

**10**  
YEARS

**THE  
OXFORD  
UNIVERSITY  
CENTRE  
FOR  
CORPORATE  
REPUTATION**





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## INTRODUCTION



Since its inception a decade ago, the Centre for Corporate Reputation has made a considerable contribution to Saïd Business School and to Oxford University more widely, and has remedied the dearth of research into an area of great and growing importance. Reputation has always been a vital asset for individuals, businesses and – as I know well from my own experience – politicians and governments. The CCR has done tremendous and groundbreaking research that draws on the best traditions of Oxford University’s interdisciplinary capabilities to explain how reputation functions in a

multitude of contexts. Its work has also tapped into many different sectors and audiences – bringing together corporations and NGOs, senior business leaders and our MBA cohorts – to ensure that its research is both as relevant and informed as possible.

The centre’s rich achievements so far fully justify the faith that the University had at its establishment, and I very much look forward to following its progress and its output in the future.

**The Rt Hon the Lord Patten of Barnes, CH**  
Chancellor of The University of Oxford



I am very pleased to have the opportunity to recognise the special contribution that the Centre for Corporate Reputation has made to Saïd Business School. The centre has introduced a distinctive new dimension to the way that our MBA students and those on our executive education programmes think about the way they do business.

This work could not be more timely, as organisations of all kinds increasingly depend on positive reputations for their licence to operate, and as a result are reassessing what reputation represents in terms of risk and opportunity. The world is more interconnected than it has ever been and reputations are contested at unprecedented speed and scale. The CCR’s work

to understand these processes has been pioneering, drawing on expertise throughout the business school and Oxford University, and through its global network of academics and eminent practitioners.

We at Oxford Saïd are particularly glad to host the CCR, given our focus on solving world-scale problems. Positive assessments of organisations, whether by customers, regulators, employees or governments, are key enablers both in the successful conduct of business and in giving organisations the legitimacy and confidence to address societal challenges. Congratulations on a terrifically fruitful ten years.

**Peter Tufano**  
Peter Moores Dean, Saïd Business School

## OUR DIRECTOR WRITES

It gives me enormous pleasure to introduce this small volume on the work of our research centre over the past decade. We have come a long way. When I first conceived the idea of such a centre, the subject of reputation was much discussed but poorly understood even by those who deal with its consequences every day. Saïd Business School immediately embraced the idea of a centre devoted to the study of the subject. That speaks volumes for our school's awareness and openness to innovation. The societal, technological and corporate changes in the decade since have proved that decision to be ever-more prescient: reputation has now become a hugely salient subject among organisations of all kinds – what it is, how it is built, enhanced, destroyed and recovered.



Our agenda was expansive from the first and our work is truly interdisciplinary, ranging from network theory to finance and law, exploring the implications of political, cultural and regional influences. The topic has proved increasingly relevant to our MBAs, for whom we devised the Reputation and Leadership course, and has spawned two executive education courses: Reputation and Executive Leadership, for senior leaders on the verge of taking on board-level responsibilities; and the Corporate Affairs Academy, specifically for corporate affairs leaders. This memento of our first decade is not meant to be comprehensive, but is meant to give a sense of our work and, hopefully, to inspire you to follow our progress.

There is much still to do. We have barely scratched the surface on a number of critical reputation issues, such as the roles and responsibilities of leaders in a hyper-connected activist world, rising expectations about the role of business as government budgets struggle to cope, the increasingly vocal NGO stakeholder universe, and the questions posed by millennials and post-millennials about what organisations should stand for. There is also the huge potential offered by digitisation: we plan to work further with big data to understand how better to measure the impact of crises on reputation, and to clarify links between reputation and regulation, pricing power, sales and the supply chain.

None of this would have been possible without the support of many people and organisations. I would like to pay particular tribute to Lord Patten, Chancellor

of the University of Oxford; Colin Mayer and Peter Tufano (successive Deans of Saïd Business School); the exceptional group of practitioner Visiting Fellows who have advised on research, taught on our programmes and supported our research; our International Research Fellows, who have convened together in Oxford over the past ten years to advance many new interdisciplinary insights on reputation; the centre's Research Fellows who have contributed so much to our own research agenda; the faculty at Oxford Saïd – and in particular Professor Alan Morrison – who have engaged with us and worked with us as principal investigators; and the programme team in Executive Education, who have helped us to shape our programmes for practitioners.

The generosity and vision of our many supporters and funders has been critical to our success: especially Eni, Santander, the founders of Man GLG, Roland Berger Strategy Consultants and Intesa Sanpaolo. My senior colleagues at the CCR – in particular Rowena Olegario, Mark Hughes-Morgan and Sarah Livingstone – have worked closely with me over many years and their energy and wisdom continue to inspire us on our mission to create insights into this most valuable of corporate and social assets. It has been an extraordinary decade. We hope there will be many more to come.

**Rupert Younger**

Director,

Oxford University Centre for Corporate Reputation



## OUR AIMS

The Oxford University Centre for Corporate Reputation is an independent research centre within Saïd Business School.

Through our research we aim to understand how the reputations of organisations and individuals are created, sustained, enhanced, destroyed and rehabilitated.

We teach a course on the school's MBA curriculum, and conduct executive education programmes as well as hosting conferences, seminars and workshops.

We are fortunate to have the support of an outstanding group of International Research Fellows from academic institutions around the world, as well as many distinguished Visiting Fellows from business, the media and other organisations who contribute to our research and teaching programmes.

For more information, please see our website: [www.sbs.oxford.edu/reputation](http://www.sbs.oxford.edu/reputation).

## OUR THINKING

Organisations and individuals do not own or control their reputations. Their reputations are owned by others, but are influenced by the individual's or organisational reputation engagement strategies.

Reputations can be broken down into two types: capability and character. Different consequences flow from each type of reputation.

Organisations and individuals do not have a single reputation. Rather, they have multiple reputations: for something, with someone.

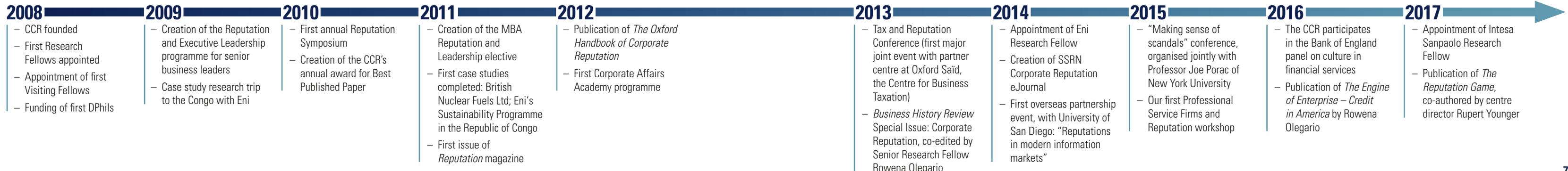
Entities signal their intentions through their behaviours. For behavioural signals to be effective, they must be perceived as authentic: that is, they must align with the entity's core identity and its chosen narratives.

Reputations are formed, sustained and rebuilt within networks of stakeholders. The reputation of an entity depends on its position within these networks, which can be open or closed. Reputation intermediaries can also affect the kind of information that travels through networks.

Behavioural signals can be enhanced through communication. Effective communication involves narratives, or the stories that entities tell about themselves. These stories must be framed in a way that captures something authentic about the organisation or individual, and they must be anchored in the larger context (industry, country, region) in which the entity operates.



## CENTRE TIMELINE



## OUR FORMER RESEARCH FELLOWS WRITE

“ Joining the centre straight from my DPhil in Politics, I was primarily interested in the regulatory power of reputation in the area of corruption and bribery. What did companies think about the new UK Bribery Act, for example? How did companies operating in corruption-prone contexts manage the legal and reputational risks? The centre provided me with critical exposure to experienced Visiting Fellow practitioners as well as to a community of scholars engaged in establishing ‘reputation’ as a field in its own right.

