A Relational Theory of Reputational Stability and Change

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Abstract

An ongoing discussion in organizational studies has focused on the path dependent nature of organizational reputation. To date, however, there has been little explanation about when and why some constituents’ reputation judgments remain stable, whereas others are more prone to change. We contribute to this research by developing a relational theory of reputational stability and change. Our fundamental argument is that differences in constituent-organization relationships, as well as in the reputational communities that surround these relationships, affect the stability and change of reputation judgments.

First, we highlight three relationship characteristics – favorability, history, and directness – and theorize that the reputation judgments of constituents with more unfavorable, longer, and more direct relationships with an organization are more stable, whereas the reputation judgments of constituents with more favorable, shorter, and more indirect relationships with the organization are less stable. We then develop the concept of reputational communities as a key source of indirect information about organizations. We highlight that the immediacy, size, and level of agreement within reputational communities affect how influential they are in changing individual constituents’ reputation judgments. Specifically, we propose that more immediate and larger reputational communities with a higher level of agreement are most likely to change individual constituents’ reputation judgments, whereas more distant and smaller reputational communities with a lower level of agreement are least likely to do so. Overall, we position constituents’ relationships with an organization and the communities that surround these relationships as central elements for understanding reputational stability and change.
A RELATIONAL THEORY OF REPUTATIONAL STABILITY AND CHANGE

Scholarly and management interest in organizational reputation has been growing over the last several decades (Fombrun 2012), and researchers are generally in agreement that a positive organizational reputation can be an important source of competitive advantage (see Lange et al. 2011 and Ravasi et al. 2018 for reviews). As Barnett and Pollock noted, however, “the explosion of interest has also spawned a thicket of problems” (2012: 2). One of the primary problems in the field centers on the relative “stickiness” of reputation as an intangible asset that reflects individual constituents’ path dependent perceptions about the organization (Mishina et al. 2012: 470). In particular, although reputation has long been popularly thought of as an intangible asset that is “difficult to gain but easy to lose,” research on processes related to reputational stability and change has revealed a more complicated dynamic. Sometimes reputation appears to be quite stable, and other times to be quite fleeting (e.g., Lange et al. 2011, Love and Kraatz 2009, Mishina et al. 2012, Ravasi et al. 2018, Rindova and Martins 2012). Because reputation is not strictly the property of the organization, but rather exists in the minds of individual constituents, understanding when and why some constituents’ reputation judgments remain stable, whereas others are more prone to change is essential for organizational theory and practice.

From a theoretical standpoint, examining the differences among individual constituents’ reputation judgments in terms of their stability and change can inform future research on reputation development, assessment, management, and repair. Echoing this point, Fombrun (2012) and others (Foreman et al. 2012) have noted that we cannot study reputation without attending to the differences among organizational constituents. Additionally, whereas prevailing definitions of organizational reputation often include a collective element—that is, reputation is often conceptualized in terms of aggregate perceptions of constituents—how the dynamics between the individual and collective elements of reputation affect its stability and change remains underexplored. Although prior research on organizational reputation serves as a starting point for investigating these issues, it contains more questions than answers. Indeed, in their recent review of the organizational reputation literature, Ravasi
and colleagues (2018) identified reputation stability and change as one of the most critical areas for future research, while also noting that we need to understand more about both the individual and collective dynamics of such stability and change.

From a practical standpoint, there are likely significant differences in the strategies required for monitoring and managing reputation when taking into account the varying levels of stability in constituents’ reputation judgments, as opposed to viewing reputation as being similarly path dependent across constituents. For example, some consumers may stably revere or criticize Apple, whereas others may be more prone to changing their perceptions of the company (Arthur 2011). Similarly, some investors and analysts are consistent in their praise of or distain towards Tesla’s strategic moves, yet others seem more prone to alterations in their judgments (Rapier 2017). Why do some Apple customers have more stable reputation judgments and others change their views about the company with more ease? Why is there such variance in investors’ likelihood of changing their reputation judgments about Tesla? What lies at the core of these differences? These questions are critical for reputation managers.

To address these theoretical and practical issues, we develop a relational theory of reputational stability and change. Of particular interest to our theory is the role of constituents’ relationships with the organization, defined as the “bond of commitments and expectations” they form toward the organization over time (Huang and Knight 2017: 82), and how such relationships influence the stability or change of reputation judgments. Because reputation is a perceptual asset that is built over time, the types of relationships that an organization develops with its constituents are critical factors that affect reputational stability and change (Fombrun 2012). Yet, up to now, the role of relationships in these dynamics has been largely overlooked. Therefore, in the first part of the paper, we focus on the dyadic relationship between the individual constituent and the organization to explicate relationship characteristics that affect stability in reputational judgments. We begin by drawing from the rich literature on interpersonal relationship development to discuss how constituent-organization relationships develop and strengthen over time. In particular, we highlight three elements that are key to the constituent-organization relationship: the relationship’s overall favorability, the length of its history, and its direct versus indirect nature.
In the second part of the paper, we propose that whereas the dyadic relationship between the constituent and organization is critical for understanding reputation judgments’ stability and change, collective factors also affect those judgments. Thus, to consider the more socially embedded context of constituent-organization relationships, we develop the concept of reputational communities. Reputational communities—understood as groups of interacting parties who “jointly produce reputational outcomes in and through their communications” (Ravasi et al. 2018: 582)—are a key source of indirect information about organizations and can be a force for stability or change in constituents’ reputation judgments. In particular, and building on core insights from social impact theory, we theorize that the immediacy, size, and level of agreement within reputational communities make them more influential in changing constituents’ reputation judgments.

Overall, our relational theory of reputational stability and change contributes to the literature on organizational reputation in three primary ways. First, whereas existing research on organizational reputation has primarily examined this perceptual construct without strong theorizing about the variance in its stability and change among different constituents, we develop new theory specifying how constituents’ varying relationships with the organization serve as the foundation for their evolving reputation judgments. To this end, we propose three characteristics of constituents’ relationships with the organization that uniquely bias their subsequent reputation judgments. Our second contribution is in further developing the concept of reputational communities. Whereas past work has introduced this construct to the reputation literature (Ravasi et al. 2018), the discussion of the unique features of reputational communities has remained at the periphery. We identify and conceptually develop these unique features as they apply to the change in individual constituents’ reputation judgements. In doing so, our third contribution is in bridging micro-cognitive and macro-cognitive perspectives in reputation research. In particular, we explore characteristics of reputational communities that might exert strong enough force to break reputational path dependence and change individual constituents’ reputation judgments. We conclude with laying out paths forward for theoretical and empirical work on organizational reputation.
STABILITY AND CHANGE OF ORGANIZATIONAL REPUTATION

Organizational reputation is generally defined as an intangible asset that reflects constituents’ perceptions about the organization’s ability to deliver value (Fombrun 1996, Rindova et al. 2005). Although many scholars agree on this general definition, the literature is often presented as highly fragmented and theoretically disjointed. Confusions in the literature take many forms, ranging from the presence of multiple underlying theoretical perspectives – including from sociological, psychological, and economic viewpoints (e.g., Ravasi et al. 2018, Rindova and Martins 2012) – to debates about the fundamental nature, dimensionality, and form of the construct itself (e.g., Bundy et al., forthcoming, Lange et al. 2011, Mishina et al. 2012, Rindova and Martins 2012). Although a number of authors have attempted to bring coherence to these confusions, one area that has received surprisingly little attention is the variance in reputational stability and change.

