

# Staying on the “right” side of public opinion... and how to avoid controversy

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# Staying on the “right” side of public opinion...

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*Yes*

*No*

# Legitimacy: An overview of the concept & definitions

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## Legitimacy defined

The American sociologist Mark Suchman (1995) defines **legitimacy** as:

*... a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs and definitions”*



### **The object of legitimacy:**

An object of legitimacy is the entity that has its legitimacy examined by relevant evaluators at a given moment of time within a range of legitimacy outcomes.

This legitimacy evaluation takes place in a generic way irrespective of the specific unit of analysis it applies to, for example, the individual, the organization, the activity, or the industry.

### **The State of Legitimacy**

The state of legitimacy is the degree of legitimacy as property of the OL, at a given moment in time, in the process of legitimation, independent of the context in which it is observed (starting point, aspired end goal, or an intermediate point when legitimation is ongoing).

# Legitimacy: Our Research

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## Disentangling Legitimacy

### Why is this important?

- It is firmly established that legitimacy is an essential factor in the survival of, organizations, business activities, industries and even CEO's (Aldrich & Fiol, 1994; Shepherd & Zacharakis, 2003; Zimmerman & Zeitz, 2002 ).
- The lack of a good understanding of the distribution of legitimacy judgments may lead to misguided decisions regarding strategies for firm survival and growth (Delmar & Shane, 2004; Durand & Vergne, 2015; Kostova & Zaheer, 1999; Überbacher, 2014)
- A lack of approval of an *Object of Legitimacy (OL)* does not *per se* equate to an outright disapproval. Rather it could also mean partial approval, partial disapproval or even indicate an inability of evaluators to cast a judgment.

Legitimacy can be approached from two perspectives...

- ☞ From evaluators' side (you as a person... )
- ☞ From evaluatees' (you as the 'object of scrutiny')





## Legitimacy: From the Evaluators' Perspective

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**We are evaluators of the world around us...**

...we observe...

...we consider...

...we wonder...

...we question...

...we make up our minds...

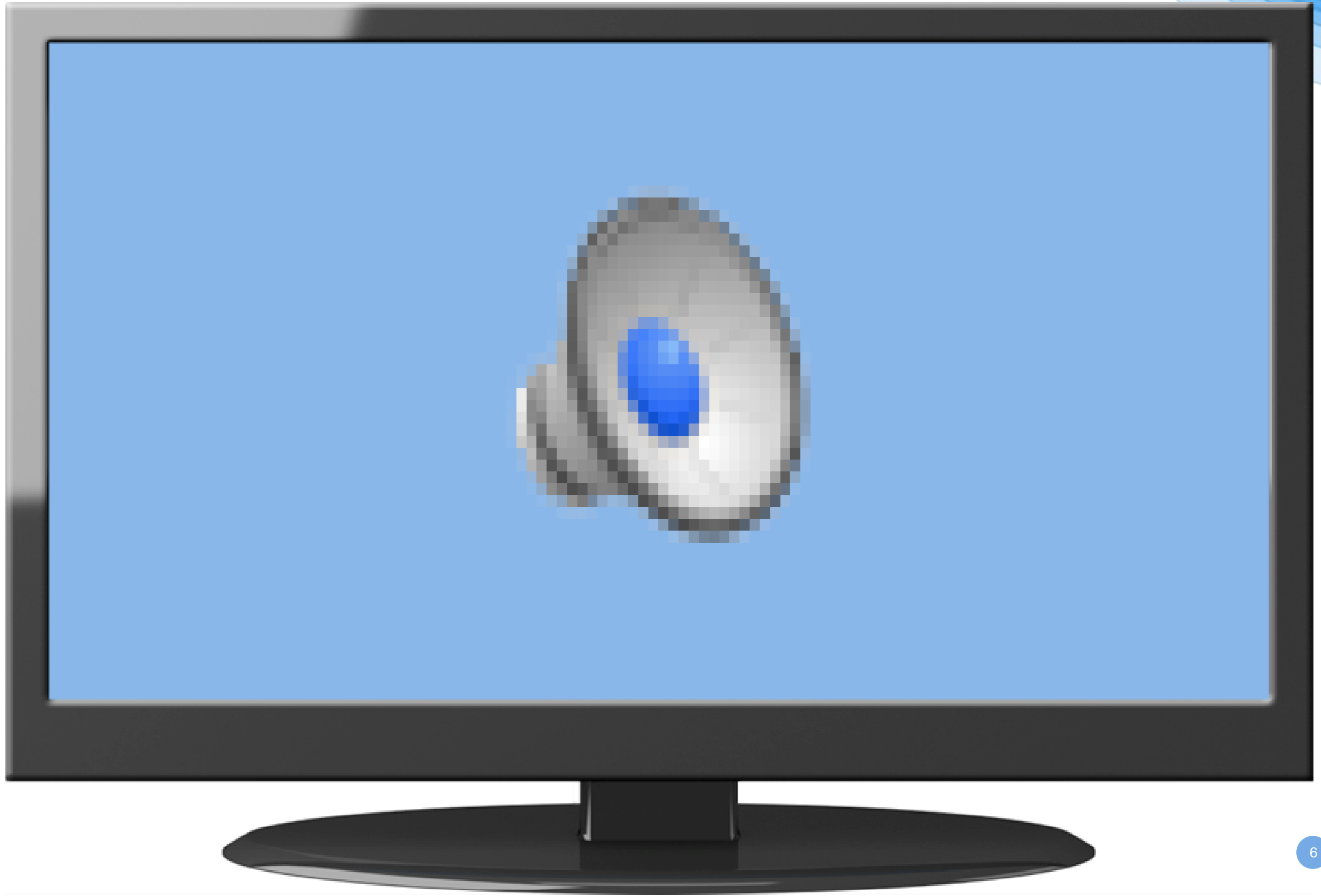
...and we act...



## Legitimacy: Evaluators' Perspective

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### The People Speak: The Case of Genetically Modified Organisms (GMOs)