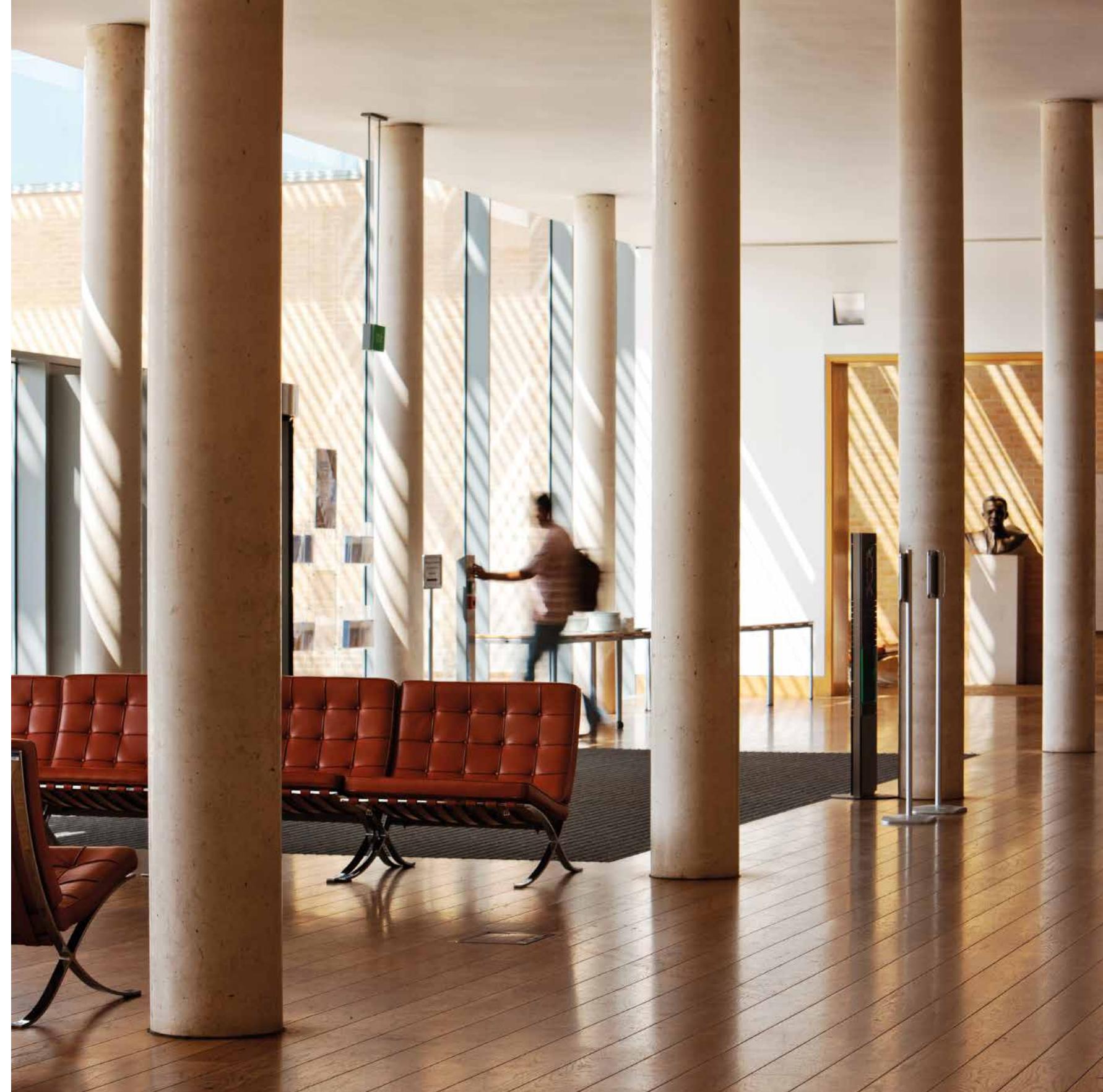
**Elizabeth David-Barrett**, Senior Lecturer in Politics, University of Sussex

“ The centre provides a unique, interdisciplinary space for academics to come together to study issues of identity and reputation. I am particularly grateful for the community of Research Fellows who gave me an intellectual support system for my research. Many of these relationships have continued since I have left, both as friendships and collaborations.

**Daphne Demetry**, Assistant Professor of Strategy and Organization,  
Desautels Faculty of Management, McGill University

“ The supportive and stimulating environment of the centre was a great help in the development of my research into exploring how organisations tackle social evaluation challenges. I learned much from the unique mix of Research Fellows, Oxford faculty, a who’s who of reputation scholars, and leading practitioners. Congratulations for this anniversary and here’s to many more!

**Christian Hampel**, Assistant Professor of Entrepreneurship and Strategy,  
Imperial College Business School, London





## ENGAGEMENT

Since our inception, the centre has sought to work with a wide variety of organisations, and across many disciplines, to encourage research and discussion on as broad a front as possible. Our teaching programmes lie at the heart of this. We work with students, practitioners and organisations to help them understand the multi-faceted nature of reputation. We also bring academics together to consider how other disciplines might inform their own work.

The events and conferences that we organise make a vital contribution to this effort. Our annual Reputation Symposium, which takes place over three days in August and September, is the most important single event of our year, but we also host and collaborate on numerous conferences both at Saïd Business School and elsewhere. Through these events we hone our research agenda, and they have fostered numerous new research partnerships. In addition, by encouraging the next generation of young scholars – through initiatives such as our professional development workshops (PDWs) – we have helped ensure that the pool of scholarship is continually fed with new talent, and have ensured an energised future for reputation research.

## TRUST PROJECT

In 2014 we teamed up with leading law firm DLA Piper and polling firm Populus to explore and analyse the causes behind the trust deficit in the UK between business, media and government. This multi-year project, prompted by prior work following the problematic aftermath of the financial crisis, involved in-depth survey work and analysis by two of our Research Fellows, Elizabeth David-Barrett (pictured, right) and Daphne Demetry. The result was a report, *Rebuilding Trust in Business*, that both set out a framework for understanding the mechanisms behind trust, and analysed the particular issues and challenges raised by the surveys conducted by Populus. The report was circulated widely and prompted media commentary by, among others, the *Financial Times*. It can be found on our website under “Research/Other publications”.



## IATA ANNUAL GENERAL MEETING 2014

The International Air Transport Association invited our Senior Research Fellow Rowena Olegario (pictured, right) to its Annual General Meeting in Doha in 2014 to join a panel exploring why, despite the extraordinary achievements of the industry, its reputation was – by its own estimation – poor. The CEOs of leading international airlines wrestled with the disparity between performance and perception; the need to develop world-class customer service in the face of intense economic and competitive pressures; and the challenge of identifying the key levers of different reputations, and addressing efforts to improve them to the relevant stakeholders. A digest of the event was published in *Reputation* magazine, Trinity 2014 (see our website, under “About”).



## TAX AND REPUTATION CONFERENCE

In 2012 the centre broached the idea of an event examining the reputational implications of tax avoidance mechanisms, with Oxford Saïd’s Centre for Business Taxation. By 2013, the issue of corporate tax avoidance was a national and global phenomenon and a hall at King’s College London was required to accommodate the hundreds of tax professionals and

media who wished to attend. The panels of politicians, practitioners and academics included Margaret Hodge, Chair of the House of Commons Public Accounts Committee; David Gauke, Exchequer Secretary to the Treasury; Sir Roger Carr, President of the CBI; John Gapper, Associate Editor, the *Financial Times*; and Bill Dodwell, Head of Tax Policy, Deloitte LLP.





Will Rose/Greenpeace

“ The centre has contributed a huge amount to our understanding of reputation, its dynamics and impact. It’s a critical subject and we need to do more research to deepen our understanding and knowledge of the range of factors that affect it.

**Baroness Amos**  
Director of SOAS,  
University of London

## REPUTATION AND NGOs

Our workshop on Reputation and NGOs in July 2014 brought practitioners and academics together in a groundbreaking project. For practitioner delegates – Greenpeace, Amnesty, INTRAC, Transparency International, Oxfam – there were numerous new perspectives to digest on everything from corporate relationships to governance. For academics, there was a chance to showcase embryonic and developed research and to take suggestions on future directions.

### Sessions included:

- How do non-profits build reputations and signal trust?
- How do NGO-corporation collaborations affect reputations?
- What are the challenges in generating trust for NGO brands?
- How do organisations build robust reputations?

## MAKING SENSE OF SCANDALS

This mini-conference, “Making sense of scandals – purpose, puzzles and probabilities in organisational wrongdoing”, was built around a number of past and ongoing research projects, including analysis of the 2009 MP expenses scandal, and the prosecution and imprisonment of former Tyco CEO Dennis Kozlowski, who attended the event with Catherine S. Neal, author of *Taking Down the Lion*, an analysis of his prosecution and the circumstances surrounding it.

