The Conceptual and Social History of Legitimacy Research
iOR
One Person's Story about Studying Legitimacy and Being a Member of its Community of Scholars

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A Decolonizing Presentation

- Decolonizing, not a decolonial or decolonized presentation
- Indigenizing:
  - Acknowledge Land
  - Acknowledge research standpoint
    - e.g., Walter, M., & Andersen, C. (2013). *Indigenous statistics: A quantitative research methodology*. Walnut Creek, CA: Routledge.
  - Recognize relationships with my human and non-human relations
    - Wide relational ontology
    - Use more first names because we are more than authors with last names on citation lists
    - We are whole people with lives, emotions, ancestors, and descendants.

My Place(s) with Turtle Island

- I have driver's licences from 8 colonial jurisdictions. My current home is here in Treaty 6 territory & Metis homeland

Protestant Ancestors in 1630s flee Charles I and Louis XIII.

My Place in Social Media

Sweetgrass Bear by Stewart Steinhauer with Lucy Louise Deephouse Hathaway (1 of 3 Children)

Implications of this Standpoint

- We all inhabit this planet
  - "Our most basic common link is that we all inhabit this planet. We all breathe the same air. We all cherish our children's future. And we are all mortal."
    - John Fitzgerald Kennedy, from Patterson, OWU (Ohio Wesleyan U.) Alumni Magazine
- I support Indigenous students, colleagues, and organizations and include Indigenous perspectives in my teaching, research, and service.

Furthering Corporate Capitalism is Not My Main Research Purpose

Forming Social Relations at Workshops Like This

- 1992: AoM Doctoral consortium with Matt Kraatz

- 1993: Workshop on Organizational Ecology at Stanford
  - Mike Hannan & Glenn Carroll
  - Meet with John Meyer and Dick Scott (Dornbush & Scott, 1975)

- 1994: Tima Bansal & Joel Baum respond to "Who's interested in legitimacy?" on OMT-Listserve

- 1995: OMT Symposium at AoM: Problems and Prospects in Defining and Measuring Legitimacy
  - David Deephouse, Joe Galaskiewicz, Ralph Hybels, Dick Scott (discussant)

My Early Work and its Terminological Dissolution

- AMJ 1996 was first to measure legitimacy of individual organizations (*property*) for statistical analysis using media and regulatory reports
- The hard labour of this dissertation was collecting and analyzing media and regulatory documents
  - Legitimacy as the *perspective* of general public and regulators
    - Roy, Alex, Patrick, 2017
- I used terms public endorsement and regulatory endorsement
- While my paper was in press, out come
  - Moral legitimacy and pragmatic legitimacy (Suchman 1995)
  - Normative legitimacy and regulative legitimacy (Scott 1995)

Use Similar Approach to Measure Reputation

- 1997: First conference on Corporate Reputation organized by Charles Fombrun and Cees van Riel at New York U.

- Deephouse, D. L. (2000). Media reputation as a strategic resource: An integration of mass communication and resource-based theories. *Journal of Management, 26*(6), 1091-1112.

Building Community as Organizer of Doctoral Consortia on Reputation & Identity, et al.

- 2001: Sabine Einwiller, May-May Meijer, Davina Vora, Jelena Zikic

- 2002: Eva Boxenbaum

- 2004: Jennifer Bartlett, Sekou Bermiss, Giosia Bullo (Thesis on Gotthard Base Tunnel), *Laura Illia*

- 2005: Rumina Dhalla, Michael Pirson, May Seitanidi

- 2006: Ricardo Flores (UVic), Justin Miller

- 2009: Elena Dalpiaz, *Patrick Haack*, Yijing Wang

- 2011: Olga Hawn, Eunice Rhee, Annie Zavyalova

The Puzzle of TMT Career Histories in High Tech IPOs

- CEOs, Chief Scientific Officers, etc.

