Organizational communication strategies in response to major disruptions: the case of the worsening situation in the Russia-Ukraine conflict

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Abstract

Purpose – The purpose of this paper is to understand communication strategies formed by multinational subsidiaries in a transition economy during disruptive events. The authors develop and test a framework based on political realism and situational crisis communication theory (SCCT).

Design/methodology/approach – The authors collect and analyze communication statements from multinational subsidiaries located in Russia and made in the first two months (March–April, 2022) of the Russia–Ukraine conflict.

Findings – This study's main findings are twofold. First, this study extends SCCT by showing that multinational subsidiaries use communication strategies that go beyond the traditional categories of diminish, rebuild and bolster. In particular, this study identifies so-called "shut the door" and "burning bridges" methods as possible industrial and home country contingent communication strategies. Second, this study shows that possession of a political realism lens provides us with powerful communication strategies made requisite during disruptive events.

Practical implications – The results provide practical hands-on advice for subsidiary managers on how to communicate effectively and efficiently during disruptive events such as the one described. This study offers novel communication strategies that help to understand the wider implications for managers in both home and host countries.

Originality/value – To the best of the authors' knowledge, this is one of the first papers to apply SCCT and political realism to a current disruptive event for multinational enterprises, i.e. the ongoing Russia–Ukraine conflict. In that context, this study expands both perspectives by highlighting their complementarities and their conceptual boundaries. The authors can base those insights on two unique and purpose-built databases of multinational subsidiary characteristics in Russia-proper.

Keywords International relations, Situational crisis communication theory, Political realism lens, Multinational enterprises, Russia, Disruptive events

Paper type Research paper

Introduction

As background, on 21 February 2022, Russia officially recognized two regions in the Eastern part of the Ukraine (Donetsk People's Republic and Lugansk People's Republic) as independent states and promised them military support. This came true on February 24.

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Such overt actions met the strongest opposition from several countries, including the USA, the UK, Canada, Australia and Japan. Germany and the European Union introduced new economic sanctions against all of the largest Russian banks, numerous Russian officials and entrepreneurs.

The research question pertinent to this research is as follows: What are some of the various communication strategies used by multinational enterprises (MNEs) during such disruptive events? We take into consideration particular subsidiary characteristics such as industry affiliation, home country, as well as given response strategies. This question addresses two main gaps in the existing literature. The first is that previous studies mostly set focus upon the communication strategies of MNEs in advanced economies (Bowen *et al.*, 2018). We address that issue by providing insights from the transition economy of Russia, which allows us to assess the explanatory power of two recent frameworks [i.e. political realism from the international relations lens and situational crisis communication theory (SCCT) (Coombs, 2007)]. The second gap we address is that most communications-related literature focused on corporate scandals, such as product recalls on a case-study basis (Coombs and Laufer, 2018; Dhanesh and Sriramesh, 2018). This alone, however, does not provide the needed insights into increasingly common disruptive events external to the firm (Beamish and Hasse, 2022). Disruptive events include the most recent examples of the COVID-19 pandemic (Cameron *et al.*, 2022), natural disasters (Oh and Oetzel, 2022) but also armed conflicts between sovereign nation states counting as manmade disasters (Nielsen *et al.*, 2023; Mol *et al.*, 2023; Dai *et al.*, 2017). Accordingly, we investigated the communication announcements of multinational subsidiaries in Russia at the early stages of the Russo–Ukraine military conflict.

In this article, we present the context and content of crisis messages of multinational subsidiaries in Russia. Our article also contains both valuable and practical insights for relevant practitioners. As we extend Coombs (2015) communication strategy categories, our research offers subsidiary managers a solid decision-making tool taking the political realism lens fully into consideration when deciding on a communication strategy during disruptive events.

The article proceeds as follows. First, we outline the rationale and value of anchoring our work in ideas taken from the literature on political realism lens and SCCT. We then present our research methodology and data sources. In the last section, we present the results of the analysis and a discussion of the main findings.

