This is the Pre-Published Version.

This is the accepted manuscript of the following article: Love, E. G., Lim, J., & Bednar, M. K. (2017). The face of the firm: The influence of CEOs on corporate reputation. Academy of Management Journal, 60(4), 1462-1481, which has been published in final form at https://doi.org/10.5465/amj.2014.0862.

The Face of the Firm: The Influence of CEOs on Corporate Reputation

ABSTRACT

It is widely assumed that CEOs shape how people view firms, but the question of how these leaders influence corporate reputations has received little theoretical or empirical attention. This study addresses two core questions in this vein: to what degree do leaders really matter for firm reputation, and which leaders affect their firm's reputation? We develop theory explaining how and why leaders should enter into evaluations of the firms that they lead. More specifically, we propose that CEOs will affect corporate reputations depending on leader prominence and on perceptions of leader quality. We test these hypotheses by examining how CEOs' media coverage, industry awards, and outsider standing affect the reputations of their firms. Findings indicate that highly-regarded CEOs enhance their firm's reputations, sometimes substantially, and CEOs who receive negative press coverage damage their firms' reputations. However, CEO prominence alone was not associated with higher firm reputation. We discuss implications for research on leaders and corporate reputations.

How we see a firm's top leader influences how we see their firm. Steve Jobs at Apple, Jeff Bezos at Amazon, and Jack Welch at General Electric are notable instances of this phenomenon. People are known to see corporate leaders as powerful actors, whose decisions will lead the firm to success or failure (Carpenter, Geletkanycz, & Sanders, 2004; Nohria & Khurana, 2010; Yukl, 2012). For example, boards often search for CEOs that can act as "corporate saviors" and rejuvenate their firm through charismatic leadership and strategic acumen (Khurana, 2002). CEOs are also frequently featured in the business press and some are even said to attain "celebrity" status through such exposure (Hayward, Rindova, & Pollock, 2004; Wade, Porac, Pollock, & Graffin, 2006). In short, corporate leaders can become the "face of the firm," appearing as the human force behind the firm's actions and outcomes (Finkelstein, Hambrick, & Cannella Jr, 2009). However, this phenomenon does not appear to be universal. In many circumstances, CEOs seem to operate in the background, and even when their firms are highly successful, such leaders do not seem to necessarily influence perceptions of the firm as a whole (Collins, 2001). For example, the current CEOs of Walmart, Johnson & Johnson and Nike are much less in the public eye, even though these are all prominent and successful firms.[1]

These observations have important implications for how leaders influence the formation of corporate reputation (i.e., a subjective evaluation of a firm's overall quality). In particular, they imply that evaluations of the firm's top leaders will at times shape the reputations of the corporations they lead and that highly regarded CEOs should confer reputational benefits on their firms (Gaines-Ross, 2003; Graffin, Pfarrer, & Hill, 2012). The relationship between CEOs and corporate reputation is important to understand, given that corporate reputations are valuable

[1] For readers who wonder, at the time of this writing these were Doug McMillon (since 2013), Alex Gorsky (2012) and Mark Parker (2006), respectively.

intangible assets that are associated with a number of tangible benefits (Barnett & Pollock, 2012; Fombrun, 1996; Hall, 1992, 1993; Roberts & Dowling, 2002). Understanding leaders' reputational effects also gains in interest because leaders are clearly in a different category than the firm behaviors or outcomes that research on reputation formation has long emphasized (Gaines-Ross, 2003). Yet while scholars have given great attention to the question of how corporate reputations are built and maintained, we do not know how perceptions of corporate leaders such as CEOs influence the reputations of their firms (Graffin et al., 2012).

In this study, we take a first step to respond to this situation by developing theory and providing empirical evidence regarding how top leaders influence their firm's reputation. Specifically, we focus on CEOs and address two questions in the study. First, to what degree do CEOs really matter for corporate reputation? This broad question gains interest through the wide range of potential answers that are evident in the literature. Some have suggested that evaluations of these leaders figure greatly in reputational assessments of organizations (Gaines-Ross, 2003). This idea is supported by a large body of research based on the premise that observers see firms as a reflection of their leaders and that leaders can affect a number of important firm outcomes (Finkelstein et al., 2009; Meindl, Ehrlich, & Dukerich, 1985; Weber, Camerer, Rottenstreich, & Knez, 2001). On the other hand, it is also well established that firms' reputations depend strongly on their financial performance (Brown & Perry, 1994; Fryxell & Wang, 1994), and leaders' reputations are thought to be closely intertwined with those of their firms (Graffin et al., 2012). These latter points suggest that *perceptions* of a leader may have a relatively small effect (or even none) on corporate reputation if we account for the firm's financial performance first. Given this divergence in extant work, we hope to advance our understanding of this issue by focusing specifically on the degree to which perceptions of CEOs

exert an *independent* effect on corporate reputation (i.e., an effect that is separable from the firm's financial performance). Put another way, we want to know to what extent a firm with a highly regarded leader is more highly reputed than a similarly-performing firm without one.

Our second question asks: Which leaders add to their firm's reputations? Assuming that some leaders have the independent effect described above, it is clearly important to understand who those leaders are and what leader characteristics can influence corporate reputations. Drawing on organizational level research, which finds that prominence and perceived quality are each important determinants of firm reputation (Rindova, Williamson, Petkova, & Sever, 2005), we apply similar logic and examine how individual CEOs who gain these two qualities affect their firms' reputations. We specifically focus on three factors that have been highlighted by prior work on CEOs, which would appear to confer prominence on these leaders and/or shape perceptions of their quality. The first of these is media coverage, which has a clear link to leader prominence as leaders who receive substantial press coverage become widely known and are often closely identified with their firms (Chen & Meindl, 1991; Hayward et al., 2004). The media also acts as a social arbiter through making evaluative judgments of actors (Deephouse, 2000; Wiesenfeld, Wurthmann, & Hambrick, 2008), suggesting that the tenor of CEO coverage may affect perceptions of their leadership capabilities. Second, some CEOs win various industry awards, which can function as certification contests through which outside parties validate and enhance a leader's stature (Malmendier & Tate, 2009; Wade et al., 2006). Finally, a third signal is based on whether the current CEO came from inside or outside the focal firm. Outsider CEOs are often portrayed as "corporate saviors" and are especially likely to gain observers' attention and be viewed as having strong leadership qualities (Boeker, 1997; Khurana, 2002; Zhang & Rajagopalan, 2010). We develop hypotheses about how these factors lead CEOs to impact their

firms' reputations by drawing on fundamental ideas about information availability (Bushee, Core, Guay, & Hamm, 2010; Deephouse, 2000) and uncertainty reduction (e.g., through certification contests, Rao, 1994).

We test these ideas through an empirical study of how CEOs impact corporate reputation within a sample of large U.S. firms during a seven-year period during the 1990s. Specifically, we examine the volume and tenor of media coverage about the CEO, the receipt of CEO awards, and CEO insider/outsider standing. Media coverage is especially interesting because while much of the management literature focuses on the positive effects of leadership, our analysis of media tenor allows us to separately examine both positive and negative indicators of CEO quality. All of the effects are assessed after accounting for the reputational impact of firm financial performance and media coverage of the firm itself.

The paper aims to contribute to management research that is concerned with CEOs and top management teams (Carpenter et al., 2004; Hambrick & Mason, 1984), as well as research that focuses on corporate reputation (Graffin et al., 2012). Regarding the former, we hope to further the idea that corporate reputation constitutes a relatively unexplored but consequential outcome that may be influenced by CEOs. More specifically, the study adds to the growing stream of research on prominent and highly regarded CEOs, often described as celebrities or stars (Hayward et al., 2004; Khurana, 2002; Wade et al., 2006). A key theme in much of this research is that CEOs can have a large impact on subjective perceptions of the firm, in addition to their impacts on more tangible firm behaviors and outcomes (Hayward et al., 2004; Khurana, 2002). By directly examining the influence of these leaders on reputational evaluations of the firm, the current study aims to expand our understanding of CEOs' multiple influences. For the corporate reputation literature, the study contributes to the ongoing and central conversation

about how these reputations are ascribed (Lange, Lee, & Dai, 2011; Rindova & Martins, 2012). It does so by establishing leadership as an integral determinant of corporate reputation, one which has received little systematic attention and is categorically different from the outcomes, capabilities and behaviors that have been portrayed as constitutive of the construct in much prior work (Fombrun, 2012; Fombrun & van Riel, 1997; Weigelt & Camerer, 1988). By developing and testing theory about how important leaders are for corporate reputation and which leaders make a difference therein, we hope this study broadens conceptions of the fundamental elements that make up corporate reputation.

THEORY AND HYPOTHESES

We start by describing how corporate reputations are thought to be evaluated, and then move on to discussing how leaders and particularly CEOs may enter into these judgments. As noted and following prior research, we conceptualize corporate reputations as subjective evaluations of firms' overall quality (see, for example, Fombrun, 1996; Lange et al., 2011; Mishina, Block, & Mannor, 2012). As such, corporate reputation reflects a judgment of the firm's underlying capabilities and behavioral propensities that shape what it can do and what it is likely to do (Berens & van Riel, 2004; Fombrun, 1996). Evaluators face a complex task in making these judgments because such attributes are typically not directly observable and corporations are complex and multi-faceted entities (Lange et al., 2011; Schultz, Mouritsen, & Gabrielsen, 2001). It should come as no surprise, then, that corporate reputations have multiple and diverse antecedents. Disparate criteria that involve firm outcomes, behaviors and attributes such as firm performance (Fombrun & Shanley, 1990), management practices (Staw & Epstein, 2000), charitable activities (Williams & Barrett, 2000), stance towards social responsibility (Philippe & Durand, 2011) and many others have been shown to have independent influences on

reputational judgments of firms (Lange et. al., 2011). Scholars have also found that the influence of reputation-relevant information itself depends on factors such as evaluator interests, social conformity, and information salience (Love & Kraatz, 2009; Rindova et al., 2005).