- Stanford degrees – or MIT – or EPFL ;)

- Harvard MBAs

- affiliations with prominent downstream organizations (i.e., pharmaceutical and/or healthcare companies) and with prominent horizontal organizations (i.e., biotechnology companies)
    - Higgins and Gulati 2003

- Is this really legitimacy, or is it reputation ior status?
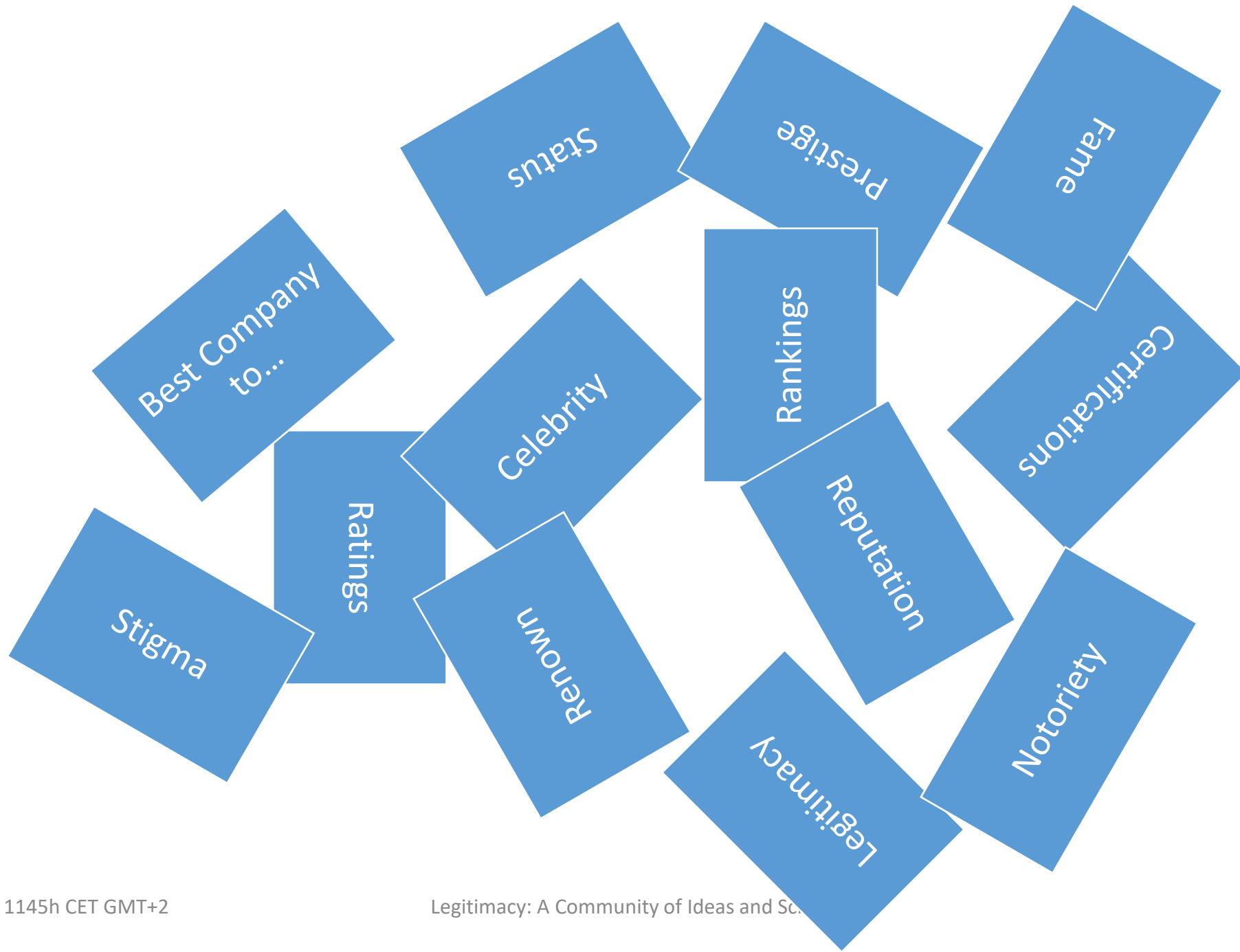
Legitimacy and Other Social Evaluations

- Suzanne Carter and I compared antecedents of legitimacy and reputation.
  - Deephouse, D. L. & Carter, S. M. 2005. An examination of differences between organizational legitimacy and organizational reputation. *Journal of Management Studies*, 42 (2): 329-360.