Literature review

Political realism as the "new normal" in multinational enterprises subsidiary research

Global perceptions have changed in the current decade. While the world has been previously viewed in a state of continuous linear development, more managers and scholars have started to use the term volatility, uncertainty, complexity and ambiguity (VUCA) (van Tulder *et al.*, 2019, pp. 1–2), and more recently, outright disruptions to describe the state of the world affairs (Beamish and Hasse, 2022; Meyer and Li, 2022). Subsidiaries are under the spotlight as never before as they provide crucial technology, knowledge, as well as socio-cultural links between the host and home countries (Dahms *et al.*, 2022; Cuervo-Cazurra *et al.*, 2020). Therefore, they become uniquely exposed to disruptions emerging from political factors such as armed conflicts between sovereign nations (Mol *et al.*, 2023; Dai *et al.*, 2017).

International relations literature offers three different lenses of observation:

(1) realism;

(2) liberalism; and

(3) constructivism.

Realism focuses on the power of the states and sees MNEs as extensions of power from the home to the host country. Liberalism does not focus on the power of the state but emphasizes the facilitating role of supra-national institutions, such as the United Nations, WTO and MNE-subsidiaries, which are all seen as means to maintain trade and exchange between countries. The constructivist perspective emphasizes the norms of societies and how they may be principally influenced by various actors. For instance, MNE subsidiaries can have an influence on the normative development in the host countries (Meyer and Li, 2022).

In terms of the context of the present study, the realist perspective seems to be most suitable. Realism emphasizes the influential role decisions made by individual states have on MNEs and their subsidiaries. The current conflict between Russia and Ukraine is expected to become a longer-lasting disruption (Markus, 2022). It is therefore important for MNEs and their subsidiaries to prepare for the potential continuation of that kind of trajectory to develop capabilities useful in dealing with "rare" events that bring lasting disruptions (Beamish and Hasse, 2022; Ambos *et al.*, 2020).

This realism perspective also accommodates the tensions when MNE subsidiaries are being steadily pulled between conflicting home and host country demands. Hence, the political realism literature provides an explanation about the nature of such disruptive events (Meyer and Li, 2022). Thereby, it also provides an explanatory foundation upon which MNEs make their strategic decisions, including response strategies used to confront disruptive events.

Situational crisis communication theory in an uncertain world

The issue of communication always takes center-stage in times of disruptions. SCCT is a framework that provides a basis for understanding corporate strategic communications' options. The theory offers transparent behavioral assumptions and actionable strategic advice to acting managers. It is also one of the most used frameworks in the field of management communication studies (Wang *et al.*, 2021; Dhanesh and Sriramesh, 2018; Avery *et al.*, 2010; Roulet and Bothello, 2022). Grounded in attribution theory (Weiner, 1985), the basic proposition is that people will search for the causes of crisis events that are negative or unexpected, or in our case, disruptive. SCCT assumptions imply that managers will try to anticipate the perceived threat to the reputational assets of the firm. The response to a crisis is accordingly determined by how much corporations feel they are "responsible" for it (Coombs, 2007). This even goes beyond the occurrence of the initial disruptive event. Management might also take into consideration how the reputation might be perceived post-crisis (Coombs, 2004). So, even if the MNE is not responsible for the disruptive event itself, there might be anticipation that post-crisis the MNE might be held "responsible," "complicit" or at least supportive of the event (Coombs, 2015). This is an idea that was recently also linked with "moral outrage" in a given society (Coombs and Tachkova, 2023). This degree of attributed responsibility helps the management to determine a communication strategy relevant to the disruptive event.

The reputational threat is shaped by three main factors:

(1) initial crisis responsibility;

(2) crisis history; and

(3) prior relational reputation (Coombs, 2013).

Initial crisis responsibility is the extent to which stakeholders attribute the cause of the crisis involving the MNE. This responsibility can range from minimal to extreme crisis responsibility with the possibility to change the responsibility level in the eyes of some stakeholders' post-crisis experience. Crisis history serves as an intensifier as well, especially when previous crises are seen to have been unfavorably managed in the eyes of the stakeholders.

Once the reputational threat has been established, Coombs (2018) suggests three primary crisis response strategies, being denial, diminish and rebuild. *Denial* strategy is suitable predominantly for misinformation cases in which the MNE disconnects itself from the event at some point. *Diminish* strategy communicates and emphasizes that the MNE has little or no responsibility for the event's occurrence and prolongation. *Rebuild* communication strategy aims to create a positive image of the MNE, including potential compensation and apologies to the aggrieved parties. In addition, bolstering is suggested as a secondary strategy as a reminder to stakeholders of previous good behavior of the MNE will improve most situations in some way.