### Sessions included:

- An insider’s view of the Tyco corporate scandal
- The social construction of organisational wrongdoing
- When do scandals occur?
- Rumours, lies, transgressions and silence
- Scandal dynamics and the media

## REPUTATION IN MODERN INFORMATION MARKETS

The two-day conference “How Reputations Are Won and Lost in Modern Information Markets” was co-sponsored by our centre and the University of San Diego Center for Corporate and Securities Law, and hosted in San Diego in January 2014. More than a dozen prominent experts from academe, business and the media contributed to a series of discussions organised around

three topics: Technology, Stakeholder Proliferation and Polarisation. Attendees included Biz Stone, co-founder of Twitter (pictured speaking, below), Sinan Aral, Professor of Management at MIT Sloan School of Management, and Pulitzer Prize-winning journalist Jesse Eisinger. A white paper from the event is available to download from our website (see under “Research”).



“ The democratisation of information has created a more powerful consumer who can decide what brand or services they want to choose, based on the information about the the people behind the brand. The smarter, moneyed consumers are not just looking for a product, they are looking for meaning behind the product that they are buying.

**Biz Stone**  
Co-founder of Twitter

## PRIVATE ORDERINGS

The extra-legal mechanisms that underpin understandings between businesses are of particular interest to a number of researchers connected to the centre. We have hosted two related mini-conferences so far on this theme: Private Orderings and Theory of the Firm. The second explored further the ramifications of these extra-legal structures for the choices that organisations make in relation to contracting and outsourcing. A discussion between attendees of the latter conference – including 2016 Nobel Economics laureate Oliver Hart (pictured, second from right) – was published in *Reputation* magazine, Trinity 2017, and a number of joint projects are being pursued.





## REPUTATION SYMPOSIUM

Our annual Reputation Symposium is the most important event on our calendar. Since 2010 we have invited academics from around the world, and some senior practitioners, to discuss a host of topics over three intensive days in August and September. These events have grown from strength to strength over the years and now cover an extraordinary breadth of subject matter across multiple disciplines, informing our work throughout the year, nurturing research partnerships, and giving young scholars a chance to discuss and refine their work with some of the leading lights in their field. The complete programmes for all the symposia can be found on our website under “Events”.

“Happy tenth birthday to the centre. I am honoured to have played a founding part in establishing this critically important research centre, and I would like to pay tribute to Rupert Younger for his foresight, energy and commitment. The insights from scholars at the centre have growing resonance and impact for understanding this most valuable of business assets.

**Stefano Lucchini**  
 Chief Institutional Affairs and  
 External Communication Officer,  
 Intesa Sanpaolo



**2010 presentations included:**

- On being bad: why stigma is not the same as a bad reputation
- Show me the money? Perceptions, rankings and other ingredients that make reputation an intangible asset
- Executive reputation: reviewing and developing a nascent construct
- A labour of love? Understanding reputation formation within the labour market

**2011 presentations included:**

- A multidimensional perspective on organisational reputation
- Reputation in the western world: stories about the blood and soil of business
- A decade or so of credit rating agency research
- Building reputation through positive organisational practices
- A theorist's view of organisational reputation scholarship



**2012 presentations included:**

- Delivering financial, reputational and engagement value: the role of emerging marketing capabilities
- Peer effects in tournaments for reputation: evidence from US colleges and universities
- Transparency as a tool for reputation-building? Evidence from the Extractive Industries Transparency Initiative
- The influence of corporate demographic characteristics on visibility and favourability of news



**2013 presentations included:**

- Very bad things or business as usual? Stakeholder attributions and reputational penalties in light of corporate irresponsibility
- Managing reputation with litigation: why legal sanctions can work better than market sanctions
- Cases and experiments: strategic communication contributions to crisis-related reputation repair
- The impact of firm reputation and CEO incentives on acquisition activity



**2014 presentations included:**

- Measuring organisational identity: taking stock and looking forward
- It's complicated: the implications of government transparency for reputation, accountability and governance
- Actors and strategies of the bureaucratic reputation game
- Surviving a brand harm crisis in a social media world

**2015 presentations included:**

- The cosmetics of leadership: understanding the fading effects of CEO assertiveness and charisma on market performance
- Organisational history and reputation: a perspective from the field
- Market Basket: anatomy of a multi-stakeholder protest
- Media capture: how interorganisational ties shape media coverage



2015 Opening panel on social media influencers

“The centre has done a number of important things for reputation research. As well as providing welcome funding for projects, it has become a forum for researchers to meet and discuss their work and a home for some very promising young scholars.

**Tim Morris**

Professor of Management Studies,  
Saïd Business School



**2016 presentations included:**

- Hostile resistance to hedge fund activism
- Investing in security price informativeness: the role of IPO underpricing
- Corporate reputation and social expectations in the very long term: the case of the East India Company
- Globalising forms of elite sociability: varieties of cosmopolitanism in Paris social clubs

**2017 presentations included:**

- Controversial governance practices on managerial reputation
- Signal accumulation in the social construction of nonprofit reputation: the moderating effect of mission valence on trust breach and forgiveness
- The mechanisms of extra-legal enforcement
- Engaging the echo chamber: examining the antecedents of firm voice in media coverage



Said Business School



## TEACHING PROGRAMMES

Our teaching programmes have evolved in tandem with our research. We are constantly adjusting our themes and direction as our understanding of this relatively new and constantly changing field develops, and we adapt to meet the objectives and priorities of our students. The courses we run range from our Reputation and Leadership elective for the MBA to the programmes that we have devised for executive education at Oxford Saïd. The latter comprise both our regular “open” programmes and custom programmes that we have now run for some years for firms including Royal Mail and Rolls-Royce. At the heart of all these courses is the awareness of reputation as an asset, and the implications that spring from that.

“ I decided to do an MBA at Oxford in large part because of its global reputation. Reputational signals are everywhere. The chance to understand from Rupert Younger and his team how reputations are made, lost, interpreted and misinterpreted, was invaluable.

**Jack Wearne**  
MBA student 2017/18



## MBA ELECTIVE REPUTATION AND LEADERSHIP

Our Reputation and Leadership elective was launched in 2009 and has developed since then into a popular component of the Oxford Saïd MBA. In the course of the Trinity (summer) term, we introduce students to the “core concepts” of reputation and explore how these manifest themselves in business governance, strategy, talent management, ethics and culture, networks and communications – including working through crisis scenarios. Much of the course is taught through case studies, and our Visiting Fellows – leading practitioners in business and other organisations – generously contribute their time to the programme.

“The elective provided a fantastic platform through which to explore the dynamics that underpin reputation. The quality of teaching, along with the practical insights from the guest lecturers, collectively allowed for a rich learning experience and, as someone with a technical background, exposed me to the more intangible dimensions of business thinking.

**Zafeer Nagdee**  
MBA student 2017/18



## CORPORATE AFFAIRS ACADEMY

The Corporate Affairs Academy (CAA) is a programme for senior corporate affairs leaders, which introduces participants to the latest research and thinking on reputation, and relates it to their own experience. It also seeks to redefine expectations for corporate affairs, a function that has such a vital role to play in moving reputation concerns from a reactive, damage-containing communications context to a proactive strategic, value-adding one.

In addition to two sessions at Oxford Saïd (in April and October), participants host half-day break-out sessions structured around themes that they have identified as being of particular interest. We have produced reports on the last four CAA programmes that capture these discussions. These are available in the Executive Education area of the Oxford Saïd website.



“It was my great privilege to attend the CAA and REL. Reputation is at the core of every decision made today by progressive and thoughtful organisations. The centre’s ground-breaking research and engagement with the wider world have advanced our understanding immeasurably. This is important work.”