Our case that leaders will have a distinct influence on corporate reputation starts with the idea that reputational evaluators will look to a firm's leaders for signals of its underlying capabilities and propensities. At a basic level, the vast literature on leadership is itself a testament to the degree to which people see leaders as the driving force behind organizational behaviors and outcomes (Nohria & Khurana, 2010; Yukl, 2012). Within managerial research, this is seen in the upper echelon perspective, wherein a central underlying idea is that the firm is a reflection of its leaders (Hambrick & Mason, 1984). Much work within this perspective has shown that executive characteristics can impact a range of strategic choices and performance outcomes (Finkelstein et al., 2009). These findings are complemented by a line of research revealing that people tend to not only perceive leaders as highly influential, but also *over-attribute* firm outcomes to them (Meindl & Ehrlich, 1987; Meindl et al., 1985). This cognitive perspective suggests that such effects arise from people's tendency to prefer simple and stable causal accounts of complex phenomena (Heider, 1958). Explanations based on leader traits and capabilities provide just such an answer to difficult questions about why a firm has performed as it has and how it will fare in the future. The tendency to see leaders as highly influential is likely further reinforced by managers' impression management efforts, in which they tend to present accounts that focus on positive outcomes and actively attribute these to their leadership capabilities and strategic acumen (Salancik & Meindl, 1984; Staw, McKechnie, & Puffer, 1983).

These general arguments about leaders appear to be particularly applicable to CEOs. CEOs become prominent through acting as their firms' chief spokespersons, providing

interpretations of firm actions and at times becoming closely identified with their firms in the process (Garbett, 1988; Reidenbach & Pitts, 1986). CEOs also gain prominence and perceived influence through the considerable attention they receive from the media, especially because journalists tend to present simplified storylines in which a firm's fortunes are attributed to the CEO and his/her leadership capabilities (Gans, 1979; Graham, 1997; Hayward et al., 2004). The apparent power of CEOs is also featured in work on corporate saviors, founders, and charismatic CEOs, who are often perceived to have outsized influence on firm actions and outcomes (Chen & Meindl, 1991; Conger & Kanungo, 1998; Khurana, 2002).

The points above suggest that when people assess corporate reputations they will look beyond firm behaviors and outcomes, and that they will see the CEO as a meaningful factor in their judgment.[2] Assuming this argument holds, it raises another key question: *which* CEOs are going to be the ones that have effects on the firm's reputation? First, it seems important that these leaders be prominent (i.e., well-known) ones. Availability of information is an important driver of reputational judgments (Anderson & Shirako, 2008; Deephouse, 2000), and the degree to which information is available about specific CEOs varies a great deal (Hayward et al., 2004; Park & Berger, 2004). For example, it is easy to see how Jeff Bezos would enter into evaluations of Amazon, but many CEOs are much less visible even though their firms are very prominent (e.g., those mentioned in the paper's introduction). This suggests that the degree to which specific CEOs are salient to evaluators should influence whether those leaders affect their firms' reputations.

---

[2] We focus on how *perceptions* of leaders may directly influence their firm's reputation. Of course, leaders also influence their firm's performance. Since firm performance in turn affects corporate reputation this represents a second path through which leaders can influence reputation. That said, on this second path leaders' influence on corporate reputation is of an indirect nature, and our interest here is in their more direct influences.

Second, since corporate reputation is an evaluation of firm quality, it seems to follow that CEOs impact on their firm's reputations should be driven by evaluators' assessments of their leadership capabilities. That said, scholars have emphasized that leader quality is not directly observable and that it is often quite difficult to assess, even for expert stakeholders (e.g., boards of directors and analysts) (Khurana, 2002; Wade et al., 2006). For instance, there are a great many leadership styles and traits, and no definitive answers to the question of which ones are most effective (Nohria & Khurana, 2010; Yukl, 2012). Reputational evaluators are thus likely to rely on indirect indicators of leaders' quality such as evaluations by information intermediaries, certification contests, and categorical distinctions like outsider or insider standing (see Deephouse, 2000; Pollock & Rindova, 2003; Rao, 1994; Suchman, 1995).

Media Coverage and CEO's Reputational Impact

We draw on these ideas to develop specific hypotheses, starting with potential effects of media coverage of the CEO. As an information intermediary (Bushee et al., 2010; Healy & Palepu, 2001; Pollock & Rindova, 2003), the business media broadcasts to wide audiences and is seen as critical in making information available about firms and their leaders (Bednar, 2012; Bednar, Boivie, & Prince, 2013; Pollock & Rindova, 2003). The media also acts as a social arbiter by making positive and negative judgments about the actors they cover, and these can serve as important signals regarding the quality of those actors by "rendering assessments of firms and individuals associated with them" (Wiesenfeld et al., 2008:204). These two functions (disseminating information and making evaluations) are evident for CEOs specifically. We have already alluded to how CEOs gain visibility through their role as spokespersons, and to how journalists often attribute firm actions and outcomes to the CEO's decisions and leadership capabilities (Chen & Meindl, 1991; Hayward et al., 2004). The media often accords CEOs

considerable credit for firm success, and when firms struggle CEOs tend to receive substantial blame and criticism (Khurana, 2002). It is also important that media portrayals of CEOs can be quite distinct from coverage of the firm itself, for instance when new CEOs receive coverage that highlights their prior track records at other firms (Khurana, 2002; Park & Berger, 2004) or when positive coverage of a CEO persists even when the fortunes of the firm change for the worse (Chen & Meindl, 1991).

Media coverage of CEOs can increase these leaders' prominence and affect perceptions of their quality. Generally, we view CEO prominence and perceptions of CEO quality as complementary factors through which these leaders can affect reputational evaluations of the firm. Media coverage, however, offers an opportunity to separately examine these two factors, because we can measure the volume of coverage as well as its positive or negative tenor. Accordingly, we propose two hypotheses about the effects of CEO media coverage. The first emphasizes the importance of information availability. Leaders, of course, cannot enter into corporate reputations if evaluators know little or nothing about them. We predict that leaders who receive more media coverage will generally confer more reputational benefits to their firms. Media coverage makes leaders more salient and closely identified with their firms, especially because at times it portrays them as powerful influences on firm outcomes and actions. As we have already described, leadership is positively valued in general (Meindl & Ehrlich, 1987; Meindl et al., 1985). When CEOs become more salient, then, their firms should be seen in a more positive light. This argument draws strength from people's general tendency to evaluate familiar objects more positively than unfamiliar ones (Zajonc, 1968). Of course, the tenor of the coverage is likely to matter as well, as we develop below. But if one considers two firms that are

similar except that media coverage has led one's CEO to become prominent while the other's CEO is an unknown, these arguments suggest that the former firm will be more highly rated.

The second hypothesis predicts that CEOs' effects on corporate reputations will also depend on the positive or negative tenor of the media coverage that they receive. The evaluative signals sent by media coverage are particularly likely to affect reputational evaluators where leaders are concerned, because of the difficulty associated with assessing these actors' quality. Media research has emphasized that positive press coverage can act as a valuable firm resource, in large part because it reduces the inherent uncertainty about firm and leader quality (Deephouse, 2000; Pollock & Rindova, 2003). We have mentioned prominent highly-regarded CEOs like Steve Jobs or Jack Welch, where this effect seems particularly evident. However, positive as well as negative portrayals of CEOs are widespread, even if positive coverage is more common than negative coverage (Park & Berger, 2004). We predict that when CEOs receive positive coverage, they will confer reputational benefits on the firm, and conversely they will inflict reputational damage when they receive negative coverage. Thus:

H1: Companies whose CEOs have received more media attention will have stronger reputations, ceteris paribus.

H2: Companies whose CEOs have received more positive (more negative) media attention will have stronger (weaker) reputations, ceteris paribus.

Certifications and CEO Awards

Certification contests constitute a second general mechanism that sends powerful signals about actors' quality and that can increase their prominence. These contests are events wherein firms, actors or products are placed in a competition in which the outcome depends on a set of established criteria. They may take the form of actual competitions (e.g., auto races as in Rao, 1994) or they may involve expert judgments (e.g., business school rankings). Certification

clearly is a strong positive signal that reduces uncertainty about the winner's quality. These contests are also often widely publicized, and so they are likely to enhance the winner's prominence as well.

Where CEOs are concerned, industry and media awards constitute important certification contests (Malmendier & Tate, 2009; Wade et al., 2006). These awards have become increasingly common over the last 30 years, to the point where a number of prominent business publications (e.g., *Business Week, Forbes, Industry Week* and *Financial World*) have conferred such awards (e.g., "CEO of the year") on top executives. The award winners are typically determined through systematic processes that feature expert evaluators and the award announcements typically highlight exceptional achievements of these CEOs. For example, in 2002 *Business Week's* top CEOs included Louis Gerstner of IBM for his strategic decisions, Steven Ballmer of Microsoft and Reuben Mark of Colgate for how they managed innovation, Richard Priory of Duke Energy for bold deal-making, and John Brown of British Petroleum for his role as an industry pacesetter regarding global warming (Business Week, 2002). These kinds of recognition, coupled with the publication's broad distribution, should lead to widespread perceptions that the winner is a highly capable leader. Indeed, prior research has treated CEO awards not just as signals of quality, but also as indicators of "star" status (Malmendier & Tate, 2009; Wade et al., 2006). Awards should thus increase CEOs' perceived quality and prominence, and so:

H3: Companies whose CEOs have won industry awards will have stronger reputations, ceteris paribus.