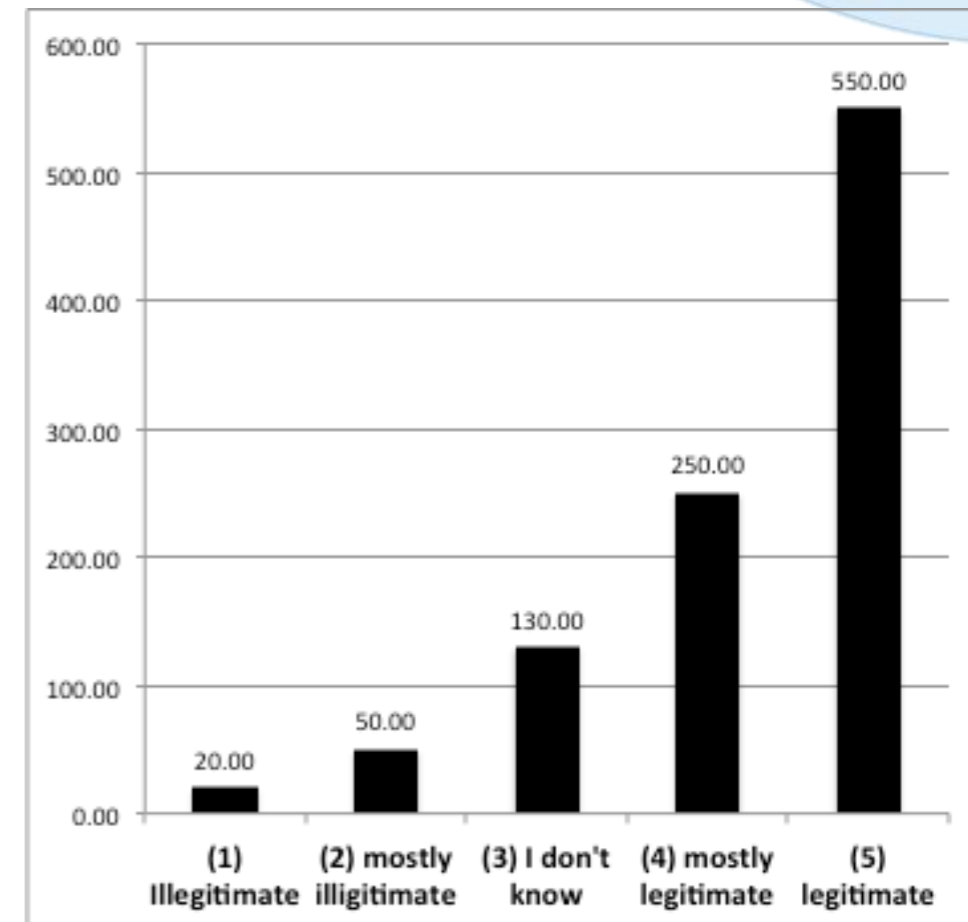


# Legitimacy: Evaluators' Perspective

## Legitimacy

Establishing the state of legitimacy is therefore a crucial step in the legitimation process. A lack of legitimacy does not *per se* equate to illegitimacy.

- Legitimacy is the state in which evaluatees attain the highest level of social desirability, properness and appropriateness within a socially constructed system of norms, values and beliefs (Suchman, 1995).
- Under this scenario, society and OL are aligned and uncertainty levels for the OL are low (Burchell & Cook, 2013).
- Legitimacy, however, is not cast-in-stone but a dynamic and flexible concept that fluctuates with organizational and environmental changes (Bansal & Clelland, 2004; Drori & Honig, 2013).



### In sum

An OL will be perceived as “legitimate” when it is in line with the evaluators’ perceived appropriateness within a socially constructed system.

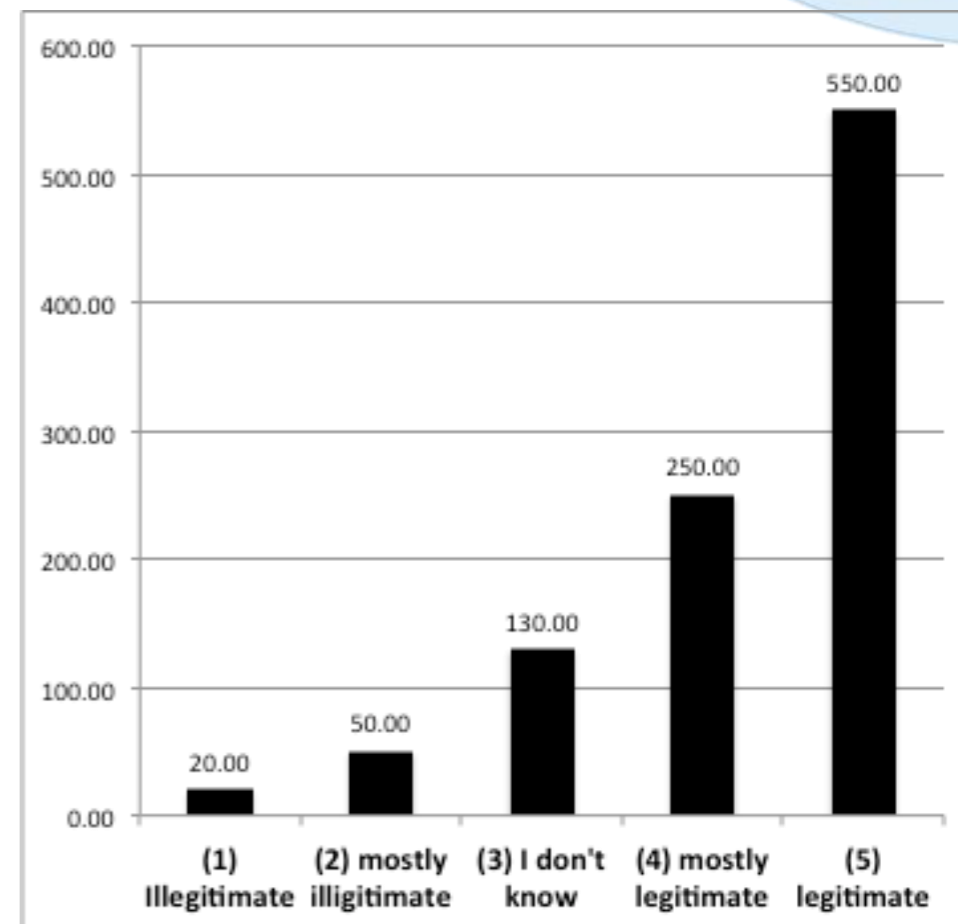
The state of “legitimacy” can be affected by social and/or environmental changes so that the state might change to a different state of legitimacy in future.

# Legitimacy: Evaluators' Perspective

## Legitimacy

### example

*I believe GMOs are a great technology not only to help global food security but also to help save the environment...*

