chains and global sourcing.

2.2 Supplier Selection Literature

Supplier selection is an essential supply chain activity which has developed from a narrow focus on cost and operational performance toward broader multicriteria and relational perspectives (De Boer et al. 2001; Ho et al. 2010; Saputro et al. 2022). De Boer et al. (2001) argue that supplier selection became increasingly important as firms grew more dependent on external suppliers and as globalization expanded the number of available sourcing alternatives. This entailed that supplier selection became a decision that required more systematic and transparent methods rather than relying solely on managerial intuition. Similarly, Saputro et al. (2022) describe supplier selection as a core component of firm performance, particularly because suppliers contribute to competitive priorities such as quality and cost. Together, these studies show that supplier selection is a strategic decision connected to the firm's ability to operate and compete effectively.

De Boer et al. (2001) provide an early and influential framework based on existing supplier selection literature at the time, outlining four phases of the selection process: (1) problem definition, (2) formulation of criteria, (3) qualification, and (4) final choice. The framework also outlines different purchasing situations depending on whether the organization is selecting a supplier for the first time, reassessing an existing relationship, or managing a routine or strategic rebuy (De Boer et al. 2001, Table 1, p.77). This setup recognizes that supplier selection is not a single decision but a multi-phase process, and that appropriate decision methods vary depending on the nature of the purchasing situation (De Boer et al. 2001). Furthermore, the authors conclude that the suitability of the method depends on situational factors, such as the historical data available and number of supplier options, all of which affect the level of uncertainty, signifying a shift from solely considering product type and industry (De Boer et al. 2001, p. 87). This suggests that apart from the resource itself, the conditions around the resource also matter. However, the focus still remains on the operations rather than broader risk considerations (De Boer et al. 2001).

Later research suggests that firms increasingly rely on multiple evaluation criteria in supplier selection, as cost alone is no longer regarded as a solid basis for decision-making (Ho et al. 2010, p. 21). The review identifies quality, delivery, and price/cost as the most frequently used criteria in supplier selection research (Ho et al. 2010, p. 21). Other criteria that are also encountered include risk, reputation, relationship, safety, and environment (Ho et al. 2010, p. 21), all of which extend beyond traditional financial and operational performance measures. Nonetheless, even when multiple criteria are included, the dominant focus remains on measurable supplier performance and operational fit (Ho et al. 2010). Supplier selection was therefore at this time often viewed as a rational evaluation process where firms compared alternatives according to weighted criteria and chose the supplier that best met performance requirements. Notably, Ho et al. (2010) argue that broader business objectives and stakeholder input are important when evaluating supplier criteria, which they suggest has been insufficiently considered in the reviewed literature (p. 22). This recognition is important because it broadens the range of considerations in supplier selection, urging inclusion of strategic organizational objectives and priorities, as well as stakeholder interests.

The most recent literature review highlights that supplier selection has expanded further to include risk, sustainability, resilience, and uncertainty (Saputro et al. 2022). They argue that the supplier selection should be specific to the type of item evaluated through supply complexity and purchasing importance (Krajlic, 1983 cited in Fig.1, Saputro et al. 2022), concluding that items with high supply complexity require multi-sourcing to mitigate risks (Saputro et al. 2022, p. 10). Their review also shows that external and geopolitical risks, such as currency volatility, terrorism, geopolitical location, and political instability are weighed into evaluation criteria (Saputro et al. 2022, p. 6). This development suggests that supplier selection literature has moved toward a more holistic understanding of sourcing decisions.

However, it is important to note that although risk factors are recognized, current research is often limited to a "*partial mitigation strategy*" (Saputro et al. 2022, p. 14), where a risk factor is simply added as a criterion for selection (Saputro et al. 2022). It is subsequently suggested that, as the global market becomes increasingly uncertain, future work must move beyond simple assessment toward a proactive mitigation strategy that models how disruptions dynamically change supplier parameters such as capacity and lead time (Saputro et al. 2022, p. 14).

To understand why risks are difficult to manage, attention must be paid to the underlying sources of uncertainty in supplier selection. Saputro et al. (2022) identify three primary factors: (1) the subjective judgment of decision-makers, often triggered by incomplete or non-obtainable information, (2) variability in supplier-buyer parameters, stemming from variation of demand on the buyer side, as well as unreliability of quality and delivery on the supply side, and (3) ambiguity surrounding managerial goals, which are often exacerbated by information asymmetries that create differences in the understanding of requirements as well as conflicting interests or objectives within the organization (Saputro et al. 2022, pp. 5-6). These sources of uncertainty tend to intensify alongside the complexity of supply and the strategic importance of the items being purchased (Saputro et al. 2022), which helps explain both the complexity and diversity of supplier selection problems.

The literature as a whole reveals a development in how supplier selection has been understood (De Boer et al. 2001; Ho et al. 2010; Saputro et al. 2022). This development is essential because it shows that supplier decisions are already understood to be complex and multidimensional. Nevertheless, supplier selection literature still provides limited insight into how firms reassess existing suppliers when geopolitical uncertainty changes the conditions surrounding the relationship. Geopolitical disruption can introduce a different type of challenge that alters the broader conditions under which a supplier relationship is considered viable or legitimate, urging greater attention to how sourcing professionals interpret and respond to geopolitical uncertainty in practice.

2.3 Geopolitical Disruptions and Supplier Decisions

The following section examines how geopolitical disruptions affect supplier decisions more directly. Political risk has traditionally been understood as a condition in the external environment that may affect firms' international activities (Kobrin, 1979; Fitzpatrick, 1983). However, more recent literature increasingly treats political risk as a strategic issue that firms must actively interpret and manage (Henisz & Zelner, 2003). Henisz and Zelner (2003) argue that firms compete, in addition to product markets, in political environments shaped by institutions and social beliefs about legitimacy, suggesting that political capabilities are as vital as market strategies. Similarly, Henisz et al. (2010) show that exposure to conflict and political risk differs across countries and industries. This suggests that political risk does not produce a uniform response (Henisz & Zelner, 2003; Henisz et al. 2010). Instead, reactions depend on firms' specific resource dependencies and their ability to sense environmental shifts (Bednarski et al. 2026). This is crucial for our study because supplier decisions under geopolitical disruption are rarely automatic; firms must proactively evaluate whether geopolitical risk makes existing supplier relationships too risky (Bednarski et al. 2026; Fan et al. 2024).

Recent literature further suggests that geopolitical disruption and geopolitical risk should be distinguished from general political risk due to their systematic nature and state-level origins (Bednarski et al. 2025; Bednarski et al. 2026). Caldara and Iacoviello (2022) define geopolitical risk as a threat, realization, or escalation of adverse events linked to wars and tensions among states and political actors that disrupt international relations. Building on this, Moura et al.

(2025) argue that geopolitics affects multinational enterprises through changing home-host country relations, meaning that risk and uncertainty can arise from shifting relations between states. This relational understanding is critical because firms may be affected differently by the same geopolitical event depending on their home-country, host-country, industry, and political capabilities (Moura et al. 2025). Consequently, geopolitical uncertainty creates a more complex decision environment as firms must consider how their supply chains are positioned within broader interstate tensions (Bednarski et al. 2026; Moura et al. 2025).

This distinction is also increasingly visible in supply chain research. Bednarski et al. (2026) define geopolitical disruptions as disruptions caused by tensions between nation-states. The paper, in addition to a literature review from 2023, shows that such disruptions affect all aspects of global supply chains and that the field is still emerging as a distinct area of research (Bednarski et al. 2026; Bednarski et al. 2025). Unlike many traditional supply chain disruptions, geopolitical disruptions are often tied to state actions and political conflict (Bednarski et al. 2026). This means that firms cannot treat them solely as temporary operational disruptions. Instead, they may require more structural responses, such as redesigning supply chains.

A central response identified in the literature is supply chain reconfiguration. Bednarski et al. (2025) found that firms respond to geopolitical disruptions through supply chain redesign, including regionalisation, back-shoring, and reduced reliance on just-in-time models. Furthermore, Moradlou et al. (2025) show that multinational firms respond to such disruptions by developing supply chain structural ambidexterity. This includes partitioning internal subunits, reconfiguring supplier networks, and creating parallel supply chains (Moradlou et al. 2025). These studies suggest that firms increasingly seek to balance efficiency with resilience (Bednarski et al. 2025; Moradlou et al. 2025). Nonetheless, they also indicate that reconfiguration is not a single response. Firms may diversify suppliers, create alternative supply routes, relocate parts of production, or develop parallel structures depending on how much information and flexibility they have (Bednarski et al. 2026; Moradlou et al. 2025). The supplier decision is therefore an example of where geopolitical disruptions become operational.

Qian and Qiu (2023) provide empirical evidence that political risk affects firms' supplier selection by reducing the proportion of purchasing from foreign suppliers. Their findings suggest that firms exposed to higher political risk become less willing or able to rely on international sourcing, partly because political risk increases transaction costs and administrative obstacles. However, firms with international markets and stronger institutional environments are less affected, suggesting that firms' dependence on foreign suppliers and their ability to manage political uncertainty shape whether supplier relationships are maintained or reduced (Qian & Qiu, 2023). This is directly relevant for our study because it links political risk directly to sourcing behavior, while also showing that supplier decisions depend on firm-specific and contextual conditions.

