

Organisationskommunikation

RESEARCH

Sarah Marschlich

Corporate Diplomacy: How Multinational Corporations Gain Organizational Legitimacy

A Neo-Institutional Public
Relations Perspective

OPEN ACCESS



Springer VS

Organisationskommunikation

Studien zu Public Relations/
Öffentlichkeitsarbeit und
Kommunikationsmanagement

Reihe herausgegeben von

Günter Bentele, University of Leipzig, Leipzig, Deutschland

Die Reihe „Organisationskommunikation. Studien zu Public Relations/ Öffentlichkeitsarbeit und Kommunikationsmanagement“ zielt darauf, wesentliche Beiträge zur Forschung über Prozesse und Strukturen der Kommunikation von und in Organisationen in ihrem gesellschaftlichen Kontext zu leisten. Damit kommen vor allem Arbeiten zum Tätigkeits- und Berufsfeld Public Relations/Öffentlichkeitsarbeit und Kommunikationsmanagement von Organisationen (Unternehmen, politische Organisationen, Verbände, Vereine, Non-Profit-Organisationen, etc.), aber auch zur Werbung oder Propaganda in Betracht. Nicht nur kommunikationswissenschaftliche Arbeiten, sondern auch Beiträge aus angrenzenden Sozialwissenschaften (Soziologie, Politikwissenschaft, Psychologie), den Wirtschaftswissenschaften oder anderen relevanten Disziplinen zu diesem Themenbereich sind erwünscht. Durch Praxisbezüge der Arbeiten sollen Anstöße für den Professionalisierungsprozess der Kommunikationsbranche gegeben werden.

Weitere Bände in der Reihe <https://link.springer.com/bookseries/12118>

Sarah Marschlich

Corporate Diplomacy: How Multinational Corporations Gain Organizational Legitimacy

A Neo-Institutional Public
Relations Perspective

 Springer VS

Dr. Sarah Marschlich
Amsterdam School of Communication Research (ASCoR)
University of Amsterdam
Amsterdam, Netherlands



The publication of this book was supported by the Swiss National Science Foundation under Grant 10BP12_207281, and the empirical research presented in this book was supported by the Swiss National Science Foundation under Grant P1FRP1_184401. With few exceptions, the present publication is congruent with the dissertation “Corporate Diplomacy: How Multinational Corporations Gain Organizational Legitimacy. A Neo-Institutional Public Relations Perspective”, which has been accepted by the Faculty of Economics and Social Sciences of the University of Fribourg (Switzerland) in July 2021 and published in the central library of the University of Fribourg (Switzerland) according to their guidelines. The Faculty of Management, Economics and Social Sciences at the University of Fribourg (Switzerland) does not intend to approve or disapprove the opinions expressed in a thesis. They must be considered the author’s own (decision of the Faculty Council of 23rd January 1990).

ISSN 2524-3225

ISSN 2524-3233 (electronic)

Organisationskommunikation

ISBN 978-3-658-36817-3

ISBN 978-3-658-36818-0 (eBook)

<http://doi.org/10.1007/978-3-658-36818-0>

© The Editor(s) (if applicable) and The Author(s) 2022. This book is an open access publication. **Open Access** This book is licensed under the terms of the Creative Commons Attribution 4.0 International License (<http://creativecommons.org/licenses/by/4.0/>), which permits use, sharing, adaptation, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons license and indicate if changes were made.

The images or other third party material in this book are included in the book’s Creative Commons license, unless indicated otherwise in a credit line to the material. If material is not included in the book’s Creative Commons license and your intended use is not permitted by statutory regulation or exceeds the permitted use, you will need to obtain permission directly from the copyright holder. The use of general descriptive names, registered names, trademarks, service marks, etc. in this publication does not imply, even in the absence of a specific statement, that such names are exempt from the relevant protective laws and regulations and therefore free for general use.

The publisher, the authors and the editors are safe to assume that the advice and information in this book are believed to be true and accurate at the date of publication. Neither the publisher nor the authors or the editors give a warranty, expressed or implied, with respect to the material contained herein or for any errors or omissions that may have been made. The publisher remains neutral with regard to jurisdictional claims in published maps and institutional affiliations.

Responsible Editor: Stefanie Eggert

This Springer VS imprint is published by the registered company Springer Fachmedien Wiesbaden GmbH part of Springer Nature.

The registered company address is: Abraham-Lincoln-Str. 46, 65189 Wiesbaden, Germany

Acknowledgments

This dissertation examines corporate diplomacy and its influence on the legitimation of European multinational corporations (MNCs) operating in the United Arab Emirates. The examinations for this dissertation were carried out at the University of Fribourg and Zayed University Abu Dhabi and Dubai between 2016 and 2020.

I would like to take this opportunity to thank my supervisor Prof. Dr. Diana Ingenhoff, University of Fribourg, who has supported me in my dissertation. Moreover, I thank the Swiss National Sciences Fund (SNSF) application, which allowed me to work and study at Zayed University for one year to advance my research.

At Zayed University Dubai/Abu Dhabi, I enjoyed working with Dr. Leysan Storie and Prof. Dr. Ganga Dhanesh. I would like to thank Leysan and Ganga for taking excellent care of me during my time in Dubai and giving me insights into an exciting, multicultural world that was entirely new for me.

Furthermore, I want to thank Prof. Dr. Sabine Einwiller, University of Vienna, who has supported me and my scientific work and agreed to take on the role of the second reviewer of my doctoral thesis, which I highly appreciate.

I would also like to thank my colleagues at the Department of Communication and Media Research (DCM) at the University of Fribourg. Working on a doctoral thesis can be exhausting, time-consuming, complicated, and tiring, but with you, the four years were gratifying and just wonderful! In particular, I would like to thank my colleagues at the chair, Diana Ingenhoff, Dominique Richner, Christopher Rühl, and Jérôme Chariatte, who were always supportive of questions concerning my research and beyond. During my time at the DCM, very close friendships have developed, which I treasure. Through all of you, I could always find inspiration and motivation.

I would also like to thank my colleagues and friends outside of Fribourg. Many thanks go to Matthias Albisser, who accompanied me in the final phase of my dissertation with valuable and constructive comments and suggestions for my thesis and read through parts of my dissertation. Finally, special thanks to my family and friends from my other home, whom I saw less often in the past years but more intensively. You have always supported me, given me valuable advice, and made me what I am today. Especially you, Mom and Dad and Grandma and Grandpa, were always interested in my work, well-being, and life in Switzerland.

Abstract

Over recent years, there has been rising interest in the societal and political roles of multinational corporations (MNCs), increasingly engaging in issues previously reserved for governmental actors. Scholars have started analyzing the various interactions between corporations, foreign governments, and communities, referring to corporate diplomacy as the societal engagement of MNCs in the host country environment. The core goal of corporate diplomacy is to gain organizational legitimacy in the host country's society and, in this regard, be perceived as acting appropriately and being socially acceptable.

By applying a neo-institutional public relations perspective on corporate diplomacy, I explore the legitimation process of European MNCs in the United Arab Emirates (UAE) on three levels. The three views applied in this thesis include the company aiming at communicating its corporate diplomacy efforts, the mass media covering news about corporate diplomacy and the corporation, and the general audience that receives and interprets the information about corporate diplomacy, ascribing legitimacy. Building on that, the purpose of my thesis is to (1) examine the extent to which and how corporate diplomacy is practiced and communicated to be perceived as legitimate, (2) investigate how the media coverage in the host country covers and frames the MNC and its corporate diplomacy efforts, and (3) find out how corporate diplomacy news affects the organizational legitimacy perceptions of the host country community toward the foreign corporation.

In this thesis, I applied a multi-method research design, including in-depth interviews with public relations executives in Abu Dhabi and Dubai ($N = 25$), a content analysis of the media coverage on corporate diplomacy in Emirati news outlets ($N = 385$), and an experimental design study surveying residents in the UAE ($N = 199$) to explore the legitimation process of MNCs through corporate

diplomacy. The findings indicate that MNCs strategically use public relations and communication to identify and respond to the societal expectations of the most relevant groups in their host country environment, which can contribute to the MNCs' legitimacy. Simultaneously, MNCs seek to address demands from the corporations' headquarters and home countries, leading to different corporate diplomacy modes that affect organizational legitimacy differently. The analysis of the local media coverage revealed two media frames that contribute to organizational legitimacy on a moral and a pragmatic level. The findings suggest that legitimacy judgments in the local media mainly depend on the demonstrated linkages between corporate diplomacy and the key actors in the host country and the outlined beneficiaries of corporate diplomacy. The findings of the experimental survey revealed that favorable assessments of organizational legitimacy most probably occur in the UAE when the MNCs engage with the local government, which is, in most cases, inevitable due to the particularities in the given country context.

In this way, my results pointed particularly to the role of a country's culture and political system regarding corporate diplomacy, public relations, and the legitimation process. By analyzing corporate diplomacy from a communicative and relationship-oriented perspective on the corporations, the media, and the general audience, this thesis provides substantial insights into how MNCs can take an active role in gaining legitimacy while shedding light on how legitimacy is co-constructed by the media and its audiences. This central research gap has not been analyzed before, and thus this study contributes significantly to international public relations research and practice.

Keywords: Corporate Diplomacy, Public Relations, Organizational Legitimacy, Neo-Institutional Approach, Engagement, Relationship Cultivation

Contents

1	Introduction	1
1.1	Research Background	1
1.2	Research Gap and Research Aims	5
1.3	Structure of the Thesis	10
2	Conceptual Framework: Sociological Neo-Institutionalism, Legitimacy, and Public Relations	13
2.1	The Value of Sociological Neo-Institutionalism for Analyzing Corporate Diplomacy	13
2.2	Principles and Key Concepts of Neo-Institutional Approaches	16
2.2.1	Neo-Institutional Approaches and the Concept of Institution	16
2.2.2	Core Concepts and Key Assumptions	19
2.3	Organizational Legitimacy and the Process of Legitimation	25
2.3.1	The Foundations of Legitimacy Research and the Relevance of Gaining Legitimacy	25
2.3.2	Conceptualizations and Types of Organizational Legitimacy	28
2.3.3	Organizational Legitimacy and the Role of the Mass Media	33
2.3.4	Organizational Legitimation Strategies	37
2.4	Public Relations, Engagement, and Organizational Legitimacy	41
2.4.1	Public Relations and Engagement	41
2.4.2	Public Relations and the Media: The Importance of Media Frames	43
2.4.3	Neo-Institutional Public Relations	44

3 Corporate Diplomacy at the Intersection of Public Relations and Public Diplomacy	51
3.1 Public Diplomacy and Public Relations	51
3.2 Research Approaches to Corporate Diplomacy	54
3.3 Corporate Diplomacy and CSR	58
3.4 Toward a New Conceptualization of Corporate Diplomacy	64
4 State of Research: Previous Findings on Corporate Diplomacy, the Media, and Organizational Legitimacy	69
4.1 State of the Research on Corporate Diplomacy	69
4.2 State of the Research on Public Relations as a Legitimation Strategy	74
4.3 State of the Research on the Role of Media in Gaining Organizational Legitimacy	76
4.4 State of the Research on the Role of Institutional Relations in Gaining Organizational Legitimacy	81
4.5 State of the Research on Institutional Linkages and Intervening Variables in the Legitimation Process	84
5 Study Context: The Case of the UAE	89
5.1 The Political System and the Governmental Agenda in the UAE	89
5.2 The Economic System and the Relations between the Private and Public Sector in the UAE	91
5.3 The Cultural Heritage of the UAE	93
5.4 The Role of the Media in the UAE	94
6 Method	99
6.1 In-Depth Interviews: The Organizational Perspective on Corporate Diplomacy and Legitimacy	100
6.1.1 Sample	100
6.1.2 Procedure and Data Collection	102
6.1.3 Data Analysis	103
6.2 Content Analysis: The Media Perspective on Corporate Diplomacy and Legitimacy	105
6.2.1 Sample	105
6.2.2 Categories and Coding Procedure	106
6.2.3 Data Analysis	109

6.3	Experimental Survey: The Audience's Perspective on Corporate Diplomacy and Legitimacy	110
6.3.1	Experimental Design, Procedure, and Sample	110
6.3.2	Development of the Stimulus	112
6.3.3	Measurement, Pre-test, and Statistical Measurement Model Validation	113
7	Results	121
7.1	The Perspectives of MNCs on Corporate Diplomacy	121
7.1.1	Engagement with the Government: Alignment with the National Agenda	122
7.1.2	The Role of Relationship Cultivation, Networks, and Strategic Alliances	124
7.1.3	Engagement with the Local Community and Employees	127
7.1.4	The Role of Global Corporate Values and Multiculturalism	130
7.2	Corporate Diplomacy News and the Construction of Organizational Legitimacy	132
7.2.1	Structure of Corporate Diplomacy News Coverage	132
7.2.2	Corporate Diplomacy Frames in the Media and their Link to Socio-Political Legitimacy	134
7.2.3	Corporate Diplomacy Frames in the Media and their Link to Cognitive Legitimacy	139
7.3	Effects of Corporate Diplomacy on Organizational Legitimacy	140
7.3.1	Manipulation Check	140
7.3.2	Hypotheses Testing	140
7.3.3	Indirect Effects	143
8	Discussion	149
8.1	The Organizational Perspective on Corporate Diplomacy and Organizational Legitimacy	149
8.2	The Media Perspective on Corporate Diplomacy and Organizational Legitimacy	156
8.3	The Audience's Perspective on Corporate Diplomacy and Organizational Legitimacy	160
8.4	Overall Discussion of the Findings	164

9 Conclusion	173
9.1 Summary of the Findings	173
9.1.1 Research Questions 1 and 2: Corporate Diplomacy as an Engagement Process to Gain Organizational Legitimacy	174
9.1.2 Research Question 3: Corporate Diplomacy Media Frames and the Construction of Organizational Legitimacy in the Media	174
9.1.3 Research Question 4: The Effects of Corporate Diplomacy on Organizational Legitimacy	175
9.2 Implications for Theory and Practice	176
9.3 Limitations	179
9.4 Research Outlook	183
9.5 Concluding Remarks	184
References	187

Abbreviations

ANOVA	Analysis of Variance
APA	American Psychological Association
b	Regression Coefficient
CD	Corporate Diplomacy
CFA	Confirmatory Factor Analysis
CFI	Comparative Fit Index
CI	Confidence Interval
CMIN	Minimum Discrepancy (used in the chi-squared test)
CSR	Corporate Social Responsibility
DF/df	Degree of Freedom
EC	European Corporation
EDC	Export Development Canada
Ed./Eds.	Editor(s)
e.g.	exempli gratia (for example)
et al.	<i>et alia</i> (and others)
FCSA	Federal Competitiveness and Statistics Authority
H	Hypothesis
IE	Indirect Effect
KMO	Kaiser-Meyer-Olkin Criterion
LBCI	Lower Bound Confidence Interval
M	Mean
MAXQDA	Max Weber Qualitative Data Analysis
MNC	Multinational Corporation
MOU	Memorandum of Understanding
<i>N</i>	Sample Size
η^2	Eta-Square

NFI	Normative Fit Index
NGO	Non-Governmental Organization
NPO	Not-for-Profit Organization
n.s.	Not Significant
<i>p</i>	Probability (statistical probability)
p.	Page
PR	Public Relations
PRA	Public Relations Agency
R ²	Coefficient of Determination (explaining the variance)
RMSEA	Root Mean Square Error of Approximation
RQ	Research Question
SD	Standard Deviation
SDG	Sustainable Development Goals
SE	Standard Error
sign.	Significant
SPSS	Statistical Package for Social Sciences
UAE	United Arab Emirates
UBCI	Upper Bound Confidence Interval
UN	United Nations
U.S.	United States-American
USA	United States of America
χ^2	Chi-Square

List of Figures

Figure 1.1	Summary of the research questions	9
Figure 3.1	Conceptual framework of corporate diplomacy integrating neo-institutional public relations and public diplomacy	67
Figure 4.1	Model of the effects of corporate diplomacy on organizational legitimacy	87
Figure 7.1	Path model of the direct and indirect effects of corporate diplomacy on organizational legitimacy (moral, pragmatic, and regulative legitimacy)	142
Figure 8.1	Legitimation through corporate diplomacy in the organizational field	168

List of Tables

Table 2.1	Dimensions of organizational legitimacy (author’s presentation, following Bitekine 2011; Sandhu, 2012; Scott, 2001; Suchman, 1995)	32
Table 2.2	Previous applications of neo-institutional approaches to public relations and related constructs	47
Table 3.1	Main assumptions and theories on corporate diplomacy	57
Table 3.2	Instrumental CSR, political CSR, and corporate diplomacy in comparison (building on Ingenhoff & Marschlich, 2019; Schultz, Castelló et al., 2013)	62
Table 4.1	State of the research on corporate diplomacy	72
Table 6.1	Variables with items and sources	115
Table 6.2	Correlation matrix of the variables	119
Table 6.3	Measurement model of the three organizational legitimacy factors with factor loadings, means, and standard deviations after validation through CFA	119
Table 7.1	Factor solution frame elements	136
Table 7.2	Cluster solution frame elements	137
Table 7.3	Means, standard deviations, and one-way ANOVA for the effects of the moral CD frame, pragmatic CD frame, and neutral CD frame on cognitive legitimacy	139
Table 7.4	Moral legitimacy model: Direct and indirect effects of the mediation steps by Hayes (2013) (5,000 bootstrap samples)	143
Table 7.5	Pragmatic legitimacy model: Direct and indirect effects of the mediation steps by Hayes (2013) (5,000 bootstrap samples)	145

Table 7.6	Regulative legitimacy model: Direct and indirect effects of the mediation steps by Hayes (2013) (5,000 bootstrap samples)	147
Table 8.1	Public relations (PR) and corporate diplomacy (CD) modes and the related expectations and legitimacy approaches from the company's perspective	154



Introduction

1

1.1 Research Background

In today's globalized and connected world, multinational corporations (MNCs) are increasingly facing demands to go beyond their economic role and demonstrate fulfillment of their societal and political responsibility toward society (Scherer et al., 2016).¹ These expectations emerge from multiple actors in an MNC's social environment, such as the media, governments, the local community, and non-governmental organizations (NGOs). Particularly MNCs, whose nature lies in acting globally, face such demands in their home country setting and in multiple host country settings, all of which are different in their cultural beliefs and expectations concerning the role of MNCs (Kochhar, 2018; Kostova & Zaheer, 1999). In response to the expectations concerning their societal and political roles, MNCs have begun to engage in issues traditionally associated with governmental activities (Matten & Crane, 2005; Scherer & Palazzo, 2012). These issues include, for instance, education, public health, human rights, and environmental sustainability (Scherer & Palazzo, 2011, 2012). At the same time, companies have to fulfill their economic role, which might conflict with societal demands. As a result, MNCs need to find ways to manage self-interests while meeting the expectations of their multiple environments, including that of the host country, to avoid being questioned and criticized, which can increase risks and cause conflicts (Hillman & Wan, 2005) and threaten their legitimacy (Kostova & Zaheer, 1999).

¹ The thesis is formatted according to the guidelines of the American Psychological Association (APA 7th edition).

In this context, over recent years, there has been rising interest in researching the “new” political and societal role of corporations by analyzing the various interactions and relationships between MNCs and their host country communities referring to *corporate diplomacy* (Mogensen, 2017; Ordeix-Rigo & Duarte, 2009; Westermann-Behaylo et al., 2015). The research field of corporate diplomacy is comparatively young, and conceptualizations of the term vary greatly (Ingenhoff & Marschlich, 2019). Corporate diplomacy has been recently defined as “the corporate activities of multinational companies, which are directed at the host country’s key stakeholders and aimed at participating in decision-making processes on relevant socio-political issues and building relationships in order to gain corporate legitimacy” (Ingenhoff & Marschlich, 2019, p. 357). Gaining *organizational legitimacy* is highly relevant for the long-term survival and social acceptance of foreign MNCs in their respective host countries, requiring continuous interactions and negotiations with multiple groups in the organizational environment (Bansal & Roth, 2000). To form legitimacy judgments toward an organization, individuals evaluate the extent to which an organization can meet their demands and those of society (Deephouse & Suchman, 2008; Dowling & Pfeffer, 1975). Therefore, organizational legitimacy refers to how individuals perceive the appropriateness of organizational behavior, considering their expectations (Bitekine, 2011; Suchman, 1995). Societal expectations are formed through a process in which organizational decisions and behavior are reflected against the norms and values prevalent in each social system (Suchman, 1995).

Building on the assumption that MNCs increasingly need to demonstrate their contribution to the social good (Scherer & Palazzo, 2011, 2012), it is assumed that corporate diplomacy enables MNCs to gain organizational legitimacy as corporate diplomacy activities show a company’s commitment to public interests, which may generally be perceived as appropriate (see Suchman, 1995). However, what is appropriate within a socially constructed system of norms and values, and which societal expectations organizations face, can vary across cultures and countries (see Deephouse et al., 2017; Kostova & Zaheer, 1999; Mogensen, 2019). For this reason, corporate diplomacy needs to build on engagement with the host country’s environment on different levels, including the government, NGOs, and citizens (Kochhar, 2018; Mogensen, 2017, 2019). The engagement process allows MNCs to identify important actors and societal demands and respond to them, which is essential for building organizational legitimacy (Devin & Lane, 2014).

This thesis applies a neo-institutional public relations perspective to corporate diplomacy by bringing together sociological neo-institutional approaches and public relations. Previous research has already linked corporate diplomacy and public relations (Mogensen, 2017; White, 2015) and outlined that the central goal

of corporate diplomacy is to achieve organizational legitimacy (Mogensen, 2017). However, it has neither been sufficiently explained what role public relations plays in corporate diplomacy nor has it been clearly explicated how corporate diplomacy helps build legitimacy through public relations. Organizational legitimation, i.e., the process by which organizations gain legitimacy, is at the core of sociological neo-institutional approaches (DiMaggio & Powell, 1983; Meyer & Rowan, 1977). Accordingly, organizations are embedded in their social environments, which express different expectations toward them. Organizations can build legitimacy by demonstrating conformity to societal demands through their formal structures (as opposed to their actual actions) to be considered legitimate (Meyer & Rowan, 1977). As sociological neo-institutional approaches consider formal structures, i.e., the externally visible communication of organizations, central to gaining organizational legitimacy, they are valuable for public relations research.

Building on this argumentation, the present thesis firstly assumes that MNCs rely heavily on the legitimacy evaluations of their environment (Deephouse et al., 2017; Dowling & Pfeffer, 1975; Meyer & Rowan, 1977). Secondly, organizational legitimacy perceptions depend on demonstrating the organization's congruence with societal expectations (Dowling & Pfeffer, 1975). Thirdly, following previous public relations scholarship, it is assumed that organizational legitimacy can be gained through public relations efforts that enable organizations to recognize and respond to societal demands (Devin & Lane, 2014). Bringing these arguments together, the following central assumption guiding this thesis can be formulated: Corporate diplomacy, building on public relations, enhances organizational legitimacy constructions by demonstrating the MNC's commitment to societal issues in the host country society, thereby showing that the corporation meets the host country's expectations. In turn, this process can positively affect the perception of congruence between the expectations of the host country environment and the actions of the MNC, contributing to building organizational legitimacy in the host country.

The current research explores corporate diplomacy in the case of the United Arab Emirates (UAE) since the country provides an optimal environment for studying corporate diplomacy for several reasons. First, the UAE is considered an emerging country (EDC, n.d.; Forbes, 2019). Emerging countries are mostly characterized by high economic growth, but they have not yet reached the societal standards and economic levels of developed countries (Jain et al., 2017). Particularly in emerging countries, where the state possesses substantial power but is partly unable or unwilling to provide public goods sufficiently, MNCs

from developed economies are expected to contribute to improving local societal issues (Child & Tsai, 2005; Scherer & Palazzo, 2011, 2012). Given that corporate diplomacy is concerned with corporate engagement in societal issues (Ingenhoff & Marschlich, 2019; Kochhar, 2018; Mogensen, 2017), it is assumed that it plays a vital role in emerging countries such as the UAE. Moreover, due to their economic development, emerging countries are of high relevance to foreign MNCs for economic reasons (Wright et al., 2005). This is of specific significance for foreign MNCs operating in the UAE, rated the second-strongest emerging economy in the Arab region and among the top 20 financially strongest emerging countries worldwide in 2020 (Abbas, 2020). For these reasons, many foreign MNCs operate in the UAE, providing this dissertation with ideal conditions to study corporate diplomacy.

However, at the same, the UAE's fast economic development comes with environmental and societal challenges, including higher demands for education, public health, and youth empowerment (Cordesman, 2018). Therefore, corporate engagement in societal issues is highly appreciated and encouraged to address these challenges, as a report by Oliver Wyman (2019) has emphasized. Powerful foreign MNCs, such as Unilever, Coca-Cola, and Nestlé, have started to find opportunities to contribute to the UAE's political agenda (Koe, 2019; Unilever Middle East, 2018). One example is the “#CollectiveAction—Toward a Brighter Future Initiative,” which started in 2016 as a multi-sectoral collaboration addressing the improvement of environmental issues and entrepreneurship. #CollectiveAction includes the

participation from the private sector organizations, academia, community partners and public sector bodies [...] to achieve goals common to the three overlapping strategic roadmaps, i.e., the UAE Vision 2021, the UN SDGs [Sustainable Development Goals], and the Unilever Sustainable Living Plan. [...] [C]ollaboration between different stakeholders and businesses can play a critical role by mobilizing collective action to create sustainable models, that balance the needs of society, the environment, and the business itself. (Unilever Middle East, 2018, p. 10)

Another example is the creation of the “Alliance of Youth,” a private sector initiative launched by Nestlé Middle East to fight youth unemployment, which is a significant challenge in the UAE (Albawaba, 2017). These examples and the Unilever statement underscore the role of corporate diplomacy, which in the UAE seems to build on the collaboration with multiple groups in an MNC's environment.

Lastly, the UAE comes with several particularities concerning its political, cultural, and media systems, which significantly affect international public relations and the organization's environment (Khakimova Storie, 2015; Sriramesh & Verčič, 2009). The UAE is a federal presidential monarchy in which the government wields significant power, impacting all aspects of social life and affecting corporate activities to a great extent. Previous research has found that public relations efforts often emanate from governmental priorities (Duthler et al., 2015; Kirat, 2006, 2016). Moreover, as public relations thrives on public opinion and the freedom of expression, which is lacking in the UAE, public relations efforts in the UAE might tend to be perceived as less sophisticated and less built on civic society, as suggested for other non-democratic environments (Sriramesh & Verčič, 2002). Therefore, gaining legitimacy as the foundation for organizations' social acceptance (Pollock & Rindova, 2003) is particularly relevant for foreign MNCs in the UAE. For all these reasons, studying corporate diplomacy and organizational legitimacy in the UAE is highly relevant for international public relations research and practice.

1.2 Research Gap and Research Aims

Given the interdisciplinary nature of corporate diplomacy (Ingenhoff & Marschlich, 2019), previous conceptualizations of the construct vary greatly. They include corporate diplomacy as the role of corporate actors in public diplomacy (e.g., White & Fitzpatrick, 2018), corporate diplomacy as an attempt of MNCs to manage the international environment smoothly (e.g., Amann et al., 2007; Steger, 2003), or corporate diplomacy as corporations' engagement in societal issues in the host country (Ingenhoff & Marschlich, 2019; Kochhar, 2018; Mogensen, 2017). The latter perspective will be adopted in this thesis. However, a clear and distinctive definition of corporate diplomacy, which is theoretically substantiated, is still missing (see Ingenhoff & Marschlich, 2019). Therefore, the first research aim is to develop a profound and comprehensive conceptualization and definition of corporate diplomacy at the intersection of neo-institutional public relations, representing the theoretical foundation for this dissertation, and public diplomacy, which I consider the origin of corporate diplomacy (see Fitzpatrick, 2007).

Corporate diplomacy is a comparatively young research field, and previous research has mostly been descriptive and conceptual (Mogensen, 2019, 2020a; Molleda & Kochhar, 2014; White, 2015). Some exceptions have explored corporate diplomacy on an organizational level to determine how corporations view

their role in public diplomacy and nation branding (White & Kolesnicov, 2015), mainly concerning government-sponsored public diplomacy activities (Fitzpatrick et al., 2020; White & Fitzpatrick, 2018). Overall, these studies revealed that foreign MNCs do not see themselves as ambassadors of their countries (Fitzpatrick et al., 2020; White & Fitzpatrick, 2018). Instead, they conceive themselves as global actors and do not regard their role as supporting the home country (Fitzpatrick et al., 2020). Exploring the link of corporate diplomacy to corporate social responsibility (CSR), White et al. (2011) have found that foreign companies do not always act in line with the cultural values of the host country but can still support culture-building processes in transitional countries and contribute to the host country (White et al., 2011). The mentioned studies by White and colleagues offer an interesting starting point for research on corporate diplomacy. However, their understanding of corporate diplomacy as part of public diplomacy does not correspond to the conceptualization of the construct in this thesis. Moreover, the studies mostly examined corporate diplomacy in the context of U.S. corporations. Another study has investigated corporate diplomacy and its link to legitimacy, suggesting that MNCs can only gain organizational legitimacy if they include host country citizens or representatives of the host country community instead of directing corporate diplomacy toward the host country government (Mogensen, 2017). However, Mogensen (2017) has followed a case study approach by examining one specific corporate diplomacy project only. Therefore, the results are limited.

Overall, so far, it is not clear to what extent and how foreign MNCs engage in corporate diplomacy and to what extent corporate diplomacy as engagement in terms of involving actors in the host country environment affects organizational legitimacy perceptions. Moreover, although the Middle East offers a significant context for researching international public relations efforts due to its social, economic, and political particularities, which differ considerably from most Western countries, public relations research in the Middle East is still lacking (Dhanesh & Duthler, 2019). Previous public relations theorizing is mostly marked by the ethnocentricity of Western countries, particularly the U.S. (Broom & Sha, 2013; Sriramesh & Verčič, 2019). In an attempt to contribute to the significant research gap on corporate diplomacy and public relations research in the UAE, the following research questions concerning corporate diplomacy and organizational legitimacy on an organizational level are stated:

RQ 1: To what extent and how is corporate diplomacy in the UAE performed as engagement with its social environment?

RQ 2: To what extent and how is corporate diplomacy in the UAE used to gain organizational legitimacy?

Both neo-institutional approaches and public relations research have emphasized the role of the media in constructing social reality and, in this view, in creating organizational legitimacy (Deephouse, 1996; Deephouse & Suchman, 2008; Pollock & Rindova, 2003; Sandhu, 2012; Yoon, 2005). In media society, media coverage is one of the most relevant communication channels concerning the information on and evaluations of MNCs (Carroll & McCombs, 2003). Particularly regarding foreign organizations, media representations are among the major sources of organization-related information (Islam & Deegan, 2010). Deephouse and Suchman (2008) have argued that media coverage indicates legitimacy because it reflects and influences public opinion. According to media agenda-setting theory (McCombs & Shaw, 1972) and framing theory (e.g., Entman, 1993, 2008), the media sets the public agenda by determining *what* issues and subjects the public gets to know and, to a certain degree, *how* the public thinks about these issues and subjects. In this way, the media influences societal expectations and legitimacy judgments toward organizations (Deephouse, 2000). Previously, research on organizational legitimacy and media coverage has indicated that the more companies are covered in the news media (positively or neutrally), the higher their perceived legitimacy is (Marberg et al., 2016). Furthermore, research has pointed out that organizational legitimacy depends on how an organization and its activities are evaluated in the media, affecting organizational legitimacy on different levels (Rodríguez Pérez, 2017).

However, prior research so far has insufficiently addressed the relationship between corporate diplomacy and media coverage. To the best of my knowledge, empirical studies on the effects on organizational legitimacy through the media coverage of corporate diplomacy do not yet exist. Moreover, although media relations and legitimacy are at the heart of public relations (Hallahan, 2010; Metzler, 2000), previous research has rarely studied the link between media coverage and organizational legitimacy. Therefore, the following research question is stated:

RQ 3: To what extent and how can the media coverage of corporate diplomacy contribute to organizational legitimacy?

The primary assumption of newer neo-institutional approaches is that organizations can take an active role in the legitimation process through public relations (Frandsen & Johansen, 2013; Fredriksson et al., 2013). According to previous literature, organizational legitimacy can be ascribed when corporate diplomacy

is perceived as congruent with broader societal expectations, referring to moral legitimacy (Dowling & Pfeffer, 1975; Suchman, 1995); to the expectations of the most immediate individuals of an organization, reflected in pragmatic legitimacy (Bitekine, 2011; Suchman, 1995); and to governmental expectations and rules, considered as regulative legitimacy (Diez-Martin et al., 2019). Following this, it can be assumed that corporate diplomacy can affect legitimacy perceptions by communicating its value for the host country's society (moral legitimacy), for particular groups or organizations in the host country (pragmatic legitimacy), and the host country's government (regulative legitimacy).

Moreover, the previous literature has pointed to the role of institutional linkages (see also Sect. 4.5), which are conceived as institutional relations between the corporation and an already-institutionalized organization (Baum & Oliver, 1991). Accordingly, organizations linking themselves and their activities to actors that are established and perceived as legitimate can thus increase organizational legitimacy (Baum & Oliver, 1991; Bitekine, 2011). Institutional linkages can be reflected in collaborations between different organizations or between an organization and the government (Baum & Mezias, 1993; Baum & Oliver, 1991). In the UAE, the government wields significant power, and public-private partnerships are common in the Middle East region (White & Alkandari, 2019). Therefore, it can be presumed that the communication of corporate diplomacy activities, outlining MNCs' linkages to the UAE Government, increases organizational legitimacy perceptions of the corporation. However, empirical research analyzing the effects of corporate diplomacy on organizational legitimacy does not yet exist. Therefore, the following research question is stated:

RQ 4: To what extent and how do institutional linkages with governmental institutions influence the effects of corporate diplomacy on organizational legitimacy?

Figure 1.1 gives an overview of the research questions.

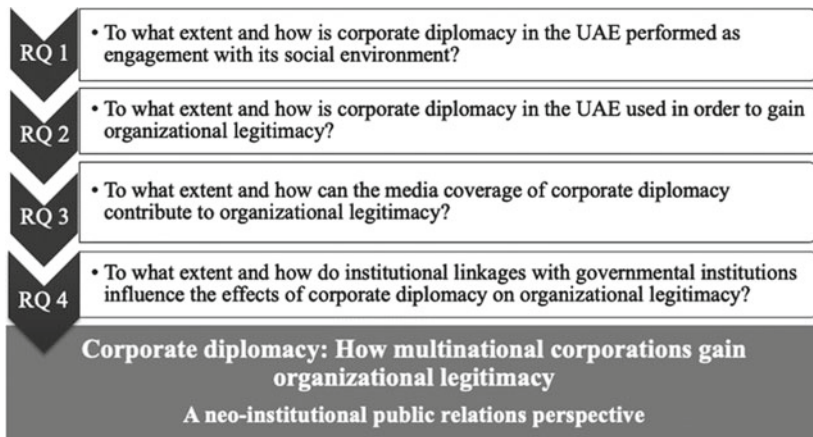


Figure 1.1 Summary of the research questions

Overall, by answering the four research questions, I aim to empirically examine how corporate diplomacy can contribute to the legitimation process of foreign MNCs operating in the UAE on three levels – the organizational level (RQs 1 and 2), the media level (RQ 3), and the audience level (RQ 4). In this way, the empirical research aims of this dissertation are, firstly, to assess how corporate diplomacy in the UAE is performed as an engagement strategy with host country actors to gain organizational legitimacy. Secondly, my research aims to discover how media outlets in the UAE cover and evaluate the topic of corporate diplomacy and how it constructs organizational legitimacy. Thirdly, this dissertation seeks to determine whether institutional linkages with the host country government in the UAE affect the perception of the organizational legitimacy of MNCs. By empirically exploring corporate diplomacy as a legitimation strategy, this research intends to contribute to the evolving research on corporate diplomacy in the realm of public relations (e.g., Mogensen, 2017; White & Fitzpatrick, 2018) and to respond to the call for public relations research concerning whether and how organizations deal with societal expectations and values in their environment raised by previous scholars (Frandsen & Johansen, 2013; Fredriksson et al., 2013). Lastly, by analyzing corporate diplomacy in the UAE, this dissertation aims to offer a contextual understanding of corporate diplomacy accounting for diverse political and cultural conditions in a global world and, in this way, to contribute to international public relations research and practice.

1.3 Structure of the Thesis

The thesis is structured in nine chapters and begins by presenting a comprehensive overview of the theoretical framework underlying this dissertation and an extensive overview of previous conceptualizations and findings on corporate diplomacy. Furthermore, building on the extensive literature review, this research develops a new definition of neo-institutional public relations, subsequently applied to corporate diplomacy to build an integrative framework and a clear and distinctive definition of corporate diplomacy. Moreover, the thesis presents the empirical studies that allow the research questions to be answered while providing an overall discussion of the results and portraying and critically assessing the legitimation process through corporate diplomacy in the UAE. Lastly, implications for theory and practice and future research directions are discussed.

Chapter 2 introduces the theoretical and conceptual framework of this research, including the sociological neo-institutional approach, organizational legitimacy and the role of the mass media, and public relations theory. Therefore, the chapter gives an overview of the sociological neo-institutional approach by describing its key assumptions and discussing its core constructs. Secondly, the chapter presents an overview of organizational legitimacy, pointing to the relevance of legitimacy for organizations, defining the construct, and giving theoretical insights into the legitimation process by emphasizing the role of the mass media in forming legitimacy judgments. Thirdly, the chapter regards public relations from a relational perspective, emphasizing its link to the concept of engagement and the role of public relations in gaining organizational legitimacy. Moreover, since I explore the legitimation process of MNCs on a media level, the second chapter introduces the relationship between public relations and the media. The chapter finishes with an overview of the previous literature on neo-institutional public relations and develops a clear definition of neo-institutional public relations.

Chapter 3 presents and discusses corporate diplomacy at the intersection of public relations and public diplomacy. Therefore, public relations and public diplomacy are briefly compared to find their commonalities and differences, which are relevant for understanding the elements of corporate diplomacy. Subsequently, corporate diplomacy is compared with CSR concepts, i.e., instrumental and political-normative perspectives on CSR, to distinguish the terms from each other. Furthermore, previous definitions and conceptualizations of corporate diplomacy are portrayed and discussed. Building on that, the chapter presents a

new conceptualization of corporate diplomacy, including a precise and distinctive definition of the construct.

Chapter 4 presents the current state of empirical research on corporate diplomacy. Moreover, it extensively reviews prior studies on the link between the mass media and organizational legitimacy and the role of institutional linkages in gaining organizational legitimacy. Lastly, the chapter discusses intervening variables that affect the legitimation process and derives a hypotheses model of the effects of corporate diplomacy on organizational legitimacy.

Chapter 5 offers insights into the case of the UAE by illustrating the country's economic, political, and cultural particularities as well as the features of the UAE media system. In this regard, the fifth chapter allows to contextualize the research in this thesis since the legitimation process through corporate diplomacy is examined in this specific country.

Chapter 6 presents the methods used to explore corporate diplomacy on the organizational, media, and audience levels, including a detailed description of the samples, the research instruments and measurements, each study's procedure, and the data analysis. Therefore, each empirical study's methodology is presented separately.

Chapter 7 outlines the results of each empirical study considering the research questions summarized in Figure 1.1. In this way, the chapter firstly illustrates organizational perspectives on corporate diplomacy by offering insights into how the corporate diplomacy engagement process appears, which actors in the organizational environment are addressed, and how corporate diplomacy is used to gain organizational legitimacy. Furthermore, the second part of this chapter presents corporate diplomacy media frames and their contribution to organizational legitimacy on the cognitive, moral, pragmatic, and regulative levels. Finally, the chapter displays how corporate diplomacy with governmental institutional linkages affects organizational legitimacy perceptions.

Chapter 8 offers an in-depth discussion of the results by considering the results of each study separately. In this regard, the chapter answers the first and the second research questions, presenting the different engagement approaches of MNCs, which have different consequences for gaining organizational legitimacy. Building on the results, the chapter derives five modes of corporate diplomacy. Moreover, the chapter discusses the findings of the second study, answering the third research question of what role the news media and media frames play in the legitimation process of MNCs through corporate diplomacy. Subsequently, the chapter discusses the role of the institutional linkages between the MNC and the local government to gain legitimacy from the general audience in the host country to answer the fourth research question. The chapter ends with

an overall discussion of the results throughout the conducted empirical studies to answer the overall research question of how MNCs in the UAE can build legitimacy through corporate diplomacy in the host country. Therefore, the chapter relates the studies' results to neo-institutional core constructs, developing a profound overview of the interrelations between different actors in an organizational field and the consequential social constructions of legitimacy perceptions and judgments.

Chapter 9 brings together the main findings of the previously presented empirical studies by briefly answering each research question. Subsequently, the chapter formulates the major contributions of this thesis for theory and practice and discusses its limitations. Finally, the chapter postulates directions for future research and finishes with concluding remarks.

Open Access This chapter is licensed under the terms of the Creative Commons Attribution 4.0 International License (<http://creativecommons.org/licenses/by/4.0/>), which permits use, sharing, adaptation, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons license and indicate if changes were made.

The images or other third party material in this chapter are included in the chapter's Creative Commons license, unless indicated otherwise in a credit line to the material. If material is not included in the chapter's Creative Commons license and your intended use is not permitted by statutory regulation or exceeds the permitted use, you will need to obtain permission directly from the copyright holder.





Conceptual Framework: Sociological Neo-Institutionalism, Legitimacy, and Public Relations

2

In order to examine the role of corporate diplomacy in building organizational legitimacy, the current research builds on a theoretical and conceptual framework consisting of sociological neo-institutionalism, legitimacy and media frames, and public relations theory. In this chapter, the theoretical approaches and central constructs will be introduced, defined, and discussed.

2.1 The Value of Sociological Neo-Institutionalism for Analyzing Corporate Diplomacy

Existing research suggests that corporate diplomacy can be regarded as international public relations efforts (White, 2015) aimed at building legitimacy (Mogensen, 2017). Organizational legitimacy is a state attributed to an organization by groups in society. These groups evaluate organizational behavior's appropriateness by assessing it against their norms and values resulting from social constructions (Elsbach, 1994, 2006; Suchman, 1995). Consequently, the formation of organizational legitimacy judgments results from social constructions, and organizational legitimacy itself can be regarded as socially constructed. For this reason, a research perspective must be chosen that considers organizations and their behavior as principally socially constructed, modeling society as a condition of organizations, i.e., organizations are viewed from the societal environment's perspective. Moreover, organizational legitimacy building is significantly affected by the cultural and political factors surrounding an organization (Kostova & Zaheer, 1999) since these factors are inherently related to societal norms and values, which form the basis for assessing whether organizations are considered legitimate (Suchman, 1995). As this thesis examines the corporate

diplomacy efforts of MNCs operating in the UAE, which has significant differences compared to the Western hemisphere, cultural and political conditions are highly relevant. For these reasons, the theoretical foundation of the current research needs to consider these macro-level factors. Finally, due to the increasing penetration of society by the media, i.e., medialization, the media play a critical central role in forming the perception of organizations in general (Deephouse, 2000; Eisenegger, 2005) and organizational legitimacy (Bansal & Clelland, 2004; Deephouse, 1996). For this reason, a theoretical approach has to be chosen that allows for analyzing the expectations and evaluations of organizations and their behavior conveyed by the media.

Although scholars have frequently promoted organizational legitimacy as a major concern of public relations (e.g., Merckelsen, 2011; Metzler, 2000; Sandhu, 2012, 2015; Van Ruler & Verčič, 2005), it has not thus far been sufficiently investigated as to how legitimacy can be built, and which role public relations plays in an organization's legitimation process. Instead, previous public relations research has been dominated by functional approaches¹ that mostly take an inside-out perspective to explain organizational behavior, i.e., the relationship between organizations and their environments is considered from an organization-centered perspective (see Eisenegger, 2018). These include business management approaches such as public relations as communication management (e.g., Mast, 2002; Zerfass, 2004, 2008) and system-theoretical perspectives that view public relations as a subsystem of organizations (e.g., Hoffjann, 2001) or as a societal function (e.g., Holmström, 2008). Since functional public relations approaches mostly investigate public relations from an organizational perspective, they often neglect or ignore macro-level factors outside of the organization, including cultural and political influences, the mass media, and the role of the organization's social environment (Eisenegger, 2018; Sandhu, 2012, 2015). However, these factors are highly relevant for the examination of corporate diplomacy in the UAE and organizational legitimacy, as argued at the beginning of this chapter.

In contrast to functional, often organization-centered approaches to public relations, interpretive, more society-oriented approaches to public relations exist, including reflective public relations (Van Ruler & Verčič, 2005) and social constructivist perspectives on public relations (e.g., Tsetsura, 2010). These approaches emphasize the role of public relations in subjective reality construction to gain acceptance within and outside the organization (see Heide, 2009). In

¹ For an overview of and discussion on the different approaches in public relations and organizational communication research, see Friedrichsmeier and Fürst (2013), Ingenhoff and Bachmann (2014), and Sandhu (2012).

some perspectives, social factors influencing the organization and public relations are considered as well as the legitimizing function of public relations (e.g., Van Ruler & Verčič, 2005). Interpretative approaches often emphasize the agency and control of individual actors or organizations and assume that those actors always act rationally (see Sandhu, 2012). At the macro level, however, it can be observed that a large part of public relations and organizational communication is outside the control of organizations or the individual actors in an organization (Eisenegger, 2018; Schöneborn & Wehmeier, 2014). The absence of control also applies to the building of legitimacy, a central construct in this thesis and considered the core goal of corporate diplomacy.

In response to the lack of approaches taking a closer look at the uncontrollability of the organizational environment and its perception of companies and their actions, especially related to media coverage or scandals, organizational sociological perspectives are increasingly applied to public relations and organizational communication (see Eisenegger, 2018; Friedrichsmeier & Fürst, 2013; Ingenhoff & Bachmann, 2014). These views include institutional or neo-institutional approaches applied to public relations (Wehmeier, 2006; Sandhu, 2012, 2015). Especially the latter seems to be fruitful and useful for this research, which will be explained in the following.

The sociological neo-institutional approach (DiMaggio & Powell, 1983; Meyer & Rowan, 1977) is an organizational theory that allows for taking the basic assumptions mentioned at the beginning of this chapter and viewing organizational behavior as fundamentally dependent on society to gain legitimacy. In this way, the sociological neo-institutional approach enables reinterpreting contextual conditions and explanations for (strategic) public relations since it considers organizations' agency and thus strategic organizational actions as limited and regards them as a reaction to social patterns (see Sandhu, 2012). Applying a sociological neo-institutional approach to public relations offers a counter-concept to most functional and rationalist public relations approaches that often view rationality as solely constructed by the organization. According to neo-institutional approaches, organizational legitimacy results from integrating societal expectations, structures, and unquestioned assumptions into the organization's formal structures (see Deephouse et al., 2017; Meyer & Rowan, 1977). Therein lies the role of public relations and communication. Therefore, the organization and social conditions become the focus of research in the neo-institutional approach, building a bridge between the organizational and macro levels to examine organizations' legitimation processes. This is what makes the application of sociological neo-institutional approaches to public relations as the foundation for corporate diplomacy fruitful for this thesis.

2.2 Principles and Key Concepts of Neo-Institutional Approaches

The following subchapter will briefly introduce the emergence of neo-institutional approaches and the concept of institutions. Moreover, the chapter will present and discuss the core assumptions and constructs of sociological neo-institutional approaches, including organizational fields, rationalized myths, decoupling, and ceremonial practices.

2.2.1 Neo-Institutional Approaches and the Concept of Institution

Neo-institutionalism is not a specific approach or a clearly delineated theoretical concept but a subsumption of various approaches. The heterogeneity of neo-institutional approaches is primarily related to the different origins and further developments in different scientific disciplines. Neo-institutionalism has been developed and applied in organizational and management studies, sociology, and political sciences for many decades (see Senge, 2011). In recent years, neo-institutional approaches have also been adopted in public relations research (e.g., Frandsen & Johansen, 2013; Fredriksson & Pallas, 2014; Fredriksson et al., 2013; Sandhu, 2009).

Different phases and theoretical developments characterize the history of neo-institutionalism. Three phases can be distinguished: the foundation phase, the consolidation phase, and the expansion phase (see Sandhu, 2012). The last phase includes numerous reinterpretations of neo-institutional approaches and their core constructs, which vary according to discipline and research field. The current research applies sociological neo-institutional approaches, whose origins lie in U.S. organizational studies and can be particularly dated back to the work of John Meyer and Brian Rowan (1977), Paul DiMaggio and Walter Powell (1983, Powell & DiMaggio, 1991), and Richard Scott (1994, 1995; Scott & Meyer, 1983). Since the 1990 s, sociological neo-institutionalism has also been intensely discussed in German-language organizational studies (e.g., Hasse & Krücken, 2009; Türk, 2004; Walgenbach, 2006). According to Powell and DiMaggio (1991), the

“new” institutionalism² is primarily interested in the societal context, i.e., cognitive and cultural beliefs that are the foundation for explaining organizational structures and actions: the

new institutionalism in organization theory and sociology comprises a rejection of rational-actor models, an interest in institutions as independent variables, a turn toward cognitive and cultural explanations [...]. The new institutionalism in organization theory tends to focus on a broad but finite slice of sociology’s institutional cornucopia: organizational structures and processes that are industrywide, national or international. (Powell & DiMaggio, 1991, pp. 8–9)

The premise of most sociological neo-institutional approaches is that individual and collective actions, including organizational behavior, can only be explained by superordinate rules, i.e., institutions, and thus are not the result of autonomous choices by individual actors. Following this, institutions are at the heart of neo-institutional research and can be understood as generalized societal expectational structures that determine appropriate behavior (Scott, 2008). In line with that, other scholars have regarded institutions as social patterns, rules, and conventions that lead to a particular behavior (Meyer & Rowan, 1977; Scott, 2001). Organizational decisions and actions follow institutions as organizations assume that they are more likely to be accepted and perceived as legitimate by their environment when conforming to institutions (Dowling & Pfeffer, 1975; Powell & DiMaggio, 1991). Following this, organizational actions can only be understood in the context of generally binding institutional frameworks and only emerge when these superordinate societal structures of expectations exist as the foundation for individual and collective actors. Institutions emerge through social interactions and communication and, thus, can be regarded as socially constructed³ (Meyer & Rowan, 1977). Since institutions occur over time and are reproduced repeatedly, they are perceived as objective and internalized. Institutions do not predefine a

² In its origins, neo-institutional theory is the product of retrospective constructs (Göhler & Kühn, 1999), which is why the term “neo-institutional” was hardly used in the original contributions. In some cases, references to the “new” institutionalism can be found in later works, e.g., Powell and DiMaggio (1991), which represents an allusion to the fact that neo-institutionalism emerged as a reflection or critique of (“old”) institutionalism (see Powell & DiMaggio, 1991, on the differences and similarities between neo-institutional and institutional approaches).

³ Berger and Luckmann (1966), who can be regarded as important representatives or founders of social constructivism, have already stated that institutions result from social constructions.

specific behavior but certain possibilities of how to act and, therefore, limit individuals in their actions (Scott, 2008). Friedland and Alford (1991) have conceived institutions as “supraorganizational patterns of activity through which humans conduct their material life [...], and symbolic systems through which they categorize that activity and infuse it with meaning” (p. 232). Following this, ideologies and cultural concepts can be regarded as institutions if they have meaning for the social order (Friedland & Alford, 1991). Furthermore, institutions can exist within an organization and are reflected in elements, structures, responsibilities, or actions that are self-evident (Sandhu, 2012). Following these assumptions, institutions are conceived as widely accepted societal patterns reflected in societal expectational structures and determining organizational actions.