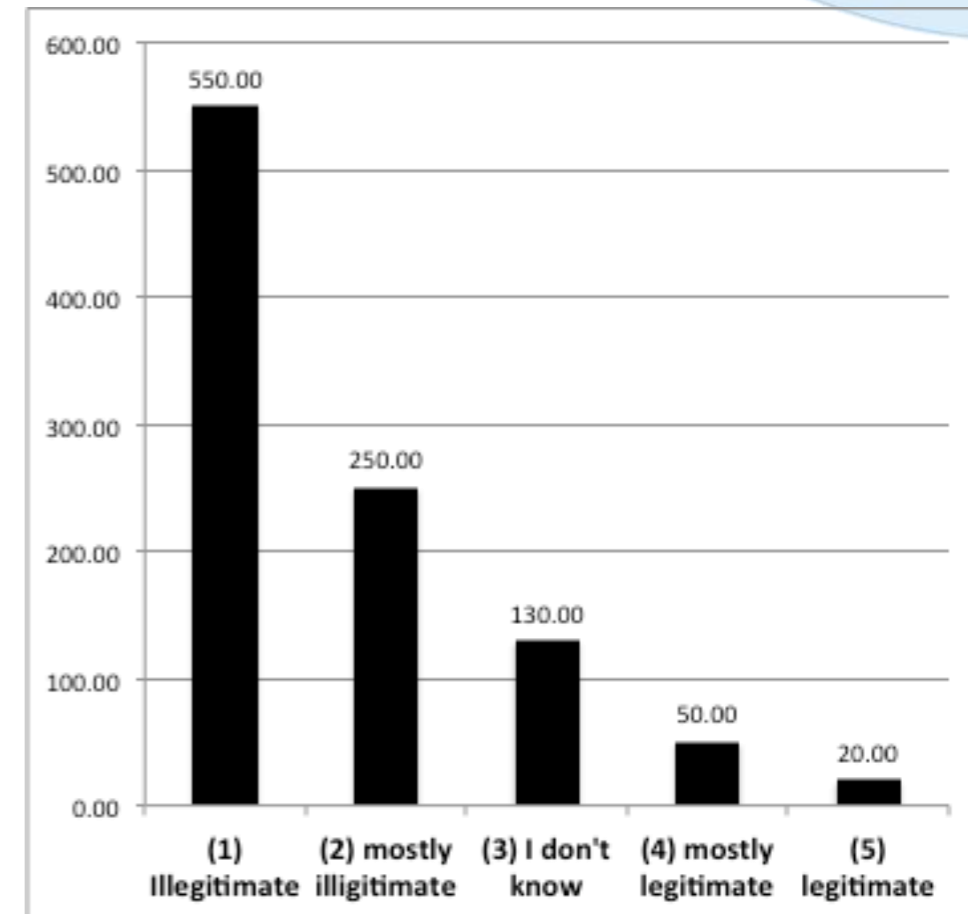




# Legitimacy: Evaluators' Perspective

## Illegitimacy

- Illegitimacy refers to the state where evaluatees endure a majority of unfavorable judgments or disapproval about the desirability, properness and appropriateness of their actions or omissions (Durand & Vergne, 2015; Galvin et al., 2004; Hudson, 2008).
- The state of illegitimacy is characterized by significant incongruence between the OL and society (McVeigh, Welch, & Bjarnason, 2003). Unless actors address this misalignment, they may face considerable threats to their survival.



### In sum

An OL will be perceived as “illegitimate” when it is in significant disagreement with an evaluator’s perceived appropriateness within a socially constructed system.

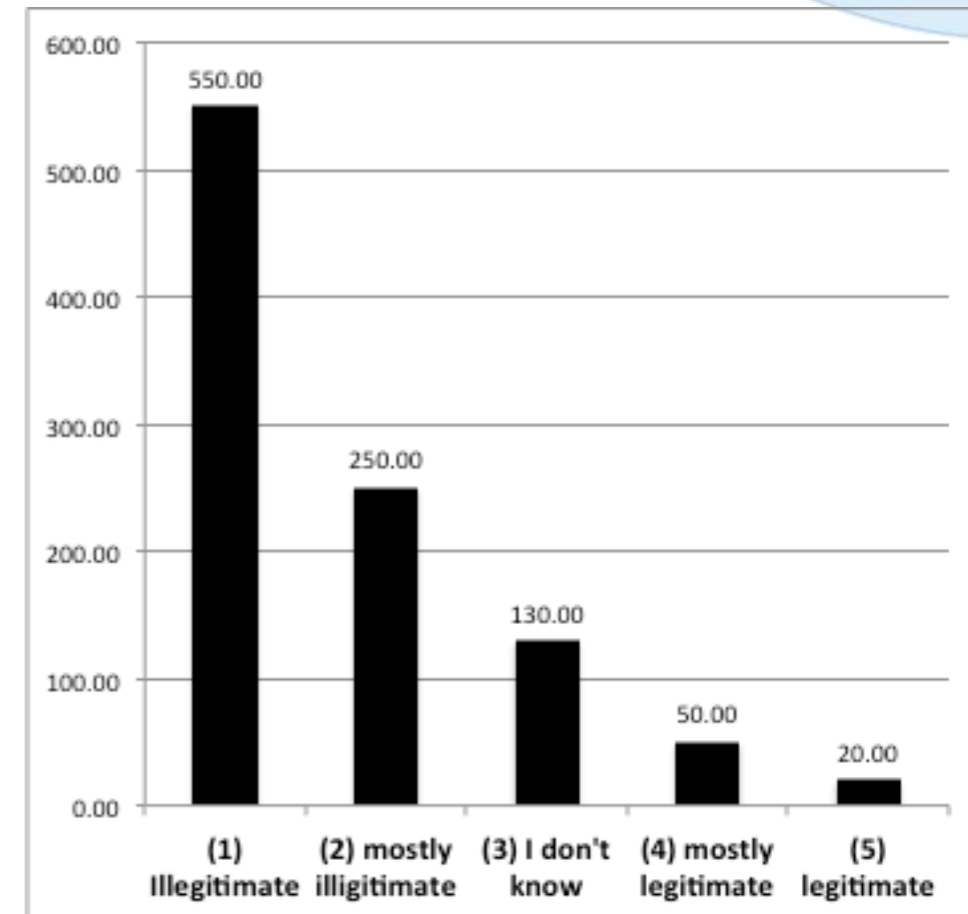
The state of “illegitimacy” can change to a different state of legitimacy because of new information that changes social perceptions.

# Legitimacy: Evaluators' Perspective

## Illegitimacy

### example

*It does bother me that scientists are played God with our food because we do not know what the long-term repercussions are...*