Additional supplier-specific insight is provided by Fan et al. (2024), who examine the effect of the US-China trade war on cross-border buyer-supplier relationships. Their study shows that the trade war negatively affected transaction values between Chinese suppliers and US buyers, and that some supplier relationships were more resilient than others. In particular, suppliers with stronger innovation capabilities and higher corporate social responsibility performance were better able to retain foreign buyers, while suppliers with local political ties became less attractive in the context of the geopolitical conflict (Fan et al. 2024). This demonstrates that geopolitical disruption can push firms toward switching, but that supplier-specific characteristics also shape whether buyers remain locked in. In other words, even though firms may want to reduce geopolitical exposure, they may still stay with a supplier if the supplier provides vital resources or legitimacy benefits.

Altogether, the literature suggests that supplier decisions under geopolitical uncertainty are shaped by a tension between pressure to reduce exposure and constraints that make switching difficult. On one hand, geopolitical disruptions may increase tariffs, compliance burdens, and reputational consequences, making existing supplier relationships less attractive (Bednarski et al. 2025; Fan et al. 2024; Qian & Qiu, 2023). On the other hand, firms may remain dependent on suppliers or lack viable alternatives. This means that supplier decisions cannot be understood only as a question of risk avoidance. Rather, they are also shaped by factors such as resource dependence and legitimacy concerns (Fan et al. 2024).

Furthermore, the existing literature provides a strong foundation for understanding why geopolitical disruptions matter for supply chains and how firms may respond. Nonetheless, much of the literature remains focused either on broad supply chain responses or on aggregate supply chain restructuring (Bednarski et al. 2025), while less is known about the decision-making process through which sourcing professionals evaluate individual suppliers. In particular, the logic through which managers select and evaluate suppliers under prevailing geopolitical conditions. This creates a relevant gap for our study, which examines these individual supplier decisions under geopolitical uncertainty. More specifically, the study aims to investigate how managers reason, which stakeholders exert pressure on them to act, and how they evaluate factors such as compliance risks and availability of viable alternative suppliers when determining the fate of individual supplier relationships. Hence, our study contributes to a more complex understanding of how geopolitical disruptions reshape sourcing professionals' reasoning and responses at the individual level.

2.4. Theoretical Framework

This section presents Resource Dependence Theory (RDT), which provides a useful perspective for understanding supplier selection in the context of this study. The central argument in RDT is that organizational environments influence and constrain organizations' responses to external constraints (Pfeffer & Salancik, 1978, p. xi). Building on this perspective, Sarkis et al. (2011) explain that firms are not fully self-sufficient but rely on external actors for access to critical resources.

Dependence is a central concept to RDT that exists when an organization requires resources that are important for its survival and functioning, and those resources are controlled by external actors (Pfeffer & Salancik, 1978, pp. 51-52). Though, it is important to understand that RDT does not view dependence as limited to buyer-supplier relationships, but rather as a condition created by an organization's broader external environment and network of resource interdependencies (Pfeffer & Salancik, 1978; Hillman et al. 2009). The level of dependence is determined by both the importance of the resource and the extent to which control over it is concentrated in the hands of a few actors (Pfeffer & Salancik, 1978, pp. 51-52). This is important to the present study because geopolitical disruptions can expose vulnerabilities in supplier dependencies, potentially motivating firms to reassess supplier relationships and reduce dependence risks.

Consequently, Pfeffer and Salancik (1978) argue that organizations seek to manage resource dependence by reducing reliance on single exchange relationships. The authors describe several possible strategies to manage dependencies, including buffering inventories, mergers, vertical integration, developing substitutable exchanges, and diversification across products, markets, or business areas (Pfeffer & Salancik, 1978, pp. 108-109). Additionally, Heide suggests that through an RDT lens, firms seek to manage dependencies by developing and maintaining stable relationships with key suppliers, often prioritizing long-term collaboration over short-term gains (1994 cited in Sarkis et al. 2011). This means that geopolitical disruptions may reshape existing dependence structures, motivating firms to adopt mitigation strategies aimed at reducing vulnerability and securing access to critical resources.

Another important concept within RDT is legitimacy. Pfeffer and Salancik (1978, pp. 193-196) argue that legitimacy is closely tied to social norms and values, and that it is somewhat related to law and profitability. Importantly, Pfeffer and Salancik (1978) note that legitimacy is a conferred status controlled by actors outside the organization and is the extent to which an organization is accepted within the broader social system. Therefore, they emphasize that it is a social construction that can be ambiguous and retrospective in nature (Pfeffer & Salancik, 1978) (Pfeffer & Salancik, 1978). Because of this, Pfeffer and Salancik (1978) state that organizations may alter their actions and practices in order to conform to social values and maintain external legitimacy, which can help explain potential alterations in supplier decision-making

It is also essential to understand the logic through which RDT explains that organizations' actions are shaped by. The effectiveness of a firm can be measured by the extent to which they manage demands of different interest groups whom it depends on for support and resources (Pfeffer & Salancik, 1978, p. 2). This implies that organizations act in ways they perceive as best suited to fulfilling these demands. At the same time, all organizations interpret their environment differently (Pfeffer & Salancik, 1978, p. 13), which in turn means that the premises on which their actions are grounded may vary. Organizational activities are also carried out under various constraints and depend to a great extent on the limits of its discretion (Pfeffer & Salancik, 1978). This helps explain why firms may respond differently to the same geopolitical disruption and why supplier decisions involve trade-offs between competing demands and constraints.

Recent literature demonstrates that RDT continues to evolve and remains increasingly relevant in contemporary organizational research (Kumari & Tiwari, 2025). Kumari and Tiwari's (2025, chap. 3) review of RDT literature reveals that the direction of RDT literature has recently shifted away from its traditional strategic management focus and is now widely applied in other areas such as supply chain management (Kumari & Tiwari 2025, chap. 4). Specifically, their review identifies applications in supplier selection, sourcing decisions and balancing stakeholder interest to improve organizational performance (Kumari & Tiwari 2025, chap. 3.2.3). This development is particularly relevant for our study, as it suggests that firms' sourcing decisions are increasingly understood as responses to external dependencies and environmental pressures rather than purely operational or cost-driven choices.

Moreover, Kumari and Tiwari (2025) highlight that organizations use supply chain and operational strategies to manage dependencies and maintain organizational performance under uncertain conditions. Similarly, Arvidsson et al. (2026) study semiconductor shortages in the automotive industry and demonstrate how severe supply crises can reshape traditional power relationships and create *crisis-induced interdependencies* between firms (pp. 71-73). The crisis increased collaboration, information sharing and direct interaction between firms that would otherwise maintain more distant or transactional relationships (Arvidsson et al. 2026). This is particularly relevant to the study as it suggests that geopolitical disruptions may increase firms' exposure to external dependencies while also reshaping how supplier relationships and interdependencies are managed. Consequently, both Kumari and Tiwari (2025) and Arvidsson et al. (2026) reinforce the relevance of RDT as a theoretical lens for understanding supply-or-reconfigure decisions under geopolitical disruption.

3. Methodology

This chapter outlines the methodological choices made to address the research question. Supplier decision-making under geopolitical disruptions is shaped by individual managers' interpretations and experiences. Hence, the study required an approach that could get close to the people involved and their reasoning, and the relevance of each choice is explained accordingly. The chapter begins by establishing the philosophical grounding followed by research approach and design. It then explains how the data was collected with semi-structured interviews and later analyzed through thematic analysis. Finally, it addresses the limitations, and measures taken to ensure the quality and ethical integrity of the study.

3.1 Research Approach

We approached our study with the assumption that supplier decision-making under geopolitical uncertainty cannot be understood independently of the individuals who navigate it. To answer our research question, we needed to access how sourcing professionals reason and interpret their situation, something that cannot be captured through numerical measurement alone. This positions the study within constructionism, which Bell et al. (2022, chap. 2) describe as an ontological position where social phenomena and their meanings are not fixed, but continuously shaped and reshaped by the people involved and how they interpret their world. In our study, two sourcing managers facing the same geopolitical event may have reached entirely different conclusions because they interpreted the situation through different organizational contexts and priorities. Constructionism was therefore the appropriate ontological stance because it allowed us to treat each respondent's reasoning as meaningful and worthy of analysis in its own right.

This ontological position is closely linked to an interpretivist epistemology. Bell et al. (2022, chap. 2) describe this as being primarily concerned with understanding rather than explaining human behavior. Unlike positivism which assumes that human behavior can be studied objectively from a distance, we aimed to understand the how and why of decision-making by closely engaging with individuals and making sense of their experiences and the pressures they face. Furthermore, our research question asks how sourcing professionals navigate uncertainty and what drives their responses, which further reinforces an interpretivist stance as the most appropriate approach.

The study follows an abductive research approach, which Bell et al. (2022, chap. 2) describe as using guidance from existing theory and iteratively engaging with empirical insights to refine and extend knowledge. This approach reflects both the nature of our research question and the role that theory plays throughout the study. RDT guided the initial development of the interview guide and shaped our early analytical direction by providing concepts such as dependence and legitimacy that we expected to be relevant in sourcing decisions under geopolitical uncertainty. However, the study remained open to new insights that the data might reveal beyond what RDT alone could anticipate. As the analysis progressed, empirical findings that did not fully fit with the initial theoretical framework prompted us to return to the literature and refine our analytical direction. This movement between theory and data is the defining characteristic of abductive reasoning (Bell et al. 2022), further elaborated on in section 3.4.