- Mark and I compared L, Status, and Reputation, published 2008
  - Legitimacy – Latin – *Lex, Legis*, Law
    - Conforming with legislated laws and common laws; originate in values;
  - Status – Latin – *Sto, Stare, Steti, Status* verb: Stand, gerund: Standing
    - Group wise, honourific to high status, stereotyping by status group
    - Oxford & Cambridge; all other universities (English-speaking).
    - High status, middle status, low status.
  - Reputation – Latin – *re-Putare,* think back on

Another Person Cares about This! Possibly Canadian!!

- 2006: I review *Building a Nomological Net around Organizational Legitimacy* for Administrative Sciences Ass'n of Canada
  - Comparisons with Reputation, Image, Identity, Status, Social Capital
- I'm not alone…
- Hooray for Alex's advances in 2011 AMR, 2020 AMD, and soon!!!!

Founder and Organizer of Pecha Kucha of Social Evaluations at Academy of Mgt Meeting

- Deephouse, D.L. 2012. *A Pecha Kucha on Social Evaluations*. Boston, August 4.

- Deephouse, D. L., Graffin, S.D., & Pfarrer, M.D. 2015. *Who's next? The second Pecha Kucha about social evaluations*. Vancouver, August 7.

- Deephouse, D. L., Graffin, S.D., & Pfarrer, M.D. 2018. *PK3: The return of the Pecha Kucha on social evaluations*. Chicago, August 10.

- Presenters included: Alex Bitektine, Jon Bundy, Naomi Gardberg, Patrick Haack, Majken Schultz, Dave Whetten, Annie Zavyalova

Defining Legitimacy thru 1980s: Unquestioned because consonant with laws, norms, & values

- Weber (1978): results from conformity with both general social norms and formal laws.

- Parsons (1956, 1960): congruence of an organization with social laws, norms and values

- John Meyer & Brian Rowan (1977): 'legal mandates' and 'collectively valued purposes, means, goals, etc.'

- John Meyer & Dick Scott (1983: 201): "legitimacy mainly refers to the adequacy of an organization as theory. A completely legitimate organization would be one about which no question could be raised." (i.e., unquestioned)

Suchman (1995: 574) Rules (Noun & Verb)!!

- "Legitimacy is a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions."
- So many citations to such an omnibus and elastic definition
  - "most research in the last two decades has, in some way, followed Suchman's (1995: 574) definition of legitimacy, evident by the many citations not only in management journals but in journals from other disciplines and languages. Many papers simply repeated the definition verbatim (e.g., xx), while others used elements of this definition to build their own similar definitions."
    - David, Jon, Leigh, & Mark, 2017
  - "Scholars have often relied on Suchman's (1995) rather broad definition of legitimacy without specifying what particular aspect of legitimacy they are examining."
    - Patrick, Oliver, & Lynne 2020: 751

Pondering the Nature of Legitimacy with Mark Suchman (2008)

- Conceptual evolution, dimensions, sources
- SUBJECTS with agency, not inert OBJECTS of legitimacy
- Legitimation – process of legitimizing (Maurer, 1971; Walker & Zelditch, 1993)
- Antecedents and consequences
- Comparison with reputation and status highlighting confusions and conflations
- Research legitimation at multiple levels – within organizations, among organizations, and within organizational fields (NOT INDIVIDUALS!)
- Research how sources make legitimating decisions

Pondering the Nature of Legitimacy with Jon Bundy, Leigh Tost, Mark Suchman (2017)

- What is organizational legitimacy?

- Why does legitimacy matter?

- Who confers legitimacy, and how?

- What criteria are used (for making legitimacy evaluations)?

- How does legitimacy change over time?

- *Where do we go from here?*

  - Deephouse, D. L., Bundy, J., Tost, L. P., & Suchman, M. C. (2017). Organizational legitimacy: Six key questions. In R. Greenwood, C. Oliver, T. Lawrence, & R. E. Meyer (Eds.), *The SAGE handbook of organizational institutionalism* (2nd ed., pp. 27-54). London, UK: Sage.