Outsider CEOs as "Corporate Saviors"

A third signal that reputational evaluators are likely attuned to is the CEO's standing as an outsider or insider. Outsider CEOs are those brought in from a firm other than the focal firm, as compared to insider CEOs who typically have spent many years with the focal firm "working up through the ranks" before taking office. This categorical distinction is salient to practitioners as well as scholars. Many studies have examined outsider CEOs effects on firm actions and performance, though findings have been mixed and at times lacking altogether (e.g., Karaevli & Zajac, 2013; Tosi, Misangyi, Fanelli, Waldman, & Yammarino, 2004; Zhang & Rajagopalan, 2010; see Finkelstein et. al., 2009 for a review).

But while the tangible impact of outsider CEOs is unclear, there is good reason to believe that these leaders will be both more prominent and *perceived* to be higher quality leaders than insiders, and so outsider CEOs should have a positive influence on their firms' reputations. In particular, outsiders are often the subject of considerable press attention, and can be portrayed by the media and their own organizations as "corporate saviors" whose exceptional capabilities offer the promise of rejuvenating the organization's strategic fortunes (Khurana, 2002). Relatedly, the search process for outsiders CEOs often leads to the selection of experienced, charismatic outsiders whose former firms have had considerable success and who are expected to step in immediately with new ideas and lead dramatic change (Khurana, 2002). These features likely reinforce positive perceptions of outsiders, since characteristics such as charisma, affiliation with success, ability to drive change, and new ideas are all associated with strong leadership capabilities (Bass & Riggio, 2006; Conger & Kanungo, 1998; Fanelli, Misangyi, & Tosi, 2009; Kotter, 2001; McCall, 1998). One telling example of the perceived superiority of outsider CEOs is offered by Khurana (2002: 61), who suggests that this belief was "so engrained that it was fashionable to portray the legendary Jack Welch – a consummate insider who had

spent his entire career at GE before being named the company's CEO – as a de facto outsider." It is also important that where signals of leadership quality are concerned, insiders have some important disadvantages as they are more likely seen as being constrained by prior firm commitments and may be stained by previous failings of the firm (Finkelstein et al., 2009). Thus we propose:

H4: Companies with CEOs that have outsider standing will have stronger reputations, ceteris paribus.

METHODS

Sample and Data

Our sample includes 372 large U.S. firms that appeared in the *Fortune* magazine's annual "Most Admired Company" survey during the years 1991 to 1997. *Fortune* includes firms in the survey based on their size, rather than the degree to which they are "admired," so that both firms with strong and with weak reputations are well-represented in the sample. The survey specifically includes the ten largest firms by sales in each of the several dozen *Fortune* industries[3] that it covers, meaning that it encompasses the core industrial and service firms in the U.S. economy. These firms also show considerable variation in level of media coverage as well as size (while all are large, annual sales range from less than $1 billion to over $100 billion). The sample firms thus comprise an appropriate sample with which to test our research questions, both because they vary on key dimensions and because their generally substantial size and prominence leads constituents and the media to closely follow them and their CEOs.

Data on CEOs were primarily collected from the ExecuComp database, while CEO awards were from *Financial World*'s annual "CEO of the Year" competition. ExecuComp data

[3] *Fortune* uses proprietary industry categorizations in the survey. These roughly parallel SIC ones and their granularity appears to be between the SIC2 and SIC3 levels.

became available in 1990 and the last *Financial World* competition was held in 1996, and these factors (after accounting for a one year lag, as described below) determined the start and end of the study period. Media coverage data were drawn from the *Wall Street Journal* through ProQuest and the *New York Times* through LexisNexis. Financial performance data were from COMPUSTAT. The panel itself includes all firm-years for which *Fortune* survey, ExecuComp and other data are available, leading to a total of 1,599 firm-years.[4] The panel changes somewhat from year to year, primarily because firms are added to and dropped from *Fortune* survey sample over time (e.g., through mergers or acquisitions).

Variables

Firm Reputation. To measure the dependent variable, *Firm Reputation*, we used the firm's published score in the *Fortune* "Most Admired Companies" survey in a given year. The *Fortune* rating is consistent with our conceptualization of corporate reputation as a subjective evaluation of the firm's overall quality (Fombrun & Shanley, 1990; Love & Kraatz, 2009) and has been widely used widely in prior research (e.g., Brown & Perry, 1994; Fombrun & Shanley, 1990; Roberts & Dowling, 2002). *Fortune* sends thousands of securities analysts, executives and directors the survey each year and asks them to rate the ten largest companies in their industry. Respondents to the survey evaluate each firm along eight different attributes (using a 0 to 10 scale). The attributes are management quality, product or service quality, financial soundness, innovativeness, long-term investment value, ability to attract, develop and retain talented

[4] The *Fortune* survey published data on 2,245 potential firm-years during its 1991 to 1997 iterations. The bulk of these observations that were not usable (495) lacked available information on CEOs, while the remainder lacked financial data (most often because they were private or international firms). Firm-years lacking CEO information were somewhat smaller by sales and had lower *Fortune* survey scores than those where CEO information was available. The differences were statistically significant although not large in substantive terms. The differences do not seem likely to bias our analyses, as the prominent and highly regarded CEOs that are most likely to impact their firms' reputations tend to be employed by the largest firms. These issues do highlight, however, the importance of recognizing this study's specific focus on large firms and their CEOs.

personnel, social responsibility to the community and the environment, and use of corporate assets. These eight item scores are subsequently averaged to generate each firm's overall reputation score that *Fortune* publishes.[5] *Fortune* generally publishes the annual "Most Admired Companies" list in February or March, with ratings reflecting surveys that were sent to respondents and completed by them near the end of the previous calendar year. To align with this, our independent and control variables are measured in the year prior to the one in which the survey ratings are published (unless otherwise noted). Our measures thus reflect information about the CEO and the firm that is available to respondents when they complete the survey form.

CEO Media Prominence and Media Tenor (H1-H2). We measured *Total CEO Media Prominence* and *CEO Media Tenor* (as a signal of CEO quality) using relevant articles in the *New York Times* and *the Wall Street Journal*. Our theoretical arguments required that we find articles wherein the CEO played a central role as opposed to being mentioned in passing. Consequently, we applied search parameters wherein only articles in which the CEO was mentioned at least three times were captured. A review of over two hundred representative articles by the authors showed that this criterion was highly reliable in identifying articles in which the CEO had a salient presence.[6] The articles covered a variety of topics, with examples including coverage of CEO commentary on company actions (e.g., *P&G Chief Denies Plans to Sell Food, Beverage Line*), discussion of CEO compensation (e.g., *Merrill Lynch pays No. 2 Man*

[5] The published *Fortune* score appears as a valid measure for our tests because we are interested in the overall reputation of the firm and because prior work has found that all eight survey items are highly correlated and load onto a single factor (Fombrun & Shanley, 1990). We were able to access item-level data for a portion of the study period, however, and so conducted robustness tests. We found that over the available sub-sample period, the effects we report were not discernibly affected by omitting individual items (notably the managerial quality item) from the dependent variable measure. This supported our belief in the appropriateness of the published *Fortune* score.
[6] We searched the *New York Times* first, using specialized LexisNexis search fields (the "person" field) to identify articles where the CEO was central to the article. We reviewed these articles and found that articles wherein the CEO was mentioned at least three times in the body of the article featured the CEO in a salient way. For the *Wall Street Journal* search, we applied the same three-mention criterion based on a similar review.

More Than No. 1), features on the CEO's views on topics of interest (e.g., *Intel CEO Says Tomorrow's Microchips Will Supplant Today's Accessory Gear*), and critiques of the CEO's actions and performance (e.g., *Beleaguered CEO: AT&T's Robert Allen Gets Sharp Criticism Over Layoffs, Losses*).

The *CEO Media Prominence* measure is simply a count of all articles meeting these CEO search parameters during the focal year. Our use of a generalized propensity score technique for our primary analysis (described in detail below) required that we convert this continuous measure into a categorical one. Based on the distribution of coverage, we categorized the variable into three levels using a dichotomous variable for each. These were *No CEO Media Coverage*, *Moderate CEO Prominence* (one article about the CEO that firm-year), and *High CEO Prominence* (two or more articles).

To test H2 regarding the effects of favorable or unfavorable coverage, we assess the degree of positive and negative valence of the same articles used to construct the prominence measure. We do this using the Linguistic Inquiry Word Count (LIWC) content analysis program and its dictionary of positive and negative emotion words, following the lead of several prior studies (Bednar, 2012; Pfarrer, Pollock, & Rindova, 2010; Tausczik & Pennebaker, 2010). Consistent with prior work (Park & Berger, 2004), positive affect was more than twice as prevalent as negative affect in these articles. To construct an overall indicator of the tenor of CEO coverage, we first assessed each article based on the ratio of positive and negative emotional content to the overall affect in the article (Pfarrer et al., 2010). Articles were coded as positive if the ratio of positive affective content to total affective content was at least 0.65 and as

negative if the ratio of negative affective content was 0.65 or greater.[7] The positive and negative articles were aggregated into an annual *CEO Media Tenor* measure using the Janis-Fadner coefficient of imbalance. The coefficient assesses the relative proportion of positive to negative articles and also accounts for the total volume of articles (Deephouse, 2000; Janis & Fadner, 1943) according the formula:

$$\frac{(P^2 - PN)}{Total^2}\ if\ P > N; \frac{(PN - N^2)}{Total^2}\ if\ P \leq N$$

In the formula, *P* is the number of positive articles about a CEO in a given year, *N* is the number of negative articles, and *Total* is the total number of articles about the CEO in that year. The Janis-Fadner coefficient ranges from -1 to 1, where -1 indicates all negative media coverage about a CEO and 1 indicates all positive coverage. Again, we categorized the measure into three levels to facilitate the propensity score analysis and used a dichotomous variable for each: *Negative CEO Media Tenor* (when the Janis-Fadner coefficient was below zero), *Neutral CEO Media Tenor* (when it was exactly zero), and *Positive CEO Media Tenor* (when it was positive).