An inductive approach was not chosen since the study does not start from a theoretical blank slate (Bell et al. 2022, chap. 2). Relying solely on empirical data without theoretical guidance risked producing descriptive findings that lacked analytical depth. A deductive approach was equally unsuitable as the study does not aim to test pre-specified hypotheses derived from existing theory (Bell et al. 2022, chap. 2). Given the context-dependent nature of geopolitical uncertainty, a deductive approach would not be able to capture the complexity of the phenomenon. Abduction offered the flexibility to engage with both theory and data in a way that neither deduction nor induction alone could provide.

3.2 Research Design

This study adopted a qualitative research strategy, which Bell et al. (2022, chap. 2) describe as research grounded in interpretivist epistemology, that with rich descriptions and flexibility can capture complex phenomena, like decision making under geopolitical pressures. Focusing on exploring experiences and reasoning, this research is well suited to studying supplier decision-making, since we perceive these decisions and related strategies as dynamic and evolving outcomes. Moreover, the design supports the aim of describing the key factors in detail and understanding how participants interpret and make sense of geopolitical influences. As these interpretations were expected to depend on the organisational context, a qualitative approach was particularly appropriate for capturing such nuances, compared to more standardized quantitative methods.

Furthermore, the study follows a case study design, which Yin (2003) describes as both flexible and particularly appropriate for answering "how" and "why" questions about real-world phenomena as they are currently unfolding. This was especially relevant given that the geopolitical tensions shaping supplier decisions are not a historical phenomenon; they are ongoing events that firms are navigating in real-time (Roscoe et al. 2022). The unit of observation is individual sourcing professionals across nine firms. Through their accounts and experiences, the unit of analysis, which is the reasoning and responses behind supplier decisions under geopolitical uncertainty, is examined. This distinction is significant because the study does not draw conclusions about the nine individuals, nor does it compare firms as separate cases. It uses the accounts of sourcing professionals as a means of accessing broader patterns in how supplier decisions are reasoned about and made under geopolitical uncertainty.

3.2.1 Sampling Technique

In contrast to quantitative research, the purpose of this qualitative research was not to generalize to a population, and therefore probability sampling was not appropriate. The selection relied on purposive sampling, which Bell et al. (2022, chap. 18) defines as a non-probability sampling method that aims to strategically select cases, which we did by choosing cases that ensure variety and relevance in relation to the research question.

Purposive sampling was applied on two levels. At the organizational level, firms were selected based on two criteria: (1) being a multinational enterprise with international suppliers, and (2) having demonstrable exposure to geopolitical pressures. At the individual level, participants were selected based on: (3) being directly involved in supplier selection or evaluation processes, and (4) having personal experience of navigating supplier relationships under geopolitical uncertainty. To evaluate the relevance of each firm and participant, information from company websites, reports, and newspapers were reviewed, alongside direct contact with a company representative who could ensure appropriate interviewee selection.

The sampling resulted in nine interviews with supply chain decision-makers across nine different organizations, see *Table 1*, ranging from 25 to 47 minutes in length. The sample size was considered sufficient given that the final two interviews added little or no new insights to the existing thematic structure. Recurring patterns had become well established across the dataset, suggesting that the sample was approaching theoretical saturation, the point at which additional interviews were unlikely to extend the main themes (Bell et al. 2022, chap. 18). Consistent with the qualitative nature of our study, the priority was not volume but the depth and relevance of the data collected. This is supported by the aim for analytical generalizability, which Yin (2003, p. 37) defines as the extent to which findings can be generalized to theory rather than to a population.

Respondent	**Role**	**Industry**	**Interview Length & Date**
(A)	Commodity buyer	Automotive & industrial components	2026-04-20 25 minutes
(B)	Supplier Relationship Manager	Food wholesale	2026-04-24 30 minutes
(C)	Vendor & Contract Manager	Energy & utilities	2026-04-24 32 minutes
(D)	Senior Vice President Supply Chain	Consumer Good	2026-04-27 30 minutes
(E)	Senior Global Sourcing Executive	Logistics	2026-04-28 45 minutes
(F)	Indirect Purchasing Manager	Advanced materials & industrial manufacturing	2026-04-28 40 minutes
(G)	Head of Security and Preparedness	Financial Sector	2026-05-06 47 minutes
(H)	Product Manager	Consumer Good	2026-05-12 31 minutes
(I)	Chief Executive Officer	Cosmetics	2026-05-18 40 minutes

Table 1: Respondent description and organizational context

3.3 Data Collection Method

We collected our data by conducting semi-structured interviews. Given our constructivist ontology and research aim, gaining access to the managers' own interpretations of their experiences and perception of their geopolitical climate made this methodological choice particularly suitable. Semi-structured interviews offered the flexibility to follow each respondent's own logic and explore unexpected directions, while an interview guide ensured sufficient focus across all nine conversations (Bell et al. 2022).

The interview guide (see Appendix A) includes a set of predetermined topics that were designed with guidance by RDT. While the first three topics were introduced similarly across the cases, questions were deliberately kept open to avoid leading respondents toward theoretically predetermined answers. Broader questions about how the changing world environment had affected decision-making were asked thereafter, allowing respondents to surface their own framings before more targeted follow-ups were introduced. These were fully adapted to each respondent which allowed us to uncover rich and unexpected responses. This approach was consistent with our abductive logic, meaning theory informed the questions but the responses were allowed to challenge and extend it.

Moreover, emailing was the primary method used to reach participants. Interviews were conducted via Microsoft Teams in both Swedish and English, depending on respondent preference, and they were recorded using a voice recorder. Transcripts were produced using the AI-assisted transcription tool KlangAI and subsequently reviewed by all authors to verify accuracy of translation and preservation of meaning.

3.4 Data Analysis

The interview transcripts were analyzed using thematic analysis, which Braun and Clarke (2006 cited in Bell et al. 2022) describe as a method for identifying and analyzing patterns within data, particularly suitable for interpreting complex data. The themes were constructed through our active engagement with the data and evaluated based on their relevance in relation to the research question. The analysis was conducted using the qualitative coding software Delve, to which all three researchers had simultaneous access. Coding was conducted independently before comparing all interpretations. When there were differences, they were discussed and reconciled to reach a shared understanding. This ensured that our findings and final themes did not reflect the perspective of a single researcher, strengthening inter-coder reliability.

The analytical process unfolded in three phases consistent with Braun and Clarke's (2006 cited in Bell et al. 2022) thematic analysis and our abductive approach. In the first phase, we familiarized ourselves with the data through listening to the audio recordings. This was done to enhance our understanding of the material and start noticing recurring patterns. Later, we conducted open coding, which resulted in 411 initial codes. At this stage we had an initial research question of what drove switch-or-stay decisions under geopolitical uncertainty, with a focus on supplier selection literature and Resource Dependence Theory as an analytical lens. However, we aimed to remain open to all theoretical possibilities rather than strongly evaluating analytical relevance.

In the second phase, we moved to more focused coding in relation to the initial research question. All codes were brought together in Delve and systematically compared. The open codes that were not related to the geopolitical context or supplier related decisions in navigating these tensions were excluded. The most analytically significant codes were then organized into broader categories reflecting different ways sourcing professionals reason and respond to geopolitical uncertainty. During this process, five recurring responses were mapped out which became the main themes the data analysis was built on.

A crucial moment occurred during this phase when the data revealed patterns that extended beyond our initial research question of a simple switch-or-stay decision. Consistent with our abductive approach, we returned to existing literature and RDT to make sense of these new findings, refining both our analytical categories and our research framing in response.

In the third phase, the coding categories were connected to the broader tensions and strategies mapped across the dataset, producing five overarching themes. These themes were reviewed against the full dataset to ensure sufficient empirical support before being finalized. In addition, their fit and relevance were evaluated based on whether they explain the drivers behind one of the responses.

Throughout these three phases, RDT influenced what was initially noticed in the data and shaped interpretations, including dependencies, power asymmetries, lock-ins, and legitimacy concerns. At the same time, the data also shaped how both the phenomenon studied and the theory were understood throughout the analysis. For example, some emerging patterns increased the analytical importance of RDT's arguments related to legitimacy and strategic partners, while other empirical findings led us to revisit aspects of RDT in relation to supplier responses under geopolitical uncertainty. This process resulted in the data analysis presented in Chapter 4 and the complete coding process and data structure can be found in Appendix D.

3.5 Reliability and Validity

To ensure the trustworthiness of this research we followed Lincoln and Guba's (1985 cited in Bell et al. 2022) four criteria for evaluating qualitative research: credibility, transferability, dependability, and confirmability.

The credibility criteria assesses whether the findings accurately reflect the real experiences and reasonings of participants (Lincoln & Guba, 1985 cited in Bell et al. 2022). This was strengthened by all three researchers participating in each stage of the analytical work. It was particularly important in the coding process with the recording as support, where individual coding was followed by joint interpretation to reduce the risk of misinterpretation.

Secondly, transferability refers to how applicable the findings are in other contexts (Lincoln & Guba, 1985). This assessment was facilitated by providing descriptions of each participant and their organizational context which allows the reader to judge the relevance of the findings to their context.

The third criteria, dependability, assesses the consistency and replicability of findings (Lincoln & Guba, 1985 cited in Bell et al. 2022). This was addressed by ensuring transparency throughout the methodological choices including sample selection, design and data collection. Transparency was also enhanced by addressing the limitations, which allows the reader to follow how the study was conducted.