As we show later, the response strategies executed during the major international crisis go beyond the typology presented in Coombs (2018), and we will develop new categories of communication strategies as a main contribution made by this research.

An empirical focus of multinational enterprise subsidiary communication research and disruptions

Disruptive events have started to attract the attention of MNE researchers recently. Review papers published on relevant topics such as risk in international business (Cavusgil *et al.*, 2019) or disasters in international business (Nielsen *et al.*, 2023) bear witness to this trend. However, much of the literature has focused exclusively on expatriates during or in the aftermath of disruptive events such as wars (Feldman and Thomas, 1991), or they treat the topic peripherally within the broader context of disaster topics (Smith *et al.*, 2022). Some studies have looked at the geographic reaction of MNEs to violent conflicts such as terrorism (Dai *et al.*, 2013, 2017). From that literature, we learn that MNEs often imitate the actions of other MNEs (Liu and Li, 2020). But, those insights might be of somewhat limited generalizability as terrorism does not present the same geo-political implications as a military conflict between sovereign nations. Most publications focused on that level are largely case-based (Mol *et al.*, 2023) or even conceptual in nature (Posen, 2022). The literature that looks more specifically at corporate communications, such as those studies that incorporate SCCT, provide even fewer insights.

Corporate communications literature has likewise placed focus on terrorism threats to those firms that are exposed. For instance, Barbe and Pennington-Gray (2018) looked at how hotels in Orlando communicated to guests during several crisis events and found that hotels used bolstering to emphasize their role as shared victims to terrorist events such as mass shootings. Falkheimer (2014) investigated police communications after the Norway terror attack of 2011, and he suggested a need to develop a terrorism-specific communication strategy. The need for a more contextually specific communication framework was also more recently emphasized in a broader literature review by Liu-Lastres (2022), as well as in Coombs and Tachkova (2023). The overarching issue of detail vs generality is similar to how MNE subsidiary communications are dominated by case studies based on product recalls (Coombs and Laufer, 2018; Dhanesh and Sriramesh, 2018) or more general cultural issues addressed in communications within host countries (Bardhan and Patwardhan, 2004). This leaves the question of to what extent MNEs may use communication strategies when faced with disruptive events such as armed conflicts between sovereign nation states.

Research question situated in the literature
From the reviewed literature above, two main research objectives emerge that influence communication strategies of MNE subsidiaries to inform our research question, which was:

RQ1. What are some of the various communication strategies used by MNEs during such disruptive events?

The first step is to develop a crisis-specific communication strategy framework that adequately describes the MNE communication patterns used during a disruptive event, which takes the form of an armed conflict between sovereign states. This primary need was broadly expressed in recent literature (Liu-Lastres, 2022; Coombs and Tachkova, 2023).

The second step is to form a better understanding of the role of subsidiary characteristics in deciding what best practices strategy to adopt. There seem to be two factors noticeably particular. The first is industry affiliation. Posen (2022) suggests that firms with higher fixed costs are less likely to depart the host country during geopolitical conflicts, except if pressured through political interference. Furthermore, the amount of public pressure varies depending on industry affiliation. For example, Mol *et al.* (2023) indicated that there is comparatively low level of public pressure to exit exerted on pharmaceutical companies as they are represented performing a humanitarian role for both sides of a conflict. The second is the home country as any alliance the home country has with the conflicting parties is likely to influence the way policy and public pressure are perceived to intervene in MNE decision-making processes (Meyer and Li, 2022; Nielsen *et al.*, 2023).

Data and method

We used two inter-connected databases in this study. The first database is a hand-crafted example that includes a complete list of names, industries and the text of crisis announcements from all foreign companies operating in Russia between February and April 2022 (504 companies). The second database is composed of a list of foreign MNEs' industrial subsidiaries established recently or that have seriously expanded their production facilities (2012–2020). It is an updated version of the database of the industrial subsidiaries of foreign MNEs established recently or that have seriously expanded their production facilities (2012–2018; *see* Gurkov and Saidov, 2021) that includes 305 companies total. Some of the companies from the second database are also included in the first database if they had already made announcements about the effective changes of the character in their Russian operations.