The stability of reputation reflects the idea that a particular organizational action or event affects constituents’ reputation judgments about an organization not in isolation but, instead, is interpreted in light of their prior reputation judgments. In order to maintain evaluative consistency, constituents often bias their interpretations of new cues and adjust their subsequent reputation judgments largely anchored by reputational priors. This is why reputation is frequently viewed as being path dependent or sticky. The exploration of the causes that lead to reputational path dependence, however, has remained at the periphery of this body of work (cf. Mishina et al. 2012). This is surprising, given that most reputation judgments are likely made in light of prior judgments. Mishina and his co-authors (2012: 462), for instance, note:

Path dependence is not likely to play a role if no prior beliefs exist or if the beliefs are neutral or ambivalent, but if an observer has any prior beliefs about a target, whether through observation, inference, or direct interaction, those beliefs will shape the subsequent assessments about that target.

1 Recent developments in the reputation literature have advocated for the delineation between behavior-based reputation (i.e., character reputation that helps assess what actions to expect from an organization) versus outcome-based reputation (i.e., capability reputation that helps assess what the organizational is capable of – see Mishina et al. 2012, Park and Rogan 2019, Parker et al. 2019). For theoretical parsimony, in our framework, we focus on constituents’ reputational judgments of valued outcomes that an organization delivers, which has been the dominant frame in the literature. However, we revisit these important distinctions in the Discussion.
Mishina et al. (2012) started a deeper conversation about reputational path dependence, largely by focusing on the characteristics of the informational cues used to judge an organization (e.g., positive vs. negative cues; capability vs. character cues; weak vs. strong cues). Yet how and when these cues affect the stability or change of constituents’ subsequent reputation judgments remains less well known. We propose that even the same cue is likely to affect reputation judgments of individual constituents differently, and thus the path dependence of reputation varies among constituents. This variance, we argue, depends on the unique relationship that the constituent has developed with the organization. That is, reputational stability or change depends not only on the nature of informational cues about the organization, but also on the characteristics of the varying relationships that constituents have formed with the organization.

In addition to the gaps in our understanding of the stability and change of constituents’ reputation judgments, it is important to recognize that organizational reputation is often conceptualized as both an individual-level judgment and as a macro-level collective representation. However, the nature of the relationship between these levels is not well understood (Ravasi et al. 2018), particularly in light of reputational path dependence. Indeed, though Fombrun and Shanley provided initial clues as to how “individual interpretations aggregate into collective judgments,” research has yet to extend these general observations to more fully consider the multilevel dynamics of organizational reputation (1990: 234). Rather, most scholars continue to focus either on the individual level (e.g., Bitektine 2011, Mishina et al. 2012) or the macro level (e.g., Rindova et al. 2005, Zavyalova et al. 2016), with very few considering their interaction (cf. Baer et al. 2018).

Given this gap in our understanding of cross-level reputational dynamics, Ravasi and colleagues pointed to the need to move beyond “flat” theorization about reputation and instead to “explore interactive models to theorize the interplay between separate micro- and macro-levels of analysis” (Ravasi et al. 2018: 588-589). In particular, the authors suggested that researchers need to pay closer attention to “macroscopic behavior, such as the formation of shared group-level beliefs about firm
reputations, for example, that both structures and is structured by individual level thoughts, beliefs, values, and actions” (Ravasi et al. 2018: 589). In an introductory, but important, initial effort to answer their own call to action, Ravasi et al. (2018) developed a general model of micro-macro level interactions in the formation of organizational reputation, leaving the details of these interactions for future research. Others have also briefly considered multilevel dynamics, but often only as a secondary point of their theorizing. For example, in their examination of the benefits and burdens of organizational reputation for employees, Baer and colleagues demonstrated how a collective-level macro reputation exerts its influence on individual-level reputation perceptions (Baer et al. 2018). The authors emphasized that organizational reputation held at the collective level becomes a “source material” for individuals’ unique reputation judgments (Baer et al. 2018: 574). Yet exactly when individual constituents’ reputation judgments are changed by such collective-level “source material” and when they remain stable is still not well understood. With the goal of building a theoretical framework that explains why some constituents’ reputation judgments change and others’ remain stable as well as when collective-level factors break reputational path dependence at the individual level, we develop a relational theory of reputational stability and change.

THEORETICAL FOUNDATIONS

Interpersonal Relationship Development

To build our framework, we draw from research on interpersonal relationship development and social penetration theory (Altman and Haythorn 1973, Newcomb 1961, Taylor 1968). This body of work examines the process of relationship formation between individuals. Although this research has not been applied to the context of constituent-organization interactions or reputation, it has unique insights into the processes of social interactions and relationship development that are fundamental for our understanding of when constituents’ reputation judgments might be more stable and when they might change.

A key insight from research on interpersonal relationships lies in the explication of the processes through which individuals’ initial encounters develop into ongoing relationships (Altman and Taylor 1973, Newcomb 1961, Nezlek 1995). According to this work, when individuals first meet, they exchange
informational cues about one another and through these exchanges they “assess interpersonal rewards and costs, satisfaction and dissatisfaction” (Altman and Taylor 1973: 6). As a result, after the initial encounter, individuals form a “critique” of the person they met, which results in the formation of the initial judgments in basic “like-dislike” terms (Altman and Taylor 1973: 11). In other words, initial judgments are formed based on the favorability of the interaction. An unfavorable initial judgment, absent other factors, likely results in the termination of future interactions and forecloses relationship development opportunities. If, however, the initial judgment is favorable, future interactions are likely to occur, building a “reservoir…of positive and negative experiences” and resulting in a “cumulation of rewards and costs throughout the history of a dyad” (Altman and Taylor 1973: 33). The development of the relationship, according to this research, depends heavily on the net balance of favorable and unfavorable assessments (Altman and Taylor 1973). To the extent that the assessment of an additional interaction is favorable, the relationship continues. If a new interaction introduces some level of uncertainty, the relationship likely slows down until it is clarified (Altman and Taylor 1973). If the net costs outweigh the perceived benefits, however, the relationship typically terminates.

As newly acquainted individuals have additional encounters and exchange additional information with one another, the process of relationship formation gradually progresses (Newcomb 1961, Taylor 1968). As more information is revealed through continued interactions, individuals form a more “accurate” picture of one another, meaning “they ‘know’ each other…increasingly well” (Newcomb 1961: 261). As a result, individuals form increasingly detailed representations about others (Altman 1973) and their subsequent judgments about others are not based only on isolated critiques of any given interaction, but also on the reservoir of the relationship history. Overall, this research tells us that the type of the relationship developed between individuals, based on its overall favorability and history, affects their ongoing assessments of each other’s actions.