Institutions appear on different levels, including the regulative, moral, and cognitive levels (Scott, 1995, 2001). First, institutions can generate patterns of action building on binding regulations, including policies and laws. These are referred to as regulative institutions, such as the state or governmental authorities (Scott, 1995). Second, in addition to specific regulations, institutions are reflected in moral concepts, including social values and norms, which become social standards and express “the right thing to do.” In this regard, moral institutions appear less as actors and more as conventional patterns of behavior or desirable and inappropriate actions (Scott, 1995, 2001). Moral institutions build on normative expectations or internalization that exist in society. Lastly, Scott (2001, p. 57) has referred to cognitive institutions as “shared conceptions that constitute the nature of social reality and the frames through which meaning is made,” including cultural frames and shared beliefs. This level of institutions is reflected in behavioral patterns or actors that are not questioned (anymore) because they exist permanently and are taken for granted. Scott’s institution’s model provides a valuable descriptive conceptualization of the construct. However, the framework was criticized for its strict separation of the different levels of institutions (Hasse & Krücken, 2015; Senge, 2011). For instance, laws as a form of regulative institutions are followed because it is the right thing to do (in terms of moral institutions). Moreover, some institutions are considered traditional or conventional principles rather than fixed rules and will not be sanctioned if disregarded. Instead of sanctions, these actions are likely to irritate and cause organizations or individuals to justify their environment (Senge, 2011).

Overall, institutions understood as widely accepted and unquestioned societal patterns and rules significantly influence organizational behavior as they determine what is right and appropriate and, in this way, affect organizational legitimacy perceptions. The following subchapter will elaborate more on the core assumptions of sociological neo-institutional approaches by presenting the major constructs and their conceptualizations.

2.2.2 Core Concepts and Key Assumptions

The previous section addressed the central relations between different constructs to understand the basic theoretical assumptions of sociological neo-institutionalism. The following section takes a closer look at the major premises and, describes and explains the most relevant terms of this theoretical approach, i.e., organizational fields, rationalized myths, decoupling, and ceremonial practices.

The Role of the Organizational Environment and the Concept of Organizational Fields

A fundamental assumption of the sociological neo-institutional approach is that organizations follow the societal expectations within their environment (DiMaggio & Powell, 1983). These expectations are, for instance, held by institutions and the stakeholders of a company, including consumers and governments. The actors that constitute the environment of an organization, in their aggregate, are referred to as the organizational field (DiMaggio & Powell, 1983). An organizational field comprises organizations and actors that observe each other or interact and collaborate, and may they differ in their power within the field (DiMaggio & Powell, 1983; Scott, 1994). Organizations and actors in an organizational field mutually evaluate their decisions and actions (DiMaggio & Powell, 1983). The positive evaluation of an organization and its structures and activities, i.e., regarding the organization as acting appropriately within a set of shared social patterns and rules, allows for achieving organizational legitimacy (Meyer & Rowan, 1977). Hence, organizational fields consist of different organizations and actors in society and can be understood as the societal environment of an organization (Wooten & Hoffman, 2017). Usually, for mutual evaluation, organizations and actors in an organizational field share collective rationality, i.e., they have similar cultural and cognitive thoughts and concepts to evaluate the appropriateness of each other's activities and structures. This collective rationality is developed through the interactions between the constituents of one field (Scott, 1994).

However, an organizational field is dynamic, meaning that actors and cognitive-cultural beliefs can change. Within an organizational field, diverse structures exist that can influence organizations and political and economic structures. Simultaneously, "soft factors," including values, ideologies, and interactional patterns, are the foundation of the societal demands toward organizations and individual actors (Stinchcombe, 1965). Organizations adapt to institutional or

institutionalized structures in society because they are considered socially binding elements, and adjusting to them ensures an organization's existence (Meyer & Rowan, 1977). As a result, actors within one organizational field, for example, organizations in the same industry sector, show similar behavior since organizations within the same field face the same institutional structures and demands and react correspondingly (Scott, 1994). As neo-institutional approaches follow the social constructivist view of reality,⁴ these institutional structures and demands are often the assumptions and perceptions of individuals or organizations concerning what is right or wrong rather than obligatory rules. However, external expectations exist on different levels, including regulative ones that build on legally binding rules. As outlined in the previous section, societal rules and standards, i.e., institutions or institutional structures, occur on the regulative, normative, and cognitive levels and are essential for social order because they determine appropriate social actions. Therefore, members of society, including organizations, orient their decisions and activities toward these expectations (Scott, 1994).

Collective Rationality, Rationalized Myths, and Institutional Logics

Another central assumption of the sociological neo-institutional approach is its understanding of rationality and so-called rationalized myths, representing the main difference from most institutionalist approaches. While institutionalists have argued that organizations are mainly driven by economic goals and efficiency and, therefore, create economic rationality to interact with their environment, neo-institutionalism regards rationality from the social constructivist perspective (see Hasse & Krücken, 2015; Senge, 2011). In this regard, rationality is conceived as a utilitarian concept guiding organizations and actors and is

⁴ The social constructivist perspective has been mainly influenced by Berger and Luckmann (1966), who aimed to discover how society and social order are constructed and, more specifically, how social members and groups make sense of their surroundings and create objectivity, building on their subjective perceptions. Accordingly, society and reality are made up of human beings and their perceptions and sense-making processes. At the same time, human beings are a product constructed through social means. Subjective reality becomes objective or forms facts through internalization and habitualization. The longer actions and routines appear over time, the more likely they will become legitimized or even institutionalized and taken for granted. Therefore, human beings do not perceive specific rules or guidelines as something made up—because they have become common. However, social order and cohabitation are built on socially constructed beliefs and actions that create patterns, passing them on to other humans and generations through communication. As a result, some actional patterns become natural or necessary and are perceived as objective (Berger & Luckmann, 1966, 2004).

essential for societal order (DiMaggio & Powell, 1983; Meyer & Rowan, 1977). Rational-intended organizational goals build on (often unconscious) societal and institutional structures and demands formed in the multiple contexts of politics, culture, and economics. As such, the rationality guiding organizations is not objective but socially constructed and emerges from different actors and elements that constitute society:

In modern societies, the elements of rationalized formal structure are deeply ingrained in, and reflect, widespread understandings of social reality. Many of the positions, policies, programs, and procedures of modern organizations are enforced by public opinion, by the views of important constituents, by knowledge legitimated through the educational system, by social prestige, by the laws, and by the definitions of negligence and prudence used by the courts. (Meyer & Rowan, 1977, p. 343)

Therefore, instead of referring to objective reality, Meyer and Rowan (1977) introduced the concept of rationalized myths. Rationalized myths are cultural-cognitive assumptions regarding proper organizational structures and behavior (Meyer & Rowan, 1977). As collectively shared assumptions, rationalized myths determine which procedures and actions for achieving organizational objectives can be considered appropriate (Sandhu, 2012). By reflecting on external and internal demands, organizations make sense of rational actions and create rationalized myths expressed through the formal organizational structures. The formal structures of an organization are directed outward and aim to meet socially institutionalized expectations. The organization's purpose is to ensure that it meets the societal expectations of rationality via its formal structures, mainly externally visible communication (Meyer & Rowan, 1977). In other words, organizations are constantly striving to demonstrate conformity with societal expectations, such as about the sustainability of the company, through their formal structures as this guarantees society's acceptance of the organization and organizational legitimacy.

Rationalized myths multiply because, in the sense of field logic, organizations orient themselves toward each other and demonstrate similar formal cultures. Rationalized myths spread particularly strongly through complex relational networks and the influence of well-established organizations or government regulations because it is assumed that by adapting behavior to such actors, the organization and its decisions are less scrutinized (Meyer & Rowan, 1977). In other words, if established and possibly legitimized actors express rationalized myths about their behavior through their formal structures, other organizations will adopt these myths to be considered equally legitimate. This phenomenon can be observed, for example, in the implementation of quality management systems, organizational governance charts, and the certification of organizational

standards (see Barley, 2011; Sandhu, 2012). In these examples, the external presentation of these, i.e., the formal organizational structures, is supposed to guarantee legitimacy (see Barley, 2011).

According to Meyer and Rowan (1977), the organization's formal structures and the actual activities are only loosely connected to show compliance with expectations toward the external environment and establish legitimacy. Sometimes, institutional structures (e.g., laws or social norms) and societal demands (e.g., sustainability and efficiency) conflict. In this case, organizations may externally demonstrate that they are following the institutional structures and societal expectations considered essential for their long-term acceptance because of high pressure emerging from powerful institutions or the potential consequences of not following specific rules (DiMaggio & Powell, 1983; Meyer & Rowan, 1977). However, their actual activities, i.e., what organizations truly do, may differ from the formal structures, referred to as "decoupling" (see the following section).

The potential conflict between the diverse societal expectations faced by organizations was also noted by Friedland and Alford (1991) and discussed under the term "institutional logic." Accordingly, the causes of different societal expectations of organizations are the various interests of individual social actors or groups (e.g., legislature, community members, NGOs), expressed through institutional logic (Friedland & Alford, 1991). From an organizational perspective, institutional logic can be conceived as socially constructed historical patterns or assumptions, values, and rules that serve as an orientation for organizations and their actions and structures (Thornton & Ocasio, 1999, 2008). Since institutional logic is socially constructed, they represent organizations' interpretations concerning the demands of their societal environment. In this way, institutional logic appears as a framework for organizations, setting conditions for their actions and processes, which are reproduced (not necessarily one to one) by the organizations. As institutionalized structures can lead to different institutional logic, organizational decisions can be potentially contradictory and stand in conflict with each other (Greenwood et al., 2011).

In summary, institutional logic and rationalized myths, emerging from the interaction between the organization and its environment, determine or influence the basic options for organizations' decisions and actions in an organizational field. Hence, institutional logics and rationalized myths connect the societal and organizational levels. According to Sandhu (2012), the goal of organizational public relations and communication would be to reinterpret institutional logic to change the framework for legitimating explanatory patterns. It can be assumed that this stated goal of public relations is also applicable to rationalized myths. However, it must be critically noted that the agency of organizations,

such as in the form of public relations, would be considered significantly limited to non-existent according to the classical conceptualizations of sociological neo-institutionalism (Meyer and Rowan, 1977; DiMaggio & Powell, 1983).

To consider a possible more active role of organizations, and thus a more active role of public relations and organizational communication, the concept of “institutional strategy” or “institutional work” is useful (see Fredriksson et al., 2013). As such, in contrast to early sociological neo-institutional approaches (Meyer & Rowan, 1977; DiMaggio & Powell, 1983), more recent developments (i.e., Lawrence, 1999; Lawrence & Suddaby, 2006) have emphasized that organizations can take an active role in legitimation and institutionalization, referring to institutional strategy (Lawrence, 1999). The institutional strategy includes any effort through which organizations proactively seek to increase legitimacy perceptions, such as creating memberships and developing technical and informal rules that become standards within or across an organizational field (Lawrence, 1999). Lawrence and Suddaby (2006) later refined the concept of “institutional strategy,” referring to “institutional work” as the “purposive action of individuals and organizations aimed at creating, maintaining, and disrupting institutions” (p. 215). As scholars have highlighted, the purposive action of organizations significantly builds on the communicative resources and public appearance of organizations (Fredriksson et al., 2013; Lawrence & Suddaby, 2006).

Decoupling and Ceremonial Practices

Organizations face societal expectations and have to meet technical and financial efficiency requirements. In the case of private corporations, profit maximization is a fundamental goal. However, social demands and organizational, instrumental efficiency requirements can conflict with each other, as Meyer and Rowan (1977) emphasized: “organizations often face the dilemma that activities celebrating institutionalized rules, although they count as virtuous ceremonial expenditures, are pure costs from the point of view of efficiency” (p. 355). In addition to the potential conflict between organizational efficiency demands and societal expectations or institutionalized elements, such as values and norms or regulations, organizations may face demands from their institutional environment that contradict with each other. An organizational environment is pluralistic, resulting in multiple, partly conflicting self-interests, leading to heterogeneous expectations of organizations. Therefore, as Meyer and Rowan (1977) highlighted, organizations need to find ways to “link the requirements of ceremonial elements to technical activities and to link inconsistent ceremonial elements to each other” (p. 356). To resolve these inconsistencies, organizations have four options: The first is resisting to ceremonial requirements, which would entail a critical examination of

an organization's actual efficiency. Second, organizations can terminate external relationships to maintain conformity to certain institutionalized rules. However, such relationships are often the basis for successful exchanges. The third option is the (cynical) disclosure of organizational inconsistencies, but this would again call into question the validity of rationalized myths and thus pose a threat to the organization's legitimacy. The fourth option entails decoupling and ceremonial practices (Meyer & Rowan, 1977). The two concepts underlying the last option will be considered in more detail subsequently as they allow (theoretically) an entity to meet organizational demands and at the same time to display conformity with social expectation structures.

Firstly, in an attempt to close the gap between social expectations and instrumental efficiency requirements, organizations develop a double-sided structure consisting of actional and formal structures, which are not necessarily related to each other (Meyer & Rowan, 1977). Accordingly, organizations split their activities from their formal structures visible to the outside to reflect the rationalized myths of their environment. Organizations externally demonstrate that they conform with the assumed societal expectations but, on the inside, continue to operate in an efficiency-increasing manner, which may stand in conflict with the rationalized myths. This phenomenon is called "decoupling"—organizational actions are decoupled from their formal structures to create the perception of acting appropriately and secure legitimacy (Meyer & Rowan, 1977). Following this, formal structures can be different from the actual organizations' daily work activities, and formal rules, decisions, or procedures may differ from the actual implementations or consequences (Meyer & Rowan, 1977). However, the decoupling concept has been criticized, mostly because it is argued that an enduring decoupling of the formal structures and actual actions is hard to realize (Tolbert & Zucker, 1996; Walgenbach & Meyer, 2008). This might be even more valid in digital and social media times, where divergences in an organization's formal structures and actual activities can be made public easily and quickly.

Secondly, to be perceived as legitimate, organizations demonstrate certain activities as so-called ceremonial conformity (Meyer & Rowan, 1977). Ceremonial conformity is conceived as organizational self-presentation, through which organizational behavior is demonstrated as reflecting institutional structures and social rules and, in this way, show an organization's conformity with societal expectations (Meyer & Rowan, 1977). The perceived societal expectations are integrated into the formal organizational structures, such as through communication and public relations. Organizations often invest in self-presentational means to demonstrate innovation and excellence, including employing external corporate consultants or investing in renowned persons as testimonials, although these

means often do not increase profit but are perceived as legitimate (Sandhu, 2012). In this sense, ceremonial acts include the presentation of rationalized myths, or, in other words, assumptions of rationality become rationalized myths through the ceremonial acts. Even if the rationalized myths are not logical or efficient, organizations follow them to demonstrate a certain ritual image (Theis, 1994) and to be perceived as acting appropriately and meeting societal expectations, which, in turn, leads to organizational legitimacy (DiMaggio & Powell, 1983). Whether or not an organization demonstrates a specific behavior depends on the assumed benefits and outcomes of this behavior, which again builds on organizational reflections of its environment rather than on logical explanations (Powell & DiMaggio, 1991).

2.3 Organizational Legitimacy and the Process of Legitimation

Legitimacy is the essential basis of organizations and critical for any organization (Suchman, 1995). Organizational legitimacy allows the enforcement of organizational decisions toward other actors and access to financial and social resources (Meyer & Zucker, 1989) and secures an organization's acceptance in the long term (Bitekine, 2011; Rindova et al., 2006). This subchapter gives an overview of legitimacy research across academic disciplines, thereby reviewing previous definitions and conceptualizations to formulate the definition of organizational legitimacy guiding this research. Subsequently, this chapter portrays the different organizational legitimacy types and presents how legitimacy perceptions and judgments are constructed. In particular, the role of the mass media in constructing organizational legitimacy is outlined and explained by introducing relevant theoretical approaches to media effects on the perception of organizations and their legitimacy. This is followed by a presentation of organizational legitimation strategies derived from previous research following neo-institutional approaches.

2.3.1 The Foundations of Legitimacy Research and the Relevance of Gaining Legitimacy

Organizational legitimacy has been discussed in different research disciplines for many decades. Building on Weber (1922), Parsons (1956) had already described the concept of legitimacy in 1956 and defined it later as the “[a]ppraisal of action in terms of shared or common values in the context of the involvement of the

action in the social system” (Parsons, 1960, p. 175). His elaborations on legitimacy have significantly shaped research since then. Research on organizational legitimacy has evolved greatly since the end of the 1970s, related to the increasing relevance of organizations that stimulated the expansion of organizational studies and the emergence of neo-institutional approaches. As outlined in section 2.1, one central assumption of the sociological neo-institutional approach is that organizations respond to expectations from their environment, the organizational field, in different ways to gain and maintain legitimacy (Meyer & Rowan, 1977). Therefore, organizational legitimacy has been studied on the organizational level to investigate how organizations can achieve legitimacy depending on their environment (e.g., Deephouse, 1996; Meyer & Rowan, 1977; Meyer & Scott, 1983). Organizational legitimacy has mainly been the scope of organizational and management studies and sociological research, but increasingly communication and public relations scholars are interested in examining organizational legitimacy and related processes (Christensen & Cornelissen, 2011; Fredriksson et al., 2013; Sandhu, 2009).

Early research outlined that the importance of organizational legitimacy is related to the enhanced access to significant economic resources, essential for organizational survival (Parsons, 1956; Thompson, 1967). Building on system theory, Parsons (1956) has understood organizations as social systems, which are goal-oriented and contribute to the superordinate system(s), such as society. Accordingly, systems interact with and depend on each other, and within these interrelations, each system is evaluated by the other, including its legitimacy (Parsons, 1956). As Parsons (1956) has further emphasized, organizations have different economic, political, and integrative purposes, guaranteeing the organization’s survival. Social systems only offer other social systems the use of their resources if the demanding social system is perceived as legitimate (Parsons, 1956). Likewise, institutionalists and neo-institutionalists, focusing on companies’ economic role, have argued that organizational legitimacy is the foundation of organizational survival (Baum & Oliver, 1991; Meyer & Rowan, 1977; Ruef & Scott, 1998). In this regard, scholars have suggested that being perceived as legitimate prevents organizations from being questioned or criticized by their environment to a great extent, which would limit their scope for action (Meyer & Rowan, 1977; Meyer & Scott, 1983). However, it must be noted that legitimacy does not necessarily guarantee access to relevant resources: “There are illegitimate organizations that engage in successful interorganizational transactions and there are legitimate organizations which are not able to obtain adequate resources through voluntary transaction mechanisms” (Dowling & Pfeffer, 1975, p. 124).

Today, private organizations need to comply with legal regulations or meet economic demands, while being confronted with societal expectations emerging from public debates (Van Ruler & Verčič, 2005) and the increasing demands concerning the moral behavior and political responsibilities of corporations (Lock et al., 2016; Scherer & Palazzo, 2011). Therefore, instead of focusing on the role of legitimacy for economic success and survival, more recent research has highlighted the importance of legitimacy for gaining access to social resources, including trustworthiness and credibility (Scherer & Palazzo, 2007; Van Ruler & Verčič, 2005). Likewise, legitimacy is related to gaining organizational support (Choi & Shepherd, 2005; Scherer & Palazzo, 2007) and the social license to operate, regarded as the social approval or even psychological identification with an organization (Boutilier & Thomson, 2011). As Holmström et al. (2009) have summarized, “legitimizing notions define the boundaries for decisions, which are perceived as socially acceptable within a given time, context and perspective” (p. 2). Hence, whether an organization is perceived as illegitimate or legitimate determines whether the organization and its decisions and activities are supported by society or a specific social group within the organizational environment.

However, it is essential to note that different social groups can judge the company differently and that legitimacy evaluations can differ from time to time (Holmström et al., 2009). Some organizations face other legitimation demands than others due to their nature or public visibility (Dowling & Pfeffer, 1975; Sandhu, 2012). For instance, harmful companies or companies in specific sectors are generally more scrutinized than others and, therefore, are more prone to legitimacy evaluations. Moreover, some companies depend more on social and political support than others, which similarly increases their need for legitimacy (Dowling & Pfeffer, 1975).

In summary, it can be concluded that organizational legitimacy is a central resource for organizations. In particular, the deprivation of this valuable resource, such as through scandals or crises, poses risks for an organization. Thus, a withdrawal of legitimacy can be accompanied by more difficult access to other economic and social resources (such as trust), more critical observation of the organization’s decisions and actions, and even a withdrawal of the right to exist, i.e., the organization’s license to operate. For these reasons, the continuous establishment and maintenance of legitimacy is a central challenge for organizations. The following section explains how legitimacy is defined and conceptualized.

2.3.2 Conceptualizations and Types of Organizational Legitimacy

Early conceptions of organizational legitimacy built the foundation for how we conceive the construct from a neo-institutional and sociological perspective and go back to Weber (1947) and Parsons (1956, 1960). Both scholars discussed organizational legitimacy as an evaluation of the conformity of actions with social norms, values and regulations (Weber, 1947; Parsons, 1956, 1960). Neo-institutional approaches further built on that, pointing to institutionalized patterns, rationalized myths, and social norms and values as the foundation of organizational legitimacy assessments (Meyer & Rowan, 1977; Scott, 1995). With the development of neo-institutional approaches and research in organizational sociology, the number of legitimacy definitions increased significantly; however, they still vary broadly. A few researchers have extensively reviewed the legitimacy literature to compare and systematize definitions and conceptualizations of organizational legitimacy (Bitekine, 2011; Deephouse et al., 2017).

Deephouse et al. (2017) provide an overview of the emergence of legitimacy conceptions, particularly in the realm of early neo-institutional and institutional approaches. The authors have highlighted the publication of Scott's book "Institutions and Organizations" (1995) and Suchman's article "Managing Legitimacy: Strategic and Institutional Approaches" (1995) as pivotal points for legitimacy theory because they significantly "raised the visibility of legitimacy, especially among management researchers studying for-profit organization" (p. 31). Scott (1995) has conceived legitimacy as "a condition reflecting cultural alignment, normative support, or consonance with relevant rules or laws" (p. 45). Suchman (1995) has considered organizational legitimacy as a strategic resource and defined it as "a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate" (p. 574). Suchman's definition has become one of the most prominent and cited definitions of the construct (Deephouse et al., 2017).

A more extensive systematization of legitimacy was presented by Bitekine (2011), who distinguished legitimacy conceptions according to three views on legitimacy from the legitimacy evaluator's perspective—perception, judgment, and behavioral consequence. Accordingly, scholars have conceived organizational legitimacy as a perception that builds on evaluations (Suchman, 1995; Rindova et al., 2006). From this perspective, Rindova et al. (2006) have defined organizational legitimacy as "[t]he degree to which broader publics view a company's

activities as socially acceptable and desirable because its practices comply with industry norms and broader societal expectations” (p. 55). This definition is one of the very few particularly highlighting that complying with societal expectations is essential for gaining organizational legitimacy. Second, some scholars have regarded legitimacy as a judgment (e.g., Meyer & Scott, 1983; Oliver, 1991; Parsons, 1960; Zimmerman & Zeitz, 2002). In this respect, legitimacy is conceived as the external justification of an organization’s right to exist (Maurer, 1971; Meyer & Scott, 1983). Lastly, previous legitimacy definitions have focused on behavioral consequences (Bitekine, 2011). In this view, Kostova and Zaheer (1999) have defined organizational legitimacy as the “[a]cceptance of the organization by its environment” (p. 64). Building on the reviewed and systematized conceptions of organizational legitimacy, Bitekine (2011) has developed an enumerative definition that accounts for different levels, evaluators, salient antecedents, and potential (behavioral) consequences, as well as the value of the institutional linkages of organizational legitimacy:

The concept of organizational legitimacy covers perceptions of an organization or entire class of organizations, judgment/evaluation based on these perceptions, and behavioral response based on these judgments rendered by media, regulators, and other industry actors (advocacy groups, employees, etc.), who perceive an organization’s processes, structures, and outcomes of its activity, its leaders, and its linkages with other social actors and judge the organization [...] into a preexisting (positively evaluated) cognitive category/class or by subjecting it to a thorough sociopolitical evaluation, which is based on the assessment of the overall value of the organization to the individual evaluator (pragmatic legitimacy), his or her social group, or the whole society (moral legitimacy), and through the pattern of interactions with the organization and other social actors, the evaluating actor supports, remains neutral, or sanctions the organization depending on whether the organization provides the benefit(s) prescribed by the prevailing norms and regulations. (Bitekine, 2011, p. 159)

Even though Bitekine’s (2011) definition is extensive and comprehensive, it is rather complex, making it difficult to operationalize coherently and replicate (see also Deephouse et al., 2017). This dissertation focuses on legitimacy in the host country context and builds on the assumptions that, firstly, the media play a particular role in constructing organizational legitimacy perceptions and judgments on the societal level (Bitekine, 2011; Deephouse, 1996). Secondly, this dissertation seeks to emphasize and explore the role of expectations in gaining legitimacy (Rindova et al., 2006). Therefore, this dissertation defines the construct as follows: *Organizational legitimacy is the perceived appropriateness of an organization*

and its activities, building on the extent to which the organization meets individual, societal, and governmental expectations and desires.

As Bitekine's (2011) definition shows, legitimacy perceptions build on different criteria and occur on different levels,⁵ including the pragmatic, moral, and cognitive levels of legitimacy (e.g., Suchman, 1995) as well as the regulative legitimacy level (Scott, 1995; Zimmerman & Zeitz, 2002). Pragmatic legitimacy is related to individual interests and personal needs and refers to the expectations of individuals or specific social groups (Bitekine & Haack, 2015; Diez-Martin et al., 2019). In line with that, Bitekine (2011) has conceived pragmatic legitimacy as "captur[ing] the degree to which an organization represents its constituents' self-interests or provides them with favorable exchanges, relative to alternative forms or structures" (p. 158). Within this legitimacy type, support from an organization's environment does not result from achieving specific organizational goals, such as profit maximization. Instead, it emerges from the perception that an organization is receptive to particular interests from an individual point of view or the perspective of one specific group, such as another organization with expectations concerning the benefit for the single organization (Deephouse & Carter, 2005).

In contrast, moral legitimacy is related to the normative appropriateness of an organization and its activities (Suchman, 1995). Therefore, it captures the interests of society. Moral legitimacy judgments "reflect beliefs about whether the activity effectively promotes societal welfare, as defined by the audience's socially constructed value system" (Suchman, 1995, p. 579). Hence, the evaluator reflects the extent to which the organization and its actions consider normative values and contribute to the society at large rather than pursuing individual interests (Barron, 1998; Rindova et al., 2006; Suchman, 1995). Regulative legitimacy is associated with governmental expectations, regulations, and standards (Deephouse, 1996; Diez-Martin et al., 2019; Scott, 1995). This legitimacy type builds on the assumption that organizations become accepted because they are regulated by local governments and international regulatory organizations setting specific rules, policies, and laws forcing organizations to act accordingly (Diez-Martin et al., 2019; Zimmerman & Zeitz, 2002). Lastly, cognitive legitimacy builds on a "taken-for-grantedness" (Foreman & Whetten, 2002; Scott, 1995; Suchman,

⁵ For an overview of the legitimacy types explored in previous research, see Bitekine (2011). Since this thesis focuses on pragmatic, moral, cognitive, and regulative legitimacy, these types are further considered in detail.

1995). This level can be achieved when the organization and its actions meet distinct, unquestionable expectations of society that mostly result from cultural beliefs (Scott, 1995; Suchman, 1995). In this respect, several factors are considered in cognitive legitimacy judgments, including the history (Ashforth & Gibbs, 1990) and the knowledge of the organization (Aldrich & Fiol, 1994), and its organizational form (Hannan & Freeman, 1989). All these factors enable the categorizing of an organization. The easier the (positively evaluated) categorization is, and the more understandable the organizational actions are, the more likely cognitive legitimacy evaluations will occur (see Bitekine, 2011; Diez-Martin et al., 2019). See Table 2.1 for an overview of legitimacy types.

However, it is essential to remark that, firstly, the legitimacy levels are interdependent and cannot be fully separated since individuals may consider different legitimacy types simultaneously (Deephouse et al., 2017). For instance, moral legitimacy building on values may drive cognitive legitimacy, affecting or being affected by regulations and, in this sense, regulative legitimacy (Kostova & Zaheer, 1999). Secondly, legitimacy judgments should be regarded on a continuum and are subject to change due to circumstances in which organizations are observed more critically. Thirdly, since values and norms differ among cultures and can change over time, legitimacy judgments can vary across countries or generations. Lastly, though legitimacy types forming organizational legitimacy are interrelated, they might somewhat contradict each other. For instance, individual interests are not necessarily congruent with normative assumptions. For this reason, pragmatic, regulative, moral, and cognitive legitimacy judgments concerning an organization and its behavior may differ (Deephouse et al., 2017).

Table 2.1 Dimensions of organizational legitimacy (author's presentation, following Bitekine 2011; Sandhu, 2012; Scott, 2001; Suchman, 1995)

Legitimacy type	Evaluation level (of the social group)	Legitimation strategy (of the company)	Justification toward
Pragmatic legitimacy <i>Does the organization contribute to my interests and expectations?</i>	Benefits of organizational activities for individual/group's self-interests	Demonstration of the value of the corporate activities to specific individuals or groups	Individuals and groups
Moral legitimacy <i>Does the organization act in line with broader societal expectations?</i>	Impact of organizational behavior for society	Demonstration of the socially valued consequences Demonstration of congruence with social norms and values	Community
Regulative legitimacy <i>Does the organization meet governmental expectations and follow its rules?</i>	Conformance of organizational activities with the law, rules, and guidelines	Demonstration of congruence with governmental rules and expectations	State
Cognitive legitimacy <i>Does the organization have the right to exist?</i>	Plausibility of organizational activities within the existing cultural model, cognitive coherence	Demonstration of corporate activities as meaningful, comprehensible, and taken for granted	Community

Table 2.1 shows that the different legitimacy types are related to varying actors or groups in society assessing an organization and its actions. Overall, the following four critical kinds of evaluators can be distinguished that apply to most organizations: the media, the state, partners, and the community (including social movements and employees). Previous research has examined the role of the media in constructing organizational legitimacy (e.g., Deephouse, 1996; Lamertz & Baum, 1998; Pollock & Rindova, 2003) and the role of governmental actors in the legitimation process of organizations (e.g., Baum & Oliver, 1991; de Souza, 2010; Kostova & Zaheer, 1999; Pfeffer & Salancik, 1978). Occasionally, organizational legitimacy constructions have been explored from the perspective

of social movements (Rao et al., 2000), public institutions (Baum & Oliver, 1991), employees (Kostova & Roth, 2002), and corporate partners (Rao et al., 2001). For MNCs, legitimacy is evaluated by numerous groups, including national and international news media and the host country's society, comprising the citizens, the local government, and the employees working for the MNC in the host country. At the same time, MNCs face expectations from their home countries and other host countries (Kostova & Zaheer, 1999). These conditions pose challenges for the organization since each country has its own regulatory, cultural, and moral beliefs (Kostova, 1996; Westney, 1993). However, this dissertation focuses on the host country environment only, particularly on the role of the local media in expressing and shaping organizational legitimacy judgments. For this reason, the following section looks in more detail at the role of the media in constructing organizational legitimacy.

2.3.3 Organizational Legitimacy and the Role of the Mass Media

The mass media are regarded as one of the most relevant sources of organizational legitimacy (Bansal & Clelland, 2004; Bitekine, 2011; Deephouse, 1996; Pollock & Rindova, 2003), which can be explained by the role of the media in setting public agendas (McCombs & Shaw, 1972) and the effects of media frames (Scheufele, 1999). Particularly in the case of corporations, individuals mostly learn about corporate activities and decisions from the news media (Carroll & McCombs, 2003). Therefore, the media significantly affect individuals' sense-making processes concerning organizations and shapes individuals' perceptions of organizations (Kennedy, 2008). In the context of organizational legitimation, Lamertz and Baum (1998) have highlighted the role of media coverage as being "an intermediary between organizations and the public, and act[ing] as a negotiator and creator of meaning" (p. 95), influencing what and how audiences perceive and judge organizations and their behavior.

One of the most prominent theories in media effects research is the agenda-setting theory (McCombs & Shaw, 1972). Since its development, agenda-setting has been explored and tested in numerous studies in mass communication research, particularly in political communication, across different national and international contexts (for an overview, see, e.g., Maurer, 2010). According to agenda-setting theory, the salience of the elements on the media agenda influences the salience of these elements on the public agenda. The concept of salience

“means making a piece of information more noticeable, meaningful, or memorable to audiences” (Entman, 1993, p. 53). By paying attention to particular objects, including topics and individual or collective actors, and leaving out others, mass media firstly influence what individuals get to know about an object (McCombs & Shaw, 1972; McCombs & Ghanem, 2001). This process is referred to as first-level agenda setting. Newspaper articles have different cues demonstrating the relative salience of objects, including the position and the length of an article or the frequency of presenting certain objects (Carroll & McCombs, 2003). The audiences use these cues to evaluate which issues, organizations, or other subjects are more important than others. In this way, the public agenda becomes, to a certain degree, the media agenda. Following this, it is assumed that the mass media are significantly involved in forming public opinion (McCombs & Ghanem, 2001; McCombs & Shaw, 1972), including perceptions of corporations (Carroll & McCombs, 2003). In addition to first-level agenda setting, focusing on the object’s salience, the mass media affect audiences’ agenda on a second level concerned with the salience of the object’s attributes (McCombs et al., 1997). This phenomenon is often referred to as second-level agenda-setting. Accordingly, media coverage affects what the public gets to know about objects and, thus, *what* individuals think about and *how* individuals think about objects by attributing and evaluating these objects. In this way, the mass media influence cognitive and affective levels toward an object, for instance, by providing information about the competence of an organization or actor (cognitive level) and a positive or negative tone, influencing the assessment of an organization on the affective level (Carroll & McCombs, 2003).

Similar to agenda-setting theory and the assumed media effects on the second level,⁶ framing theory presumes that through communication, some elements are made more salient than others, thereby influencing what issues people think about and how they evaluate them (Entman, 1993). Although there is a broad application of the framing concept in communication and media research, there is no consistent use of the term “framing” (de Vreese, 2005). Framing is used to refer to certain (mostly media-induced) effects, to communication texts (e.g., media frames), or to a process that includes the production, content, and perception level (e.g., de Vreese, 2005; Scheufele, 1999). The latter perspective often distinguishes between frame-building, frame-setting, and the consequences on the individual and societal levels (de Vreese, 2002; Scheufele, 2000). Frame-building

⁶ There is no agreement in the literature on whether second-level agenda-setting and framing are the same or are different phenomena. However, both approaches have similarities, and framing can be considered an extension of second-level agenda setting (see McCombs et al., 1997).

includes all factors that affect media frames' structural qualities, including internal and external factors to journalism (Shoemaker & Reese, 1996; Snow & Benford, 1992). Frame-setting describes the interaction between frames on a content level (e.g., media frames) and the individuals. Accordingly, frames influence how people interpret and evaluate what they read, depending on their prior knowledge, experiences, and predispositions (McCombs et al., 1997). Lastly, the consequences of framing in terms of framing effects refer to the attitudinal and behavioral effects on individuals or the societal level (de Vreese, 2005; Scheufele, 1999). Given that frames can be considered schemata for presenting and comprehending information and evaluations, the framing concept can be distinguished in media (or news) frames and audience (or individual) frames (Scheufele, 1999).

In this thesis, the focus is on the frame-setting, considering the framing concept on the content level, i.e., media frames. A media frame can be conceived as a "central organizing idea or story line that provides meaning to an unfolding strip of events" (Gamson & Modigliani, 1987, p. 143). One of the most widely cited descriptions originates from Entman (1993), who explained how media frames affect the audience's processing of information and interpretation. Frames determine which issues individuals think about (problem definition), what or who is responsible for the issue (causal interpretation), how this is evaluated in moral terms (moral judgment), and how the issue might be treated (suggestion). Thus, frames encourage audiences to make associative links between an object and its notions to its definitions, causes, evaluation, and treatment (Entman, 1993). As Entman (1993, p. 52) has explained, frames are schemata "which are manifested by the presence or absence of certain key-words, stock phrases, stereotyped images, sources of information, and sentences that provide thematically reinforcing clusters of facts or judgments." By selecting and highlighting particular objects or elements of the object, an argument about an organization or an issue is constructed, including an evaluation (Entman, 1993). Following this, media frames highlight an organization's information, thereby increasing the salience of this information and the organization. The higher the salience of information (as an element of the object highlighted through the frame), the more likely the audience will perceive and process the information and remember it whenever it comes up again (see Fiske & Taylor, 1991). Thus, the more frequently certain information about and attributions of an organization or an issue are presented, the more salient the information and attributions become, and the more probable individuals will keep an organization related to the presented attributions in mind.

However, media frames are not the only source influencing what audiences think about an object. Individuals may perceive and process information differently, depending on various factors, including culture; individual experiences,

such as with an organization; their involvement in a specific issue; or word of mouth with friends or family members. What is perceived as salient depends on the frequency or the placement of information and the existing schemata in an individual's system of beliefs (Entman, 1993; Gamson & Modigliani, 1987). Moreover, media frames are not necessarily the same as audience frames. Thus, overall, media frames may influence what individuals think about and how, but they do not have a universal effect.

Applying agenda-setting and framing theory to corporate diplomacy and organizational legitimacy, it can be argued that by providing news about corporate diplomacy and attributing and evaluating corporate diplomacy activities and the corporations themselves, the news media affect how the MNCs are perceived and judged and the extent to which they are perceived as legitimate. Recently, Deephouse et al. (2017) have noted that "to be considered a source of legitimacy, the stakeholder must not only make an assessment about the legitimacy of the subject, but that assessment must generalize into a broader view of the overall appropriateness of the organization in its social system" (p. 36). Due to the role of the news media in providing and framing corporate-related information (see Carroll & McCombs, 2003; Scheufele, 1999), the media can be considered an essential source with a crucial role in gaining, maintaining, and losing organizational legitimacy (Deephouse, 1996; Deephouse & Suchman, 2008; Kennedy, 2008).

According to the literature, media coverage can contribute to organizational legitimacy in several ways. First, the organization gains recognition and visibility by increasing public awareness (Aldrich & Fiol, 1994) while co-creating categories in which organizations fit (McKendrick et al., 2003). Media coverage contributes to organizations' cognitive legitimacy in the media (Aldrich & Fiol, 1994). In the context of companies, the selection of topics can contribute to cognitive legitimacy. By frequently associating a company with the same subject or similar ones, such as corporate diplomacy initiatives, individuals create an awareness of the company concerning the given topic (Marberg et al., 2016). This process may contribute to a company's comprehensibility as part of cognitive legitimacy (Suchman, 1995). In addition, other cues increase the organization's salience, including the position of the corporate-related news article, the frequency of articles on the organization, and titles that include the organization's name (see Carroll & McCombs, 2003). The increased salience of an organization can contribute to cognitive organizational legitimacy (see Kennedy, 2008; Lamertz & Baum, 1998).

Second, by evaluating the organization and its activities as right or wrong and appropriate or not, in terms of framing, the mass media form legitimacy

judgments on a socio-political level, including moral, pragmatic, and regulative legitimacy levels (see Deephouse, 2000; Vergne, 2011). Applying this to corporate diplomacy, media coverage may contribute to organizational legitimacy on a moral level by presenting corporate diplomacy as in line with social values and norms and going beyond individual interests (see Deephouse & Suchman, 2008). For instance, media coverage depicting corporate diplomacy as contributing to societal welfare may increase the organization's moral legitimacy in the media. Furthermore, when media presentations refer to the value of corporate diplomacy for individual interests, this may increase pragmatic legitimacy perceptions (see Suchman, 1995). For example, when corporate diplomacy is portrayed as benefiting the particular interests of specific social groups or individuals, it may add to the company's pragmatic legitimacy in the media. Lastly, media coverage displaying corporate diplomacy as complying with governmental expectations can contribute to organizational legitimacy on a regulative level in the media (see Diez-Martin et al., 2019). As such, regulative legitimacy in the media might be attributed when media texts illustrate corporate diplomacy as committing to the government's agenda.

In summary, media coverage and media frames play an essential role in the perception of companies as legitimate. Media frames can affect different types of organizational legitimacy (moral, pragmatic, regulative, and/or cognitive), depending on what information concerning the organization is presented and how. One consequence of conceiving the media as one of the most critical legitimacy evaluators is that some organizations might enjoy easier access to the media and dominate the news more than others (Yoon, 2005). For instance, an organization's long history and large size (Deephouse, 1996; Singh et al., 1986) give it with more power, representativeness and an advantage in gaining and maintaining organizational legitimacy compared to others (Hall et al., 1978). However, since media coverage is, to a certain extent, organization-induced and organizations present their decisions and actions to the outside world via formal structures, i.e., external communication, organizations can contribute to the organizational legitimacy building. Therefore, organizational legitimation strategies are examined and discussed in the following.

2.3.4 Organizational Legitimation Strategies

According to the sociological neo-institutional approach, the legitimation process of organizations predominantly or solely depends on the organizational environment, and organizational behavior is interpreted as a response to the expectational

structures of the organizational environment (Meyer & Rowan, 1977). However, newer developments have highlighted that organizations could take a (pro)active role in the legitimation process (Lawrence, 1999; Lawrence & Suddaby, 2006). The legitimation strategies of organizations can be distinguished between two groups of legitimacy, cognitive legitimacy and socio-political legitimacy, including moral, pragmatic, and regulative legitimacy (Sandhu, 2012). Cognitive legitimacy judgments build merely on categorizing an organization based on a set of visible characteristics (Meyer & Rowan, 1977; Scott, 1995; Suchman, 1995). Instead, socio-political legitimacy judgments emerge from organizational features, attributes, procedures, and outcomes related to and compared with (the socially constructed) values and norms (Aldrich & Fiol, 1994; Bitekine, 2011). When these features, attributes, procedures, and outcomes are perceived as appropriate and in line with social values and norms, an organization is perceived as legitimate on a socio-political level (Suchman, 1995).

The cognitive legitimacy type is regarded as organizations' most relevant legitimacy level. When an organization is judged as legitimate on a cognitive level and taken for granted, it is significantly less likely to be observed critically (Meyer & Rowan, 1977; Scott, 1995; Suchman, 1995). As Bitekine (2011) has noted, "cognitive legitimacy can play a 'prophylactic' role, allowing the organization to avoid at least some of the scrutiny of its activities, which is required for the sociopolitical legitimacy judgment" (p. 157). However, cognitive legitimacy is considered the most challenging legitimacy type to be actively influenced by organizations since it is typically built through a long-term process (Ashforth & Gibbs, 1990; Suchman, 1995).

Concerning socio-political legitimacy levels, organizations have several options to affect these. First, organizations can demonstrate the adaptation of their activities and goals in a way that shows conformity with the societal expectations (Deephouse et al., 2017; Dowling & Pfeffer, 1975; Suchman, 1995). Within this legitimacy-building strategy, organizations can select a specific group in the environment to support organizational activities (Suchman, 1995). Focusing on one social group is easier than addressing the whole community or society at large. Moreover, in some case, it makes more sense for an organization to follow a particular institutional logic (Friedland & Alford, 1991). Second, organizations can demonstrate their associations with specific values, symbols, or other legitimate organizations (Dowling & Pfeffer, 1975). Third, organizations can seek to modify how legitimacy is understood while simultaneously showing that their organizational behavior is congruent with this legitimacy understanding (Dowling & Pfeffer, 1975; Suchman, 1995). For all three points, communication is essential (Sandhu, 2012; Suchman, 1995), ranging from "passive conformity to

relatively active manipulation” (Suchman, 1995, p. 587). However, since legitimacy is a perception, organizations do not necessarily have to adapt to social values and norms. Instead, they can create the impression that they are engaging in specific actions to meet societal demands while simultaneously avoiding that their environment notices the actual incongruence with societal values (Suchman, 1995). This premise builds on the institutional assumption of decoupling (Meyer & Rowan, 1977; see section 2.2.2). Accordingly, formal structures can be different from the actual activities of organizations. In this way, organizations demonstrate their alignment to certain societal expectations or values and norms but act differently (Meyer & Rowan, 1977). However, once the organizational environment detects this discrepancy, a decrease in or even loss of organizational legitimacy is likely.

The easiest way for organizations to seek legitimacy is to conform to their environment since they do not have to change anything within their institutional environment (Suchman, 1995). Instead, organizations follow institutional logic or signal organizational alignment to the cultural order (Meyer & Rowan, 1991). However, first, they need to identify the cultural beliefs and societal expectations they face in their environment. These beliefs and expectations vary regarding the social, cultural, economic, and political context in which organizations operate and whom they seek to address. Second, and following this, organizations need to identify the specific demands the chosen group has. Finally, organizations must demonstrate their alignment with the specific demands frequently.

When it comes to demonstrating congruence with (specific) social values, organizations can build on institutional linkages (Baum & Oliver, 1991) or symbolic responses (Suchman, 1995). Regarding the first, organizations can establish relational ties to established organizations, for instance, governments (Baum & Oliver, 1991). The latter suggests organizations should demonstrate the similarity between specific organizational procedures, outputs, goals, or personnel and those of established actors and institutions—even if that is more symbolic than effectively wide-ranging (see Suchman, 1995). For example, organizations engage with charity organizations since these are commonly perceived as performing altruistic behavior and in line with moral values and norms (see Dowling & Pfeffer, 1975). These strategies refer to ceremonial demonstrations of rationalized myths or the self-presentation of organizations (DiMaggio & Powell, 1983; Meyer & Rowan, 1977; see section 2.2.2).

Changing or modifying social values and the understanding of legitimacy is the most uncommon and difficult legitimation strategy for organizations (Dowling & Pfeffer, 1975; Suchman, 1995). Organizations actively construct a social

reality different from the present cognitive and cultural beliefs and actively propagate new explanations of what is right and appropriate (Aldrich & Fiol, 1994). As Suchman (1995) has emphasized, this strategy is significantly less controllable and “far less understood than either conformity or environment selection” (p. 591). Since pragmatic legitimacy reflects individual interests concerning the benefit of organizational actions, organizations can manipulate assumptions and values concerning this legitimacy level comparatively easily, for instance, through strategic communication that influences assumptions on pragmatic demands (Suchman, 1995). In contrast, moral legitimacy is hard to achieve by manipulating or modifying social values and norms because it builds on cultural beliefs occurring on a macro level and usually emerging through a long-term process. Similarly, regulative legitimacy perceptions are comparatively challenging to influence since the regulatory framework is created in the long term, mostly involving numerous decision-makers and public opinion (see Scott, 1995).

Since organizational legitimacy is socially constructed, the legitimation process is influenced by social, cultural, economic, and political factors, and media coverage in addition to the organizational actions (see section 2.3.3). However, such external factors in a society cannot be influenced by organizations (see Suchman, 1995). For this reason, organizational legitimation strategies are always limited, particularly regarding culture and time (Metzler, 1995). Consequently, no matter which legitimacy level or evaluator organizations seek to address, the societal expectations of the different groups within the organizational environment need to be identified and monitored continuously. By doing so, organizations can notice and react to changes in the beliefs and demands of particular groups or the society at large. This strategy can secure the relationship between the organization and its environment in the long term (Sandhu, 2012). However, it is essential to remark that focusing on one particular legitimacy type or evaluator might create challenges concerning the relationship to specific social actors and groups whose values and demands are not addressed. Prioritizing certain collective actors and issues becomes relevant in legitimation strategies and is at the heart of public relations (see Sandhu, 2012). Subsequently, public relations, engagement as a major concept of recent public relations approaches, and the link between public relations and organizational legitimacy are presented and explained.

2.4 Public Relations, Engagement, and Organizational Legitimacy

Corporate diplomacy has been discussed across different research fields, including general management, business ethics, public diplomacy, and public relations (Ingenhoff & Marschlich, 2019; Mogensen, 2019). This thesis links corporate diplomacy with public relations, assuming that corporate diplomacy is concerned with cultivating relationships between an MNC and actors within foreign audiences (Wang, 2005; White, 2015) and gaining legitimacy (Mogensen, 2017, 2019). This chapter gives an overview of previous conceptualizations of public relations, outlining the role of public relations in society and discussing the notion of engagement within the public relations literature and its link to organizational legitimacy. Subsequently, this section presents the relationship between public relations and the media since the media play an essential role in the legitimation process of MNCs (see section 2.3.3). Lastly, this subchapter brings together public relations and the sociological neo-institutional approach, presenting the main assumptions of neo-institutional public relations and developing a concise definition of the construct.

2.4.1 Public Relations and Engagement

The term “public relations” has mostly been used to describe the management of relationships between an organization and its publics through related public communication (Cutlip et al., 2000; Grunig & Hunt, 1984). Ferguson (1984) is often considered the first scholar explicating public relations as relationship management, which different scholars later further developed (Broom et al., 1997; Ledingham, 2003; Ledingham & Bruning, 1998; Kent & Taylor, 2002). *Relationships* can be defined as “the state which exists between an organization and its key publics in which the actions of either entity impact the economic, social, political, and/or cultural well-being of the other entity” (Ledingham & Bruning, 1998, p. 62).

In earlier research, a rational-functional perspective on the role of public relations was dominant, which viewed public relations as a strategy that pursues organizational goals, particularly through strategic organizational messaging (for

an overview of public relations approaches, see Botan & Taylor, 2004). However, approaches to public relations as functional relationship management often focus on organizational goals only and miss seeing the organization as part of the society (Van Ruler & Verčič, 2005). Therefore, scholars have attempted to redefine public relations to appreciate an organization's role within society in recent years, increasingly applying sociological theories to public relations (e.g., Ihlen & Van Ruler, 2009). Such approaches emphasize the embeddedness of organizations within their social environment, stating that public relations efforts should be reflective (Holmström, 2005; Van Ruler & Verčič, 2005) and co-creational (e.g., Taylor & Kent, 2014). Accordingly, public relations aims to enhance collective meaning-making by involving different perspectives from the organizational environment, mainly building on dialogic approaches (Taylor, 2018; Taylor & Kent, 2014).

Building on that, several scholars have discussed public relations in the context of *engagement* between an organization and its environment (e.g., Avidar, 2017; Botan & Taylor, 2004; Dodd et al., 2015; Everett, 2018; Johnston, 2018; Johnston & Lane, 2018; Taylor & Kent, 2014). In this respect, Everett (2018) has conceived *engagement* as a connection between an organization and its environment, defining it as “processes of social interaction that link essential and significant ‘stakeholders’ in the social environment of the organization to the organization” (p. 92). Applying a more relational view on engagement, Johnston (2018) has defined engagement as “a dynamic multidimensional relational concept featuring psychological and behavioral attributes of connection, interaction, participation, and involvement, designed to achieve or elicit an outcome at individual, community, organization, or civic levels” (p.18). Accordingly, engagement affects society and the organization in various ways (Johnston, 2018; Johnston & Lane, 2018; Taylor & Kent, 2014). From a societal perspective, engagement allows society members to gain access to information related to organizational decisions and actions and interact with an organization to become involved in societal issues together with the organization. This process can have a positive social impact and contribute to societal prosperity (Johnston, 2018; Johnston & Lane, 2018).

From a public relations perspective, engagement involves ongoing communication between an organization and its environment about issues of mutual interests to create social resources such as trust and loyalty (Johnston & Lane, 2018; Johnston et al., 2018) and organizational legitimacy (Devin & Lane, 2014).

Therefore, the organization needs to be open to feedback and responsive to understand societal issues relevant to its environment and cultivate good relationships (Johnston, 2018). According to Devin and Lane (2014), a collective decision-making process in which the organization, together with multiple actors within its environment, negotiates societal issues, allows the organization to build positive relationships and demonstrate its alignment with societal expectations. This process can result in organizational legitimacy (Devin & Lane, 2014). However, it is important to note that engagement is influenced by the social setting in which it takes place (Johnston et al., 2018). Hence, the UAE's social, cultural, and political context, explored in this research, may play a particular role.

Previously, scholars have only occasionally discussed legitimacy in the context of engagement, e.g., in the context of CSR (Devin & Lane, 2014) or sustainability projects (Collins et al., 2005). However, following previous literature on corporate diplomacy (Kochhar, 2018; Mogensen, 2017), it can be assumed that corporate diplomacy can notably contribute to organizational legitimacy through an engagement process with its host country environment, in which societal actors on different levels are involved. Following the reviewed literature, engagement is conceived as a process involving different actors of an organization's environment and their views to identify and negotiate mutual interests, facilitating the cultivation of relationships between an organization and its environment.