CEO Awards (H3). As mentioned, we used *Financial World* magazine's "CEO of the Year" competition for our industry award measure. This well-publicized competition has been used in several prior studies of "star" CEOs (e.g., Graffin, Wade, Porac, & McNamee, 2008; Malmendier & Tate, 2009; Wade et al., 2006). Each year from 1975 to 1996, *Financial World* magazine asked a group of securities analysts and CEOs to rate other CEOs' managerial expertise on a range of criteria, such as financial performance, competitiveness in its industry, development and effective management of personnel, and stakeholder management (*FinancialWorld*, 1978:17; 1992:34). A committee made up of experienced analysts used these

[7] We performed robustness tests using ratios of .55, .60, and .70. While .65 showed the strongest results, all these values showed results very similar to those we report (available from authors).

ratings to select three "bronze medal" winners in each of approximately sixty industry categories. These judges also selected a much smaller number of silver winners and a single gold medal winner from among the bronze medalists. As there were few silver and gold medal winners, we followed Wade et al. (2006) in using bronze medals to measure CEO awards. On average, CEOs won these awards in just under 20% of the firm-years in our sample.

For each year, the *CEO Awards* measure is a dummy variable coded as one if the current CEO was announced as an award-winner that year (the actual announcement was typically in March), and zero otherwise. This approach temporally separates awards from firm financial performance, because the awards are voted on late in the year prior to the award announcement.

Outsider CEO (H4). To assess potential effects of outsider status, *Outsider CEO* was constructed as a dichotomous variable set to one if the incumbent CEO had fewer than three years of tenure at the focal organization at the time of their appointment as CEO, and zero otherwise. The three-year pre-appointment window follows prior research and aims to properly categorize cases where an outsider CEO was initially hired for an executive position other than CEO and groomed for a short period of time as the successor (Cannella & Lubatkin, 1993).[8] If a CEO arrives as an outsider, the variable remains at one until the year he/she leaves office. We do this because firms often emphasize a leader's outsider origins for some time after the leader has arrived (Khurana, 2002) and the study period is relatively short.

Control Variables. We included several measures of contemporaneous and historical financial performance to isolate the reputational effects of CEO characteristics from those of financial performance. *Profitability Change* and *Market Value Change* are measured as the change in return on book assets and the change in the market value of equity, respectively, over

[8] We also estimated models using a two-year and five-year outsider window, with results showing no meaningful differences from those reported.

the year prior to the relevant *Fortune* survey's publication. *Historical Profitability* is the mean return on book assets during the three years prior to that, and *Historical Market Return* is the mean return on equity during the same three years. The historical measures are lagged the extra year to avoid overlapping with the contemporaneous measures. *Firm Size* is measured as the natural log of prior-year sales.[9] We also included measures of firm media coverage to isolate the effects of CEO coverage from more general coverage about the firm. Here, we constructed *Firm Media Tenor* and *Total Firm Media Coverage* measures using procedures analogous to those used for the CEO media coverage ones. Specifically, we conducted a search of the *Wall Street Journal* and *New York Times* to identify all articles in a given year in which the focal firm was featured. *Total Firm Media Coverage* is the count of these articles. We used LIWC scores to rate articles and then calculated the Janis-Fadner coefficient of imbalance to define *Firm Media Tenor*. As control variables, these appear as continuous measures in the analyses. Finally, we also control for years of CEO succession using a dichotomous *Succession Year* measure.

Analysis

We have mentioned that CEOs and firms are evaluated based on similar criteria (e.g., financial performance) and that perceptions of them are intertwined. Accordingly, our primary analyses are constructed to account for potential endogeneity in the independent variables. We do this through application of generalized propensity score analysis (Guo & Fraser, 2014; Imbens, 2000). There are a number of analytic approaches based on propensity scores, with probably the best known being the use of these scores to build matched-pair samples (for a recent

[9] Financial performance powerfully influences *Fortune* reputations, and some scholars (e.g., Brown & Perry, 1994) have suggested removing the effect of performance if the interest is in assessing specific reputational attributes (e.g., corporate social responsibility). We are interested in overall reputation and so we use the published *Fortune* ratings. That said, we did estimate models wherein we first removed the performance component from the reputation measure and then estimated the effects of interest. Results were substantively unchanged (available from authors).

example from management research, see Graffin, Bundy, Porac, Wade, & Quinn, 2013:22). The different propensity score techniques share a common goal of assessing differences between "treated" and "not treated" cases (e.g., win award or not win award) while not confounding independent variables' effects (i.e., treatment effects) with unobserved characteristics of sample cases. Propensity score approaches all do this by balancing the sample in one way or another, so that the distribution of covariates does not depend on whether the case is a "treated" one or not (matched pair samples are an intuitive way to achieve this goal). We use the generalized propensity score technique (Imbens, 2000) because some of our independent measures are not dichotomous, and this technique allows for categorical independent variables (e.g., high media coverage, low media coverage, no media coverage). The generalized propensity score approach works by differentially weighting sample cases to balance the sample, such that the distribution of covariates does not depend on the independent variable categories. While the generalized propensity score technique does not appear to have been applied in management research, it has been widely used in the healthcare field and has appeared in economic research as well (e.g., Imai & Van Dyk, 2012; Imbens, Rubin, & Sacerdote, 2001).

The generalized propensity score approach is implemented in two stages. In the first stage, multinomial logit regression is used to estimate propensity scores. These scores are the conditional probability that the focal independent variable will fall in a particular category, given the observed covariates for a given firm-year. We estimate the first stage models using the control variables, the non-focal independent variables, CEO tenure and the previous year's *Fortune* reputation rating as predictors. The lagged reputation measure is included to address simultaneity concerns (i.e., that firm reputation may lead to CEO awards). For first-stage regressions other than the one for award winning, we do add an additional lag to the other

measures as current-year outcomes are likely most predictive of the desired conditional probabilities (Guo & Frasier, 2014). For instance, CEO media tenor over a given year is likely influenced by the firm's financial performance during that same year. For the award winning prediction model, however, we lag the first-stage measures by one additional year. This is because *Financial World* announced its awards early in the calendar year, but award winners are selected based on outcomes and events in the previous year.

The second stage, which we report as the main analysis, estimates the effects of the focal independent variable using a fixed effects regression procedure where the inverses of the conditional probabilities from the first stage are used as sampling weights (Rosenbaum & Rubin, 1983). The lags are as we described when introducing the measures themselves. The Huber-White sandwich procedure with clustering on CEOs is used to estimate standard errors to avoid potential issues from heteroscedasticity and non-independence of events (White, 1980).[10]

RESULTS

Table 1 presents descriptive statistics and a correlation matrix for all of the variables. The correlation table includes both continuous and categorical operationalizations of the media-derived independent variables. The correlation between the various independent variables and the *Fortune* survey rating for firms is relatively low (*r* is highest for *CEO Awards* at .28). While we do not want to make too much of this, it does suggest that evaluators distinguish between CEOs and firms. The correlation between *CEO Media Tenor* and *Firm Media Tenor* is also

[10] We used least-squares dummy variable (LSDV) regression (Hsaio, 2003) in Stata to estimate covariates with firm-level fixed effects. This approach has the advantage of allowing sample weights (pweights) to vary by firm-year and estimation of Huber-White standard errors using clusters (CEOs) that are not nested within units (firms). We were not able to use Stata's panel-data fixed effects estimation command (xtreg, fe), because it does not include either capability (though it and the LSDV procedure are computationally equivalent, Hsaio, 2003). However, the r-square values for the weighted LSDV regressions are greatly inflated through the inclusion of several hundred dummy variables and large sampling weights. For this reason we do not report r-square values for these models, and direct the reader to the unweighted fixed effects models reported on in Table 3 for more meaningful r-square estimates.

low(r=.09), consistent with the related idea that media coverage provides readers with different impressions of firms and their CEOs. The prominence measures (*CEO Media Prominence* and *Firm Media Prominence*) are strongly correlated (r=.59), but this is still low enough to suggest the constructs are distinct and the correlation is notably lower for relatively prominent CEOs (r=.44 for the subsample including only CEOs with *Media Prominence* one standard deviation above the mean). Some other measures are highly correlated but do not appear in regressions simultaneously, obviating potential multicollinearity issues.

[Insert Table 1 and Table 2 about here]

The generalized propensity score approach requires us to test a single independent variable in each second-stage model. This is because the sample weights are set for each independent variable separately through a first stage regression that predicts conditional probabilities for values of that specific independent variable.   Accordingly, each model in Table 2 presents a second-stage model corresponding to a specific hypothesis. Model 1 tests the first hypothesis that CEO media prominence will positively affect corporate reputation.[11] The coefficient for *Moderate CEO Prominence* is not significant. The coefficient for *High CEO Prominence* is significant but negative, opposite to our prediction. We return to this unexpected result after we present the next model.