We use this work as a foundation to theorize how individual constituents develop relationships with organizations and how different relationship characteristics affect the stability of their individual-level reputation judgments. Such extrapolation from interpersonal relationship formation to the process of
constituent-organization relationship development is plausible because researchers have long argued that when making judgments about an organization, individuals tend to anthropomorphize (Ashforth et al. 2018, Levinson et al. 1962, Shepherd and Sutcliffe 2015). That is, they assign “humanlike qualities” to an organization (Coyle-Shapiro and Shore 2007: 167) and view it as a distinct social agent who acts as one whole (Lange et al. 2011, Love and Kraatz 2009). For instance, constituents frequently think of an organization as having feelings, traditions, and attitudes (Zavyalova et al. 2017). In many ways, individual constituents interact with and form perceptions about organizations similar to developing relationships with and forming judgments about other people.

**Individual-Organization Relationship Formation**

Because organizations exist primarily to satisfy various constituents’ needs (King and Whetten 2008), when constituents make initial reputation judgments about an organization, they focus on the extent to which the organization is able or unable to satisfy their needs and create value. Similar to the evaluation of rewards and costs that accompany interpersonal relationship formation (Altman and Taylor 1973), the satisfaction of needs and delivery of valued outcomes are key elements to the development of a relationship between constituents and organizations. In considering the notion of value, we rely on the idea that value is an idiosyncratic individual assessment. Value can be described as something that is “desirable and forceful for the one who evaluates” (Baran 1991: 806 as translated in Meynhardt 2009: 197). Consciously or subconsciously, when we evaluate a social actor, we do so in accordance with how well he or she can fulfill our needs (Epstein 1989). Therefore, value is not a characteristic of an object; rather, it exits as a result of a relationship between an object that is being evaluated and a subject that forms the evaluation (Heyde 1926, as referenced in Meynhardt 2009). An individual constituent’s assessment of the value created by an organization, then, resides within the constituent-organization interaction and is not independent from it. Constituents’ assessments of an organization’s ability to create value along dimensions important to them translate into individual-level reputation judgments about an organization and plant the seed for the development of a relationship between the constituent and the organization.
Our fundamental thesis is that differences in constituent-organization relationships affect the stability and change of reputation judgments. That is, reputation judgments are not made by individual constituents on the basis of isolated interactions that may occasionally take place between them and an organization, but rather that they depend on the characteristics of the ongoing constituent-organization relationship. Formed relationships alter how constituents interpret subsequent information about the organization. Examining relationship characteristics is therefore critical for organization theorists who aim to understand reputational stability and change.

**WHEN CONSTITUENTS’ REPUTATION JUDGMENTS REMAIN STABLE**

The key insight from social penetration research as it pertains to our theorizing is that as the constituent-organization relationship develops, new information about the organization will be judged not in isolation, but in light of past favorable or unfavorable assessments throughout the relationship’s history. It is logical and straightforward to expect that when new information about an organization is consistent with the reputation judgments held by an individual constituent, they will reinforce each other. As the constituent-organization relationship develops, however, there may be times when the information about the organization contradicts constituents’ established reputation judgments. In these situations, constituents are likely to use more effortful reasoning if they are “motivated and disposed to do so” (Stanovich 2011, as quoted in Evans and Stanovich 2013: 232). When contradictory information violates established relational expectations (Burgoon, 2016), it may provide just such motivation, albeit to a different degree for individual constituents with different relationships with the organization. In particular, based on the key insights from social penetration research that we discussed above, we propose that the extent to which constituents’ reputation judgments will be more stable in light of contradictory information depends on two critical characteristics of the constituent-organization relationship: its favorability and history. Going beyond social penetration research, which has implicitly focused on direct interactions between people, we recognize that constituents interact with many organizations indirectly, and so we also theorize about the importance of the directness of the constituent-organization relationship.
**Favorability of the Relationship**

We propose that relationships that have a net balance of unfavorable assessments (Altman and Taylor, 1973), or more unfavorable relationships, result in more stable reputation judgments than more favorable ones. Central to our arguments are findings that individuals perceive negative information as more salient than positive information (Baumeister et al. 2001, Fiske and Taylor 2008, Richey et al. 1975). This negativity bias extends into many areas of human activity, including relationships. As Baumeister and colleagues noted, “Bad impressions and bad stereotypes are quicker to form and more resistant to disconfirmation than good ones” (Baumeister et al. 2001: 323). The idea that negative perceptions are more persistent than positive ones has been found in a number of studies, ranging from the work on higher salience of negative information relative to positive (Rozin and Royzman 2001), to persistence of negative first impressions (Richey et al. 1967), to the relative stability of organizational infamy compared to organizational celebrity (Zavyalova et al. 2017).

Following this work, we propose that more unfavorable relationships between constituents and an organization contribute to higher stability of individual reputation judgments in light of contradictory information, compared to more favorable relationships. That is, positive information about an organization that contradicts a prior unfavorable relationship will be less powerful in altering an individual constituent’s reputation judgments, compared to the influence of contradictory negative information on reputation judgments of a constituent with a prior favorable relationship (Zavyalova et al. 2017). For example, for a consumer who has had a favorable relationship with Disney, built by attending its theme parks or enjoying Disney movies and cartoons, contradictory negative information about safety standards or animal treatment at Disney theme parks may serve as an impetus for change in reputation judgments about the company. On the other hand, Walmart, long derided by environmentalists for its record on sustainability, has had a difficult time dealing with this unfavorable relationship despite continued investments in environmentally conscious initiatives and positive coverage in the media (Mishina et al. 2012). Individual constituents are likely hesitant to reform their beliefs, given the power of
their prior unfavorable relationships with Walmart. Formally stated:

*Proposition 1: Compared to a more favorable relationship between a constituent and an organization, a more unfavorable relationship is more likely to lead to reputation judgment stability in light of contradictory information about the organization.*

**History of the Relationship**

As the relationship between a constituent and an organization builds over time, the history of interactions more strongly solidifies individual reputation judgments. According to social penetration research, individuals’ judgments about the other person evolve over time. The flow of evaluations gets deposited into a “central memory repository”, which refers to a “cumulative reservoir of prior reward / cost experiences” (Altman and Taylor 1973: 37). That is, the development of the relationship results in a cumulative history of interactions, which affects future assessments. The more information is revealed about each other with each additional interaction, the more accurate an individual’s judgment about the other becomes, often leading to deeper and more intimate relationships (Taylor 1968).

Related research in social psychology has also argued that “most behavior will accord with defaults, and intervention will occur only when difficulty, novelty, and motivation combine to command the resources of working memory” (Evans and Stanovich 2013). Cuddy et al., for instance, theorized that “once an impression of another person is formed…we favor information learned later that confirms this impression” (2011: 79). This argument is in line with the idea that individuals’ previous judgments tend to bias their subsequent ones (Epley and Gilovich 2005, Kahneman 2011, Mussweiler and Strack 2000, Nickerson 1998). Overall, the new information about another is not evaluated in a vacuum but is instead judged “in the context of prior experiences” (Altman and Taylor 1973: 37). The history of the relationship between individuals, therefore, influences their judgments about one another.