2.4.2 Public Relations and the Media: The Importance of Media Frames

The success of MNCs' public relations efforts is linked to media coverage, particularly of the news media, since the news media are often the primary source of information about MNCs, their decisions, and activities (Carroll & McCombs, 2003). Therefore, they are a significant source for forming individuals' legitimacy judgments (Deephouse, 1996; Deephouse et al., 2017). Moreover, mass media provide access to a broader audience. On the one hand, media outlets are, to some extent, dependent on the information provided by companies about their decisions and actions, primarily through information subsidies such as press releases and events. Public relations practitioners use information subsidies to generate news stories (Diggs-Brown, 2012). However, news media outlets have their logic concerning what to include, which information to ignore, and how to portray issues and subjects (see, for instance, news value theory, Galtung & Ruge, 1965). For

this reason, the impact of public relations on media is limited. However, due to the media's relevance in influencing audiences' perceptions of organizational behavior, public relations practitioners seek to increase the likelihood of being covered in the news media (Holladay & Coombs, 2013). From a public relations perspective, media coverage can be regarded as "a means to an end" (Holladay & Coombs, 2013, p. 103). As Nicolini and Hansen (2018) has emphasized, "organizations use strategic communication techniques to inform journalists and facilitate the flow of accurate and impactful information about organizational goals and issues" (p. 2).

In section 2.3.3, it was explained that the news media significantly influence individuals' perceptions of organizations by framing objects, including issues and organizations. According to Entman (1993), by selecting certain aspects of (the socially constructed) reality, frames make these aspects more salient than other elements. Applied to media content, framing points to the media's power to define how the organizational environment gains information about organizations, offering a range of interpretations rather than objective facts only (Entman, 1993; Gamson & Modigliani, 1987). A media frame serves as a filter, allowing some information to gain visibility, including favorable or unfavorable views, while obstructing other aspects. In this way, media frames help reduce the complexity of issues (Entman, 1993). The fundamental relevance of framing for public relations practitioners was already outlined more than 20 years ago by Hallahan (1999): "public relations practitioners are extricably involved in the framing of the news [...] as suppliers of nearly half of the content found in the news media" (p. 228). Despite the significant role of media frames in public relations, only a few scholars have studied media framing through the lens of public relations (e.g., Bowen & Zheng, 2015; Nicolini & Hansen, 2018; Wigley, 2011).

2.4.3 Neo-Institutional Public Relations

The previous subchapter demonstrated that research has increasingly discussed public relations' societal role rather than focusing on functional perspectives (see, e.g., Edwards, 2012; Ihlen et al., 2009). This research embeds public relations within the sociological neo-institutional approach to investigate the role of relationships between organizations and their institutional environment, consisting of societal expectations, norms, and values. Applying a sociological neo-institutional

approach to public relations and related fields such as communication management and strategic communication is not new. However, previous studies have been mostly conceptual and used neo-institutional approaches as an analytical framework rather than explicitly connecting public relations to the theoretical origins of neo-institutional approaches (Fredriksson et al., 2013). In the following, previous conceptions of neo-institutional public relations are presented. Subsequently, this section derives a precise definition of neo-institutional public relations guiding this research.

Building on the sociological neo-institutional approach (Meyer & Rowan, 1977; Meyer & Zucker, 1989), Wehmeier (2006) has examined the concept of rationalized myths, outlining that the regulation of and in the organization act as rationalized myths instead of reflecting economic rationality. Wehmeier (2006) has highlighted that the role of communication management is creating and establishing congruence between organizational behavior and rationalized myths to gain legitimacy. Likewise, Zerfass et al. (2016) have applied a neo-institutional approach to communication management to analyze the institutionalization of strategic communication practices. Zerfass et al. (2016) have suggested that strategic communication allows for creating, altering, and performing the relationships between an organization and its environment, aiming to legitimize organizational behavior in the public discourse.

Moreover, Hou and Zhu (2012) have discussed the concept of institutional work (see Lawrence & Suddaby, 2006) in the realm of public relations. In line with Wehmeier's (2006) conclusion, Hou and Zhu (2012) have shown that public relations practitioners need to respond reflectively to institutional pressures. However, Hou and Zhu (2012) have emphasized the need for public relations to incorporate cultural aspects, which, following a neo-institutional approach, are the foundation for organizational decisions and practices (Scott, 1995). Building on their results, Hou and Zhu (2012) have conceptualized public relations as a process in which public relations practitioners interpret, negotiate, and shape the cultural contexts to build favorable conditions for institutionalizing organizations' practices. By doing so, public relations can be regarded as institutional work (Hou & Zhu, 2012). Later, Hou (2016) has considered public relations itself a socially constructed field, which is dynamic and the result of interactions between an organization and institutional actors.

Furthermore, Sandhu has embedded strategic communication (Sandhu, 2009) and public relations (Sandhu, 2012, 2013) within neo-institutional approaches. In his dissertation, Sandhu (2012) has offered an extensive overview and

discussion of the central assumptions of neo-institutional approaches and legitimacy and their link to public relations research and practice. Applying Scott's institutions model (2001) and Suchman's (1995) conceptualization of organizational legitimacy, Sandhu (2012) has developed a synopsis of public relations strategies to respond to institutional pressure arising on cognitive-cultural, moral, instrumental-pragmatic, and regulative levels. In a shorter overview of neo-institutional approaches in the realm of public relations, Sandhu (2013) has described public relations practices as an "outside-in" approach, which is influenced by cultural and cognitive assumptions and seeks to identify and reflect on the conditions for gaining legitimacy (see also Theis, 1994).

Similarly, Frandsen and Johansen (2013) and Fredriksson et al. (2013) have provided an intriguing outline of public relations and neo-institutional approaches by discussing how public relations contributes to institutionalization processes and how it became institutionalized. They have pointed to the inherent role of communication in the diffusion and translation of institutional norms (Frandsen & Johansen, 2013). In particular, Frandsen and Johansen (2013) have emphasized that the active role of organizations in the institutionalization process stems from the interpretation and reformulation of institutional expectations and norms within the organization's context. Likewise, Fredriksson et al. (2013) have stressed that the public relations function involves forming, interpreting, and diffusing of institutional elements; that is, public relations acts "as a carrier and translator of these institutional elements [norms, rules, values, and practices] as well as their maintainer and creator" (p. 169). Table 2.2 presents an overview of how previous studies have conceptualized public relations and related fields embedded in neo-institutional approaches.

Table 2.2 Previous applications of neo-institutional approaches to public relations and related constructs

Author(s) and year	Scope of public relations and associated fields	Applied concepts of neo-institutional approaches
Frandsen & Johansen (2013)	Public relations as an organizational practice, comprising a set of institutionalized norms for how organizations should act	Translation and diffusion Isomorphism Institutional work Institutional logic
Fredriksson et al. (2013)	Public relations as a carrier and translator of institutional elements	Institutional field Translation Institutional logic
Hou (2016)	Public relations as a dynamic and relational field resulting from the negotiation and contestation of interrelated actors	Organizational field
Hou & Zhu (2012)	Role of public relations is interpreting and negotiating cultural contexts to build favorable conditions for institutionalization	Institutional work
Sandhu (2009)	Strategic communication shapes institutions while being constrained by them	Institutional pressure Organizational field Regulative, normative, and cognitive institutions
Sandhu (2012)	Public relations as a legitimation strategy formed by regulative, cultural-cognitive, pragmatic-instrumental, and normative-moral demands	Organizational fields Institutional logic Regulative, normative, pragmatic, and cognitive legitimacy
Sandhu (2013)	Public relations as a mirror of societal demands	Institutional factors on a regulative, cognitive, and normative level

(continued)

Table 2.2 (continued)

Author(s) and year	Scope of public relations and associated fields	Applied concepts of neo-institutional approaches
Wehmeier (2006)	Communication management gains legitimacy by coupling organizational structures and rationalized myths	Rationalized myths
Zerfass et al. (2016)	Strategic communication is created through organization-environment relations to gain legitimacy	Isomorphism

As prior studies on neo-institutional approaches and public relations have shown, most of the current work is conceptual. Scholars have rarely attempted to develop a precise and comprehensive definition of neo-institutional public relations. Building on the literature review on neo-institutional approaches (see section 2.1) and public relations (see section 2.3) and on the previously discussed contributions, this dissertation aims to conceptualize and define neo-institutional public relations distinctively. Therefore, the following assumptions emerging from neo-institutional approaches and public relations are guiding the conceptualization of neo-institutional public relations:

- 1) The neo-institutional approach is conceived as a theoretical project that views the *relationships* between an organization and its environment within the *organizational field*, emphasizing the institutionalized societal expectations that affect organizational behavior.
- 2) The *organizational field* (in this dissertation referred to as organizational environment) consists of different actors that construct assumptions about appropriate organizational behavior, forming *societal expectations* for the short and medium-term, which may result in long-term patterns, so-called *institutional logic*.
- 3) The foundation of societal expectations and institutional logic are *values and norms* constructed within a specific social system.
- 4) The ultimate goal of organizations is gaining *organizational legitimacy*, conceived as the congruence between organizational behavior and societal expectations on the *moral, regulative, pragmatic, and cognitive* levels.
- 5) Public relations is regarded as a social *engagement process* that enhances the relationship cultivation between an organization and its environment.

- 6) Engagement is a collective process in which organizations aim to identify and reflect on the interests and expectations of all actors, ultimately resulting in a collective decision-making process.
- 7) Public relations aims to relate organizational behavior to societal expectations to gain organizational legitimacy. This is reflected in the organization's active role, in which public relations seeks to shape and (re-)formulate societal demands, or in a relatively passive role, in which the organization adapts to and, in this sense, "formulates" its congruence with societal expectations.

Building on these assumptions, neo-institutional public relations is defined as follows:

Neo-institutional public relations is a continuous and dynamic engagement process in which an organization involves individual or collective actors within the organization's environment and identifies, reflects, and (re-)formulates societal expectations that affect organizational behavior to finally demonstrate the congruence between organizational behavior and societal expectations, resulting in organizational legitimacy. These societal expectations are based on a set of moral, pragmatic, regulative, and cognitive beliefs and can vary across socio-cultural contexts and among particular groups within the societal environment.

Open Access This chapter is licensed under the terms of the Creative Commons Attribution 4.0 International License (<http://creativecommons.org/licenses/by/4.0/>), which permits use, sharing, adaptation, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons license and indicate if changes were made.

The images or other third party material in this chapter are included in the chapter's Creative Commons license, unless indicated otherwise in a credit line to the material. If material is not included in the chapter's Creative Commons license and your intended use is not permitted by statutory regulation or exceeds the permitted use, you will need to obtain permission directly from the copyright holder.





Corporate Diplomacy at the Intersection of Public Relations and Public Diplomacy

3

Since the concept of corporate diplomacy is at the core of this dissertation, this chapter will offer an extensive review of the previous literature on corporate diplomacy to derive a concise definition of corporate diplomacy, guiding this thesis. Corporate diplomacy originates to a large extent from public diplomacy. Therefore, this chapter will first introduce public diplomacy by outlining significant conceptualizations of the term and comparing public diplomacy with public relations to distinguish the two fields from each other. Secondly, the chapter will review previous definitions and conceptions of corporate diplomacy. Lastly, this chapter will develop an integrative framework of corporate diplomacy at the intersection of public relations and public diplomacy to derive a distinctive and comprehensive definition of the construct.

3.1 Public Diplomacy and Public Relations

Public diplomacy research has emerged from traditional diplomacy approaches focusing on government-to-government relations (e.g., Deutsch, 1966) over government-to-foreign publics relations (e.g., Tuch, 1990) to international actors-to-foreign publics relations (e.g., Cull, 2009). The evolution of public diplomacy approaches can be explained by globalization, the rise in communication technology, particularly digitalization, and the related power shift from governments to international organizations (Melissen, 1999, 2011). Previously, the literature pointed to strategic goals and public diplomacy outcomes (Gilboa, 2008; Snow, 2009). These outcomes included the influence on the attitudes and behavior of foreign publics, which have been supposed to contribute to the acceptance of foreign policies (Signitzer & Coombs, 1992; Snow, 2009) and the positive image of a country (Gilboa 2008; Malone, 1985; Signitzer & Coombs, 1992). Following

this strategic perspective, Signitzer and Coombs (1992) have defined public diplomacy as “the way in which both government and private individuals and groups influence directly or indirectly those public attitudes and opinions which bear directly on another government’s foreign policy decisions” (p. 138). The objectives of public diplomacy outlined by Signitzer and Coombs (1992) are similar to the concept of soft power, which can be conceived as a country’s influence to attract foreign audiences (Gilboa, 2008). Soft power results from the country’s “culture (in places where it is attractive to others), its political values (when it lives up to them at home and abroad), and its foreign policies (when they are seen as legitimate and having moral authority)” (Nye, 2008, p. 96).

With the relational turn in public diplomacy research and the rise of communication technology (see Fitzpatrick, 2007; Zaharna, 2009), scholars have increasingly emphasized the role of communication and relationship building in public diplomacy (L’Etang, 2009; Leonard, 2002; Wang, 2006). In this respect, new public diplomacy approaches have highlighted the role of an ongoing and genuine dialog that involves alternative views of different actors (Dutta, 2014; Melissen, 2011; Molleda, 2011). For including various actors in public diplomacy, relationship-building is essential as it brings together numerous actors, including civil society members across national boundaries, to create a mutual understanding among countries and citizens (Dutta, 2014; Leonard, 2002; Melissen, 2011). Given that I explore corporate diplomacy as a legitimation strategy of MNCs for which relationship-building is central, this research follows the relational approach of public diplomacy and its conception as “an international actor’s attempt to manage the international environment through engagement with a foreign public [...and] as creator and facilitator of networks and relationships” (Cull, 2008, pp. 31–32). However, corporate diplomacy is not regarded as a part of public diplomacy, as some scholars have recently suggested (e.g., Fitzpatrick et al., 2020; White, 2012). Instead, corporate diplomacy is conceived at the intersection of public diplomacy and public relations (see section 3.4). Therefore, the main differences and commonalities between public diplomacy and public relations will be briefly outlined.

The major similarity between public relations and public diplomacy can be found in their focus on relationship management and strategic communication to achieve individual and collective goals (Signitzer & Wamser, 2006). L’Etang (2009) has stated that both public relations and public diplomacy “are responsible for official institutional communications with other organizations and relations with wider groups or publics and are responsive to public opinion and media coverage” (p. 608). Regarding the definitions of public relations and public diplomacy in the realm of relational approaches, the overlapping of both terms

becomes obvious. While public relations was commonly conceived as the management or cultivation of mutually beneficial relationships (e.g., Cutlip et al., 2000), a widely accepted definition of the “new” public diplomacy refers to it as “the management function that establishes and maintains mutually beneficial relationships between organizations and the publics on whom its success or failure depends” (Melissen, 2005, p. 14). In this regard, relationship-building is at the heart of public relations and public diplomacy. When it comes to the actors involved in these relationships or targeted by organizational efforts, public relations and public diplomacy share another similarity. Recent public diplomacy research has included several actors in public diplomacy activities, including governments, private companies, NGOs, social representatives, and the wider society (Cull, 2008; Fitzpatrick, 2007). Even though public relations is often related to corporate public relations efforts, public relations can be initiated by several actors, including governments and NGOs, and is similar to public diplomacy (L’Etang, 2009). However, public diplomacy research has mostly viewed governments as the major actors or initiators of public diplomacy efforts, while other actors were regarded as additional actors besides the government (Fitzpatrick et al., 2020). Moreover, public relations can occur at a national and an international level, while public diplomacy almost exclusively deals with issues and actors globally, mostly across national borders (L’Etang, 2009).

Concerning the objectives and desired outcomes of public relations and public diplomacy, further similarities and differences can be identified. Public relations is mainly considered to be concerned with positive public perceptions and judgments, including a strong reputation, long-term legitimacy, and a favorable image at the organizational level (L’Etang, 2009). In contrast, public diplomacy scholars have mostly referred to a positive country image and reputation as the desired public diplomacy outcomes (see Fitzpatrick, 2007). As Snow (2004) outlined, what distinguishes public relations and public diplomacy is the predominant link of public relations with corporate communications and the connection of public diplomacy with national interests and foreign public affairs. The communication modes and efforts, particularly dialogic approaches and relationship building seeking mutual understanding, are prevalent in public relations and public diplomacy conceptions (Fitzpatrick, 2007; Snow, 2014). Hence, the context of the objectives of public relations and public diplomacy practices may differ, but the tools and methods public relations and public diplomacy use to achieve their goals have much in common.

In summary, it can be concluded that public relations and public diplomacy bear various similarities, which can also be found in previous conceptualizations of corporate diplomacy, as the following subsections will show in more detail.

Overall, the overlaps between public relations and public diplomacy make an integrative framework for defining and contextualizing corporate diplomacy valuable (see section 3.4).

3.2 Research Approaches to Corporate Diplomacy

Previously, corporate diplomacy has been studied in different research fields, including public relations, public diplomacy, general management, and, to some extent, business ethics (Ingenhoff & Marschlich, 2019). This chapter will review previous definitions and conceptualizations of corporate diplomacy, mainly building on Ingenhoff and Marschlich's (2019) systematic review and considering additional newer papers. In discussing the corporate diplomacy literature, this chapter will present more in-depth the actors in the host country environment, addressed by corporate diplomacy and its objectives as indicated by prior scholars.

Three major research streams on corporate diplomacy can be identified in previous research considering corporate diplomacy as a management instrument of corporations in the international arena (Amann et al., 2007; Henisz, 2014; Saner & Yiu, 2014; Steger, 2003; Westermann-Behaylo et al., 2015), the role corporations play in public diplomacy (Fitzpatrick et al., 2020; White, 2012; White & Fitzpatrick, 2018; White & Kolesnicov, 2015), and the engagement of MNCs in strategic communication and relationship-building on an international level (Ingenhoff & Marschlich, 2019; Kochhar, 2018; Kochhar & Molleda, 2015; Macnamara, 2012; Mogensen, 2017; White et al., 2011).

Within the first research stream, corporate diplomacy is conceived as “the attempt to manage the business environment systematically and professionally, to ensure that business is done smoothly” (Amann et al., 2007, p. 34). Similarly, Steger (2003) referred to corporate diplomacy as a proactive management tool MNCs use strategically to achieve their license to operate. Both Amann et al. (2007) and Steger (2003) have suggested that corporate diplomacy aims to gain organizational legitimacy, which can be achieved by responding to social and political expectations while simultaneously meeting economic demands. Therefore, corporate diplomacy is particularly interested in identifying and understanding the issues that put pressure on the corporation (Amann et al., 2007). Prior management literature has not been very clear about which actors are included in corporate diplomacy activities. Instead, it has referred to stakeholders in the international arena (Henisz, 2014; Steger, 2003) or the social and political environment in a corporation's host country (Westermann-Behaylo et al., 2015). Only

Amann et al. (2007) have pointed out that corporate diplomacy is concerned with the “contextual environment [that] includes governments, media, social and environmental activist groups” (p. 38). Regarding the aim of corporate diplomacy, scholars viewing corporate diplomacy as a management instrument have often referred to organizational legitimacy as the intended outcome (Amann et al., 2007; Henisz, 2014; Steger, 2003; Westermann-Behaylo et al., 2015). However, organizational legitimacy was mainly equated with the general license to operate and understood as a strategic resource, allowing a corporation to manage external pressure (Amann et al., 2007). This view differs from how this thesis conceives and explores organizational legitimacy (see section 2.2.2).

Turning from the management perspective, the second research stream on corporate diplomacy embeds the construct within public diplomacy, conceiving corporate diplomacy on a general level as “the role of private-sector corporations as non-state actors in public diplomacy” (White, 2015, p. 306). Ordeix-Rigo and Duarte (2009) have regarded corporate diplomacy as the capability of MNCs to develop and implement corporate initiatives in the international arena. Regarding the individuals and groups that corporate diplomacy involves and its objectives, White and colleagues (White, 2012; White & Fitzpatrick, 2018) conceived corporate diplomacy as activities involving MNCs and the home and host country governments. According to these authors, corporate diplomacy activities are mostly considered to be sponsored by governmental actors.

In contrast, Ordeix-Rigo and Duarte (2009) have pointed to corporate diplomacy as MNCs’ engagement in societal and political issues implemented independently from the government. Similarly emphasizing its focus on societally relevant issues, Fitzpatrick et al. (2020) have defined corporate diplomacy as “extending beyond a company’s economic self-interest to include a more social and political role for corporations in tackling global issues such as public health, education, and protection of human rights, and working for global standards and regulations” (p. 28). Concerning the corporate diplomacy objectives, scholars have regarded diplomatic and public diplomacy goals as major purposes of corporate diplomacy (Ordeix-Rigo & Duarte, 2009; White, 2012). In particular, White and colleagues have noted that corporate diplomacy seeks to contribute to the MNC’s home country by enhancing the image and nation-branding efforts of the home country (White, 2012; White & Kolesnicov, 2015). In contrast, Ordeix-Rigo and Duarte (2009) have viewed organizational power and legitimacy as primary outcomes MNCs seek to achieve through corporate diplomacy.

Lastly, the third research stream views corporate diplomacy as the international relationship-building attempt of MNCs. In this regard, White et al. (2011) have conceived corporate diplomacy as “international public relations efforts to

help create favorable conditions for business and to build relationships” (p. 282), while Mogensen (2017) has defined corporate diplomacy as MNCs’ “collaboration with the general public in a host country through negotiations directly with civic society” (p. 606). Although the objectives are conceived differently, scholars in the third research stream agree on the particular role of the interactions and engagement between MNCs and the host country environment, as highlighted by Kochhar (2018, p. 350): “Corporate diplomacy looks into effectively and strategically engaging the stakeholders.”

Furthermore, according to the literature in the third research stream, corporate diplomacy is directed toward key actors in the international environment of MNCs, particularly toward the home and the host country governments (Molleda, 2011). Kochhar (2018) has stated that corporate diplomacy addresses the nonmarket business environment of MNCs, including the public sector, social movements, and NGOs. Regarding corporate diplomacy objectives, Mogensen (2017) has outlined that corporate diplomacy is mainly interested in contributing to societal problems by offering sustainable solutions. Following this, corporate diplomacy builds on relationships and interactions with the host country environment to achieve societal goals. This perspective is in line with Weber and Larsson-Olaison’s (2017) conception of corporate diplomacy as MNCs’ responsibility toward the global community. In contrast, Molleda (2011) has pointed to the strategic role of corporate diplomacy, which seeks to influence home and host country policies. Likewise, White et al. (2011) have noted that affecting policy-making is a primary corporate diplomacy goal helping MNCs create favorable conditions for their host country’s operations.

According to Mogensen (2017), by directly engaging with the host country citizens, i.e., involving their interests, corporate diplomacy can contribute to both the society and the company as it addresses citizens’ needs and simultaneously enhances the legitimacy of the MNCs in the citizens’ eyes. Similarly, applying a political CSR perspective on corporate diplomacy, Ingenhoff and Marschlich (2019) have developed a definition that accounts for MNCs’ societal role while simultaneously pointing to legitimacy as the central goal of MNCs. Accordingly, corporate diplomacy is defined as “the corporate activities of multinational companies, which are directed at the host country’s key stakeholders and aimed at participating in decision-making processes on relevant socio-political issues and building relationships in order to gain corporate legitimacy” (Ingenhoff & Marschlich, 2019, p. 357). Table 3.1 summarizes the previous conceptions of corporate diplomacy.

Overall, as the review of previous conceptualizations of corporate diplomacy has shown, the construct's definitions vary across research disciplines (Ingenhoff & Marschlich, 2019). However, even within the suggested research streams, differences between whom corporate diplomacy is directed toward and what purposes it seeks to achieve exist. Building on public diplomacy approaches, previous corporate diplomacy conceptualizations, and the conceptualization of neo-institutional public relations as developed in this thesis (see section 3.4), the subsequent section will present an integrative framework on corporate diplomacy and offer a precise and comprehensive definition of the term.

Table 3.1 Main assumptions and theories on corporate diplomacy

Author(s) and year	Conception of corporate diplomacy	Objective
Amann et al. (2007)	Corporations' attempts to manage and interact with the business environment	Gaining the license to operate
Kochhar (2018)	Strategic engagement process between MNCs and their non-business environment in the host country	Minimizing organizational risk Gaining organizational legitimacy
Mogensen (2017)	Direct engagement of corporations with the host country's community to solve local issues	Bringing mutual understanding Gaining organizational legitimacy
Ordeix-Rigo & Duarte (2009)	Development and implementation of corporate programs independently of governments	Increasing the social power of MNC
Steger (2003)	Corporations' attempt to manage the business environment proactively	Meeting stakeholder demands Gaining the license to operate
Westermann-Behaylo et al. (2015)	Corporate engagement in societal issues and global governance, particularly in conflict-prone host countries	Managing relationship Gaining organizational legitimacy

(continued)

Table 3.1 (continued)

Author(s) and year	Conception of corporate diplomacy	Objective
White (2012)	Corporations as non-state actors in public diplomacy	Contributing to the MNC's home country image
White (2015)	Companies' role in public diplomacy Relationship-building with foreign audiences	Enhancing the image of the MNC's home country Contributing to the home country's nation-branding
White et al. (2011)	Relationship-building with the host country community Engagement in social activities, particularly in transitional countries	Creating favorable business conditions Influencing foreign policies

3.3 Corporate Diplomacy and CSR

Corporate diplomacy as engagement in societal issues relevant to the host country's community (Ingenhoff & Marschlich, 2019; Mogensen, 2017) and as a response to societal expectations (Amann et al., 2007; Ordeix-Rigo & Duarte, 2009) has overlaps with the concept of CSR and related concepts, such as corporate citizenship or sustainability (for a comparison of different concepts of corporate responsibility, see, e.g., Carroll & Brown, 2018). A few scholars have linked corporate diplomacy to CSR. Westermann-Behaylo et al. (2015) and White et al. (2011) have used the concept of political CSR as a theoretical framework for understanding corporate diplomacy. In addition, Molleda (2011) has suggested that CSR, including corporate citizenship and sustainability, is part of corporate diplomacy, provided that it is considered a political task in a transnational context.¹

Classical CSR concepts often build on Carroll (1979, 1991), who has emphasized that corporations have a responsibility toward society that includes corporate responsibility on economic, legal, ethical, and social levels. This perspective is related to Davis's (1973) conceptualization of CSR as those activities in which a company considers and responds to "issues beyond the narrow economic, technical, and legal requirements of the firm" (p. 312). Moon (2014) has distinguished between the following three approaches to corporate responsibility: companies

¹ Transnational in this context means that corporate diplomacy includes actors and issues that co-occur across different nations (see L'Etang, 2009).

have a responsibility *to* society (i.e., accountability) or *for* society (i.e., compensation for their negative impact and contribution to social welfare), or they need to act in a *responsible manner* (e.g., ethically and sustainably). However, since CSR is a phenomenon discussed across multiple disciplines, definitions of and approaches to CSR vary widely (Seele & Lock, 2015).

In the following, different CSR perspectives will be presented and compared with corporate diplomacy to identify their similarities and differences. Previous systematizations of CSR have distinguished different perspectives, including classical, instrumental, political, normative/ethical, integrative, and communicative CSR perspectives (see Carroll & Brown, 2018; Frynas & Stephen, 2015; Garriga & Mele, 2004; Seele & Lock, 2015). Subsequently, instrumental and political-normative CSR perspectives will be discussed in more detail since the distinction between these lines is dominant in previous studies and can be considered appropriate for comparing CSR with corporate diplomacy.

Instrumental CSR Perspectives

According to Schultz, Castelló et al. (2013), instrumental perspectives on CSR are based on three premises. First, companies must primarily bear an economic responsibility, i.e., companies need to maximize their profits and fulfill their shareholders' interests. Secondly and mostly following stakeholder theory (Freeman, 1984), it is assumed that companies need to meet the expectations of their stakeholders in addition to those of their shareholders (Sundaram & Inkpen, 2004). Thirdly, the public and private spheres are considered separately, i.e., the state is responsible for the common good and for controlling corporate behavior to prevent the externalities of corporations (see Schultz, Castelló et al., 2013).

Building on that, a company's social responsibility must always be in harmony with its economic role. Thus, social activities are only accepted if they contribute to companies' wealth creation (Garriga & Mele, 2004). Instrumental perspectives emphasize the maximization of shareholder value (Friedman, 1970; Jensen, 2000) or the general achievement of competitive advantages (Hillman & Keim, 2001; Porter & Kramer, 2006) as the main goal of CSR. To this end, companies invest in philanthropy and social activities (McWilliams & Siegel, 2001) to meet stakeholder interests, which is supposed to positively influence the consumers' purchase behavior (Sen & Bhattacharya, 2001) and the company's financial performance (e.g., Orlitzky et al., 2003). However, the positive effect of CSR engagement on financial outcomes should be treated with caution as this causal relation is generally hard to measure (see Griffin, 2000).

Other scholars have argued that CSR allows for improving the economic and social resources that contribute to the company's competitive advantages, including relationships with employees, customers, and suppliers (Bhattacharya et al., 2009; Dhanesh, 2014; Du et al., 2007; Hillman & Keim, 2001) and a positive corporate reputation (Bhattacharya & Sen, 2004; Hooghiemstra, 2000). In this sense, social and environmental benefits or improvements are more a by-product, and CSR becomes an instrument or a strategy to improve a company's overall performance (Bhattacharya & Sen, 2004; Porter & Kramer, 2006, 2011). In this perspective, communication becomes a "rhetorically persuasive instrument, a matter of presenting and exploiting the attractive features associated with CSR to create a positive reputation" (Schultz, Castelló et al., 2013, p. 683).

Because corporate activities are usually associated with organizational self-interest and self-serving motives, instrumental CSR campaigns are also believed to lead to mistrust and skepticism, decreasing corporate credibility on the part of the stakeholders (Bachmann & Ingenhoff, 2016; Jahdi & Acikdilli, 2009) compared to other CSR approaches, particularly deliberative ones (e.g., Seele & Lock, 2015). Scholars have discussed other challenges of CSR's effects on financial performance and reputation, including media coverage (Brammer & Pavelin, 2006; Vogler & Eisenegger, 2020) and negative publicity (Einwiller et al., 2019). However, the positive effects of CSR on corporate performance, including reputation and stakeholder relationships, often remain unquestioned.

Political CSR Perspectives

As an alternative to the dominant instrumental perspective on CSR, a political-normative perspective on CSR² has emerged primarily based on sociological and political theories in recent years. Political CSR conceptions often build on the premise that public and private spheres can no longer be regarded as separate from one another due to globalization (Crane et al., 2008; Scherer & Palazzo, 2007, 2011). Instead, the power of nation states is dwindling, and corporations increasingly participate in democratic, global governance (Scherer & Palazzo, 2011). In this way, companies become political actors addressing societal issues and defining standards for social interaction to fill government gaps in regulation (Scherer et al., 2016; Stoll, 2014). By being involved in political decision-making processes, corporations contribute to the public good (Crane et al., 2008; Scherer & Palazzo, 2011). Hence, political CSR assumes a broadened definition

² In addition to the political-normative view on CSR, political CSR has been considered a political strategy aimed at achieving business advantages (e.g., Edward & Willmott, 2008; Shirodkar et al., 2016), similar to instrumental approaches discussed before.

of corporate responsibility, i.e., a political responsibility through which private actors help solve public issues. An often-cited definition by Scherer and Palazzo (2011) conceives political CSR as “an extended model of governance with business firms contributing to global regulation and providing public goods” (p. 901). This definition shows that political CSR overlaps with corporate citizenship (see, e.g., Matten & Crane, 2005) and that political CSR can be considered a further development of corporate citizenship (Carroll & Brown, 2018).

According to political CSR scholarship, companies participate in a (communicative) deliberative process (Hussain & Moriarty, 2016; Maak et al., 2016; Scherer & Palazzo, 2011), in which various interests, some of which are contrary to the company’s interests, are considered and included in company decisions (Scherer & Palazzo, 2011; Seele & Lock, 2015). As a result, companies can build legitimacy, especially on a moral level (Scherer & Palazzo, 2011). This view mostly builds on Habermas’s discourse theory of democracy (Habermas, 1996). Applied to political CSR, corporations can gain legitimacy by establishing a dialog with their environment (Young, 2004) and by being transparent and open to reaching a consensus (Scherer & Palazzo, 2011).

In summary, the normative notion of political CSR allows ideal corporate practices that contribute to the common good to be derived. However, deliberation builds on the premise of domination-free space, according to which everyone involved in the discourse has equal power and equal access to the discourse (Habermas, 1996). Such an ethical discourse is hard to apply in corporate reality, primarily because companies need to fulfill economic interests to survive as an organization.

Differences and Commonalities between CSR Concepts and Corporate Diplomacy

As found in the systematic literature review of political CSR and corporate diplomacy by Ingenhoff and Marschlich (2019), the concepts of corporate diplomacy and political CSR differ significantly in their contexts, scopes, and perspectives on and motives of companies (see Table 3.2). While instrumental CSR is mostly considered in an industry context and, to some extent, on a national level (see Schultz, Castelló et al., 2013), political CSR is understood in national and international contexts (Palazzo & Scherer, 2008; Shirodkar et al., 2016). Instead, corporate diplomacy is primarily conceived as corporate diplomacy on an international, host country level (Ingenhoff & Marschlich, 2019; Westermann-Behaylo et al., 2015; White & Kolesnicov, 2015). Political CSR and corporate diplomacy are mainly associated with corporations that operate in multiple countries in the

case of corporate diplomacy (Amann et al., 2007; Westermann-Behaylo et al., 2015) and, in the case of political CSR, on a national and international level (Palazzo & Scherer, 2008; Shirodkar et al., 2016). Instrumental CSR concepts are less specific in this respect and also include smaller companies and those that only operate regionally or nationally (e.g., Murillo & Lozano, 2006; Nielsen & Thomson, 2009). Another difference between the concepts is the audience companies address or for which they assume responsibility. Corporate diplomacy is directed toward the host country society, including citizens, government organizations, and NGOs (Mogensen, 2017; Westermann-Behaylo et al., 2015). Instrumental and political CSR approaches are primarily considered to address a broader society without being specified in more detail.

Table 3.2 Instrumental CSR, political CSR, and corporate diplomacy in comparison (building on Ingenhoff & Marschlich, 2019; Schultz, Castelló et al., 2013)

	Corporate diplomacy	Instrumental CSR	Political-normative CSR
Context	MNCs International/host country level	Small, medium, and large companies National and industry context	Corporations National and international levels
Perspective	Instrumental	Instrumental	Mostly normative
Access to CD/CSR	Organization at the center Orientation toward the local community in the host country	Organization at the center Orientation toward the company	Organization and society at the center Orientation toward global and local communities
Role of the company	Private actor, related to home country	Private actor	Quasi-governmental actor
Scope	International relationship-building between the company and institutional actors in the host country	Demonstrating social responsibility as compensation for the company's impact on society and the natural environment	Demonstrating political responsibility as a deliberative process Companies engaging in global governance

(continued)

Table 3.2 (continued)

	Corporate diplomacy	Instrumental CSR	Political-normative CSR
Main goals	Gaining corporate legitimacy Influencing political decision-making Enhancing home country image	Creating competitive advantages Achieving economic objectives	Gaining corporate legitimacy Influencing political decision-making

Moreover, the assumed roles of companies differ. The corporate diplomacy literature regards companies as international private actors associated with their home country when operating in foreign countries and engaging in societal activities (White & Kolesnicov, 2015; White et al., 2011). This perspective is, to some extent, similar to most instrumental CSR conceptions that regard companies as private actors but with the sole aim to (directly or indirectly) increase their business performance (e.g., Kotler & Lee, 2005). In contrast, political CSR scholars view companies as “quasi-governmental” actors who take the place of government actors to help fill regulation gaps (Scherer & Palazzo, 2011).

Another difference can be found in the concepts’ scopes. Corporate diplomacy is often described as an instrument through which to build and manage relationships with the key actors in a company’s host country (Fitzpatrick et al., 2020; Ingenhoff & Marschlich, 2019; White & Kolesnicov, 2015), while the political and instrumental CSR literature points more to the political and, respectively, social responsibility of companies (Schultz, Castelló et al., 2013). However, political and instrumental CSR differ in their assumptions about a company’s responsibility in this respect. Instrumental CSR approaches often view the responsibility toward society as the result of a company’s (negative) impact on society and the natural environment, regarding CSR activities as compensation for this (Schultz, Castelló et al., 2013). In contrast, political CSR scholars often point to the increased political responsibility of corporations due to the decreasing power and impact of governments in providing public goods (Scherer & Palazzo, 2011).

Furthermore, similarities and differences can be found when considering the goals of the three concepts. Corporate diplomacy and political CSR concepts are similar in the purpose of acquiring legitimacy, which, according to the literature, is often associated with corporate involvement in the political decision-making process (Ordeix-Rigo & Duarte, 2009; Scherer & Palazzo, 2011; Westermann-Behaylo et al., 2015). While corporate diplomacy is assumed to

be an instrumental strategy to gain power and status in the host country (e.g., Ordeix-Rigo & Duarte, 2009), political CSR literature follows mostly a normative, deliberative approach to the political involvement of companies (Scherer & Palazzo, 2011). Related to this, the access of the concepts to the involved actors or groups differs as well. While corporate diplomacy and instrumental CSR mostly have an organization-centered view (Amann et al., 2007; Ordeix-Rigo & Duarte, 2009; Schultz, Castelló et al., 2013), the political CSR literature is both organization- and society-centered (Schultz, Castelló et al., 2013). However, increasingly, scholars are exploring corporate diplomacy from a more society-centered perspective, i.e., the host country community (Mogensen, 2017; Westermann-Behaylo et al., 2015).

In summary, corporate diplomacy and CSR have commonalities and significant differences. The differences lie mainly in the international context of corporate diplomacy and the transnational publics to which corporate diplomacy activities are addressed especially host country governments. Nevertheless, the focus on the social activities of corporate diplomacy is strongly linked to the assumptions of CSR, i.e., corporations have a responsibility toward society or the local and global communities. Accordingly, as White et al. (2011) and Westermann-Behaylo et al. (2015) have highlighted, it can be assumed that corporate diplomacy activities sometimes integrate CSR or political CSR. Therefore, CSR can be considered a diplomatic activity insofar as it intentionally or unintentionally “influence[s] political decisions in host countries and affect[s] policy, media agendas, and societal change” (White et al., 2011, p. 282).

3.4 Toward a New Conceptualization of Corporate Diplomacy

As discussed in the previous section, corporate diplomacy conceptions vary according to which disciplinary view is adopted. This research seeks to link corporate diplomacy with public relations from a neo-institutional perspective. At the same time, I do not intend to neglect the origins of corporate diplomacy, i.e., public diplomacy. Therefore, a new conceptualization of corporate diplomacy at the intersection of neo-institutional public relations and public diplomacy will be proposed subsequently.

Public Relations and Neo-Institutional Public Relations

In section 2.3.3, neo-institutional approaches, legitimacy, and public relations conceptualizations were brought together. This thesis explores corporate diplomacy and legitimacy, and organizational legitimacy is generally regarded as individuals' and groups' perceptions of the appropriateness of an organization and its activities (Suchman, 1995). Organizational legitimacy is created and negotiated in a process that involves the organization and multiple actors within the organizational environment (Bitektine, 2011). Therefore, the role of public relations is best described as an engagement process, allowing organizations to identify the demands of their environments and build shared interests (Taylor, 2018).

Bringing this view together with the key assumptions of the sociological neo-institutional approach (see section 2.1.2), neo-institutional public relations was conceived as an engagement process between an organization and its societal environment, seeking to identify, reflect, and (re-)formulate societal expectations to show congruence between organizational actions and societal demands, which is the foundation for organizational legitimacy. Following this, the main aspect of neo-institutional public relations is the organizational orientation toward the societal environment and its demands. Neo-institutional public relations is primarily concerned with societal actors, including the community, the media, and political actors and less with economic actors. Moreover, neo-institutional public relations follows an "outside-in" instead of an "inside-out" approach, i.e., organizations continuously consider the "outside" demands in terms of societal expectations regarding their decision and activities. Finally, a central characteristic of public relations is its performance on the local, regional, national, and international levels (L'Etang, 2009).

Public Diplomacy

Recent developments in public diplomacy have shifted the view of public diplomacy as government-led activities toward foreign audiences to the activities of multiple transnational actors, including MNCs, in the international arena (e.g., Cull, 2008; Fitzpatrick, 2007). Building on the "new," relationship-oriented perspective on public diplomacy (Fitzpatrick, 2007; Gregory, 2008; Zaharna, 2010), this research stream regards public diplomacy as the relationship management between an organization and its foreign audiences, aiming to create mutual understanding between the involved actors (see Fitzpatrick, 2007; Gilboa, 2008; Gregory, 2008). Following this, public diplomacy involves multiple actors, including political actors, citizens, media actors, and corporations. However, public

diplomacy is mainly conceived as initiated by governments. Furthermore, public diplomacy is often regarded as enhancing a country's image (e.g., Gilboa, 2008; White & Fitzpatrick, 2018), including promoting a nation's culture, values, and politics, summarized as a country's soft power (Nye, 2008). In this way, a central feature of public diplomacy is that it appears on an international or mostly transnational level (L'Etang, 2009; Mogensen, 2020b).

Toward a New Conceptualization of Corporate Diplomacy

Combining the elements of neo-institutional public relations and public diplomacy, this thesis proposes the following new conceptualization and a distinct and comprehensive definition of corporate diplomacy:

Corporate diplomacy is the engagement of multinational corporations with actors in their host country environment in societal issues, through which multinational corporations identify, reflect, and (re-)formulate societal expectations to demonstrate the congruence between organizational behavior and societal expectations to build organizational legitimacy within the host country environment.

The proposed definition features elements of neo-institutional public relations and public diplomacy, summarized in Figure 3.1. The definition accounts for the origin of corporate diplomacy in public diplomacy, integrating an institutional approach to public relations. It is the engagement in societal issues relevant to the host country environment through which the developed definition highlights the interest of MNCs in following or even participating in diplomatic activities. In this regard, the definition points to the transnational setting and the societal and political issues that public diplomacy and corporate diplomacy share. Referring to "political" issues means that MNCs' engagement in societal issues in the host country may become part of the political sphere when it affects or is affected by the political agenda and political actors (Mogensen, 2020b).



Figure 3.1 Conceptual framework of corporate diplomacy integrating neo-institutional public relations and public diplomacy

Open Access This chapter is licensed under the terms of the Creative Commons Attribution 4.0 International License (<http://creativecommons.org/licenses/by/4.0/>), which permits use, sharing, adaptation, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons license and indicate if changes were made.

The images or other third party material in this chapter are included in the chapter's Creative Commons license, unless indicated otherwise in a credit line to the material. If material is not included in the chapter's Creative Commons license and your intended use is not permitted by statutory regulation or exceeds the permitted use, you will need to obtain permission directly from the copyright holder.





State of Research: Previous Findings on Corporate Diplomacy, the Media, and Organizational Legitimacy

4

Now that this thesis has introduced the theoretical framework and discussed the related main concepts of corporate diplomacy, public relations, legitimacy and the role of the media, and institutional linkages, the fourth chapter reviews previous research on these constructs. The chapter firstly presents previous findings on corporate diplomacy and secondly on public relations as a legitimation strategy. Subsequently, previous research on the media's role in gaining legitimacy and institutional linkages in the organizational legitimation process will be reviewed. Lastly, the chapter discusses factors affecting organizational legitimacy building to derive the hypothesized model, summarizing the assumptions on direct and indirect corporate diplomacy effects on organizational legitimacy.

4.1 State of the Research on Corporate Diplomacy

Previous corporate diplomacy research has predominantly encompassed conceptual papers (e.g., Ingenhoff & Marschlich, 2019; Macnamara, 2012; Mogensen, 2019; Ordeix-Rigo & Duarte, 2009; Westermann-Behaylo et al., 2015). Some empirical exceptions have explored corporate diplomacy as the involvement of MNCs in public diplomacy and its contribution to nation branding and the enhancement of the corporation's home country image (Fitzpatrick et al., 2020; White & Fitzpatrick, 2018; White & Kolesnicov, 2015; White et al., 2011). White and Fitzpatrick (2018) and Fitzpatrick et al. (2020) have examined corporations' perceptions in the U.S. and Europe concerning their involvement in government-led public diplomacy efforts and the perceived relevance of the home country's image for corporate diplomacy. Building on survey data ($N = 30$),

White and Kolesnicov (2015) have concluded that MNCs do not intentionally engage in activities that advance public diplomacy outcomes, such as the image of their country of origin. However, the authors have discovered that although corporations are aware of the advantages of engagement with the host country's government, they do not proactively seek to collaborate with governmental actors in the host country's environment (White & Fitzpatrick, 2018). Fitzpatrick et al.'s (2020) study has confirmed these findings regarding MNCs' perceived role in engagement in public diplomacy and nation branding. Their interview study with MNCs' communication executives has found that MNCs particularly seek to achieve economic interests in the host country (Fitzpatrick et al., 2020).

White and Kolesnicov (2015) have explored the corporate diplomacy efforts of Romanian corporations on a national level and the role of companies in creating national identity in Romania. By conducting a qualitative case study, including an analysis of electronic corporate documents, the authors have concluded that corporate diplomacy contributes to a country's identity, which may positively affect the country's image in the international arena (White & Kolesnicov, 2015). Fitzpatrick and colleagues' studies offer interesting insights into corporate diplomacy, particularly regarding their methodology in the interview studies (Fitzpatrick et al., 2020; White & Fitzpatrick, 2018). However, the conceptualization of corporate diplomacy as part of public diplomacy is not congruent with how this research conceives corporate diplomacy (see section 3.3).

Furthermore, corporate diplomacy has been studied as CSR efforts of MNCs in foreign countries and the self-attributed accountability of private companies for global issues (Weber & Larsson-Olaison, 2017) and as the link between CSR, public diplomacy, and nation branding (White et al., 2011). Weber and Larsson-Olaison (2017) have analyzed how German and Swedish MNCs demonstrate their engagement in the refugee crisis. By content-analyzing annual reports ($N = 157$), the authors have found that German corporations communicate more extensively about their participation in the emerging societal crisis than Swedish companies. They have concluded that German MNCs generally seem to demonstrate their obligation to deal with global societal issues more extensively (Weber & Larsson-Olaison, 2017). This finding points to the role of corporations as societal players in the global arena, referred to as corporate diplomacy. Even though their conceptualization has similarities to my understanding of corporate diplomacy, Weber and Larsson-Olaison (2017) have rarely pointed to the interaction between MNCs and their societal environment, which is the focus of this thesis.

Like Weber and Larsson-Olaison (2017), White et al. (2011) have analyzed corporate diplomacy in the realm of CSR in the case of U.S. corporations operating in Romania. By qualitatively content-analyzing news releases ($N = 90$), they have found that the CSR efforts of foreign MNCs, as part of corporate diplomacy, can contribute to creating a national culture in transitional countries. Accordingly, such corporate engagement in societal issues is comparable to governmental activities, contributes to the host country's culture, and can enhance the home country's image of foreign MNCs (White et al., 2011). Lastly, Mogensen (2017) has examined corporate diplomacy in a case study on a Chinese hydropower project in Myanmar, seeking to find out how corporate communication may play a significant role in solving conflicting interests between a country, social movements, and MNCs. The study has emphasized that foreign MNCs need to directly engage with the host country's communities to effectively contribute to societal issues and solve conflicts in the host country (Mogensen, 2017).

The literature review on prior empirical research shows that, firstly, corporate diplomacy has been mostly researched as involvement in (government-led) public diplomacy. Secondly, quantitative analyses are significantly lacking. Thirdly, the link between corporate diplomacy and organizational legitimacy has been analyzed only marginally (Mogensen, 2017). Fourthly, studies on corporate diplomacy in the media and the direct effects of corporate diplomacy have not been conducted so far, to the best of my knowledge. Finally, corporate diplomacy has been rarely studied in the context of Western European MNCs, particularly regarding those operating in the Middle East region. Table 4.1 provides an overview of previous empirical research on corporate diplomacy.

Table 4.1 State of the research on corporate diplomacy

Author(s) and year	Research interest	Method	Sample	Key findings
Fitzpatrick et al. (2020)	MNCs' motivations for getting involved in government-sponsored public diplomacy	Semi-structured interviews	Corporate communication executives of MNCs operating in North America and Europe ($N = n.d.$)	MNCs have little interest in contributing to the public diplomacy efforts (e.g., promotion of national culture) of their home country Corporate diplomacy follows the economic self-interests of the MNC in the host country
Mogensen (2017)	Role of corporate involvement and corporate communication in cross-national joint ventures	Case study, including field trips, analysis of written corporate communication, and interviews	Publicly available communication on the Chinese Myanmar joint venture and local opinion leaders ($N = n.d.$)	Corporate diplomacy helps create sustainable solutions for the foreign host country's communities
Weber & Larsson-Olaison (2017)	MNCs' accountability for global issues (i.e., refugee crisis) across two national settings	Quantitative content analysis	Corporate annual reports of the largest MNCs in Sweden and Germany ($N = 157$)	German MNCs engage more intensively in international CSR (as part of corporate diplomacy) than Swedish MNCs

(continued)

Table 4.1 (continued)

Author(s) and year	Research interest	Method	Sample	Key findings
White & Fitzpatrick (2018)	MNCs' role in public diplomacy and the link to CSR efforts	Survey with closed and open-ended questions	Public relations executive of U.S. MNCs ($N = 30$)	CSR efforts (as part of corporate diplomacy) of U.S.-based MNCs can contribute to the home country's image U.S.-based MNCs feel no responsibility to engage in U.S.-initiated public diplomacy
White & Kolesnicov (2015)	Role of private sector engagement in nation-branding and public diplomacy	Case study, including direct observations and document analysis	Corporate websites, blogs, and Facebook pages of Romanian companies ($N = n.d.$)	Corporate diplomacy as the engagement of national companies in public diplomacy enhances national identity, acting as an antecedent of a positive country image on an international level
White et al. (2011)	CSR and corporate citizenship and their role in diplomatic efforts (i.e., nation-building)	Qualitative content analysis	News releases of MNCs from the U.S. operating in Romania concerning their local CSR activities ($N = 90$)	CSR and corporate citizenship (as part of corporate diplomacy) contribute to the building of culture in a transitional country

4.2 State of the Research on Public Relations as a Legitimation Strategy

Although the idea of building organizational legitimacy through public relations is not new, only a few scholars have explicitly outlined legitimacy as a key concept in public relations research (Merkelsen, 2013; Metzler, 2001; Sandhu, 2012; Wæraas, 2007, 2018; Yoon, 2005). Consequently, empirical public relations research on legitimacy is rare. Prior studies have analyzed the legitimacy efforts of private companies through the lens of CSR (e.g., Bachmann & Ingenhoff, 2016, 2017; Berg & Feldner, 2017) and in the context of crisis communication (e.g., Massey, 2001; Yim & Park, 2019). Moreover, studies have examined legitimacy in the context of not-for-profit organizations (NPOs) in the case of charitable organizations' legitimacy (Wiggil, 2014) and concerning advocacy organizations and issue legitimacy (Mundy, 2013). Lastly, potential legitimacy conflicts of private companies have been studied in the issues of cultural diversity (Holmström et al., 2009), climate change (Livesey, 2002), and food safety (Merkelsen, 2013). In the following, relevant studies are briefly reviewed regarding the measurement of legitimacy and the key findings related to legitimacy.

Legitimacy and CSR Communication

In the context of a commodity trading corporation and a media company, Bachmann and Ingenhoff (2016, 2017) have developed and tested a CSR dilemma model that brings together the direct and indirect effects of CSR communication and organizational legitimacy. By conducting experimental surveys, Bachmann and Ingenhoff's studies (2016, 2017) have indicated that the extent of CSR communication has significant direct and indirect effects on corporate legitimacy. In the case of the fictitious commodity company, corporate credibility was found to be a significant mediator, positively affecting corporate legitimacy (Bachmann & Ingenhoff, 2016). In the study, corporate legitimacy was measured as a latent construct, comprising items that analyze the congruence between the company's activities and socially accepted norms and values, the company's perception as legitimate, and the impression that the company complies with social standards (Bachmann & Ingenhoff, 2016). In a later study, Bachmann and Ingenhoff (2017) have measured the organizational legitimacy of a media company as the perception of the organization's contribution to the public and its right to operate. Likewise, Lock and Schulz-Knappe (2019) have explored the effects of credible CSR on organizational legitimacy in the case of a fashion company by conducting an experimental survey. Organizational legitimacy was analyzed on two levels.