We used content analysis to analyze all such public relations and stockholder announcements from the subsidiaries. Content analysis is one of the most frequently used techniques used in the field (Wang *et al.*, 2021; Suedfeld and Tetlock, 1977), and it is particularly suited for purposes of our research. We aim to determine the communication strategy used by the MNEs via their published announcements.

In the endeavor, we used a two-stage process of evaluating companies' announcements. The first stage identified announced changes of operational character:

- express intentions to completely halt their Russian-based operations, or to no longer extend their contacts with Russian firms;
- place voluntary restriction/prohibition on particular aspects of operations in Russia (i.e. termination of existing and abolition of further investment projects, withdrawal of particular trademarks from Russian markets, overall reduction of the assortment offered to Russian customers etc.); and
- form announcements on the temporary suspension of operations in Russia.

The second part of the analysis was devoted to commentaries made by relevant companies to justify or to explicate the announced changes to their operations. This part of the analysis was performed manually because of the huge variety of phrases and expressions used in the announcement content. Three experts independently evaluated all announcement texts and the affiliated correspondence of the texts to the six types of response strategies.

Results

Content and context of corporate announcements regarding operational changes in Russia

Between February 18, 2022 and April 27, 2022 (the date when data collection ceased), 504 companies made announcements about significant changes in their Russian-based operations. A total of 26 (5.2%) company announcements regarded the complete and immediate physical exit from the Russian market, 420 companies (83.3%) announced a variety of voluntary operational self-restrictions and 110 companies (21.8%) announced some form of (temporary) suspensions of operations in Russia.

An industry-wide distribution of companies that made announcements regarding changes of their Russian operation is presented in Table 1.

Looking deeper into the nuances of these announcements, we identified major differences between various sectors. The largest food and tobacco companies, in their announcements about the self-restriction of their Russian operations (i.e. PepsiCo, Coca-Cola, Unilever, P&G, Nestle, JTI, BAT, Philip Morris, Danone), displayed extreme care and prudence in presenting selected changes as being benign or even temporary in nature to Russian customers.

Global fast-food chains (i.e. McDonald's, Burger King, KFC) and several large do-it-yourself (DIY) chains, including German OBI and Swedish METRO, presented cessation of their operations in Russia as purely temporary. Additionally, there were several intriguing announcements made by the French food retail chains Auchan and Globus relevant to operational changes. The CEO of Auchan stressed that that the most important thing for company management was to retain employees and to continue to feed the populations of both Russia and Ukraine. Globus stated flatly that it would not leave the Russian market.

The position of the leading providers of IT solutions and hardware equipment – IBM, SAP, Oracle, HP, HPE, Xerox, Hitachi, Fujitsu, Asus, Apple, AMD – and the Taiwanese

Sector (industry)	No. of companies	% of total
Information technologies	137	27.2
Online services	108	21.4
Entertainment and games	47	9.3
Others	45	8.9
Wear and footwear	45	8.9
Beauty and wellness	36	7.1
Consumer goods	28	5.6
Transportation	20	4
Cryptocurrencies	9	1.8
Online commerce	9	1.8
Logistics	8	1.6
Tourism	6	1.2
Resources and energy	6	1.2
Total	504	100

Source: https://xn–80adjigxbghjs.xn–p1ai/ (open source)

Table 1. The industry distribution of companies that made the announcements on the changes of their operations in Russia in March–April 2022

company TSMC (the global leader producing computer processors) were less considerate of Russian customers' sensibilities. Thus, for example, German SAP in its additional announcement of March 20, 2022 said:

> We continue to support existing customers within the framework of contractual obligations to the extent that sanctions and export control restrictions allow. - We put on pause the conclusion of new contracts in Russia.

Hewlett-Packard Enterprise (HPE) announced on March 22, 2022 that "... HPE-registered users in Russia and Belarus have been deactivated until further notice. This will result in access to information and services residing inside HPE being denied." Finally, Taiwanese TMSC announced on February 27, 2022 that, "SMC has completely stopped its deliveries to Russia and its suppliers, having scrutinized the sanctions to ensure they are fully enforced."