Given constituents’ preference for information that conforms to expectations derived from the existing relationship, we propose that a longer history of a relationship with an organization will more intensely bias a constituent’s subsequent reputation judgments, making him or her prioritize information
that conforms to historically defined expectations and downplay information that contradicts them. In other words, when a constituent’s reputation judgment is formed and solidified over time through a continuous series of assessments, the developed reservoir of goodwill or ill will anchors how the constituent will interpret contradictory information about the organization. Faced with the same new piece of contradictory information about an organization, constituents with a shorter relational history are more likely to amend their reputation judgments, whereas constitutes with a longer relational history are more likely to exhibit reputational path dependence. That is, the longer the history of the relationship between the constituent and the organization, the deeper the reservoir, and the more difficult it is to alter their developed reputation judgments. This is the situation when subsequent reputation judgments are more likely to exhibit stability, above and beyond the information contained in cues (Mishina et al. 2012). A constituent with a brief relationship history, on the other hand, may be more susceptible to contradictory information, which increases the likelihood of reputational change. For example, research on professional sports shows that the length or history of the individual’s relationship with a team is a critical factor for fan loyalty that is often stronger than the current image or performance of the team (Bauer et al. 2008, Bristow and Sebastian 2001). In the same way, we argue that the length of history of the individual constituent’s relationship with an organization is a critical factor that strengthens the reputational judgment’s stability. To summarize:

Proposition 2: Compared to a shorter history of the relationship between a constituent and an organization, a longer history of the relationship is more likely to lead to reputation judgment stability in light of contradictory information about the organization.

So far, we have focused on how a relationship’s favorability and history affect the stability of individual reputation judgments. Both of these factors have been shown as essential to individual relationship formation and judgment, which motivated our focus. Yet, social penetration research has

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2 We do not exclude the possibility of judgment reversal, as it can occur in instances of extreme contradictory information. Rather, we focus on the comparison of the likelihood of reputation judgments’ stability depending on the length of the history of constituent-organization relationship.
implicitly focused on direct interactions between individuals, whereas constituent-organization interactions are often indirect. Therefore, moving beyond the social penetration work, we theorize that the nature of the relationship that constituents develop with an organization—being either more direct or more indirect—also has significant implications for the stability of reputation judgments.

**Directness of the Relationship**

Constituent-organization relationships can develop through direct personal interactions, such as through buying an organization’s product, supplying it with raw materials, applying for a job, or acquiring stock. Constituents may also learn about an organization indirectly, through others’ experiences shared by word of mouth, via social media, through information subsidies provided by the organization via its website, advertisements, annual reports, and press releases (Bhattacharya and Sen 2003, Rindova et al. 2005), or through media coverage about the organization (Bednar 2012, Deephouse 2000, Pollock and Rindova 2003, Zavyalova et al. 2012). In fact, due to time and space constraints, most constituent-organization interactions are likely indirect and are based on information received from others, rather than from personal direct interactions with the organization. Exposure to information about an organization disseminated by others can thus serve as a substitute for direct experiences and create an illusion that the portrayed images are authentic representations of the world (Bandura 2001). This is why, for instance, the media can be quite influential in affecting individuals’ representations of reality (Chaffee 1982).

Importantly, because only a subset of constituents engages with any given organization through direct and repeated experiences, indirect relationships likely affect the reputation judgments of most constituents, who learn about the organization vicariously (Bandura 2001).

We propose that the directness of the constituent-organization relationship affects the extent to which constituents’ reputation judgments remain stable. Individuals’ perceptions and behaviors are more susceptible to the influence of direct, rather than indirect experiences (Fiske and Taylor 2008). Direct experiences are perceived as more credible and accurate, and they activate more effortful and deeper forms of information processing, as opposed to more passive processing from indirect experiences (Hoch and Deighton 1989, Hamilton and Thompson 2007). For example, research demonstrates that direct
experiences trigger more concrete mental representations and enhance positive preferences, compared to indirect experiences (Hamilton and Thompson 2007). In this way, attitudes formed through direct experiences are generally stronger and “more resistant to counterinfluence” than attitudes formed through indirect experiences (Fazio and Zanna 1981: 185).

As such, relationships built on mostly direct experiences serve as a stronger counterforce to contradictory information than relationships built on mostly indirect experiences. Specifically, constituents who have rarely or never interacted with an organization directly may be more susceptible to altering their reputation judgments based on contradictory information. The lack of a direct relationship with the organization makes these constituents more amenable to adjusting their reputation judgments. In contrast, for those constituents who have directly interacted with the organization, the primacy of their own direct experiences will render contradictory information less influential. They are more likely to be biased to favor conclusions they formed based on their personal history of direct interactions. As a result, these constituents’ reputation judgments are more likely to exhibit stability.

For instance, reputation judgments of university students and alumni may be more stable in light of information that contradicts their priors, relative to reputation judgments of more detached constituents who have had more indirect experiences with the institution (e.g., Zavyalova et al., 2016). In line with these ideas, Elsbach and Kramer (1996) documented how members, who have developed a direct relationship with a business school, reacted to its publicized rankings. Although the authors did not focus on the direct and indirect nature of the relationship, their study nonetheless illustrated that when such rankings contradicted members’ individual judgments about their school’s reputation, rather than adjusting their reputation judgments in light of new information, individuals engaged in active sensemaking to justify the discrepant information. Thus, for constituents with a direct relationship with an organization, information that contradicts their reputation judgments may be less influential in terms of altering these judgments, relative to constituents whose relationship with an organization has been more indirect. We therefore propose:
Proposition 3: Compared to a more indirect relationship between a constituent and an organization, a more direct relationship is more likely to lead to reputation judgment stability in light of contradictory information about the organization.

Combined Effects of Favorability, History, and Directness of the Relationship

The three relationship characteristics detailed above are not mutually exclusive, and thus, for the comprehensiveness of our framework, it is pertinent to discuss how combinations of all three contribute to the stability of constituents’ reputation judgments. Whereas the exact ordering of which characteristics have a stronger influence on reputational stability is likely an empirical question, for our current purposes, we propose that the stability of constituents’ reputation judgments is likely an additive function of the number of relational characteristics that reach a high level. That is, increasing the level of an additional relational characteristic (e.g., moving from a shorter to a longer history or moving from a more indirect to a more direct relationship) makes a constituent’s reputation judgment more stable. As a result, relationships with one characteristic that contributes to reputational stability at a high level will exhibit lower resistance to change than relationships with two such characteristics. In turn, relationships with two characteristics that contribute to reputational stability at a high level will exhibit lower resistance to change than relationships with all three characteristics at a high level. Thus, it is clear from our theorizing above that more unfavorable, longer, and more direct relationships likely contribute to reputation judgments that are more resistant to change; whereas more favorable, shorter, and more indirect relationships likely result in reputation judgments that are less resistant to change. We summarize these relationship types and the corresponding propensities of reputation judgment stability in Table 1 and in the following proposition:

Proposition 4: Reputation judgments of constituents with more unfavorable, longer, and more direct relationships with the organization are most stable, whereas reputation judgments of constituents with more favorable, shorter, and more indirect relationships with the organization are least stable.

***Insert Table 1 here***
In the Discussion, we elaborate on empirical methodologies that can help tease out the differences in reputational stability among these relationship categories.