Lastly, confirmability concerns the extent to which findings reflect the actual data and not research bias (Lincoln & Guba, 1985 cited in Bell et al. 2022). This was strengthened by maintaining reflexivity throughout the research process where we aimed to critically reflect on our interpretations.

Moreover, we continuously compared the findings against the raw empirical data and we used direct quotes from respondents in the analysis to remain close to the participants' own description. Finally, the coding process was documented in Appendix D, which provides a clear audit trail showing how the findings were derived

3.6 Methodological Limitations

Several limitations should be acknowledged to enhance transparency and credibility of the findings. First, Brown (2024) argues that completely value-free research is not realistic given that research under uncertainty involves human judgment. This is further emphasized by Cho and Trent (2006) who emphasize that researchers become unavoidably personally involved, resulting in findings that could partly reflect the researchers' own perceptions. Despite the measures taken to strengthen confirmability, our own interpretations and pre-understandings cannot be fully detached from the analysis.

Second, our study relies on self-reported data and may therefore introduce social desirability bias. Bell et al. (2022) describe this as the tendency for respondents to answer in a way that is socially acceptable, instead of giving a fully accurate reflection of their thoughts. Although respondents were aware that their names and organizations would be anonymized, the fact that our topic could be perceived as sensitive may have led interviewees to answer in a more strategic and defensible way.

Third, the sampling relied on both our judgement in the selection of firms and the company contact person's ability to find the appropriate individual to interview. Although the suggested participants were always evaluated for their relevance, this method could have introduced some degree of bias that was outside our control.

Lastly, while the respondents' different roles introduce an interesting variation, they also represent a limitation, as the findings do not reflect one role or decision-making position. Consequently, some respondents may lack insights into certain parts of the decision-making process. Nevertheless, the study aims to capture the broader reasoning of individuals involved in supplier-related decisions.

3.7 Research Ethics

Conducting research involving human participants and handling sensitive data requires deliberate steps to ensure ethical practices. This was a high priority throughout the research process, particularly given the sensitivity and confidentiality of discussing geopolitics and firm strategy. The measures taken are in line with the ethical practices outlined by Bell et al. (2022) regarding informed consent, anonymity and data handling to minimize the harm of our study.

To ensure informed consent, participants were informed about the study in advance, including that it was a bachelor's thesis, together with an explanation of the topic and purpose, as well as an emphasis on voluntary participation. Additional information was provided upon request. Before each interview, participants were given a brief introduction to reinforce the purpose of the study, including information about data handling and confidentiality. This was done by emphasizing that all personal and company names, as well as any company information that could reveal its identity, would remain anonymous. Finally, we ensured that participants had no further questions to make sure they felt comfortable and fully informed before proceeding with the interview.

The interview guide was designed to be non-intrusive and non-leading, and participants were never pressured to discuss topics beyond their comfort level. The handling of personal data followed GDPR requirements and Lund University's guidelines for student projects throughout (Lund University School of Economics and Management, 2023). After data collection, the audio files were transcribed, anonymized and stored on protected devices. The recordings were then deleted, with only the transcripts remaining, noted with respondent A, B, C etc. Furthermore, the data was only used for the purpose of our study and was not shared beyond the research group.

4. Data Analysis

This chapter presents the empirical findings of our study which were derived from nine interviews with sourcing professionals. Five overarching themes emerged from the data through a thematic analysis, guided by the resource question and theoretical framework. Each theme captures a distinct pattern of responses through which managers navigate geopolitical uncertainty. The themes are presented in this chapter where each section illustrates the specific conditions, considerations, and reasoning behind each response. These responses are not mutually exclusive, a sourcing professional may be subject to multiple sourcing situations in which they can act differently depending on the geopolitical disruption, pressures, and dependencies associated with the supplier in question.

4.1 Staying by Choice

Staying by Choice captures buyer-supplier relationships in which the buying manager chooses to remain with the supplier despite geopolitical tensions. It further illustrates the conditions and reasoning underlying the decision to maintain the relationship. Maintaining a supplier relationship under geopolitical uncertainty should not merely be viewed as inaction. Rather, staying with a supplier may represent an active choice shaped by strategic considerations. Observations in the data show that the choice to remain is driven by long-term relationship value, efforts to maintain operational continuity, and resolution of challenges by supply-side.

4.1.1 The Long-Term Relationship

Across respondents, the length and history of a supplier relationship were factors considered when evaluating whether to maintain it under geopolitical disruptions. This was not because the longevity created sentiment, but because it reflected the accumulated trust and financial interdependence, thereby making switching to another supplier more costly. Even when the manager acknowledged geopolitical risk associated with the supplier, these qualities made managers more likely to protect and preserve such partnerships. This was particularly evident in one respondent's statement:

> *Then there's an element of rewarding indeed longstanding partnerships. We have quite a few vendors that we have worked with since fifty, since a hundred years, and of course, there's a certain trust being built in that. Which makes it easier to also help each other in times of crisis, where it's not going so well* (Respondent E).

This illustrates how long-term suppliers work as a stabilizing mechanism through establishing mutual support during uncertainty. Similarly, another respondent explained making deliberate efforts to prioritize a long-term supplier in a politically exposed region:

> *It is clear that some relationships are very important. I mean there is this kind of eighty/twenty rule that twenty percent of our producers might account for eighty percent of the turnover. For us there are some producers that we are extra, so to speak, keen to take care of because they affect our results to such a large extent* (Respondent H).

This reasoning suggests that these relationships not only produced stability through trust and mutual support, but also through continuous financial exchanges. Overall, it can be argued that sourcing professionals navigate geopolitical uncertainty by prioritizing and staying with long-term relationships that have generated significant strategic and financial value for the firm. Such reliability requires trust which must be developed over time, making them difficult to replace even when geopolitical risks are recognized. Moreover, when the environment becomes less certain, the value of predictability in supplier relationships appears to be heightened, and these qualities can therefore be weighed against the geopolitical risk in the manager's decision to stay.

4.1.2 Professional Responsibility and Business Continuity

Maintaining ongoing production and operational continuity was a high priority across respondents. This was highlighted by Respondent A who stated that *"Our job is actually to ensure that our production never stops. We must always be able to supply production with materials."* This objective carried significant importance for respondents, outweighing geopolitical complications that did not directly disrupt operations.

Similar logic was evident in another case related to commercial performance. After discussing ongoing political tensions and uncertainty surrounding the U.S. market, Respondent H said:

> *[Customer] says like this: we want to buy [X] liters of red wine from the USA according to these criteria. Then we would like to be part of such a quote or procurement, because if you win it, you get to sell that volume, so there might not be much reason to limit yourself in your choice of suppliers* (Respondent H).

This suggests that although respondents identified geopolitical tensions and associated risks, their decision to stay with suppliers was strongly shaped by their professional responsibilities in which supplier reconfiguration could conflict with their operational or commercial obligations. This reveals how geopolitical concerns are sometimes perceived as manageable and legitimized when leaving or excluding suppliers is perceived as a greater organizational risk.

4.1.3 When the Supplier Handles the Risk

Not all stay decisions were the result of deliberate decisions by the buying firm. In some situations geopolitical disruptions could occur but were handled by the supplier effectively, and therefore did not require sourcing professionals to take action. This was exemplified by Respondent A, who described how a supplier managed disruptions following Russia's invasion of Ukraine:

> *I had a supplier who had manufacturing in Kaliningrad before Russia invaded Ukraine. It became quite problematic for them, especially since they essentially lost all their equipment there. It also caused delivery delays and so on for our part. But they made a fairly hasty decision to remove that part, so it never forced us to leave that supplier for that reason* (Respondent A).

Had the supplier not acted quickly to relocate the affected production in that situation, the organization may have been forced to switch suppliers. This highlights the importance of suppliers' ability to respond rapidly and adapt to geopolitical disruptions in ways that allow the relationship to continue.

A similar dynamic was described by the same respondent regarding another supplier who had a production in China, but whose workers became unwilling to supply the Western market. Instead of the sourcing manager having to switch suppliers, the supplier relocated its operations to Malaysia, allowing the sourcing relationship to continue. In addition, Respondent I explained how their suppliers handled regulatory disruptions and adapted their operations during COVID-19.

Importantly, these observations suggest that maintaining relationships was also in the suppliers' interests, illustrating how dependencies within buyer-supplier relationships can operate in both directions. Suppliers therefore also have incentives to adapt their operations in ways that preserve strategically important sourcing relationships. Moreover, from the buyer's perspective, it is advantageous when suppliers manage disruptions themselves, as this allows the relationship to continue without requiring costly or time-consuming supplier changes. Taken together, the observations illustrate how relationship continuity under geopolitical uncertainty emerges through mutual adaptation and interdependence between buyers and suppliers.

4.2 Switching Under Pressure

Switching Under Pressure captures situations in which firms choose to discontinue supplier relationships when the geopolitical risks of maintaining them are perceived as too significant, and explores the factors and consequences shaping such decisions. The sourcing approaches within this section are driven by both broader geopolitical tensions and disruptions emerging as consequences of geopolitical events. Across respondents, these pressures took the form of legal and regulatory pressures, cost pressure, reputational and legitimacy concerns, and customer pressure, all of which contributed to supplier switching decisions.

