Can we adequately assess corporate reputation?

Yes! We Can(ada)!

(Duke Caboom, 2019, Toy Story 4)

William Newburry
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Rutgers QUASI Seminar Series
 Agenda

• What is corporate reputation?
• What is “adequate”? 
• Reputation in Research 
• Reputation in Practice 
• Problem of Context 
• Moving Forward
What is Corporate Reputation?

• Corporate reputation represents the evaluation of a firm by its stakeholders, who compare the firm’s behaviors to the behaviors of other firms and their instrumental and normative expectations for behavior… (Deephouse, Newbury & Soleimani, 2016)
What is “Adequate”?  

- “enough or satisfactory for a particular purpose” (dictionary.cambridge.org)  
- Adequate ≠ Perfect  
- For Researchers: Able to produce meaningful results  
- For Practitioners: Able to inform corporate actions
Different Reputation Measures are based on different audience perceptions (which implies differing purposes)

- **FORTUNE**
  - Based on Expert Evaluations

- RepTrak
  - Based on Public Evaluations
While not perfect, reputation measures have been found to have statistical properties conducive to academic research

- Gardberg (2006)
  - Cross-cultural construct and instrument equivalence
- Ponzi, Fombrun & Gardberg (2011)
  - Measure validation
- Fombrun, Ponzi & Newburry (2015)
  - Measurement of underlying reputation dimensions
- Sarstedt, Wilczynski & Melewar (2013)
  - Comparison of convergent and criterion validities across measures

Figure 2: Validating dimensionality using first-order confirmatory factor analysis

Fombrun, Ponzi & Newburry (2015)
Academic Publications on Corporate Reputation Abound

• Per ProQuest*:  
  • 1695 peer reviewed articles with corporate/firm reputation in title  
  • 7985 peer reviewed articles with corporate/firm reputation in abstract

* As of May 13, 2021
Practitioner Reputation Measure Usage is Ubiquitous – both overall and with respect to specific reputation dimensions.
Reputation Measures have captured the dimensions that practitioners highlight

Fombrun, Ponzi & Newburry (2015)
What we should be paying more attention to: The embeddedness of corporate reputation assessments in higher-level contexts

- Deephouse, Newburry & Soleimani (2016)
  - Societal culture and development levels matter to reputation assessment
- Borda et al. (2017)
  - Post-hoc analyses show that Popular and Expert reputation assessments are not always associated with the same factors
### Country RepTrak® Top 10 by Year

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What research question should be asking?

• How can we better match particular reputation measures with academic theory that takes into account the context where reputation is being assessed?
Thank you

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