WHEN REPUTATIONAL COMMUNITIES CHANGE CONSTITUENTS’ REPUTATION JUDGMENTS

Up to this point, we have focused on the role of dyadic relationship characteristics in affecting the stability of reputation judgments. Yet, a vast body of reputation research has documented the importance of third parties in affecting constituents’ reputation judgments. Whereas this work has focused on the role of powerful infomediaries—such as the media and ranking agencies—in a top-down process of reputation formation and dissemination, the reputational landscape has been changing. With the development of the internet, the role of previously less powerful actors has become increasingly important in reputation dynamics (Etter et al. 2019). Indeed, constituents are better than ever equipped to publicly share their privately held reputation judgments with others and obtain insights into whether others’ reputation judgments are aligned with or contradict their own. As a result of these selective public expressions of privately held reputation judgments about a particular organization, interacting individual constituents form what Ravasi and colleagues called, “reputational communities” (Ravasi et al. 2018: 588). The authors introduced the concept of reputational communities to reputation research, but they only briefly discussed these unique actors and the role they play in affecting constituents’ reputation judgments. We build on their work and, in this second half of the paper, more comprehensively describe reputational communities and theorize about the importance of their characteristics in exerting pressure on individual constituents and even breaking reputational path dependence.

Reputational Communities

The concept of a “reputational community” is relatively new to reputation research and describes a group of interacting parties who “jointly produce reputational outcomes in and through their communications” (Ravasi et al. 2018: 582). Whereas this construct has received little attention from reputation researchers in the past, we propose that reputational communities are a critical part in the evolving process of formation and change of constituents’ reputation judgments. Reputational
communities serve as collective social spaces that allow for information about an organization to be expressed among a broader set of constituents. They play a key role as a social forum for information exchange about the organization, thus helping generate shared representations of organizational reality. Reputational communities thus allow individual constituents to bring reputation judgments from the private to the public sphere and can influence individually held reputation judgments.

By publicly expressing their opinions about organizations through various channels, including via direct communications, through the media (Rindova and Martins 2012), ranking agencies (Fombrun 1996, Fombrun and Shanley 1990), or social media (Etter et al. 2019, Ravasi et al. 2018), reputational communities make information about the organization available to a broader audience. The peculiar, yet important, role of reputational communities in the process of influencing constituents’ reputation judgments is that they familiarize even distant and unengaged constituents with the organization. For example, many constituents may have no direct relationships with Berkshire Hathaway, Salesforce, USAA, or Singapore Airlines. However, via coverage of these companies by various reputational communities, constituents can come to learn about these organizations. In this way, reputational communities become important sources of indirect information about the organization.

A few unique features of reputational communities are worth special attention. First, because these communities form as a result of individual constituents’ expressed interest in a particular value dimension, we envision that reputational communities largely focus on few, if not a single, value dimension. In this way, the commonality of shared interests, values, and/or needs serves to define the boundaries of the reputational community (Prentice et al. 1994). Multiple reputational communities may exist for any one organization, each focused on a different element of value. For example, one community may focus on an organization’s value as an employer (e.g., the reviewer community on Glassdoor.com or local worker unions), whereas another may focus on an organization’s ability to produce valuable products or services (e.g., the reviewer community on Yelp.com or Consumerreports.org). Although each of these communities may certainly consider other dimensions of value (e.g., the reviewers on Glassdoor.com may mention an organization’s ability to deliver valuable products or its commitment to
the environment), the focus of the community will likely be more narrowly defined in terms of the primary value dimension. Furthermore, for one specific value dimension there may be multiple, at times contrasting, communities. For instance, the communities represented by Walmartsucks.org versus the “I Love Walmart” Facebook group focus on Walmart’s offerings of products and services, yet constituents in these two communities coalesce around conflicting judgments of the company’s ability to do so. These dynamics eventually result in the coexistence of diverging reputations in the public domain.

Second, reputational communities may be formally or informally defined and structured based upon family, friendship, work, social, online, or geographic ties (Lincoln and Miller 1979, Sampson 1988). In many cases, reputational communities are open systems where individuals enter and exit freely over time (e.g., an online forum), whereas in other cases they may be closed systems characterized by more unidirectional communication channels (e.g., the reputational community of business executives that determines the Fortune’s Most Admired Companies ranking). In this sense, information intermediaries that compile and disseminate information about organizations are an example of closed system reputational communities. Importantly, it is not necessary that an organizational constituent is a member of the community and interacts with others. Rather, some constituents may obtain information about an organization by simply observing others’ interactions in reputational communities or by being exposed to information from intermediaries.

Third, as noted above, constituents within a reputational community may not be in a perfect agreement in their individual reputation judgments. Indeed, below we will argue that the level of agreement within the community is a critical characteristic for understanding its potential influence on an individual constituent’s reputation judgments. Yet, through public expressions of individual reputation judgments, the community is likely to produce a reputation judgment that is generally understood by the members of the community (Mathieu and Luciano 2019). In this sense, reputational communities allow for individual constituents to express and negotiate their reputation judgments within a social context (Ravasi et al. 2018). Through this process, a shared representation of organizational reputation within the community emerges and exerts influence on individuals, with a potential to break path dependence and
change their personally held reputation judgments.

In sum, by providing a forum for sharing individually held reputation judgments, reputational communities allow constituents to introduce information about an organization into the public sphere. Given that reputational communities are a key arena for constituents’ exchange of reputation judgments (Ravasi et al. 2018), in our final section, we theorize about those characteristics of reputational communities that make them more or less influential in changing individual constituents’ reputation judgments. To do so, we build our propositions on the insights of social impact theory, which is centrally focused on how social groups shape individuals’ judgments.

**Social Impact Theory**

According to social impact theory, social forces affect individuals’ thoughts and actions (Latané 1981, Nowak et al. 1990). Latané defines social impact as “any of the great variety of changes in physiological states and subjective feelings, motives, and emotions, cognitions and beliefs, values and behavior, that occur in an individual, human or animal, as a result of the real, implied, or imagined presence of actions of other individuals” (Latané 1981: 343). Social impact is the result of social forces that constantly affect individuals, much like “physical forces of light, sound, gravity, and magnetism” (Latané 1981: 343-344). When other people and groups are a source of impact and an individual is a target, individual’s opinions are subject to change during interactions (Latané 1981). Latané refers to social impact theory as the “light bulb theory of social relations”, likening the amount of light from different light bulbs shining on a surface to the impact experienced by an individual through interactions with others (1981: 344).

According to social impact theory, the extent of social impact that an individual experiences depends on three factors: the immediacy, the number, and the strength of sources (Latané 1981, Nowak et al. 1990). Using the light bulb analogy, the brightness of the light that shines on the surface depends on the “closeness” of the bulb to the surface, the “the number of bulbs” shining, and the “wattage or intensity” of light bulbs (Latané 1981: 344). The higher the level of each of these factors, the stronger the social impact and the more likely a target individual is to feel the pressure to change his or her thoughts or
actions. We discuss and build on these ideas to propose that the degree to which reputational communities can change an individual constituent’s reputation judgment depends on three characteristics: the immediacy, the size, and the level of agreement within the reputational community.

