No Room for Moderation

David L. Deephouse
QUASI Session 9: Can We Adequately Assess Corporate Reputation?
Rutgers University
2021 May 14
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 Bundity:
  • 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)
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 orWhats (criteria.)
    • Cf. Deephouse, Bundy, Tost, & Suchman 2017
• Shouldn’t smaller corporations have reputations (Deephouse 2000)?
Apply to Profundity by Jon Bundity

• “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”  \( \rightarrow \) WHAT
  • “according to a specified time period”  \( \rightarrow \) WHEN
  • “for specifically identified stakeholders”  \( \rightarrow \) 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.
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

• 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](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 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.
Thank You
Gracias
Merci
Xie Xie Ni

World’s BEST Audience