First, cognitive legitimacy was measured as agreement with the company's decision. Second, pragmatic legitimacy was studied as purchase intention. The study's findings have implied that credible CSR communication results in higher purchase intention and decision agreement, which the authors interpreted as a positive effect on pragmatic and cognitive legitimacy (Lock & Schulz-Knappe, 2019). While Bachmann and Inghoff's studies (2016, 2017) provide an interesting approach to measuring corporate legitimacy, the operationalization of organizational legitimacy by Lock and Schulz-Knappe (2019) significantly differs from the conceptualization of organizational legitimacy in this thesis as the perceived congruence between organizational behavior and societal expectations.

In contrast to the quantitative approaches of the previously presented studies, Berg and Feldner (2017) have applied a qualitative case study that critically assessed whether and how Coca-Cola uses public relations to manage organizational legitimacy on a moral level. In particular, the authors have reviewed Coca Cola blog posts to explore how its corporate communication on a political CSR topic follows ethical standards to manage public criticism of the company. Berg and Feldner (2017) have concluded that the public relations strategies were unsuccessful in gaining organizational legitimacy because the company failed to demonstrate that it meets societal expectations. Similarly, discussing organizational legitimacy as an alignment of societal expectations and corporate behavior, Dudenhausen et al. (2020) have investigated how corporate self-image and the public corporate image differ concerning perceived corporate responsibility. Building on a public survey and a content analysis of press releases and annual reports of clothing and banking companies, the authors have found a significant difference between a company's self-image and its public image regarding company responsibility (Dudenhausen et al., 2020). Although the authors have neither explicitly measured organizational legitimacy nor further discussed their findings in the light of legitimacy, they have concluded that "legitimacy might be at risk when communication departments ignore the expectations of the public and thus cause the corporate self-image and the public image to diverge" (Dudenhausen et al., 2020, p. 29). Building on that, a more in-depth discussion on organizational legitimacy regarding societal expectations is necessary and undertaken by this research.

Legitimacy and Organizational Communication in Times of Crises

Organizational legitimacy was analyzed in the context of corporate crises. According to Massey (2001, p. 153), "[w]hen faced with a crisis, organizations are compelled to communicate strategically with stakeholders to manage legitimacy." To test the effects of crisis communication strategies, Massey (2001)

has conducted an experimental survey and found that organizations with consistent crisis responses increase organizational legitimacy. The experiment has analyzed the legitimacy perceptions of an airline, measuring the latent construct through the organization's perceived credibility, safety, and right to operate (Massey, 2001). In contrast, Long (2016) has taken a qualitative approach to study the crisis communication strategies of the Red Cross Society of China. By reviewing the social networking sites, press releases, and media coverage of the Chinese Red Cross Society during a national scandal, the author has concluded that the organization failed to secure its legitimacy during the crisis due to a lack of transparency and failure to address societal expectations (Long, 2016).

Similar to Long (2016), other scholars have applied qualitative approaches to studying crisis communication strategies and their challenges in securing organizational legitimacy in the case of a previous scandal of Korean Air (Yim & Park, 2019) and of the U.S. Federal Emergency Management Agency during a national catastrophe (Veil & Anthony, 2017). Both studies have indicated that the most critical challenge of crisis communication regarding securing legitimacy is the potential increase of risk perception from the stakeholders' perspectives (Veil & Anthony, 2017; Yim & Park, 2019). Moreover, the scholars have concluded that crisis communication might vary in its effects on moral, cognitive, and pragmatic legitimacy (Yim & Park, 2019).

However, case studies, such as the previously presented ones, are limited in generalizability and applicability to other studies. Nevertheless, particularly legitimacy research in crises underscores the relevance of studying public relations strategies in gaining legitimacy across stakeholders and levels (moral, pragmatic, and cognitive legitimacy). This thesis specifically seeks to learn more about the role of relationship building in gaining different legitimacy types, accounting for varying stakeholders and expectations.

4.3 State of the Research on the Role of Media in Gaining Organizational Legitimacy

The media are regarded as one of the most critical institutions in an organizational environment. Therefore, the media are essential for organizational legitimacy building (Baum & Oliver, 1991; Bitekine & Haack, 2015; Merckelsen, 2013). This argument is mainly reasoned by the assumption that the media not only reflects (Dowling & Pfeffer, 1975; Hybels et al., 1994) but influences public opinion (see agenda-setting theory, McCombs & Shaw, 1972). This phenomenon also applies to corporate-related news in the media and the public audience's perception of a

company (Carroll & McCombs, 2003). The particular importance of media representations for affecting organizational legitimacy perceptions among a wider audience lies in the perceived role of the media as “the share of voice that determines the evaluator’s perception of validity” (Bitekine & Haack, 2015, p. 8). For organizational legitimation, the media are relevant since it forms societal expectations of the community and organizations, thereby influencing public relations and corporate communications (Carroll & McCombs, 2003; Deephouse, 2000). By increasing the public visibility of organizations and evaluating organizational decisions and behavior, media coverage significantly affects organizational legitimacy perceptions (see section 2.2.3).

Due to its pivotal role in the legitimation process, scholars have increasingly analyzed the link between media and organizational legitimacy and how organizational legitimacy is enhanced through positive media portrayals (Deephouse, 1996; Humphreys, 2010; Marberg et al., 2016; Pollock & Rindova, 2003). Three overall approaches to studying organizational legitimacy through media coverage can be found in prior research. First, scholars have analyzed organizational legitimacy in the media as a public endorsement and the visibility of an organization (e.g., Deephouse, 1996; Kennedy, 2008; Pollock & Rindova, 2003). These studies have not examined organizational legitimacy on a specific level. Second, previous studies have investigated organizational legitimacy in the media on a cognitive level (e.g., Navis & Glynn, 2013; Schultz, Marin et al., 2013). These studies have mostly built on the assumption that media portrayals increase the recognition and publicity of organizations, which contributes to the comprehensiveness and taken-for-grantedness of organizations, referred to as cognitive legitimacy (Suchman, 1995). Third, a few studies have analyzed media evaluations of organizational decisions and behavior, measuring organizational legitimacy on a socio-political level (e.g., de Souza, 2010; Humphreys & LaTour, 2013). Previous findings within the three domains of analyzing legitimacy and media are presented and discussed in the following.

Legitimacy as Media Recognition

Most of the previous studies that have explored legitimacy in the media conceived media recognition or attention as “the amount of prominence or coverage that an actor, event, or issue receives” (Andrews & Caren, 2010, p. 843) to operationalize legitimacy (e.g., Baum & Powell, 1995; Deephouse, 1996; Pollock & Rindova, 2003). Deephouse (1996) is one of the first scholars who has analyzed organizational legitimacy in the media, which he defined as the public endorsement arising from media representations. In the case of commercial banking companies, his results indicate that, besides regulators, the media are a critical

source of legitimacy even if the organizational age, size, and economic performance are included in the analysis (Deephouse, 1996). Pollock and Rindova (2003) have investigated the effects of media coverage on legitimacy in the case of initial public offerings. The authors have found that increased media-provided information positively affects stock turnover (Pollock & Rindova, 2003). Lastly, measuring legitimacy as the number of press articles on corporations, Deeds et al. (2004) and Kennedy (2008) have concluded that organizational legitimacy through media coverage positively influences the flow of economic resources in emerging industries. As these studies show, measuring organizational legitimacy as media recognition has only minor informative value for how media portrayals can contribute to organizational legitimacy since it does not consider what the media articles are about or whether they are positive or negative (except for Pollock & Rindova, 2003).

Media Coverage and its Link to Cognitive Legitimacy

Few studies have investigated legitimacy in the media on a cognitive level. Navis and Glynn (2010) and Schultz, Marin et al. (2013) have explored the media's role as part of the legitimation process of new market categories. Analyzing linguistic patterns in news media coverage, Navis and Glynn (2010) have suggested that media coverage creates a cognitive construal of new market categories, mitigating incoherence, unfamiliarity, and unpredictability. These results imply that media attention, when not negatively connoted, can contribute to the organization's perceived familiarity and stability and, in turn, to cognitive legitimacy. Schultz, Marin et al. (2013) have studied the emergence of the broadband market and revealed that positive media coverage of this market and related news helped build awareness about broadband technology among the industry, regulators, and customers. However, "[n]egative evaluation of the industry also strongly affected the emergence of the new category, but in this case, it played a de-legitimizing role, reducing the rate of entry" (Schultz, Marin et al., 2013, p. 50). This finding emphasizes that cognitive legitimacy might be affected by the general occurrence of news coverage about an organization or industry and the valence of the news.

Furthermore, one study has explicitly analyzed cognitive legitimacy and its link to media presentations in the case of NGOs (Marberg et al., 2016). The scholars have examined how NGOs have been portrayed in the media for over 25 years and found that media coverage helped NGOs gain cognitive legitimacy by categorizing and labeling the organizational types of NGOs over time. Accordingly, media coverage presented NGOs mostly related to their good efforts and role as independent experts, thereby contributing to the understanding of NGOs' unique purpose and role in society. This process led to the proliferation and

cognitive recognition of NGOs and, in this regard, to the cognitive legitimacy of an entire organizational type (Marberg et al., 2016).

Media Coverage and its Link to Socio-Political Legitimacy

Previous research has explored the role of media coverage in socio-political legitimacy, particularly moral legitimacy. In his study on the social acceptance of gambling among consumers, Humphreys (2010) has examined the role of media portrayals in constructing and changing the meaning of gambling, affecting cognitive and moral legitimacy perceptions regarding the issue. The author has conducted a discourse analysis with news articles on gambling between 1980 and 2007. Humphreys (2010) has concluded that media coverage shapes the legitimacy perceptions of gambling institutions in three ways—selection, validation, and realization. By selecting certain information, quotations, and examples and presenting them as congruent or incongruent with societal and cultural values, i.e., validation, the study has shown that media granted gambling and gambling institutions moral legitimacy. Humphreys has conceived media realization as the choice of media outlets to cover the topic of gambling, allowing for determining the awareness of gambling practices. According to Humphreys's (2010) results, the media discourse has led to higher visibility of gambling and, in turn, granted cognitive legitimacy. Likewise, Humphreys and LaTour (2013) have explored the link between media frames and legitimacy judgments on online gambling compared to those of more established industries, including casino and lottery gambling. Building on a content analysis of media frames in combination with an event analysis, the authors have found that media frames “play a critical role in establishing legitimacy at the sociocultural level and that framing potentially bridges cognitive and normative [moral] legitimacy” (Humphreys & LaTour, 2013, p. 773). Similar to the previously mentioned scholars, de Souza (2010) has explored organizational legitimacy on the moral level. The study has analyzed which media frames occurred in the portrayals of NGOs and showed that NGOs are framed in four ways, favorably depicting NGOs and highlighting NGOs' role as courageous visionaries that help develop a country (de Souza, 2010). Building on that, de Souza (2010) has concluded that media frames on NGOs significantly contribute to their legitimacy on a moral level.

Overall, Humphreys's (2010; Humphreys & LaTour, 2013) and de Souza's (2010) research offers interesting insights into the measurement of organizational legitimacy beyond media recognition and endorsement of an organization and its activities. Notably, their methodological approaches seem relevant for this thesis since cognitive and moral legitimacy were studied through analyzing media frames (Humphrey & LaTour, 2013). This approach allows for combining

media recognition of corporate activities such as corporate diplomacy and media evaluation concerning these actions.

In the realm of public relations, research exploring media-based legitimacy has been scarce so far. One exception is the study by Merkslen (2013), in which the author has explored the role of the institutional environment, including the media, in forming legitimacy perceptions of food safety. In addition to other methods, Merkslen (2013) has deployed a qualitative content analysis of news media coverage to examine how food safety was presented in the media. The author has concluded that food companies are put under pressure by media evaluations, possibly threatening the legitimacy of food safety and the reputation of food companies. Although Merkslen (2013) has not explicitly measured legitimacy on a particular level, he has linked organizational behavior to the regulative and moral restrictions emerging from the organizational environment and putting pressure on these organizations. The value of Merkslen's study mainly lies in embedding legitimacy in public relations and a neo-institutional approach. Although his field study approach significantly differs from the current research's approach, Merkslen's study points to the role of the media in determining institutional logic that affects organizational behavior, the legitimacy of issues relevant to an organization, and organizational reputation. However, the studies of Humphreys (2010; Humphreys & LaTour, 2013) and Merkslen (2013) have focused on the legitimation of an issue rather than an organization, the latter of which is the focus of this thesis.

Synopsis of Previous Research on Organizational Legitimacy and the Media

In summary, the literature review implies that media portrayals may affect legitimacy perceptions of organizations in two ways—first, by frequently covering and selecting information and activities related to a specific organization and by quoting organizational representatives, the media increases an organization's prominence, comprehensibility, and familiarity, which contributes to organizational legitimacy on a cognitive level (Humphreys, 2010; Islam & Deegan, 2010; Lamertz & Baum, 1998; Marberg et al., 2016). Second, media coverage adds to organizational legitimacy on a socio-political level (moral, pragmatic, and regulative legitimacy) by evaluating organizational decisions and behavior, which makes some aspects more salient than others and determines how the organizational environment comes to know about its activities, such as corporate diplomacy. Notably, the concept of frames as “selective views on issues—views that construct reality in a certain way, leading to different evaluations and recommendations” (Mathes, 2012, p. 249) plays a critical role in forming organizational legitimacy judgments in the media (de Souza, 2010; Humphreys & LaTour, 2013;

Marberg et al., 2016). However, the literature review on legitimacy and media also demonstrates that previous research has mostly applied a management and organizational studies perspective, focusing on the media's role in organizational survival. A few studies went beyond that premise; however, they were not applied to the case of private companies.

4.4 State of the Research on the Role of Institutional Relations in Gaining Organizational Legitimacy

Previous research has explored the role of institutional relations in legitimacy building from different angles, including an institutional perspective that defines *institutional linkage* as “a direct and regularized relationship between an organization and an institution in the organization's environment” (Baum & Oliver, 1991, p. 187). An institution has been regarded as a constituent of the organizational field with a high degree of community-wide impact, uncontested social acceptance, or legislative authority, affecting organizational decisions and behavior (Baum & Oliver, 1991; Zucker, 1987, 1988). In addition to the conceptualization as institutional linkages, other scholars have investigated institutional relations as group affiliations (Ma & Lu, 2017), as legitimacy spillovers (Kostova & Zaheer, 1999), or as organizational community (Ruef, 2000). In the following, studies from these perspectives and their main findings concerning legitimacy are presented and briefly discussed.

Institutional Relations as Institutional Linkages

In the first realm, previous research has examined how institutional linkages affect organizational existence and economic success (Baum & Mezias, 1993; Baum & Oliver, 1991; Singh et al., 1986). Baum and Mezias (1993) and Baum and Oliver (1991) have measured institutional linkages as ties between an organization and governments and between an organization and community representatives. First, in the context of day childcare organizations in Canada, the studies have shown that both linkages to a governmental institution and a community institution have a significant positive effect on organizational growth and survival (Baum & Mezias, 1993; Baum & Oliver, 1991). Second, Baum and Mezias's (1993) study has indicated that governmental linkages have a stronger effect on organizational growth than community linkages. Building on these results, the authors have concluded that linkages to established actors in an organization's environment significantly contribute to organizational legitimacy on an economic level (Baum &

Mezias, 1993). According to Baum and Oliver (1991), an organization's institutional linkages to an established or socially accepted organization such as the government increase the perception of congruence between organizational behavior and societal norms and values. In this regard, the external evaluation of institutional linkages facilitates the assessment of the organization since the established institution is well-known and can be regarded as legitimized: "Relationships will be viewed more favorably to the extent that they are perceived to be consistent with the normative expectations imposed on these relationships" (Baum & Oliver, 1991, p. 214).

Institutional Relations as Group Affiliations

In the second perspective, Ma and Lu (2017) have conceptualized institutional relations as group affiliations, conceiving the construct as the "embeddedness or interconnectedness of business groups with leading formal and informal institutions [that] should confer resources and legitimacy to business groups and their affiliates in the institutional context" (p. 678). In their study, Ma and Lu (2017) have explored group affiliations in annual reports and Chinese companies' websites. By analyzing the relationship between group affiliations' effects on a company's market value of equity and organizational traits such as firm age and size, the study has indicated that group affiliations significantly moderate the effect of organizational traits on firm value (Ma & Lu, 2017). Ma and Lu (2017) have not directly measured organizational legitimacy but related the firm value to organizational legitimacy as a strategic resource.

Institutional Relations as Legitimacy Transfer between an Overall Population and its Subpopulations

In the third view of institutional relations, Kuilman and Li (2009) have analyzed how an organizational subpopulation's legitimacy benefits from the legitimacy of the overall population. They have conceived the legitimacy of an overall population as "the extent to which the population is socially recognized, and its existence is taken for granted" (p. 229). A subpopulation represents an organization that is a member of the overall population (Kuilman & Li, 2009). The authors have analyzed secondary data on media reports in the context of banking companies in China to test the effect of the legitimacy transfer of the overall population on its subpopulations. The study has found that subpopulations that were less fitting to the overall population could benefit the most from legitimacy spillovers, while they could rarely contribute to the overall population's legitimacy (Kuilman & Li, 2009). This result implies that the more similarly a subpopulation displays itself

to its overall population, for instance, an MNC's subsidiary and its headquarters, the less it can benefit from a legitimacy spillover.

In contrast to this finding, Li et al. (2007) have found that similarities between organizations, such as the industry sector and the country of origin, contribute to organizational legitimacy. Li et al. (2007) have revealed that foreign MNCs could profit from other MNCs' legitimacy as long as they demonstrate similar behavior. The authors have explored whether foreign MNCs' subsidiaries entering the Chinese market are perceived as more legitimate (measured as public acceptance in the media) when they show entry modes similar to those of previously established foreign MNCs (Li et al., 2007). The more an organization acts like another organization already established, the more likely legitimacy spillovers are (DiMaggio & Powell, 1983; see also Kostova & Zaheer, 1999).

Institutional Relations as an Organizational Community with the Same Identities

Lastly, institutional relations were researched as an organizational community, defined as "a bounded set of forms with related identities" (Ruef, 2000, p. 658). In the context of the U.S. healthcare industry, Ruef (2000) has analyzed how new organizations are affected by their positioning of organizational identity concerning existing identities in the community. When organizations demonstrate similar identities, the author has found that they increase the probability of legitimation (Ruef, 2000). In line with that, McKendrick et al. (2003) have revealed that the fit between the individual identity of an organization and its collective, established identity significantly contributes to organizational legitimacy on a cognitive level.

However, the presented studies on institutional relations have operationalized legitimacy mostly as organizational survival or growth and have not explored a specific level of organizational legitimacy or the role of societal values in organizational legitimacy. Furthermore, prior research on institutional linkages and legitimacy can mostly be found in organizational studies and sociology and have, to the best of my knowledge, not been linked to public relations or communications research so far.

4.5 State of the Research on Institutional Linkages and Intervening Variables in the Legitimation Process¹

The previous subchapters have shown that media coverage plays a critical role in shaping legitimacy judgments concerning an MNC and its activities. Moreover, it has been demonstrated how institutional linkages affect organizational legitimacy. Building on prior research (Baum & Mezas, 1993; Baum & Oliver, 1991), it can be assumed that corporate diplomacy news linking the MNC with an already-established actor in the host country's environment (in terms of institutional linkages) positively affects organizational legitimacy perceptions compared with such news that does not display institutional linkages. This research examines the role of institutional linkages between a foreign MNC and the local government in the UAE. Consequently, the following hypothesis can be stated:

H1: Corporate diplomacy with institutional linkages to the host country's government leads to a higher perception of organizational legitimacy (on the moral, pragmatic, and regulative levels).

However, the previous literature has pointed to several intervening variables that may affect the relation between institutional linkages and organizational legitimacy. First, the effect of institutional linkages depends on the perceived legitimacy of the institution that an organization links itself to (Baum & Mezas, 1993; Baum & Oliver, 1991). Applied to this thesis, the effect of the institutional linkages between the foreign MNC and the local government is assumed to depend on the perceived legitimacy of the UAE Government. The more the government is perceived as legitimate, the higher the MNC's perceived legitimacy is (see Baum & Oliver, 1991). Moreover, it can be expected that the corporate diplomacy initiative expresses desirable outcomes contributing to the host country's society due to the orientation of corporate diplomacy initiatives toward the local community. When the corporate diplomacy initiative involves the government, the government may be perceived as acting in a (more) desirable manner (see Suchman, 1995), and the government's legitimacy spills over to the perceived legitimacy of the MNC, as proposed by previous research (Baum & Oliver,

¹This chapter is partly derived from an article published in *Public Relations Review* by Marschlich, S., & Ingenhoff, D. (2022). Public-Private Partnerships: How Institutional Linkages Help to Build Organizational Legitimacy in an International Environment. *Public Relations Review*, 48(1), 102124, available online: <https://doi.org/10.1016/j.pubrev.2021.102124>.

1991; Kostova & Zaheer, 1999). These arguments lead to the second and third hypotheses:

- H2: Corporate diplomacy with institutional linkages to the host country's government positively affects the perceived legitimacy of the government.*
- H3: The perceived legitimacy of the government positively influences organizational legitimacy.*

Moreover, it is assumed that due to the significant power and impact of the UAE Government on local society, the institutional linkage between a foreign MNC and the local government positively affects the perception of the corporate diplomacy issue. As Kostova and Zaheer (1999) have pointed out, information on foreign MNCs in any host country is scarce, leading to the liability of the foreignness of MNCs. The institutional linkage with the government, which can be regarded as a cognitive relationship between the MNC and the government, emerges ("bounded rationality," Kostova & Zaheer, 1999) and enhances the evaluation of the MNC and that of the issues the company engages in (Kostova & Zaheer, 1999). Following this, it can be presumed that the perception of the issue promoted through the joint corporate diplomacy initiative between the company and the government can be positively affected by the government's involvement. At the same time, as previous studies have indicated, issue legitimacy affects whether the organization is perceived as appropriate and proper and, in this sense, is regarded as legitimate (Chung et al., 2016; Coombs, 1992). Coombs's study (1992) has shown that issues considered difficult or inappropriate harm the legitimacy of the company that promoted this issue. Similarly, Chung et al. (2016) have found that issue legitimacy, conceived as the adequateness of an issue or an organizational action, positively influences the social environment's acceptance of the organization related to the issue. Social acceptance and the perception of appropriateness constitute organizational legitimacy (Bitekine, 2011; Suchman, 1995). Hence, the following hypotheses are stated:

- H4: Corporate diplomacy with institutional linkages to the host country's government positively affects issue legitimacy.*
- H5: Issue legitimacy positively affects organizational legitimacy.*

In addition, recent research has shown that people in the UAE highly trust the local government (Edelman Trust Barometer, 2020), which might be related to

its achievements in recent years regarding education, public health, and other public goods (Khaleej Times, 2016). The Edelman Trust Barometer (2020) has shown that the trust in UAE media outlets is significantly lower than the people's trust in the government. In addition, the rated competence of the UAE media is significantly lower than the rated expertise of the UAE Government (Edelman Trust Barometer, 2020). Following Newell and Goldsmith (2001), trustworthiness and expertise are the two dimensions making up credibility. Therefore, it can be assumed that individuals perceive UAE news outlets as more credible when the government is involved since the UAE Government is more trusted and perceived as more competent compared to local media outlets. Finally, previous scholarship has suggested that organizational legitimacy is influenced by the perceived credibility of the source in which organizational action is displayed and evaluated (Bachmann & Inghoff, 2016; Lock & Schulz-Knappe, 2019). In this thesis, the source of corporate diplomacy content is the news media. The media's influence on individuals' perceptions and judgments depends on the extent to which individuals believe what they read in the media, conceived as media credibility (Finch et al., 2015). Finch et al. (2015) have analyzed the effects of environmental values and source credibility on legitimacy in the oil industry. They have found that media credibility significantly affects the evaluation of industry legitimacy. Furthermore, Bachmann and Inghoff (2016) have explored the impact of CSR disclosure on organizational legitimacy and revealed that content credibility significantly affects this relation. In particular, the study has indicated a positive effect of content credibility on organizational legitimacy (Bachmann & Inghoff, 2016). Following these arguments, the subsequent hypotheses are posed:

H6: Corporate diplomacy with institutional linkages to the host country's government affects media credibility.

H7: Media credibility positively influences organizational legitimacy.

A summary of the hypotheses can be found in [Figure 4.1](#).

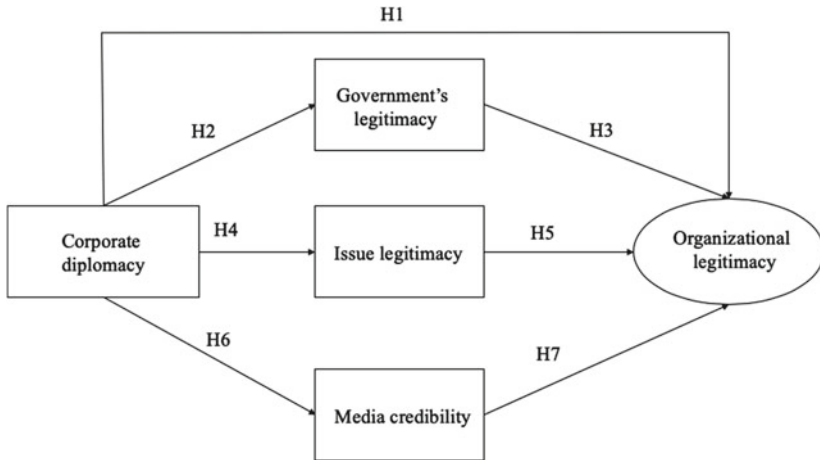


Figure 4.1 Model of the effects of corporate diplomacy on organizational legitimacy

Open Access This chapter is licensed under the terms of the Creative Commons Attribution 4.0 International License (<http://creativecommons.org/licenses/by/4.0/>), which permits use, sharing, adaptation, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons license and indicate if changes were made.

The images or other third party material in this chapter are included in the chapter's Creative Commons license, unless indicated otherwise in a credit line to the material. If material is not included in the chapter's Creative Commons license and your intended use is not permitted by statutory regulation or exceeds the permitted use, you will need to obtain permission directly from the copyright holder.





Study Context: The Case of the UAE

5

This chapter portrays the particularities of the UAE, chosen as the context for studying corporate diplomacy in this research. Referring to the global public relations framework (Sriramesh & Verčič, 2009, 2019), Dhanesh and Duthler (2019) have outlined that research in the Middle East needs to “contextualize insights based on political, economic, societal, organizational, media [...] cultures” (p. 80). This statement is particularly true because the region differs significantly from Western country contexts, and (Western) ethnocentricity characterizes much of the existing public relations research (Dhanesh & Duthler, 2019; Sriramesh & Verčič, 2019). Therefore, the UAE’s particularities in terms of political, economic, cultural, and media systems are presented and linked to public relations and corporate diplomacy. By outlining the features of the economic, political, and media systems as well as cultural characteristics and discussing these in the context of public relations and corporate diplomacy, this chapter will provide a comprehensive contextualization of this thesis.

5.1 The Political System and the Governmental Agenda in the UAE

The UAE is a comparatively young country, founded only 50 years ago, in 1971, as a federation of seven emirates (Abu Dhabi, Dubai, Sharjah, Ajman, Ras al Khaimah, Fujairah, and Umm al-Quwain). Before that, Great Britain had ruled the seven sheikdoms since the beginning of the 19th century. The UAE is a family-ruled federation of absolute monarchies, in which one sheik rules each of the seven emirates. Building on the national constitution, the federal government and each emirate’s government have profound power over the economy, social life, and the media system (Ayish, 2003). One particularity in the UAE is the

power of the ruling families, who, in addition to the government officials, wield significant executive power and influence crucial decision-making processes concerning policies and economic activities. For instance, the ruling families have the right to grant licenses for concessions for oil production and extraction and import goods. Moreover, in many cases, members of the ruling families act as sponsors for foreign MNCs since foreign actors are not allowed to own more than 49% of land or property—which also applies to corporations and their subsidiaries (see Ulrichsen, 2017). Exceptions are the so-called “free zones,” in which certain regulations do not apply, and foreign actors are allowed to own more than 49% of a firm. In this regard, businesses operating in the UAE benefit from close personal networks with the ruling families and the government (Al-Suwaidi, 2011). Therefore, it can be assumed that corporate diplomacy activities may particularly address government or ruling family members, which may come with advantages for the MNCs operating in the UAE.

Despite the existence of federal cabinets (e.g., the Federal National Council) with several politicians representing each of the emirates in the UAE’s federal government, fully elected, democratic institutions are absent (Al-Suwaidi, 2011). Still, the UAE Government is mostly perceived as legitimate, particularly among the Emirati nationals: “Whether it is at the local level in the individual emirates or at the federal level, UAE leaders boast a sense of legitimacy that no one, even those on the fringes of the political process, doubts or disputes” (Al-Suwaidi, 2011, p. 45). The government’s legitimacy might be explained by the UAE’s culture and its Arab heritage, in which hierarchies are highly appreciated, and leaders or individuals in senior positions are treated with high levels of respect and are rarely criticized (Yasin Fadol & Sandhu, 2013). The country enjoys high levels of social approval even though the political leaders have never attempted to integrate society members into decision-making (Al-Suwaidi, 2011).

In authoritarian states such as the UAE, public relations is mainly directed at the country’s rulers or serves to build relationships with government members (see Young & McCann, 2019). Two-way communication between (public) organizations and their environments is mostly absent (Kirat, 2006). Furthermore, in authoritarian states, corporate decisions are often made following the rulers, and restrictions on press freedom or censorship are often accepted by international corporations, as Hou and Zhu (2012) have found in their study on corporate public relations in China: “[k]eeping in line with the government themes is always the principle that each actor must comply with” (p. 922). As Kirat (2005) has pointed out, democratic institutions are the cornerstones of contemporary public relations. The absence of pluralistic opinions and decision-making processes in which different levels of the local community can participate may have significant effects

on corporate diplomacy. Engagement (see section 2.3.1) mainly builds on the premise of a *collective* decision-making process involving not only business and government elites but also social actors (Johnston & Lane, 2018; Taylor, 2018).

In recent years, the UAE Government has made several commitments toward its community, which can be found in the UAE's national agenda, called "Vision 2021," and, most recently, "Area 2071" (UAE Government, 2018, 2020). Accordingly, the UAE's governmental priorities touch upon all aspects of life, including an excellent healthcare and education system and a sustainable environment. All of these goals attempt to meet the national citizens' demands and simultaneously often reflect nation branding efforts through which the UAE aims to differentiate the country from other countries in the Middle East region and become a global player in meeting the demands of modern society (Allagui & Al-Najjar, 2018). However, Ilkkaracan (2008) has noted that UAE nationals often associate modernity with Western values and perceive it as a threat to their cultural heritage. The "social conservatism among their small local population [is] inconsistent with their larger ambition of global image and modern reputation," resulting in a significant challenge for the UAE Government (Allagui & Al-Najjar, 2018, p. 71). This affects foreign companies operating in the UAE. From a neo-institutional perspective, MNCs must demonstrate that they meet their environment's demands to gain legitimacy (e.g., Dowling & Pfeffer, 1975). In this regard, MNCs need to find ways to balance the (governmental, cultural, and social) norms and values of the UAE, which might include both conservative and Western values of their home country. Due to the local government's power, MNCs predominantly consider governmental actors as one of their key stakeholders, and MNCs' activities often follow governmental priorities (Tilt, 2016). Hence, corporate diplomacy efforts in the UAE are assumed to demonstrate alignment to the dominant (Islamic) values in the UAE and are directed toward the UAE Government in the first place.

5.2 The Economic System and the Relations between the Private and Public Sector in the UAE

The UAE is considered an emerging country since it does not fully meet developed economies' standards (Kirat, 2016). However, the country has attracted substantial foreign direct investments within the last 20 years and is one of the world's fastest-growing countries (Anadol et al., 2015; Kirat, 2006). Moreover, the UAE is among the largest exporters in the world, offering a tax-friendly environment for foreign MNCs, which, together with its high and rapid economic

development, attracts numerous foreign MNCs from all over the world (Rettab et al., 2009). As of now, employees do not have to pay any income tax, and in most business sectors, foreign companies pay no or very few taxes. Only since 2018 has there been a value-added tax, affecting foreign companies and their services. At five percent, however, it is still comparatively low. In addition, there are various exemptions from paying this tax for certain services and goods (AHK Gulf region, n.d.).

While the oil and gas sector has played the most critical role in the UAE's economy for many years, the country increasingly seeks to diversify its economy to become independent from its oil resources. For this reason, the UAE has invested in different fields, including financial services, renewable energies, tourism, and technology (Al-Suwaidi, 2011). In addition, the UAE Government seeks to develop the country's human capital, including education, environment, and sustainability, to enable the long-term prosperity of the Emirati nationals (Al-Suwaidi, 2011).

The UAE is unique in its population, comprising 80 to 90% expatriates from over 160 countries (Dhanesh & Duthler, 2019; Kirat, 2006). This feature results from the country's rapid economic development, mainly profiting from the foreign workforce, particularly in the construction and manufacturing sectors (Al-Suwaidi, 2011). Moreover, the UAE has a young population, with almost 50% of Emiratis being younger than 20 years (FCSA, 2017). Another particularity in the UAE is the blurring of lines between the public and private sectors, reflected in the numerous private-public partnerships. One reason for the vital link between the public and private sectors is that members of the ruling royal families own several private companies (Dhanesh & Duthler, 2019). In countries that predominantly build on monopolistic public sector businesses, the government is the most important or even the sole stakeholder in public relations efforts (Dhanesh & Duthler, 2019). However, as Kirat (2006) has noted, the increasing presence of private companies, particularly foreign ones, has positively influenced the profession of public relations in the UAE since increasingly more public relations agencies and in-house public relations departments have emerged, which, over time, have become more competent and proficient. Moreover, this rise in private companies from foreign countries has led to the spread of international public relations agencies in the UAE (Ayish, 2005).

Furthermore, the distribution of local and foreign workers in the private and public sectors is highly unbalanced in the UAE. In the private sector, only five percent make up Emirati employees, while in the public sector, the majority (60–70%) of the workforce comprises Emiratis (Dhanesh & Duthler, 2019). It is common in the Middle East region to work in the public sector since privatization

attempts are comparatively young. Due to partly higher wages and better working conditions in the public sector, national citizens still prefer the public over the private sector. However, since the country seeks to diversify its economy and increasingly privatize its public institutions, the UAE Government initiated the Emiratization program. This initiative encourages foreign private companies to employ Emirati citizens and offer training and workshops for Emirati youth to improve their professional skills. The latter seeks to fight youth unemployment, a primary challenge in the country (The National, 2017; World Economic Forum, 2014), while the Emiratization program generally seeks to secure jobs for Emirati nationals over the long term (Ronnegard, 2011).

In short, improving the quality of life of its citizens in terms of education, healthcare, sustainability, and the employment of nationals is a primary goal of the UAE Government (UAE Government, 2020). Therefore, the involvement of foreign MNCs is of high relevance (Sabouni, 2017). As a result, the UAE Government promotes and encourages corporate engagement in societal issues that contribute to the country's development (Tilt, 2016), pointing to the potential role of corporate diplomacy. Hence, it can be assumed that corporate diplomacy plays an essential role in the UAE. In addition, the UAE is highly attractive to MNCs because of its business opportunities and tax-friendly environment. Therefore, companies will strive to have a positive image in the country and toward the government to operate there in the medium and long term. Thus, the adjustment of companies to government priorities, as proposed by Duthler et al. (2015), may not only be based on the government's general power or the companies' fear of sanctions. Corporate adaptation could also be related to the financial advantages such as reduced or eliminated taxes.

5.3 The Cultural Heritage of the UAE

The UAE's population is diverse, with 80–90% being expatriates, mainly from India, Pakistan, the Philippines, and a few percent from European countries (Gulf Labour Markets and Migration, 2016). Despite the multiculturalism, with the nationals being a minority in their own country, the country is an Arab Muslim state that strongly builds on Islamic values, determining what is appropriate and affecting governmental regulations, such as in the form of the Shari'ah (Sardar, 2003). Younger Emiratis increasingly integrate or adopt Western values. At the same time, older generations fear the "invasion of foreign goods and attitudes into their society" (Al-Suwaidi, 2011, p. 55), a danger to social cohesion. Therefore, the preservation of the Emirati and Arab cultural heritage is a vital priority of the

national agenda (UAE Government, 2018) and comes with challenges for public relations activities. As the literature has pointed out, in the UAE, public relations activities need to understand and adapt to the dominant, traditional cultural values to raise public awareness (Al Khaja & Creedon, 2010; Creedon & Al-Khaja, 2019) and influence the attitudes and behaviors of individuals (Kruckeberg, 1996).

Previous literature has explored which cultural values in the Middle East are of particular relevance for public relations practitioners (Al-Kandari & Gaither, 2011; AlSaqr & Al Hashimi, 2019; White & Alkandari, 2019) and has found the following core cultural variables: commitment to religion, respect for hierarchies, reluctance to social change, and group affiliation (Al-Kandari & Gaither, 2011), along with relationships building on honesty and the care for others in the community, particularly family members (AlSaqr & Al Hashimi, 2019). Concerning companies' societal engagement, its perception is strongly affected by Islamic values, in which philanthropy plays a major role (Katsioloudes & Brodtkorb, 2007). The devotion to the local community is, for instance, reflected in the form of Zakat, a certain percentage of wealth that individuals and organizations are expected to spend on charitable giving. This became especially apparent in the 2017 "Year of Giving," which the UAE Government declared as the year in which people should focus even more on societal contributions (Duthler & Dhanesh, 2018; Zakaria, 2017). Companies are expected by the local society to demonstrate their societal commitment and giving back to the local community is an essential part of doing business in the UAE in an appropriate way (Tilt, 2016). Hence, it can be presumed that corporate diplomacy in the UAE is generally of high value from a societal perspective. From an organizational perspective, it can be assumed that corporate diplomacy is predominantly presented as social support for the UAE's community and as alignment with Islamic values, appreciating every individual's social engagement.

5.4 The Role of the Media in the UAE

A country's media system is closely related to its political system. Public opinion, freedom of expression, and a strong civil society affect how media actors define their role and how they can perform this role (Kirat, 2005). These variables can mostly be found in democratic countries only. Most Arab countries, including the UAE, still lack democratic institutions and freedom of speech, which negatively influences the professionalization of the media system and affects public relations practices (Kirat, 2005, 2006). In the Arab world, and thus in the UAE, the media system is a critical component of the authoritarian environment on which

the country's rulers are economically dependent (Richter & El Difraoui, 2015; Thomass, 2013).

In the UAE, due to the federal presidential monarchy, the seven sheiks of the individual emirates control all areas of the political sphere, the commercial sector, and the media system (Richter & El Difraoui, 2015). The media system in the UAE, similar to the economic system, is characterized by rapid development and has a comprehensive infrastructure (in terms of access to media and technology), which stands out positively compared to other Arab countries. When the UAE's media system began to develop in the early 1970s, UAE-based media companies were primarily engaged in the distribution of government publications, and mass media products were used primarily for nation-building (Geissner, 2015). At the end of the 1970s, the first English-language daily newspapers, *Gulf News* and *Khaleej Times*, appeared, and even today, these have an Arabic-language edition and an English version. Both news outlets are still the country's most widely distributed daily newspapers (Arab Media Outlook 2016–2018, n.d.). These newspapers mainly aimed to promote the country to the numerous expatriates reading and reporting to their relatives and friends abroad. Another measure to promote and spread a positive image of the country and its rulers was the establishment in 1977 of the Emirates News Agency, Wakalat Anba'a al-Emarat (WAM), with the support of the international news agency Reuters.

Although the media companies and the news agency are no longer government-owned but privatized, they are still largely financed by the UAE's governmental institutions (at the national or emirate level) or are in the hands of members of the ruling families, often relatives of the government's members (Geissner, 2015). An example of the close ties between media companies and the UAE's rulers can be found in the case of Emirate News Incorporated (EMI), founded in 1989 as a non-governmental institution to promote media companies. Members of the Al Nahyan family chair the EMI, while one of the Al Nahyan family's members is the current president of the UAE, Khalifa bin Zayid Al Nahyan. Another example is the Emirati news agency WAM, which is still dependent on government funds even though it officially enjoys editorial freedoms. Thus, the most privileged media organizations are not independent of the UAE Government, even though some are not directly controlled. The indirect dependency between the political and media systems enables rulers to use the media as the voice of the government and to spread national ideologies, ultimately strengthening the legitimacy of the country and its government. In other words, the financial support of media companies by the UAE's rulers ensures the loyalty of media makers toward the government (see Hahn & Alawi, 2015; Thomass, 2013).

Another critical pillar of the media system is the regulation of media content and distribution. The Media Law of 1972, specifying in Articles 70 and 71 that media outlets are not allowed to criticize rulers and express anything that threatens the state's security or relationship to ally states, still applies today, albeit with slight changes (Geissner, 2015). Media content is monitored by the National Media Council, which also issues licenses for media companies. Moreover, media law does not protect journalists from certain sanctions, leading to avoiding sensitive media coverage subjects (see Weinberg, 2008). Journalists can be fined, or their visas will be withdrawn were they to cross the "red lines" (Duffy, 2013, p. 29). Furthermore, the UAE Media Law includes many provisions to protect public morals. Any information that may damage "the national unity or social peace or prejudice the public order and public morals" is prohibited (Article 42, UAE Media Law). The UAE's public order and public morals are closely related to religion and culture. Hence, it can be concluded that its religious and cultural values strongly influence the UAE's media system. For example, the media law mandated the reverence of Islam and other "heavenly religions" (Duffy, 2014). For this reason, anything that might be contrary to the teachings of Islam is prohibited from being publicly reported or broadcasted. In the past, some liberal statements by bloggers were considered a violation of public morals and punished with severe sanctions (Duffy, 2014).

In summary, the government's influence on the media system, the legal basis of media companies and journalistic products, and religious and cultural values have led to the development of a media culture characterized by self-censorship, a lack of free and critical reporting, and extensive positive news coverage on the country's developments and the government (Ayish, 2003; Duffy, 2011). The media in the UAE can be regarded as a political instrument (see Richter & El Difraoui, 2015) aimed at ensuring the government's power by setting the national agenda, building and increasing the country's soft power, and influencing its image on local, national, and global scales (Geissner, 2015). Due to the strong link between the media and the political system in the UAE, public relations in the UAE is still often performed in conventional roles, using the media as mediators between the organization and its environment (Rizk, 2005). Thus, it can be assumed that MNCs seek to build good media relations and find ways of attracting media attention as much as possible to promote their corporate diplomacy efforts toward the government. Moreover, it is presumed that MNCs seek to use the tight relationship between media companies, for instance, by gaining easier media access through good relationships with the government or addressing governmental actors through the media.

Due to media laws, the government's power, and the media's general function as a political instrument, the media does not function as a "watchdog." Critical statements can only be reported if they do not negatively affect the country, its rulers, or the local community. As such, it can be assumed that the media in the UAE will not report critically on (corporate diplomacy) collaborations between MNCs and the UAE Government. Related to this, the more corporate diplomacy and the government's agenda are perceived as intertwined, the more interest the media will have in companies and the dissemination of corporate diplomacy-related news.

Because the media plays a critical role in corporate legitimation (e.g., Deephouse, 1996; see also section 2.3.3), it is highly relevant to examine the news coverage about MNCs and their corporate diplomacy efforts in the UAE media. While it cannot be assumed that the UAE media provides critical and independent coverage of companies, it can be argued that positive media coverage can increase a company's visibility and its general perception in the UAE (especially toward government actors, who are tightly linked to the media), which may affect the company's legitimacy in the UAE.

Open Access This chapter is licensed under the terms of the Creative Commons Attribution 4.0 International License (<http://creativecommons.org/licenses/by/4.0/>), which permits use, sharing, adaptation, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons license and indicate if changes were made.

The images or other third party material in this chapter are included in the chapter's Creative Commons license, unless indicated otherwise in a credit line to the material. If material is not included in the chapter's Creative Commons license and your intended use is not permitted by statutory regulation or exceeds the permitted use, you will need to obtain permission directly from the copyright holder.





Four different research questions guide the current research project (see section 1.2, Figure 1). A combination of qualitative and quantitative empirical methods was chosen to answer the research questions since it enables an in-depth understanding of the phenomenon of corporate diplomacy. Mixed-method designs are assumed to add breadth and complexity to the study, enriching the knowledge and insights gained from its findings (Denzin, 2012). Particularly the mix of qualitative and quantitative methods is increasingly used in social sciences since it allows the application of multiple perspectives, resulting in meta-interpretations (Olsen, 2004). This thesis used triangulation of methods to study corporate diplomacy on the organizational, media, and general audience levels. This chapter presents each method and the procedure of every study in detail.

Supplementary Information The online version contains supplementary material available at (https://doi.org/10.1007/978-3-658-36818-0_6).

6.1 In-Depth Interviews: The Organizational Perspective on Corporate Diplomacy and Legitimacy¹

To answer the following research questions: (1) *To what extent and how is corporate diplomacy in the UAE performed as engagement with its social environment?* and (2) *To what extent and how is corporate diplomacy in the UAE used to gain organizational legitimacy?* — this research took a qualitative approach. A qualitative approach allowed for exploring in depth how practitioners present and interpret their experiences concerning corporate diplomacy, its challenges and particularities related to the specific country context of the UAE, and the role of relationships with actors in the organizational environment. Corporate legitimation is a complex process of social constructions and qualitative research enabled the discovery of how individuals make meaning of actions. Furthermore, it allowed for demonstrating how social patterns, such as institutional logic concerning organizational legitimacy building, evolve and are established (see Berg, 2007; Woods, 1992). Since this thesis is interested in exploring corporate diplomacy embedded in a specific political, cultural, and economic context, a qualitative approach enhanced gaining profound perspectives into the unique conditions and circumstances of corporate diplomacy in the UAE (see Corbin & Strauss, 2008). In-depth interviews were chosen as a qualitative research method as this technique facilitated direct interactions with individuals and allowed for asking open-ended questions and further questioning in case additional insights were necessary (Rubin & Rubin, 2005).

6.1.1 Sample

Both theoretical and convenience sampling techniques were applied to draw the sample. Concerning the theoretical sampling, in the first step, the European countries with the highest investment volumes in the UAE in recent years were selected, which include Switzerland, Germany, France, the United Kingdom, and

¹ This chapter is derived in part from an article published in *Journal of Public Relations Research* by Marschlich, S., & Ingenhoff, D. (2021a). The Role of Public Relations in Corporate Diplomacy: How Relationship Cultivation Increases Organizational Legitimacy. *Journal of Public Relations Research*, available online: <https://www.tandfonline.com/doi/full/10.1080/1062726X.2021.1981332> and in *Public Relations Review* as Marschlich, S., & Ingenhoff, D. (2021b). Stakeholder Engagement in a Multicultural Context: The Contribution of (Personal) Relationship Cultivation to Social Capital. *Public Relations Review*, 47(4), 102091, available online: <https://doi.org/10.1016/j.pubrev.2021.102091>.

the Netherlands (The Arab Investment & Export Credit Guarantee Corporation, 2016). In the next step, the 30 largest companies in market capitalization from each country were considered. Thirdly, MNCs that do not operate in the UAE, i.e., that do not have local management hubs in the UAE, were omitted. This procedure led to a total of 83 corporations², which were requested to participate in an interview. The heads of the public relations departments were contacted via the email addresses made publicly available on the company websites. In cases where no contact information concerning the public relations department's head was available, a person was reached that was stated as the contact on the MNCs' websites. The interview request included specific information on the research study. It stated that the study aimed to interview executives responsible for planning and implementing the company's societal engagement in the UAE to learn more about MNCs' societal engagement in the UAE. This remark was made to ensure the interviewees' suitability to give comprehensive insights into the MNCs' corporate diplomacy practices. In total, 21 MNCs agreed to take part in the interviews.

Moreover, in terms of convenience sampling, it was decided to request the participation of the chief executive officers (CEOs) of leading international public relations agencies operating in the UAE for interviews. This decision was made since some interviewees from the European MNCs claimed that they were supported by public relations agencies in their conception and execution of local societal activities. Seven major public relations agencies could be identified through initial research and were contacted via email, asking for participation in the interview study. As a result, four CEOs of international public relations agencies agreed to take part in the interview. By combining theoretical and convenience sampling, several different views on corporate diplomacy in the UAE were possible, increasing external validity (Lincoln & Guba, 1985).

The final sample consisted of 25 interviews with public relations executives from seven German corporations, five British MNCs, three Swiss corporations, three Dutch corporations, three French MNCs, and four public relations agencies. Since data collection reached the point of information saturation after these 25 interviews and no new ideas had appeared, it was decided to finish the data collection after the 25 interviews. The interviewed MNCs were part of different sectors (including banking, food and beverages, healthcare, construction, and automotive). The interviewees varied in gender and had different cultural backgrounds. Except for two respondents, all interviewees were non-Emiratis. Further

² The corresponding data can be found in Appendix A in the electronic supplementary material.

information on the interviewees is not presented at this point. Due to interviewees' expressed feelings of insecurity in the UAE's given research context, the interviewees were assured high confidentiality and full anonymization, which did not allow for additional identity-related questions. For this reason, it is also not disclosed which companies were interviewed.

6.1.2 Procedure and Data Collection

Before the interviews started, the interviewees' informed consent was obtained³, and the interviewees were asked for permission to record the interviews. Furthermore, the participants were debriefed on the interview structure, and it was explained what the interviewer was referring to by "local, societal engagement" and other terms used in the interview to ensure external validity (Lincoln & Guba, 1985). Finally, the interviewer emphasized the openness of the interview situation, assuring high confidentiality and the full anonymization of the interview data. This step aimed at providing a comfortable interview atmosphere, allowing the respondents to express whatever they think and feel, thereby enhancing internal validity (see Lincoln & Guba, 1985).

The interviews were guided by an interview protocol⁴, which was discussed beforehand with academic experts in public relations and strategic communication from a large Swiss university and a large university in the UAE. Moreover, the interview guide was tested and refined with practitioners before the data collection started. Hence, the development of the research instrument included different academic and professional insights from both a Western country and a UAE perspective, increasing the instrument's validity and reliability. The interview guides for the public relations executives from the MNCs and the CEOs of the public relations agencies differed slightly regarding their reference object (companies: "your company"; agencies: "multinational corporations").

The interview guide consisted of five parts. The first part included questions on the interviewee's position, allowing for a short introduction. In the second part, the interviewees were asked about the MNC's societal engagement in the UAE, i.e., topics and motivations to engage in these activities. The questions did not refer to the term "corporate diplomacy," as previous research has shown that

³ The corresponding data can be found in Appendix C in the electronic supplementary material. Before the interviews were conducted, the study received institutional approval from a research ethics committee from a large university in the UAE.

⁴ The corresponding data can be found in Appendix B in the electronic supplementary material.

MNCs are often unfamiliar with this term (White & Fitzpatrick, 2018). Next, the interviewer raised questions concerning the addressed social groups in the UAE and their expectations and asked about the role of engaging with the social groups indicated by the interviewee. The fourth part of the interview focused on the public relations activities employed. The final part of the interview guide included questions on the peculiarities of the company's societal engagement in the given country context and the role of the MNC's home country. At the end of the interview, the respondents were asked for further comments concerning the interview topic or the interview situation itself. At this point, and during the whole interview, when new issues emerged, the interviewer raised further questions to fully understand the interviewee's thoughts. All questions were open-ended to encourage the interviewees to self-report as much in detail as possible. Moreover, all interviews were conducted in English. Since the interviewees and the interviewer have different language backgrounds and English is, in addition to Arabic, the main business language in the UAE (Dorsey, 2018), this approach seemed suitable.

The author of this thesis conducted the interviews that took place in the two most important business hubs in the UAE, Dubai and Abu Dhabi, between January and June 2019. All the interviews were conducted face to face. Except for two interviews, the interviews were recorded and transcribed. For the interviews that were not allowed to be recorded, the interviewer took notes in a detailed manner, which were transcribed immediately after the interview to ensure that most memories were still recallable. The interviews lasted between 37 and 79 minutes and yielded 231 single-spaced pages of data. The audio data and the transcripts were fully anonymized and stored only in the interviewer's notebook, secured with a password and only accessible by the interviewer. This procedure sought to ensure the confidentiality of the information related to the interviewees.

6.1.3 Data Analysis

The analysis of the interview transcripts followed the approach of qualitative content analysis according to Mayring (2000, 2008). The analysis aimed to summarize the main content of the interviews to investigate how corporate diplomacy is performed in the UAE, what role the engagement of different actors in corporate diplomacy activities plays, how this engagement process looks like, and whether and how companies use corporate diplomacy to gain legitimacy in the host country. The analysis was conducted using the qualitative analysis software MAXQDA.