**Pierre Goad**  
Group Head of Communications, HSBC

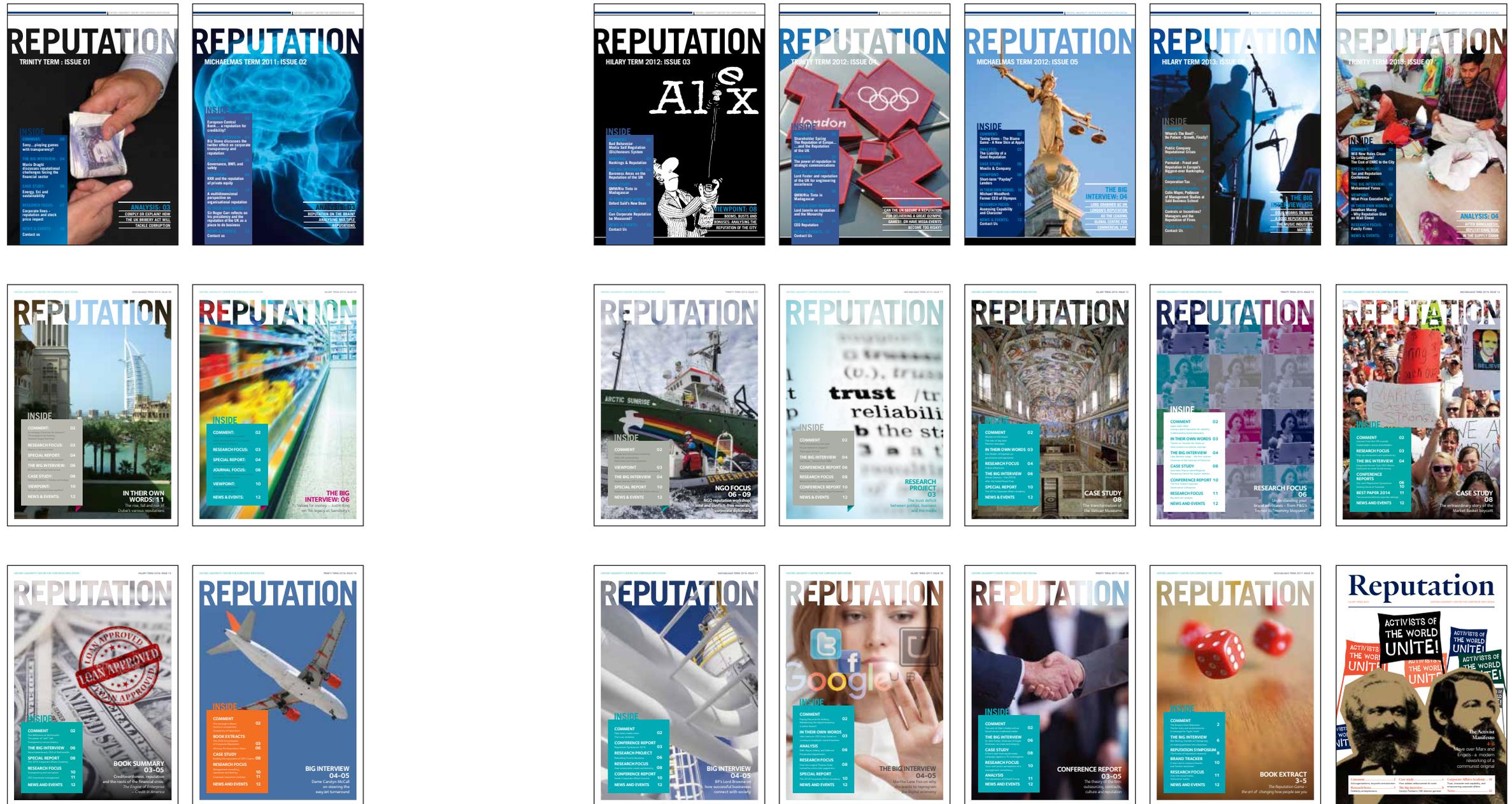
## REPUTATION AND EXECUTIVE LEADERSHIP

Reputation and Executive Leadership (REL) has been devised for senior business leaders and is structured over two-and-a-half days, with teaching from Rupert Younger and contributions from practitioners at CEO and chairman level. It is structured around the three topics of behaviours, networks and narratives:

- How actions send out signals about the individual and the organisation
- How you influence others’ behaviours throughout the company to sustain or protect reputation
- What types of network surround you, and what are the dynamics of these networks?

# REPUTATION MAGAZINE

Our termly publication is an ideal medium to introduce people to our work and thinking. It now has a subscriber base of some 1,500 practitioners and academics, in hard copy and via email, and it bridges the interests of both factions, including summaries of our research and publications, commentary on current reputation crises, interviews with leaders of businesses and other organisations, and reports of the events that we host.



“Within ten years, the centre has established itself as the major international centre for corporate reputation research, putting the subject firmly on the map of academia and business. It has created links with leading academics around the world, it has a dazzling array of corporate participants, and it organises a high-profile set of events that bring the two groups together. This is a remarkable achievement in such a short space of time.

**Colin Mayer**  
Peter Moores Professor of Management Studies,  
Saïd Business School



## OUR INTERNATIONAL RESEARCH FELLOWS WRITE

“ When I first came to the centre, I had no idea that it would prove a turning point in my career. Reputation had always been the focus of my work, but mostly in ‘odd markets’: small socially and ethnically homogeneous groups. Finding like-minded scholars gave me the idea to apply my methodology to large commercial contracts and – with Alan Morrison, Professor of Law and Finance at Oxford Saïd – to organise a symposium on private orderings and a mini-conference on theories of the firm. Coming to the centre is now a routine part of my work year, but still a highlight.

**Lisa Bernstein**, Wilson-Dickinson Professor of Law, Chicago Law School

“ The centre has created and sustained an international community of scholars who care about images, identities and reputations. It has connected marketers and historians, brought together psychologists and economists, and mingled theorists and practitioners in ways that have expanded our understanding of these most difficult-to-grasp concepts. To be part of this dynamic and vibrant community has been a privilege.

**Kimberly Elsbach**, Professor of Management, University of California, Davis

“ The centre has provided the world’s most important focal point and meeting place at which reputation scholars from many fields can interact. My own research has been directly stimulated, including an award-winning journal article on “brand buzz”, and the Maryland-Oxford Brand Reputation Tracker, which will be a resource for reputation researchers for years to come.

**Roland Rust**, Distinguished University Professor,  
Robert H. Smith School of Business, University of Maryland

“ By bringing together scholars from different disciplines, the Centre has created a unique venue for theoretical integration in the study of reputation. It is an ideal model for how to break down intellectual silos in our goal of generating knowledge. Personally, I have a deep sense of gratitude for the integral role it has played in my scholarly development.

**Brayden King**, Professor of Management and Organizations,  
Kellogg School of Management, Northwestern University

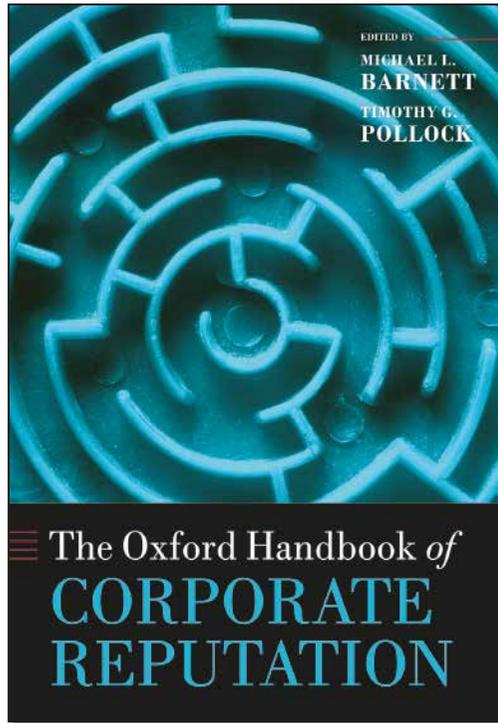


## INSIGHTS

Research is at the heart of everything we do at the Centre, both through our own Research Fellows and in tandem with faculty at Oxford Saïd and our network of International Research Fellows. Through our research projects we constantly try to extend the number of ways in which people think about reputation, from experiments in a laboratory setting, big data media analysis, in-depth interview-based projects, or our case studies. Our research informs our teaching programmes and underpins our engagement with practitioners. What follows is a selection of our work. For a more comprehensive view, please see our website under “Research”.

“Ten years ago we saw the potential for the centre to become a leading research hub on a hugely important topic for global business, and we are delighted to have been a part of this success. We look forward to being part of your next decade.”