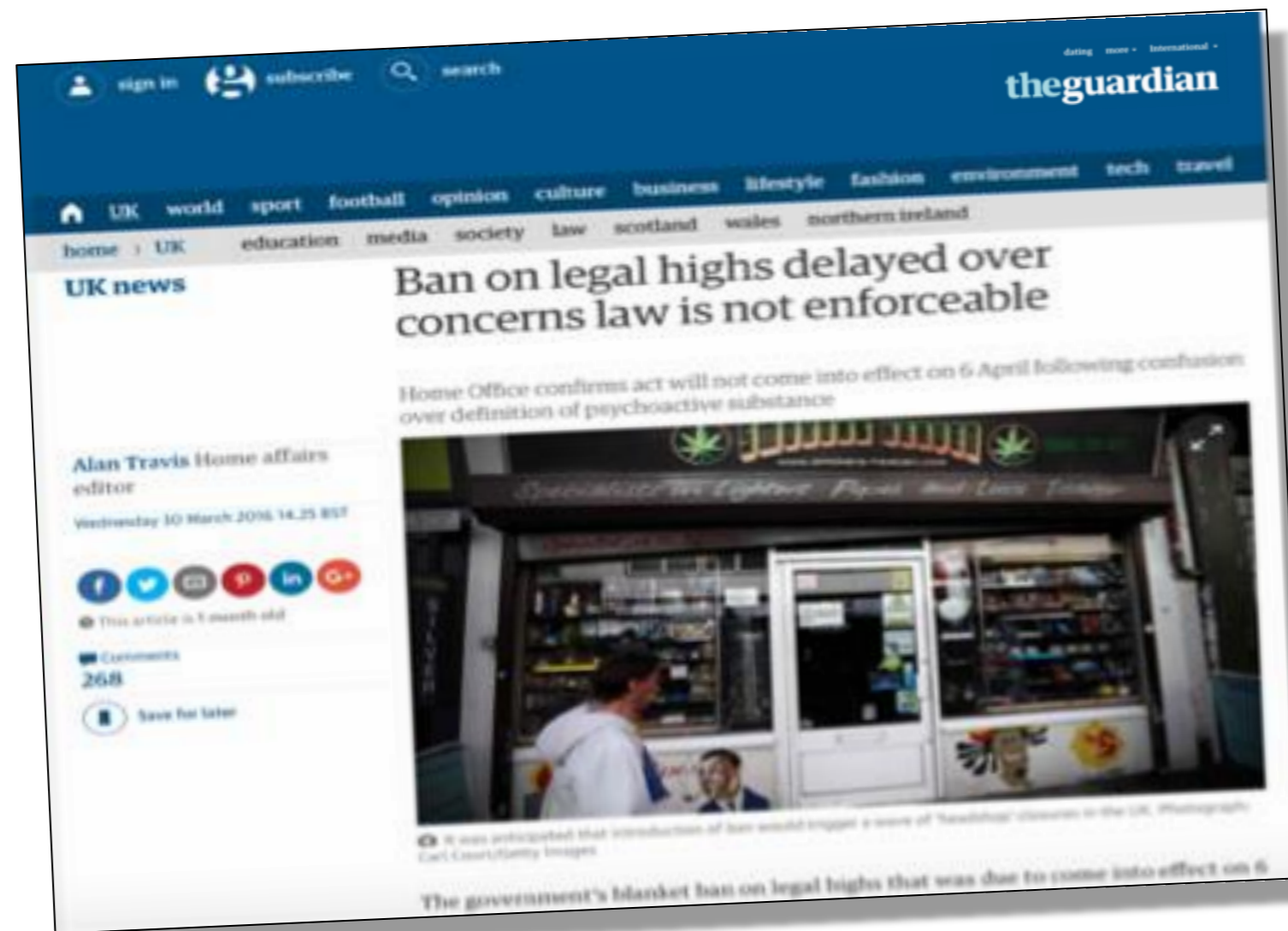


*Can you come up with other examples?*



# Legitimacy: Evaluators' Perspective

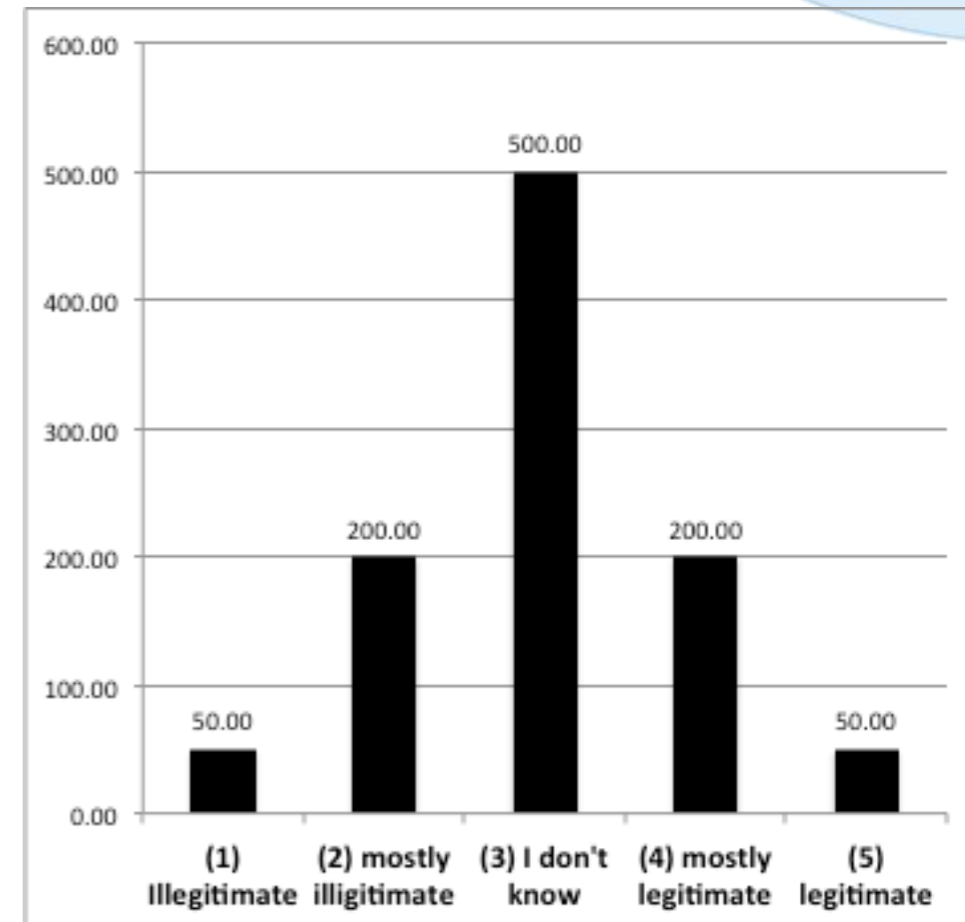
## Illegitimacy – other examples



# Legitimacy: Evaluators' Perspective

## Undecided legitimacy

- An active process where the evaluator, as “stakeholder” of the OL, has an interest in reaching a decision about legitimacy or illegitimacy, but has not yet done so.
- A state present when the sense-making process is ongoing or when there is an inability to reach a decision after the sense-making process.
- A more or less temporary state caused by context, constrained resources and efforts required to reach a decision.



### In sum

In the absence of a clear social judgment about the legitimacy of the OL, it will be considered to be in a state of “undecided legitimacy”.

This state is deemed to be temporary and its change might be accelerated by increased attention of stakeholders as they become more affected, or by changes in social norms, values and beliefs.

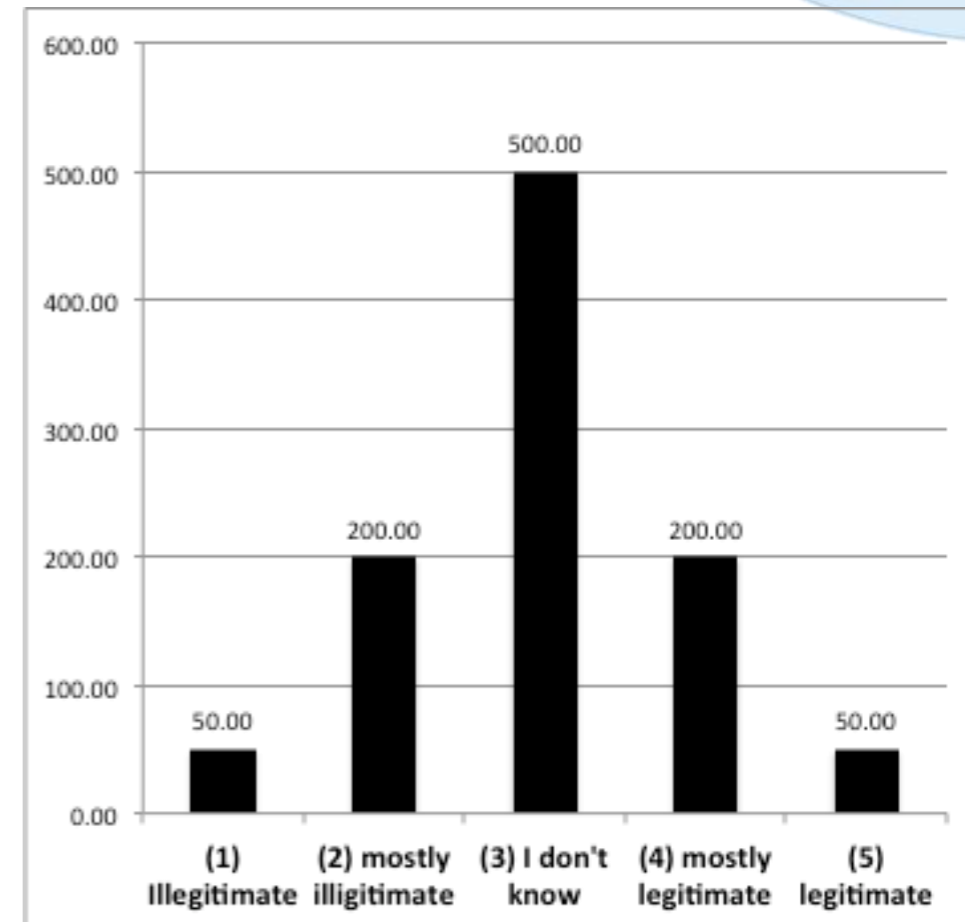


# Legitimacy: Evaluators' Perspective

## Undecided legitimacy

### Example

*Not enough information is given to us about what we are eating*



*Other examples?*

# Legitimacy: Evaluators' Perspective

## Undecided legitimacy – more examples



Wednesday 11th May 2016 Change text size: A A A

**blue & green tomorrow**

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### UK public conflicted about Shale Gas fracking shows opinion survey