Here I Am, Pondering Legitimacy Again with You!
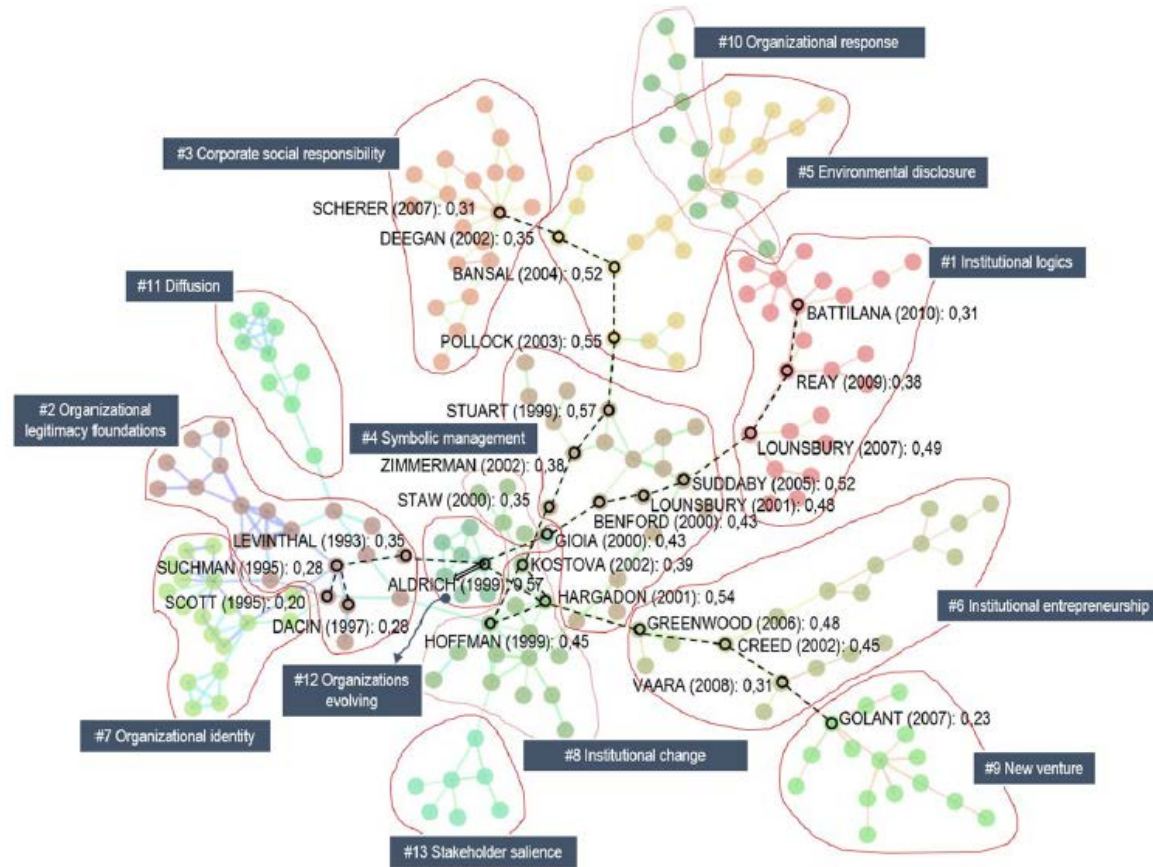
Fig. 3 Organizational legitimacy network

- Analysis of Legitimacy's Co-Citation Network by Francisco, Alicia, and Camilo (Rev Mgt Sci 2021)

Struggling Against Suchman's Rule

- Nominative/nominal equivalents: Appropriate, Acceptable, Proper
  - Alex, Leigh, Patrick
  - We may be winning…
- Delete Desirable ~ preferred ~ liked
  - This is really reputation
- Conceptual stretching of Pragmatic Legitimacy
  - This is really reputation
- Relevant social system(s), and Micro, Meso, and Macro within

Advancing Legitimacy Research (ALR): Validators

- Theoretical Dissensus: Names & Functions
  - Sources
    - Jon, Leigh, Mark, and I 2017
  - Judgment validation institutions
    - Alex and Patrick, 2015: 51
  - Rating agencies; Raters
    - Chatterji & Toffel, 2010; Chatterji, A. K., Durand, R., Levine, D. I., & Touboul, S. (2016); Kölbel, J. F., & Busch, T. (2021)
  - Infomediaries
    - Pursey and me, 2008

- Let's use "Validators." One word, function included in name.
  - George Orwell's rules for writing.