A content-structuring content analysis following the approach of Mayring (2000, 2008) was conducted, aiming to identify and conceptualize content aspects and systematize them in the material. Accordingly, the different aspects of a topic build the categories and subcategories. Following Mayring (2000, 2008), the content-structuring content analysis included the following steps: 1) deriving main categories from the research question and the interview guide, 2) determining units of analysis, 3) developing new categories and subcategories and their definitions, 4) applying and modifying categories, 5) coding of the entire body of material with the final categories, and 6) presenting the results and interpretation. Hence, to develop the categories, this study followed a deductive-inductive approach (Mayring, 2000, 2008). This procedure allows for identifying emerging topics not covered by the deductively formed categories and finding subthemes.

In particular, the deductive development of the categories was guided by the research questions, the themes of the interview protocol, and the theoretical work, including “corporate diplomacy initiatives and topics,” “motives and objectives,” “social groups addressed/involved,” “societal expectations,” “engagement,” and “particularities in the UAE.” In addition, categories and subcategories were developed inductively based on the data material, including main categories such as “partnerships,” “challenges of engagement,” and “alignment with expectations” and subcategories such as “employee engagement” and “community engagement” as subthemes of “engagement” or “internal expectations” and “external expectations” as subthemes of the category “societal expectations.” In this way, the main categories represent broader themes, whereas subcategories represent aspects of the themes.

Text passages relevant to the research interest were marked in the transcripts, representing units of analysis to assign and identify existing and emerging categories. Text passages could be of varying length and comprise one or more sentences. While using the software, similar text passages were marked in the same color, whereas passages with different references or meanings were marked differently. In addition, memos were placed at marked locations to record ideas about the meanings and to reflect on them later. By re-reading the transcripts, focusing on the marked passages, and comparing them across all transcripts, categories could be revised and refined, and new categories and subcategories could be developed. In this step, the formulation and definition of the categories and their abstraction were frequently considered to ensure internal reliability (Mayring, 2008). When necessary, categories were modified, resulting in a final set of categories and subcategories. Subsequently, the entire body of data was (re-)coded, i.e., each text passage relevant to the research interest was assigned to a category or a subcategory.

In the next step, using MAXQDA, code matrices were created that included the categories and subcategories, the anonymized company name, the text passages, and the memos. The final step was the scientific abstraction of the data material to find similarities and differences in the data and, in this way, to identify specific patterns and indications of different corporate diplomacy approaches, i.e., engagement and legitimation strategies. For the sake of clarity, exemplary, directly cited statements are displayed in the results section.

6.2 Content Analysis: The Media Perspective on Corporate Diplomacy and Legitimacy

To answer the third research question—*to what extent and how can the media coverage of corporate diplomacy contribute to organizational legitimacy?*—a quantitative content analysis was employed. This method allows for investigating patterns in the media coverage of corporate diplomacy and, in this way, analyzing particular categories that form frame elements, which together build a media frame (see Matthes & Kohring, 2008, for this approach). Moreover, quantitative content analysis has been previously applied to organizational legitimacy research in the media (e.g., Deephouse, 1996; Marberg et al., 2016; Schultz, Marin et al., 2013; Vergne, 2011) showing appropriate applicability.

6.2.1 Sample

Since this study sought to investigate organizational legitimacy constructions from the perspective of the MNC's host country, in this case, the UAE, the most relevant media outlets in the UAE were chosen. Particularly regarding corporate news, daily newspapers are regarded as a primary information source (see Williams & Delli Carpini, 2011). Thus, the newspapers with the highest reach in the UAE were identified, which are *Khaleej Times* and *Gulf News* (Arab Media Outlook 2016–2018, n.d.). Due to their reach, it can be assumed that the chosen newspapers reflect and influence organizational legitimacy perceptions (see Deephouse & Suchman, 2008). Both newspapers are based in Dubai and have published local and international news daily since 1978 (Gulf News, n.d.; Khaleej Times, n.d.). Due to the investigator's language competencies, the English-speaking versions of the two newspapers were considered. This approach seems appropriate since English is, in addition to Arabic, the UAE's main language of business affairs (Dorsey, 2018). Moreover, comparing Arabic-speaking

and English-speaking media outlets in the UAE, Duffy (2013) has found that the news stories hardly differ except for sensitive issues, which barely apply to corporate diplomacy.

In the first step, this study used the company names as keywords to find news articles about the largest European MNCs operating in the UAE. Several steps were necessary for selecting the largest European MNCs, described in detail in section 6.1.1. The corporation selection process yielded a total of 83 corporations originating from France, Great Britain, Germany, Switzerland, and the Netherlands.⁵ The names of these companies were used as keywords, and due to the number of keywords, each company was searched separately. To access the newspaper articles, the electronic database “LexisNexis” was used, searching for each keyword for the period from January 1, 2014, until December 31, 2019. In the second step, the retrieved newspaper articles were read entirely, and those articles not referring to corporate diplomacy were excluded. As a result, the final sample consisted of 385 newspaper articles reporting on (at least) one of the selected corporations and its corporate diplomacy efforts. The newspaper article represents the unit of analysis.

6.2.2 Categories and Coding Procedure

A coding scheme was developed following an inductive-deductive approach, building on the news articles and previous literature on media frames, legitimacy, and corporate diplomacy. The coding scheme was divided into formal and content categories⁶, and each category was defined in detail, giving coding examples to increase the research instrument’s reliability. The formal categories included the name of the newspaper, the year, and the company name. The content categories were separated into two parts distinguishing between categories analyzing socio-political organizational legitimacy (moral, pragmatic, and regulative legitimacy) and cognitive organizational legitimacy.

First, the coding scheme included several categories reflecting the four frame elements, according to Entman (1993), to analyze the newspaper articles regarding their contribution to socio-political legitimacy. These frame elements are

⁵ The corresponding data can be found in Appendix A in the electronic supplementary material.

⁶ The corresponding data can be found in Appendix D in the electronic supplementary material.

problem definition, causal interpretation, moral evaluation, and treatment recommendation, together building a frame (Entman, 1993). This approach was suggested and applied by Matthes and Kohring (2004, 2008) and is used in an adapted form for this research. Each frame element comprised one or two categories. The frame element “problem definition” consisted of categories coding the corporate diplomacy topic and involved actors conceived as institutional linkage. For instance, the subcategories included public health and education for the category “corporate diplomacy topic” and government or national companies within the category “institutional linkage.” As outlined before, an institutional linkage is conceived as “any explicit reference to or association with state institutions (government, judiciary, law enforcement), international institutions (global institutions and international governments), and/or economic institutions (for-profit institutions)” and can contribute to the socio-political legitimacy of an organization (de Souza, 2010, p. 482). Again, the subcategories were coded with “1” for the occurrence of the topic or linkage or “0” if the news article did not refer to information related to one of the subcategories.

Second, the frame element “causal interpretation” was analyzed through categories coding the evaluation of organizational legitimacy and the dimension of legitimacy. It was coded whether the corporate diplomacy initiative and the corporation were endorsed or challenged and, if so, on which level of legitimacy (moral, pragmatic, or regulative). Following Suchman (1995), when the news article presented the company as contributing to the wider local community, and its corporate diplomacy efforts were regarded as the “right thing to do,” moral legitimacy was coded. When the article outlined that the MNC and its corporate diplomacy initiative provided individual and collective actors with favorable exchanges, it was coded as contributing to pragmatic legitimacy (see Foreman & Whetten, 2002). Lastly, regulative legitimacy was coded when the company and its corporate diplomacy activity were presented as complying with governmental rules or expectations (Diez-Martin et al., 2019).

Third, to analyze the frame element “moral evaluation,” the news article was reviewed regarding who was displayed as a beneficiary of the presented corporate diplomacy initiative, for instance, local community members. Fourth, the last frame element, “treatment recommendation,” was analyzed by the category “suggestion,” which coded whether the news article was supportive or critical of the corporate diplomacy initiative. For instance, when the news article promoted the initiative by encouraging readers to take part in the activity, it was coded as supportive. Following previous scholars, all categories were coded only if applicable since certain frame elements can be absent (Entman, 1993; Matthes & Kohring, 2008). Hence, if an article did not refer to, for instance, a beneficiary, all of the

subcategories of “benefit attribution” were coded with “0.” Simultaneously, multiple subcategories could be coded with “1” if more than one subcategory could be applied. Furthermore, all subcategories belonging to the categories of each frame element were developed inductively, building on an initial coding of 20% of the entire body of data.

Moreover, the second part of the coding scheme consisted of categories analyzing cognitive legitimacy. These included the position of the company’s name in the newspaper article and the position of a quotation from a company’s representative. The position of the company’s name and any quotations can increase the visibility of a company, contributing to its cognitive legitimacy (Kennedy, 2008; Lamertz & Baum, 1998). Both categories comprised subcategories that referred to the position in the text (e.g., the first third of the main text) and were coded with “1” if the company was named or quoted in the respective section or with “0” if not. Since the company could be named or quoted in different positions, each subcategory was coded separately.

One coder conducted the content analysis of the newspaper articles, and the intra-coder reliability for each variable was calculated. The study relied on Cohen’s kappa coefficient, as it is considered a standard technique in content analysis for analyzing the proportional reduction of error to measure the reliability of the dichotomous measures (see Wimmer & Dominick, 2000). The reliability of each variable was medium to high, ranging from .64 to 1.0,⁷ with an average coefficient of .82. According to Banerjee et al. (1999), Cohen’s kappa coefficients of .75 or higher indicate excellent agreement, .40 to .75 is fair to good, and a value below .40 implies a poor agreement. The kappa values for the variables in this study indicate an excellent or good agreement (see Banerjee et al., 1999) and imply good-to-high intra-coder reliability (Neuendorf, 2009).

⁷ The intra-coder agreements on each variable were as follows, presented per the main category. Issues—healthcare: $\kappa = .86$; education & youth: $\kappa = .87$; environment: $\kappa = .87$; culture: $\kappa = .89$; women’s empowerment: $\kappa = .79$; Emirization: $\kappa = 1.00$; employee well-being: $\kappa = .66$; Ramadan: $\kappa = 1.00$; social need: $\kappa = .79$; safety: $\kappa = .66$. Institutional linkages—government: $\kappa = 1.00$; national company: $\kappa = .1.00$; international company: $\kappa = .93$; social actors: $\kappa = .81$; national NPO: $\kappa = 1.00$; international NPOs: $\kappa = .66$; national educational institutions: $\kappa = .66$; international educational institution: $\kappa = 1.00$. Corporate legitimacy ascription—challenging: $\kappa = 1.00$; endorsing: $\kappa = .88$; neutral: $\kappa = .82$. Corporate legitimacy dimension—moral: $\kappa = .89$; pragmatic: $\kappa = .82$; regulative: 1.00. Benefits—society: $\kappa = .83$; government: $\kappa = .66$; partners: $\kappa = .68$; company: $\kappa = .79$; employees: $\kappa = .79$; country: $\kappa = .64$. Suggestion—supportive: $\kappa = .89$; critical: $\kappa = 1.00$.

6.2.3 Data Analysis

Since the overall aim of the quantitative content analysis was to find patterns in the news coverage on corporate diplomacy and to examine whether specific media frames exist that contributes to organizational legitimacy building in the media, the data analysis followed an explorative approach. According to Entman (1993), a media frame consists of four frame elements. These elements may be combined in certain ways, resulting in the construction of media frames (Matthes & Kohring, 2008). Following previous studies (Baumann et al., 2003; Semetko & Valkenburg, 2000), exploratory factor analysis and cluster analysis were conducted using SPSS 26. Both statistical methods allow for uncovering structures in data and, in this regard, investigating media frames as a combination of frame elements that share the same characteristics among the analyzed categories.

The analysis of the media frames sought to explore corporate diplomacy news articles and their contribution to socio-political legitimacy types. Socio-political legitimacy reflects how the media cover and evaluate a certain organization and its activities. In contrast, cognitive legitimacy rests on the an organization's public recognition and visibility in the media (Deephouse et al., 2017; Suchman, 1995). Moreover, individual legitimacy judgments on a cognitive level are related to socio-political legitimacy and can hardly be regarded separately (Bitekine, 2011). For this reason, the media frames identified in the first step of the data analysis were further analyzed regarding their link to cognitive legitimacy. A cognitive legitimacy score variable was created as the sum of the categories "position of the company" and "position of the quotation." Hence, the more often the company's name was mentioned in different positions and the more frequently it was quoted, the higher the score of the newly developed "cognitive legitimacy score" variable. Building on the results of the cluster analysis, a new category was created that included the number of the cluster assigned to each case (news article). Next, a one-way variance analysis (ANOVA) was conducted with the cognitive legitimacy score as the dependent variable and the cluster number (representing media frames 1, 2, or 3) as the independent variable. The ANOVA sought to measure the differences between the cognitive legitimacy ascriptions of the identified media frames.

6.3 Experimental Survey: The Audience's Perspective on Corporate Diplomacy and Legitimacy⁸

This study examined the influence of corporate diplomacy news with or without institutional linkages on organizational legitimacy by asking the research question *to what extent and how do institutional linkages with governmental institutions influence the effects of corporate diplomacy on organizational legitimacy?* Applying an experimental design study with a survey, this study is the first to analyze the effects of corporate diplomacy communication on organizational legitimacy. Experimental design studies are an appropriate research design to test hypotheses on the causality between two or more variables and have been widely applied in previous public relations research (e.g., Einwiller et al., 2017; Jiménez-Castillo, 2016; Tao & Song, 2020). Moreover, surveys allow access to individual judgments of an organization (Fombrun, 2007) and have been used to measure organizational legitimacy through an experimental design by previous studies (Bachmann & Ingenhoff, 2016, 2017).

6.3.1 Experimental Design, Procedure, and Sample

This study employed a one-factorial (corporate diplomacy news without/with governmental, institutional linkages) experimental design embedded within a survey. In the first step, the respondents were given information on the research study, including remarks on the full anonymization and confidentiality of the survey data, and were asked to sign an informed consent form.⁹ Then, the participants received information concerning the setting, in which they were asked to imagine reading an article in the newspaper they usually read to avoid any bias regarding the choice of newspaper for the stimulus. In the next step, the participants were randomly assigned to one of the groups, either receiving a newspaper article about corporate diplomacy without or with institutional linkages between the MNC and the local government. After that, the participants were exposed to a

⁸ This chapter is derived in part from an article published in *Public Relations Review* by Marschlich, S., & Ingenhoff, D. (2022). Public-Private Partnerships: How Institutional Linkages Help to Build Organizational Legitimacy in an International Environment. *Public Relations Review*, 48(1), 102124, available online: <https://doi.org/10.1016/j.pubrev.2021.102124>.

⁹ The corresponding data can be found in Appendix F in the electronic supplementary material. The entire study design, including the informed consent, was given institutional approval by a large university's research ethics committee in the UAE.

questionnaire that included several statements on the perception of organizational legitimacy on different levels (moral, pragmatic, and regulative legitimacy) and the intervening variables (governmental legitimacy, issue legitimacy, and media credibility). Moreover, the questionnaire included a statement on whether the initiative in the newspaper article was performed as a collaboration with the government (manipulation check) and asked for demographic information.

The sample comprised UAE residents that have lived in the UAE for at least five years. The decision on this requirement was made due to the specific population in the UAE, which comprises 80 to 90% expatriates. Hence, it was assumed that the assessment of whether an organization contributes to the local community (in terms of moral legitimacy) or individual interests (in terms of pragmatic legitimacy) or whether it aligns with governmental expectations (in terms of regulative legitimacy) was more likely to be valid if the individuals have lived in the country for several years. A market research company based in Dubai performed the data collection by individually surveying the participants using a tablet-assisted system. The data collection took place in the UAE's three largest cities, i.e., Abu Dhabi, Dubai, and Sharjah, in November and December 2019.

In total, 199 individuals participated in the study, fully completing the questionnaire. The number of participants among the two experimental groups was almost the same, with 99 individuals randomly receiving the corporate diplomacy news manipulation without governmental, institutional linkages (control group) and 100 participants receiving fictitious corporate diplomacy news with governmental, institutional linkages (experimental group). Overall, participants were between 18 and 60 years old¹⁰ (24.6% 18–29 years, 30.2% 30–39 years, 30.2% 40–49 years, 15.1% 50–60 years), and 50.3% of the sample were female. Furthermore, most of the participants were expatriates (87.9%), coming from Asia (70.4%), Western countries (12.6%), and Arab countries (5.0%), while the rest of the participants were Emirati (12.1%). Lastly, most participants had lived in the UAE for five to 10 years (45.7%). Around one-third of the participants had lived in the UAE for 11 to 25 years (34.2%), and around one-fifth (20.1%) had been in the UAE longer than 25 years or were born there.

¹⁰ The research guidelines of Zayed University Dubai/Abu Dhabi were restricted to people aged 18 to 60. According to local ethical research guidelines, involving individuals older than 60 was not allowed.

6.3.2 Development of the Stimulus

Given that this study sought to investigate the effects of corporate diplomacy (without/with governmental, institutional linkages) on the organizational legitimacy perceptions of the general audience, a fictitious newspaper article was created.¹¹ Newspapers are one of the major sources for business-related content (see Williams & Delli Carpini, 2011) and of high importance for the formation of public legitimacy perception and judgments (Deephouse et al., 2017). Building on the research of news content on the corporate diplomacy activities of European MNCs as part of the content analysis (see section 7.2), it was decided to include a corporate diplomacy initiative of the MNC “Danone,” which engages in the societal issue of public health education and nutrition. Danone is a food and beverage company that is popular across the UAE (see Arabian Gazette, 2018), and researching for news on Danone on the electronic database LexisNexis showed that between 2014 and 2019, no negative news had been disclosed in the Emirati newspapers *GulfNews* and *Khaleej Times*. The topic of public health education and nutrition was chosen for two reasons. First, public health is among the UAE’s top priorities (UAE Government, 2018) and is equally important for males and females of several ages. In the UAE, many citizens face diabetes and obesity (Gulf News Report, 2019). Therefore, it can be assumed that public health and nutrition are considered relevant among different socio-demographic groups. Second, the chosen issue of health and nutrition is part of Danone’s core business, and, thus, it can be presumed that the stimulus material seems plausible for the study’s participants. The procedures concerning the chosen context of the stimulus sought to increase the study’s validity.

Embedded within the news story were manipulations presenting either that the corporate diplomacy activity was initiated and performed by the MNC (Danone) alone (the control group without governmental, institutional linkages) or together with the UAE Government as a partnership (the experimental group with governmental, institutional linkages). To manipulate the institutional linkages with the government, the subtitle and the main text included four references to Danone’s collective engagement with the UAE Government in the initiative “Danone for Healthier Life,” as follows:

¹¹ The corresponding data can be found in Appendix A in the electronic supplementary material.

Ministry of Health collaborates with Danone Middle East celebrating 'Danone for Healthier Life' week

Roger Miller, business executive officer at Danone Middle East, commented: "In partnership with the Ministry of Health, our 'Danone for Healthier Life' initiative again reached thousands of UAE residents."

Within the project, initiated by Danone Middle East together with the UAE Government, participants had the opportunity to attend workshops to learn about diabetes.

As Miller added, "By showing how to eat and live healthily, Danone, in collaboration with its partner the Ministry of Health, is committed to supporting the local community to achieve the highest standards of health."

In the stimulus of the control group, such references to the government were missing:

Danone Middle East is celebrating 'Danone for Healthier Life' week

Roger Miller, business executive officer at Danone Middle East, commented: "With our 'Danone for Healthier Life' initiative, we again reached thousands of UAE residents."

Within the project, initiated by Danone Middle East, participants had the opportunity to attend workshops to learn about diabetes.

As Miller added, "By showing how to eat and live healthily, Danone is committed to supporting the local community to achieve the highest standards of health."

Since the experimental design study examined the effects on organizational legitimacy, the newspaper article included several statements that emphasized the MNC's dedication to social values and norms in the UAE and the corporation's commitment to the country, demonstrated through the corporate diplomacy activity as well as the value of the initiative for individual interests. These statements reflected organizational legitimacy on the moral, pragmatic, and regulative levels (see Diez-Martin et al., 2019; Suchman, 1995) and were included in both the control and the experimental groups' stimulus material.

6.3.3 Measurement, Pre-test, and Statistical Measurement Model Validation

Independent, Dependent, and Mediating Variables

The independent variable in this study was corporate diplomacy with or without institutional linkage. Respondents were randomly assigned to one of the two conditions. The variable was measured as a dummy variable, with "0" for the corporate diplomacy news article without institutional linkages (control group)

and “1” for the corporate diplomacy news article with institutional linkages to the government (experimental group).

Three organizational legitimacy levels (moral, pragmatic, and regulative legitimacy) represented the dependent variables. Measures for moral legitimacy were used, slightly adapted from Bachmann and Inghoff (2016), and included four¹² items, e.g., “From my point of view, the corporation makes an important contribution to UAE society.” Four newly created items measured pragmatic legitimacy since it had not been analyzed before in the conceptualization as to what degree the organizational actions contribute to individual self-interests (Bitekine, 2011). The newly developed items reflected the impression that the MNC’s initiative contributed to personal interests and benefitted the individual; for instance, “I think the corporation and what it does in its initiative has value for me.” Similar to pragmatic legitimacy, regulative legitimacy had not been measured before in how this thesis conceptualized the variable. Regulative legitimacy was conceived as the extent to which the organizational activities were perceived as fulfilling governmental demands and being accepted by the government (Diez-Martin et al., 2019). Following this, four new items were created, measuring the perception of the contribution of the MNC’s activity to governmental expectations and its assumed congruence with governmental rules, including “In my opinion, the corporation behaves in a way that complies with UAE governmental rules.” The items of the variables were rated on five-point Likert scales (1 *strongly disagree*, 5 *strongly agree*).

The measurement for issue legitimacy was developed following Chung et al. (2016), while media credibility was analyzed using a slightly adapted version of Finch et al.’s (2015) measurement. Lastly, governmental legitimacy was measured with a newly developed item, building on the conception of organizational legitimacy by Bitekine (2011), adapted to the government. All the items were rated on five-point Likert scales (1 *strongly disagree*, 5 *strongly agree*). Table 6.1 presents an overview of the latent variables, their items, and the sources.¹³

¹² Initially, six items were developed. However, a pre-test of the measurement resulted in a list of four items included in the survey (see section 6.3.3).

¹³ The corresponding data can be found in Appendix E in the electronic supplementary material.

Table 6.1 Variables with items and sources

Variables and items*		Sources
Moral legitimacy		
mleg1	I have the impression that the corporation complies with social norms and values.	Bachmann & Ingenhoff (2016) and Bitekine (2011)
mleg2**	From my point of view, the corporation makes an important contribution to UAE society.	
mleg3	I think the corporation promotes social welfare through its activity.	
mleg4	It seems to me that the corporation acts in a way that is beneficial for the UAE society.	
mleg5***	In my opinion, the corporation acts consistently with socially accepted norms and values in the UAE.	
mleg6***	I believe the corporation complies with the norms and values of UAE society.	
Pragmatic legitimacy		
pleg1	I have the impression that the corporation acts in a way that is beneficial for me.	Bitekine (2011) and Suchman (1995)
pleg2**	In my opinion, what the corporation does in its initiative is responding to my personal interests.	
pleg3	I think the corporation and what it does in its initiative have value for me.	
pleg4	I think the corporation and its activities contribute to my own well-being.	
pleg5***	I have the impression that I get certain commitments with the corporation and its activities.	
pleg6***	I believe what the corporation does is good for me and my objectives.	
Regulative legitimacy		
rleg1	I believe that the corporation follows government regulations.	Chung et al. (2016) and Diez-Martín et al. (2019)
rleg2	I think that the corporation and its activity meet the expectations of the UAE Government.	
rleg3**	I believe that the corporation and its activity would be accepted by the UAE Government.	
rleg4	In my opinion, the corporation behaves in a way that complies with UAE governmental rules.	

(continued)

Table 6.1 (continued)

Variables and items*		Sources
Moral legitimacy		
rleg5***	I think that the UAE Government would support such a corporation and its activity.	
rleg6***	In my mind, the corporation and its activity are appropriately within UAE governmental demands.	
Governmental legitimacy		
govleg	The UAE Government makes good decisions that benefit me and my surroundings.	Bitekine (2011)
Issue legitimacy		
issleg	I have a very positive opinion about the issue the corporation is engaged in.	Chung et al. (2016)
Media credibility		
medcred	I believe what I read in the newspaper about this corporation and its activity.	Finch et al. (2015)

Note: * All items were judged on a Likert scale, from 1 “strongly disagree” to 5 “strongly agree.”

**The item was deleted for the main data analysis, building on the prior confirmatory factor analysis.

***The item was deleted before the survey due to the results of the measurement pre-test.

Pre-test of Stimulus Material and Measurement

The stimulus material and the measurement were pre-tested in three rounds to increase the study’s validity. First, a group of students at an Emirati university ($N = 14$) was asked to participate in an item-sorting task, following Anderson and Gerbing’s (1991) approach. For this, the students read the description of each construct, using colloquial expressions and the items developed by the investigator. After that, they were asked to assign each item to the construct they believed matched best and, in the next step, to rate which items indicated the construct best. The item-sorting task is a useful means by which to assess the substantive validity of the measurement (Anderson & Gerbing, 1991). Building on this task, scores for each item were calculated, resulting in a list of good and less suitable items. Furthermore, the students and the investigator openly discussed the stimulus material concerning its clarity, length, and wordings.

Second, the pre-test involved another student sample from a Swiss university ($N = 13$) that was given the stimulus material, a description of the constructs, and a list of the items that belonged to each construct. Then, they were asked to

evaluate each item regarding how easy it was to understand and how much they thought it reflected the construct. The students rated the clarity and suitability of each item individually. Moreover, the items and the stimulus material were openly discussed, and the notes of this discussion, together with the students' evaluations of the items, provided the investigator with helpful comments and suggestions for improving the items and the stimulus material. In the last step, the pre-test included a discussion with academic experts ($N = 17$), who were asked to give feedback on the measurement and the stimulus material to assess face validity. For this step, a questionnaire was developed, assessing the items' appropriateness and the stimulus material's suitability. The questionnaire included the investigator's conceptualization of the constructs, a list of the items for each construct, the stimulus material, and closed-ended and open-ended questions to examine the research instrument's adequateness.

The analysis of the responses, the item-sorting task of the student samples, and the comments of the academic experts led to minor changes in the wording of the items and the stimulus material. Second, the items evaluated as the least suitable were deleted, resulting in four items for each construct of moral, pragmatic, and regulative legitimacy. Lastly, the construct of cognitive legitimacy had been included in a prior version of the questionnaire. However, building on a reconsideration of the literature and the comments of the academic experts, it was decided to exclude the construct. The main reason for this decision was that cognitive legitimacy, reflecting a taken-for-grantedness and evolving over a relatively long time, is hard to measure in a one-time survey. Table 6.1 presents an overview of all items and shows which items were deleted as a result of the pre-test.

Measurement Model Validation

A confirmatory factor analysis (CFA) was conducted to test the specification of organizational legitimacy with three factors (moral, pragmatic, and regulative legitimacy) and the measurement model. The model was estimated with SPSS Amos Graphics 25, using maximum-likelihood (ML) bootstrapping on 5,000 samples.

First, the results of the CFA revealed that the one-factor model (all legitimacy items as one factor) did not fit the data well. The overall model fit ($\chi^2(54) = 521.38, p < .001, \text{CMIN/DF} = 4.43$), the root mean square error of approximation (RMSEA) = 0.13, the comparative fit index (CFI) = 0.80, the normative fit index (NFI) = 0.78, the Tucker–Lewis index (TLI) = 0.75, and the standardized root mean square residual (SRMR) = 0.84 were not adequate as the mentioned values were not in line with the recommended ones (see, Brown, 2015; Hu &

Bentler, 1999). The three-factor model (four legitimacy items each factor with moral, pragmatic, and regulative legitimacy being one factor each) led to a more appropriate overall model fit compared to the one-factor model ($\chi^2(22) = 226.26$, $p < .001$, $CMIN/DF = 1.8$, $RMSEA = 0.13$, $CFI = 0.93$, $NFI = 0.91$, $TLI = 0.90$, and $SRMR = 0.07$). Hence, the three-factor model fit the data better and was further used for the data analysis.

Since the overall model fit of the three-factor model with four items per each latent construct (moral, pragmatic, and regulative legitimacy) cannot be regarded as sufficiently well-fitting in light of the presented model fit values (Brown, 2015; Hu & Bentler, 1999), the lowest standardized parameter estimates and the largest error covariances in the modification indices of the model were considered (Brown, 2015; Byrne, 2001). This inspection led to the deletion of the items (“mleg2,” “pleg2,” and “rleg3”) with the lowest standardized estimate in each of the three factors. Furthermore, building on the modification indices, error terms were related to the factors (the error term of “mleg 4” was related to the latent variable “pragmatic legitimacy,” and the error term of “rleg 1” was related to the latent variable “moral legitimacy”), which is reasonable due to the conceptual relationship of the legitimacy factors. As a result, a nested model was built that showed a good overall model fit ($\chi^2(22) = 37.79$, $p = .011$, $RMSEA = 0.06$, $CMIN/DF = 1.8$, $CFI = 0.99$, $NFI = 0.98$, $TLI = 0.98$, and $SRMR = 0.03$) (Brown, 2015; Hu & Bentler, 1999).

In the nested model, all items were significantly related to their latent variables ($p < .001$), showing high standardized regression weights ($> .83$), which indicates a high construct validity (Brown, 2015). Moreover, the latent constructs showed a high reliability (moral legitimacy: Cronbach’s $\alpha = 0.91$; $M = 4.08$, $SD = 0.79$; pragmatic legitimacy: Cronbach’s $\alpha = 0.92$, $M = 3.73$, $SD = 0.91$; regulative legitimacy: Cronbach’s $\alpha = 0.92$, $M = 4.20$, $SD = 0.76$). Next, after the measurement model fit could be verified, discriminant validity was assessed, indicating that the correlations of the items with the items of the corresponding latent construct were higher than with the items of the other two latent variables. Therefore, discriminant validity was shown (Kline, 1998). Finally, convergent validity was examined by investigating the factor loadings of each item on the latent constructs, demonstrating that all items loaded significantly ($p < .001$) on the proposed factor. Thus, good convergent validity could be asserted (Anderson & Gerbing, 1988). See Table 6.2 for the correlation matrix and Table 6.3 for an overview of the final measurement, including the loadings of each item on its factor and the means and standard deviations for each factor.

Table 6.2 Correlation matrix of the variables

	1	2	3	4	5	<i>M*</i>	<i>SD</i>
1. Moral legitimacy	1					4.08	.79
2. Pragmatic legitimacy	.663**	1				3.73	.91
3. Regulative legitimacy	.843**	.612**	1			4.20	.76
4. Media credibility	.770**	.681**	.671**	1		3.97	1.00
5. Issue legitimacy	.777**	.731**	.687**	.720**	1	4.08	.88
6. Governmental legitimacy	.631**	.507**	.747**	.485**	.468**	4.11	1.00

Note: $N = 199$

*All items were judged on a Likert scale from 1 “strongly disagree” to 5 “strongly agree.”

**Correlation is significant ($p < .01$) (two-sided)

Table 6.3 Measurement model of the three organizational legitimacy factors with factor loadings, means, and standard deviations after validation through CFA

Factor	Item	Loading on the factor	<i>M</i>	<i>SD</i>	
Moral legitimacy	mleg1	.919***	4.15	.878	
	$\alpha = 0.91$	mleg3	.888***	4.12	.894
	mleg4	.866***	4.12	.894	
Pragmatic legitimacy	pleg1	.909***	3.69	.971	
	$\alpha = 0.92$	pleg3	.908***	3.69	.996
	pleg4	.859***	3.77	1.022	
Regulative legitimacy	rleg1	.916***	4.27	.831	
	$\alpha = 0.92$	rleg2	.825***	4.07	.911
	rleg4	.911***	4.26	.842	

Note: *** $p < .001$

Open Access This chapter is licensed under the terms of the Creative Commons Attribution 4.0 International License (<http://creativecommons.org/licenses/by/4.0/>), which permits use, sharing, adaptation, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons license and indicate if changes were made.

The images or other third party material in this chapter are included in the chapter's Creative Commons license, unless indicated otherwise in a credit line to the material. If material is not included in the chapter's Creative Commons license and your intended use is not permitted by statutory regulation or exceeds the permitted use, you will need to obtain permission directly from the copyright holder.





7.1 The Perspectives of MNCs on Corporate Diplomacy¹

This subchapter presents the results of the first study, which sought to answer, firstly, *to what extent and how is corporate diplomacy in the UAE performed as engagement with its social environment?* and, secondly, *to what extent and how is corporate diplomacy in the UAE used to gain organizational legitimacy?*

In the interviews, the MNCs explained that corporate diplomacy is performed with different actors in the host country's environment, including governmental actors and authorities, educational institutions, other MNCs, and NPOs. Moreover, the companies mentioned that they seek to address and involve community members, such as youths, disadvantaged people, employees, and the media. In this way, the interviewees firstly pointed to actors they collaborate, where corporate diplomacy is particularly reflected in partnerships. The respondents highlighted the role of (personal) relationship cultivation and building networks.

¹ This chapter is derived in part from an article published in *Journal of Public Relations Research* by Marschlich, S., & Ingenhoff, D. (2021a). The Role of Public Relations in Corporate Diplomacy: How Relationship Cultivation Increases Organizational Legitimacy. *Journal of Public Relations Research*, available online: <https://www.tandfonline.com/doi/full/10.1080/1062726X.2021.1981332> and in *Public Relations Review* as Marschlich, S., & Ingenhoff, D. (2021b). Stakeholder Engagement in a Multicultural Context: The Contribution of (Personal) Relationship Cultivation to Social Capital. *Public Relations Review*, 47(4), 102091, available online: <https://doi.org/10.1016/j.pubrev.2021.102091>.

Supplementary Information The online version contains supplementary material available at (https://doi.org/10.1007/978-3-658-36818-0_7).

Secondly, corporate diplomacy was described as civic and employee engagement, which seems less strategic. Lastly, the interviews emphasized the role of the corporate culture and the UAE's multiculturalism in affecting corporate diplomacy.

In the following, different perspectives on corporate diplomacy related to the different actors within the host country, are presented. By doing so, the role of the specific expectations and values and how the MNCs deal with these are portrayed, given that organizational legitimacy perceptions emerge from the individual, societal, and governmental expectations of the organization and its activities and the degree to which they are met.

7.1.1 Engagement with the Government: Alignment with the National Agenda

The interviewees explained that in the UAE, the key actor in corporate diplomacy is the government, stating that a large extent of the initiatives is planned and implemented by the MNCs in collaboration with the UAE Government: "First and foremost, there is the government and the regulators that you make sure that we engage with" (EC).² Corporate diplomacy as governmental engagement can include various topics such as engagement in public health, environmental issues, or education. One respondent emphasized the government's role by referring to corporate diplomacy as a "B2H approach—Business to His Highness" (EC). The reasons making it necessary to include the government are, first, the permission to access the local community. Due to governmental restrictions, MNCs cannot directly engage with local community members without permission or government involvement. Second, the engagement with the government comes with increased recognition of corporate diplomacy; third, access to a broader network, and; last, favorable conditions emerging from long-term relationships. All these reasons are related to the social and regulative power of the government and its impact on corporate activities. Moreover, participation in governmental issues comes with higher media recognition and endorsement, as the interviewees declared.

When you talk about the power of the government, I mean, they make life very easy for people. I have lived here for 15 years, and I love it. [...] And I think most people accept that they want to be here, and I will take the best of this, which is good for me.
(PRA)

² In this chapter, EC refers to the statements of the "European corporations," while PRA is related to the statements of the interviewees of the public relations agencies.

Because the only way to get visibility and recognition is through the government, which is, let's say, endorsing your initiatives and endorsing your solutions, endorsing your positions, and then which help other community members to look at you as, ok, you are a member of the community. (EC)

The MNCs further pointed to the interdependence between the government and foreign companies. Not only do the MNCs profit from public-private partnerships in terms of higher reach and beneficial outcomes, but the government does as well. According to the interviewees, since the government made several commitments to its citizens to improve social welfare in a comparatively short time, the country depends on the expertise and knowledge of foreign MNCs concerning societal issues. One respondent claimed that corporate diplomacy initiatives with governmental involvement are a win-win situation due to the synergy effects, and partnerships are widespread in the UAE, mostly because they are inherent in the country's culture and history.

They [governmental entities] need partners to help step in because [...] neither the private sector alone nor the NGOs or the government can do this individually. It has to be done together. So, it is much easier to go and talk to them because their commitment is there, and we say we need x, y, z to help us make it happen. (EC)

There is a great thing about the UAE, the UAE was built on partnerships between the government and the private sector, so it is not hard to sell. So, the government is absolutely open to private-public partnerships. So, it is not like closed doors; the doors will always be open for every multinational. (PRA)

Concerning the specific expectations of the government, the companies stated that the government awaits their contribution to the national priorities set in the UAE political agenda. In this regard, the MNCs often stated that they aim to align with the political agenda as much as possible. MNCs particularly seek to demonstrate their commitment to the national citizens, the Emiratization program, and other issues contributing to the nation's societal and economic progress. The respondents highlighted that the national agenda, communicated as the "Vision 2021" for the whole country, is clear and encourages the engagement of private companies, making it easier for the MNCs to "follow."

The vision that they have and that they preach [...] is something that is very special to the UAE. And that vision is communicated often and clearly and creatively to engage both the public and businesses to follow that vision and support the vision. (EC)

Apart from the national agenda, often serving as a significant point of reference for planning corporate diplomacy, the interviewees explained that attending

forums and events offered by the government helps them foresee governmental priorities and allows them to engage in an ongoing dialog with governmental actors. Lastly, the companies pointed to emerging regulatory frameworks that, to a certain extent, encourage or even urge them to engage in local societal issues. However, as the respondents further explained, when a company engages with governmental actors and is open to their feedback, it can identify their expectations accordingly, which may provide the company with a pioneering and leading role compared to others not following such course of action.

They [governmental institutions] are still developing [this policy and] [...] how this is going to look like, and if it's mandatory or not. But, as I just put together what we did in terms of corporate social activities last year, we are quite regularly asked, one way or the other, to report on what we do. And, of course, this helped. If we then, a week later, sit with the government again, we can also show that. (EC)

This is where, I mean, the engagement helps because we can only know what the expectations are, what is their feedback when we engage with them. So, for example, on the government side, it's about abiding by regulations and leading other companies. You know, as [company name], we want to lead and take action, maybe faster, so that other companies follow, and we gain that attraction. Yes, they are expecting us to be there; they are expecting us to be feasible, to showcase, to contribute. (EC)

7.1.2 The Role of Relationship Cultivation, Networks, and Strategic Alliances

According to the interviews, corporate diplomacy with the government or corporate partners often builds on continuous long-term relationship cultivation, highly relevant for strategic reasons. First, the long-term orientation of relationships with local institutions, including the government, local NPOs, and local companies, is inherent in the UAE culture. The main goal of long-term relationships is building trust, loyalty, and mutual respect, which were declared essential values for doing business with the locals. The respondents did not emphasize how exactly trust and loyalty are built, but frequently stated that it automatically emerges through long-lasting relationships and networks.

You start by showing “that you are doing great and you are doing well for the community. [...] It goes to your key stakeholders like the government, regulators, and others because you need them. Next time, you need to discuss to be open and transparent. [...] And then, you have this kind of domino effect because it further impacts potentially or directly a lot of other stakeholders and [...] because you build trust, and in this region, you really need to go by the halo effect. You start from a very specific

project, but then it has a bigger impact because, again, it is a region where networks and relationships are very important. So, trust is something you can transfer through your network. (EC)

Second, relationship-building with established institutions, mainly the UAE Government or individuals that are close relatives or friends of governmental actors, was explained as increasing the companies' networks. For instance, when a foreign company works with the government, it gains access to relevant persons in the NPOs and vice versa, as was clarified by the interviewees. Local NPOs, regulated mainly by the local government, are essential for corporate diplomacy activities since they already have the infrastructure to improve social well-being and the knowledge of the local community. Moreover, governmental actors and NPOs such as "Dubai Cares," a local charity organization, are more trusted and credible because the local citizens and local companies are more familiar with them, according to the interviewees' statements. In this regard, good relationships are the key to broadening the companies' networks and trustworthiness regarding the foreign MNCs' corporate diplomacy efforts. The UAE was referred to in the interviews as a "relationship society," in which trust and loyalty are important factors.

They put their name. That is important because it gives consumers greater credibility. Otherwise, it is just seen as a marketing activity versus an important activity. That is important for the country, you know. That element of credibility is very important. So, we do that school campaign as I told you, signal, lifebuoy, handwashing. (EC)

Relationship cultivation can build on informal and direct or formal communication. For the latter, company representatives explained the relevance of the Memorandum of Understanding (MOU), a signed agreement between the MNC and governmental actors. MOUs are common in the UAE and define and specify the conditions and activities of a given collaboration. MOUs can be unspecific initially, but building on reoccurring meetings, tasks, and objectives, they become more explicit and can be redefined according to the interests of the actors involved. In this way, the respondents clarified that MOUs build the framework for most partnerships with the government—and also with other actors. MOUs serve as a foundation for corporate diplomacy aimed at gaining a mutual understanding of the purpose of the collective initiatives.

Regarding informal engagement, the respondents explained the role of "Majlis meetings," a cultural particularity in the UAE where participants mix business topics with personal affairs. Majlis meetings were predominantly associated with governmental actors in the interviews. However, talking about personal issues

is highly important in the UAE, particularly when dealing with Emirati leaders, as the interviewees explained. MOUs and Majlis meetings were outlined as highly relevant for the companies as they allow them to gain insights into external expectations and cultivate long-term relationships. At the same time, dialogic conversations allow the rapid determination of opportunities and boundaries. However, MNCs should be aware of the specific communication styles used in the UAE, as one interviewee of a public relations agency noted:

Like everywhere else in the world but more here, loyalty is important and patience is also very, very important. Once you make a friend here, you make them for life. So, I think it is very, very important that companies are patient. Because I got the way, you [Europeans] develop a relationship. Here, when sitting in a Majlis or coffee shop or in the office, you have a meeting of 45 minutes, and for the first half an hour, you don't talk about the subject. That is the culture of the region. MNCs coming into the region have to understand that you don't go and knock on the door, here is my thing, [...] They want to know you as a person, trust, loyalty, all these values are there, but on a long-term, it pays off. (PRA)

Furthermore, relationships with media actors are significant to corporate diplomacy. Building on personal communication and regular meetings, the MNCs explained that they discuss what is considered a relevant topic from the media perspective and which story might have a higher opportunity to be covered. For instance, one respondent explained that s/he has all critical journalists on his WhatsApp, texting them from time to time directly to meet with them for a coffee and shisha. The close relationships with media actors were explained by the peculiarities of the UAE media system, which is not liberal and is controlled by the government. Therefore, (uncritical) issues related to the government are part of the editorial agenda, as the respondents further explained. Media coverage is important because it gives the MNCs a platform to reach citizens, which can be difficult due to governmental restrictions on civic engagement. In addition, media coverage contributes to relationship-building with potential collaborators, such as local NPOs.

There is a sensitivity, the culture, the media system. In Europe, we have a liberal media system, but the media in the UAE are controlled. There is an editorial agenda. You meet the journalists on a regular basis, and they tell you. It is double-edged in the UAE. The positive thing is the visibility here. It is easy to navigate. (EC)
We have, sometimes, you know, you have an article in the newspaper, and then, three weeks later, you have an NGO coming to you and say we have seen that that is interesting, can we discuss it. Or an academic or a lot of things. Because you build trust, and in the region, you really need to go by the halo effect. (EC)

In addition to collaborations with local actors, the MNCs cooperate with other international companies on corporate diplomacy, mostly with MNCs from the same sector. According to the respondents, this engagement involves a couple of companies building an alliance to contribute to societal issues relevant to the country, mainly reflected in activities related to the companies' core business. Such collaborations initially involve two companies that know each other from corporate forums, or one company directly reaches out to similar companies in terms of competitors, as the interviewees claimed. Then, smaller collective initiatives are implemented, and, as they grow, they get more visibility such that increasingly more companies join. As the companies emphasized, such alliances enable them to show a more substantial commitment to the community and the government due to synergy effects. Having several MNCs coming together results in higher budgets, higher levels of expertise and knowledge, and significantly more impact. According to the interviewees, these powerful partnerships can, in turn, positively affect the relationship with the UAE Government and allow the companies to involve the government more easily in the corporate diplomacy initiatives since the companies are more visible with a large-scale alliance than appearing as a single company.

We have launched the Alliance for Youth for Dubai and the region, and we have now reached 14 members. So, these are members who think like us and who are also committed to developing the youth who come together. And we organize events or activities, you know, in coordination and we say, all of us, we are going to contribute to youth, and we set objectives, and we say we want to improve employment and employability of youth. [...] So, it means, you know, to show that collaboration and commitment at scale really create a benefit in the community, and this is also a big statement to governments to how self-regulation can play a role and really advancing actions. (EC)

7.1.3 Engagement with the Local Community and Employees

Besides government entities, companies expressed that they seek to engage with community members in the UAE and support them in educational and environmental issues. Educational initiatives include different activities, such as running or participating in school or university programs, where companies hold workshops or lectures on financial literacy or healthy lifestyles, seeking to provide citizens with better career opportunities and increasing public health standards.

However, such initiatives either need approval by the local authorities or are performed together with the government due to local restrictions. For this reason, the MNCs would only occasionally engage with members of civic society. As the respondents explained, engagement with citizens contributes to how a company is perceived. Both internal and external social groups “would give you [the company] an advantage” for the company’s participation in and with the community, which can positively affect the perception of the company.

[We have a partnership with] the UAE civil aviation, simply because we don’t go actively to schools, and we can’t just run our initiatives with schools alone. It has to be within the partnership between civil aviation, which actually gives that access to those students. But as a company, we can’t just go to a school, and you know, do our own activities. It has to be obviously authorized. (EC)

Moreover, civic engagement comprises cultural corporate diplomacy, including sports and arts events and activities during the “holy month Ramadan,” the “month of giving.” This comprises different activities mostly related to helping underprivileged people, particularly workers from labor camps. Corporate engagement during Ramadan is closely related to the Islamic culture, and, as the MNCs expressed, they feel obliged to give something back to the community, particularly in this month. At the same time, corporate diplomacy initiatives can become more visible during the month of Ramadan because media actors and citizens are more attentive to societal issues and activities during this time, and societal contributions are most welcomed, as the companies explained. In this regard, civic engagement can also be strategic.

I think the moment where it’s the best visible would probably be during Ramadan because it is a Muslim country, and that month is obviously more visible than every other month. But I have noticed that during that month, whether, I mean I have friends that fast or don’t fast and even those that do not fast take part in those activities because I think the overall dynamic here is that people like to really get involved and give back and so on. So, that is something that the UAE kind of is proud of. There is a certain dynamic that they created regardless of where you are from. I haven’t met a single person that in this country is not keen, you know, taking part in any of these activities. (EC)

Regarding the expectations emerging from the civic society, the MNCs were not clear, and many of the respondents stated that they are unaware of what the local citizens expect their needs. However, the interviewees outlined that they regard it as a general primary expectation of the community and their duty as a foreign MNC to demonstrate the commitment to society—everywhere in the world.

However, particularly in the UAE, where foreign corporations usually do not pay taxes or work under tax-friendly conditions compared to other countries, corporate diplomacy is considered a way to demonstrate the MNCs' appreciation and give back to the community.

I think there is an expectation from a lot of the people in this region that multinationals come and they provide more than just a work that gets, let's say the profit out of you that gets your capabilities out of you, and that they see that someone has a social concern and that is the, almost has the duty to give back something to the society. (EC)

Another critical social group for MNCs and their corporate diplomacy initiatives are the local employees. The interviewees emphasized that employees nowadays expect the company they work for to show their social involvement. Accordingly, the demonstration of corporate diplomacy toward employees responds to this expectation and leads to positive feelings of the employees toward their employer. As the interviewees outlined, employees nowadays would look for companies that match their societal values.

It starts with your employee and showing them that you are doing great and you are doing well for the community. This gives them a sense of pride, and they start to trust you as an employer. (EC)

The millennials are looking at benefits and anything else, but they also want to work for ethical companies. They want to work for companies that are doing well and contributing and that meet their own values as well. (PRA)

Moreover, employees often seek to participate in corporate diplomacy or create initiatives, as the interviewees said. Since the MNCs regard corporate diplomacy as highly valuable for a good relationship with the employees, they seek to enhance and encourage employee engagement, as the respondents highlighted. Therefore, they offer a small number of days per year on which the employees are allowed or even advised to leave work for societal engagement and to participate in volunteering sessions. Such volunteering activities entail various activities, including beach clean-ups; mentoring programs in which employees help students; or workshops in which they help improve technology skills among citizens. Another approach to engaging employees outlined by the respondents is the implementation of employee committees and councils. These councils comprise the staff's representatives, who discuss and decide on the specific societal issue or activity in which to participate. According to the interviewees, these

committees allow the company to involve their employees, enhance their connection with the company, identify their expectations, negotiate different ideas and aspects of societal issues, and implement corporate diplomacy.

It is really gratifying when the employees come up with an idea, rather than the company pushing for a topic or something that everyone needs to join, and then some of them go there because they have to go. So, it is rewarding to know that in these small number of initiatives that we have that the people are there. (EC)

7.1.4 The Role of Global Corporate Values and Multiculturalism

In addition to the role of the different actors in the host country environment, the respondents emphasized that corporate diplomacy efforts are affected by the corporate culture and the expectations of the MNCs' global headquarters. In this way, some interviewees pointed to a global strategy they similarly apply in every host country. Using a global corporate diplomacy strategy makes sense in the UAE as you face many different expectations and cultures, and it seems easier to have one strategy that aligns with the corporate vision. Other company respondents explained that they have a global approach but adapt it to the local level. In this way, a company needs to have its own set of values guiding its activities no matter where they are located because this is what the company stands for and the employees can identify with. However, meeting the host country's expectations and its values and, in the case of the UAE, mainly contributing to the political agenda is essential for a foreign corporation. By doing so, the respondents explained that governmental actors in the UAE welcome and highly support you and your initiatives.

They [actors in the host country] don't have to adapt. It's the other way. We have to adapt. And how we create a very well routed company in that region is to be the company that you are with your set of values, but at the same time very much adapted and implemented into those countries. So, I haven't really seen many challenges, or at least I cannot really recall anything. They [governmental actors UAE] have always been very supportive. On the contrary, they always wanted to take it further and continue, and so on. (EC)

Moreover, the respondents also portrayed how they chose specific issues. One primary concern is the fit between the company's business and the societal issue. Therefore, companies mostly choose issues related to their core business. Furthermore, the congruence between the corporate culture, particularly the mission

and vision, and the social cause plays an important role. This point was also mentioned as a reason why the overall corporate diplomacy issue in some companies is determined by the global corporate strategy and cascaded down to the local level. However, choosing a global strategy for the UAE comes with some challenges. Respondents pointed to critical and sensitive issues they promote in their home country and other host countries but not in the UAE. For instance, same-sex marriage, the role of women, and topics that, to some extent, are related to religion or politics cannot be addressed in the UAE, as highlighted by the interviewees. One way to deal with that is to go to the Department of Islamic Affairs, as the interviewees outlined. This authority determines the extent to which the initiative aligns with Islamic values and governmental rules. When corporate diplomacy involves raising money for a social cause, official approval by this institution must be given, as the respondents explained. Another way to determine whether certain activities and issues are adequate is to engage in an ongoing dialog with different actors. Accordingly, involving as many different perspectives as possible helps the MNC to find an appropriate and meaningful way to perform corporate diplomacy and identify potentially critical or sensitive issues. However, how exactly this is realized was not outlined.