Monday, October 19th, 2015 By

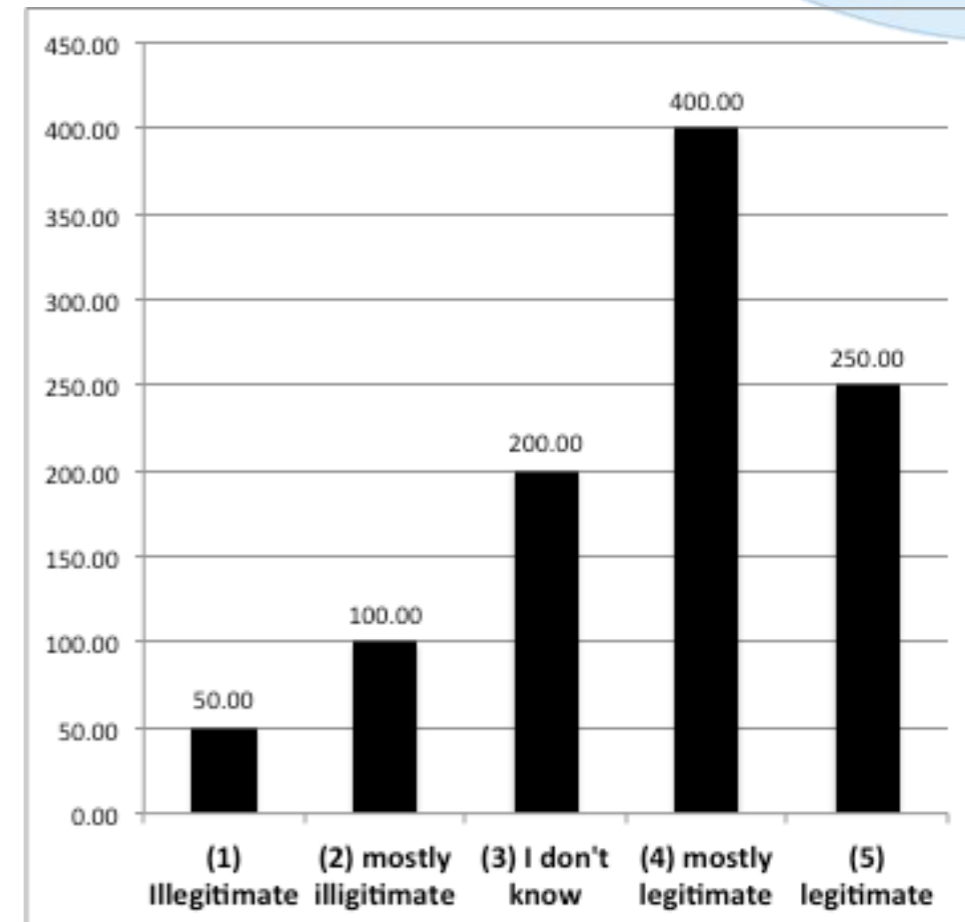
A new study reveals that the public have considerable reservations about hydraulic fracture stimulation – or ‘fracking’ – in shale gas. This is consistent with research over the last few decades that consistently shows that the British public prefers renewable energy sources over alternatives, and that they consider fossil fuels to be polluting, finite, and outdated.

Lead author Professor Lorraine Whitmarsh from Cardiff University and the Tyndall Centre says "This is the first UK experimental survey of public perceptions of shale gas fracking. We find the public is very uncertain about the technology and about the government's ability to adequately regulate shale gas."

# Legitimacy: Evaluators' Perspective

## Conditional legitimacy

- Conditional Legitimacy is the state in which evaluators would, in principle, cast a positive legitimacy judgment on the OL were it not for the presence of one, or some constraining factors.
- We posit that the analysis of the conditions to legitimacy is of utmost importance as it will be from the interpretation of the opinions between the undecided and decided classifications that actors may get the most palpable indications for the adjustments to their *modus operandi*



### In sum

Conditional legitimacy will be conferred as long as the constraining factors are perceived to weigh less in the mind of evaluators than the factors that prompt outright legitimacy.

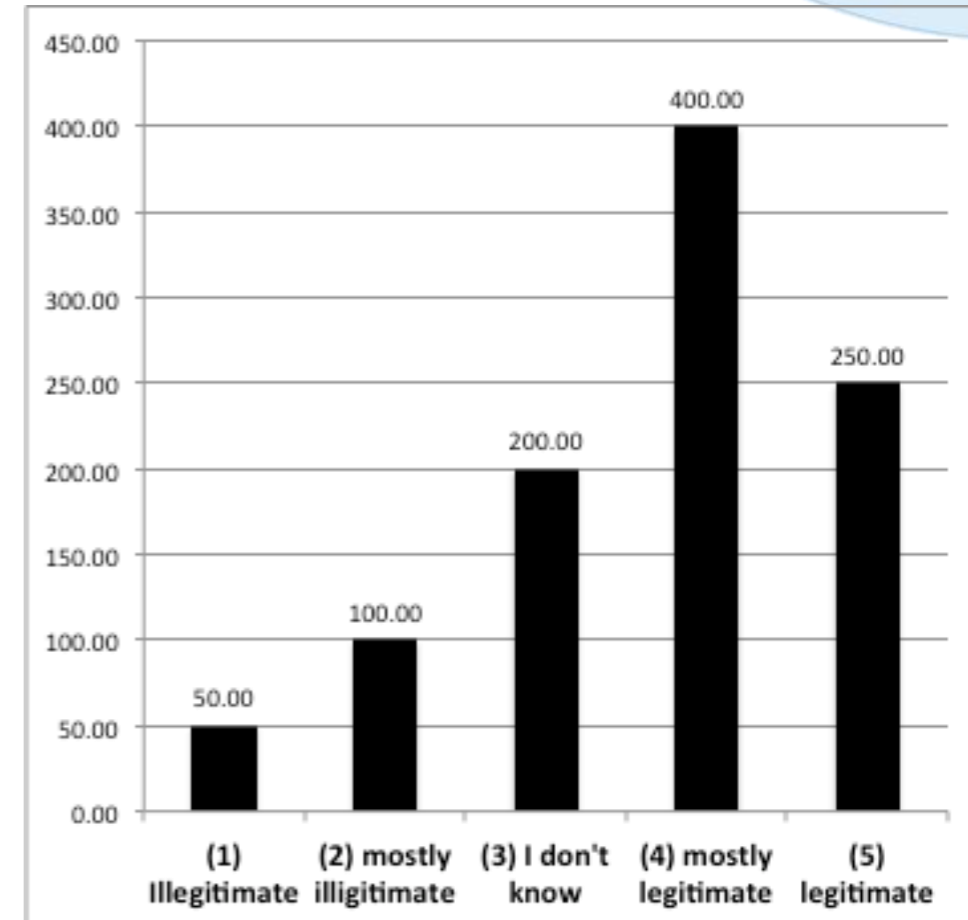
If the constraining factors are such that they outweigh the value of the factors that confer legitimacy, then the situation could change to either conditional illegitimacy or illegitimacy.