4.2.1 Legal and Regulatory Pressure

Laws and regulations emerged as one of the main drivers behind terminating supplier relationships, as they altered the conditions under which firms were required to operate. Across respondents, there was a clear perception that legal and regulatory requirements had increased substantially in recent years, particularly those originating from the European Union. One respondent explained how this growing burden could make external sourcing arrangements less feasible:

> *It becomes complicated, it costs a lot, we have to do a lot of follow-up, it becomes difficult to manage. We will kind of be, be expected to answer all the time about how we have control. We will need to spend so much time on control follow-up. We have to do that anyway, but it becomes easier when we do it in-house.* (Respondent G)

This illustrates the organizational burden that intensified compliance requirements can create, where internalizing activities becomes a more practical option than managing the complexity of external supplier relationships. Such requirements may therefore shift supplier decisions from a matter of preference to a question of whether the relationship can realistically be maintained at all.

The findings also reveal, however, that this dynamic depends on regulatory pressure actually being present. When it was absent, sourcing professionals did not appear as urgent to move away from specific regions, even though geopolitical risks were recognized. This was particularly highlighted by one of the respondents:

> *I know that France has enacted certain laws…where they have been given a year to move away from Microsoft dependence in the government sphere at speed. But that does not exist in Sweden, and that has meant that we just haven't really felt that need* (Respondent G).

This suggests that legal pressure functions as a decisive factor in supplier-decision-making. When it is absent, existing dependencies and operational priorities tend to outweigh the perceived need to act under geopolitical uncertainty. However, when it is present, regulatory pressures can alter the practical feasibility of maintaining supplier relationships when the control and compliance demands surrounding them become too extensive.

4.2.2 Cost Pressure

Cost pressure emerged as another important driver of supplier reconfiguration which managers must navigate, particularly in situations where geopolitical disruptions altered the economic viability of existing sourcing arrangements. Respondent B described this clearly when discussing why the organization had very limited direct sourcing outside of Europe, despite some products naturally originating from those countries:

> *It also has to do with the cost, of course. As it is now, the shipping cost is terrible. It's grotesque after the pandemic when all prices went up. So, that is the parameter that also must be included. That money must be taken out on the product, and then it might become so expensive that there is no point in having it, because no one wants to buy it* (Respondent B).

This shows how geopolitical disruptions can alter the commercial viability of supplier relationships through price increases. Another respondent described a similar situation connected to tariffs from the US and rising production costs:

> *If we raise the price more we won't sell anything. And then [the supplier] squirmed and said something like, but we will be forced to raise the price even though the tariffs are raised because a large part of all our ingredients we buy are outside the US. When they import their ingredients they get tariffs on the ingredients coming in. So the American producers have already gotten much higher production costs…it becomes a domino effect.* (Respondent I)

This illustrates how the consequences of tariffs may diffuse across global production networks. Because rising input costs accumulate across multiple parts of the production process, neither party may have meaningful control over the final price outcome. The observations further suggest that sourcing arrangements may become vulnerable due to market limitations, as rising costs cannot always be transferred to consumers without negatively affecting demand. Managers are therefore placed in difficult situations where they must balance maintaining supplier relationships against preserving profitability.

4.2.3 Reputation and Legitimacy

A recurring concern among respondents was the reputational risk and negative public attention associated with maintaining relationships connected to controversial markets. Across respondents, this was particularly evident in relation to Russia's invasion of Ukraine. For example, one respondent explained that "*...quite quickly there were probably some who, I think, were in Russia and got some bad press and stuff like that"* (Respondent F). Additionally, several respondents suggested that decisions to stop sourcing from Russia was not limited to internal organizational decision-making, but also developed into a broader norm. One respondent stated that "*There the whole market was quite quick, I think, like, to decide that no one buys from Russia anymore*" (Respondent B). Similarly, another respondent noted that *"No one would hardly choose a supplier that came from Russia anyway"* (Respondent G).

Together, these statements illustrate how geopolitical events may reshape market expectations and what is considered as legitimate. Once a country or supplier becomes collectively rejected within the market, the logic behind supplier switching also changes. Section 4.1.2 suggested that manager responses are often related to direct operational factors. However, in this instance, switching was driven by a desire to avoid reputational association with politically sensitive actors, and the social construction of what is acceptable. This is because being associated with a market or country under geopolitical scrutiny influences how the organization is perceived by stakeholders and the public, which in turn can negatively affect the organization's operational performance. Through reconfiguring in such situations, organizations can demonstrate alignment with socially and politically acceptable expectations, thereby protecting their public reputation and preserving organizational legitimacy.

4.2.4 Customer Pressure

The interviews revealed that supplier reconfigurations were sometimes driven by customer demands and expectations, which were particularly extensive among customers connected to the public sector. In these instances, sourcing professionals had to adapt their supplier base in order to align to its customer markets. One respondent described:

> *I think the biggest pressure…comes from the public-sector, meaning schools, elderly care, hospitals, those parameters. Because they have public procurement and they are usually paid for by municipalities* (Respondent B).

This illustrates how geopolitical tensions may influence sourcing decisions indirectly through intermediary actors. In this case, broader political and societal expectations became translated into public procurement requirements, which were then passed on to supplier selection through customer demands. Respondents also described how individual consumers could influence sourcing-related outcomes through their consumption choices:

> *...the USA which we work with to some extent has lost like 30-40% since Trump entered the White House again. And there it's more a customer who has made an active choice that no, I don't want to buy from the US… Some see their consumption as a way to make an impact, that you want to stand for, for the right type of choices* (Respondent H).

This shows that individual consumers can use their purchasing behavior as a way to express political values and influence markets. It also suggests that country of origin is politically meaningful in consumption decisions. Consequently, the supplier's national association becomes part of the product's market eligibility. Supplier relationships may therefore become vulnerable if geopolitical associations reduce the product's legitimacy within the consumer market, which in some cases may force sourcing managers to reconfigure their supplier base.

Additionally, customers may favor suppliers from specific countries due to advantageous trade agreements. Respondent A described situations in which customers required products from specific countries in order to qualify for free trade agreements. This suggests that country of origin may also function as a strategic sourcing consideration, where managers must align supplier selection with customer market requirements in order to maintain competitiveness. Altogether, these observations illustrate how customer pressures can play a central role in shaping supplier selection and reconfiguration decisions under geopolitical uncertainty.

4.3 Staying Because of Constraint

Staying Because of Constraint captures situations in which respondents express a desire to alter sourcing strategies through changing suppliers yet remain tied to their existing arrangements due to various constraints. The findings highlight several barriers to supplier switching despite managers recognizing geopolitical risks, including dependencies on specialized suppliers and software providers, conflicting interests, and operational constraints.

4.3.1 Dependency on Specialized Components

One important barrier to supplier switching identified across respondents was dependency on specialized components that were difficult to replace. For example, one respondent stated:

> *...we should avoid China, for example. Because right now, the situation is a bit unstable. …[However] there are certain things, if they are a bit special, that can be very difficult to find here nearby* (Respondent A).

This highlights how firms may hold an explicit objective to avoid certain regions, yet remain dependent on them when specialized components cannot be readily sourced elsewhere. The gap between strategic preference and operational reality illustrates that supplier switching is not always a matter of managerial will. Similarly, another respondent described sourcing difficulties linked to the Middle East:

> *We are very much affected by what is happening in the Middle East right now and stuff like that. We have certain substances that may come from areas in the surrounding region. They are harder to get here* (Respondent F).

This suggests that geographic concentration of specialized inputs can leave firms structurally exposed to regional instability, regardless of their broader sourcing strategy. Furthermore, one respondent highlights how dependency can persist even where active reduction efforts have been made:

We try to limit the use of fertilizers in our processes and we're doing a pretty good job, but there is still fertilizers involved, and eighty percent of the world's fertilizers come through the Strait of Hormuz in one way or another, whether it be them themselves or ingredients to them (Respondent D).

This indicates that even if managers make deliberate attempts to reduce exposure to geopolitically sensitive supply chains, such efforts may not fully resolve the underlying dependency when the input is essential to the production process. Taken together, tensions between strategic intent and structural dependency represents a fundamental challenge for managers seeking to build more resilient supply chains.

4.3.2 Dependency on Software Providers

Throughout the interviews, many respondents acknowledged a particular reliance on American software providers. This is reflected in one respondent's statement:

If you don't wanna do Microsoft, you have to do Google probably, and Google is also American. So for some, we just decided there kind of is no other way. You know, there is no Chinese Microsoft that we can now start using. There is no. Maybe there's a European Microsoft to a degree with this Open Office, whatever. But it's just not the same. It would damage the company dramatically if we were to switch to one of these. It would be super expensive. It would be long time-taking. So there we can't do anything (Respondent E).

This is particularly interesting because it illustrates how dependencies may be reinforced when viable alternatives are concentrated within the same geopolitical sphere. The statement also highlights how high financial and operational switching costs can strengthen lock-in effects and limit the feasibility of supplier reconfiguration. Consequently, these dependencies created concerns among respondents regarding the risks associated with relying on such providers:

Now I feel that we probably can't always be so sure that we can trust the US. For example with Microsoft where they ended up, or the US got into a spat with the

> *international The Criminal Court there in The Hague. And it is said, at any rate, that a number of Microsoft 365 email accounts were shut down* (Respondent G).

This reflects changing perceptions of American providers and illustrates how geopolitical uncertainty may influence managers' trust in critical technological infrastructure. The statement further suggests that dependencies on dominant software providers may expose organizations to geopolitical and political vulnerabilities connected to the provider's home country.