Model 2 estimates H2's prediction that the tenor of a CEO's media coverage will affect their firm's reputation. The coefficient for *Positive CEO Media Tenor* is significant ($p < .05$) and positive, while that for *Negative CEO Media Tenor* is marginally significant ($p <.09$) and

[11] The models we present are from the second stage regressions. These are specified with the control variables and the focal independent variable as predictors, as shown on Table 2. We estimated additional second-stage models to assess the robustness of the findings. One set of these included the non-focal independent variables as additional predictors (i.e., as controls), and a second set incorporated prior firm reputation as a control variable. These models showed substantively identical effects to those presented. All results available from authors.

negative. Our main analysis thus provides support for H2, especially when coverage leans toward the positive. Interestingly, the coefficient for *Negative CEO Media Tenor* is of larger absolute magnitude than the one for positive tenor, even if the former is weaker in statistical terms. This pattern may arise because there are relatively few cases in the *Negative CEO Media Tenor* category and so the test may lack statistical power.

The combined findings from Model 1 and Model 2 led us to speculate that that the results regarding negative coverage might be strengthened through considering CEO media prominence and tenor together. We did this by constructing prominence-weighted tenor measures (i.e., ones that measured the *amount* of negative or positive CEO coverage) and estimating propensity-score models of these measures' reputational effects.[12] Results (not presented, available from authors) showed a significant negative coefficient ($p < .01$) for the high prominence-negative tenor case, strengthening support for H2 with respect to negative coverage. H1's prediction that prominence alone can bring a firm reputational benefit remains unsupported, but prominence associated with negative tenor appears to have damaging effects. We consider these results further in the discussion.

Model 3 estimates the effect of CEO awards on corporate reputation. The coefficient for *CEO Awards* is highly significant ($p < .01$) and positive, supporting H3. A single CEO award is predicted to enhance the firm's *Fortune* rating by .070 points (the coefficient for *CEO Awards* in Model 3). This is about 25% of the distance that separates adjacent companies (e.g., the #2 and #3 firm) in industry hierarchies in the *Fortune* survey. The substantive significance of this effect

---

[12] The categorical variables in this analysis were measured as the *sum* of positive or negative affective content from LIWC from all the articles about a CEO in a given year. The categories were then *Moderate Positive Weighted Tenor* (from the 75th to 90th percentile of the distribution of positive affective content), *High Positive Weighted Tenor* (above the 90th percentile thereof), *Moderate Negative Weighted Tenor,* and *High Negative Weighted Tenor* (with corresponding definitions for the latter two).

can also be assessed by comparing it to the reputational impact of financial performance. Specifically, the predicted reputational gain from winning an award is equivalent to that from a quite substantial 26% increase in the firm's market valuation or a 1.3 percentage point increase (e.g., from the mean of 5% to 6.3%) in the firm's profitability (ROA) over the prior three years.[13]

Model 4 tests H4's prediction that outsider CEO's are associated with higher firm reputation. H4 does not receive support as the *Outsider CEO* coefficient is not significant.

Supplementary Analyses

Instrumental Variable Regression for CEO Awards. We performed additional analyses that extend the findings as well as verify that they are robust to different analytic approaches. The first of these used instrumental variable regression as an alternative approach to address endogeneity concerns. We were able to use this technique to estimate the reputational effects of CEO awards. A key challenge in instrumental variable regression is specifying a valid instrument. In order to meet this challenge, we specified the CEO awards as a cumulative (lifetime) count of awards the focal CEO had won. While this measure is somewhat different than that used in the main analysis, it enabled use of CEO tenure to instrument awards in a standard 2SLS procedure.[14] The coefficient for CEO awards was positive and significant ($p < .05$), strengthening the case that firms with award-winning CEOs gain reputational benefits.

Because this finding uses a cumulative award measure, it also addresses an interesting substantive question that is a logical extension of the paper's main ones. That question is

---

[13] The former effect is calculated as .070 ≈ 26% * .266 coefficient for *Market Value Change* in Model 3 of Table 2, and the latter in the same manner but using the coefficient for *Historical Profitability Change.*

[14] CEO tenure appeared as an appropriate instrument because it is correlated with the CEO cumulative awards measure ($r = .37$), but there seems no reason for it to be correlated with the regression's error term, particularly since it is not a direct determinant of firm reputation. We also verified its appropriateness using Stock & Yogo's (2005) weak instrument test, wherein it showed a modified F-statistic slightly below the most stringent critical value (13.97 vs. 16.38 for 10% check and 8.96 for 15% check from Stock & Yogo).

whether CEOs can have a sustained effect on their firm's reputations, as opposed to an episodic one (see Graffin et. al., 2012). The instrumental variables regression result showing that CEO reputational benefits increase as they win more awards provides evidence of such a sustained effect. We found similar results when we estimated propensity score analyses wherein CEOs were categorized into those who had won zero, one, two, or more than three awards during the study period. These also showed CEOs who won more awards provided greater reputational benefits to their firms (all models available from authors).

We also attempted to find valid instruments for media coverage and outsider status, but unfortunately we were not successful in these efforts.

Fixed Effects Time-Series Regression. Cross-sectional time series regression with fixed effects (xtreg in STATA) is a commonly used approach in panel-data analysis (Hsiao, 2003). We present models using this approach as a comparison point for the less-well-known generalized propensity score analysis. The models are shown in Table 3 and show strong support for the hypotheses that were supported in the main analysis.[15] These models also allow us to gain a rough sense of the degree to which CEO characteristics contribute to firm reputation, through comparison of variance explained in the models. The full model (Model 2) in Table 3 shows an R^2 of 36.0%, which is 3.5 percentage points higher than that of the control model's R^2 of 32.5%. The 3.5 point step increase is a substantively important fraction of the variance explained by the model. That said, the increase seems to be considerably less than might be expected from some extant work (e.g., Gaines-Ross, 2003; Meindl & Ehrlich, 1987). We discuss this further below.

[Insert Table 3 about here]

[15] These models use the Huber-White sandwich procedure with clustering on firms to estimate standard errors.

DISCUSSION

We motivated this study with the observation that while CEOs are often thought to shape how people view their firms, the related issue of how these leaders influence their firm's corporate reputations has received relatively little theoretical or empirical attention. The study was organized around two questions. The more specific of these asked: which CEOs affect their firm's reputations? We focused the bulk of the study on this question and suggested that CEOs who are more prominent and of apparently high or low quality would affect their firm's reputations. Specifically, we hypothesized that CEO media coverage (amount and tenor), industry awards, and outsider standing would affect how these leaders influence their firm's reputations. The hypotheses regarding media tenor and industry awards were supported, but the others were not. The paper also addressed a broader question: to what degree do CEOs have an independent effect on their firm's reputation? We did not advance a specific hypothesis regarding this question, but the results suggest this influence is often more modest than might be expected from prior work. We take these questions in turn and discuss our findings on each in more depth below, and then move on to considering broader implications of the study.

Which leaders matter? The supportive results for industry awards and media tenor suggest that evaluators look to direct signals of CEO quality (both positive and negative) and that these have an independent influence on reputational assessments of these leaders' firms. This is consistent with people seeing CEOs as influential leaders whose quality is difficult to evaluate (Khurana, 2002; Meindl & Ehrlich, 1987; Meindl et al., 1985). Where quality is uncertain, information intermediaries (i.e. the media) and certification contests (i.e., industry awards) are both established ways to reduce such uncertainty (Bushee et al., 2010; Hsu, 2006; King & Whetten, 2008; Pollock & Rindova, 2003; Wade et al., 2006). We note that the observed effects

are over and above those from financial performance (including forward-looking market measures) and firm-level media coverage, and that the analyses accounted for endogeneity concerns. These points further support the idea that leaders can independently affect their firms' reputations.

But even though leaders appear to matter for corporate reputation, our analyses did not find that simply having a well-known leader (i.e., prominence alone) is sufficient to enhance the firm's reputation. This was a surprise, as the hypothesis rationale drew on extant work arguing that leadership is positively valued in general and that people look to leadership accounts in their efforts to understand firms (Hayward et al., 2004; Meindl & Ehrlich, 1987; Meindl et al., 1985). Indeed, our model showed that high CEO prominence was associated with decreases in firm reputations. We conducted further exploratory analyses and found that while the fixed effect models in Table 3 showed a negative coefficient for CEO media prominence, otherwise-equivalent random effect models did not show such an effect. The apparent negative effects may be associated with coverage that is above-average relative to the norm for a particular firm, rather than above-average coverage overall. In the face of such complexity, we are reluctant to make too much of the negative coefficient for CEO media prominence and we believe that exploring this relationship further offers an interesting opportunity for future research. That said, our findings do suggest that it is critical for future work on CEOs to distinguish between simply being well known and being well or poorly regarded. If leadership salience does matter, it may be through the amplification of direct signals of leadership quality.

The lack of evidence for outsider effects was also surprising, as it is in contrast to frequent portrayals of outsiders as corporate saviors and the media hype that surrounds them (Khurana, 2002). Our lack of significant findings does have an affinity to CEO succession

research, which has generally failed to find strong outsider effects on firm performance (Finkelstein et. al., 2009). Our speculation is that the outsiders' impact on corporate reputation may be more nuanced, and we encourage future research exploring this idea.[16]

To what degree do leaders really matter for corporate reputations? Having examined which CEOs affect corporate reputation, we now turn to the study's second question regarding the degree to which these leaders matter for corporate reputations. As mentioned, extant work has suggested that leaders play a prominent role in how firms are perceived, with some arguing that CEOs' reputational impact may rival that of financial performance (Gaines-Ross, 2003; Hayward et al., 2004; Meindl & Ehrlich, 1987).

