



UNIVERSITY OF ALBERTA
ALBERTA SCHOOL OF BUSINESS



No Room for Moderation

David L. Deephouse

QUASI Session 9: Can We Adequately Assess Corporate Reputation?

Rutgers University

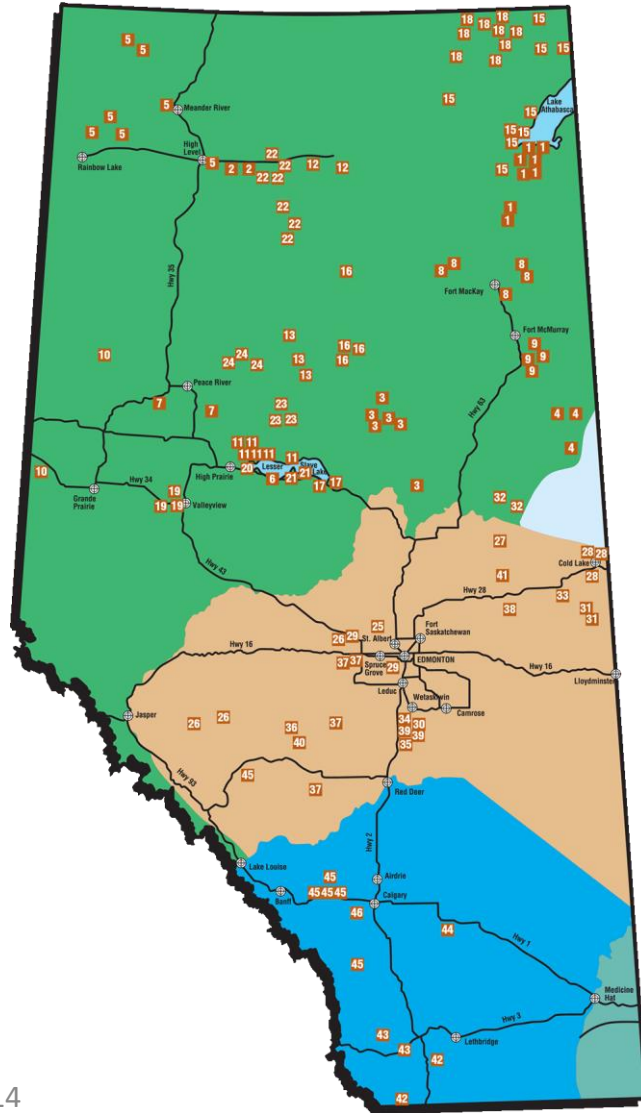
2021 May 14



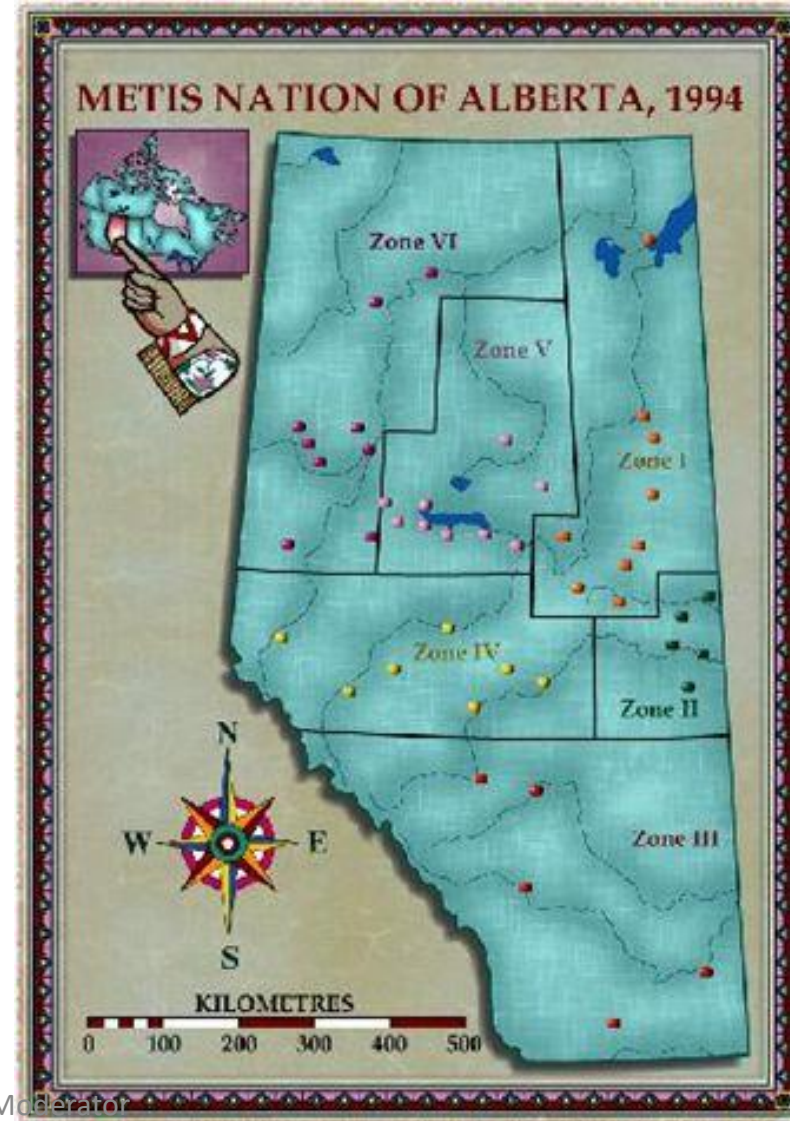
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First Nations of Treaty 6