Advancing Legitimacy Research 2: How does consensus emerge in one or more validators?

- How did *Fortune* magazine decide to print Bethany McLean's article about Enron that led to its crash?
  - McLean, B. (2001, March 5). Is Enron overpriced? *Fortune*.
- How does "Science" build consensus among scientific entities?
  - IPCC on climate change
  - Coronavirus SARS-2 pandemic and solutions.
    - WHO on
    - Canadian federal and provincial governments.
- Central banks and other economic institutions
  - Derek 2019 on When the Fed Speaks…

Which Validator Matters in Schweiz/Suisse/Svizerra? Recent Dissensus

- "Switzerland's *parliament* on April 12 rejected a Credit Suisse rescue package that included 109 billion Swiss francs (US$120.87-billion) in financial guarantees in a largely symbolic vote as the *government* commitment, made using emergency law, can not be overturned."
  - The Globe and Mail. Italics mine.
- Like it or not, Swiss taxpayers, you've paid for this.
- Is there a good political cartoon out there?

ALR: Types of Validators, including Celebrities

timacy: A Community of Ideas and Scholars

Empirical Work on Individual-level Legitimacy

- Canadian oil sands industry among residents of Edmonton and Toronto
  - Finch, D., Deephouse, D. L., & Varella, P. (2015). Examining an Individual's Legitimacy Judgment Using the Value–Attitude System: The Role of Environmental and Economic Values and Source Credibility. *Journal of Business Ethics, 127*(2), 265-281. doi:10.1007/s10551-013-2031-5

- Chinese MNEs among residents of The Netherlands
  - Zhang, Deephouse, van Gorp, Ebbers, 2022 Individuals' Perceptions of the Legitimacy of Emerging Market Multinationals: Ethical Foundations and Construct Validation. *Journal of Business Ethics*, 176:801–825. https://doi.org/10.1007/s10551-020-04599-x

- Bravo Alexiou & Wiggins 2019 (7 studies) and Alex and team 2000 (4 studies).

Advance MLL: Study Individual in Network of Peers and Validators with Actor Network Theory