# Legitimacy: Evaluators' Perspective

## Conditional legitimacy

### Example

*"... they do need to be labelled clearly... If the people do not know what it is, they do not understand and sensationalize it"*

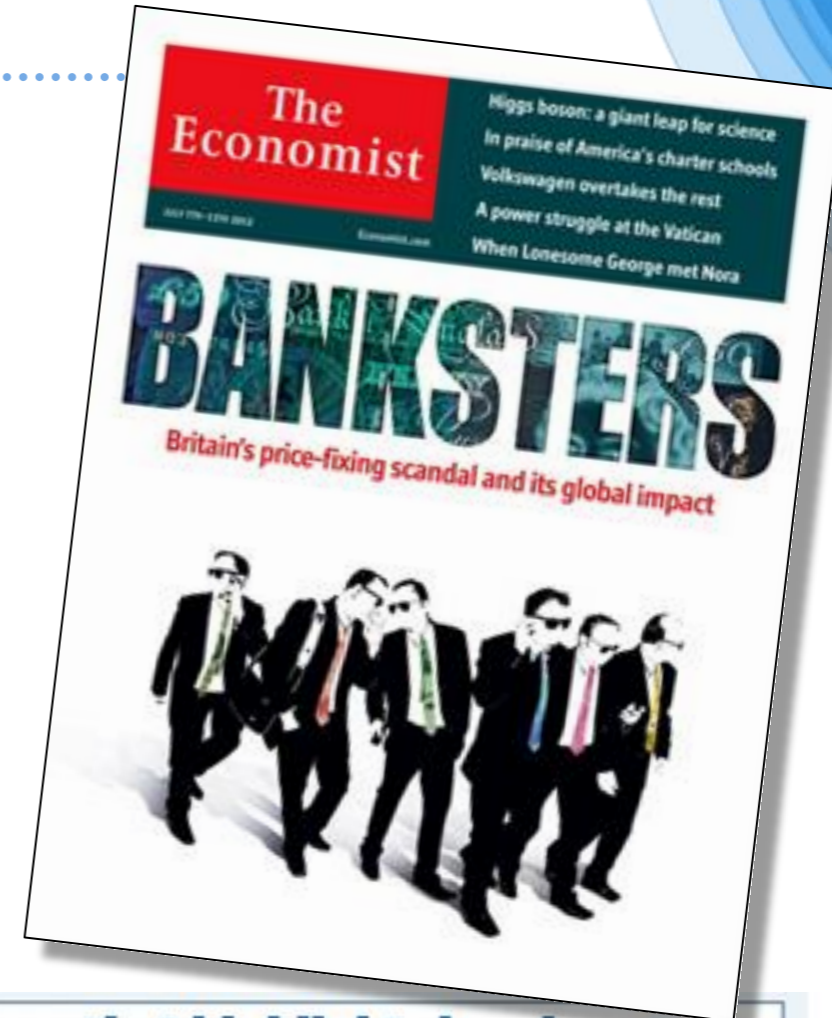


**Other examples?**



# Legitimacy: Evaluators' Perspective

## Conditional legitimacy – other examples



### Figures that highlight shaming story

Major Lender	Total complaints received (per month)	Total complaints referred to FOS (per month)	Proportion of complaints upheld by FOS
Lloyds TSB	65,200	1,600	98%
BARCLAYS	46,700	3,300	93%
RBS	26,100	300	87%
HSBC	17,100	800	66%
Nationwide	3,800	600	18%

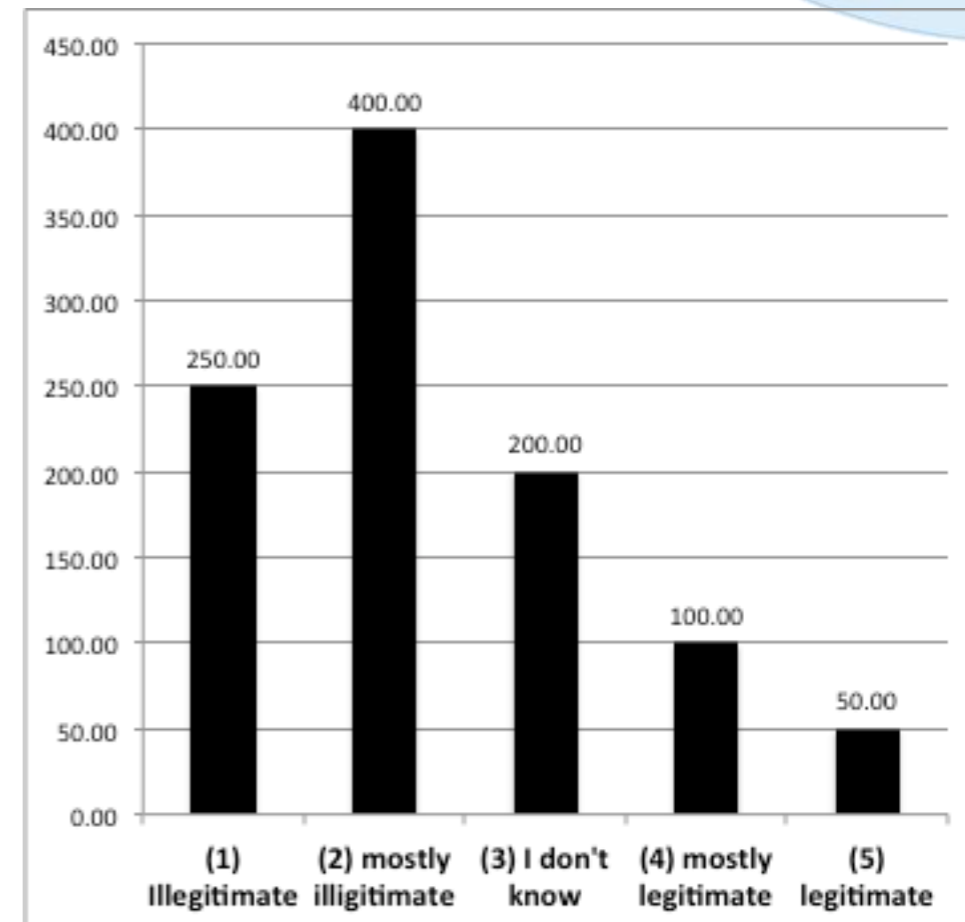
SOURCES: THE FINANCIAL OMBUDSMAN SERVICE AND THE FINANCIAL SERVICES AUTHORITY. BASED ON FIGURES FROM JANUARY TO END OF JUNE 2012.

# Legitimacy: Evaluators' Perspective

## Conditional Illegitimacy

Conditional illegitimacy refers to the state in which an OL, is in principle, deemed illegitimate but gains a certain level of acceptance in the light of some mitigating factors.

*Other examples?*



### In sum

Conditional illegitimacy will be present as long as the mitigating factors are perceived to be of more importance in the mind of evaluators than the factors that could prompt “illegitimacy”.