So, we want to do business that is clean and meaningful, and we look at everything from all sides. Of course, this involves, you know, speaking to think-tanks from the place, speaking to tribes' people, speaking to just normal guys, girls, whatever. (EC)

Besides this, the sensitivity concerning issues is related to the high degree of heterogeneity of the cultural and national backgrounds in the UAE. While the companies face the dominant Arab culture and Islamic values, the interviewees stated that they simultaneously seek to meet the cultural diversity in the UAE, with the majority being expatriates from all over the world. This diversity with different cultural approaches can be challenging for corporate diplomacy concerning choosing adequate issues. Moreover, it complicates finding the appropriate way to cultivate relationships and communicate with the host country community, as outlined by the respondents.

I think it is a very unique situation in which we are here in this country. We have 52 nationalities in our company, which is huge, and definitely, when you communicate, you have to take into consideration several cultural aspects to ensure that your communication is not misinterpreted or that your communication is clear enough to be understood because not everyone has native English, and we communicate in English. [...] It is not only the wording, the manner in which we convey our messages, or the body language that we use to do so. What is acceptable to say in one culture is not

acceptable in the other. A certain style that is acceptable in one culture is not in the other. There are quite a bit of differences that can make understanding each other a challenge. (EC)

7.2 Corporate Diplomacy News and the Construction of Organizational Legitimacy

This subchapter presents the results of the second empirical study, which sought to answer the research question *to what extent and how can the media coverage of corporate diplomacy contribute to organizational legitimacy?*

7.2.1 Structure of Corporate Diplomacy News Coverage

Across the two chosen media outlets, *Gulf News* and *Khaleej Times*, a total of 385 articles could be identified portraying one of the selected MNCs³ and its corporate diplomacy initiative between January 2014 and December 2019. While *Gulf News* portrayed 275 articles (71.5%), *Khaleej Times* covered 110 articles (28.5%) about corporate diplomacy. Across the six years, most articles dealt with cultural corporate diplomacy. One of three articles covered cultural activities ($N = 154$; 36.2%),⁴ including sports events and engagement in arts and music. Moreover, corporate diplomacy in the news consisted of corporate activities that contributed to education and youth ($N = 60$; 14.1%) or public health ($N = 54$; 12.7%). For instance, such corporate diplomacy activities comprised educational programs, including training and workshops to improve soft skills and prepare for professional life and public health awareness campaigns. In addition, corporate diplomacy news coverage included the topics of women empowerment ($N = 34$; 8.8%), environmental sustainability ($N = 30$; 7.8%), Emiratisation ($N = 24$; 5.6%), employee well-being ($N = 27$; 6.4%), aid for people in need ($N = 16$; 3.8%), safety ($N = 14$; 3.3%), and Ramadan ($N = 12$; 2.8%). Corporate diplomacy was related to various other actors and only seldom portrayed as an initiative performed by the MNC alone. Only 35 articles (6.5%) covered corporate diplomacy initiatives that were performed by the MNC alone. When corporate diplomacy

³ The corresponding data can be found in Appendix A in the electronic supplementary material.

⁴ Multiple mentions within one article were possible. For this reason, the total number of mentions for each category can be higher than the total number of articles.

was displayed as linkages between an MNC and other actors or institutions, more than one-fourth of the corporate diplomacy activities were linked to the local government, including ministries and authorities ($N = 133$; 25.6%). Moreover, MNCs and their corporate diplomacy initiatives were often linked to social actors ($N = 112$; 21.5%), followed by national companies ($N = 86$; 16.5%), international companies ($N = 81$; 15.6%), national NGOs ($N = 26$; 5.0%) and international NGOs ($N = 14$; 2.7%). Lastly, occasionally, corporate diplomacy was related to national educational institutions ($N = 19$; 3.7%) and international educational institutions ($N = 5$; 1.0%).

Furthermore, the descriptive analysis showed that most news articles present corporate diplomacy as an activity that can benefit society, a social group, and individual actors and only 59 articles (15.3%) did not outline any profiting actor. The analysis revealed that most mentions considered society as the beneficiary of corporate diplomacy ($N = 210$; 4.6%). Furthermore, the benefits of corporate diplomacy for government actors ($N = 55$; 12.0%) and the country ($N = 35$; 7.6%) were presented in the news. Occasionally, corporate diplomacy was depicted as valuable or useful for the employees of the MNC ($N = 27$; 5.9%) and corporate partners ($N = 22$, 4.8%). Lastly, some corporate diplomacy activities were displayed as contributing to the company itself ($N = 21$; 4.6%).

Concerning the attribution of organizational legitimacy in the media, almost three out of four articles ($N = 283$; 73.5%) had a positive connotation toward corporate diplomacy and endorsed organizational legitimacy, while around one-fourth ($N = 95$; 24.7%) was neutral. Only seven articles (1.8%) were either challenging ($N = 3$; 0.8%) or had both a negative and a positive connotation ($N = 4$; 1.0%). Moreover, when corporate diplomacy was evaluated on a particular legitimacy level, it mostly attributed legitimacy on a moral level ($N = 168$; 43.6%) and a pragmatic level, contributing to individual interests ($N = 128$; 33.2%), while one-fourth of the mentions ($N = 111$; 28.8%) did not evaluate corporate diplomacy on a specific legitimacy level. Only seldom was corporate diplomacy described as a commitment to the local government in terms of regulative legitimacy ($N = 6$; 0.8%). Moreover, when it comes to suggestions on corporate diplomacy, the news coverage mostly did not emphasize any particular recommendation ($N = 229$; 59.5%), while 154 articles were supportive of corporate diplomacy (40%), and only two articles were critical toward it (0.5%). Lastly, regarding the overall company's visibility and recognition through corporate diplomacy contributing to cognitive legitimacy in the media, the MNCs were mainly named within the last third of the article ($N = 215$; 35.8%) and in the

second third ($N = 189$; 30.9%), followed by the first third of the text ($N = 175$; 28.5%). Only infrequently did corporate names appear in the title or subtitle ($N = 33$; 5.4%). Moreover, most articles did not quote corporate representatives on their initiative or related business ($N = 279$; 67.8%). When quoted, the analysis showed that 82% of the quotations were related to corporate diplomacy activities.

7.2.2 Corporate Diplomacy Frames in the Media and their Link to Socio-Political Legitimacy

To answer the research question, *to what extent and how do media frames on corporate diplomacy contribute to organizational legitimacy on a socio-political level (moral, pragmatic, and regulative legitimacy)?* media frames were analyzed. Following Matthes and Kohring (2004, 2008), a frame is conceived as the patterns in a text aggregated by frame elements. Therefore, instead of coding the entire frame, frame elements were coded (problem definition, causal interpretation, moral evaluation, and treatment recommendation) (Entman, 1993). The goal of the data analysis was to find patterns and investigate whether and how the coded frame elements can be grouped in such a way as to uncover underlying dimensions. In this way, the analysis sought to show whether constellations of frame elements occur over a larger number of texts, indicating media frames (see Matthes & Kohring, 2004). Two statistical methods, including cluster analysis and exploratory factor analysis, have proven to be particularly suitable for investigating patterns and have been used to investigate media frames (Baumann et al., 2003; Matthes & Kohring, 2004, 2008; Semetko & Valkenburg, 2000). Following Baumann et al. (2003) and Semetko and Valkenburg (2000), exploratory factor analysis and cluster analysis were combined to increase the validity of the results.

First, an exploratory factor analysis using principal component analysis with varimax rotation was conducted. Only the most relevant variables in terms of frequency were included in the analysis. Building on the descriptive statistics (see the previous section) and where it seemed plausible, variables were merged, resulting in frequencies of at least 10% of each variable that was entered into the principal component analysis. Following this were the corporate diplomacy issue variables “employee well-being” and “Emiratization” and the institutional linkage variables “national NGOs” and “international NGOs.” This procedure led to a total of 18 variables included in the principal component analysis (see Table 7.1). Running the principal component analysis with varimax rotation and using the elbow criterion, the analysis resulted in a three-factor solution. The three factors explained 41.0% of the data variance.

In the next step, a cluster analysis was conducted to see whether the principal component analysis results could be confirmed (for this approach, see Baumann et al., 2003; Semetko & Valkenburg, 2000). A hierarchical cluster analysis was calculated using the Ward method and Squared Euclidean distance as the heterogeneity measure. Reflecting on the heterogeneity of the clusters, the dendrogram, and the suitable interpretability of different cluster solutions, a three-cluster solution was identified as most appropriate. The three-cluster solution verified the three-factor solution to a great extent in that the same variables had low or high values for each of the three factors or clusters. The mean values for every variable for the three clusters were calculated (see Table 7.2) to interpret the results for the variables that make up the frame elements, which together build a frame. Only the most relevant (in terms of highest frequency) variables were considered to interpret the frame elements as a media frame. The mean values were between “0” and “1” since the variables were coded as dummy variables with “0” for the absence and “1” for the existence of the variable. Higher mean values implied a higher probability that a variable highly contributed to and built the frame. However, small mean values might have also been of interest when they were high compared to the other variables that made up the same frame element (see Matthes & Kohring, 2008).

Overall, the results of the cluster analysis showed that the news coverage on corporate diplomacy was best represented by three media frames, which were called the “moral corporate diplomacy frame” (cluster 1), the “pragmatic corporate diplomacy frame” (cluster 2), and the “neutral corporate diplomacy frame” (cluster 3). The moral corporate diplomacy frame was the most frequent frame, with 166 articles (43.1%). The pragmatic corporate diplomacy frame was the second most common frame, with a total of 112 articles (29.1%), while the neutral corporate diplomacy frame was the least frequent frame, representing 107 articles (27.8%) (see Table 7.2).

Using the moral corporate diplomacy frame, news depicted corporate diplomacy issues of all kinds, including public health, educational initiatives, and corporate diplomacy on Emiratization and employee well-being. Moreover, in the moral corporate diplomacy frame, MNCs and their efforts were mostly linked to government actors, for instance, corporate diplomacy was performed in collaboration with the UAE Government. The frame was highly endorsing and supportive of corporate diplomacy and attributed legitimacy in the media on a moral level. Compared to the other two frames, news using the moral corporate diplomacy

frame was most endorsing and supportive of corporate diplomacy. Lastly, corporate diplomacy in this frame was portrayed as a contribution to the local community, meaning that the initiatives (potentially) contributed to all community members' well-being.

News using the pragmatic corporate diplomacy frame was mostly about cultural corporate diplomacy and corporate diplomacy initiative on Emiratization and employee well-being. Unlike the moral corporate diplomacy frame, news in the pragmatic frame did not link corporate diplomacy and the MNC to any particular actor. Instead, this frame related corporate diplomacy to various actors in the host country's environment, including national and international companies, the government, and social actors. Hence, the pragmatic frame presented corporate diplomacy as serving self-interests, mostly those of the country related to the UAE's economic progress and its national priorities regarding societal issues, contributing to pragmatic legitimacy in the media.

Table 7.1 Factor solution frame elements

Variable	Factor 1	Factor 2	Factor 3
Benefit: community	0.82	0.00	-0.15
Organizational legitimacy dimension: moral	0.80	0.27	0.06
Corporate diplomacy topic: culture	-0.62	-0.15	-0.47
Corporate diplomacy topic: education and youth	0.42	0.00	0.09
Organizational legitimacy dimension: pragmatic	-0.47	0.63	0.08
Benefit: country	-0.33	0.32	0.15
Corporate diplomacy topic: public health	0.33	0.18	-0.21
Institutional linkage: national & international NGOs	0.30	-0.07	-0.03
Organizational legitimacy ascription: endorsing	0.31	0.77	0.22
Organizational legitimacy ascription: neutral	-0.28	-0.76	-0.25
Benefit: government	-0.14	0.60	-0.11
Institutional linkage: government	0.03	0.51	-0.06
Suggestion: supportive	0.21	0.26	0.15
Corporate diplomacy topic: Emiratization & employees' well-being	-0.04	-0.04	0.76
Benefit: employees	-0.03	-0.11	0.67
Institutional linkage: social actors	-0.26	-0.19	-0.57

(continued)

Table 7.1 (continued)

Variable	Factor 1	Factor 2	Factor 3
Institutional linkage: international company	-0.01	0.05	0.44
Institutional linkage: national company	-0.08	0.12	0.30
Variance	15.0%	14.3%	11.7%

Note: Extraction: principal component analysis; rotation: varimax; KMO = 0.606, $\chi^2 = 2277.6$, $df = 153$, Bartlett-test: sign. ($p < .001$)

Finally, news using the neutral corporate diplomacy frame emphasized cultural corporate diplomacy activities of MNCs and linked them to social actors. For instance, MNCs initiated or participated in sports events or demonstrated a commitment to the arts or similar activities. The news highlighted the connection between the MNC and popular actors, such as celebrities or individual community members that promoted the initiative or event in the name of the company and, in this way, acted as testimonials. Moreover, corporate diplomacy in this frame was depicted in a neutral manner and not related to any particular legitimacy level. Still, in this frame, corporate diplomacy was treated as beneficial for the wider community but considerably less endorsing and supportive.

Table 7.2 Cluster solution frame elements

Variable	Cluster 1 MORAL CD FRAME <i>N</i> = 166 <i>M</i> (<i>SD</i>)	Cluster 2 PRAGMATIC CD FRAME <i>N</i> = 112 <i>M</i> (<i>SD</i>)	Cluster 3 NEUTRAL CD FRAME <i>N</i> = 107 <i>M</i> (<i>SD</i>)
Corporate diplomacy topic: public health	0.23 (0.43)	0.08 (0.27)	0.06 (0.23)
Corporate diplomacy topic: education and youth	0.22 (0.42)	0.10 (0.30)	0.11 (0.32)
Corporate diplomacy topic: culture	0.16 (0.37)	0.51 (0.50)	0.65 (0.48)
Corporate diplomacy topic: Emiratization & employees' well-being	0.13 (0.34)	0.19 (0.39)	0.07 (0.26)

(continued)

Table 7.2 (continued)

Variable	Cluster 1 MORAL CD FRAME N = 166 M (SD)	Cluster 2 PRAGMATIC CD FRAME N = 112 M (SD)	Cluster 3 NEUTRAL CD FRAME N = 107 M (SD)
Institutional linkage: government	0.43 (0.50)	0.31 (0.47)	0.24 (0.43)
Institutional linkage: national & international NGOs	0.15 (0.36)	0.05 (0.23)	0.07 (0.25)
Institutional linkage: national company	0.19 (0.39)	0.34 (0.48)	0.16 (0.37)
Institutional linkage: international company	0.22 (0.42)	0.26 (0.44)	0.14 (0.35)
Institutional linkage: social actors	0.22 (0.42)	0.24 (0.43)	0.45 (0.50)
Organizational legitimacy ascription: endorsing	0.99 (0.11)	0.98 (0.13)	0.00 (0.00)
Organizational legitimacy ascription: neutral	0.01 (0.11)	0.03 (0.16)	0.84 (0.37)
Organizational legitimacy dimension: moral	0.95 (0.23)	0.10 (0.30)	0.00 (0.00)
Organizational legitimacy dimension: pragmatic	0.16 (0.37)	0.90 (0.30)	0.00 (0.00)
Benefit: community	0.91 (0.29)	0.17 (0.38)	0.37 (0.49)
Benefit: government	0.16 (0.37)	0.20 (0.40)	0.06 (0.23)
Benefit: employees	0.05 (0.22)	0.15 (0.36)	0.02 (0.14)
Benefit: country	0.05 (0.23)	0.21 (0.41)	0.03 (0.17)
Suggestion: supportive	0.53 (0.50)	0.40 (0.49)	0.20 (0.40)

7.2.3 Corporate Diplomacy Frames in the Media and their Link to Cognitive Legitimacy

A one-way analysis of variance (ANOVA) was calculated to determine the extent to which the media frames may contribute to MNCs' cognitive legitimacy building. The independent variable was a newly computed variable that coded the media frames ("1" for the moral corporate diplomacy frame, "2" for the pragmatic corporate diplomacy frame, and "3" for the neutral corporate diplomacy frame). The dependent variable was the calculated cognitive legitimacy score variable, ranging from 1 to 13, with a lower number indicating a lower cognitive legitimacy in the media (see section 6.2.3 for how the variable was computed).

The results of the ANOVA showed that the groups representing one of the three clusters significantly differ ($F(2,382) = 7.77, p < .001$) (see Table 7.3). A post hoc test using Bonferroni correction indicated that clusters 1 and 3 have significant differences, while neither cluster 1 and cluster 2 nor cluster 2 and cluster 3 significantly ($p > .05$) differ in their means ($M_{C1} = 4.25, M_{C2} = 3.71, M_{C3} = 2.87$). This result implied that the moral corporate diplomacy frame is related to a higher cognitive legitimacy (i.e., citations and quotations) than the neutral corporate diplomacy frame.

Table 7.3 Means, standard deviations, and one-way ANOVA for the effects of the moral CD frame, pragmatic CD frame, and neutral CD frame on cognitive legitimacy

Variable	Moral CD Frame		Pragmatic CD Frame		Neutral CD Frame		$F(2,382)$	p	η^2
	M	SD	M	SD	M	SD			
Cognitive legitimacy	4.25	3.25	3.71	2.69	2.87	2.14	7.77	< .001	.04

7.3 Effects of Corporate Diplomacy on Organizational Legitimacy⁵

This subchapter presents the results of the third empirical study, which sought to answer the research question, *to what extent and how do institutional linkages with governmental institutions influence the effects of corporate diplomacy on organizational legitimacy?*

7.3.1 Manipulation Check

The experimental study's survey included one manipulation check statement. The participants were asked whether the corporation in the provided newspaper article engaged in a public health initiative through a partnership with the UAE Government. The manipulation check variable was coded as a dummy variable with "1" for yes and "2" for no. Results showed significant differences between the control (corporate diplomacy without governmental linkages) and the experimental group (corporate diplomacy with governmental linkages) ($F(1,97) = 129.91; p < .001; M_{Control} = 1.57, SD = .50; M_{Experimental} = 1.00, SD = .00$). Thus, the manipulation check was successful, and the independent variable was manipulated as intended.

7.3.2 Hypotheses Testing

Three mediational models were analyzed using PROCESS model 4 (version 3.4) in SPSS 26 (Hayes, 2018) with 5,000 bootstrap samples and 95% confidence intervals (CIs) to test the hypotheses. Each dependent variable (moral, pragmatic, and regulative legitimacy) was regressed on the independent variable (corporate diplomacy news without/with governmental, institutional linkages) with the mediators (issue legitimacy, governmental legitimacy, and media credibility). The dependent and mediator variables were measured as metric variables with values from "1" (strongly disagree) to "5" (strongly agree), and the independent variable was computed as a dummy variable with "1" for corporate diplomacy news

⁵ This chapter is derived in part from an article published in *Public Relations Review* by Marschlich, S., & Ingenhoff, D. (2022). Public-Private Partnerships: How Institutional Linkages Help to Build Organizational Legitimacy in an International Environment. *Public Relations Review*, 48(1), 102124, available online: <https://doi.org/10.1016/j.pubrev.2021.102124>.

with governmental, institutional linkages and “0” for corporate diplomacy news without governmental, institutional linkages.

Hypothesis 1 proposed a direct effect of the independent variable (corporate diplomacy news without/with governmental linkage) on the three dependent variables (moral, pragmatic, and regulative legitimacy). The mediation analysis using PROCESS (version 3.4) (Hayes, 2013, 2018) showed a significant positive direct effect of the independent variable on moral legitimacy ($b = .19, p = .005, SE = .065$) and on regulative legitimacy ($b = .19, p = .006, SE = .067$). However, there was no significant direct effect of corporate diplomacy news without/with governmental linkage on pragmatic legitimacy ($b = -.17, p = .067, SE = .094$) (see Tables 7.4, 7.5, and 7.6). Therefore, hypothesis 1 can only be partially supported. While corporate diplomacy news with governmental linkages significantly increases moral and regulative legitimacy directly compared to corporate diplomacy news without governmental linkage, pragmatic legitimacy is not directly affected by whether or not corporate diplomacy news outlines governmental involvement.

Hypothesis 2 explored the relationship of the independent variable with government legitimacy. The mediation analysis revealed a significant positive effect of the independent variable on governmental legitimacy ($b = .86, p < .001, SE = .128$), implying that corporate diplomacy news with governmental linkages leads to a higher perception of governmental legitimacy than corporate diplomacy news without such linkages. Consequently, hypothesis 2 can be supported. Moreover, hypothesis 3 predicted that government legitimacy positively affects organizational legitimacy. All three mediation models showed a significant positive path coefficient of governmental legitimacy on the outcome variables (moral legitimacy: $b = .20, p < .001, SE = .035$; pragmatic legitimacy: $b = .18, p < .001, SE = .051$; regulative legitimacy: $b = .37, p < .001, SE = .036$). These results indicated that the more the government is perceived as legitimate, the higher the perceived legitimacy of the MNC on the moral, pragmatic, and regulative levels, which is in support of hypothesis 3. Concerning the relationship of the independent variable on issue legitimacy, hypothesis 4 proposed a positive effect. The results revealed a significant positive effect of corporate diplomacy news without/with governmental linkages on issue legitimacy ($b = .67, p < .001, SE = .116$), which supports hypothesis 4. The finding implies that corporate diplomacy news with governmental involvement increased the perceived legitimacy of the issue the corporate diplomacy initiative is promoting.

Hypothesis 5 predicted a positive effect of issue legitimacy on organizational legitimacy on the moral, pragmatic, and regulative levels. The results of the three mediation models showed that issue legitimacy significantly influences moral

legitimacy ($b = .35, p < .001, SE = .045$), pragmatic legitimacy ($b = .50, p < .001, SE = .070$), and regulative legitimacy ($b = .25, p < .001, SE = .050$) in a positive way. Thus, hypothesis 5 can be supported. Furthermore, hypothesis 6 proposed a positive effect of the independent variable on media credibility. The mediation analysis found a positive significant impact of corporate diplomacy without/with governmental linkages on media credibility ($b = .69, p < .001, SE = .133$), which supports hypothesis 6. Corporate diplomacy with governmental involvement increases the perceived credibility of the media. Lastly, hypothesis 7 assumed that media credibility increases organizational legitimacy. The three mediation analyses showed a positive significant effect of media credibility on moral legitimacy ($b = .29, p < .001, SE = .043$), pragmatic legitimacy ($b = .26, p < .001, SE = .062$), and regulative legitimacy ($b = .16, p < .001, SE = .044$). Thus hypothesis 7 can be supported, suggesting that the higher the media credibility, the higher the perceived moral, pragmatic, and regulative legitimacy of the MNC. For an overview of the path coefficients, see Figure 7.1 and Tables 7.4–7.6.

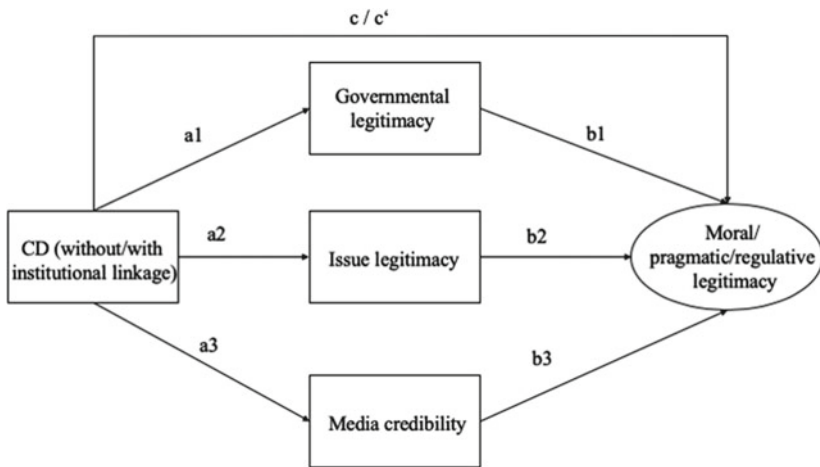


Figure 7.1 Path model of the direct and indirect effects of corporate diplomacy on organizational legitimacy (moral, pragmatic, and regulative legitimacy)

7.3.3 Indirect Effects

To examine the significance of the indirect effects of corporate diplomacy with/without governmental linkages on moral, pragmatic, and regulative legitimacy through the mediating variables (government legitimacy, issue legitimacy, and media credibility), the results of the mediation analysis concerning the indirect effects are presented. The analysis of the moral legitimacy model showed that all of the indirect effects of the independent variable on moral legitimacy through government legitimacy, issue legitimacy, and media credibility are positive and significant (corporate diplomacy news → governmental legitimacy → moral legitimacy: indirect effect (IE) = .207⁶, SE = .053, 95% CI [.111, .320]; corporate diplomacy news → issue legitimacy → moral legitimacy: IE = .284, SE = .067, 95% CI [.157, .423]; corporate diplomacy news → media credibility → moral legitimacy: IE = .240, SE = .066, 95% CI [.127, .380]). The absence of zero in the CI suggests that the calculated effect is significantly different from zero.

Moreover, the analysis of the pragmatic legitimacy mediation model revealed positive significant indirect effects of the independent variable on pragmatic legitimacy through the three mediating variables (corporate diplomacy news → governmental legitimacy → pragmatic legitimacy: IE = .163, SE = .062, 95% CI [.058, .299]; corporate diplomacy news → issue legitimacy → pragmatic legitimacy: IE = .366, SE = .078, 95% CI [.222, .529]; corporate diplomacy news → media credibility → pragmatic legitimacy: IE = .193, SE = .058, 95% CI [.086, .311]).

Table 7.4 Moral legitimacy model: Direct and indirect effects of the mediation steps by Hayes (2013) (5,000 bootstrap samples)

Model	b	p	LBCI	UBCI
1. CD → moral legitimacy (c path, total effect)*	.789	< .001	.5858	.9913
2. CD → moral legitimacy (c' path, direct effect)**	.186	.005	.0561	.3152
3. CD → governmental legitimacy (a1)	.855	< .001	.6031	1.1076
4. CD → issue legitimacy (a2)	.674	< .001	.4459	.9024
5. CD → media credibility (a3)	.693	< .001	.4312	.9552

(continued)

⁶ The indirect effects presented in this chapter are partially standardized indirect effects (Hayes, 2018).

Table 7.4 (continued)

Model	<i>b</i>	<i>p</i>	LBCI	UBCI
6. governmental legitimacy → moral legitimacy (b1)	.168	< .001	.1089	.3147
7. issue legitimacy → moral legitimacy (b2)	.423	< .001	.3411	.5048
8. media credibility → moral legitimacy (b3)	.242	< .001	.1700	.3147
9. indirect effects				
CD → governmental legitimacy → moral legitimacy***	.207	sign	.1114	.3198
CD → issue legitimacy → moral legitimacy***	.284	sign	.1572	.4229
CD → media credibility → moral legitimacy***	.240	sign	.1265	.3800

Note: CD = corporate diplomacy; * $R^2 = .23, p < .001$; ** $R^2 = .76, p < .001$; *** partially standardized indirect effect

Finally, the analysis of the regulative legitimacy mediation model found positive significant indirect effects of the independent variable on regulative legitimacy through the three mediators (corporate diplomacy news → governmental legitimacy → regulative legitimacy: $IE = .402, SE = .068, 95\% CI [.275, .540]$); corporate diplomacy news → issue legitimacy → regulative legitimacy: $IE = .211, SE = .063, 95\% CI [.097, .345]$); corporate diplomacy news → media credibility → regulative legitimacy: $IE = .142, SE = .058, 95\% CI [.042, .272]$). Consequently, it can be concluded that the indirect effects of the independent variable on organizational legitimacy (on the moral, pragmatic, and regulative levels) through government legitimacy, issue legitimacy, and media credibility are positive and significant. This implies that government legitimacy, issue legitimacy, and media credibility are significant mediators in the effects of corporate diplomacy news without/with governmental linkages on moral, pragmatic, and regulative legitimacy (Hayes, 2013; MacKinnon, 2008).

Moreover, in order to examine the extent to which the mediating variables differ in their effects as mediators between the independent variable and the outcome variable, the contrast module in PROCESS (v 3.4) was used and analyzed for each of the mediation models (see Rauwers et al., 2018). In the moral legitimacy model, the analysis did not show significant differences between the indirect effect of governmental legitimacy and issue legitimacy ($contrast = .078^7, SE = .083, 95\% CI [-.087, .238]$). Thus, it can be assumed that the indirect effect through issue legitimacy is not significantly stronger than the indirect effect of

⁷ For analyzing the difference, the calculation was issue legitimacy minus governmental legitimacy.

governmental legitimacy (Rauwers et al., 2018). Furthermore, the results concerning the indirect effect strengths of media credibility and governmental legitimacy ($contrast = .034^8$, $SE = .091$, 95% CI[-.133,.222]) and the indirect effect strengths of issue legitimacy and media credibility ($contrast = .044^9$, $SE = .102$, 95% CI[-.165,.236]) in the moral legitimacy model showed no significant differences since the CIs include zero (see Hayes, 2018). These results imply that, first, media credibility and governmental legitimacy, and second, media credibility and issue legitimacy influence the effect of the independent variable on moral legitimacy with similar strength.

For the pragmatic legitimacy mediation model, comparing the strengths of the indirect effects of the mediating variables showed no significant differences as the CIs include zero (governmental legitimacy and media credibility: $contrast = .030^{10}$, $SE = .084$, 95% CI[-.146,.186]; governmental legitimacy and issue legitimacy ($contrast = .203^{11}$, $SE = .110$, 95% CI[-.009,.421]; media credibility and issue legitimacy ($contrast = .174^{12}$, $SE = .101$, 95% CI[-.013,.387]) (see Hayes, 2018). Consequently, the results imply that all mediating variables affect the effects of corporate diplomacy without/with governmental legitimacy on pragmatic legitimacy similarly.

Table 7.5 Pragmatic legitimacy model: Direct and indirect effects of the mediation steps by Hayes (2013) (5,000 bootstrap samples)

Model	<i>b</i>	<i>P</i>	LBCI	UBCI
1. CD → pragmatic legitimacy (c path, total effect)*	.493	< .001	.2434	.7426
2. CD → pragmatic legitimacy (c' path, direct effect)**	-.174	.067	-.3594	.0122
3. CD → governmental legitimacy (a1)	.855	< .001	.6031	1.1076

(continued)

⁸ For analyzing the difference, the calculation was media credibility minus governmental legitimacy.

⁹ For analyzing the difference, the calculation was issue legitimacy minus media credibility.

¹⁰ For analyzing the difference, the calculation was media credibility minus governmental legitimacy.

¹¹ For analyzing the difference, the calculation was issue legitimacy minus governmental legitimacy.

¹² For analyzing the difference, the calculation was issue legitimacy minus media credibility.

Table 7.5 (continued)

Model	<i>b</i>	<i>P</i>	LBCI	UBCI
4. CD → issue legitimacy (a2)	.674	< .001	.4459	.9024
5. CD → media credibility (a3)	.693	< .001	.4312	.9552
6. governmental legitimacy → pragmatic legitimacy (b1)	.176	< .001	.0758	.2757
7. issue legitimacy → pragmatic legitimacy (b2)	.502	< .001	.3638	.6398
8. media credibility → pragmatic legitimacy (b3)	.257	< .001	.1347	.3787
9. indirect effects				
CD → governmental legitimacy → pragmatic legitimacy***	.163	sign	.0576	.2991
CD → issue legitimacy → pragmatic legitimacy***	.366	sign	.2221	.5285
CD → media credibility → pragmatic legitimacy***	.193	sign	.0857	.3110

Note: CD = corporate diplomacy; * $R^2 = .07$, $p < .001$; ** $R^2 = .61$, $p < .001$; *** partially standardized indirect effect

Lastly, the strengths of the indirect effects through the mediators on regulative legitimacy were compared. The results revealed that media credibility and governmental legitimacy have significant differences in their effect strengths since the CI does not include zero (*contrast* = $-.260^{13}$, $SE = .097$, 95% CI $[-.450, -.068]$) (see Hayes, 2018). Due to the negative contrast coefficient, the result suggests that the indirect effect strength of governmental legitimacy is significantly higher than the indirect effect strength of media credibility. Similarly, a comparison of the strengths of the indirect effects of issue legitimacy and governmental legitimacy showed significant differences since the CI does not include zero (*contrast* = $-.190^{14}$, $SE = .093$, 95% CI $[-.372, -.009]$) (see Hayes, 2018). This implies, due to the negative coefficient, that the indirect effect strength of governmental legitimacy is significantly higher than the indirect effect strength of issue legitimacy. Hence, governmental legitimacy affects the effects of corporate diplomacy

¹³ For analyzing the difference, the calculation was media credibility minus governmental legitimacy.

¹⁴ For analyzing the difference, the calculation was issue legitimacy minus governmental legitimacy.

news (without/with institutional linkages) significantly more than issue legitimacy. Lastly, a comparison of the other indirect effects in their strengths showed no significant differences (issue legitimacy and media credibility: *contrast* = .070¹⁵, *SE* = .100, 95% CI[-.132,.260]) since the CI includes zero (see Hayes, 2018). Thus, it can be assumed that issue legitimacy and media credibility influence the effects of corporate diplomacy without/with governmental linkages on regulative legitimacy in a similar way.

Table 7.6 Regulative legitimacy model: Direct and indirect effects of the mediation steps by Hayes (2013) (5,000 bootstrap samples)

Model	<i>b</i>	<i>P</i>	LBCI	UBCI
1. CD → regulative legitimacy (c path, total effect)*	.786	< .001	.5924	.9795
2. CD → regulative legitimacy (c' path, direct effect)**	.186	.006	.0542	.3177
3. CD → governmental legitimacy (a1)	.855	< .001	.6031	1.1076
4. CD → issue legitimacy (a2)	.674	< .001	.4459	.9024
5. CD → media credibility (a3)	.693	< .001	.4312	.9552
6. governmental legitimacy → regulative legitimacy (b1)	.373	< .001	.3023	.4441
7. issue legitimacy → regulative legitimacy (b2)	.249	< .001	.1516	.3472
8. media credibility → regulative legitimacy (b3)	.163	< .001	.0760	.2490
9. indirect effects				
CD → governmental legitimacy → regulative legitimacy***	.402	sign	.2748	.5399
CD → issue legitimacy → regulative legitimacy***	.212	sign	.0972	.3445
CD → media credibility → regulative legitimacy***	.142	sign	.0418	.2718

Note: CD = corporate diplomacy; * $R^2 = .25$, $p < .001$; ** $R^2 = .73$, $p < .001$, *** partially standardized indirect effect

¹⁵ For analyzing the difference, the calculation was issue legitimacy minus media credibility.

Open Access This chapter is licensed under the terms of the Creative Commons Attribution 4.0 International License (<http://creativecommons.org/licenses/by/4.0/>), which permits use, sharing, adaptation, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons license and indicate if changes were made.

The images or other third party material in this chapter are included in the chapter's Creative Commons license, unless indicated otherwise in a credit line to the material. If material is not included in the chapter's Creative Commons license and your intended use is not permitted by statutory regulation or exceeds the permitted use, you will need to obtain permission directly from the copyright holder.





8.1 The Organizational Perspective on Corporate Diplomacy and Organizational Legitimacy¹

Corporate Diplomacy as Strategic Engagement with Different Social Groups

The interview study aimed to explore the extent to which and how corporate diplomacy is performed as an engagement strategy to gain organizational legitimacy. Overall, the interviews showed that corporate diplomacy in the UAE involves different actors, including the government, the employees, local citizens, and other companies. Across all different social groups, the interviews demonstrated that the MNCs intentionally engaged with particular actors either because they felt that it was necessary or they sought to reach favorable conditions. These results imply that corporate diplomacy is a strategic engagement: “As strategy, engagement represents an organizational philosophy conducive to synthesizing the meaning and value that evolve from diverse stakeholder views and perspectives [...]. [The organizations] realize engagement outcomes associated with collective levels of engagement, investments in cultural, communicative, and relational resources of the organization are needed” (Johnston, 2018, p. 27).

¹ This chapter is derived in part from an article published in *Journal of Public Relations Research* as Marschlich, S., & Ingenhoff, D. (2021a). The Role of Public Relations in Corporate Diplomacy: How Relationship Cultivation Increases Organizational Legitimacy. *Journal of Public Relations Research*, available online: <https://www.tandfonline.com/doi/full/10.1080/1062726X.2021.1981332> and in *Public Relations Review* as Marschlich, S., & Ingenhoff, D. (2021b). Stakeholder Engagement in a Multicultural Context: The Contribution of (Personal) Relationship Cultivation to Social Capital. *Public Relations Review*, 47(4), 102091, available online: <https://doi.org/10.1016/j.pubrev.2021.102091>.

The results further imply that by engaging with different social groups in the host country, foreign MNCs can identify and discuss societal expectations and recognize further actors relevant to the organization, thereby broadening their networks. Engagement in this research was conceptualized as involving individuals and groups within the societal environment of an organization, thereby facilitating relationship building between the organization and the social environment (see section 2.3.1). As the results showed, different methods for the implementation of engagement were used by the MNCs, mainly depending on the social group involved.

As the results indicate, engagement with the government can occur on a formal level when MNCs discuss potential and ongoing initiatives with governmental actors, resulting in a contract-like document, the MOU, or on an informal level, when MNCs meet with different actors in so-called Majlis meetings, taking place in a pleasant atmosphere. For both methods, personal relationship cultivation appeared to be at the core. This result implies that corporate diplomacy engagement with the UAE Government follows personal public relations approaches. MNC-government engagement in the UAE seems similar to the personal influence model of public relations (Grunig et al., 1995). According to this model, building close relationships with key actors positively influences public relations efforts (Grunig et al., 1995). In the UAE, the personal influence model can be extended by not only including relationships with the most influential *persons* but also relationships fostered by building on a *personal level*, for instance, through conversations about personal, private topics. As White and Alkandari (2019) have stated, collaborations between the public and the private sector are the standard way to address societal issues in the Middle East. They result from cultural particularities and the close connection between the political and economic systems. Accordingly, long-term and close relationships are fostered because they reflect a social and cultural norm (Jamali & Sidani, 2012; White & Alkandari, 2019). This result is in line with this study's findings, in which the MNCs expressed how they engage with the government as self-evident within the cultural and political setting. Moreover, the results indicate that corporate diplomacy engagement with the host government seeks to gain social acceptance and organizational legitimacy through political and cultural alignment.

The study further implies that engagement with other MNCs in the host country's environment follows less personal and individual approaches to relationship cultivation. This might be reasoned by the different cultural backgrounds of the other foreign MNCs. Mostly, the interviewees referred to MNCs from Western country contexts, which might be regarded as originating from rather individualistic cultures, in which close and personal relationships are less common in the

business context than in collectivist countries such as the UAE (see Hofstede, 2001; Hofstede Insights, n.d.). The engagement with other MNCs was mainly referred to as an alliance engagement bringing together knowledge and power to create synergy effects. The results suggest that this type of engagement was used to demonstrate the societal commitment to the host country's government, which becomes more visible due to the engagement with other powerful MNCs. Hence, corporate diplomacy engagement with other foreign MNCs is not primarily concerned with gaining legitimacy but can be used to connect with the government, a significant legitimacy evaluator.

In the context of employee engagement, it was revealed that corporate diplomacy facilitates relationship-building between corporate leaders and employees by offering volunteering sessions and implementing employee councils. In this way, corporate diplomacy can contribute to a collective decision-making process between local company leaders and their employees, resulting in affective engagement outcomes, such as the employees' goodwill toward the company (Johnston & Taylor, 2018). As previous research has found, employee councils give the employees a voice, and critical issues will not be missed (Tourish, 2005). Importantly, the MNCs in this study expressed that employee engagement allows for identifying the employees' expectations and simultaneously aligning with them, which may contribute to organizational legitimacy (Devin & Lane, 2014). However, in some cases, it seemed that the MNCs almost expected their employees to participate in a volunteering session. When employees do not feel free to decide whether they want to engage, corporate diplomacy would fail as an engagement process that allows for facilitating relationships and ultimately results in legitimacy (see Devin & Lane, 2014; Heath, 2018; Johnston et al., 2018). Employee engagement should include continuous internal communication, which is open, transparent, and trustworthy to avoid negative relationships or pressure (Mazzei & Ravazzani, 2011).

Concerning community engagement, the results indicate that, due to local restrictions, relationship-building with local community members is limited. MNCs often need governmental approval, which complicates and lowers their engagement approaches with the local community. Therefore, whether a genuine and open dialog between the MNC and local citizens is possible, which is a premise of engagement (Heath, 2018) and essential for gaining organizational legitimacy (Devin & Lane, 2014), is questionable. However, the results imply that community engagement can still be fruitful for the MNCs because they can demonstrate their willingness to contribute to the local community to the host country's government. This result points to a meta-level engagement "where organizations communicate about their activities, performances, and outcomes as

part of their ongoing stakeholder relationships” (Devin & Lane, 2014, p. 439). By doing so, the results suggest that companies seek to build legitimacy toward the government. As such, community engagement in the UAE can be regarded as a means to an end rather than a process that involves different perspectives to create shared meanings (Johnston & Lane, 2018).

Overall, the results indicate that MNCs seek to engage particularly with strategic actors, which directly or indirectly impact MNCs. In engaging with these strategic actors, relationship cultivation is at the core, supporting the assumption that corporate diplomacy is concerned with relationship-building (Ingenhoff & Marschlich, 2019). Moreover, corporate diplomacy engagement helps identify societal expectations of the MNC, as suggested by previous research on engagement (Devin & Lane, 2014; Johnston, 2018; Johnston et al., 2018). As Devin and Lane (2014) have stated, “[p]ositive relationships between organizations and stakeholders are acknowledged as providing vital channels through which clear statements of stakeholder expectations of organizations can be articulated; and through which organizations can demonstrate their responses to these expectations” (p. 436), which would, in turn, contribute to organizational legitimacy (Collins et al., 2005). Hence, relationship cultivation is the major element of corporate diplomacy, allowing MNCs to identify and respond to societal expectations and create organizational legitimacy.

Corporate Diplomacy Engagement as Legitimation Attempts

In addition to the different engagement approaches, the results pointed to the role of corporate culture and the mission and vision of the company, subsumed as corporate identity. Following this, corporate diplomacy approaches are shaped by different engagement methods and the alignment with corporate values. Building on the findings presented in the previous section and bringing these together with corporate culture as an antecedent of engagement, five corporate diplomacy modes can be derived, presented in Table 8.1. Depending on the degree to which the modes adapt to the local or global environment, they fall into global, local, or glocal public relations approaches (see, e.g., Ingenhoff & Rühl, 2013). Depending on the involved actors, the societal expectations considered by the corporation, and whether corporate core values are taken into account, the level of organizational legitimacy as the consequence of corporate diplomacy engagement differs.

The first approach refers to corporate diplomacy as alignment with the political agenda of the host country concerning the societal activities of the MNC and can be regarded as local public relations. In this mode, governmental actors in the host country are involved. By demonstrating that the MNC contributes to

societal issues of local relevance, the MNC can demonstrate its congruence with local societal expectations, allowing for creating moral legitimacy (see Suchman, 1995). The chance to gain legitimacy increases when demonstrating the corporation's link to the government as an established institution that the local community is familiar with (Baum & Oliver, 1991). Moreover, since corporate diplomacy as governmental engagement is reflected in the alignment with governmental expectations, this approach can contribute to regulative legitimacy (see Diez-Martin et al., 2019). The second corporate diplomacy approach is similarly situated on the local level and represents a local public relations approach. Within this approach, MNCs use corporate diplomacy as employee engagement in the host country. The results implied that employee engagement allows showcasing the company as a good employer interested in the local community. Secondly, this approach enables the MNC to respond to the employees' expectations, for instance, by offering volunteering sessions and involving them in the decision-making process concerning concrete corporate diplomacy initiatives. By doing so, companies can gain pragmatic legitimacy since they aim to meet the employees' individual interests and values (see Suchman, 1995).

The third and the fourth corporate diplomacy approaches reflect a mix of global and local public relations modes and thus are referred to as “glocal” public relations. In the third approach, corporate diplomacy demonstrates the adjustment of the MNC's global corporate culture to the host country setting, thereby involving different host country actors. However, this approach's primary goal is the alignment with the global corporate culture, mostly set by the MNC's headquarters. In this way, corporate diplomacy follows a globally set agenda of the societal issues the MNC engages in first. In the second step, the MNC considers which topics might fit best with the host country's values and expectations derived from the engagement with different host country actors. In this way, MNCs can demonstrate that they meet the individual internal expectations emerging from the corporate headquarters, which can contribute to the company's pragmatic legitimacy toward the company's leaders (see Bitekine, 2011). In the second step, MNCs can show that they are aligned (at least partly) with the external expectations from the local community and governmental institutions. In this way, they can build moral or regulative legitimacy toward the host country's environment (see Scott, 2001; Suchman, 1995). The latter depends on the degree to which the corporate diplomacy efforts are presented as in line with governmental demands and the assumed expectations of the broader local community (see Diez-Martin et al., 2019; Suchman, 1995). The fourth approach similarly balances corporate with host country values, but corporate diplomacy in this approach is primarily oriented toward the host country's priorities—in the UAE, mainly resulting

from the national agenda. Therefore, the MNCs engage particularly with the government in the host country. In the second step, the MNC seeks to identify which topics might best match the company's core business or vision. By doing so, the MNC can demonstrate that it meets the local government's expectations, contributing to regulative legitimacy (Diez-Martin et al., 2019; Scott, 2011). Simultaneously, the MNC can show the overall societal value of the company to the local community, increasing its chance of gaining moral legitimacy (Suchman, 1995).

Within the fifth approach, companies seek to involve the broader society to demonstrate their general social responsibility as a global corporation. Companies do not adapt to the host country's environment. Instead, they have the same corporate diplomacy agenda everywhere. Therefore, this corporate diplomacy mode falls into a global public relations approach. When corporations demonstrate that they act similarly across different countries, this may contribute to their cognitive legitimacy (Suchman, 1995). The easier a particular organization can be understood due to consistent actions, the more likely it is perceived as taken-for-granted and comprehensive, which builds cognitive legitimacy (Suchman, 1995). Moreover, as the companies in this mode show that they act in a normative manner from a global society perspective, moral legitimacy can be gained (Suchman, 1995).

Table 8.1 Public relations (PR) and corporate diplomacy (CD) modes and the related expectations and legitimacy approaches from the company's perspective

PR mode	CD approach	Engaged/involved social group	Values and expectations	Legitimacy level
Local PR	CD as a political alignment to the host country	Governmental institutions	Perceived expectations of the host country's government	Regulative legitimacy Moral legitimacy Cognitive legitimacy
	CD as employee engagement in the host country	Local employees Local community	Perceived expectations of the employees in the host country	Pragmatic legitimacy

(continued)

Table 8.1 (continued)

PR mode	CD approach	Engaged/involved social group	Values and expectations	Legitimacy level
Glocal PR	CD as an adaption of (global) corporate culture to host country	Corporate headquarters Local community Governmental institutions Other MNCs	Perceived expectations build primarily on corporate values and secondarily on priorities of the host country environment	Pragmatic legitimacy Limited moral legitimacy
	CD as a commitment to the host country, integrating corporate identity	Governmental institutions Local community Other MNCs	Perceived expectations build primarily on host country priorities, secondarily on corporate values	Regulative legitimacy Moral legitimacy
Global PR	CD as the responsibility of global corporations in society (including the host country society)	Society at large	Expectations for the company to act morally correctly	Cognitive legitimacy Limited moral legitimacy

Glocal public relations approaches are regarded as helpful and valuable for MNCs. Glocal approaches allow for engagement on the local level, while MNCs can simultaneously follow their corporate culture and remain authentic (see Jain & De Moya, 2013; Wakefield, 2011). Therefore, glocal approaches are more efficient than global or local concepts. Moreover, it can be assumed that glocal and local approaches, compared to global approaches, are more likely to be covered in the media due to the media's close relation to the government encouraging local engagement. Local issues have higher news value and are more prone to be covered (Galtung & Ruge, 1965). Moreover, the legitimization attempts of the global approach are limited in fulfilling the host country's demands as it just focuses on the "global" society. Lastly, moral legitimacy in the global approach can be threatened when global moral values are not congruent with the local moral values (see Mogensen, 2020a). In the UAE, the results revealed specific

issues that the MNCs promote in other countries but not in the UAE due to governmental restrictions and conservative Islamic values.

However, expectations can conflict within the host country setting, which can challenge engagement processes and mutual understanding (see Dare et al., 2014). For instance, governments may have different objectives than employees, which might differ from citizens' demands. In the UAE, the results imply that the government, due to its power and impact, is widely considered the key social group to be involved in corporate diplomacy. In this regard, corporate diplomacy might be considered the result of regulative pressure and the perception of coercion (see DiMaggio & Powell, 1983). MNCs may almost exclusively adapt to governmental expectations while ignoring others. However, in the case of the UAE, the study's findings revealed that corporate diplomacy without governmental involvement is often difficult to perform due to local restrictions on civic engagement and the skepticism toward foreign MNCs (see also Kostova & Zaheer, 1999 on "the liability of foreignness" of MNCs). Moreover, the lack of pluralistic views in the UAE may create barriers to successful engagement involving different and conflicting interests (see Lane & Kent, 2018), which comes with issues of morality (Mogensen, 2019). However, it goes beyond the scope of this study to discuss the issue of power imbalance, but it needs to be taken into account when discussing corporate diplomacy in the context of the UAE.

Overall, this study identified different corporate diplomacy approaches, which should not be considered mutually exclusive. Instead MNCs can use them interchangeably but should be careful to still act authentically and avoid mixing too many different approaches since they can conflict in cases where the values and expectations of the involved social groups vary.

8.2 The Media Perspective on Corporate Diplomacy and Organizational Legitimacy

The Role of Media Frames in Gaining Moral and Pragmatic Legitimacy

The second empirical study of this thesis examined how local media coverage of corporate diplomacy may contribute to organizational legitimacy building. The study built on the assumption that by reporting on and evaluating corporate diplomacy activities in a certain way, the media forms legitimacy judgments, which may affect the legitimacy perceptions of media audiences concerning an MNC (see Bitekine, 2011; Deephouse et al., 2017). A content analysis of the media coverage in Emirati daily newspapers was conducted to explore whether individual media frames on corporate diplomacy can be found that construct legitimacy on

different levels. The results of an exploratory factor and a cluster analysis revealed three media frames on corporate diplomacy, portraying and treating corporate diplomacy in different ways, which either contribute to moral or pragmatic legitimacy (moral and pragmatic corporate diplomacy frame) or remain neutral, not attributing socio-political legitimacy in the media (neutral corporate diplomacy frame). Moreover, the study found that corporate diplomacy media coverage contributes to cognitive legitimacy but that the extent of cognitive legitimacy varied among the media frames.

The results particularly showed that a specific combination of frame elements are related to the construction of moral and pragmatic legitimacy in the news of corporate diplomacy. First, the findings revealed that moral legitimacy in the media is attributed when the media frames corporate diplomacy as corporate engagement linked to relevant actors, particularly the host government, national and international companies, and social actors (problem definition), thereby endorsing this activity and outlining that it pursues socially accepted values or societal demands (causal interpretation), depicting the community as benefitting actors (moral evaluation), and demonstrating support for the corporate activity (treatment recommendation). Following this, moral legitimacy is particularly reflected in corporate diplomacy initiatives highlighting their benefit for the local community and the linkages to different host country actors, which may vary. In this sense, corporate diplomacy on a moral level can be subsumed as a commitment to the local society. Second, pragmatic legitimacy in the media was built when corporate diplomacy is portrayed as cultural initiatives or engagement in programs that contribute to the labor market, linking the MNC to national and international companies and the government (problem definition) with a positive connotation (causal interpretation), highlighting that corporate diplomacy contributes to the particular interests of the national government and the country (moral evaluation), and advocating for the initiative (treatment recommendation). Hence, pragmatic legitimacy in the media is reflected in the linkages of an organization with more powerful actors and the presentation of the country, including the local government, as beneficiaries. In this sense, corporate diplomacy on a pragmatic legitimacy level in the media is demonstrated as a company's contribution to the national agenda and the country's progress. These findings show that the construction of media frames can empirically support the theoretical conception of moral and pragmatic legitimacy (Suchman, 1995). Besides that, the findings demonstrate that moral legitimacy, conceptualized as congruence with broader societal values, and pragmatic legitimacy, as the alignment to individual self-interests, are highly context-dependent. Cultural and institutional contexts determine societal and individual expectations and what they contain (Dowling &

Pfeffer, 1975) and, following this, what institutional linkages are and who the beneficiaries are.