Investor Stakeholder Group

Customer Stakeholder Group

Stakeholder Deephouse

Business Media

Mass Media

Apple

Trade Media

Supplier Stakeholder Group
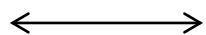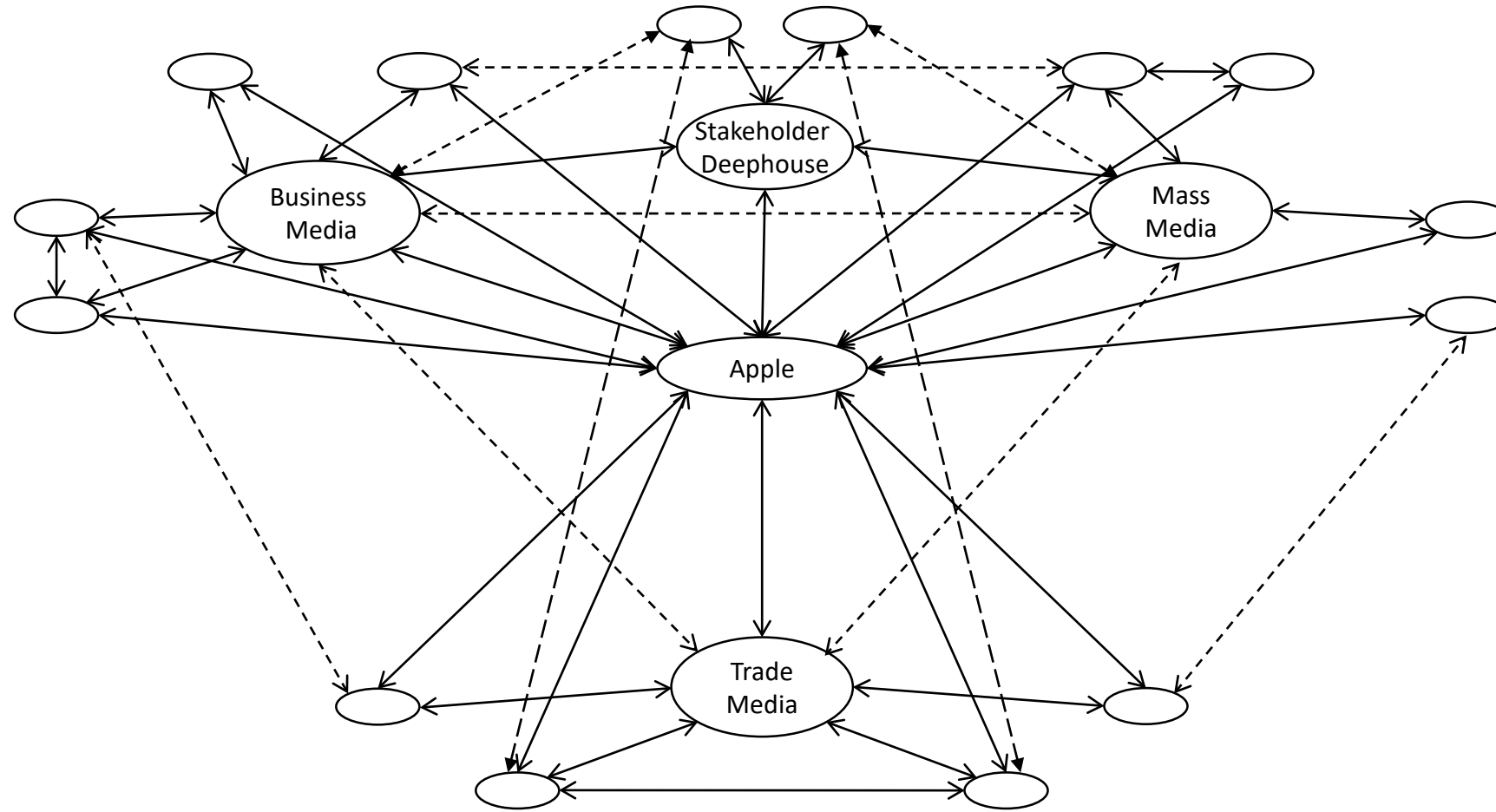
← → Stakeholder Group & Focal Company Ties

<----> Inter-Stakeholder Group Ties

Legitimacy: A Community of Ideas and Scholars

Adapted from Carter and Deephouse (1999)

ALR: Reverse the Move to Legitimacy as Pragmatic Self-Interest

Individualistic Reputation Labelled as Pragmatic Legitimacy

- Self-interested individuals

- It's good for me and people who agree with me, especially cash.

- Fine-grained IPO valuation, VC funding, relative profitability, or crowdfunding data as "more legitimate"

- Positive text

Genuine Legitimacy

- Altruistic individuals

- Proper for society

- Weber's "norms of society"

- Shared values & principles

- Hypernorms

- Endorsing text

Return to the Role of Values in Legitimacy

- Weber, Max. (1978)

- Selznick, Philip (1957). Leadership in Administration

- Matt Kraatz, Ricardo Flores, & David Chandler. (2020). The Value of Values for Institutional Analysis. *Academy of Management Annals, 14*(2), 474-512. doi:10.5465/annals.2018.0074

- Looking forward to Roy in 35 minutes!

Theoretical Companions of Multi-level View

Disciplines
- Int'l Relations
- Political Science
- Sociology

- Communication

- Social Psychology

- Psychology

Macro

Meso

Micro
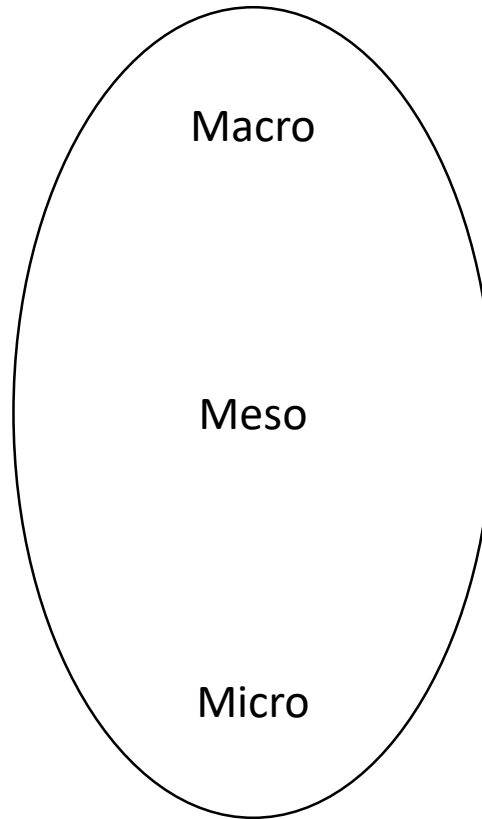
Sub-disciplines
- Regime theory
- Social Movements