If the mitigating factors are such that they outweigh the value of the factors that confer “illegitimacy”, then the situation could change to either “conditional legitimacy” or “legitimacy”



# Legitimacy: Evaluators' Perspective

## Conditional Illegitimacy - examples...



# Legitimacy: Evaluators' Perspective

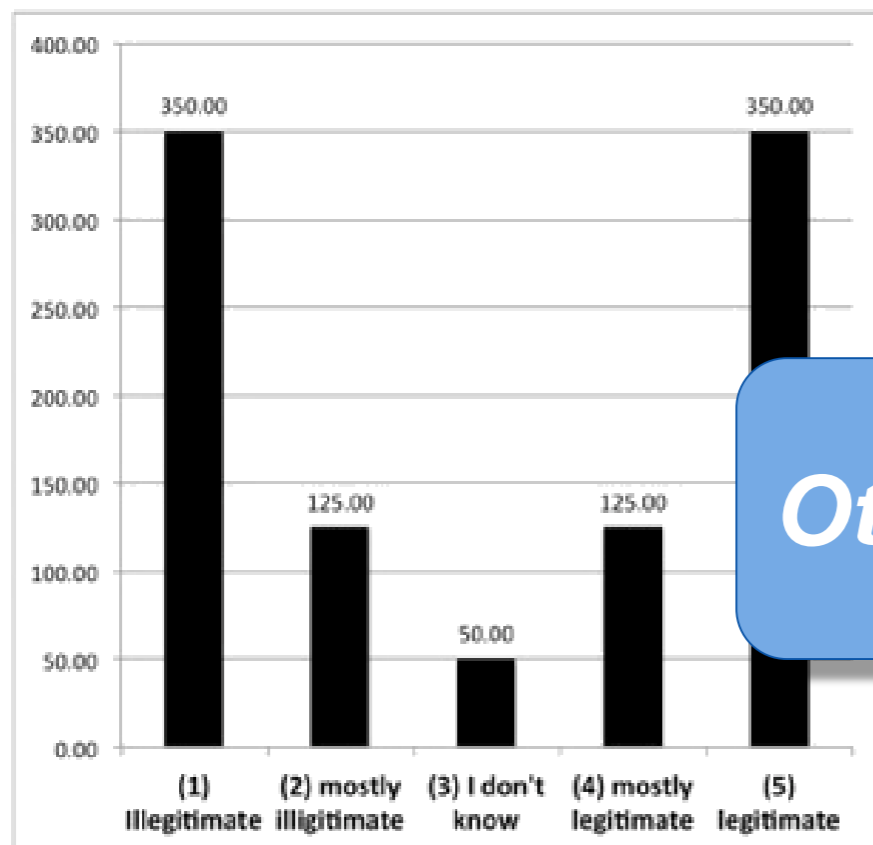
## When evaluators fail to converge : the Polarization of Legitimacy

### Definition of polarization:

- Polarization is the state of persistent and significant opposing judgments

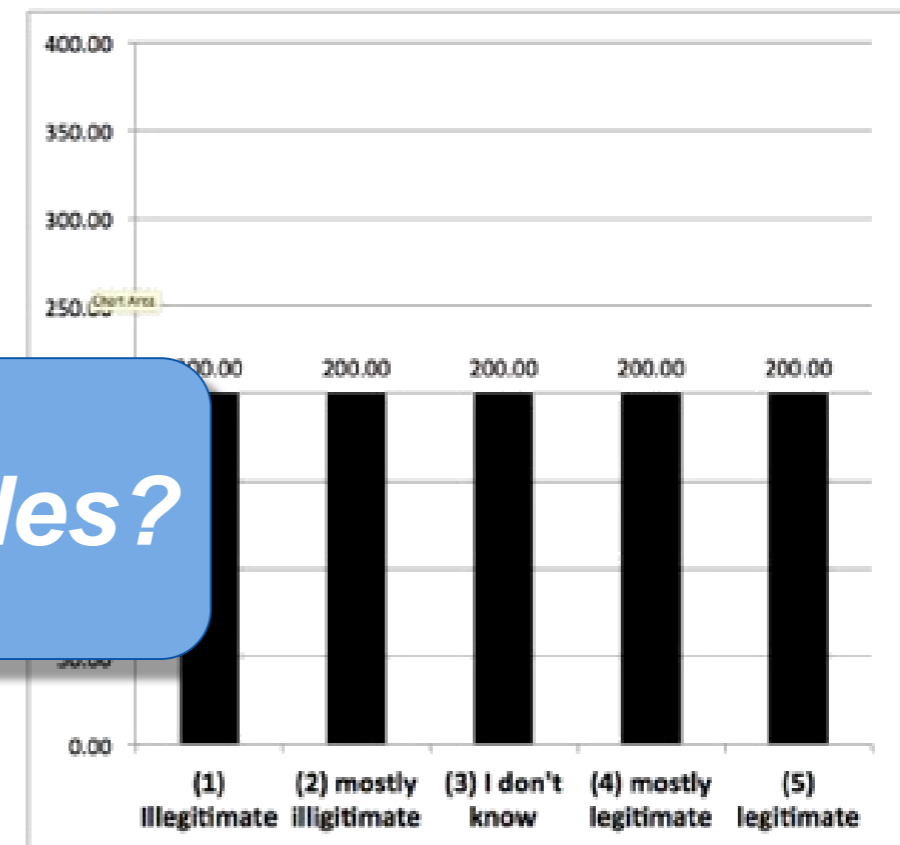
### Polarization is characterized by:

- An equally significant split between positive and negative legitimacy judgments
- Significant heterogeneity among opposing groups
- Significant homogeneity within each group.