4.3.3 Conflicting Interests

The interviews indicate that differing interests and expectations between company owners and local staff can create tensions that restrict managers' ability to change suppliers. One respondent explained that *"Since we have American owners, I feel that there is a risk that we might be somewhat restricted in what we would like to do as a company in Sweden"* (Respondent B). This suggests that existing supplier relationships may persist because ownership interests constrain local sourcing preferences.

A similar tension emerged in another interview, where Respondent D discussed the difficulty of balancing the company's sustainability ambitions with politically polarized issues such as Israel and Gaza:

> *The world is just so polarized. To try and have a voice and speak out on sustainability and the [company mission] and things like this that we really want to change whilst trying not to be political and polarized is super difficult* (Respondent D).

This illustrates a different type of conflicting interest, where the tension does not lie between different actors, but between competing organizational ambitions. Respondent D further explained that the company had faced pressure to publicly comment on geopolitical issues such as the Trump administration and the situation in the Middle East, illustrating how external actors may expect firms to take political and moral positions. At the same time, the company attempted to avoid becoming overly politically involved. The respondent further recognized constraints associated with being a smaller company listed on the Nasdaq, where public positioning could create financial risks.

Overall, these observations suggest that supplier-related decision-making may become increasingly complicated when sourcing arrangements risk signaling political positions. In such situations, sourcing professionals must balance external expectations for political action with the risks associated with adopting visible geopolitical stances.

4.4 Implementing Proactive Measures

Implementing Proactive Measures highlights how lessons learned from past situations can shape proactive measures aimed at reducing the effects of geopolitical tension on a firm's operational efficiency and overall stability. This was observed in the data through the use of backup options, regionalization and localization, increased pre-screening and monitoring, and the utilization of existing relationships.

4.4.1. Building Redundancy through Back-up Options

Across respondents, building redundancy through multiple sourcing and back-up solutions appeared to be an important strategy for reducing dependence on single suppliers or regions. One respondent described that

> *...in the majority of cases we are not single sourced, as much as we can be. There's a few areas where we can't be, but we're multiple sourced in many areas. Now, that gives you the benefit of being resilient in the case of global events or whatever it is* (Respondent D).

Similarly, another respondent described adopting this strategy because *"you shouldn't have all your eggs in one basket"* (Respondent A), especially given the risk that major geopolitical events could abruptly disrupt sourcing relationships. This reflects an effort across sourcing professionals to spread out risk across multiple supplies in preparation for potential future disruptions. This approach was taken even further by another respondent

We need to have both plan A and plan B implemented. And preferably plan C as well. That's how we do it in certain areas…If it's an event that causes both plan A and plan B to fail, then we have a plan C as well that is on standby. Just to be sufficiently available then (Respondent G).

This demonstrates that managers may differentiate their contingency planning depending on criticality or exposure a specific area is considered to be. Overall, redundancy and multisourcing appeared to be an increasingly important strategy across managers, functioning as ways for firms to reduce dependence on individual suppliers or countries under geopolitical uncertainty.

4.4.2 Regionalization and Localization

Sourcing professionals attempted to reduce geopolitical exposure and increase supply chain control by moving their sourcing activities closer to home. This involved either shortening geographic distance or favoring suppliers operating within the same regulatory environment. One respondent explained their reasoning behind adopting such strategy:

And then it becomes easier if this is within the EU from a legal standpoint. And like a lot of regulation within the financial sector is based at the EU level, which makes it easier to use suppliers that are also subject to the same EU regulations (Respondent C).

Regulatory alignment thus emerged as a practical simplification strategy, reducing the time and resources required to assess and ensure supplier compliance. However, the findings also revealed that shared regulatory membership does not always translate into consistent interpretation or enforcement in practice. One respondent described the friction this can create:

...no matter how absurd it often is, we have to be first while the rest of our suppliers in Europe are very questioning why we need to have this information. Because they don't understand. And when you then say but this is an EU decision. You are an EU country. Then it often becomes, but isn't it just a recommendation? (Respondent B).

This suggests that although suppliers may formally operate under the same regulatory framework, differences in how regulations are interpreted and enforced across member states can introduce its own complications, limiting the extent to which regionalization alone can resolve compliance challenges in cross-border supplier relationships. Nonetheless, the prevalent belief across managers' is that regionalization makes supply chain management easier.

4.4.3 Intensified Monitoring and Pre-Screening

Responses showed attempts to manage geopolitical exposure by strengthening monitoring and screening processes, as demonstrated by one respondent:

> *What we do is that there's far more efforts done in pre-selection, pre-screening of vendors where all those policies are taken into one big database and if you would consider a certain vendor, then the vendor will be checked against the database to see if there's no real red flag* (Respondent C).

The same respondent described an "*explosion of demands*" (Respondent C) in this area, particularly around GDPR and data protection regulations. This suggests that the extent of pre-screening has expanded alongside the broader regulatory environment discussed in section 4.2.4.

Another respondent explained that they used a widely recognized third-party risk assessment tool to continuously screen suppliers. Shared assessment tools across organizations may homogenize how sourcing professionals assess geopolitical risk, and therefore collectively shape managers' broader patterns of supplier inclusion and exclusion.

The respondent further explained that these reviews were conducted annually because "*...it could be a country that wasn't a high risk before and all of a sudden it pops up and becomes a very high risk"* (Respondent F). This indicates that sourcing professionals view geopolitical risk as dynamic and therefore continuously reassess suppliers instead of relying solely on initial evaluations.

4.4.4 Utilizing Existing Supplier Relationships

As established in section 4.1.1, trust accumulated through long-term supplier relationships can provide resilience financially and operationally that make them particularly valuable during periods of uncertainty, and therefore worth protecting. Consequently, interviews revealed that managers implement several measures to strengthen supplier relationships to achieve this. One respondent described an example of such measure:

> *We organized what we called the Green Global Awards for our vendor base that seemed to be most active to deliver progress on sustainability because we thought it might be good instead of demanding stuff from our vendor base and punish if they would not succeed to fulfill certain targets to award them if they did a good job* (Respondent C).

This suggests that firms may seek to improve supplier alignment through collaborative mechanisms rather than purely through compliance measures. Similarly, another respondent described a deliberate choice to invest in underperforming suppliers rather than terminating the relationship: *But we have chosen to take the approach that, that it is not automatic that we terminate a supplier, but rather we want to improve that company* (Respondent F). This reflects a strategic preference for supplier development over replacement, recognizing that long-term relational investment may offer more durable resilience than frequent switching.

Together, these examples reflect a strategic preference for supplier development over replacement, recognizing that trust and mutual understanding may offer more durable resilience than frequent switching.

4.5 Turning the Disruption into Opportunity

Turning the Disruption into Opportunity presents an original finding of an ambidextrous strategy that had been adopted by managers at one firm. By positioning the firm as a balancing force between competing geopolitical blocs, they were able to continue operations and transform the geopolitical tension into a resource in itself. This allowed them to create and take advantage of new strategic opportunities. The strategy is made up of three dimensions that will be presented in the following.

4.5.1 Preparing for a Polarized Future

This section reflects a strategic recognition that geopolitical tensions are becoming a long-term condition shaping global sourcing and business operations. The manager recognizes that the company operates in an increasingly polarized environment where firms can no longer assume that one geopolitical position will be accepted across all markets. As a result, sourcing professionals must navigate this changing environment proactively and not treat geopolitical tensions as temporary disruptions, but as a more permanent condition that firms must prepare for. One such example is sourcing for a new impartial software company that can bridge the West and the East:

> *Now there's much more this thinking about redundancy and about global tech stacks, having an alternative, essentially, or not even an alternative, but thinking of a company of the future where you would have kind of, as a global company, a Western part where it runs with, with Western technology first and foremost, and a kind of China-dominated part where we would use much more of the Chinese technology, and then you need to find a software bridge that connects the left and the right* (Respondent E).

The respondent further emphasized that price was no longer the sole dominant sourcing criterion. Instead, the organization had become more willing to compromise on price in order to strengthen future readiness. This suggests that geopolitical uncertainty had altered the internal logic of supplier decision-making, where long-term resilience in a new polarized landscape was prioritized above short-term cost-efficiency.

4.5.2 Leveraging Neutrality for Strategic Balancing

Building on the recognition of an increasingly polarized world, the manager demonstrated a distinct perspective in which the emerging world order was perceived as an opportunity to strategically leverage neutrality within the new geopolitical division. This contrasts with other respondents, who primarily perceived geopolitical polarization as a restriction that managers needed to navigate around. This perspective was reflected in the following statement regarding the strategic opportunities associated with the organization's European origin:

> *And that would be something that's good for [Company E] because we are not American like [American competitors]. We are not Asian, Chinese, which then might, you know, be good from an American point of view. We are nicely in the middle. So balancing out between those two big blocks would be extremely useful for us* (Respondent E).

Moreover, the manager described increased sourcing from China not only as a commercial and technical decision, but also as a strategic and political one aimed at strengthening legitimacy with Chinese authorities. Their neutral positioning was further strengthened through humanitarian work, which contributed to a less politically aligned image that was leveraged to remain active in geopolitically sensitive regions.

> *We were the first ones that were allowed to deliver these vaccines into certain geographies. We are the only ones that could still operate now in the Middle Eastern crisis because we are not seen as part of a conflict. We are just seen as people who wanna help* (Respondent E).