- Public Relations
- Impression Management

- Persuasion
- Influence
- Marketing???

The Link to Action, especially Grand Challenges via Christine Lagarde, IMF Blog (2018)

- Mark Twain once said that "**History never repeats itself, but it does often rhyme.**" As heads of state gather in Paris this week to mark 100 years since the end of World War I, they should listen closely to the echoes of history and avoid replaying the discordant notes of the past.

- And **in 1918**, when leaders surveyed the corpse-laden poppy fields, they failed to draw the correct lessons. **They again put short-term advantage over long-term prosperity**—retreating from trade, trying to recreate the gold standard, and eschewing the mechanisms of peaceful cooperation.

- That is why I have recently been calling for **a [new multilateralism](#), one that is more inclusive, more people-centered, and more accountable.** This new multilateralism must reinvigorate the previous **spirit of cooperation** while also addressing a broader spectrum of challenges—from financial integration and fintech to the cost of **corruption** and **climate change**.

Research on Support for and Action on CC=ΔC

- [Command and control or market-based instruments? Public support for policies to address vehicular pollution in Beijing and New Delhi](#) LF Beiser-McGrath, T Bernauer, A Prakash, Environmental Politics, 1-33

- [Comparing public support for nuclear and wind energy in Washington State](#) A Uji, J Song, N Dolšak, A Prakash, PLOS One 18 (4), e0284208

- [Pursuing decarbonization along with national security: Assessing public support for the Thacker Pass lithium mine](#) A Uji, J Song, N Dolšak, A Prakash PLOS One 18 (1), e0280720.

- [Does carbon pricing spur climate innovation? A panel study, 1986–2019](#) S Lim, A Prakash, Journal of Cleaner Production 395, 136459

- [Have renewable energy leaders announced aggressive emission reduction goals? Examining variations in the stringency of country-level net-zero emission pledges](#) I Ko, N Dolšak, A Prakash, PLOS Climate 1 (11), e0000094

CC: Benefits of Tree Diversity, in *Nature* by UoA Scientist. Need Contrast to Industrial Logging