**Claudio Descalzi**  
CEO, Eni



Book

## THE OXFORD HANDBOOK OF CORPORATE REPUTATION

In 2010, the centre's first Reputation Symposium identified key themes for a book that would create a framework for future research. The result was *The Handbook of Corporate Reputation*, edited by our International Research Fellows (IRFs) Michael Barnett and Timothy Pollock, with chapters written by faculty, IRFs and leading scholars and practitioners in various disciplines and sectors. Most importantly, it sought to identify what is meant by corporate reputation in different contexts, to resolve confusion over definitions of key terminology, to provide a framework for future scholarship and foster broader understanding of the reputation research landscape.

### Chapters include:

- Charting the landscape of corporate reputation research
- A labour of Love? Understanding the influence of corporate reputation in the labour market
- The building blocks of corporate reputation: definitions, antecedents, consequences
- Keeping score: the challenges of measuring corporate reputation
- Does reputation work to discipline corporate misconduct?
- How reputation regulates regulators: illustrations from the regulation of retail finance

“What does it mean to have a ‘good’ or ‘bad’ reputation? How does it create or destroy value, or shape chances to pursue particular opportunities? Where do reputations come from? How do we measure them?”

Research Paper

## ON VENTURE CAPITAL FIRMS GOING PUBLIC

Does the investment that firms make in socially responsible activities incur a cost, or does it lead to improved financial performance? This research investigates the much debated relationship between corporate social performance and corporate financial performance, and identifies when the investment that

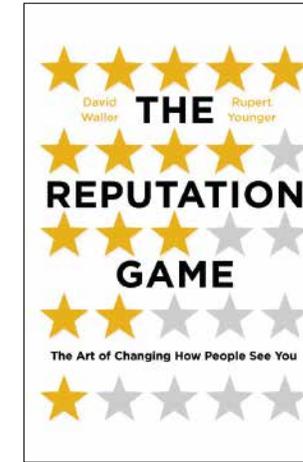
firms make in socially responsible activities can pay off financially – depending on how well firms are able to capitalise on their efforts.

“The contingent value of venture capitalist reputation for entrepreneurial firms”, Peggy M. Lee, Timothy G. Pollock\*\*\*, Kyuho Jin, *Strategic Organization*, February 2011.

\*Oxford Said Faculty; \*\*Former Research Fellows; \*\*\*International Research Fellows

Book

## THE ART OF CHANGING HOW PEOPLE SEE YOU



The book *The Reputation Game*, co-authored by our director Rupert Younger, is both a distillation of some of the key ways of thinking about reputation that the centre has developed, and a collection of case studies. These illustrate how reputation stems from interactions between behaviours, networks and narratives. The book's central argument is that reputation is more valuable than money. It seeks to define reputation, arguing that it is different from marketing, PR, branding, status or image. It shows how personal, corporate, institutional and national reputations matter in visceral terms, and explains the key elements of reputation engagement.

“We all have multiple reputations. Our actions are formulated as a story and travel through networks. We cannot necessarily control our reputation – after all, reputation is what other people are saying about us – but we can learn how to use these three elements to our advantage.”

Journal roundtable

## GREY AREAS

The essay collection “Grey areas: irresponsible corporations and reputational dynamics” grew out of a discussion at our 2013 Reputation Symposium. Starting from the premise that organisations may engage in controversial activities while adopting practices aimed at social responsibility, the authors explore areas such as: the processes of attribution; negative outcomes stemming from positive reputations; and when reputation concerns fail to limit opportunistic behaviour (as illustrated by the case of the Pinto memo).

“Grey areas: irresponsible corporations and reputational dynamics”, Gregory Jackson\*\*\* and Stephen Brammer\*\*\* (eds), *Socio-Economic Review*, January 2014.

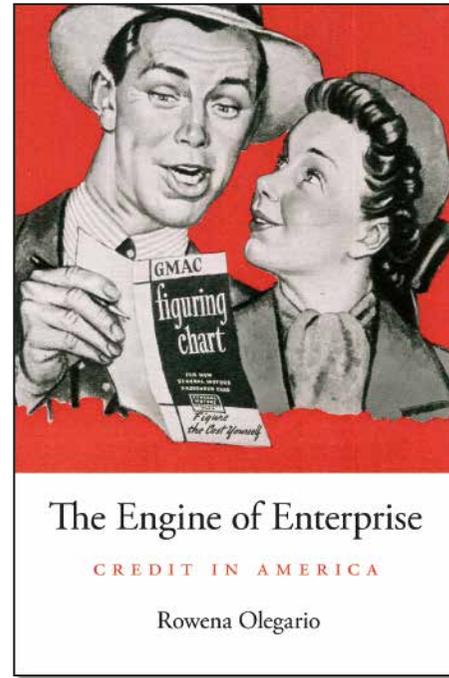


Book

## THE ORIGINS OF CREDIT RATING

Our Senior Research Fellow Rowena Olegario's book, *The Engine of Enterprise – Credit in America*, traces the story of credit from colonial times to the present, highlighting its productive role in building national prosperity. She probes enduring questions that have divided Americans: who should have access to credit? How should creditors assess borrowers' creditworthiness? How can people accommodate to, rather than just eliminate, the risks of a credit-dependant economy?

The book goes beyond these timeless debates to explain how the institutions and legal frameworks of borrowing and lending evolved and how attitudes about credit both reflected and drove those changes. Properly managed, credit promised to be a powerful tool. Mismanaged, it augured disaster. *The Engine of Enterprise* demonstrates how this tension led to the creation of bankruptcy laws, credit-reporting agencies and insurance regimes to harness the power of credit while minimising its destabilising effects.



Special Issue

## CORPORATE REPUTATION IN HISTORICAL PERSPECTIVE

The *Business History Review* Special Issue, Winter 2013, "Corporate reputation in historical perspective", was edited by our Senior Research Fellow Rowena Olegario with Christopher McKenna, University Reader in Business History at Brasenose College. They write: "Historians have not participated in the theorising of corporate reputation. Yet the peculiar skills of historians are much needed; for if the study of corporate reputation has underemphasised the role of institutional phenomena such as rules, norms, processes, and structures, it has all but ignored historical context and historical processes."



Research Paper

## DOES IT PAY TO BE REALLY GOOD?

Does the investment that firms make in socially responsible activities incur a cost, or does it lead to improved financial performance? This research investigates the much-debated relationship between corporate social performance (CSP) and corporate financial performance (CFP) and identifies when the investment that

firms make in socially responsible activities can pay off financially. The relationship between CSP and CFP "depends on the firm's stock of stakeholder influence capacity (SIC)".

"Does it pay to be really good? Addressing the shape of the relationship between social and financial performance", Michael L. Barnett\*\*, Robert M. Salomon, *Strategic Management Journal*, April 2012.

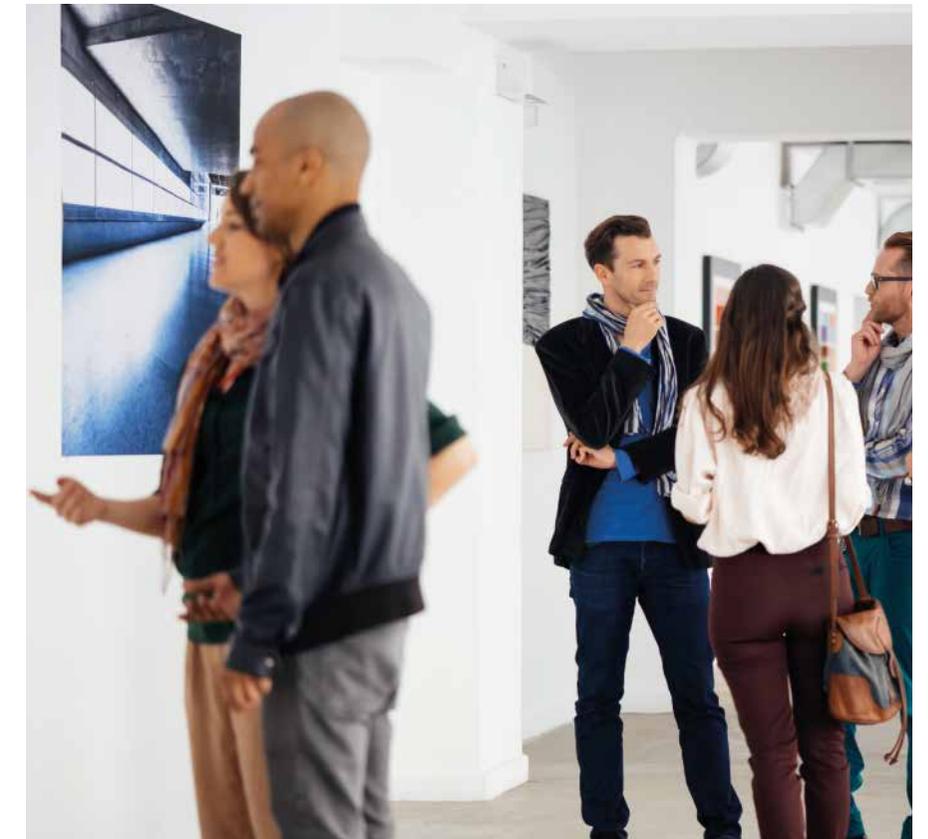
Our study moves understanding of the CSP-CFP relationship beyond a linear world in which a firm is either socially responsible or not in the eyes of stakeholders, and into a world wherein a firm can accrue varying stocks of SIC that create a range of benefits.