### Type 1 Polarization

Polarized Legitimacy



### Type 2 Polarization

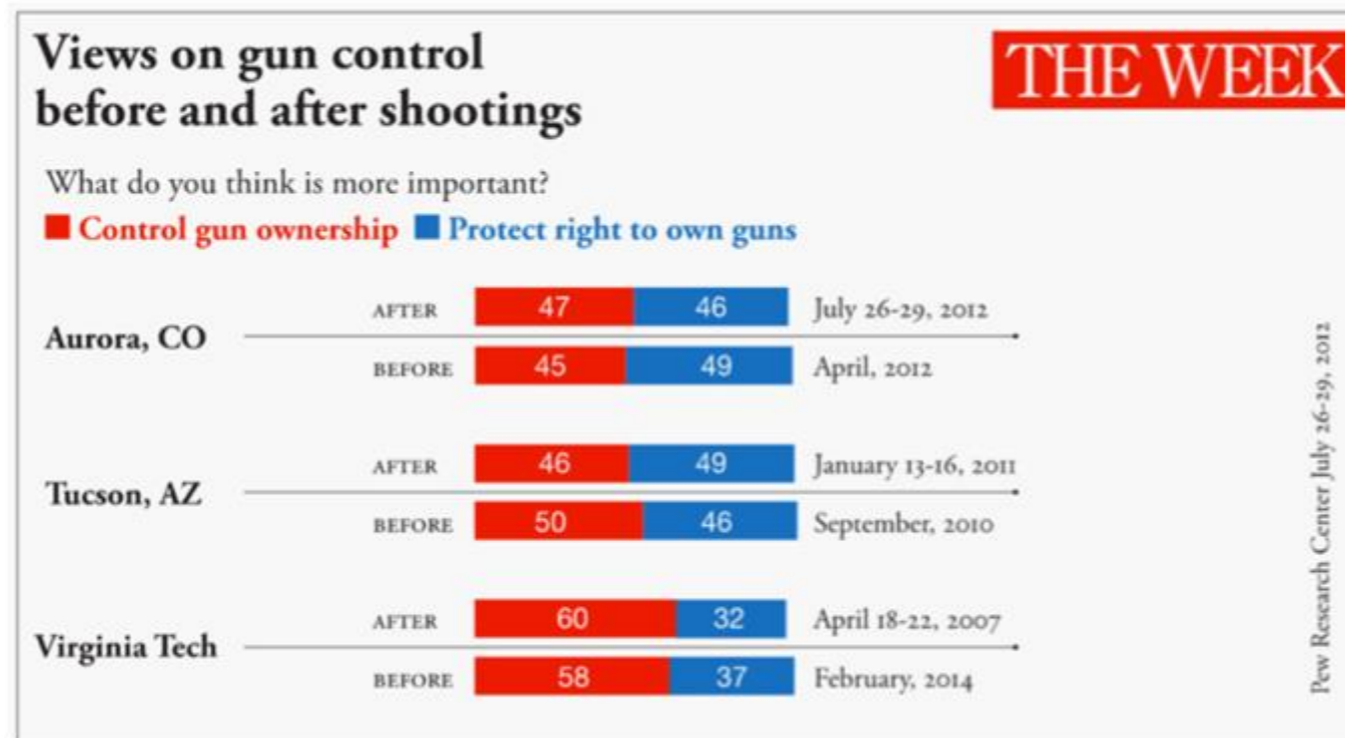
Uniform Distributed Legitimacy

*Other examples?*



# Legitimacy: Evaluators' Perspective

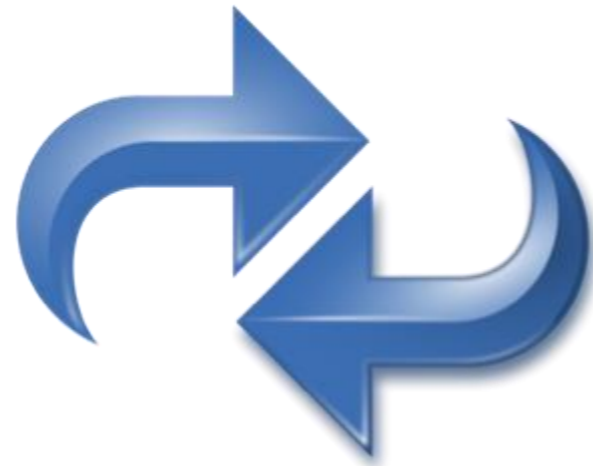
## Polarization of Legitimacy: examples



## Legitimacy: Evaluatees' Perspective

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**Let's change perspectives now..**



**What if you are the one who is under scrutiny...**

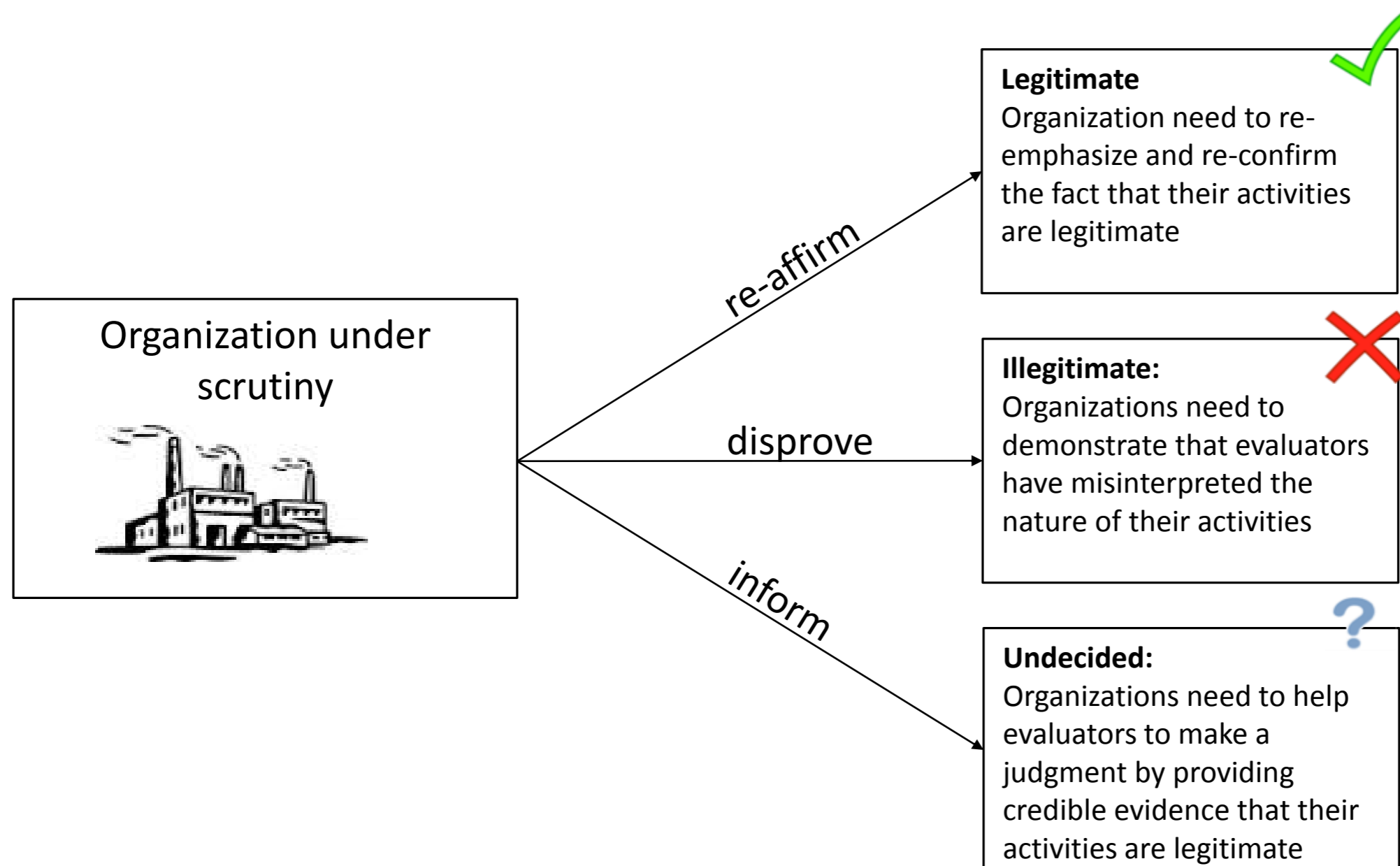
**How would you (or your) organization deal with these states?**

# Legitimacy: Evaluatees' Perspective

## Legitimation

**Legitimation** refers to the process by which an OL seeks to gain, maintain or repair legitimacy

## Different segments of evaluators require different messages



## Legitimacy: Evaluatees' Perspective

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### Legitimation Exercise:

For the next 10 to 15 minutes, discuss with the person next to you:

- What drives legitimacy in your organization/sector?
- How would you classify your legitimacy (of your position/organization/sector)?
- How do you deal with legitimacy judgments / legitimation in your organization/activities?

*Lets discuss some of  
your answers...*





# Staying on the “right” side of public opinion...

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# Panel Discussion & Q&A

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# Thank you

Please be in touch with any  
questions, comments or  
suggestions:  
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