Our study suggests that the question may have a more nuanced answer. If we start with variance explained, the fixed-effect supplemental analysis showed a within-firm step increase of 3.5% in r-squared after our measures of CEO prominence and quality were introduced. This seems a meaningful increase, as even financial performance accounted for just 20% of within-firm variance in these models. If we next look at the size of the reputational effect an individual CEO can have, it seems that some CEOs can make quite a large difference. For instance, a highly regarded CEO who won three *Financial World* awards during the study period could vault his/her firm's reputation about three-quarters of full position higher in the *Fortune* industry rankings (e.g., move its reputation from #3 to #2 within its industry) when compared to a firm whose CEO won no awards.[17] This is a quite dramatic impact for a single person to have when the companies involved can have many thousands of employees. At the same time, the

---

[16] For instance, we performed supplemental analyses of whether outsider CEOs who came from highly regarded firms had a larger impact than other ones. The results were not significant but were in the expected direction.
[17] The median difference between *Fortune* survey scores for firms that are adjacent to each other in their industry was approximately .3 points. The propensity score models we reported on in the supplemental analysis show three awards having an effect of .23 points.

distribution of quality signals is highly skewed, and only 53 of the 472 CEOs (11%) in the study sample ever reached the three-industry award threshold during the seven-year study period. Media coverage shows a qualitatively similar skewed pattern. A small fraction of CEOs, then, can be thought of as "star" leaders who have a fairly dramatic reputational impact. But many more win no awards and gain little press coverage, and overall CEOs do not explain a great deal of the variance in reputational ascription. In short our study's answer to the question, "to what degree do CEOs matter for corporate reputation?" is two-fold: Yes, CEOs can substantially affect their firm's reputation, but relatively few of them make a dramatic difference.

Implications for literatures on CEOs and Executive Leadership. Stepping back, this study makes some more general contributions to the large and varied literature on CEOs and executive leadership. One major question therein asks what influence CEOs have on a firm's fortunes. Our findings add an important dimension to the list of such influences, especially given corporate reputation's well-established value as an intangible asset for firms. In particular, our study adds to the upper echelon literature by showing that when it comes to corporate reputation, firms really are, at least in part, seen as a reflection of their leaders (Hambrick & Mason, 1984). Our findings add similarly to the literature on CEO succession and outsider CEOs, which has tended to focus on the substantive effects of bringing in outsiders (i.e. subsequent performance effects, likelihood of strategic change), rather than how the appointment of an outsider can affect perceptions of the firm more generally (Zhang & Rajagopalan, 2010).

The findings also inform an ongoing research stream regarding the link between CEO regard and firm performance. Researchers have found that high regard for CEOs (e.g., through winning awards, or for outsiders) does not lead to superior firm performance (Finkelstein et al., 2009; Malmendier & Tate, 2009; Wade et al., 2006). Our findings complement such research on

the "burden of celebrity" by suggesting that highly regarded leaders do indeed lead people to expect more of the firm, even if on average actual results are likely to disappoint over the longer term. So when awards lead CEOs to be more highly paid, for example, this may result from increased CEO power, as has been suggested, but also because people actually see the firm and its prospects in a more positive light based on the leaders' apparent capabilities.

Implications for Corporate Reputation Literature. The study also has broader implications for the corporate reputation literature. Primarily, it furthers the basic idea that scholars should view CEOs as playing an integral role in reputational judgments of their firms. Most work on determinants of corporate reputation does not discuss leaders, instead portraying reputation as arising from the firm's history of behaviors and outcomes (e.g., Basdeo, Smith, Grimm, Rindova, & Derfus, 2006; Fombrun & Shanley, 1990; Love & Kraatz, 2009; Staw & Epstein, 2000; Weigelt & Camerer, 1988). The lack of attention to leaders is surprising, as leaders have long been known to shape how people make sense of firms (e.g., Meindl et al., 1985). Our speculation is that the primacy of behaviors and outcomes arose because corporate reputations have often been treated as similar to individual-level reputations, wherein behaviors and outcomes signal underlying traits (see Bromley, 1993; Fombrun & van Riel, 1997). While this cross-level analogy has been useful in many ways, it may also have shifted attention away from a critical difference: at the firm level, leaders importantly shape those firm actions and outcomes. In this light, it seems natural that evaluations of the leaders themselves would play an important role in reputational judgments of the firm. This study developed theory and presented findings that shed some light on how such leader-driven reputational effects play out. The findings are consistent with the intuitive idea that people are able to form impressions of the leader's capabilities that are in part distinct from their views of the firm and its performance.

Those impressions, in turn, appear to have a meaningful and separable influence on the firm's reputation. We think this provides an important launching point for future work.

Implications for how social evaluations transfer across actors. While we have framed our study as one that examines CEOs and leaders as a relatively unexplored antecedent of corporate reputation, the study also speaks to related research that focuses on the general question of how social evaluations transfer across actors. The idea that association with a highly-regarded actor can improve the standing of a focal actor has received significant attention, particularly in work on status (Podolny, 2010; Sauder, Lynn, & Podolny, 2012). Our study has a clear affinity to this research stream and, we believe, contributes to it. The study does so first by adding a substantively new domain (i.e., CEOs and firms) in which the phenomenon appears to occur. More importantly, though, we believe there is an important conceptual distinction embedded in the CEO-firm relationship as compared to those studied in prior work. Existing work conceptualizes a flow to a focal actor from an *external* actor that previously built their reputation elsewhere (e.g., from a highly-regarded venture capital firm to a new startup) (Podolny & Phillips, 1996; Stuart, Hoang, & Hybels, 1999). In contrast, CEOs are *internal* to their firms and regard for the former arises in large part from their actions at the latter. The intertwined nature of the relationship suggests a model of co-evolution of social regard, rather than the more static "leakage" conceptualization in prior work. This difference matters, for instance, because it implies there is a real question as to whether evaluations of CEOs will materially differ from that of their firms over time (see Graffin et. al., 2012). The findings in this paper indicate that transfers between actors' social evaluations can be an integral part of observers' judgments even when the actor's reputations co-evolve. In this way, the study extends our understanding of the broader issue of how social evaluations transfer between actors.

Limitations and Implications for Future Research. We close by discussing limitations and implications for future research. Several limitations are associated with specific attributes of the present study. Notably, the study covers a relatively short time period that occurred some time ago, the sample is of large U.S. public firms, and the study does not capture all relevant CEO characteristics. CEO information was also less available for smaller firms, and the results may not apply to small or less well-known firms. We believe that these specific limitations also point to ample opportunities for future research. For example, research can examine if signals of leader quality affect reputations of non-U.S. firms differently, in light of evidence that leadership effects differ substantially across national contexts (Crossland & Hambrick, 2007, 2011). Future research could also examine the effect of leaders in private or family firms whose reputations may behave differently than public ones (Deephouse & Jaskiewicz, 2013). We also believe that outsider CEOs offer a rich area for study (notably because they are external actors in the sense mentioned just above). Our non-findings here may well arise from the complexity of succession events and future research could usefully examine more nuanced contexts in which hiring an outside CEO could potentially affect the firm's reputation.

To close, we believe this study points to rich opportunities to further explore and extend the theoretical questions that this study began to investigate. These include a need to better understand more specific processes through which leaders enter into reputational evaluations, how leaders may have an enduring rather than transitory impact (which was touched upon in the instrumental variable supplemental analysis), and how the complex arenas of CEO selection and succession are related to firm reputations. Overall, we hope that this study inspires work that will further enhance scholars' understanding at the intersection of leaders and corporate reputations.

REFERENCES

Anderson, C., & Shirako, A. 2008. Are Individual's Reputations Related to Their History of Behavior. ***Jounral of Personality and Social Psychology***, 94(2): 320-333.

Barnett, M. L., & Pollock, T. G. 2012. Charting the landscape of corporate reputation research. In M. L. Barnett, & T. G. Pollock (Eds.), ***The Oxford Handbook of Corporate Reputation***: 1-15. Oxford, UK: Oxford University Press.

Basdeo, D., Smith, K., Grimm, C. M., Rindova, V. P., & Derfus, P. J. 2006. The Impact of market actions on firm reputation. ***Strategic Management Journal***, 27(12): 1205-1219.

Bass, B. M., & Riggio, R. E. 2006. ***Transformational leadership***: Psychology Press.

Bednar, M. K. 2012. Watchdog or lapdog? A behaviroal view of the media as a corporate governance mechanism. ***Academy of Management Journal***, 55(1): 131-150.

Bednar, M. K., Boivie, S., & Prince, N. R. 2013. Burr under the saddle: How media coverage influences strategic change. ***Organization Science***, 24(3): 910-925.

Berens, G., & van Riel, C. B. M. 2004. Corporate Associations in the Academic Literature: Three Main Streams of Thought in the Reputation Measurement Literature. ***Corporate Reputation Review***, 7(2): 161-178.

Boeker, W. 1997. Strategic change: The influence of managerial characteristics and organizational growth ***Academy of Management Journal***, 40(1): 152-170.

Bromley, D. B. 1993. ***Reputation, Image and Impression Management***. Chichester: John Wiley & Sons.

Brown, B., & Perry, S. 1994. Removing the financial performance halo from Fortune's "Most Admired" companies. ***Academy of Management Journal***, 37(5): 1347-1359.

Bushee, B. J., Core, J. E., Guay, W., & Hamm, S. J. 2010. The role of the business press as an information intermediary. ***Journal of Accounting Research***, 48(1): 1-19.

Cannella, A. A., Jr., & Lubatkin, M. 1993. Succession as a sociopolitical process: Internal impediments to outsider selection. ***Academy of Management Journal***, 36(4): 763-793.

Carpenter, M., Geletkanycz, M. A., & Sanders, G. 2004. Upper echelons research revisited: antecedents, elements, and consequences of top management team composition. ***Journal of Management*** 30(6): 749-778.