**Immediacy of the Reputational Community**

First, we propose that reputational communities that are more immediate in the individual constituent’s social context are more influential. By immediacy, we mean the “closeness in space or time and absence of intervening barriers or filters” between entities (Latané 1981: 344). Because ideas about immediacy were developed before the development of the internet, the original meaning of “immediacy” often focused on the physical proximity among individuals. The internet, however, has eased communications among people and increased access to information. Therefore, we follow Nowak and co-authors’ broader definition of immediacy and refer to immediacy as “the ease or probability of communication between individuals” (Nowak et al. 1990: 366). Thus, immediacy is not necessarily a function of physical proximity; rather, it connotes the ease with which an individual can communicate with others (Chaffee 1982). Immediacy can be understood as an inverse of distance, be it physical, cognitive, psychological, or other (Latané et al. 1995). In our theorizing we similarly regard immediacy of a reputational community in terms of the ease of information access by an individual constituent from the community and probability of such access (Nowak et al. 1990).

Because individuals tend to spend more time with, pay attention to, and remember information obtained from people in their more immediate environment (Latané et al. 1995), social actors in the immediate context are more influential (Bandura 2001). Thus, by interacting within more immediate reputational communities, individual constituents are more likely to feel their impact. If the community’s reputation judgments are aligned with the already established reputation judgments of the individual, then those judgments are more likely to solidify. If, however, the judgments of the reputational community contradict those of the individual constituent, the constituent is more likely to change his or her judgments the more immediate, rather than distant, the community is. For example, an employee’s reputation judgments may be influenced more by the immediate community of co-workers and colleagues who (s)he
encounters on a regular basis than by more distant communities, such as online Glassdoor.com reviewers or opinions from a distant workers’ rights group, with whom (s)he rarely interacts. Similarly, a consumer’s reputation judgment may be influenced more by immediately accessible online reviews on Amazon and eBay or by word-of-mouth recommendations from friends and family than by communities that are less accessible or proximate, such as consumer reports requiring subscriptions or hidden behind online paywalls (Meuter et al. 2013). We thus propose:

Proposition 5: The more immediate the reputational community, the more likely it is to change an individual constituent’s reputation judgments through contradictory information about the organization.

Size of the Reputational Community

We further argue that larger reputational communities are more likely to affect an individual constituent’s reputation judgments, as compared to smaller ones. Just as more shining light bulbs make a surface brighter (Latane 1981), the more people within a group that serves as an information source, the greater its social impact on a target individual. In confirmation of this argument, Nowak and colleagues (1990) observed in a simulation that when an individual is surrounded by a community with divergent beliefs, the individual is more likely to change his or her views if the community is larger. Further, groups whose opinions dominated in the beginning of the simulation “absorbed” others, leaving groups with divergent opinions small and marginal (Nowak et al. 1990).

Taken to our theoretical arguments, we expect that the larger the number of individuals in a reputational community, that is, the larger the size of the reputational community, the more likely it is that the community will be noticed by an individual constituent and change their reputation judgments. In this way, large communities, such as organized trade unions, consumer groups, and supplier consortia, can exert greater influence on the judgments of individual members than marginal communities of smaller size. This is perhaps best illustrated via social movement activities, including protests and boycotts, whereby larger communities, such as PETA, NAACP, or Occupy Wall Street, are able to garner more attention and more quickly and decisively influence public opinion in the pursuit of a social cause. Such
movements are often designed to affect organizational reputations by using group pressure to alter individual judgments and change individual behavior toward the focal organization (McDonnell and King 2013, Whetten and Mackey 2002). Size is also an important part of online reputational communities. For example, online reviews from larger communities (e.g., 5,000 Amazon reviews of a product) are likely more influential than from smaller communities (e.g., 6 Amazon reviews of a product). Similarly, issues that receive more traction online and go viral, such as the #metoo movement or #cancel[company], are increasingly more likely to influence individuals’ judgments. Likewise, the number of likes, followers, and retweets are also important indicators of the size of communities in different online platforms that can increase the influence of a given community (Booth and Matic 2011, Gillin 2007). As a result, we propose:

Proposition 6: The larger the reputational community, the more likely it is to change an individual constituent’s reputation judgments through contradictory information about the organization.

Agreement within the Reputational Community

Finally, we argue that the level of agreement about an organization’s reputation within a reputational community also affects the extent to which the reputational community can change individual constituents’ reputation judgments. As noted above, some reputational communities may have highly heterogenous judgments about an organization, whereas others may reach general agreement in their reputation judgments. Notably, individuals have a proclivity to be influenced by the appearance of consensus in groups. Research has found a general preference for information presented as consensus rather than dissent (Corriou et al. 2009, Fusaro and Harris 2008). For example, the Asch (1956) studies demonstrated that individuals feel pressure to conform to obviously incorrect decisions when there is consensus from a group. Neuroscience has connected this phenomenon to a specific region of the brain (the posterior medial frontal cortex), repeatedly demonstrating its role in individuals’ shifts toward the consensus position (Campbell-Meilejohn et al. 2010, Klucharev et al. 2011). Others have shown that opinion consensus in online reviews (particularly for negative reviews) increases the degree to which such
reviews are used by consumers in their evaluations (Lee and Cranage 2014). For example, when considering the reputation of a service provider, consumers are more likely to be swayed by more consistent reviews on Angie’s List (e.g., multiple five-star reviews) as opposed to more inconsistent reviews (e.g., some five-star and some one-star reviews). Indeed, research on user review variance suggests that higher degrees of review variance (and thus, higher levels of disagreement in the community) is negatively related to product evaluations from potential buyers (Wang et al. 2015). Based on this research, we expect that when a reputational community demonstrates a higher level of agreement in its reputation judgments about the organization, it will exert a stronger force on the individual constituent. Formally stated:

Proposition 7: The higher the level of agreement within the reputational community, the more likely it is to change an individual constituent’s reputation judgments through contradictory information about the organization.

Combined Effects of Immediacy, Size, and Agreement of Reputational Communities

As we did in our theorizing about constituent-organization relationship characteristics, we propose that various combinations of reputational community characteristics make them more or less influential in changing individual constituents’ reputation judgments. Similar to our rationale in Proposition 4, a high level in one characteristic makes the reputational community less influential than communities with higher levels in two characteristics, and communities with two characteristics that have reached a high level are less influential than communities with three. Based on the logics behind Propositions 5-7, our arguments clearly suggest that more immediate and larger reputational communities with higher levels of agreement are more influential in changing individual constituents’ reputation judgments, whereas more distant and smaller communities with lower levels of agreement are less influential. We summarize the typology of reputational communities and their relative effects in Table 2 and in the proposition below:

Proposition 8: More immediate and larger reputational communities with a higher level of agreement are most likely to change an individual constituent’s reputation judgments, whereas
more distant and smaller reputational communities with a lower level of agreement are least likely to do so.

***Insert Table 2 here***

Whereas the extreme combinations of characteristics present for cleaner theoretical predictions, as summarized in Table 2, without a doubt the different combinations of other categories of reputational communities are a fruitful research exercise. We present the potential ways to examine these differences in the Discussion.