From the IT industry sample, only Chinese Lenovo tried to directly assist its Russian customers in light of imposed sanctions, saying in its declaration:

> Dear friends, Lenovo did not block access to its software on the territory of the Russian Federation, but Amazon services are used to access files, which is the reason for the unavailability. Lenovo is aware of this problem, but at this time it is not possible to give any forecasts on the timing of its solution. At the moment, you must use a VPN to download files correctly through Vantage and the support site. As soon as I have information on the timing of fixing the problem, I will immediately inform you on the forum.

However, the biggest negative effect on Russian customers and for hundreds of foreign companies alike came after the major international credit card systems (i.e. Visa, MasterCard, American Express, JSB), as well as certain ubiquitous international payment services (PayPal) stifled the possibility for Russian customers to make online payment arrangements toward legal entities located (registered) outside Russia. Most companies in online commerce, software distributors, companies involved in cryptocurrencies, online game and entertainment offerings, tourist services (including booking.com), beauty and wellness service providers and fashion and footwear distribution relied exclusively on online payments for purchase of their goods and services. This directly affected even a few Russian and Belarusian companies that had installed their payment processing centers abroad. As a result, involuntary cessation of operations affected at least 200 companies in several sectors.

Tones and nuances of accompanying messages

While analyzing additional phrases beyond the overt text announcements of MNEs relating changes of their Russian operations, we were able to identify additional typologies outside the ones suggested in the initial SCCT model.

In general, we are able to distinguish six major themes, some of which are mostly in line with the Coombs response strategy categories of denial, diminish, rebuild and bolstering.

For instance, a statement of having an unwillingness to cause harm to customers/statement of being unable to control the situation would be part of the *diminish* segment in Coombs' terminology. Minimizing possible harm to users and employees is considered to be *rebuild*. A reminder of the good work performed by the company's Russian employees or the company's ethical stance would be an instance of *bolstering*. However, we also identify new categories that go beyond the response strategies commonly suggested in the literature: such as *burning bridges*. These announcements include responses that contain verbal abuse of consumers and attempts to cause material harm to them (e.g. abject refusal to ship already paid-for products). Such statements were made primarily by Ukrainian companies to Russian customers who had already made transactions prior to the beginning of hostilities. Other companies are more careful and use references to compliance with the implementation of sanctions and solidarity with sanctions against Russia, which indicates an intent to *shut the door*.

The frequency and categorization of the additional statements is presented in Table 2.

Hence, we identified two new categories of response strategies, which we believe to meaningfully extend Coombs (2015) response strategy frameworks for disruptive events signifying a crisis within a highly politicized context. The first new response strategy we labeled as *burning bridges*. It contains statements that include abusive language as well as express the obvious intention to cause material harm to stakeholders in Russia. We believe that this category will provide firms with little room to maneuver or to mend fences after the disruptive events cease. The second category we termed *shut the door*. In such instances, highly politicized statements became part of the communication strategy, including the direct mention of the Ukrainian crisis and especially promises to transfer funds to Ukraine. This might have a long-lasting negative impact on the company's relationship with stakeholders in Russia, but it would not be beyond future repair.

Role of industrial affiliation

In the previous sections, the general population of companies that announced changes to their modes of operations in Russia was presented. This population was in great part composed of companies with low tangibility and high transferability of assets. The present position of industrial multinationals regarding the changes of their modes of operations in Russia is now discussed. These are firms characterized by a high tangibility of inputs and outputs and considerable expenses that would be incurred if a company decides to transfer and/or to rebuild production facilities elsewhere. To assess the position of "tangible companies" toward the changes of their operational modes in Russia, we used a database of 305 industrial companies that had recently established or significantly expanded their Russian production facilities (2012–2020).

From Table 3, it is evident that industrial corporations whose Russian subsidiaries are in mid-investment cycle are, in general, decidedly reluctant to leave the Russian marketplace.

Response strategy[1]	Theme	Frequency (percent of the total studied population of companies)[2]
N/a	No additional comments	21.0
Burning bridges**	Verbal abuse of consumers and attempts to cause material harm to them (e.g. refusing to ship already paid products)[1]	18.1
Shut the door**	Reference to implementation of sanctions and solidarity with sanctions against Russia	33.7
Diminish*	Statement of not wanting to cause harm to customers/statement of being unable to control the situation	22.0
Rebuild-1*	Minimizing possible harm to users	20.4
Rebuild-2*	Minimizing possible harm to employees	19.0
Bolstering*	A reminder of good work of company's Russian employees or the company's ethical stance	7.6