Ultimately, this emphasizes how managers balance sourcing between two blocs to maintain legitimacy, while utilizing and strengthening their political neutrality to be able to operate worldwide, which some competitors have struggled to do.

4.5.3 Locality as a Strategic Advantage

A third dimension of this strategy was the manager's emphasis on locality. While being a global firm increases the exposure to geopolitical tensions, the manager also described global presence as a source of strategic advantage. The firm's ability to operate through local teams and adapt to local requirements allowed it to respond more effectively to politically complex environments.

> *Now we had the crisis, Iran, you know, Israel, Hormuz. There was airport closures, so then we had to fly into other airports and then truck the stuff locally. We could do and our*

competitors couldn't, so that was good for us…That was all decided locally in the respective countries because they know what's really going on…It is a bit the same in supplier selection. There also we leave quite some power within the country, within the region, within the respective business units (Respondent E).

The respondent also highlighted that this strategy of being globally local allowed the company to remain seamless in its global operations while still adapting to fragmented political and regulatory environments. This local capability has in turn helped the company make better decisions and continue operating during periods of crisis in ways that some competitors could not.

5. Discussion

This thesis sought to examine how sourcing professionals navigate global supplier relationships under geopolitical uncertainty. The findings reveal that geopolitics does matter in reshaping the strategic environment, in ways that are more complex and varied than existing literature has fully captured. Geopolitical disruptions generate new conditions that are subsequently translated into five differing responses: Staying by Choice, Switching Under Pressure, Staying because of Constraints, Implementing Proactive Measures, and Turning Disruption into Opportunity. These responses are not mutually exclusive and can transpire simultaneously within the same firm in different individual supplier relationships. This illustrates that supplier selection and evaluation under geopolitical uncertainty can be understood as a spectrum of responses in which managers must navigate. The following sections unpack the mechanisms driving this complexity, beginning with how dependence constrains manager responses.

5.1 Supplier Decisions under Geopolitical Disruption

A foundational mechanism shaping the complexity of sourcing decisions under geopolitical uncertainty is resource dependence. RDT demonstrates that sourcing decisions are shaped by firms' dependence on external actors for critical resources (Pfeffer & Salancik, 1978). Since firms are not fully self-sufficient, their actions are constrained by the broader external environment and by the network of interdependencies in which they operate (Pfeffer & Salancik, 1978; Sarkis et al. 2010). Our findings confirm this tension, illustrating the inability to switch suppliers under geopolitical uncertainty when firms depend on them for strategically crucial resources.

Furthermore, RDT predicts that the level of dependence increases when alternatives are limited, which was especially evident in the findings (Pfeffer & Salancik, 1978). Managers expressed a desire to switch suppliers but felt constrained by a lack of viable options, suggesting that geopolitical disruptions can expose firms' dependencies that had previously gone unquestioned. This helps explain why firms may remain with existing suppliers even when they recognize increasing uncertainty. Importantly, this highlights the value of individual-level analysis. At the firm level, staying may appear as business as usual, but examining the reasoning behind the decision reveals that it is often a constrained response shaped by geopolitical disruptions rather than an absence of it.

Yet, dependency does not only constrain, it also motivates managers to act strategically to reduce their exposure. Pfeffer and Salancik (1978) predict that firms manage resource dependence through strategies such as buffering, vertical integration, and developing substitutable exchanges. Several proactive responses identified in this study confirm this, as multi-sourcing reflects substitutable exchanges, regionalization reduces geographic dependency concentration, and compliance-driven internalization mirrors vertical integration logic.

However, two responses sit outside this framework. Intensified monitoring and pre-screening manages geopolitical exposure informationally rather than structurally, while several managers responded by deepening investment in existing supplier relationships rather than diversifying away from them. This suggests that geopolitical disruptions can activate responses that RDT predicts, but also produce the opposite where stability is sought within existing dependencies rather than by escaping them. These measures collectively suggest that beyond reacting after a geopolitical disruption, managers may also attempt to reduce vulnerability by creating more flexible sourcing structures, though not always in the ways RDT originally anticipated.

This finding is important because it illustrates that geopolitics can make existing dependencies more visible and encourage firms to gradually redesign parts of their sourcing processes. This aligns with literature suggesting that geopolitical disruptions cannot always be treated as temporary operational interruptions, but may require more structural responses such as supply chain redesign or diversification (Bednarski et al. 2025; Bednarski et al. 2026).

Nonetheless, the findings also show that such reconfiguration is uneven. Firms may reduce exposure in one supplier category while remaining dependent in another. The extent of reconfiguration depends on the availability of alternatives, the strategic importance of the input, the cost of switching, the level of external pressure attached to the supplier relationship and the nature of the geopolitical disruption itself. Firms may be affected differently by the same geopolitical event depending on their home-country, host-county, industry and political capabilities (Moura et al. 2025). This unevenness further illustrates why geopolitical disruptions result in managers producing firm-specific strategic responses. However, beyond structural reconfiguration, firms also seek stability, and some find it within their existing relationships.

This unevenness in reconfiguration is further explained by the limits of managerial perception. Pfeffer and Salancik (1978) note that organizations interpret their environment differently and can only act within the bounds of their own understanding of it, while Saputro et al. (2022) identify incomplete and non-obtainable information as a primary source of uncertainty in supplier decisions, one that intensifies with supply complexity and strategic importance. The findings reflect this, as managers in high-complexity sourcing categories often remained exposed not only because alternatives were structurally absent, but because the opacity of complex supply networks limited their awareness of the full extent of their dependencies.

Another way sourcing professionals navigated geopolitical uncertainty was by seeking sources of stability within existing relationships that had proven to be trustworthy and financially reliable over time. This aligns with Heide (1994, cited in Sarkis et al. 2011) who argues that through an RDT lens, firms seek to manage dependencies by developing and prioritizing stable relationships with key suppliers. Furthermore, respondents described expectations of mutual support with certain suppliers during times of crisis. This reflects and further deepens Arvidsson et al. (2026 p. 73) term "*crisis-induced interdependencies"*, which describes how severe disruptions can reshape traditional power relationships and increase collaboration between firms and their suppliers (Arvidsson et al., 2026 pp. 71-73). Through this theoretical lens, increasing geopolitical disruptions do not only create pressure to reconfigure sourcing structures or switch suppliers. Instead, they can also strengthen interdependencies with trusted partners for stability when the broader environment becomes less predictable. This is significant because it adds nuance to the prevailing logic within existing literature, which treats geopolitical disruption as a destabilizing force in supplier relationships. Moreover, it adds depth to existing RDT understanding by showing how managers are navigating uncertainty by deepening certain dependencies rather than reducing them.

Further, our findings show that supplier decisions are also shaped by legitimacy and balancing stakeholder demands. RDT emphasizes that organizations depend on external actors for acceptance and legitimacy (Pfeffer & Salancik, 1978). This was visible in cases where supplier relationships were evaluated on whether they remained viable in a broader social and regulatory context. Concerns about country of origin, customer expectations, reputational risks, and broader market perceptions led to increased pressure on existing supplier relationships. This suggests that switching becomes more likely when geopolitical uncertainty is translated to concrete external pressure. This dynamic aligns with Kumari and Tiwari's (2025) identification of stakeholder interest balancing as an emerging application of RDT in supply chain contexts, suggesting that geopolitical disruptions do not just expose resource dependencies but actively intensify the competing stakeholder demands that sourcing professionals must navigate simultaneously. In contrast, when geopolitical uncertainty remains weakly connected to stakeholder pressure or legitimacy concerns, firms are more likely to continue with the existing supplier relationships. This provides an essential explanation to why geopolitical disruptions may lead to different responses across firms or industries.

Thus, the findings demonstrate that geopolitical uncertainty affects sourcing decisions by transforming supplier relationships from operational arrangements into strategic choices that are sensitive to matters of legitimacy. Existing literature suggests that supplier decisions under geopolitical disruption are influenced by a tension between pressure to reduce exposure and constraints that make switching difficult (Bednarski et al. 2026; Fan et al. 2024). It also points to the importance of legitimacy concerns in explaining firm responses (Bednarski et al. 2026; Fan et al. 2024; Henisz & Zelner, 2023). The findings build on this by showing how such concerns, in addition to stakeholder pressures, are interpreted in practice. Supplier relationships must remain defensible within a wider stakeholder environment.

Moreover, the findings show that stakeholder pressure is not always uniform. Managers may face conflicting expectations from different external actors, which can restrict their ability to respond freely to geopolitical uncertainty. This was particularly visible in cases where ownership structures can limit how far local managers can act. A similar tension appeared in relation to positioning on politically sensitive issues. One respondent described how they had been asked to comment on issues such as the Trump administration and the situation in the Middle East, but had actively refrained from doing so. This illustrates how managers may be pulled between expectations to take a stance and the need to protect neutrality and broader market legitimacy. Furthermore, the finding elucidates how stakeholders can limit firms' strategic autonomy by creating competing expectations, which forces managers to balance between these expectations. This aligns with RDT which states that firms manage demands from different groups on whom they depend (Pfeffer & Salancik, 1978) In this study, geopolitical disruptions can be understood as intensifying such external dependencies by making access to suppliers and critical inputs more uncertain. Additionally, this finding highlights the argument that sourcing decisions are embedded in a wider network of dependencies.