Zone IV of



Guest on Traditional Territory of the Quw'utsun Coast Salish People in Cascadia Bioregion



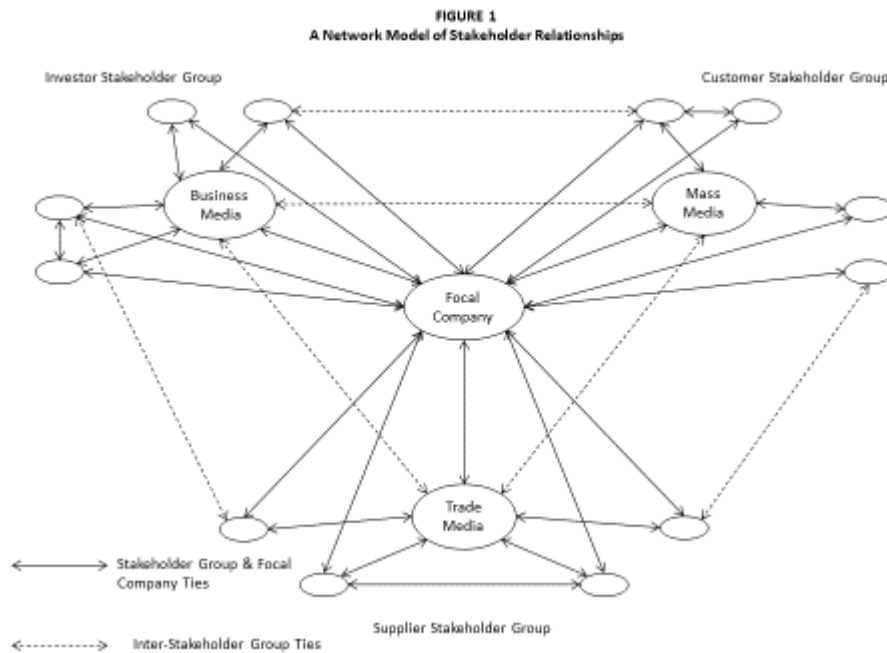
I Find Little Room to Moderate. Can You?

- Will of Bill:
 - How can we better match particular reputation measures with academic theory that takes into account the context where reputation is being assessed?
- Profundity of Jon Bunday:
 - How can we adequately assess the corporate reputations that matter for the critical outcomes of interest within a given context, according to a specified time period, and for specifically identified stakeholders?
- Guarded optimism of Naomi Gardberg:
 - Can we develop norms around the measurement of this network of socially constructed constructs?

Multiple Definitions, Jon? I Got Them!

Stakeholders have different reputations of same company (Carter & Deephouse 1999)

Overall favorable reputation increases performance (Deephouse 2000)