As the results further showed, in comparison with the neutral corporate diplomacy frame, the moral corporate diplomacy frame is linked with a significantly higher degree of cognitive legitimacy. Cognitive legitimacy, reflecting a high recognition and the taken-for-grantedness of an organization, is the most significant form of organizational legitimacy (Suchman, 1995). The more an organization is perceived as taken for granted, the less likely it will be questioned. This thesis's results point to the essential role of moral values and norms and the moral orientation of companies in gaining cognitive legitimacy. As Scherer and Palazzo (2011, 2012) have noted, organizational behavior oriented toward moral standards in a given context becomes increasingly important for two reasons. First, MNCs are increasingly criticized for their social and environmental harm, threatening their organizational legitimacy. Second, in a globalized world, traditionally accepted concepts of morality are fragmented, and corporations need to find ways to demonstrate that they are congruent with the social values and norms within the given context—and because societal expectations can change: The “value pluralization of modern society and the fact that multinational corporations operate within numerous and sometimes contradictory legal and moral contexts, makes a simple adaption to external expectations difficult” (Scherer & Palazzo, 2012, p. 33). This argument is supported by this thesis's findings as the media frames reflect different types of expectations (individual versus societal) and contexts (different corporate diplomacy topics and linked actors). However, in contrast to Scherer and Palazzo's (2011, 2012) suggestion that pragmatic legitimacy attempts increasingly fail, this study's findings suggest that corporate efforts outlining benefits for individual self-interests, particularly the host country's government, can be successful, at least when considering positive media coverage as effective and relevant.

The Lack of Regulative Legitimacy

The findings showed that almost three-quarters of the articles contribute to moral and pragmatic legitimacy judgments, while regulative legitimacy rarely played a role. This result implies that although governmental expectations in the given country context seem to play an essential role in organizational behavior (see also sections 7.1 and 8.1), media coverage only marginally includes references that would relate corporate diplomacy to governmental demands or rules. This is a surprising result, given that many media outlets in the UAE are owned by government members or close relatives of governmental actors (Kirat, 2005).

Accordingly, it could have been assumed that the alignment between corporate diplomacy activities and governmental expectations is prevalent in the news. However, even if the link to regulative legitimacy did not occur, media coverage linked corporate diplomacy to the government as part of the frame element “problem definition” in both the moral and the pragmatic corporate diplomacy frames. The government’s role in corporate diplomacy in the UAE still became apparent since corporate diplomacy was mostly covered when performed together with the government. However, it also seems reasonable that corporate diplomacy was often covered as a collaboration between an MNC and the government because it is commonly performed as a public-private partnership—which was suggested by the results of the interview study (see section 7.1 and section 8.1). Particularly in the Middle East, partnerships with public institutions are widespread because of public actors’ significant power and impact and historical and cultural reasons (White & Alkandari, 2019). Either way, the results suggest that linkages to powerful actors benefit corporate diplomacy through positive, endorsing, and supportive media coverage, highlighting the role of institutional linkages. According to the previous literature, institutional linkages can benefit corporations through legitimacy spillovers from the established organization to the corporation (Baum & Oliver, 1991; Kostova & Zaheer, 1999), referred to as linkage legitimacy by Bitekine (2011).

Overall, the results indicate that corporate diplomacy is an effective legitimization strategy for MNCs in the host country’s environment, supporting previous conceptual papers on the link between corporate diplomacy and organizational legitimacy (Mogensen, 2019; Ordeix-Rigo & Duarte, 2009; Westermann-Behaylo et al., 2015). The findings imply that corporate diplomacy should be concerned with the broader social values and norms and individual interests of the host country’s environment, resulting in different expectations to be addressed by corporate diplomacy communication. In this way, the results support Kochhar (2018), stating that the corporate diplomacy approach “depends on the nature of the stakeholder interest, the relevance to the business, and the most practical way to meet stakeholders’ specific needs and expectations” (p. 350). Moreover, the study’s results suggest that media coverage plays a significant role in corporate diplomacy. So far, the role of the media in corporate diplomacy has rarely been considered. In previous public relations and public diplomacy research, the purpose of the mass media was mostly limited to the dissemination of information (Gilboa, 2001; Zaharna, 2009), and scholars have emphasized the importance of direct and personal communication regarding corporate diplomacy engagement (Macnamara, 2012; Mogensen, 2017; Ordeix-Rigo & Duarte, 2009). However, this study has demonstrated that corporate diplomacy could benefit from media

endorsement and positive media evaluations. Additionally, MNCs can use media relations to inform about their corporate diplomacy efforts and to enhance their visibility and, in this regard, their cognitive legitimacy. Simultaneously, media frames can help MNCs build and maintain moral and pragmatic legitimacy. As Zaharna (2009) emphasized, the establishment of “strong media relations and relying on the local media are part of the relationship-building strategy” (p. 92) for public diplomacy activities, including corporate diplomacy. Organizational legitimacy is a facet of relationships (Lock, 2019). In this regard, the study’s findings confirm and extend Zaharna’s (2009) findings by clearly presenting how local media can contribute to corporate diplomacy practices and MNCs’ legitimization attempts.

8.3 The Audience’s Perspective on Corporate Diplomacy and Organizational Legitimacy²

Direct Effects of Corporate Diplomacy on Organizational Legitimacy

The third empirical study of this thesis examined how corporate diplomacy news with institutional linkages to the host country government affects organizational legitimacy. The literature has emphasized that corporate diplomacy seeks to gain organizational legitimacy (Mogensen, 2017; Ordeix-Rigo & Duarte, 2009; Westermann-Behaylo et al., 2015) and that institutional linkages between a corporation and an established institution increase the chance to build legitimacy (Baum & Oliver, 1991; Bitekine, 2011). These two assumptions were brought together in a model and tested. The results imply that corporate diplomacy news with institutional linkages to the host country’s government only partly directly affects organizational legitimacy. While moral and regulative legitimacy increased significantly through the governmental, institutional linkages, pragmatic legitimacy was not significantly directly affected by whether corporate diplomacy involved the government. These findings suggest that institutional linkages with the government enhance the perception of a company’s contribution to the wider community (moral legitimacy) and the perceived congruence with governmental expectations (regulative legitimacy).

² This chapter is derived in part from an article published in *Public Relations Review* as Marschlich, S., & Ingenhoff, D. (2022). Public-Private Partnerships: How Institutional Linkages Help to Build Organizational Legitimacy in an International Environment. *Public Relations Review*, 48(1), 102124, available online: <https://doi.org/10.1016/j.pubrev.2021.102124>.

In contrast, the perception that the company serves the individual self-interests of community members through corporate diplomacy engagement is not directly influenced by institutional linkages with the host country's government. Instead, the results showed that pragmatic legitimacy was fully mediated by issue legitimacy, governmental legitimacy, and media credibility, indicating that the effects of corporate diplomacy news with governmental involvement on pragmatic legitimacy can only be explained through the effects of corporate diplomacy without/with institutional linkages on the intervening variables (issue legitimacy, governmental legitimacy, and media credibility) and the effects of those three intervening variables on pragmatic legitimacy (see Hayes, 2018; Koch et al., 2019). Hence, the perception of the MNC as legitimate on a pragmatic level, i.e., serving individual self-interests (Suchman, 1995), only increases when the government is involved (compared to without governmental involvement) because individuals perceive the issue and the government as more legitimate and the media as more credible.

This result is in contrast to what Bitekine (2011) suggested when referring to linkage legitimacy as one major perceived dimension evaluators render to form legitimacy perceptions on a pragmatic level. So far, the direct effect of institutional linkages on pragmatic legitimacy has not been tested. Instead, legitimacy was measured as organizational survival or growth when testing the effects of institutional linkages (e.g., Baum & Mezias, 1993) or as purchase intention (Lock & Schulz-Knappe, 2019). Pragmatic legitimacy "involves direct exchanges between organization and audience; however, it also can involve broader political, economic, or social interdependencies, in which organizational action nonetheless visibly affects the audience's well-being" (Suchman, 1995, p. 578). One explanation for the insignificant direct effect of governmental, institutional linkages on pragmatic legitimacy might be related to the corporate diplomacy issue presented in the fictitious newspaper article in the experimental stimulus, i.e., public health. As the interviewed public relations executives working for healthcare corporations outlined, the healthcare system in the UAE is perceived as insufficient by the citizens, particularly in comparison to those of Western Europe. For this reason, building a first-class healthcare system is one of the most relevant priorities on the UAE's national agenda, and the government particularly builds on the expertise of foreign MNCs to improve the healthcare system. Therefore, it might be concluded that the host country government's involvement in an initiative on public health does not increase the perception that individual interests are improved compared to if the public health initiative were performed by the MNC only, which would, in turn, increase pragmatic legitimacy. It can be suggested that corporate diplomacy initiatives on issues that are not viewed positively or

as a strength of the government do not significantly increase the MNC's pragmatic legitimacy when the government is involved in corporate diplomacy efforts. In other words, if the government is involved in corporate diplomacy initiatives that are not perceived as "government issues," it makes no difference in terms of pragmatic legitimacy whether corporate diplomacy is carried out only by the company or the government is part of the corporate diplomacy initiative because the effect of institutional linkages, in that case, seems to be dissipated by the linkage between the government and the issue (healthcare).

Concerning the direct effects of corporate diplomacy with institutional linkages on regulative and moral legitimacy, the results support previous literature on the immense role of respect toward governmental actors in the Middle East region (see Dhanesh & Duthler, 2019; White & Alkandari, 2019). Also, the effect of governmental, institutional linkages on moral legitimacy implies that governmental actors' involvement increases the perception of corporate activities as contributing to society and as congruent with social norms and values. This finding is in line with earlier assumptions that the nation-state acts as a reference point for moral orientation (see, e.g., Windsor, 2006). Particularly in non-democratic, emerging countries, where the government wields significant power on social life while simultaneously seeking ways to improve social well-being, this seems reasonable. Second, the UAE Government made several commitments to its community to advance social welfare, including achieving a first-class healthcare system (UAE Government, 2020). Therefore, it appears that community members relate the healthcare corporate diplomacy initiative involving the government as more congruent with societal standards (moral legitimacy) and governmental demands (regulative legitimacy).

Effects of the Intervening Variables on the Legitimation Process

The results further point to the role of intervening variables in the effects of corporate diplomacy with institutional linkages on organizational legitimacy. First, the study indicates that the institution's legitimacy, i.e., governmental legitimacy, plays a significant role in gaining organizational legitimacy. The higher the perceived legitimacy of the institution the company collaborates with, the higher the company is regarded as acting legitimately on different levels, supporting Baum and Oliver (1991). At the same time, the demonstration of corporate diplomacy as a public-private partnership increases the perceived legitimacy of the government. According to the concept of bounded rationality, an organization's activity with another organization is cognitively related, leading to spillover effects on how the activity and the organization are perceived (Kostova & Zaheer, 1999).

The results imply that the positive nature of corporate diplomacy, i.e., contributing to the local community, is cognitively related to the government when it is involved in the initiative. In this regard, the institutional linkage benefits not only the MNC but also the established organization the MNC is linked with, which has not been considered in previous literature.

Moreover, this study suggests that issue legitimacy is a significant mediator between corporate diplomacy and moral, pragmatic, and regulative organizational legitimacy. In support of and extending Baum and Oliver (1991), the findings imply that institutional linkages affect legitimacy regarding the organization and concerning the issue related to the organization. Corporate diplomacy news with governmental involvement positively influences the legitimacy of the promoted corporate diplomacy issue. Also, issue legitimacy was found to increase organizational legitimacy, as Chung et al. (2016) have suggested. Therefore, the more the individuals perceive the promoted issue as legitimate, the more likely they are to judge the organization as legitimate, pointing to the role of issue management in corporate diplomacy—the “application of legitimacy arises in ongoing issue management efforts, and its aim is not to gain approval for a corporation’s place in the social structure, but to gain approval from critical publics for a specific corporate policy or activity” (Boyd, 2000, p. 349). Moreover, the comparison between the indirect effects’ strength revealed that regulative legitimacy is mostly affected by governmental legitimacy, suggesting that organizations seeking legitimacy on a regulative level should particularly engage with the government, which seems reasonable. Accordingly, the audience perceives the MNC as more congruent with governmental expectations, which builds regulative legitimacy when the MNC collaborates with the local government in the corporate diplomacy initiative.

Lastly, the results suggest that the credibility of the content source, in this case, the media, is positively affected by institutional linkages and simultaneously increases the chance of gaining organizational legitimacy. This finding supports and adds to the previous literature that analyzed the effects of content credibility on corporate legitimacy (Bachmann & Ingenhoff, 2016) and media credibility on industry legitimacy (Finch et al., 2015). The more credible a source is evaluated, the more likely the message can influence the audience, which might be related to the perception of the content source as trustworthy and having expertise, building the foundation for credibility (Lafferty & Goldsmith, 1999).

Overall, the study indicates that institutional linkages can benefit private organizations in a foreign environment. Applying this to public relations research, the concept of institutional linkages adds to the research on organization-public relationships by suggesting institutional relations as a form of organization-public

relationships that seems to increase the perceived quality of the relationship, in particular, the legitimacy of the institution and the organization. As such, the study's results support the previous notion that legitimacy emerges from organization-public relationships, perceived as high quality (Wiggil, 2014). Public-private partnerships on societal issues in the Middle East were found to be viewed as mutually beneficial because the host country's government increases social welfare, and the foreign company can demonstrate its commitment and identify what the host country's society needs (White & Alkandari, 2019). Hence, while Mogensen (2017) advocated that corporate diplomacy can only be effective in gaining legitimacy when engaging directly with the local citizens, this study demonstrated that engagement with governmental actors is a significant approach for gaining moral and regulative, and, indirectly, pragmatic legitimacy. In the UAE, this thesis revealed that corporate engagement with local community members is very much restricted. Thus, the involvement of governmental actors in corporate diplomacy is often the only way to affect social well-being and to reach civic society.

However, as Mogensen (2019) has noted, corporate diplomacy is often related to power disparities, particularly concerning the engagement with the host country's government. Such an imbalance in power has already been addressed by neo-institutional approaches. Accordingly, organizations face normative and coercive pressure that forces them to completely adapt institutional rules (DiMaggio & Powell, 1983). Thus, institutional linkages and, in this respect, public-private partnerships in the UAE can be regarded as the result of external pressure emerging from the most powerful actors within the organizational environment (Baum & Oliver, 1991). However, at least for organizational legitimacy perceptions, institutional linkages seem to be a promising approach.

8.4 Overall Discussion of the Findings

Now that the results of the individual empirical studies have been presented and discussed, they will be summarized and discussed on a meta-level to answer the overall research question of *how MNCs can gain legitimacy in the UAE's local society through corporate diplomacy*.

The Legitimation of MNCs through Corporate Diplomacy

According to DiMaggio and Powell (1983), the organizational environment, referred to as the organizational field in the neo-institutional approach, is constituted by "those organizations that, in the aggregate, constitute a recognized

area of institutional life, [...] [emerging] as a result of the activities of a diverse set of organizations” (p. 148). In the case of corporate diplomacy in the UAE, the organizational field comprises several actors, including the host country’s government, the local employees, local NGOs, media actors, other MNCs, and citizens living in the country. However, as this thesis found, MNCs in the UAE are mostly constrained in their decision-making and access to social resources by powerful institutions. The results of the current research project showed that the government is the most critical actor in the organizational field of foreign MNCs in the UAE due to its immense power and impact on several systems of society. This result supports previous research regarding the most relevant actors in the organizational field of foreign companies (e.g., Kostova & Zaheer, 1999). Especially in an authoritarian state, a partnership with the government seems important as it allows access to general audiences and creates synergy effects.

Moreover, due to the local restrictions, public-private partnerships in the UAE are, to a great extent, inevitable. This finding supports the assumption of the sociological neo-institutional approach of coercive isomorphism, according to which organizations try to gain legitimacy mainly toward political actors due to their pressure (DiMaggio & Powell, 1983). The institutional impact of governments particularly emerges from their authority and power in legislative and judicial decisions, through which they can sanction inappropriate corporate actions (Scott, 1995, 2001). Besides, the result supports earlier research that has pointed to the relevance of public-private partnerships in the Middle East region (White & Alkandari, 2019) and corporate diplomacy (Ordeix-Rigo & Duarte, 2009). Ordeix-Rigo and Duarte (2009) have emphasized public-private partnerships as a valid measure for participating in decision-making processes, through which MNCs may “take over some of the traditional functions of the state, [and] corporations engaged in corporate diplomacy actively add new roles to the traditional role of the corporations” (p. 562). This, in turn, fosters the development of corporate legitimacy toward society. Following the core assumption of this thesis, legitimacy arises from the perception of congruence between corporate behavior and societal expectations, which are based on socially and culturally constructed norms and values (see Dowling & Pfeffer, 1975; Suchman, 1995). As such, the results empirically showed that companies could establish legitimacy by demonstrating that they adapt to or align with the audiences’ expectations in the host country.

However, as this thesis revealed, such expectations are not homogeneous and vary by social groups in the host country and may differ with corporate culture and related expectations (e.g., expectations of corporate leaders or the company’s headquarters). The results imply that the UAE Government expects or desires

companies to participate in issues displayed on the national agenda, thereby contributing to the nation's interests and the public good. Employees in the UAE, most of whom are not part of the local community, are more likely to expect to be actively involved in societal issues, for example, through volunteering. Additionally, the findings showed that for some companies, corporate culture plays an essential role in implementing corporate diplomacy, especially regarding issues. For instance, some companies pursue a global agenda and do not adapt to local conditions. Corporate diplomacy approaches may vary depending on which expectations are prioritized or which social groups are primarily addressed. Five corporate diplomacy approaches were derived based on the results, including local approaches (corporate diplomacy as a political alignment to the host country and as employee engagement in the host country), "glocal" approaches (corporate diplomacy as an adaptation of global corporate culture to the host country culture and politics and as a commitment to the host country, integrating corporate culture), and a global approach (corporate diplomacy demonstrated as the responsibility of global corporations in society). Based on the results, it can be outlined that the different approaches in which companies prioritize audience expectations at a local, "glocal," or global level affect the legitimacy building of companies differently (see Kostova & Zaheer, 1999; Suchman, 1995). Thus, it can be concluded that companies attempt to gain legitimacy from different actors by applying different corporate diplomacy modes.

However, the two corporate diplomacy media frames identified in this research imply that corporate diplomacy initiatives with local relevance, i.e., either on issues that demonstrate a commitment to the UAE residents (especially Emiratization, employees' well-being, and cultural initiatives) or in collaboration with local actors such as the government, are more likely to generate positive media coverage and increase companies' visibility and legitimacy. Since the media is often the most critical source of information about foreign MNCs, the media's legitimacy judgments play a crucial role in forming the legitimacy perceptions and evaluations of the host country's environment (see Bansal & Clelland, 2004; Deephouse, 1996; Pollock & Rindova, 2003). The results support the assumed role of news media in granting organizational legitimacy through corporate diplomacy. However, these results should be viewed with caution as the current research did not find any critical news stories about companies related to their corporate diplomacy initiatives. This result might be explained by the political and media system (see Duffy, 2011, 2013; Kirat, 2005; see also sections 5.1 and 5.4). Accordingly, information positively associated with the government and the country's image or progress is likely to be published as news in the local media.

Similarly, at the general audience level, the results imply that corporate diplomacy activities in collaboration with the UAE Government can increase organizational legitimacy. This highlights the importance of institutional relations (see Baum & Oliver, 1991), i.e., demonstrated linkages between MNCs and established host country actors, which can be interpreted as a particular type of organization-public relationships. In this way, the results underscore the role of strategic communication and public relations in building and demonstrating institutional linkages and highlight the significant role of the host country's government in forming the perception of corporate diplomacy. However, this has built on the assumption that the host country's government is perceived as legitimate, as suggested by the neo-institutional approach (see Baum & Oliver, 1991). The experimental study's results showed that the government in the UAE is regarded as legitimate. However, these findings cannot be generalized since governments might be perceived differently in other countries. Examining other institutional actors, such as NGOs, could have led to different conclusions. However, foreign MNCs seem to profit from relationships with established actors, such as the government in the case of the UAE.

To sum up, firstly, the results suggest that the identified local corporate diplomacy approaches seem most promising in the UAE context for building legitimacy. However, following the sociological neo-institutional approach, it is sufficient to gain legitimacy if formal structures meet societal expectations (Meyer & Rowan, 1977). Consequently, "glocal" corporate diplomacy approaches can be regarded as valuable for building legitimacy as long as companies *communicate* their focus on local issues or actors externally. Secondly, the findings support the assumption that organizational legitimacy can be gained by emphasizing the congruence of organizational actions and societal expectations (see Dowling & Pfeffer, 1975; Suchman, 1995). In this context, external communication is central, and the role of public relations is to recognize societal expectations and demonstrate the congruence between organizational behavior and the societal demands of the host country's society.

Figure 8.1 illustrates the legitimation process of MNCs through corporate diplomacy as analyzed in this thesis and supported by its findings. The three actors displayed in the largest forms (the organization, media, and local community) are those focused on within the current research project. As this thesis found, the host country government is the most critical actor from an organizational perspective in the UAE. As shown in the figure, other key actors constituting the organizational field include the company's headquarters, which may determine the global strategy and the corporate culture to a great extent, and the employees with specific demands regarding corporate diplomacy initiatives and issues.

For the sake of clarity, only the actors particularly examined in this research (the media and local community members) and the most critical actors found in the results (government and employees) are linked to corporate diplomacy by arrows. However, all actors portrayed in the figure affect the MNC and its corporate diplomacy efforts by raising expectations concerning the appropriateness of organizational behavior.

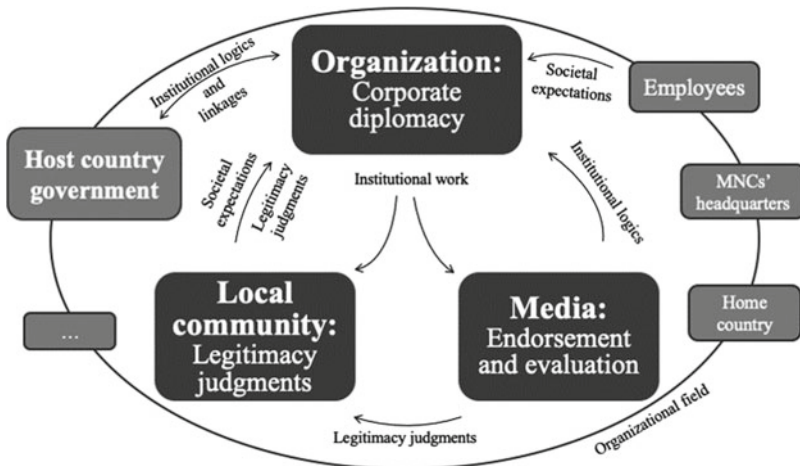


Figure 8.1 Legitimation through corporate diplomacy in the organizational field

Institutional Logic and Societal Expectations in the Organizational Field of MNCs in the UAE

Figure 8.1 points to the societal expectations and institutional logic emerging in the organizational field and are critical for forming organizational legitimacy judgments. Institutional logic is regarded as socially constructed patterns emerging from values and norms and guiding the actions of all actors in an organizational field (Friedland & Alford, 1991). In this regard, institutional logic is highly linked to societal expectations, which similarly build on socially constructed norms and values (see, e.g., Suchman, 1995). However, institutional logic is developed over a longer period and is usually more stable than societal expectations (Friedland & Alford, 1991). Different actors in the organizational field, including the host country's government, the media, the local citizens, the home country, and the employees, observe and evaluate organizations and their

activities. Thereby, these actors form legitimacy judgments emerging from their particular expectations. Those expectations and beliefs affect what organizations do and how they communicate about it—for instance, as a contribution to a specific group or the wider local community. Hence, corporate diplomacy articulates “manifestations of institutional rules, norms, and ideas that function as rationalized myths” (Fredriksson et al., 2013, p. 186) and is one way to respond to the present institutional logic and societal expectations, which follow these rationalized myths (Meyer & Rowan, 1977). This points to the social constructed-ness of the organizational field, the societal expectations, and the institutional logic within the field. Building on that, the meaning of corporate diplomacy can be regarded as socially constructed. The organizational meaning-making of corporate diplomacy makes sense only when understood within institutional logic (Meyer & Rowan, 1977; Scott, 1995). In the specific case of the UAE, the institutional logic is mainly related to the country’s political and cultural particularities. Three institutional logics are most apparent and discussed briefly in the following.

First, this thesis showed that corporate diplomacy in the UAE is perceived and performed as a contribution or commitment to the host country’s national agenda. This can be explained by the power and impact of the host government and the specific culture that highly values hierarchies and treats leaders with significant respect (Yasin Fadol & Sandhu, 2011). This institutional logic, which is also implemented in the UAE’s regulations, complicates and restricts direct engagement with civic society. Corporate diplomacy in the UAE comes with limitations lowering the chance of involving all different stakeholder views—the ultimate goal of civic engagement (Johnston et al., 2018; Johnston & Lane, 2018). However, when the MNCs are aware of these distinctive political and cultural characteristics, corporate diplomacy engagement can be fruitful and rewarding for the MNC and other involved actors (Dawkins, 2014).

Second, another institutional logic is reflected in the personal and direct communication style, which builds on close relationships, personal influence, and private affairs. The current research showed that there is a particular way of “how to do business in the Arab region,” which has also been identified to some extent in previous research and mainly builds on Islamic and collectivist cultural values (Dhanesh & Duthler, 2019; White & Alkandari, 2019). However, this thesis pointed to the inherently contradictory nature of institutional logic. While engagement with local governmental actors was found to mainly build on personal relationships, engagement with (other multinational) companies appeared to follow a less personal relationship cultivation approach. Personal relationship management is a common way to do business in collectivist countries (see Dhanesh & Duthler, 2019; Yasin Fadol & Sandhu, 2011), while people

from individualistic contexts, such as Western European countries, tend to foster more loosely knit social relationships (Hofstede, 2001). Therefore, the difference between the relationship cultivation of foreign MNCs with the host country's government and other foreign MNCs might be reasoned with the similar individualistic cultural background of other corporations involved in corporate diplomacy. In the case of corporate diplomacy in the UAE, the different cultural backgrounds of the involved actors did not seem to lead to major problems as long as the dominant culture was adopted within the local organizational environment.

Third, the findings pointed to the role of moral legitimacy, implying that morality or the understanding of moral values can be interpreted as institutional logic. First, the results revealed the moral corporate diplomacy frame. This frame treats corporate diplomacy as contributing greatly to the local community and demonstrates that linkages to the local government are the most frequently occurring media frame, contributing to cognitive legitimacy the greatest. Second, the experimental design study implied that moral legitimacy is affected by demonstrating institutional linkages between corporate diplomacy and the local government. This thesis indicates that the congruence between organizational actions and moral expectations of organizations can positively influence organizational legitimacy and the social license to operate, as Scherer and Palazzo (2012) have suggested. However, in the UAE, morality seems related to the social commitment to the local community, as proposed by conceptions of moral legitimacy (e.g., Suchman, 1995), in that the moral corporate diplomacy media frame implies that morality in the UAE is linked to the government. Similarly, the results of the experimental design study revealed that moral legitimacy perceptions significantly increase when corporate diplomacy is linked to the government.

The previous literature built the understanding of moral legitimacy on the assumption "that the social environment of corporations consists of a more or less coherent set of moral rules" (Scherer & Palazzo, 2011, p. 915). This understanding can mainly be explained by the dominant perspectives of Western political philosophy, whose worldview and normative understanding are based on liberal, democratic values (see, e.g., Rorty, 1991). However, in a globalized world characterized by an increasing pluralization of values and norms, the moral frameworks and understandings of what is right or wrong differ significantly at the cultural or national levels. Due to the political system and the related power of the local government, moral legitimacy in the UAE can rarely build on the "forceless force of the better argument" (Habermas, 1990, p. 185), as suggested by Scherer and Palazzo (2011). Therefore, this thesis points to the differences between morality and ethics, arguing that moral legitimacy approaches in the UAE seldom emerge from ethical approaches, as applied by business ethics scholarship (Garriga &

Melé, 2004; Windsor, 2006). “Ethics denotes theories of right conduct whereas the term morality denotes the actual practice of right conduct” (Ambrose & Cross, 2009, p. 5). As Bauman (1995) has noted, ethics and morality can conflict since ethics refers to the “actual truth” set by authorities in modern society, describing what correct behavior is. In contrast, morality is always an individual perspective on the relationship with another individual and builds on an autonomous identity in a post-modern world (Bauman, 1995). Therefore, moral legitimacy constructions in the UAE seem to build on moral sense-making of socially accepted norms and values (see, e.g., Calton & Payne, 2003) rather than universal normative values.

However, it must be noted that private organizations, due to their economic nature, not only follow institutional logic shaped by external groups but also create and follow their institutional logic. This finding was discussed in section 8.1, in which different corporate diplomacy modes were presented. These modes pointed to the active role of organizations in the legitimation process (Frandsen & Johansen, 2013; Lawrence, 1999) and implied that MNCs have organizational logic in addition to the institutional logic emerging from interactions in the organizational field. Organizational logic follows economic reasoning, organizational self-interests, and shareholder interests to a great extent. Against this background, scholars have increasingly discussed the extent to which private companies have the right, the responsibility, and the accountability to engage in governmental issues and contribute to the public good (Scherer & Palazzo, 2011, 2012). Many private companies do not participate in societal issues and are successful because they fulfill the shareholders’ interests and, in this regard, meet the expectations for an economic license to operate (Henderson, 2001). However, under globalization conditions, the strict division between state and non-state actors in global governance can no longer be held (Matten & Crane, 2005; Scherer & Palazzo, 2007).

Concerning the right and the accountability of private companies to engage in societal issues previously reserved for governments, Mogensen (2019, 2020a, b) has discussed the legitimacy issues of corporate diplomacy. In particular, two central questions arise: To what extent can private companies legitimately represent public issues since the public does not elect them? How can MNCs deal with or overcome the disparities in power and expertise to legitimately engage in societal issues? Answering these questions goes beyond the scope of this thesis, but both are relevant to consider when researching and practicing corporate diplomacy and related terms. However, the findings imply that dialogical approaches and the willingness to integrate varying opinions from different groups in the host country into the corporate diplomacy decision-making process

might be essential prerequisites for assuming responsibility for societal issues. Hence, effective engagement processes involving different perspectives and interests may enable addressing or even overcoming such potential legitimacy gaps and power imbalances, as Mogensen (2019, 2020a, b) has mentioned.

Open Access This chapter is licensed under the terms of the Creative Commons Attribution 4.0 International License (<http://creativecommons.org/licenses/by/4.0/>), which permits use, sharing, adaptation, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons license and indicate if changes were made.

The images or other third party material in this chapter are included in the chapter's Creative Commons license, unless indicated otherwise in a credit line to the material. If material is not included in the chapter's Creative Commons license and your intended use is not permitted by statutory regulation or exceeds the permitted use, you will need to obtain permission directly from the copyright holder.





9.1 Summary of the Findings

In today's world, MNCs not only have great financial power but an immense impact on the communities in the host countries where they operate. In many cases, MNCs have an even greater effect on society than the local government (Molleda & Kochhar, 2014). However, organizations are constantly observed and scrutinized by different actors in their environment, including the media, NGOs, and governments in their home country and host countries. For this reason, MNCs need to find ways to build organizational legitimacy as part of their social license to operate (Boutillier & Thomson, 2011). This thesis first reviewed previous approaches and definitions of corporate diplomacy to develop a distinct definition and conceptualization of corporate diplomacy, which had previously been missing. Second, this research explored how corporate diplomacy engagement with the host country environment on societal issues can enhance the legitimacy-building processes of foreign MNCs. This thesis particularly examined the legitimation process of the largest European MNCs in the UAE through corporate diplomacy on the following three levels: the organizational, the media, and the audience. A summary of the conducted studies is provided hereafter to answer the research questions presented at the beginning of this thesis (see Chapter 1, Figure 1.1).

9.1.1 Research Questions 1 and 2: Corporate Diplomacy as an Engagement Process to Gain Organizational Legitimacy

By conducting in-depth interviews with public relations executives, the following first and second research questions were addressed: *To what extent and how is corporate diplomacy in the UAE performed as engagement with its social environment, and to what extent and how is corporate diplomacy in the UAE used to gain organizational legitimacy.* The results indicated that MNCs perform corporate diplomacy by engaging with multiple groups within their host country environment, particularly the host country's government and employees, other MNCs, and, to some extent, local citizens. Furthermore, the results showed that the engagement process is mostly strategic and mainly builds on personal relationship cultivation, a cultural particularity in the UAE. Moreover, the first empirical study revealed that corporate diplomacy is intentionally and unintentionally used as a legitimation strategy. By engaging with different social groups in the host country's environment, MNCs identify and respond to societal expectations, enabling organizational legitimacy building. Predominantly, corporate diplomacy contributes to organizational legitimacy in the UAE by aligning with the political agenda, contributing to the employees' needs, and demonstrating corporate diplomacy as a commitment to the local community and the country's societal development. However, the analysis also pointed to challenges, including cultural and political peculiarities and conflicting values and expectations between actors in the host country and those of the corporate and home country's culture. Building on the different engagement types and prioritized societal expectations, five corporate diplomacy approaches were derived, affecting organizational legitimacy on different levels.

9.1.2 Research Question 3: Corporate Diplomacy Media Frames and the Construction of Organizational Legitimacy in the Media

This thesis analyzed whether and how media news coverage frames corporate diplomacy in the UAE in a way that constructs or shapes legitimacy perceptions of foreign MNCs, stating the following research question: *to what extent and how can the media coverage and media frames of corporate diplomacy contribute to organizational legitimacy in the media?* To answer this research question, a quantitative content analysis of local news media coverage was performed. The analysis

yielded three corporate diplomacy frames, two of which enabled corporations to build moral or pragmatic legitimacy in the media, while regulative legitimacy did not play a role. First, the moral corporate diplomacy frame emphasized the institutional linkage between corporate diplomacy and the UAE Government, highlighting the benefits of corporate diplomacy for the local community. In this way, corporate diplomacy was not portrayed related to one specific issue and is treated in a normative way. Second, the pragmatic corporate diplomacy frame dealt with cultural corporate diplomacy initiatives, serving the individual interests of the UAE Government and the country. The pragmatic frame did not highlight one specific actor, e.g., partner, linked to a corporate diplomacy activity. Similar to the moral corporate diplomacy frame, in the pragmatic frame, the news highly endorsed and supported the specific corporate diplomacy initiative presented in the news article. Lastly, the neutral corporate diplomacy frame portrayed cultural corporate diplomacy issues but treated corporate diplomacy in a neutral, neither supportive nor critical manner. Instead, the neutral frame was mostly descriptive, not evaluating corporate diplomacy in a way that contributed to any specific socio-political legitimacy level.

9.1.3 Research Question 4: The Effects of Corporate Diplomacy on Organizational Legitimacy

Finally, this thesis focused on the audience's perspective on corporate diplomacy, aiming to examine how corporate diplomacy news affects the organizational legitimacy perceptions of individuals in the UAE depending on the appearance of institutional linkages. Applying an experimental design study with a survey, the study addressed the research question *to what extent and how do institutional linkages with governmental institutions influence the effects of corporate diplomacy on organizational legitimacy?* Overall, the results indicated that corporate diplomacy news outlining institutional linkages with the government led to a higher perception of moral and regulative legitimacy and indirectly affected pragmatic legitimacy positively. Furthermore, the findings showed that the effects of corporate diplomacy news on organizational legitimacy were mediated by media credibility, governmental legitimacy, and issue legitimacy. Hence, the findings suggest that corporate diplomacy with governmental involvement positively affects the legitimacy perceptions of the company, both directly and indirectly.

9.2 Implications for Theory and Practice

The current research explored the legitimation process of foreign MNCs in the host country, in this case the UAE, by examining how corporate diplomacy is practiced, how it is evaluated in the media, and how corporate diplomacy news affects organizational legitimacy on different levels. In this way, the thesis contributes to corporate diplomacy and public relations theory and practice in several ways while enriching communication and public relations research using neo-institutional approaches.

First, concerning the *implications for theory and research*, this thesis contributes significantly to theory building in corporate diplomacy. By applying a sociological neo-institutional approach, a distinct and comprehensive conceptualization was developed, advancing the theoretical foundation of corporate diplomacy in the realm of public relations. Corporate diplomacy was defined as the engagement process of MNCs with host country actors on political and societal issues through which the expectations of the host country's actors can be identified and responded to, enabling MNCs to build legitimacy. By pointing to the MNCs' embeddedness in the host country's society, this thesis offered an outside-in perspective on corporate diplomacy. In this way, the research extends previous scholarship exploring the role of corporate diplomacy in society (Mogensen, 2017, 2019; Weber & Larsson-Olaison, 2017) and offers an alternative view to the purely strategic perspectives on corporate diplomacy as an instrument of public diplomacy (e.g., Fitzpatrick et al., 2020; White, 2015; White & Kolesnicov, 2018). Additionally, concerning the role of societal expectations in the host country, the current research empirically derived different corporate diplomacy approaches reflecting different degrees of prioritization of internal, external local, and external global expectations, leading to legitimacy at different levels.

Moreover, the results indicate that building relationships with host country's actors is central for corporate diplomacy to identify the expectations of the different social groups in the host country. Accordingly, relationship cultivation is a core element of corporate diplomacy, which had been partly pointed out in earlier research (White et al., 2011). However, there has been little explanation so far of what such relationship-building in corporate diplomacy may entail, who is involved, or what outcomes they have. In particular, this research emphasized the role of institutional relations, i.e., linkages between the MNCs and institutional actors in the host country and media relations. Although the role of media and mediated communication has been emphasized in previous public diplomacy research (Gilboa, 1998, 2001), empirical research has thus far rarely explored how

media portrays public diplomacy efforts by non-state actors and how media presentations might affect the perception of the public diplomacy efforts of private entities.

Furthermore, the findings imply that understanding and adapting to the (multi)cultural and political conditions are central to corporate diplomacy to demonstrate congruence with the host country's expectations and gain legitimacy. Accordingly, the thesis suggests that corporate diplomacy is highly context-dependent and that, due to the inherent transnational orientation of corporate diplomacy (Mogensen, 2019, 2020a), the host country's culture and political system constitute corporate diplomacy. In that respect, this research points to the role of the cultural and political systems in constructing expectations and cultivating relationships. While relationship cultivation with local institutional actors in the UAE follows local cultural standards, according to which personal affairs are highly valued, interactions with other foreign MNCs and employees seem to be less individual and close. In this way, the thesis makes an essential contribution to corporate diplomacy theory by not only defining the scope of corporate diplomacy but also determining its antecedents (i.e., culture and politics), components (i.e., relationship cultivation with institutional actors and the media), and outcome (i.e., legitimacy).

In addition, this thesis has implications for corporate diplomacy and legitimacy research from an empirical point of view. To the best of my knowledge, the studies included in this thesis are the first empirical studies to examine corporate diplomacy practices as a legitimation strategy, linking organizational perspectives with the media's and the audience's perspectives to provide insights into the legitimacy constructions. This thesis offers an empirically tested measurement for organizational legitimacy on different levels in the context of media portrayals and audience effects. In this way, this thesis informs and extends previous corporate diplomacy research and research in public relations and organizational and management studies addressing the issue of organizational legitimacy (e.g., Bitekine, 2011; Etter et al., 2018; Merckelsen, 2011, 2013; Tost, 2011; Vergne, 2011). The triangulation of research methods allowed for a robust investigation into organizational legitimacy on the moral, pragmatic, and regulative levels. Previous research has frequently pointed to the lack of a profound measurement of organizational legitimacy on different levels and regarding the different types of legitimacy (Etter et al., 2018; Sandhu, 2012; Vergne, 2011). By analyzing legitimacy on different levels and accounting for different perspectives on the construction of organizational legitimacy, this thesis significantly contributes to legitimacy measurements, which previously "only partly account[ed] for the plurality of norms, values, expectations, and concerns" (Etter et al., 2018, p. 62).

Finally, this research contributes to public relations theory by proposing a concise and comprehensive definition of neo-institutional public relations, integrating the sociological neo-institutional approach with newer developments in public relations as an engagement process. In this way, this thesis expands the previous scholarship on neo-institutional public relations (e.g., Frandsen & Johansen, 2013; Fredriksson et al., 2013; Sandhu, 2012) and informs relational (engagement) approaches to public relations (e.g., Johnston et al., 2018; Kent & Taylor, 2002). This thesis adds to international public relations research by conducting the studies in a non-Western and non-democratic country context. As outlined by Dhanesh and Duthler (2019), international public relations research is still dominated by studies in Western countries. Furthermore, scholars often fail to clearly contextualize their research studies, for instance, by illustrating a country's cultural, political, or economic system (Dhanesh & Duthler, 2019). Therefore, as declared by Sriramesh and Verčič (2009, 2019), public relations research can rarely capture a wide range of global performances. The present work attempted to contextualize the reviewed and conducted research as best as possible, including a comprehensive chapter on the UAE's economic, political, cultural, and media systems (see Chapter 5).

In addition to implications for theory and research, this thesis has *practical implications* for corporate diplomacy and public relations on a transnational level. First, the findings highlight the role of societal values and expectations, recommending that companies be aware of and sensitive to the values and norms in a specific culture. Since societal values and norms can vary within a country's context, particularly in multicultural settings, public relations practitioners must identify, interpret, and respond to societal expectations. In this regard, it is essential to understand the major institutional actors and their expectations and gain insights into the inherent cultural values often forming societal expectations (DiMaggio & Powell, 1983; Suchman, 1995).

Second, this thesis demonstrated how corporate diplomacy contributes to gaining legitimacy by showing congruence between organizational behavior and societal expectations. In this context, the role of media relations and the linkages of the MNCs with institutional, established actors in the host country's environment were emphasized. The findings suggest that in the Middle East region, engaging in public-private partnerships is highly useful as this form of collaboration is highly valued in the specific cultural and political context. Furthermore, public-private partnerships enhance corporate diplomacy engagement and allow for overcoming the liability of foreignness, which foreign MNCs often face in their host countries (Kostova & Zaheer, 1999). In the specific case of the UAE,

the current research recommends that MNCs emphasize the benefits of corporate diplomacy for the local community to gain legitimacy on a moral level. To build pragmatic legitimacy, MNCs should highlight corporate diplomacy as a commitment to the UAE Government and the country.

Third, this thesis outlined five corporate diplomacy modes (see section 8.1), derived from theory and based on empirical results. These models can serve as an orientation for corporate diplomacy practices, offering insights into how global, local, and “glocal” approaches play into the expectations of MNCs’ diverse stakeholder groups, which might affect organizational legitimacy differently.

Lastly, this research emphasized the role of issue legitimacy in the organizational legitimation process. According to the findings, MNCs must be aware of critical and sensitive issues that could vary across countries and cultural settings. Companies risk threatening their legitimacy if they engage in societal issues considered unacceptable in the host culture based on their societal values and standards. In this regard, engagement with the host country’s environment helps to detect these sensitive topics and issues.

9.3 Limitations

This research comes with limitations, which offer directions for future research. The limitations can be divided into the following two sections: First, there are limitations related to the theoretical approaches and their core assumptions and, in this regard, the triangulation of different theoretical approaches constituting the theoretical framework. Second, limitations are outlined related to this thesis’s methodology.

Concerning the *theoretical framework*, the limitations are related to neo-institutional approaches, the conceptualization of corporate diplomacy, and the triangulation of neo-institutional and public relations approaches. First, neo-institutional approaches come with significant advantages for this research, lying in the main assumption of most of the neo-institutional approaches—organizations are embedded in society and need to strive for organizational legitimacy (Scott, 2001, 2008; Senge, 2011). However, neo-institutional approaches have been criticized for the presumed homogeneity of cultural beliefs and the understanding of individual institutions such as the government (Senge, 2011). In particular, neo-institutional approaches have often argued that organizations’ actions and structures can only be explained by superordinate sets of rules emerging from or as institutions (Scott, 2001). However, in a multicultural, global context, rules and institutions can have various meanings and might be considered

different or even ignored by organizations. Organizations themselves, particularly financially powerful MNCs, can take an active role and make decisions independently from certain institutions such as governments, NGOs, or the media. Moreover, the sociological neo-institutional approach mostly focuses solely on societal expectations (Meyer & Rowan, 1977), neglecting or ignoring organizations' endeavors toward economic efficiency. Reality shows that companies operate or are successful without adapting to their societal environment (see, e.g., Senge, 2011). However, this thesis attempted to explore how MNCs can gain legitimacy from their societal environment, and, for this purpose, the neo-institutional approach is a valuable theoretical angle. Future research may explore corporate diplomacy from a different theoretical angle allowing for an examination of factors other than the institutional environment and societal expectations. For instance, theoretical approaches and concepts of power such as the work of Foucault (e.g., 1982) and Lukes (1974) could be applied to corporate diplomacy, enabling an exploration of the relationships and communication between private and public actors and local communities more critically to uncover issues of power disparities between the involved actors.

Second, previous corporate diplomacy research has often pointed to the role of the home country, for instance, by defining the goal of corporate diplomacy as enhancing the image of the company's country of origin (e.g., White, 2015). This research merely touched on the role of the MNCs' home countries since the interviews showed that the country of origin plays a minor role. However, in other contexts, the image of the country of origin, as well as the relationships between the home and the host countries, may play a role in the evaluation of the organizational legitimacy of foreign MNCs in the host country (see Kostova & Zaheer, 1999; Warren, 1999). Therefore, future research could have a more in-depth look at the role of a company's home country in its legitimation abroad, including embassies, which may serve as intermediaries.

Another limitation of this thesis is the triangulation of theories that scholars have previously criticized for potential conflicts between the applied theoretical frameworks and the higher demands on the researchers (Denzin, 1989; Neuman, 2003). For instance, the literature has pointed to the increased number of possible interpretations resulting from the mix of theories that researchers often find challenging to sort out (Neuman, 2003). In this research, the sociological neo-institutional approach, public relations, and public diplomacy approaches were triangulated. Neo-institutional approaches and public relations have been linked before (Frandsen & Johansen, 2013; Fredriksson et al., 2013; Sandhu, 2009, 2012); however, empirical research in the realm of neo-institutional public relations is still rare. Therefore, future research is needed to analyze and discuss

public relations within a neo-institutional approach to determine whether similar assumptions suggested in this thesis can be made in the case of corporate diplomacy and other public relations and communication phenomena.

Regarding methodological issues, the limitations are related to the specific research context, the methods and research objects used, the organizational legitimacy measurement, and the triangulation of methods. First, the major limitation is the specific country context of the UAE. This country's context is singular, representing a non-democratic, collectivist, and Islamic state, lacking public opinion and free press, which are highly important for effective corporate public relations efforts (Khakimova Storie, 2015; Sriramesh & Verčič, 2009). Due to this single country context, the results are not generalizable. For instance, due to the peculiarities of the media system, in which journalists can rarely be critical without fearing sanctions (Duffy, 2011), it is questionable to what extent media coverage in the UAE would be critical toward companies that address societal issues, particularly when they contribute to the national agenda. Consequently, future research may explore the role of the media in organizational legitimation in countries with a liberal media system. Moreover, legitimacy judgments build on societal values and cultural beliefs (Deephouse et al., 2017; Dowling & Pfeffer, 1975; Scott, 1995). In the UAE, these are predominantly affected by the dominant Islamic, collectivist culture that generally appreciates the societal engagement of organizations. Hence, corporate diplomacy might be perceived as more legitimate because it addresses societal issues. Future research is needed to investigate corporate diplomacy in countries that are more critical of corporate actors and their engagement in political and societal issues. In liberal, individualistic states, it seems reasonable that corporate activities are under greater critical observation (e.g., by the media and activist groups) (see Amann et al., 2007; Islam & Deegon, 2010; Scherer & Palazzo, 2011).

Second, the limitations are related to the three empirical methods and the research objects used. Concerning the interview study, the corporate sample was small ($N = 25$). However, first, a qualitative approach was chosen, which does not necessitate a large number of research objects (Vasileiou et al., 2018). Second, the approach seems appropriate since information saturation was reached (Fusch & Ness, 2015). Still, interviewing corporate representatives comes with limitations concerning their limited objectivity about the actions of the MNCs they work for. Moreover, for the quantitative content analysis of news coverage, the current research looked at English-speaking Emirati newspapers only. English is one of the main languages in the UAE and is widely used in businesses and government departments (Dorsey, 2018) due to the high number of expatriates from all over the world. Nonetheless, Arabic-speaking newspapers could be included in

another study. As Duffy (2013) has found, there are differences between English- and Arabic-language newspapers in the UAE when it comes to reports on sensitive subjects, such as national security and military issues. Furthermore, the experimental design with the survey raises issues of social desirability. Particularly, the statements on political issues or the perception of the government might have been answered according to what is expected in the given country context. This concern is related to the specific culture and political system of the UAE in which freedom of expression is limited (Duffy, 2011, 2013; Kirat, 2006, 2016). Nevertheless, the study took several steps to minimize the effects of social desirability, including the full anonymization of the collected data and assurance of high confidentiality, summarized in the informed consent form. The form was distributed before the survey and provided further information on the study. The survey was carried out only with the permission of the participants to produce feelings of security concerning the respondents' answers.

Third, another limitation is related to the measurement of legitimacy, analyzed at one point. Organizational legitimacy emerges over a more extended period and can change over longer periods or immediately due to scandals and crises (Bitekine & Haack, 2015). Thus, future research is necessary to conduct longitudinal studies on the development of legitimacy perceptions, including context factors that allow for further insights into the complexity of legitimization processes. For instance, future research could analyze additional context factors, such as the prior history or the sector of a company, which are supposed to play a role in building organizational legitimacy (Bitekine & Haack, 2015; Suddaby & Greenwood, 2005). In this context, it should be noted that organizational legitimacy, even if it is essential for multinational organizations (Bitekine, 2011), represents just one resource of the organization in addition to other critical corporate assets, such as trust, credibility, or reputation, which emerge from engagement and relationship cultivation (see Johnston et al., 2018, for an overview of outcomes of engagement).

Lastly, the triangulation of methods comes with limitations. Particularly the interpretation of both quantitative and qualitative data may lead to inconsistencies that are often addressed insufficiently (Arksey & Knight, 1999). The potential disharmony in analyzing data collected through different methods might also be related to the investigator's biases (Thurmond, 2001). However, for the examination of organizational legitimization through corporate diplomacy, a mixed-method design appeared to be of high value since legitimization involves different levels and actors (in this case, the legitimacy-seeking organization, the written documents in the media co-determining legitimacy, and individuals as evaluators of legitimacy), which necessitate different methods. In this regard, the advantages

of the triangulation of methods are the higher validity of the results and the more in-depth insights from different angles, increasing the level of knowledge (Silverman, 2000).

9.4 Research Outlook

In addition to the suggested research directions related to this study's limitations, further research opportunities are presented in this section. Firstly, comparative research would allow for interesting insights into the determination of corporate diplomacy by other social and institutional factors. The relevance and impact of certain actors and institutions generally differ due to different levels of pressure, their possibilities of sanction, and their access to financial and social resources (Scott, 1995). In the UAE, the power of the government is omnipresent and ubiquitous, and no other actors that wield a comparable impact on corporate actors. Consequently, corporate diplomacy and legitimation attempts may differ between social, cultural, and country contexts. Research is necessary to explore other (institutional) actors and factors that may have essential voices in corporate diplomacy decision-making and the legitimation process and how they affect these processes, particularly in a comparison between different national and cultural contexts.

Moreover, corporate diplomacy has often been related to the role of MNCs in public diplomacy influencing and being influenced by the MNCs' home countries (e.g., White & Fitzpatrick, 2018). In this regard, it would be interesting to determine how corporate diplomacy is affected by the home country, for instance, depending on the political relationships between the home country and a given host country. Related to this, the results indicated that some MNCs follow a global approach (see section 8.1) and mostly perform the same initiatives in their host countries. In this context, it would be interesting to examine the role of the corporation's headquarters regarding its corporate diplomacy engagement abroad and explore whether corporate diplomacy activities differ among host country's contexts and why. This would allow for examining further why MNCs follow different corporate diplomacy approaches, as suggested by this research.

Moreover, this thesis explored corporate diplomacy on three levels and found that the engagement process of corporate diplomacy includes multiple groups within the host country, other than media actors and the general audience explored in this thesis. Future research could analyze the perspectives of other involved actors, such as government representatives, to explore other perspectives on and aspects of corporate diplomacy engagement. Furthermore, the thesis highlighted

the role of corporate diplomacy as employee engagement, increasingly discussed in public relations research, given that employee engagement is significantly related to employee satisfaction (e.g., Gill, 2015). Thus, future research may further investigate corporate diplomacy as employee engagement, analyzing, for instance, how corporate diplomacy contributes to employee well-being or how employees shape corporate diplomacy, which has been presented in this thesis.