5.2 The Ambidextrous Strategy

While the previous section presented how many findings aligned with theory and existing literature, the findings also revealed a more exploitative response to geopolitical uncertainty. In one case, the firm treated geopolitical polarization as a condition that could be actively navigated and used to its advantage. The managers deliberately positioned the firm as a neutral actor between two geopolitical blocs. This neutrality was created through sourcing decisions with the addition of humanitarian work and strong local presence, which helped the firm build legitimacy on both sides in order to preserve access across both markets.

From an RDT perspective, the legitimacy argument can partly explain this strategy, because sourcing decisions were used as deliberate signals to gain acceptance with state actors on both sides. However, managing legitimacy was not only a defensive response to external pressure. Kumari and Tiwari (2025) note that RDT scholarship is actively expanding beyond its traditional strategic management focus into supply chain applications, yet the theory continues to treat environmental uncertainty primarily as a condition to be managed and reduced. The ambidextrous strategy identified here suggests a direction that this evolution has not yet reached, one in which geopolitical fragmentation is neither avoided nor absorbed, but deliberately constructed into a source of competitive positioning, pointing toward a further development of RDT that Kumari and Tiwari's expanding framework anticipates but does not yet document.

For this firm, it was part of a broader strategy that in addition to enabling continued operations, created opportunities that more politically aligned competitors could not access. This reflects a perspective that RDT does not fully account for. The theory assumes that environmental uncertainty is something firms must manage around and a source of constraint that should be reduced or avoided. However, in this case, it is not about managing geopolitical fragmentations, it is a matter of exploiting and profiting from them. The polarization itself is a source of value which means that if these geopolitical tensions were to be resolved, the firm's neutral positioning would be worth considerably less.

The importance of this finding lies in how it complicates the assumption that geopolitical uncertainty only functions as a constraint on firms. Existing literature highlights structural ambidexterity as a response to geopolitical disruption, including parallel supply chains and supplier network reconfiguration to mitigate uncertainty (Moradlou et al. 2025). In other words, existing work treats ambidexterity as a way of managing around geopolitical fragmentation. While the findings are consistent with this, the ambidextrous strategy identified here suggests an additional dimension. Managers may deliberately construct a position of neutrality that enables continued operation across competing geopolitical blocs. In doing so, they can access markets and opportunities that more politically aligned competitors can not. This entails that managers actively leverage geopolitical uncertainty, suggesting that it can become a resource to be exploited for profitable gain. This extends existing literature by demonstrating that geopolitical uncertainty can under certain conditions enable strategic positioning and competitive advantages.

The managerial implication of this concerns the conditions under which the ambidextrous strategy is likely to be recognized and pursued. Saputro et al. (2022 pp. 5-6) identify incomplete information and internal goal ambiguity as two primary sources of uncertainty in supplier decision-making, and both are relevant here. If managers lack awareness that geopolitical disruptions can create strategic positioning opportunities, they may not recognise the full range of strategic responses available to them. This suggests that the ambidextrous strategy may be underutilized because it is not visible to decision-makers operating under incomplete information. Furthermore, even where individual managers recognise this opportunity, internal goal ambiguity and conflicting organizational interests may prevent the strategy from being pursued. Constructing a deliberate position of neutrality across politically divided markets requires organisational alignment, which internal disagreement can easily undermine. This illustrates that firms that may invest in developing strategic awareness of how geopolitical disruption can be exploited, not simply endured, and that develop internal alignment around sourcing strategy, may be better equipped to act on the strategic opportunity that geopolitical polarization creates.

6. Conclusion

Our thesis examined how sourcing professionals navigate supplier relationships under geopolitical uncertainty and what drives their responses. Based on nine semi-structured interviews with sourcing professionals across European firms, the study contributes to an emerging body of research on geopolitical disruption in supply chain management by shifting attention from broad structural reconfiguration toward the managerial reasoning behind individual supplier decisions. The findings demonstrate that sourcing managers navigate a spectrum of responses shaped by the interplay of resource dependence, legitimacy pressures, stakeholder expectations, operational constraints, and the availability of viable alternatives. Five responses were identified: staying by choice, switching under pressure, staying because of constraints, implementing proactive measures, and turning disruption into opportunity. These responses are not mutually exclusive, meaning that a firm may simultaneously stay with one supplier by choice, remain locked into another due to dependence and actively reconfigure a third. This reflects the situational and relationship-specific nature of supplier decisions under geopolitical uncertainty.

RDT provided a useful lens for interpreting these findings. Consistent with Pfeffer and Salancik (1978), the study confirms that firms are not fully autonomous actors, meaning that their sourcing decisions are constrained by dependencies on external actors, stakeholders, legitimacy concerns, and the organizational environment in which they operate. Geopolitical disruptions intensify these dynamics by making previously invisible dependencies more visible and by translating political tensions into operational and reputational pressures that managers must actively navigate.

The findings also extend existing theoretical understanding. Firstly, geopolitical disruptions were found to sometimes deepen interdependencies with trusted long-term suppliers, as sourcing professionals sought stability within familiar relationships when the broader environment became unpredictable. This provides additional insight to the prevailing view of geopolitical disruptions as primarily destabilizing and contributes to the concept of crisis-induced interdependencies (Arvidsson et al. 2026 pp. 71-73). Secondly, the study identifies an ambidextrous positioning strategy in which one firm actively exploited geopolitical polarization as a source of competitive advantage. This finding suggests that geopolitical fragmentation can itself become a strategic resource, extending aspects of RDT that its traditional form does not fully account for.

These findings reframe supplier decisions under geopolitical uncertainty as strategic choices that must remain both operationally viable and legitimately defensible within a broader stakeholder environment. Sourcing professionals must now navigate a complex web of dependencies and pressures in which each supplier relationship carries its own geopolitical risk profile.

From a managerial perspective, the study suggests that firms that develop a systematic awareness of how geopolitical disruptions create both constraints and opportunities, and that build internal alignment around sourcing strategy, will be better positioned to respond effectively. Proactive measures such as multi-sourcing and pre-screening already reflect this among the respondents studied. Nonetheless, the ambidextrous strategy illustrates that sourcing professionals who are willing to think beyond risk reduction and toward strategic positioning may capture competitive advantages that purely proactive approaches fail to achieve.

For researchers, the study highlights the value of manager-level analysis in supply chain research. Firm-level data risks obscuring the reasoning and tensions that actually drive sourcing decisions. The findings related to ambidexterity are based on a limited sample from a European context, meaning it could be beneficial to examine firms from other parts of the world. Future research could also investigate whether ambidextrous geopolitical positioning strategies appear in other industries and geopolitical contexts, and explore how internal goal alignment shapes managers' capacity to act on the strategic opportunities that geopolitical polarization creates.

To conclude, geopolitical uncertainty has become a structural feature of the global sourcing environment. Sourcing professionals are adapting, although not uniformly and not always freely. Understanding this complexity is essential for both the management of global supply chains and the development of theory capable of sufficiently capturing the realities of sourcing in a politically fragmented world.

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8. Appendix

Appendix A: Artificial Intelligence Usage Statement

The authors' use of Artificial Intelligence (AI) has been in accordance with Lund University's GenAI Guidelines meaning that AI was used solely as a tool to refine the authors' own ideas and formulations. The authors carefully chose to use the GenAI applications ChatGPT and KlangAI. The latter was specifically used for the transcription and translation of interviews. AI was used to improve language coherence and grammar, support the understanding of literature and concepts, and summarize literature to provide an overview of content. All literature and concepts that the AI was asked about were also reviewed by the authors to fact-check the information and reduce the risk of misinformation.

Links to prompts:

- https://chatgpt.com/share/6a15d9af-003c-83eb-aa76-c9ea18fc628c
- https://chatgpt.com/share/6a15e671-3774-83eb-bb5c-4350d5a05de9
- https://chatgpt.com/share/6a15e91e-9e58-83eb-b8ae-e3381d5e7a77
- https://chatgpt.com/share/6a15ef16-4d9c-83eb-be5f-30bf47fe961b
- https://chatgpt.com/share/6a15f1e4-5560-83eb-bb51-387aab1c1097
- https://chatgpt.com/share/6a17611b-7040-83eb-a4cd-bb6575ece306
- https://chatgpt.com/share/6a175779-1cbc-83eb-9422-7ed0fea7a91a

Appendix B: Authorship Statement

We confirm that each member of the group contributed equally to the design of the research, the data collection and analysis, and the drafting of the thesis as well as to the analysis or interpretation of the results. Therefore, we confirm that we share equal ownership and responsibility for the research paper. This statement has been approved by all authors.

Signatures:

Mona Kamali | Vera Ågerup Hagman | Alma Lundqvist

Appendix C: Interview Guide

Role and Process

Q1: Can you briefly describe your role and your involvement in supplier-related decisions?

Q2: Can you walk us through how a supplier selection decision typically works in your organization?

Decision Factors

Q3: What factors usually matter when choosing or evaluating a supplier?

Q4: Which of these tend to be most important?

Q5: Have these factors changed over time, and if so what drove that change?

External Influences

Q6: With everything going on in the world right now, how has that affected your supplier decisions?

Q7: Can you give an example of a situation where this influenced a specific decision?

Decisions in Practice

Q8: Can you walk us through that situation in more detail?

Q9: What were the main trade-offs involved?

Q10: Where did the decision come from?

Appendix D: Data Structure