**DISCUSSION AND DIRECTIONS FOR REPUTATION RESEARCH AND PRACTICE**

In this manuscript we developed a relational theory of reputational stability and change focused on the constituent-organizational relationship and reputational community characteristics that influence the stability and change of constituents’ reputation judgments. More specifically, in our theory, we have discussed the characteristics of constituent-organization relationships that affect the path dependence of reputation and its resistance to change. Using social penetration theory as a basis for our arguments, we theorized that reputational path dependence is more likely to be observed when the constituent-organization relationship is more unfavorable, has a longer history, and is based on more direct interactions. We have also discussed the factors that enhance top-down pressures from reputational communities and, as a result, exert influence on individual constituents’ reputation judgments. Social impact theory served as the foundation for theorizing about these reputational community factors, and we theorized that the influence from a community is strongest when it is more immediate, larger, and when there is greater agreement within the community.

We hope our work advances a new way of understanding the relative stability of reputation. Our depiction of the unique features and theoretical underpinnings of individual and community factors clarifies conceptual discrepancies regarding reputation as a complex construct and addresses several major directions for reputation research identified by Barnett and Pollock (2012), including a greater articulation of the microfoundations of reputation, a consideration of different levels of analysis, and an acknowledgement of the dynamism of reputation judgments. We believe our theory sets the stage for
exciting new research on organizational reputation. Below, we detail several areas that we believe might represent the best opportunities to further build on our framework.

**Variations Across Reputational Communities**

Reputational communities are important to our framework; yet, because our understanding of these communities is highly limited, future research can benefit from an increased focus on these actors. For example, although we discussed that reputational communities form around a shared understanding of a particular value creating dimension of an organization, we also recognized that such an understanding may be strongly held across members of the community or only weakly held by a slim majority. In this way, a shared understanding does not necessarily imply complete agreement, and the variance that exists within a community is an important feature of our theory. Moreover, some communities may be so fractured that no consensus understanding emerges and the community either dissolves or new communities spin off. Such fractures within reputational communities likely affect organizational reputation judgments at the individual level.

Related to this point, the ability of reputational communities to exert pressure on individual constituents likely depends on the extent to which interactions with such communities can be avoided. For instance, it may be easier for an individual constituent to avoid interactions with online reputational communities (e.g., by not following a particular community’s page on social media or not joining an online forum created by the community). On the other hand, it is more difficult to ignore pressure from reputational communities with which the constituent interacts directly in-person (e.g., in-person observation of street protests and boycotts or participation in face-to-face discussions). As a result, the pressure from immediately accessible reputational communities to change individual constituent’s reputation judgments is likely stronger when the community opinion is more difficult to avoid or ignore. We find promise in exploring other variations across reputational communities that affect the amount of pressure they exert on individual constituents.

Further, and in a similar process, reputational communities may influence one another, particularly as individual constituents participate in multiple communities. That is, as consensus or
contestation emerges within one community, it may exert influence on the collective understandings of other communities. For example, as Carter and Deephouse (1999) noted, Walmart’s reputation for being tough with its supplier community potentially threatened its reputation for “being good” with broader customer and investor communities. In response, Walmart used a number of defensive impression management tactics to keep these community assessments separate and avoid potential spillover. Additionally, different reputational communities can focus on the same dimension of organizational value but disagree in their judgments. It is possible that contestations across reputational communities take place and conflicting reputation judgments co-exist at this level. The public contestation may make salient certain reputation judgments, increasing the likelihood that individual constituents will consider such public judgments in their private assessments.

Different reputational communities can also focus on different reputational dimensions of value (e.g., the organization as an employer, supplier, buyer, investor, etc.). This focus on varying sources of value that sets the stage for the formation of various reputational communities also gives rise to multidimensionality of reputation. In this way, reputational communities can be sources of complementary reputation judgments, like pieces of a puzzle that, when put together, reveal the full picture of organizational reality.

**Variations Across Individual Constituents**

In our framework, we have considered relational factors that affect the stability of reputation judgments as well as reputational community factors that lead to change in such judgments. A promising extension of our framework is in the consideration of the joint effects of these forces. For instance, it is important to consider the tipping points when otherwise stable individual reputational judgments are weakened or overturned by the pressure from reputational communities. Future work should explore the variance in individual-level factors, beyond those detailed in our theory, that may create resistance to reputational community pressure versus those factors that may make individual constituents’ judgments more prone to change.
For example, building on the ideas behind our Proposition 4, as individual constituents interact with organizations directly and over a long period of time, they may begin to identify or disidentify with the organization, if and when through these interactions they observe strong value congruence or incongruence with an organization (Ashforth & Mael, 1989). A (dis)identifying relationship will bias these constituents’ interpretations of new information about the organization in a way that “motivates selective search for supporting and refuting” information (Evans & Stanovich, 2013: 232). Consequently, identifying and disidentifying constituents will be biased in the way they process new information about an organization that may stem from reputational communities. This means that the traditional notions of cue diagnosticity (Mishina et al., 2012) are not likely to apply to the way identifying and disidentifying constituents process contradictory information. Indeed, these constituents may expend effort to reinterpret contradictory information about an organization, making it easier to cope with it (cf. Gutierrez, Howard-Grenville, & Scully, 2010). As such, contradictory information even from immediate and large reputational communities with high levels of agreement may be disregarded or reinterpreted by the organization’s strongest (dis)identifying constituents.

Variations Across Organizations

A number of factors may influence the dynamics that we have detailed in our framework, including organizational-specific characteristics. For example, as organizations mature, the duration of the relationship that they have formed with their constituents increases and so does the potential depth of constituents’ reputation judgments. That is, older organizations naturally have the potential for a longer history of interactions with constituents and the collective memory about older organizations is more detailed, varied, and nuanced. This line of reasoning suggests that reputation judgments about older organizations should be more complex and stable, particularly at the reputational community level, and thus are perhaps more influential on individual constituents’ judgments. In contrast, younger organizations are likely to have simpler and less stable reputations at both the individual and reputational community levels. As such, organizational age is likely a relevant characteristic to consider.
Another organizational characteristic pertinent to our theory is organizational size. Strategic actions of larger organizations affect more constituents. This suggests that, with an increase in size, organizations should experience increased breadth of perceptions among a larger number of constituents and reputational communities. Having more reputational communities along with more individual interactions likely results in a higher variance in reputation judgments, which might lead to greater disagreements among constituents and reputational communities and more opportunities for contradictory information and resulting reputational change (e.g., Highhouse et al. 2009). Alternately, small organizations are more likely to have interactions with fewer constituents and reputational communities due to their narrower scope, resulting in, perhaps, greater reputational stability. Drawing on our discussion above, this means that larger and older organizations are likely to have the most robust and multidimensional reputations, both at the individual and reputational community levels.

Further, investigating the active role that an organization may play in nurturing different types of relationships with its constituents and reputational communities can also deepen our understanding of reputational stability and change. For instance, an organization may engage with individual constituents more directly online, taking a more active stance on relationship building and maintenance. And at the community level, an organization may become the driving force behind the formation of reputational communities, actively organizing or challenging different communities and their associated judgments. How these types of organizational strategies affect the dynamics of reputation change and stability is yet to be understood.