Research Paper

## HOW DO WE JUDGE QUALITY?

The relationship between quality assessment and status is fundamental to any market. Why are some products considered to be more valuable than others, and who plays their part in cementing that assessment in an uncertain market? This research examines the social mechanisms behind quality evaluation in the Israeli art market and centres on two questions: why some products are considered to be more valuable than others by esteemed individuals involved in the market; and how they can maintain/improve their position in the status order.

"The social construction of quality: status dynamics in the market for contemporary art", Tamar Yogev\*\*, *Socio-Economic Review*, July 2010.





Research Paper

## WHY STRATEGY PRESENTATIONS MATTER

Are strategy presentations by new CEOs simply “cheap talk”, or are they of lasting significance? This paper examines the impact of public presentations by CEOs on company share prices. One key finding is that the more unfamiliar the CEO is to the investor community, the greater the impact on share prices. The implications for communications strategies are significant, particularly for new CEOs early on in their tenure. This research has been extensively cited, and was widely featured in the business media, including the *Harvard Business Review*, *Forbes* and on the BBC.

“Cheap talk? Strategy presentations as a form of chief executive officer impression management”, Richard Whittington\*, Basak Yakis-Douglas\*\*, Kwangwon Ahn, *Strategic Management Journal*, December 2016.

“Strategy presentations in general have a significant positive impact on stock prices. In this sense, contrary to scepticism from theorists, investors see strategy presentations as credible and economically significant. Strategy talk matters.”



Book

## AN ENCYCLOPEDIA OF CORPORATE REPUTATION



The encyclopedia is a comprehensive introduction to topics of corporate reputation for readers including students in management, marketing, organisational and corporate communications, lay audiences, practitioners and even PhD-level academics. Centre researchers contributed entries on Business History, Credit Reporting, Categories, Reputation Formation, Network Theory and Disclosure.

“Research has found that people’s position in social networks can yield advantages in the kind of information people receive and how rapidly they receive it relative to their peers. Network theory is important for the study of corporate reputation because reputations are generated, sustained and conveyed within networks.”

Network Theory  
Jon MacKay\*\*

Research Paper

## HOW DOES TRANSPARENCY COUNTER CORRUPT PRACTICES?

This research looks at anti-corruption effects in the extractive industries. The Extractive Industries Transparency Initiative (EITI) is seen as a key for improving accountability and deterring corruption in a notoriously problematic sector. All the more surprising, then, that many governments in corruption-prone countries have signed up to the initiative. This research suggests that EITI serves as a “reputational

intermediary” through which reformers signal their good intentions, and may subsequently profit as a result from international approbation, and material benefits such as increased aid. The initiative also becomes a way to signal a willingness to improve governance more widely.

“Norm diffusion and reputation: the rise of the Extractive Industries Transparency Initiative”, Elizabeth David-Barrett\*\* and Ken Okamura\*\*, *Governance*, August 2015.

“The emergence of a norm of transparency and the creation of a mechanism for encouraging commitment to the norm have enabled the establishment of a mutually reinforcing dynamic, whereby governments seek to build a reputation for transparency while international actors encourage transparency reforms.”

Research Paper

## HOW REPUTATION CONCERNS CREATE CONFLICTS



Do reputation concerns create conflicts of interest between investment banks and their employees? This research develops a model that captures the essence of this potential conflict: between talented bankers who want to exhibit their capabilities and the banks they work in, whose management want to ensure that employees serve the client. It treats the bank as a hierarchical firm whose only asset is its institutional reputation for curbing behaviour that is suboptimal for the client, and discusses how technological change has contributed to a “star” culture that is unfavourable for the preservation of institutional reputation.

“Investment bank reputation and ‘star’ cultures”, Zhaohui Chen, Alan D. Morrison\*, William J. Wilhelm, Jr\*\*\*, *The Review of Corporate Finance Studies*, March 2014.

Research Paper

## WHEN IDENTITY AND REPUTATION DON'T MATCH

This prize-winning study of a consulting firm puts identity and reputation under the microscope, and examines the challenge of creating a unified identity in professional services firms. Identity and reputation are distinct from one another, with external perceptions sometimes differing from internal perceptions of “who we are”. The case illustrates how identity work at the individual level buffers the identity deficit at an organisational level. The paper won the Colonel Lyndall F. Urwick Prize 2017, awarded by the Worshipful Company of Management Consultants for an outstanding piece of research relevant to management consultancy.

“Reputation and Identity Conflict in Management Consulting”, (see right, l to r) Milena Mueller Santos\*\*, William S. Harvey\*\*, Timothy Morris\*, *Human Relations*, May 2016.



“ This article starts by recognising that the identity claims of firms may be markedly different from their reputation. While such differences may not constitute crises, they are often sufficiently important that they require a response.

Article

## WHAT YOUR SUPPLY CHAIN SAYS ABOUT YOU

Supply chains have become a fertile area of risk for the reputations of companies, but also an opportunity for firms to differentiate themselves from the competition. This article identifies how, in response to the demands of consumers, regulators and governments, the best companies are putting in place the systems and practices for ethical, informed sourcing. From technology to ensure upstream

compliance, or that enables consumers to directly access more information about the origins of goods, to the marketing and brand value potential of more “ethical” supply chains, the author identifies the reputational costs of ignorance about provenance and some of the benefits of best practice.

“The transparent supply chain”, Steve New\*, *Harvard Business Review*, October 2010.



## CASE STUDIES

Why are organisations willing to risk their reputations by engaging in unethical behaviours? How much can a firm's previously high standing overcome its current difficulties? How do you build a reputation for good legal practices from the ground up? Our case studies are analyses of how a broad range of organisations deal with reputational challenges at different stages of their life cycles, and in response to critical events. With the help of first-hand accounts from those closely involved in the narratives, these cases provide a rich forum for discussion and exploration in both our MBA classes and on our executive education programmes. We also share them, free of charge, with a growing number of researchers and institutions worldwide.



### HOW ADIDAS REDISCOVERED THE SOURCE OF ITS SUCCESS

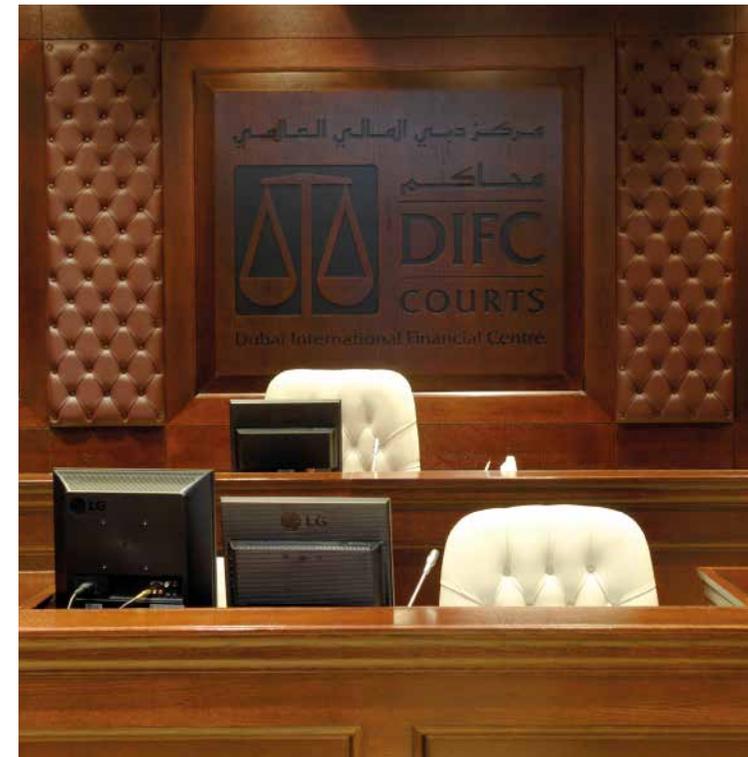
After decades as the world's leading sports shoe brand, adidas had lost its way. The secret to its renaissance lay in the principles that its founder, Adi Dassler (pictured, left), had laid out, which his successors had abandoned in the pursuit of new trends. What was it in adidas's past that provided it with the reputational capital to succeed again, and how did the company manage to leverage it successfully? The case study includes interviews with the key players in the turnaround, notably one of the two ex-Nike marketing experts who identified both the essential thinking behind the former success, and the way to connect stakeholders both internally and externally to the brand values once again.