Notes: [1]The sum of answers exceeds 100% as multiple answers happened sometimes; [2]*= Coombs (2015) response strategy; **new category
Source: Authors' own calculation

Table 2.
Major topic of additional messages of companies that announced the change of the modes of their operations in Russia

For instance, any suspension of factory work in transportation equipment is related to the current global crisis of insufficient inventory of auto components. A further example, the Finnish company of dairy products, Valio, announced its complete exit from Russia and has already sold its Russian factory to a local food processing firm. This sale comes with the right of the acquirer to use the most popular trademark of the seller (Viola) for the next five years. Hence, while this case indicates the complete divestiture of assets on the part of some vested entities, it is not a complete or even permanent exit from the market.

Discussion

This research is based on a political realism lens and SCCT. From the political realism point of view, the argument carried forward was that in certain kinds of disruptive events, in our case, conflicts between sovereign states such as Ukraine and Russia, MNEs might perceive themselves to be more like extensions of individual states rather than trade facilitators or institution builders. This also has an influence on how MNE managers attribute responsibility during the crisis in events of such nature. We found some novel and interesting patterns that support the notions we brought forward. However, we also found important divergences from the base argument that were instead contingent upon subsidiary characteristics such as industry affiliation.

Our findings extend ongoing discussions in several meaningful ways. In regard to Coombs (2015) communication response strategies, we identified the original strategies such as *diminish* (statements that include notions of the crisis being out of the firm's control), *rebuild* (statements that minimize harm to customers and employees) and even *bolstering* (reminder of the good work of the company in the past and their employees' livelihood). This is in itself an interesting finding as it sheds further light on debate related to the underexplored relationship between response strategies and crisis typology (Coombs, 2007; Coombs and Laufer, 2018; Mol *et al.*, 2023).

In addition, we were able to extend Coombs' response strategies with meaningful crisis-specific categories, as suggested in Liu-Lastres (2022) as well as in Coombs and Tachkova (2023).

Industry	Voluntary self-restrictions of activities in the Russian market	Suspension of work of Russian facilities	Intentions to complete exit from Russia	Total no. of companies
Chemical and pharma	0	5	1	44
Industrial machinery	0	7	0	42
Food and kindred products	3	4	1	41
Transportation equipment	1	9	0	37
Electronic and electric	0	3	0	25
Stone and glass	0	0	0	23
Fabricated metals	0	1	0	14
Lumber and wood	0	1	0	11
Paper and allied	0	7	0	16
Other sectors (industries)	1	0	1	52
Total	5	37	3	305

Source: Authors' own calculations from our own database

Table 3. Announcements made in February–April 2022 by industrial companies that established new or significantly expanded their Russian production facilities in 2012–2019

In particular, we identified two additional response strategies that we termed as *burning bridges* and *shut the door*. The underlying, attributed behavioral assumption is that MNEs might want to preempt any notions of wait-and-see/fence-sitting (attentism) relevant to the home country's socio-political stance on the specific disruptive event. However, while both response strategies may also be considered as corporate political opportunism, because of its abusive nature and the threat of intentional material harm to stakeholders, the former will make it much harder for firms to define a reset strategy after the crisis is at an end. On the flip side, while *shut the door* strategies fit into the current political stance taken by their home countries, by signaling to endorse political actions of their home countries in the form of sanctions, those companies strategize their communication by referring to post-situational in the future. Hence, while the "door" has definitely been "shut" for the time being, such a communication strategy allows for amendments once circumstances have ameliorated.

Political realism (Realpolitik) is more representative of steps taken by asset-light companies such as those in the IT sector. This is in clear alignment with their respective home country hostility stance being readily identifiable. Asset-heavy firms were conversely more moderate in their personal response strategies as well as in their announcement of immediate management actions that would take place. The relative importance of assets was brought forward by Posen (2022) and in Nielsen *et al.* (2023), but this is the first empirical study to show those effects *vis-à-vis* strategizing. It is also the first study to indicate a potential tradeoff between the geopolitical side of things and the industrial affiliation of the MNE subsidiary.