CC: Interests, Interests, Interests, e.g., Jobs
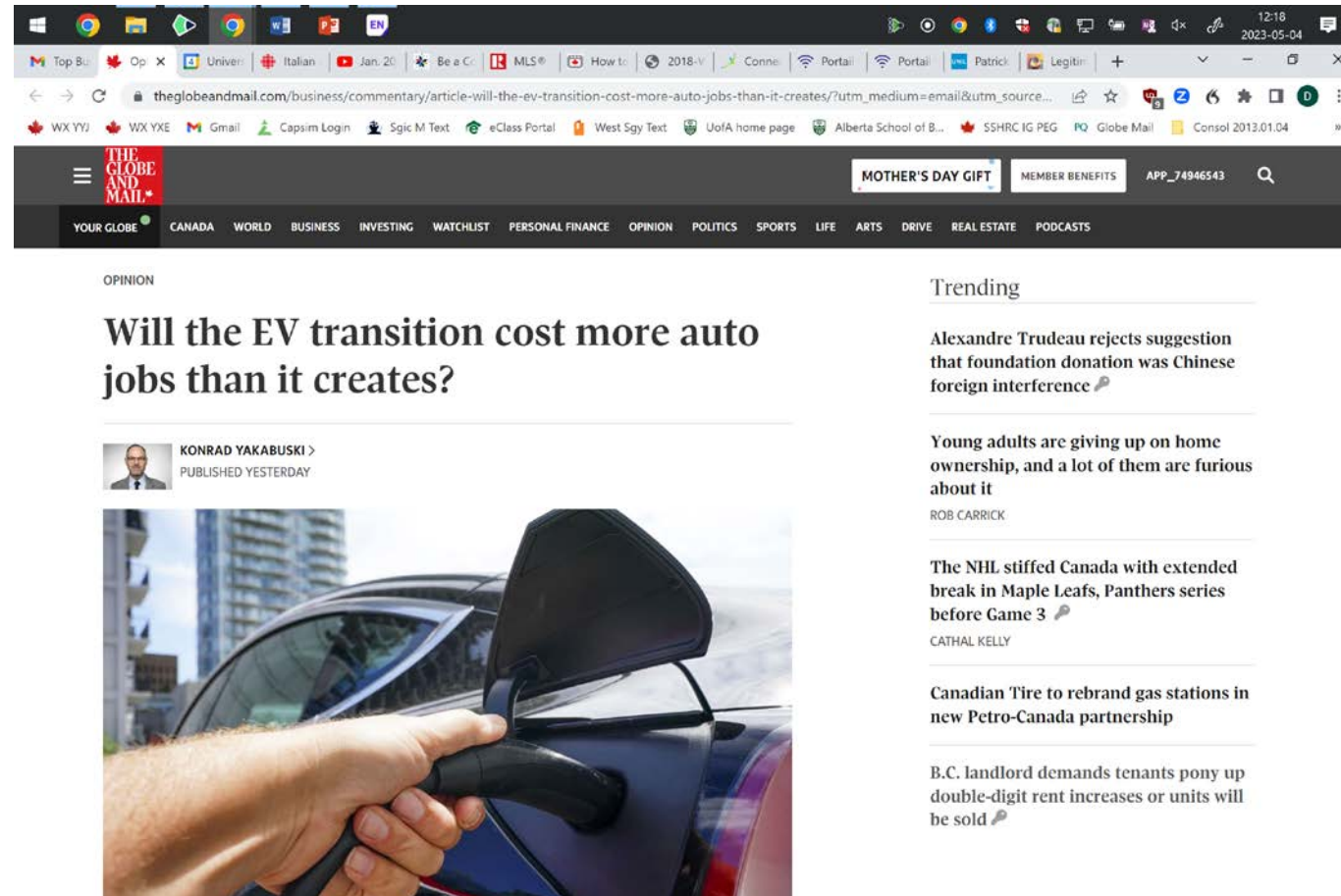
How Much More Will We Pay for Green Goods? Example of My Air Travel Here

- Distance (each way): **4,568 miles or 7,352 km**
- Round-trip emissions per passenger: **2.7 metric tons CO2 equivalent (3.1*)**
- Avoiding this trip is as climate friendly as being vegetarian for: **4.9 years**
- Avoiding this trip is as climate friendly as carpooling for: **2.6 years**
- This many people in the world emit fewer greenhouse gases in one year: **2.8 billion**
- You could travel this far in an electric train like Eurostar: **11.1 times around the world**
- These emissions melt this much Arctic sea ice: **85.7 square feet or 8 square meters**
- https://flightfree.org/flight-emissions-calculator

Summary

- You are part of an evolving community
  - Choose how active to be with us
  - Choose where and how to be active (i.e., theories and methods)
- Some history of legitimacy research
- Some ideas to improve legitimacy research, including multi-level view
- Importance of our work for addressing grand challenges
  - Hold this workshop biennially to reduce carbon emissions
  - Patrick Haack, Director, HEC Centre for Research on Grand Challenges

World's
BEST
Audience

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

Merci
Danke Schoen
Thank You
Miigwetch
"◁△ "◁△
Xie Xie Ni

Appendix: George Orwell's Six Rules of Good Writing

- 1. Never use a metaphor, simile, or other figure of speech which you are used to seeing in print.

- 2. Never use a long word when a short word will do.

- 3. If it is possible to cut a word out, always cut it out.

- 4. Never use the passive where you can use the active.

- 5. Never use a foreign phrase, a scientific word or a jargon word if you can think of an everyday English equivalent.

- 6. Break any of these rules sooner than say anything outright barbarous.

Bibliography

- I prepared an MS Word document listing the full references. Contact me if it is not available.