adidas

## BRITISH NUCLEAR FUELS CRISIS AND BREAK-UP

These two cases explore a critical period in the life of British Nuclear Fuels (BNFL). The first captures the consequences of employees falsifying data concerning fuel pellets that were subsequently sent to customers in Japan. How did new CEO Norman Askew reassure the company's international customers, the media, regulators, employees and the company's sole shareholder – the British government – that management could make things right? And how would the crisis affect the government's long-term goal of privatising BNFL?

The second case explores the later tensions between the BNFL board and the UK government in the preparations for that assumed privatisation. BNFL had spent five years vertically integrating and diversifying in order to make itself attractive to investors. But when the government outlined a strategy for breaking up the company, CEO Mike Parker had to counter doubts about management competence signalled to regulators, the media, the wider public and internal stakeholders. How could he carry through any strategy in the face of that reputational deficit?



## DIFC COURTS

The rise of Dubai as a hub for the Middle East and beyond in the late 20th century could not obscure one difficulty: the reluctance of businesses to open offices in the emirate. The establishment of the Dubai International Financial Centre (DIFC) in 2004 was designed to make Dubai a more appealing base for international businesses, with tax breaks and fewer restrictions on ownership. But there remained the problem of ignorance and distrust of the local legal structures. DIFC Courts were established to provide a common law jurisdiction within Dubai's own civil law system. Initially, the volume of cases was small, and there was confusion around the remit of the courts. With the arrival of a new Registrar in 2008, the awareness, reputation and caseload of DIFC Courts grew substantially. The case explores how this transformation was effected.

## ENI vs REPORT

When *Report*, one of Italy's leading investigative current affairs programmes, invited Italian energy company Eni to participate in a programme that was going to be critical about its operations, Eni declined, given what they saw as the risk of being selectively edited in a pre-recorded programme. It decided instead to launch its own social media counter-offensive live during the broadcast.

The initiative took *Report* by surprise and was hailed by the Italian mainstream and online media as a game-changer in "the battle for the second screen". It was soon copied by a number of corporations in Italy, notably Coca-Cola. This case study examines why Eni chose this course of action, how it enacted its strategy, and explores the impact of the events of that evening on the various audiences, and the implications for corporations and media.



Organisations and politicians are increasingly turning to direct forms of social media in their communications strategies. In part this is driven by perceived conflicts and biases within the traditional media, but it is also because of the ease and availability of new communications tools.

## ENI IN THE REPUBLIC OF CONGO

Eni is Italy's largest industrial firm. It has substantial operations in a number of developing countries and has the largest presence of any international oil company in the Republic of Congo and throughout Africa. Eni's strong internal culture, based on the values and philosophy of its first president, Enrico Mattei, has long guided its approach to working with developing countries. As Mattei emphasised to the leaders of producer countries during the 1950s and 1960s: "It's your oil; we

are guests." The case examines how Eni's corporate values shaped its sustainability programmes in the Republic of Congo and elsewhere. It also considers the reputational opportunities and threats inherent in these activities, both for Eni and for companies in the oil and gas industry generally. The project included a team from the centre travelling out to the Congo to conduct in-depth interviews with Eni officials, trades union representatives, journalists, NGOs, village elders and other stakeholders.

## THE MABEY & JOHNSON PROSECUTION

The engineering company Mabey & Johnson (M&J) was the first company to be prosecuted under new UK anti-bribery legislation. Having adapted and improved Bailey bridge technology made famous in the Second World War, M&J took its cost-effective solutions all over the world and carved out a successful niche in some of the most challenging territories, supported by the likes of the World Bank.

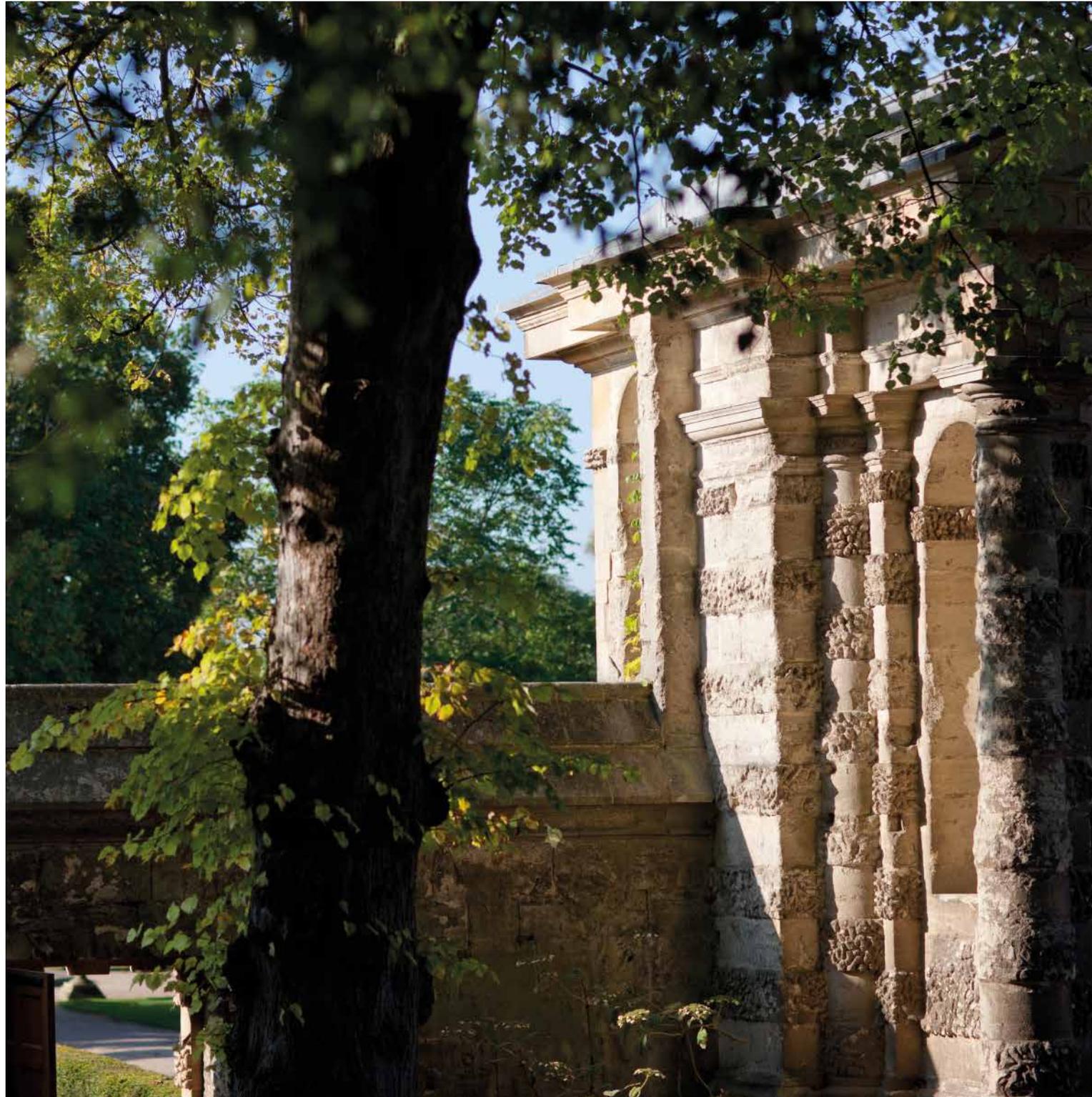
Things changed with the introduction of new anti-corruption legislation: incentive payments disguised as commissions, once considered a normal part of

business practice, were now off limits. When the M&J board attempted to put in the controls to prevent bad practice, the move backfired dramatically. Faced with counter-claims of endemic corruption, and damaging publicity, the company took the decision to self-report to the authorities in the hope of limiting the fallout. In the event, the degree of disclosure in this process left M&J vulnerable to severe penalties enforced by the Serious Fraud Office. It led to the imprisonment of senior executives and the near destruction of the business. What options were open to Mabey & Johnson, and would the company survive?