Chen, C. C., & Meindl, J. R. 1991. The construction of leadership images in the popular press: The case of Donald Burr and People Express. ***Administrative Science Quarterly***, 36(4): 521-551.

Collins, J. 2001. Level 5 Leadership. ***Harvard Business Review***, 79(1): 66-76.

Conger, J. A., & Kanungo, R. N. 1998. ***Charismatic leadership in organizations***. Thousand Oaks, CA: Sage.

Crossland, C., & Hambrick, D. C. 2007. How national systems differ in their constraints on corporate executives: A study of CEO effects in three countries. ***Strategic Management Journal***, 28(8): 767-789.

Crossland, C., & Hambrick, D. C. 2011. Differences in managerial discretion across countries: how nation-level institutions affect the degree to which ceos matter. ***Strategic Management Journal***, 32(8): 797-819.

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

Deephouse, D. L., & Jaskiewicz, P. 2013. Do Family Firms Have Better Reputations Than Non-Family Firms? An Integration of Socioemotional Wealth and Social Identity Theories. ***Journal of management Studies***, 50(3): 337-360.

Fanelli, A., Misangyi, V. F., & Tosi, H. L. 2009. In charisma we trust: The effects of CEO charismatic visions on securities analysts. ***Organization Science***, 20(6): 1011-1033.

FinancialWorld. 1978. CEO of the Year. March 15: 17-41.

FinancialWorld. 1992. CEO of the Year. March 31: 26-44.

Finkelstein, S., Hambrick, D. C., & Cannella Jr, A. A. 2009. ***Strategic leadership: Theory and research on executives, top management teams, and boards***. New York, NY: Oxford University Press.

Fombrun, C. 2012. Corporate Reputation: Definitions, Antecedents, Consequences. ***The Oxford handbook of corporate reputation***: 94.

Fombrun, C., & Shanley, M. 1990. What's in a name? Reputation building and corporate strategy. ***Academy of Management Journal***, 33(2): 233-258.

Fombrun, C., & van Riel, C. 1997. The Reputational Lanscape. ***Corporate Reputation Review***, 1(1): 1-12.

Fombrun, C. J. 1996. ***Reputation : Realizing Value from the Corporate Image***. Boston, Mass.: Harvard Business School Press.

Fryxell, G. E., & Wang, J. 1994. The Fortune Corporate Reputation Index - Reputation for What. ***Journal of Management***, 20(1): 1-14.

Gaines-Ross, L. 2003. ***CEO Capital: A Guide to Building CEO Reputation and Company Success***. Hoboken, NJ: John Wiley & Sons.

Gans, H. J. 1979. ***Deciding what's news: A study of CBS evening news, NBC nightly news, Newsweek, and Time***: Northwestern University Press.

Garbett, T. 1988. ***How to build a corporation's identitity and project its image***: Lexington [etc.]: Lexington Books.

Graffin, S., Pfarrer, M., & Hill, M. 2012. Untangling executive reputation and corporate reputation: Who made who? In M. L. Barnett, & T. G. Pollock (Eds.), ***The Oxford handbook of corporate reputation***: 221-239. Oxford, U.K.: Oxford University Press.

Graffin, S. D., Bundy, J., Porac, J. F., Wade, J. B., & Quinn, D. P. 2013. Falls from Grace and the Hazards of High Status The 2009 British MP Expense Scandal and Its Impact on Parliamentary Elites. ***Administrative Science Quarterly***, 58(3): 313-345.

Graffin, S. D., Wade, J. B., Porac, J. F., & McNamee, R. C. 2008. The impact of CEO status diffusion on the economic outcomes of other senior managers. ***Organization Science***, 19(3): 457-474.

Graham, J. D. 1997. Making the CEO the chief communications officer: Counseling senior management. ***handbook of strategic public relations and integrated communications***: 274-288.

Guo, S., & Fraser, M. W. 2014. ***Propensity score analysis: Statistical methods and applications***: Sage Publications.

Hall, R. 1992. The strategic analysis of intangible resources. ***Strategic management journal***, 13(2): 135-144.

Hall, R. 1993. A framework linking intangible resources and capabiliites to sustainable competitive advantage. ***Strategic Management Journal***, 14(8): 607-618.

Hambrick, D. C., & Mason, P. A. 1984. Upper echelons: The organization as a feflection of its top managers. ***Academy of Management Review***, 9(2): 193-206.

Hayward, M. L. A., Rindova, V. P., & Pollock, T. G. 2004. Believing one's own press: The causes and consequences of CEO celebrity. ***Strategic Management Journal***, 25(7): 637-653.

Healy, P. M., & Palepu, K. G. 2001. Information asymmetry, corporate disclosure, and the capital markets: A review of the empirical disclosure literature. ***Journal of accounting and economics***, 31(1): 405-440.

Heider, F. 1958. ***The Psychology of Interpersonal Relations***. New York: Wiley.

Hsiao, C. 2003. ***Analysis of panel data***: Cambridge university press.

Hsu, G. 2006. Jacks of all trades and masters of none: Audiences' reactions to spanning genres in feature film production. ***Administrative science quarterly***, 51(3): 420-450.

Imai, K., & Van Dyk, D. A. 2012. Causal inference with general treatment regimes. ***Journal of the American Statistical Association***.

Imbens, G. W. 2000. The role of the propensity score in estimating dose-response functions. ***Biometrika***, 87(3): 706-710.

Imbens, G. W., Rubin, D. B., & Sacerdote, B. I. 2001. Estimating the effect of unearned income on labor earnings, savings, and consumption: Evidence from a survey of lottery players. ***American Economic Review***: 778-794.

Janis, I. L., & Fadner, R. H. 1943. A coefficient of imbalance for content analysis. ***Psychometrika***, 8(2): 105-119.

Karaevli, A., & Zajac, E. J. 2013. When do outsider CEOs generate strategic change? The enabling role of corporate stability. ***Journal of Management Studies***, 50(7): 1267-1294.

Khurana, R. 2002. ***Searching for a corporate savior: The irrational quest for charismatic CEOs***. Princeton, NJ: Princeton University Press.

King, B. G., & Whetten, D. A. 2008. Rethinking the relationship between reputation and legitimacy: A social actor conceptualization. ***Corporate Reputation Review***, 11(3): 192-207.

Kotter, J. P. 2001. What leaders really do. ***Harvard business review***, 68(3).

Lange, D., Lee, P. M., & Dai, Y. 2011. Organizational Reputation: A Review. ***Journal of Management***, 37(1): 153-184.

Love, E. G., & Kraatz, M. S. 2009. Character, Conformity, or the Bottom Line? How and Why Downsizing Affected Corporate Reputation. ***Academy of management journal***, 52(2).

Malmendier, U., & Tate, G. 2009. Superstar CEOs. ***The Quarterly Journal of Economics***, 124(4): 1593-1638.

McCall, M. W. 1998. ***High flyers: Developing the next generation of leaders***: Harvard Business Press.

Meindl, J. R., & Ehrlich, S. B. 1987. The romance of leadership and the evaluation of organizational performance. ***Academy of Management Journal***, 30(1): 91-109.

Meindl, J. R., Ehrlich, S. B., & Dukerich, J. M. 1985. The romance of leadership. ***Administrative Science Quarterly***, 30(1): 78-102.

Mishina, Y., Block, E. S., & Mannor, M. J. 2012. The path dependence of organizational reputation: how social judgment influences assessments of capability and character. ***Strategic Management Journal***, 33(5): 459-477.

Nohria, N., & Khurana, R. 2010. ***Handbook of leadership theory and practice***. Boston, MA: Harvard Business Press.

Park, D.-J., & Berger, B. K. 2004. The presentation of CEOs in the press, 1990-2000: Increasing salience, positive valence, and a focus on competency and personal dimensions of image. ***Journal of Public Relations Research***, 16(1): 93-125.

Pfarrer, M. D., Pollock, T. G., & Rindova, V. P. 2010. A Tale of Two Assets: The Effects of Firm Reputation and Celebrity on Earnings Surprises and Investors' Reactions. ***The Academy of Management Journal***, 53(5): 1131-1152.

Philippe, D., & Durand, R. 2011. The impact of norm-conforming behaviors on firm reputation. ***Strategic Management Journal***, 32(9): 969-993.

Podolny, J. M. 2010. ***Status signals: A sociological study of market competition***: Princeton University Press.

Podolny, J. M., & Phillips, D. J. 1996. The Dynamics of Organizational Status. ***Industrial and Corporate Change***, 5(2): 453-471.

Pollock, T. G., & Rindova, V. P. 2003. Media legitimation effects in the market for initial public offerings. ***Academy of Management Journal***, 46(5): 631.

Rao, H. 1994. The social construction of reputation: Certification contests, legitimation, and the survival of organizations in the American automobile industry: 1895-1912. ***Strategic Management Journal***, 15: 29-44.

Reidenbach, R. E., & Pitts, R. E. 1986. Not all CEOs are created equal as advertising spokespersons: Evaluating the effective CEO spokesperson. ***Journal of Advertising***, 15(1): 30-46.

Rindova, V. P., & Martins, L. L. 2012. Show me the money: A multidimensional perspective on reputation as an intangible asset. ***The Oxford handbook of corporate reputation***: 16-33.

Rindova, V. P., Williamson, I. O., Petkova, A. P., & Sever, J. M. 2005. Being good or being known: An empirical examination of the dimensions, antecedents, and consequences of organizational reputation. ***Academy of Management Journal***, 48(6): 1033-1049.

Roberts, P. W., & Dowling, G. R. 2002. Corporate reputation and sustained superior financial performance. ***Strategic Management Journal***, 23(12): 1077-1093.