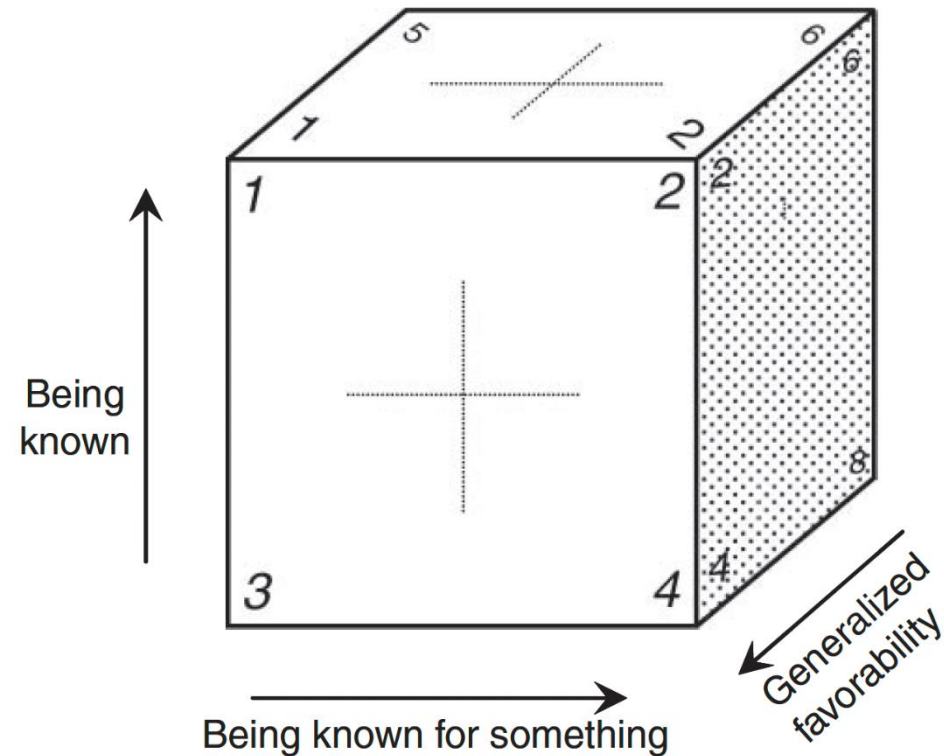


Bottom Line Impact of Improved Media Reputation

- A one standard deviation increase of the coefficient of media favorableness (0.37) increases ROA by 0.08 percentage points.
- Industry average ROA is 0.84.
- This 10% increase in ROA could be critical in competitive industries.

Elegantly Developed by Don Lange, Peggy Lee, & Ye Dai (2011, JoM)

Figure 1
Three Dimensions of Organizational Reputation



Apply to What Naomi Showed Me (2021, Minutes Ago)

- Naomi highlights two step process used by popular corporate rating agencies
 - Step 1 is Visibility ~ Being Known to enough people.
 - Step 2 is Evaluation the Favorability of What or Whats (criteria.)
 - Cf. Deephouse, Bundy, Tost, & Suchman 2017
- Shouldn't smaller corporations have reputations (Deephouse 2000)?

Apply to Profundity by Jon Bundry

- “How can we adequately assess the corporate reputations that matter for the critical outcomes of interest within a given context, according to a specified time period, and for specifically identified stakeholders?”
 - (2021-05-14 circa 1705 Zulu)
 - “for the critical outcomes of interest within a given context” → WHAT
 - “according to a specified time period” → WHEN
 - “for specifically identified stakeholders” → WHO
- “How can we adequately assess (Being Known for What), (When), (for Whom)”
 - Jon, why did you say “for...stakeholders” and not by...stakeholders?
- Subsuming When into Where in the Space-Time Continuum, we find ourselves playing...

The Who What or Where Game with Art James

After Jeopardy! at noon came:



NBC Game Show Hosts of 1970



Who Decides?

- Bill (1645 Zulu) highlights Borda et al. 2017 about differences between Popular and Expert reputation assessments
- Apply then expand selection system consisting of market selection, peer selection, and expert selection.
 - Wijnberg, N. M., & Gemser, G. (2000). Adding value to innovation: Impressionism and the transformation of the selection system in visual arts. *Organization Science*, 11(3), 323-329.
doi:<https://doi.org/10.1287/orsc.11.3.323.12499>

What was the Only Game Show to Feature a Great Social Theorist? (Hint: Only One Episode)

World Forum, 15 December 1970

**V.I. Lenin, M. Tse-Tung, E. Idle (host),
C. Guevara, K. Marx**



Karl Marx with host Eric Idle



The Components of Great Social Theory (or at least Great Management Theory)

- Who, Where, When, What, How, and Why
 - Whetten, D. A. (1989). What constitutes a theoretical contribution? *Academy of Management Review*, 14(4), 490-495.
- Consider choices for these for your next (perhaps reputation) study
 - Will it be a gap-filling study of large US corporations using commercially available data produced by a commercial operation?
 - Consider scholarly sources, like VC Reputation Measure of Lee, Pollock, and Jin.
 - <https://www.timothypollock.com/vc-reputation-index>
 - Other research problems
 - Employee behavior (e.g., Baer, Profundity, Garud, & Kim 2018)
 - Imaginative Theorizations
 - Grand Challenges
 - Local, community-driven challenges

For Answers, Return to



“Who Are You” (Townshend 1978) Who Decides What, How, Why You Do this Research?

- Who are you engaged with...
 - as an engaged scholar (Van de Ven, 2007)?
 - as a co-author?
 - as an engaging person?
- What should be central, distinctive, and enduring in your research identity?
- How do you like to work?
- Who do you relate to?
- Who do you do this work for?

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Final Comments

- “Assessing reputation” is not the same as measuring reputation of large corporations using large samples of individuals.
 - Reputation in Humanities
- Consider counterfactuals
 - “I don't give a damn 'bout my reputation” (Jett, 1980)
- Our debate is normal when constructing social theories.
 - “As the science advances, it *progressively redefines its concepts* until they accurately represent the phenomena in the world.
 - Stinchcombe, A. L. (1968: 40). *Constructing social theories*. New York: Harcourt, Brace, and World.



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Thank You
Gracias
Merci
Xie Xie Ni



Graffin, Scott. 2012.
Certifications. From
*A Pecha Kucha about
Social Evaluations.*
AoM, Boston.



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