## THE BOYCOTT OF MARKET BASKET

The customer and staff boycott of the New England family-owned supermarket chain Market Basket was a remarkable phenomenon that became a focus for leading politicians and commentators across the US. It stemmed from the sacking of CEO Arthur T. Demoulas in a boardroom coup that laid bare the family tensions that had long simmered barely beneath the surface. Suppliers, employees and customers all rallied to his cause, and the boycott became a wider reflection of local concerns. This case, written by two authors who observed and experienced the boycott at first hand, captures how the network of relationships fostered over time by the business and its CEO created a force powerful enough to overcome the will of the majority shareholders.



## MOELIS THE MAKING OF AN INVESTMENT BANK

Ken Moelis left his job as president of UBS AG's investment bank in July 2007. He had had enough: "I was beginning to enter meetings where I would give my word, shake hands and I had no idea if I could fulfil promises that I was making." In due course he decided to set up his own firm, one that would build long-term relationships with clients and prioritise their interests. But in an intensely competitive business, how would he be able to establish a reputation to compete with "bulge

bracket" firms like UBS, Goldman Sachs and JP Morgan? The case examines the changes that have occurred in investment banking, especially the conflicts of interest that now exist between the trading and investment banking activities of the bulge bracket firms. Behind Moelis's success was its partnership structure, resistance to a star culture and a focus on advisory services like M&A and restructuring. The personal reputations of its partners were also critical to its success.

## QMM/RIO TINTO IN MADAGASCAR

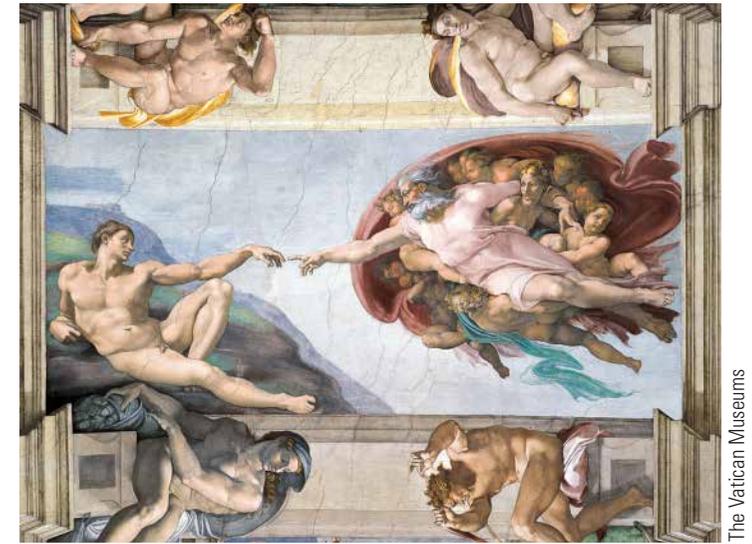
In two cases, we explore the mining activities of QMM, a subsidiary of mining giant Rio Tinto, in Madagascar. QMM began construction of an ilmenite mine in Madagascar in 2006. From a reputational perspective, the location of the mine made it one of the most sensitive projects that Rio Tinto had ever attempted. Madagascar is one of the world's biodiversity hotspots, with a very rich collection of species that exist nowhere else in the world. The area where the ore deposits were identified was in one of the island nation's most ecologically diverse regions. Not surprisingly, NGOs and the international media raised objections to the project. The case outlines how QMM's environmental and conservation team demonstrated to sceptical outside observers that the company's actions would contribute economic benefits while causing no lasting environmental and social harm.

In the second case, we explore the social challenges in the isolated Anosy region, the mine's proposed site, where two-thirds of people earned less than \$1.25 a day, how QMM managed its engagement with local communities, and the escalating expectations and tensions that resulted.



## THE TRANSFORMATION OF THE VATICAN MUSEUMS

The Vatican Museums – a single entity made up of a number of collections – are one of the world's most popular and iconic cultural attractions. In 2013 they received 5,459,000 visitors, the fifth most visited such institution in the world. Under pressure from visitor numbers, in 2007 the museums had faced a number of challenges: improving the visitor experience, reducing unauthorised access and guiding, halting the critical deterioration of the artworks, and addressing employee dissatisfaction. How could staff be persuaded that change was possible and then be mobilised to drive it forward? How could those outside the organisation be persuaded to engage in new partnerships that could change perceptions and drive progress?



The Vatican Museums

## THE PARMALAT FRAUD

What part did reputation play in the story of Parmalat, Europe's biggest corporate bankruptcy? The Italian dairy and food conglomerate was declared bankrupt in 2003 after a multi-billion-euro hole was discovered in its accounts. The company's debts ultimately amounted to around €14.1 billion. Its founder, Calisto Tanzi – previously one of Italy's most respected businessmen, with a reputation for high moral standards and philanthropy – had personally orchestrated a vast global fraud and was jailed for 18 years.

Drawing on the prosecutor's analysis of the company's dealings, and considering the network of personal and

professional relationships that fostered the criminal conspiracy, we examine why the threat of losing reputation was not enough to prevent a disastrous series of decisions, and how key indicators signalled the true nature of the company before the truth was revealed.

“ Calisto Tanzi and Parmalat both had reputations for trustworthiness. Did these reputations, ironically, play a role in the escalation of the fraud? Economists and management thinkers often assume that a good reputation is such a valuable asset that the risk of losing it acts as a deterrent to wrongdoing. If this is true, why didn't the likely loss of their good reputations prevent Tanzi, his management team and the firm's auditors from taking the wrong course of action?



## WHAT OUR RESEARCHERS DO NEXT

The CCR is proud to have supported the following doctoral students (DPHils) and Research Fellows:

### DPHILS

**Aaron Thegeya** - Economist at the IMF

**Blake Clayton** - Adjunct Fellow on Energy, Council on Foreign Relations, New York

**Andrea Polo** - Assistant Professor of Finance, Universitat Pompeu Fabra, Barcelona

**Milena Mueller Santos** - Research Officer, Kellogg College, University of Oxford

### RESEARCH FELLOWS

**Jonathan Silberstein-Loeb** - Associate, Paul, Weiss, Rifkind, Wharton & Garrison LLP

**Mark Abrahamson** - Partner, Oliver Wyman Management Consultants, London

**Tamar Yogev** - Lecturer at the Faculty of Management, University of Haifa

**Will Harvey** - Professor of Management, University of Exeter Business School

**Amanda Moss Cowan** - Assistant Professor of Management, University of Rhode Island

**Elizabeth David-Barrett** - Senior Lecturer in Politics, University of Sussex

**Ken Okamura** - Departmental Lecturer in Finance, Oxford Saïd

**Basak Yakis-Douglas** - Associate Professor in International Business Strategy, King's Business School, King's College London

**Sarah Otner** - Research Fellow, Department of Management, Imperial College Business School, London

**Jon MacKay** - Affiliated Researcher at the Waterloo Institute for Complexity and Innovation (WICI), University of Waterloo

**Tim Hannigan** - Assistant Professor in Organization Theory and Entrepreneurship, Alberta School of Business, University of Alberta

**Gillian Brooks** - Postdoctoral Career Development Fellow in Marketing, Oxford Saïd

**Daphne Demetry** - Assistant Professor of Strategy & Organization, the Desautels Faculty of Management, McGill University

**Christian Hampel** - Assistant Professor of Entrepreneurship and Strategy, Imperial College Business School, London