Rosenbaum, P. R., & Rubin, D. B. 1983. The central role of the propensity score in observational studies for causal effects. ***Biometrika***, 70(1): 41-55.

Salancik, G. R., & Meindl, J. R. 1984. Corporate attributions as strategic illusions of management control. ***Administrative science quarterly***: 238-254.

Sauder, M., Lynn, F., & Podolny, J. M. 2012. Status: Insights from organizational sociology. ***Annual Review of Sociology***, 38: 267-283.

Schultz, M., Mouritsen, J., & Gabrielsen, G. 2001. Sticky Reputation: Analyzing a Ranking System. ***Corporate Reputation Review***, 4(1): 21-41.

Staw, B. M., & Epstein, L. D. 2000. What bandwagons bring: Effects of popular management techniques on corporate performance, reputation, and CEO pay. ***Administrative Science Quarterly***, 45(3): 523-556.

Staw, B. M., McKechnie, P. I., & Puffer, S. M. 1983. The Justification of Organizational Performance. ***Administrative Science Quarterly***, 28(4): 582-600.

Stock, J. H., & Yogo, M. 2005. Testing for weak instruments in linear IV regression. ***Identification and inference for econometric models: Essays in honor of Thomas Rothenberg***.

Stuart, T. E., Hoang, H., & Hybels, R. C. 1999. Interorganizational endorsements and the performance of entrepreneurial ventures. ***Administrative Science Quarterly***, 44(2): 315-349.

Suchman, M. C. 1995. Managing Legitimacy - Strategic and Institutional Approaches. ***Academy of Management Review***, 20(3): 571-610.

Tausczik, Y. R., & Pennebaker, J. W. 2010. The psychological meaning of words: LIWC and computerized text analysis methods. ***Journal of language and social psychology***, 29(1): 24-54.

Tosi, H. L., Misangyi, V. F., Fanelli, A., Waldman, D. A., & Yammarino, F. J. 2004. CEO charisma, compensation, and firm performance. ***The Leadership Quarterly***, 15(3): 405-420.

Wade, J. B., Porac, J. F., Pollock, T. G., & Graffin, S. D. 2006. The burden of celebrity: The impact of CEO certification contests on CEO pay and performance. ***Academy of Management Journal***, 49(4): 643-660.

Weber, R., Camerer, C., Rottenstreich, Y., & Knez, M. 2001. The illusion of leadership: Misattribution of cause in coordination games. ***Organization Science***, 12(5): 582-598.

Weigelt, K., & Camerer, C. 1988. Reputation and corporate strategy: A review of recent theory and applications. ***Strategic Management Journal***, 9: 443-454.

White, H. 1980. A heteroskedasticity-consistent covariance matrix estimator and a direct test for heteroskedasticity. ***Econometrica: Journal of the Econometric Society***: 817-838.

Wiesenfeld, B. M., Wurthmann, K. A., & Hambrick, D. C. 2008. The stigmatization and devaluation of elites associated with corporate failures: A process model. ***Academy of Management Review***, 33(1): 231-251.

Williams, R. J., & Barrett, J. D. 2000. Corporate Philanthropy, Criminal Activity, and Firm Reputation: Is There a Link? ***Journal of Business Ethics***, 26(4): 341-350.

Yukl, G. A. 2012. ***Leadership in organizations*** (8th ed.). Upper Saddle River, NJ: Prentice Hall.

Zajonc, R. B. 1968. Attitudinal effects of mere exposure. ***Journal of personality and social psychology***, 9(2p2): 1.

Zhang, Y., & Rajagopalan, N. 2010. Once an outsider, always an outsider? CEO origin, strategic change, and firm performance. ***Strategic Management Journal***, 31(3): 334-346.

TABLE 1
Descriptive Statistics and Correlations [a]

Variables	Mean	S.D.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
1. Firm Reputation	6.48	0.86																			
2. CEO Media Prominence	1.56	3.44	-.02																		
3. No CEO Prominence (dummy)	0.56	0.50	-.02	-.51																	
4. Moderate CEO Prominence (dummy)	0.18	0.38	.01	-.08	-.52																
5. High CEO Prominence (dummy)	0.26	0.44	.02	.64	-.67	-.28															
6. CEO Media Tenor	0.23	0.41	.09	.21	-.64	.43	.35														
7. Negative CEO Media Tenor (dummy)	0.02	0.12	-.06	.06	-.14	.12	.05	-.25													
8. Neutral CEO Media Tenor (dummy)	0.65	0.48	-.04	-.49	.83	-.34	-.64	-.77	-.17												
9. Positive CEO Media Tenor (dummy)	0.34	0.47	.05	.48	.80	.32	.63	.84	-.09	-.97											
10. CEO Awards	0.19	0.40	.28	.03	-.01	-.03	.03	-.01	-.01	.00	.00										
11. Outsider CEO	0.14	0.34	-.03	.10	-.06	-.05	.11	.06	-.02	-.08	.08	.01									
12. Succession Year	0.12	0.32	-.10	.15	-.15	.00	.17	.07	.03	-.14	.14	-.16	.06								
13. Market Value Change	0.17	0.36	.10	.01	-.01	.00	.01	.01	.02	-.01	.01	-.03	.08	-.04							
14. Profitability Change	-0.12	3.76	.06	-.05	.04	.01	-.05	.01	.02	.01	-.01	-.01	.00	-.04	.21						
15. Historical Market Returns	0.17	0.21	.26	.02	.01	-.01	-.01	.06	-.04	-.03	.04	.20	.07	-.07	.00	.02					
16. Historical Profitability	5.02	4.71	.46	-.04	.03	.01	-.04	.01	-.05	.01	.00	.11	-.11	-.06	-.06	-.23	.10				
17. Firm Size	8.53	1.07	.22	.25	-.29	.05	.28	.15	.03	-.25	.24	.12	.02	.03	.04	.04	.01	-.11			
18. Firm Media Prominence	35.32	58.43	.18	.59	-.34	-.06	.44	.17	-.03	-.32	.33	.13	.05	.06	.02	-.02	.03	.03	.49		
19. Firm Media Tenor	0.36	0.28	.08	-.09	.08	.00	-.09	.10	-.09	.00	.03	.01	.03	-.05	.08	.01	.14	-.01	-.06	-.12	
20. Inverse Mills Ratio: CEO Outsider	0.31	0.67	.05	.07	-.07	-.01	0.08	.06	-.03	-.06	.07	-.10	-.01	.45	.03	.02	-.04	.01	.08	.07	-.02

[a] $n = 1,611$

TABLE 2
Propensity Score Analysis of CEO Impact on Firm Reputation [a]

Variables	Model 1 Prominence	Model 2 Tenor	Model 3 Awards	Model 4 Outsider Status
Moderate CEO Prominence	-0.018			
	(0.036)			
High CEO Prominence	-0.118**			
	(0.038)			
Negative CEO Media Tenor		-0.220†		
		(0.121)		
Positive CEO Media Tenor		0.111*		
		(0.043)		
CEO Awards			0.070**	
			(0.027)	
CEO Outsider Status				0.006
				(0.119)
Succession Year	-0.186**	-0.091†	-0.081†	-0.175***
	(0.066)	(0.048)	(0.042)	(0.048)
Market Return Change	0.275***	0.125*	0.266***	0.309***
	(0.064)	(0.056)	(0.051)	(0.056)
Profitability Change	0.017**	0.021***	0.018***	0.014***
	(0.005)	(0.004)	(0.004)	(0.004)
Historical Market Return	1.006***	0.996***	0.977***	1.118***
	(0.155)	(0.122)	(0.083)	(0.118)
Historical Profitability	0.069***	0.072***	0.055***	0.054***
	(0.011)	(0.009)	(0.008)	(0.011)
Firm Size	0.099	0.102	0.120	0.127
	(0.163)	(0.149)	(0.115)	(0.127)
Firm Media Prominence	-0.004***	-0.004***	-0.003***	-0.005***
	(0.001)	(0.001)	(0.001)	(0.001)
Firm Media Tenor	0.017	0.045	0.094*	0.024
	(0.056)	(0.060)	(0.045)	(0.068)
Constant	5.707***	5.669***	5.427***	5.351***
	(1.520)	(1.390)	(1.076)	(1.178)
Observations	1611	1611	1611	1611
Log-likelihood	2492.150	6940.396	-34.635	-198.291

[a] Standard errors in parentheses
† $p < 0.10$, * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$, two-tailed tests.

TABLE 3
Fixed Effects Cross-Sectional Time Series Analysis of CEO Impact on Firm Reputation [a]

	Model 1	**Model 2**
CEO Prominence		-0.029***
		(0.006)
CEO Tenor		0.085**
		(0.026)
CEO Awards		0.073**
		(0.025)
CEO Outsider status		-0.011
		(0.107)
Succession Year	-0.106***	-0.044
	(0.030)	(0.037)
Market Return Change	0.283***	0.279***
	(0.040)	(0.036)
Profitability Change	0.016***	0.014***
	(0.003)	(0.003)
Historical Market Return	1.055***	1.029***
	(0.087)	(0.083)
Historical Profitability	0.058***	0.055***
	(0.007)	(0.008)
Firm Size	0.100	0.039
	(0.115)	(0.103)
Firm Media Prominence	-0.003***	-0.002*
	(0.001)	(0.001)
Firm Media Tenor	0.087*	0.070†
	(0.041)	(0.041)
Inverse Mills Ratio: CEO Outsider		-0.020
		(0.029)
Constant	5.178***	5.704***
	(0.994)	(0.882)
Observations	1611	1611
R^2	0.325	0.360
Log-likelihood	-237.085	-194.040

[a] Standard errors in parentheses
† $p < 0.10$, * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$, two-tailed tests.