Finally, as noted in our theorizing above, we focused on reputation judgments concerning the valued outcomes that an organization delivers. However, we recognize that definitions and conceptualizations of reputation are evolving, including recent research focused on capability reputations associated with an organization’s outcomes (akin to our focus) versus character reputations associated with an organization’s potential behaviors (see Bundy et al. forthcoming, Mishina et al. 2012, Park and Rogan 2019, Parker et al. 2019). It may be the case that the dynamics of our theory play out differently for different kinds of reputation. For example, Mishina and colleagues (2012) argued that negative cues...
are more salient for character-based reputations, whereas positive cues are more salient for capability-based reputations. Therefore, in considering the favorability of the relationship, it may be worth exploring how favorable and unfavorable relationships result in character-based and capability-based reputation judgments, and, in turn, how there might be differences in their subsequent stability and change (Park and Rogan 2019). Overall, the type of reputation likely serves as an important organizational factor that future research on reputational stability and change should consider.

**Empirical Tests of the Framework**

It is clear from our theorizing above which reputation judgments are least and most resistant to change. For example, at the individual constituent level, more unfavorable, longer, and more direct relationships likely contribute to reputation judgments that are more stable, whereas more favorable, shorter, and more indirect relationships likely result in reputation judgments that are less stable. Delineating *a priori* the relative level of stability for the categories in-between these extremes is a more challenging task. Some research suggests that the characteristics detailed above could be ordered in terms of strength or influence. For example, in reference to the individual characteristics, research in social psychology shows that favorability judgments are made almost instantaneously during an interaction and significantly anchor and guide all subsequent judgments (Altman and Taylor 1973). This indicates that favorability might act as the primary characteristic, with the others more secondary. However, other research has stressed the importance of direct versus indirect interactions, showing that direct experiences are more likely to evoke affective reactions than indirect ones (Millar and Millar 1996), thus suggesting that directness might be primary.

In the end, we suspect that the exact ordering of these in-between categories is an empirical question. For parsimony of exposition, in Table 1 we simplified the three relationship characteristics to their extreme values: favorable versus unfavorable; short versus long; direct versus indirect. Combined, they comprise eight different combinations that represent a typology of constituent-organization relationships (2 x 2 x 2). We did the same for the reputational community characteristics in Table 2. In thinking about how to test the interaction of all these categories, it may be the case that qualitative
comparative analysis (QCA) provides the best opportunity. QCA helps identify complex combinations of characteristics that produce specific outcomes (Furnari et al. 2020, Misangyi et al. 2017, Rihoux and Ragin 2008). In this case, researchers can use QCA methodology to help identify which characteristics on their own are sufficient for influencing the stability of reputation judgments and which characteristics must be configured in specific combinations in order to influence reputational stability and change.

Our theory has additional implications for empirical work on organizational reputation and its dynamics. For example, the multilevel nature of reputation points to the need to measure organizational reputation across various social actors, including individual constituents and reputational communities. Individual constituents’ reputation judgments can be assessed through regular surveys of key organizational stakeholders (e.g., employees, suppliers, customers), with specific attention not only to the mean, but also the variance of these scores within each group. Mean measures, although informative during longitudinal comparisons, can conceal the change in discrepant reputation judgments among individual constituents within the same constituent group. Comments on social media have also become a popular arena for expression of and influence on reputation judgments (both at the individual and community level; e.g., Etter et al. 2019). Thus, analyzing the content of online posts by individual constituents and within online groups can be a valuable source of information about reputation judgments by constituents. To assess reputation judgments within reputational communities, researchers could analyze comments posted within online groups whose titles contain the name of the organization. A key challenge for this research therefore is determining the boundaries of reputational communities.

Content analysis of mainstream media coverage of organizations and their placement in popular rankings are examples of how community level reputations have been captured in the past. An important advancement of these measures and empirical tests of our theory would be direct assessments of factors that make some reputational communities, such as rankings agencies or media outlets, more influential than others (e.g., based on immediacy, size, or agreement). Specifically, understanding why different rankings affect individual constituents’ reputation judgments in different ways and what historical and social processes led to some, but not other, rankings’ gains in popularity will advance research on
reputational stability and change.

As highlighted above, some researchers have already begun to consider multilevel dynamics of reputation empirically. For example, Baer and colleagues (2018) considered the interplay between the community level and the individual level by testing the relationship between societal representations (in the form of population surveys and magazine rankings) and employee judgments (via individual surveys). Elsbach and Kramer (1996) used qualitative methods to consider how internal constituents reacted to external social rankings. And while not focused specifically on reputation, others have similarly considered the conflict between individual judgments and larger community level assessments, often through qualitative methods (e.g., Bishop et al. 2019, Eury et al. 2018, Petriglieri 2015). Using these and other studies as examples, future research can test and advance the arguments in our theory.

Implications for Reputation Managers

Finally, our theory has broad implications for executives charged with managing organizational reputations. Whereas reputation is frequently named as one of the key assets of an organization by executives and board members (Diermeier 2011), how to make its maintenance a habit and how to successfully monitor and manage it is still covered in the cloak of mystery. Most managerial approaches to reputation assessment and management are reactive, with interventions usually occurring when a large portion of a company value is lost due to a reputational crisis (Kalavar and Mysore 2017). Our theory points to the need to assess organizational reputation on an ongoing basis at two different levels. The success of reputation management and reputation repair, should an organization face a crisis, builds largely on the nature of the relationships that an organization develops with individual constituents over time, and also on the characteristics of reputational communities. To ignore these factors is to one’s own detriment, given the interrelationships that we have detailed.

Our framework and propositions point to the importance of building and maintaining relationships with key organizational constituents and making the preservation of these ties one of the key priorities for the organization. Peripheral and sporadic engagement is unlikely to help with reputation building, maintenance, or repair, as relationships built through a detached approach are more likely to be
weak and malleable to countering forces. Rather, defining value creating dimensions that are core to the organization and continuously investing in constituent engagement around these dimensions will help build a solid and stable organizational reputation among individual constituents and within reputational communities.
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Table 1. Combined Effects of Relationship Characteristics on Stability of Individual Constituents’ Reputation Judgements

<table>
<thead>
<tr>
<th>Directness / History</th>
<th>Favorable</th>
<th>Unfavorable</th>
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<td></td>
<td>Indirect</td>
<td>Direct</td>
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<td>Short</td>
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<td>stability</td>
<td>stability</td>
<td>stability</td>
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<tr>
<td>Long</td>
<td>Low</td>
<td>Moderate</td>
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<td>stability</td>
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<td>stability</td>
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</table>


Table 2. Combined Effects of Reputational Community Characteristics on Change of Individual Constituents’ Reputation Judgements

<table>
<thead>
<tr>
<th></th>
<th>Low</th>
<th>High</th>
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<tr>
<td><strong>Immediacy / Size</strong></td>
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<td></td>
</tr>
<tr>
<td>Distant</td>
<td>Immediate</td>
<td>Distant</td>
</tr>
<tr>
<td>Immediate</td>
<td>Immediate</td>
<td>Immediate</td>
</tr>
<tr>
<td><strong>Small</strong></td>
<td>Lowest ability to change</td>
<td>Low ability to change</td>
</tr>
<tr>
<td><strong>Large</strong></td>
<td>Low ability to change</td>
<td>Moderate ability to change</td>
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