Implications

This research contributed to two main discussions. The first is the application of the political realism perspective in MNE subsidiary research (Meyer and Li, 2022), the other is the application and extension of SCCT to MNE subsidiary research in times of disruption (Coombs and Laufer, 2018). For the former, we showed that there is a strategic alignment with political realism from some subsidiaries, with home countries directly affected by the conflict and in asset-light industries. However, we also found that asset-heavy subsidiaries chose a far more cautious communication strategy, more aligned with a liberal perspective to international relations. This seems to indicate that the discussion on the future of globalization is still ongoing and industry specific, which is in line with some conceptual arguments brought forward in recent studies (Cuervo-Cazurra *et al.*, 2020; Meyer and Li, 2022; Luo, 2022). However, we have expanded those discussions by providing empirical insights from a major transitional economic situation, which as yet continues to evolve.

We also extended the SCCT framework by offering two new communication strategy categories of *burning bridges* and *shut the door*. This is particularly insightful given that few studies in the field have been conducted in emerging markets, and even fewer focus on inter-state armed conflicts. Hence, we test and expand the theory in a new context that is in line with recent calls in the literature (Mol *et al.*, 2023; Coombs and Laufer, 2018; Dai *et al.*, 2017). We indicate that a context-specific communication strategy framework may be needed apart from the too-crude template suggested in Liu-Lastres (2022) or Coombs and Tachkova (2023).

Our research also has several implications for practitioners. In particular, the combined use of SCCT and the political realism lens suggests that MNEs need to be more aware of their geopolitical roles. Managers will need to decide how they wish to see themselves on the geopolitical stage. As a political pawn (political realism), trade facilitator (liberalism) or institution builder (constructivism), their communication strategies during disruptive events are likely to have long-term consequences. Such knowledge can help firms to avoid having their multinational subsidiaries pass on consideration of the impact their statements may have on the affected parties and instead take only a short-term view of their overall reactive communication strategies.

Our findings suggest that practitioners take a step back and reflect on what extent the crisis is likely attributable to their company from various stakeholders, both at home and in the host country. For instance, while MNEs clearly have little or no direct involvement during the initial crisis stage, it might well be that consumers in their home countries may attribute complicity in the short or medium term if they do not provide a response strategy signaling a clear opposition to the multi-lateral events taking place. On the other hand, depending on the importance of the host country market, a more measured response might be advisable as *burned bridges* might be prohibitively exorbitant if and when there is a decision to rebuild. For instance, consumers and employees in Russia are unlikely to appreciate abandonment by their favorite brand or long-standing employer.

Limitations and future research

One area of future research that our manuscript could inspire is an alignment of announcement and MNEs' actions. It might well be the case that not all companies follow up to their announcements or chosen direction. This would require a more longitudinal research design. Furthermore, our study was confined to a particular timeframe when not all MNEs have made an announcement obvious. Some MNEs might have waited longer to see how the situation in the host and home country played out. Additionally, a significant share of MNEs abstained from public announcements concerning their immediate reaction to the crisis. Evenett and Pisani (2023) counted 1,404 EU and G7 companies active in Russia in April 2022. Only 35% of those companies made announcements about the changes in their behavior in the first few months of the crisis. The share of companies that established new production facilities in Russia in 2012–2019 that made radical announcements about positional changes of doing business in Russia during the first months of the crisis was even smaller (15%) (*see* Table 3). This demonstrates a strongly cautious approach toward organizational communication choices during a crisis. Abstaining from public foretelling about a change in business direction, especially in the first months of the crisis, enables responsible MNEs to be more flexible in adjusting their operations during any crisis situation.

Conclusion

This article contributed to the response strategy academic literature by combining insights from SCCT and international relations literature. MNE managers who do not see themselves as political pawns (political realism), trade facilitators (liberalism) or institution builders (constructivists) may profit from this insight. This rationale, in turn, led to the current response strategies taken by MNEs to the present disruptive events in both Ukraine and Russia. While we identified Coombs categories of *denial, diminish, rebuild* and *bolster*, we expanded that typology through the identification of *burning bridges* and *shut the door* response strategies used by the MNE, each with different implications in the short- and long-term business environment.

Based on our research insights, we urge MNE managers to consider their subjective geo-political stance while developing their own response strategies to such disruptive events. The effects all such response strategy adherence might have on stakeholders in both the home and host countries might have profound effects. Our results also suggest that aspects of home and host country ties, as well as industry affiliation, influence such decisions drastically.

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