Furthermore, the results pointed to the role of moral values and norms and outlined that they can differ across social and cultural contexts (see Scott, 2008). Future studies could explore in-depth what concrete (moral) expectations individuals have of MNCs and how they vary within groups or societies or across different cultural contexts. Previous research is in disagreement as to whether moral values emerge from an intact nation-state system serving as a point of moral reference and are, therefore, homogenous within a national context or whether moral values are fragmented in global, post-national world order (see Scherer & Palazzo, 2011). However, due to the increasing role of moral legitimacy, it is necessary to gain more insights into the construction of moral values and related expectations of MNCs.

Lastly, this thesis examined the role of corporate diplomacy regarding organizational legitimacy. The interviews made it apparent that corporate diplomacy involving relationship cultivation is related to other social resources that emerge in the relationship-cultivation process, such as trust and loyalty. Future research may consider other consequences resulting from the engagement process in corporate diplomacy. In this context, it might be interesting to explore the impact of relationship quality and the role of legitimacy as a premise of relationship cultivation (see Ledingham, 2003).

9.5 Concluding Remarks

In an increasingly connected and dynamic world, where MNCs, along with other non-state actors, take part in global governance, societal and political corporate engagement becomes a core feature of MNCs. This thesis explored how corporate diplomacy efforts can help MNCs to gain legitimacy in their host country's environment. Corporate diplomacy has been defined as the activities of MNCs engaging with members of the host country's environment in societal and political issues to identify and respond to societal expectations, contributing to organizational legitimacy. This conceptualization of corporate diplomacy highlights the essential role of interaction and collaboration between organizations and their environment and points to the organization's embeddedness in society

and societal expectations. The social perspective on companies was applied by understanding legitimacy as the result of relationships between organizations and their environment. From a neo-institutional perspective, the thesis showed that corporate behavior reflects interpretations of social reality. On the other hand, it was highlighted that organizations could take an active role in the legitimation process—even if, in the case of the UAE, this active role is limited due to cultural and political particularities.

It can be assumed that private companies will be given more options through globalization to (co-)create social practices abroad. Furthermore, increasing moralization will likely exert higher pressure on companies and increase their need for legitimacy. At the same time, however, this raises questions about what social and political roles private companies are allowed to play. Against this background, corporate diplomacy and its added value for legitimacy will become increasingly important for research and practice. The current research extensively investigated current corporate diplomacy practices, the role of the media in corporate diplomacy, and the effects of corporate diplomacy on legitimacy. Overall, the results suggest that corporate diplomacy plays a significant role in the legitimacy process of MNCs. Furthermore, the thesis emphasized the role of culture and power (in relation to politics), significantly influencing social practices. The results suggest cultural differences and power relations can be barriers to corporate diplomacy. At the same time, culture and power enable and determine society. Thus, corporate diplomacy can be considered an exchange between cultures and actors at different power levels. As partly shown, these opportunities arise in particular from the interaction between the various actors involved in the engagement process rather than the management of expectations or relationships.

Specifically, it became apparent that public relations and communications are inevitable in identifying key actors and their societal expectations and responding to them, which can contribute to MNCs' legitimacy in the given environment. This thesis revealed that legitimation attempts might differ within an organizational field. Most MNCs seem to adapt their corporate diplomacy approaches according to whether they address key institutional groups. This is, to some extent, reflected in the media news coverage. The findings suggested that, in the case of the UAE, legitimacy evaluations in the local news media depend predominantly on the linkages between the MNC and the host country's actors and less on the specific societal issue of the corporate diplomacy initiative. Similarly, the findings indicated that the effects on organizational legitimacy are higher when the organization is linked to established, legitimate actors in the host country. In the case of the UAE, it was shown that, to a great extent, the involvement of the

host country's government is mostly inevitable for corporate diplomacy efforts to be implemented.

By analyzing corporate diplomacy from a communicative and relationship-oriented perspective on three levels, this thesis provided substantial findings on how MNCs can take an active role in gaining legitimacy while shedding light on how legitimacy is co-constructed by the media and its audiences. This central research gap has not been analyzed until now, and therefore, the thesis contributes immensely to international public relations research and practice. Moreover, by studying corporate diplomacy in the UAE, a non-democratic, emerging country built on Islamic values while increasingly integrating multicultural values, the thesis offers significant insights into the roles of political, economic, and cultural contexts in corporate diplomacy and public relations and provides a considerable alternative to the research in public relations dominated by the American-Euro context.

Open Access This chapter is licensed under the terms of the Creative Commons Attribution 4.0 International License (<http://creativecommons.org/licenses/by/4.0/>), which permits use, sharing, adaptation, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons license and indicate if changes were made.

The images or other third party material in this chapter are included in the chapter's Creative Commons license, unless indicated otherwise in a credit line to the material. If material is not included in the chapter's Creative Commons license and your intended use is not permitted by statutory regulation or exceeds the permitted use, you will need to obtain permission directly from the copyright holder.



References

- Abbas, W. (2020, May 2). UAE second-strongest financially in Arab world's emerging economies. *Khaleej Times*. <https://www.khaleejtimes.com/business/economy/uae-second-strongest-financially-in-arab-worlds-emerging-economies>
- AHK Gulf Region. (n.d.). <https://vae.ahk.de/en/value-added-tax-vat>
- Al Khaja, M. A. W., & Creedon, P. (2010). Evaluating the effectiveness of the first breast cancer awareness campaign in the United Arab Emirates: Lessons learned and next steps. *Public Relations Review*, 36(4), 386–388. <https://doi.org/10.1016/j.pubrev.2010.06.005>
- Albawaba. (2017). Alliance for youth addressing unemployment in Middle East grows and announces plan to impact 50,000 youth by 2020. *Al Bawaba*. <https://www.albawaba.com/business/pr/alliance-youth-addressing-unemployment-middle-east-grows-and-announces-plan-impact-50000>
- Aldrich, H. E., & Fiol, C. M. (1994). Fools rush in? The institutional context of industry creation. *The Academy of Management Review*, 19(4), 645–670.
- Al-Kandari, A., & Gaither, T. K. (2011). Arabs, the west and public relations: A critical/cultural study of Arab cultural values. *Public Relations Review*, 37(3), 266–273. <https://doi.org/10.1016/j.pubrev.2011.04.002>
- Allagui, I., & Al-Najjar, A. (2018). From women empowerment to nation branding: A case study from the United Arab Emirates. *International Journal of Communication*, 12, 68–85.
- AlSaqer, L., & Al Hashimi, S. (2019). The status and new directions of public relations practice in Bahrain. In T. M. Almutairi & D. Kruckeberg (Eds.), *Public relations in the Gulf Cooperation countries: An Arab perspective* (pp. 5–30). Routledge.
- Al-Suwaidi, A. (2011). The United Arab Emirates at 40: A balance sheet. *Middle East Policy*, 18, 4.
- Alvarez, J. L., Mazza, C., & Pedersen, J. S. (2005). The role of mass media in the consumption of management knowledge [Editorial]. *Scandinavian Journal of Management*, 21, 127–132.
- Amann, W., Khan, S., & Salzmann, O. (2007). Managing external pressures through corporate diplomacy. *Journal of General Management*, 33(1), 33–50. <https://doi.org/10.1177/030630700703300103>

- Ambrose, D., & Cross, T. L. (2009). Connecting ethics with high ability: An interdisciplinary approach. In D. Ambrose & T. L. Cross (Eds.), *Morality, ethics, and gifted minds* (pp. 3–18). Springer.
- Anadol, Y., Youssef, M. A., & Thiruvattal, E. (2015). Consumer reaction towards corporate social responsibility in United Arab Emirates. *Social Responsibility Journal*, *11*, 19–35. <https://doi.org/10.1108/srj-07-2013-0081>
- Anderson, J. C., & Gerbing, D. W. (1991). Predicting the performance of measures in a confirmatory factor analysis with a pretest assessment of their substantive validities. *Journal of Applied Psychology*, *76*(5), 732–740. <https://doi.org/10.1037/0021-9010.76.5.732>
- Andrews, K. T., & Caren, N. (2010). Making the news: Movement organizations, media attention, and the public agenda. *American Sociological Review*, *75*(6), 841–866. <https://doi.org/10.1177/0003122410386689>
- Arab Media Outlook 2016–2018. (n.d.). <http://dubaistudiocity.ae/uploads/AMO-Eng.pdf>
- Arabian Gazette. (2018, April 26). REVEALED: Top 25 companies to work for in the UAE. *Arabian Gazette*. <https://arabiangazette.com/revealed-top-25-companies-work-uae/>
- Arksey, H., & Knight, P. T. (1999). *Interviewing for social scientists: An introductory resource with examples*. Sage.
- Ashforth, B. E., & Gibbs, B. W. (1990). The double-edge of organizational legitimation. *Organization Science*, *1*(2), 177–194. <https://doi.org/10.1287/orsc.1.2.177>
- Avidar, R. (2017). Public relations and social businesses: The importance of enhancing engagement. *Public Relations Review*, *43*(5), 955–962. <https://doi.org/10.1016/j.pubrev.2017.03.015>
- Ayish, M. I. (2003). Media convergence in the United Arab Emirates: A survey of evolving patterns. *Convergence: The International Journal of Research into New Media Technologies*, *9*(3), 77–87. <https://doi.org/10.1177/135485650300900306>
- Ayish, M. I. (2005). Virtual public relations in the United Arab Emirates: A case study of 20 UAE organizations' use of the internet. *Public Relations Review*, *31*(3), 381–388. <https://doi.org/10.1016/j.pubrev.2005.05.013>
- Bachmann, P., & Ingenhoff, D. (2016). Legitimacy through CSR disclosures? The advantage outweighs the disadvantages. *Public Relations Review*, *42*, 386–394.
- Bachmann, P., & Ingenhoff, D. (2017). How do media companies gain legitimacy? An experimental study on the (ir)relevance of CSR communication. *International Journal of Strategic Communication*, *11*, 79–94.
- Banerjee, M., Capozzoli, M., McSweeney, L., & Sinha, D. (1999). Beyond Kappa: A review of interrater agreement measure. *The Canadian Journal of Statistics*, *27*(1), 3–23.
- Bansal, P., & Clelland, I. (2004). Talking trash: Legitimacy, impression management, and unsystematic risk in the context of the natural environment. *Academy of Management Journal*, *47*(1), 93–103. <https://doi.org/10.2307/20159562>
- Bansal, P., & Roth, K. (2000). Why companies go green: A model of ecological responsiveness. *Academy of Management Journal*, *43*(4), 717–736. <https://doi.org/10.5465/1556363>
- Barley, S. R. (2011). Signifying Institutions. *Management Communication Quarterly*, *25*(1), 200–206.
- Barron, D. N. (1998). Pathways to legitimacy among consumer loan providers in New York City, 1914–1934. *Organization Studies*, *19*(2), 207–233. <https://doi.org/10.1177/017084069801900203>

- Baum, J. A. C., & Mezias, S. J. (1993). Competition, institutional linkages, and organizational growth. *Social Science Research*, 22(2), 131–164. <https://doi.org/10.1006/ssre.1993.1007>
- Baum, J. A. C., & Oliver, C. (1991). Errata: Institutional linkages and organizational mortality. *Administrative Science Quarterly*, 36(3), 489. <https://doi.org/10.2307/2393207>
- Baum, J. A. C., & Powell, W. W. (1995). Cultivating an institutional ecology of organizations: Comment on Hannan, Carroll, Dundon, and Torres. *American Sociological Review*, 60(4), 529. <https://doi.org/10.2307/2096292>
- Bauman, Z. (1995). *Life in fragments: Essays in postmodern morality*. Blackwell.
- Baumann, E., Harden, L., & Scherer, H. (2003). Zwischen Promi-Tick und Gen-Defekt. Zur Darstellung von Essstörungen in der Presse. *Medien & Kommunikationswissenschaft*, 51(3–4), 431–454. <https://doi.org/10.5771/1615-634x-2003-3-4-431>
- Berg, B. L. (2007). *Qualitative research methods for the social sciences* (6th ed.). Pearson Education, Inc.
- Berg, K. T., & Feldner, S. (2017). Analyzing the intersection of transparency, issue management and ethics: The case of big soda. *Journal of Media Ethics*, 32(3), 154–167. <https://doi.org/10.1080/23736992.2017.1329017>
- Berger, P. L., & Luckmann, T. (1966). *The social construction of reality*. Doubleday.
- Berger, P. L., & Luckmann, T. (2004). *Die gesellschaftliche Konstruktion der Wirklichkeit*. Fischer. https://doi.org/10.1007/978-3-322-95674-3_4
- Bhattacharya, C. B., Korschun, D., & Sen, S. (2009). Strengthening stakeholder–company relationships through mutually beneficial corporate social responsibility initiatives. *Journal of Business Ethics*, 85(S2), 257–272. <https://doi.org/10.1007/s10551-008-9730-3>
- Bhattacharya, C. B., & Sen, S. (2004). Doing better at doing good: When, why, and how consumers respond to corporate social initiatives. *California Management Review*, 47(1), 9–24. <https://doi.org/10.2307/41166284>
- Bitektine, A. (2011). Toward a theory of social judgments of organizations: The case of legitimacy, reputation, and status. *Academy of Management Review*, 36(1), 151–179. <https://doi.org/10.5465/AMR.2011.55662572>
- Bitektine, A., & Haack, P. (2015). The “macro” and the “micro” of legitimacy: Toward a multilevel theory of the legitimacy process. *Academy of Management Review*, 40(1), 49–75. <https://doi.org/10.5465/amr.2013.0318>
- Botan, C. H., & Taylor, M. (2004). Public relations: State of the field. *Journal of Communication*, 54(4), 645–661. <https://doi.org/10.1111/j.1460-2466.2004.tb02649.x>
- Boutilier, R. G., & Thomson, I. (2011). Modelling and measuring the social license to operate: Fruits of a dialogue between theory and practice. *Proceedings, International Mine Management, Queensland, Australia*.
- Bowen, S. A., & Zheng, Y. (2015). Auto recall crisis, framing, and ethical response: Toyota’s missteps. *Public Relations Review*, 41(1), 40–49. <https://doi.org/10.1016/j.pubrev.2014.10.017>
- Boyd, J. (2000). Actional legitimation: No crisis necessary. *Journal of Public Relations Research*, 12(4), 341–353. https://doi.org/10.1207/S1532754XJPRR1204_3
- Brammer, S. J., & Pavelin, S. (2006). Corporate reputation and social performance: The importance of fit. *Journal of Management Studies*, 43(3), 435–455. <https://doi.org/10.1111/j.1467-6486.2006.00597.x>

- Broom, G. M., Casey, S., & Ritchey, J. (1997). Toward a concept and theory of organization-public relationships. *Journal of Public Relations Research*, 9(2), 83–98. https://doi.org/10.1207/s1532754xjpr0902_01
- Broom, G. M., & Sha, B.-L. (2013). *Cutlip and Center's effective public relations* (11th ed.). Pearson.
- Brown, T. A. (2015). *Confirmatory factor analysis for applied research*. Guilford Publications.
- Byrne, B. M. (2001). *Structural equation modeling with AMOS*. Lawrence Erlbaum.
- Calton, J. M., & Payne, S. L. (2003). Coping with paradox: Multistakeholder learning dialogue as a pluralist sensemaking process for addressing messy problems. *Business & Society*, 42(1), 7–42. <https://doi.org/10.1177/0007650302250505>
- Carroll, A. B. (1979). A three-dimensional conceptual model of corporate performance. *Academy of Management Review*, 4, 497–505. <https://doi.org/10.5465/AMR.1979.4498296>
- Carroll, A. B. (1991). The pyramid of corporate social responsibility: Toward the moral management of organizational stakeholders. *Business Horizons*, 34, 39–48. [https://doi.org/10.1016/0007-6813\(91\)90005-G](https://doi.org/10.1016/0007-6813(91)90005-G)
- Carroll, A. B., & Brown, J. A. (2018). Corporate social responsibility: A review of current concepts, research, and issues. In J. Weber & D. M. Wasieleski (Eds.), *Corporate social responsibility* (pp. 39–69). Emerald.
- Carroll, C. E., & McCombs, M. (2003). Agenda-setting effects of business news on the public's images and opinions about major corporations. *Corporate Reputation Review*, 6(1), 36–46. <https://doi.org/10.1057/palgrave.crr.1540188>
- Child, J., & Tsai, T. (2005). The dynamic between firms' environmental strategies and institutional constraints in emerging economies: Evidence from China and Taiwan*. *Journal of Management Studies*, 42, 95–125. <https://doi.org/10.1111/j.1467-6486.2005.00490.x>
- Choi, Y. R., & Shepherd, D. A. (2005). Stakeholder perceptions of age and other dimensions of newness. *Journal of Management*, 31(4), 573–596. <https://doi.org/10.1177/0149206304272294>
- Christensen, L., & Cornelissen, J. (2011). Bridging corporate and organizational communication: Review, development and a look to the future. *Management Communication Quarterly*, 25(3), 383–414. <https://doi.org/10.1177/0893318910390194>
- Chung, J. Y., Berger, B. K., & DeCoster, J. (2016). Developing measurement scales of organizational and issue legitimacy: A case of direct-to-consumer advertising in the pharmaceutical industry. *Journal of Business Ethics*, 137(2), 405–413. <https://doi.org/10.1007/s10551-014-2498-8>
- Collins, E., Kearins, K., & Roper, J. (2005). The risks in relying on stakeholder engagement for the achievement of sustainability. *Electronic Journal of Radical Organisation Theory*, 9, 81–101.
- Coombs, W. T. (1992). The failure of the task force on food assistance: A case study of the role of legitimacy in issue management. *Journal of Public Relations Research*, 4(2), 101–122. https://doi.org/10.1207/s1532754xjpr0402_03
- Corbin, J., & Strauss, A. (2008). *Basics of qualitative research: Techniques and procedures for developing grounded theory* (3rd ed.). SAGE Publications, Inc. <https://doi.org/10.4135/9781452230153>

- Cordesman, A. H. (2018). *Bahrain, Oman, Qatar, and the UAE. Challenges of security*. Routledge.
- Crane, A., Matten, D., & Moon, J. (2008). *Corporations and citizenship*. Cambridge University Press.
- Creedon, P., & Al-Khaja, M. (2019). An overview of Middle East public relations practice, education, and research from isolation to globalization. *Journal of Public Relations Research*, 31(3–4), 84–96. <https://doi.org/10.1080/1062726X.2019.1682324>
- Cull, N. J. (2008). Public diplomacy: Taxonomies and histories. *The ANNALS of the American Academy of Political and Social Science*, 616(1), 31–54. <https://doi.org/10.1177/0002716207311952>
- Cull, N. J. (2009). *Public diplomacy: Lessons from the past*. Figuera Press.
- Cutlip, S., Center, A., & Broom, G. (2000). *Effective public relations* (8th ed.). Pearson.
- Dare, M., Schirmer, J., & Vanclay, F. (2014). Community engagement and social licence to operate. *Impact Assessment and Project Appraisal*, 32(3), 188–197. <https://doi.org/10.1080/14615517.2014.927108>
- Davis, K. (1973). The case for and against business assumption of social responsibilities. *Academy of Management Journal*, 16(2), 312–322. <https://doi.org/10.5465/255331>
- Dawkins, C. E. (2014). The principle of good faith: Toward substantive stakeholder engagement. *Journal of Business Ethics*, 121(2), 283–295. <https://doi.org/10.1007/s10551-013-1697-z>
- De Souza, R. (2010). NGOs in India's elite newspapers: A framing analysis. *Asian Journal of Communication*, 20(4), 477–493. <https://doi.org/10.1080/01292986.2010.496863>
- De Vreese, C. (2005). News framing: Theory and typology. *Information Design Journal*, 13(1), 51–62. <https://doi.org/10.1075/ijdjdd.13.1.06vrc>
- De Vreese, C. H. (2002). *Framing Europe: Television news and European integration*. Aksant Academic.
- Deeds, D. L., Mang, P. Y., & Frandsen, M. L. (2004). The influence of firms' and industries' legitimacy on the flow of capital into high-technology ventures. *Strategic Organization*, 2(1), 9–34. <https://doi.org/10.1177/1476127004040913>
- Deephouse, D. L. (1996). Does isomorphism legitimate? *Academy of Management Journal*, 39(4), 1024–1039. <https://doi.org/10.2307/256722>
- 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. <https://doi.org/10.1177/014920630002600602>
- Deephouse, D. L., Bundy, J., Tost, L. P., & Suchman, M. C. (2017). Organizational legitimacy: Six key questions. In R. Greenwood, C. Oliver, T. B. Lawrence, & R. E. Meyer (Eds.), *The SAGE handbook of organizational institutionalism* (2nd, compl. rev. ed., pp. 27–54). Sage.
- Deephouse, D. L., & Carter, S. M. (2005). An examination of differences between organizational legitimacy and organizational reputation. *Journal of Management Studies*, 42(2), 329–360. <https://doi.org/10.1111/j.1467-6486.2005.00499.x>
- Deephouse, D. L., & Suchman, M. (2008). Legitimacy in organizational institutionalism. In R. Greenwood, C. Oliver, R. Suddaby, & K. Sahlin (Eds.), *The SAGE handbook of organizational institutionalism* (pp. 49–77). SAGE. <https://doi.org/10.4135/978184920387.n2>

- Denzin, N. K. (1989). *The research act: A theoretical introduction to sociological methods*. Prentice Hall.
- Denzin, N. K. (2012). Triangulation 2.0. *Journal of Mixed Methods Research*, 6(2), 80–88. <https://doi.org/10.1177/1558689812437186>
- Deutsch, K. (1966). *Nationalism and Social Communication: An Inquiry into the Foundations of Nationality*. MIT Press.
- Devin, B. L., & Lane, A. B. (2014). Communicating engagement in corporate social responsibility: A meta-level construal of engagement. *Journal of Public Relations Research*, 26(5), 436–454. <https://doi.org/10.1080/1062726X.2014.956104>
- Dhanesh, G. S. (2014). CSR as organization–employee relationship management strategy: A case study of socially responsible information technology companies in India. *Management Communication Quarterly*, 28(1), 130–149. <https://doi.org/10.1177/0893318913517238>
- Dhanesh, G. S., & Duthler, G. P. (2019). Public relations in the Middle East: An editorial introduction. *Journal of Public Relations Research*, 31(3–4), 71–83. <https://doi.org/10.1080/1062726X.2019.1679436>
- Diez-Martin, F., Blanco-Gonzalez, A., & Prado-Roman, C. (2019). Factors affecting individual decisions based on business legitimacy. *Journal of Promotion Management*, 25(2), 181–199. <https://doi.org/10.1080/10496491.2018.1443308>
- Diggs-Brown, B. (2012). *Strategic PR. An audience-focused approach*. Wadsworth Cengage Learning.
- DiMaggio, P. J., & Powell, W. W. (1983). The iron cage revisited: Institutional isomorphism and collective rationality in organizational fields. *American Sociological Review*, 48(2), 147. <https://doi.org/10.2307/2095101>
- Dodd, M. D., Brummette, J., & Hazleton, V. (2015). A social capital approach: An examination of Putnam’s civic engagement and public relations roles. *Public Relations Review*, 41(4), 472–479. <https://doi.org/10.1016/j.pubrev.2015.05.001>
- Dorsey, C. (2018). *The role of English in the United Arab Emirates and resulting implications for english teaching*. <https://doi.org/10.13140/RG.2.2.14096.30724>
- Dowling, J., & Pfeffer, J. (1975). Organizational legitimacy: Social values and organizational behavior. *The Pacific Sociological Review*, 18(1), 122–136.
- Du, S., Bhattacharya, C. B., & Sen, S. (2007). Reaping relational rewards from corporate social responsibility: The role of competitive positioning. *International Journal of Research in Marketing*, 24(3), 224–241. <https://doi.org/10.1016/j.ijresmar.2007.01.001>
- Dudenhausen, A., Röttger, U., & Czeppel, D. (2020). Do corporations communicate what the general public expects? Investigating the gap between corporate self-image and public perceptions of corporate responsibility. *International Journal of Strategic Communication*, 14(1), 25–40. <https://doi.org/10.1080/1553118X.2019.1688335>
- Duffy, M. J. (2011). *Newspapers inconsistent over activist arrests*. <http://mideastposts.com/2011/04/12/uae-press-inconsistent-over-handling-of-blogger-arrests/>
- Duffy, M. J. (2013). ‘Cultures of journalism’ in Arabic- and English-language newspapers within the United Arab Emirates. *Journal of Middle East Media*, 9(1), 24–45.
- Duffy, M. J. (2014). *Media law in the United Arab Emirates*. Kluwer Law International.
- Duthler, G., & Dhanesh, G. S. (2018). The role of corporate social responsibility (CSR) and internal CSR communication in predicting employee engagement: Perspectives from the

- United Arab Emirates (UAE). *Public Relations Review*, 44(4), 453–462. <https://doi.org/10.1016/j.pubrev.2018.04.001>
- Duthler, G., Watson, T., Grigore, G., & Sthapitanonda, P. (2015). CSR and stakeholder engagement: Perspectives from the United Arab Emirates. *Journal of Communication Arts*, 33(2), 48–56.
- Dutta, M. J. (2014). Public diplomacy, public relations, and the Middle East: A culture-centered approach to power in global contexts. In G. J. Golan, S.-U. Yang, & D. F. Kinsey (Eds.), *International public relations and public diplomacy: Communication and engagement* (pp. 397–413). Peter Lang.
- EDC. (n.d.). *UAE | Top Emerging Markets | EDC (Export Development Canada)*. <https://www.edc.ca/en/article/top-3-ranked-emerging-markets-by-region/ united-arab-emirates.html>
- Edelman Trust Barometer. (2020). *Edelman Trust Barometer. Trust in UAE*. https://www.edelman.ae/sites/g/files/aatuss386/files/2020-06/2020%20UAE%20Edelman%20Trust%20Barometer_0.pdf
- Edward, P., & Willmott, H. (2008). Corporate citizenship: Rise or demise of a myth? *Academy of Management Review*, 33, 771–773. <https://doi.org/10.5465/amr.2008.32465773>
- Edwards, L. (2012). Exploring the role of public relations as a cultural intermediary occupation. *Cultural Sociology*, 6(4), 438–454. <https://doi.org/10.1177/1749975512445428>
- Einwiller, S., Laufer, D., & Ruppel, C. (2017). Believe me, I am one of you! The role of common group affiliation in crisis communication. *Public Relations Review*, 43(5), 1007–1015. <https://doi.org/10.1016/j.pubrev.2017.09.006>
- Einwiller, S., Lis, B., Ruppel, C., & Sen, S. (2019). When CSR-based identification backfires: Testing the effects of CSR-related negative publicity. *Journal of Business Research*, 104, 1–13. <https://doi.org/10.1016/j.jbusres.2019.06.036>
- Eisenegger, M. (2005). *Reputation in der Mediengesellschaft. Konstitution – Issues monitoring – Issues management*. Springer.
- Eisenegger, M. (2018). Begriffe sind Programm – Plädoyer für eine öffentlichkeitssoziologische Organisationskommunikations-Forschung. In S. Wehmeier & D. Schoeneborn (Eds.), *Strategische Kommunikation im Spannungsfeld zwischen Intention und Emergenz* (pp. 19–41). Springer Fachmedien Wiesbaden. https://doi.org/10.1007/978-3-658-17634-1_2
- Elsbach, K. D. (1994). Managing organizational legitimacy in the California cattle industry: The construction and effectiveness of verbal accounts. *Administrative Science Quarterly*, 39(1), 57–88. <https://doi.org/10.2307/2393494>
- Elsbach, K. D. (2006). *Organizational perception management*. Lawrence Erlbaum.
- Entman, R. M. (1993). Framing: Toward clarification of a fractured paradigm. *Journal of Communication*, 43(4), 51–58. <https://doi.org/10.1111/j.1460-2466.1993.tb01304.x>
- Entman, R. M. (2008). Theorizing Mediated Public Diplomacy: The U.S. Case. *The International Journal of Press/Politics*, 13(2), 87–102. <https://doi.org/10.1177/1940161208314657>
- Etter, M., Colleoni, E., Illia, L., Meggiorin, K., & D'Eugenio, A. (2018). Measuring organizational legitimacy in social media: Assessing citizens' judgments with sentiment analysis. *Business & Society*, 57(1), 60–97. <https://doi.org/10.1177/0007650316683926>

- Everett, J. (2018). Toward a cultural ecology of engagement. In K. A. Johnston & M. Taylor (Eds.), *The handbook of communication engagement* (pp. 89–102). John Wiley & Sons, Inc. <https://doi.org/10.1002/9781119167600.ch7>
- FCSA. (2017). *Federal Competitiveness and Statistics Authority: Labor Force UAE 2017*. <http://fcsa.gov.ae/en-us/Pages/Statistics/Statistics-by-Subject.aspx#!/%3Fsubject=Population%20and%20social&folder=Population%20and%20social/Labor%20Force>
- Ferguson, M. A. (1984). *Building theory in public relations: Interorganizational relationships as a public relations paradigm*. Association for Education in Journalism and Mass Communication Annual Convention, Gainesville, FL.
- Finch, D., Deephouse, D., & Varella, P. (2015). Examining an individual's legitimacy judgment using the value–attitude system: The role of environmental and economic values and source credibility. *Journal of Business Ethics*, 127, 265–281. <https://doi.org/10.1007/s10551-013-2031-5>
- Fiske, S. T., & Taylor, S. E. (1991). *McGraw-Hill series in social psychology. Social cognition* (2nd ed.). McGraw-Hill Book Company.
- Fitzpatrick, K. (2007). Advancing the new public diplomacy: A public relations perspective. *The Hague Journal of Diplomacy*, 2(3), 187–211. <https://doi.org/10.1163/187119007x240497>
- Fitzpatrick, K. R., White, C. L., & Bier, L. M. (2020). C-suite perspectives on corporate diplomacy as a component of public diplomacy. *Place Branding and Public Diplomacy*, 16, 25–35. <https://doi.org/10.1057/s41254-019-00123-9>
- Fombrun, C. J. (2007). List of lists: A compilation of international corporate reputation ratings. *Corporate Reputation Review*, 10(2), 144–153. <https://doi.org/10.1057/palgrave.crr.1550047>
- Forbes. (2019). *Welcoming the World Invest. Learn. Live. In the Middle East*. <https://www.forbes.com/custom/2019/12/17/welcoming-the-world/>
- Foreman, P., & Whetten, D. A. (2002). Members' identification with multiple-identity organizations. *Organization Science*, 13(6), 618–635. <https://doi.org/10.1287/orsc.13.6.618.493>
- Foucault, M. (1982). The subject and power. In H. L. Dreyfus & P. Rabinow (Eds.), *Michel Foucault: Beyond structuralism and hermeneutics* (2nd ed., pp. 777–795). University of Chicago Press.
- Frandsen, F., & Johansen, W. (2013). Public relations and the new institutionalism: In search of a theoretical framework. *Public Relations Inquiry*, 2(2), 205–221. <https://doi.org/10.1177/2046147X13485353>
- Fredriksson, M., & Pallas, J. (2014). Strategic communication as institutional work. In D. Holtzhausen & A. Zerfass (Eds.), *The Routledge handbook of strategic communication* (pp. 143–156). Routledge.
- Fredriksson, M., Pallas, J., & Wehmeier, S. (2013). Public relations and neo-institutional theory. *Public Relations Inquiry*, 2(2), 183–203. <https://doi.org/10.1177/2046147X13485956>
- Freeman, R. E. (1984). *Strategic management: A stakeholder approach*. Pitman.
- Friedland, R., & Alford, R. R. (1991). Bringing society back in: Symbols, practices, and institutional contradictions. In P.J. DiMaggio & W. W. Powell (Eds.), *The new institutionalism in organizational analysis* (pp. 232–263). University of Chicago Press.

- Friedman, M. (1970, September). The social responsibility of business is to increase its profits. *New York Times Magazine*, 32–33.
- Friedrichsmeier, A., & Fürst, S. (2013): Welche Theorie der Organisation für welche PR-Forschung. In U. Röttger, V. Gehrau, & J. Preusse (Eds.), *Strategische Kommunikation* (pp. 59–101). Springer.
- Frynas, J. G., & Stephens, S. (2015). Political corporate social responsibility: Reviewing theories and setting new agendas: Political CSR: Reviewing theories. *International Journal of Management Reviews*, 17(4), 483–509. <https://doi.org/10.1111/ijmr.12049>
- Fusch, P. I., & Ness, L. R. (2015). Are we there yet? Data saturation in qualitative research. *The Qualitative Report*, 20(9), 1408–1416.
- Galaskiewicz, J. (1985). Interorganizational relations. *Annual Review of Sociology*, 11(1), 281–304. <https://doi.org/10.1146/annurev.so.11.080185.001433>
- Galtung, J., & Ruge, M. H. (1965). The structure of foreign news: The presentation of the Congo, Cuba and Cyprus crises in four Norwegian newspapers. *Journal of Peace Research*, 2(1), 64–90. <https://doi.org/10.1177/002234336500200104>
- Gamson, W. A., & Modigliani, A. (1987). The changing culture of affirmative action. In R. D. Braungart (Ed.), *Researching Political Psychology* (3rd ed., pp. 137–177). JAI.
- Garriga, E., & Melé, D. (2004). Corporate social responsibility theories: Mapping the territory. *Journal of Business Ethics*, 53, 51–71. <https://doi.org/10.1023/B:BUSI.0000039399.90587.34>
- Geissner, X. T. (2015). Vereinigte Arabische Emirate: Zwischen Zensur und unbegrenzten Möglichkeiten. In C. Richter & A. El Difraoui (Eds.), *Arabische Medien* (pp. 275–288). UVK.
- Gilboa, E. (1998). Media diplomacy: Conceptual divergence and applications. *Harvard International Journal of Press/Politics*, 3(3), 56–75. <https://doi.org/10.1177/1081180X98003003005>
- Gilboa, E. (2001). Diplomacy in the media age: Three models of uses and effects. *Diplomacy & Statecraft*, 12(2), 1–28. <https://doi.org/10.1080/09592290108406201>
- Gilboa, E. (2008). Searching for a theory of public diplomacy. *The ANNALS of the American Academy of Political and Social Science*, 616(1), 55–77. <https://doi.org/10.1177/0002716207312142>
- Gill, R. (2015). Why the PR strategy of storytelling improves employee engagement and adds value to CSR: An integrated literature review. *Public Relations Review*, 41(5), 662–674. <https://doi.org/10.1016/j.pubrev.2014.02.012>
- Göhler, G., & Kühn, R. (1999). Institutionenökonomie, Neo-Institutionalismus und die Theorie politischer Institutionen. In T. Edeling, W. Jann, & D. Wagner (Eds.), *Institutionenökonomie und Neo-Institutionalismus. Überlegungen zur Organisationstheorie* (pp. 17–42). Leske + Budrich.
- Greenwood, R., Raynard, M., Kodeih, F., Micelotta, E. R., & Lounsbury, M. (2011). Institutional complexity and organizational responses. *The Academy of Management Annals*, 5(1), 317–371. <https://doi.org/10.1080/19416520.2011.590299>
- Gregory, B. (2008). Public diplomacy: Sunrise of an academic field. *The Annals of the American Academy of Political and Social Science*, 616(1), 274–290. <https://doi.org/10.1177/0002716207311723>
- Griffin, J. (2000). Corporate social performance: Research directions for the 21st century. *Business & Society* 39(4), 479–491.

- Grunig, J. E., Grunig, L. A., Sriramesh, K., Huang, Y.-H. & Lyra, A. (1995). Models of public relations in an international setting. *Journal of Public Relations Research*, 7(3), 163–186.
- Grunig, J. E., & Hunt, T. (1984). *Managing public relations*. Holt, Rinehart & Winston.
- Gulf Labour Markets and Migration. (2016). *Gulf labour markets and migration*. <https://gulfmigration.org/gcc-total-population-percentage-nationals-foreign-nationals-gcc-countries-national-statistics-2010-2016-numbers/>
- Gulf News. (n.d.). *About Gulf news*. <https://gulfnews.com/about-gulf-news>
- Gulf News Report. (2019, July 3). *High prevalence of obesity, diabetes among under-30 men: Study*. <https://gulfnews.com/uae/government/high-prevalence-of-obesity-diabetes-among-under-30-men-study-1.65007271>
- Habermas, J. (1984). *The theory of communicative action*. Beacon Press.
- Habermas, J. (1990). *The new conservatism*. MIT Press.
- Habermas, J. (1996). *Between facts and norms: Contributions to a discourse theory of law and democracy*. MIT Press.
- Hahn, O., & Alawi, Z. (2013). Arabische Welt. In B. Thomass (Ed.), *Mediensysteme im internationalen Vergleich* (pp. 279–298). UVK.
- Hall, S., Critcher, C., Jefferson, T., Clarke, J., & Roberts, B. (1978). The social production of news. In S. Hall, C. Critcher, T. Jefferson, J. Clarke, & B. Roberts (Eds.), *Policing the crisis* (pp. 53–77). Macmillan Education UK. https://doi.org/10.1007/978-1-349-15881-2_3
- Hallahan, K. (1999). Seven models of framing: Implications for public relations. *Journal of Public Relations Research*, 11(3), 205–242. https://doi.org/10.1207/s1532754xjpr1103_02
- Hallahan, K. (2010). Public relations media. In R. L. Heath (Ed.), *The SAGE handbook of public relations* (2nd ed., pp. 623–641). SAGE.
- Hannan, M. T., & Freeman, J. (1989). *Organizational ecology*. Harvard University Press.
- Hasse, R., & Krücken, G. (2009). Neo-institutionalistische Theorie. In G. Kneer & M. Schroer (Eds.), *Handbuch Soziologische Theorien* (pp. 237–251). VS Verlag für Sozialwissenschaften. https://doi.org/10.1007/978-3-531-91600-2_12
- Hasse, R., & Krücken, G. (2015). *Neo-institutionalismus* (2nd compl. edited ed.). Transcript. <https://doi.org/10.14361/9783839400289>
- Hayes, A. F. (2013). *Introduction to mediation, moderation, and conditional process analysis. A regression-based approach*. Guilford Press.
- Hayes, A. F. (2018). *Introduction to mediation, moderation, and conditional process analysis: A regression-based approach* (2.). Guilford Press.
- Heath, R. L. (2018). How fully functioning is communication engagement if society does not benefit? In K. A. Johnston & M. Taylor (Eds.), *The handbook of communication engagement* (pp. 33–47). John Wiley & Sons, Inc. <https://doi.org/10.1002/9781119167600.ch3>
- Heide, M. (2009). On Berger. A social constructionist perspective on public relations and crisis communication. In O. Ihlen, B. Van Ruler, & M. Fredriksson (Eds.), *Public relations and social theory* (pp. 43–61). Routledge.
- Henderson, D. (2001). *Misguided virtue: False notions of corporate social responsibility*. Institute of Economic Affairs.
- Henisz, W. J. (2014). *Corporate diplomacy: Building reputations and relationships with external stakeholders*. Greenleaf Publishing.

- Hillman, A. J., & Keim, G. D. (2001). Shareholder value, stakeholder management, and social issues: What's the bottom line? *Strategic Management Journal*, 22(2), 125–139. [https://doi.org/10.1002/1097-0266\(200101\)22:2<125::AID-SMJ150>3.0.CO;2-H](https://doi.org/10.1002/1097-0266(200101)22:2<125::AID-SMJ150>3.0.CO;2-H)
- Hillman, A. J., & Wan, W. P. (2005). The determinants of MNE subsidiaries' political strategies: Evidence of institutional duality. *Journal of International Business Studies*, 36(3), 322–340. <https://doi.org/10.1057/palgrave.jibs.8400137>
- Hoffjann, O. (2001). *Journalismus und Public Relations: Ein Theorieentwurf der Intersystembeziehungen in sozialen Konflikten*. Westdeutscher Verlag.
- Hofstede, G. (2001). *Culture's consequences: Comparing values, behaviors, institutions, and organizations across nations*. SAGE.
- Hofstede Insights. (n.d.). *United Arab Emirates*. <https://www.hofstede-insights.com/country/the-united-arab-emirates/>
- Holladay, S. J., & Coombs, W. T. (2013). The great automobile race of 1908 as a public relations phenomenon: Lessons from the past. *Public Relations Review*, 39(2), 101–110. <https://doi.org/10.1016/j.pubrev.2012.12.002>
- Holmström, S. (2005). Reframing public relations: The evolution of a reflective paradigm for organizational legitimization. *Public Relations Review*, 31(4), 497–504.
- Holmström, S. (2008). *Reflection: Legitimising late modernity*. In A. Zerfass, B. Van Ruler, & K. Sriramesh (Eds.), (pp. 235–249). VS Verlag für Sozialwissenschaften.
- Holmström, S., Falkheimer, J., & Nielsen, A. G. (2009). Legitimacy and strategic communication in globalization: The cartoon crisis and other legitimacy conflicts. *International Journal of Strategic Communication*, 4(1), 1–18.
- Hooghiemstra, R. (2000). Corporate Communication and Impression Management – New Perspectives Why Companies Engage in Corporate Social Reporting. *Journal of Business Ethics*, 27, 55–68.
- Hou, J. Z. (2016). The emerging “field” of public relations in China: Multiple interplaying logics and evolving actors' inter-relations. *Public Relations Review*, 42(4), 627–640. <https://doi.org/10.1016/j.pubrev.2016.04.003>
- Hou, Z., & Zhu, Y. (2012). An institutional perspective of public relations practices in the Chinese cultural contexts. *Public Relations Review*, 38(5), 916–925. <https://doi.org/10.1016/j.pubrev.2012.05.002>
- Hu, L., & Bentler, P. M. (1999). Cutoff criteria for fit indexes in covariance structure analysis: Conventional criteria versus new alternatives. *Structural Equation Modeling: A Multidisciplinary Journal*, 6, 1–55. <https://doi.org/10.1080/10705519909540118>
- Humphreys, A. (2010). Semiotic structure and the legitimation of consumption practices: The case of casino gambling. *Journal of Consumer Research*, 37(3), 490–510. <https://doi.org/10.1086/652464>
- Humphreys, A., & Latour, K. A. (2013). Framing the game: Assessing the impact of cultural representations on consumer perceptions of legitimacy. *Journal of Consumer Research*, 40(4), 773–795. <https://doi.org/10.1086/672358>
- Hussain, W., & Moriarty, J. (2016). Accountable to whom? Rethinking the role of corporations in political CSR. *Journal of Business Ethics*, 149, 519–534. <https://doi.org/10.1007/s10551-016-3027-8>
- Hybels, R., Ryan, A., & Barley, S. (1994). *Alliances, legitimation, and founding rates in the U.S. biotechnology field, 1971–1989*. Annual Meeting of the Academy of Management, Dallas.

- Ihlen, Ø., Fredriksson, M., & Van Ruler, B. (2009). *Public relations and social theory: Key figures and concepts*. Routledge.
- Ihlen, Ø., & Van Ruler, B. (2009). Introduction: Applying social theory to public relations. In Ø. Ihlen, B. Van Ruler, & M. Fredriksson (Eds.), *Public relations and social theory: Key figures and concepts* (pp. 1–20). Routledge.
- Ilkkaracan, P. (2008). Introduction. Sexuality as a contested political domain in the Middle East. In P. Ilkkaracan (Ed.), *Deconstructing sexuality in the Middle East: Challenges and discourses* (pp. 1–16). Ashgate.
- Ingenhoff, D., & Bachmann, P. (2014). Organisationskommunikation und Public Relations in der Kommunikationswissenschaft: Forschungsstand und Perspektiven zur paradigmatischen Integration. In M. Karmasin, M. Rath, & B. Thomaß (Eds.), *Kommunikationswissenschaft als Integrationsdisziplin* (pp. 245–269). Springer.
- Ingenhoff, D., & Marschlich, S. (2019). Corporate diplomacy and political CSR: Similarities, differences and theoretical implications. *Public Relations Review*, 45(2), 348–371. <https://doi.org/10.1016/j.pubrev.2019.01.002>
- Ingenhoff, D., & Rühl, C. (2013). International public relations: A synopsis of German-speaking and Anglo-American research approaches. *Studies in Communication Sciences*, 13(1), 3–14. <https://doi.org/10.1016/j.scoms.2013.04.007>
- Islam, M. A., & Deegan, C. (2010). Media pressures and corporate disclosure of social responsibility performance information: A study of two global clothing and sports retail companies. *Accounting and Business Research*, 40(2), 131–148. <https://doi.org/10.1080/00014788.2010.9663388>
- Jahdi, K. S., & Acikdilli, G. (2009). Marketing communications and corporate social responsibility (CSR): Marriage of convenience or shotgun wedding? *Journal of Business Ethics*, 88, 103–113. <https://doi.org/10.1007/s10551-009-0113-1>
- Jain, R., & De Moya, M. (2013). Global, local, or glocal: Investigating CSR strategies of best corporate citizens in India. *International Journal of Strategic Communication*, 7(3), 207–226. <https://doi.org/10.1080/1553118X.2013.782548>
- Jain, T., Aguilera, R. V., & Jamali, D. (2017). Corporate stakeholder orientation in an emerging country context: A longitudinal cross industry analysis. *Journal of Business Ethics*, 143(4), 701–719. <https://doi.org/10.1007/s10551-016-3074-1>
- Jamali, D., & Sidani, Y. (2012). Introduction: CSR in the Middle East: Fresh perspectives. In D. Jamali & Y. Sidani (Eds.), *CSR in the Middle East* (pp. 1–10). Palgrave Macmillan UK. https://doi.org/10.1057/9781137266200_1
- Jensen, M. C. (2000). Value maximization, stakeholder theory, and the corporate objective function. In M. Beer & N. Nohria (Eds.), *Breaking the code of change* (pp. 37–58). Harvard Business School Press.
- Jiménez-Castillo, D. (2016). Beyond mere information transfer: The importance of a relational approach to market-related internal communication. *Journal of Public Relations Research*, 28(5–6), 268–281. <https://doi.org/10.1080/1062726X.2016.1258564>
- Johnston, K. A. (2018). Toward a theory of social engagement. In K.A. Johnston & M. Taylor (Eds.), *The handbook of communication engagement* (pp. 17–32). John Wiley & Sons.
- Johnston, K. A., & Lane, A. B. (2018). Building relational capital: The contribution of episodic and relational community engagement. *Public Relations Review*, 44(5), 633–644. <https://doi.org/10.1016/j.pubrev.2018.10.006>

- Johnston, K. A., Lane, A. B., Hurst, B., & Beatson, A. (2018). Episodic and relational community engagement: Implications for social impact and social license. In K.A. Johnston & M. Taylor (Eds.), *The handbook of communication engagement* (pp. 169–185). John Wiley & Sons.
- Johnston, K. A., & Taylor, M. (2018). Engagement as communication: Pathways, possibilities, and future directions. In K.A. Johnston & M. Taylor (Eds.), *The handbook of communication engagement* (pp. 1–17). John Wiley & Sons.
- Katsioloudes, M. I., & Brodtkorb, T. (2007). Corporate social responsibility: An exploratory study in the United Arab Emirates. *SAM Advanced Management Journal*, 72(4), 9–20. Academic OneFile.
- Kennedy, M. T. (2008). Getting counted: Markets, media, and reality. *American Sociological Review*, 73(6), 1021–1021. <https://doi.org/10.1177/000312240807300609>
- Kent, M. L., & Taylor, M. (2002). Toward a dialogic theory of public relations. *Public Relations Review*, 28(1), 21–37. [https://doi.org/10.1016/s0363-8111\(02\)00108-x](https://doi.org/10.1016/s0363-8111(02)00108-x)
- Khakimova Storie, L. (2015). Lost publics in public diplomacy: Antecedents for online relationship management. *Public Relations Review*, 41(2), 315–317. <https://doi.org/10.1016/j.pubrev.2015.02.008>
- Khaleej Times. (2016, December). My UAE #1: UAE achievements to make you proud. <https://www.khaleejtimes.com/national-day-2016/my-uae-1-how-the-uae-sizes-up-on-the-world-stage>
- Khaleej Times. (n.d.). About us. <https://www.khaleejtimes.com/about-us>
- Kirat, M. (2005). Public relations practice in the Arab World: A critical assessment. *Public Relations Review*, 31(3), 323–332. <https://doi.org/10.1016/j.pubrev.2005.05.016>
- Kirat, M. (2006). Public relations in the United Arab Emirates: The emergence of a profession. *Public Relations Review*, 32(3), 254–260. <https://doi.org/10.1016/j.pubrev.2006.05.006>
- Kirat, M. (2016). Public relations professionalism and excellence in the Arab world. *Revue Albahit Al Ijtima'i*, 12, 5–27.
- Kline, R. B. (1998). *Principles and practice of structural equation modeling*. The Guilford Press.
- Koch, T., Peter, C., & Müller, P. (2019). *Das Experiment in der Kommunikations- und Medienwissenschaft. Grundlagen, Durchführung und Auswertung experimenteller Forschung*. Springer.
- Kochhar, S. (2018). Corporate diplomacy as an engagement strategy of the nonmarket business environment. In K. A. Johnston & M. Taylor (Eds.), *The handbook of communication engagement* (pp. 347–356). John Wiley & Sons. <https://doi.org/10.1002/9781119167600.ch23>
- Kochhar, S., & Molleda, J.-C. (2015). The evolving link between international public relations and corporate diplomacy. In G. J. Golan, S.-U. Yang, & D. F. Kinsey (Eds.), *International public relations and public diplomacy. Communication and engagement*. (pp. 51–72). Peter Lang.
- Koe, T. (2019). UAE packaging waste: Coca-Cola, PepsiCo, and Unilever sign deal with government. *Foodnavigator-Asia.Com*. <https://www.foodnavigator-asia.com/Article/2019/05/08/UAE-packaging-waste-Coca-Cola-PepsiCo-and-Unilever-sign-deal-with-government>

- Kostova, T. (1996). *Success of the transnational transfer of organizational practices within multinational companies*. [Doctoral dissertation, University of Minnesota, Minneapolis]. ProQuest Dissertations Publishing.
- Kostova, T., & Roth, K. (2002). Adoption of an organizational practice by subsidiaries of multinational corporations: Institutional and relational effects. *Academy of Management Journal*, 45(1), 215–233. <https://doi.org/10.5465/3069293>
- Kostova, T., & Zaheer, S. (1999). Organizational legitimacy under conditions of complexity: The case of the multinational enterprise. *The Academy of Management Review*, 24(1), 64. <https://doi.org/10.2307/259037>
- Kotler, P., & Lee, N. (2005). *Corporate social responsibility: Doing the most good for your company and your cause*. Wiley.
- Kruckeberg, D. (1996). A global perspective on public relations ethics: The Middle East. *Public Relations Review*, 22(2), 181–189. [https://doi.org/10.1016/S0363-8111\(96\)90006-5](https://doi.org/10.1016/S0363-8111(96)90006-5)
- Kuilman, J. G., & Li, J. (2009). Grades of membership and legitimacy Spillovers: Foreign banks in Shanghai, 1847–1935. *Academy of Management Journal*, 52(2), 229–245. <https://doi.org/10.5465/amj.2009.37308018>
- Lafferty, B. A., & Goldsmith, R. E. (1999). Corporate credibility's role in consumers' attitudes and purchase intentions when a high versus a low credibility endorser is used in the ad. *Journal of Business Research*, 44, 109–116. [https://doi.org/10.1016/s0148-2963\(98\)00002-2](https://doi.org/10.1016/s0148-2963(98)00002-2)
- Lamertz, K., & Baum, J. A. C. (1998). The legitimacy of organizational downsizing in Canada: An analysis of explanatory media accounts. *Canadian Journal of Administrative Sciences / Revue Canadienne Des Sciences de l'Administration*, 15(1), 93–107. <https://doi.org/10.1111/j.1936-4490.1998.tb00154.x>
- Lawrence, T. B. (1999). Institutional strategy. *Journal of Management*, 25(2), 161–187. [https://doi.org/10.1016/S0149-2063\(99\)80008-7](https://doi.org/10.1016/S0149-2063(99)80008-7)
- Lawrence, T. B., & Suddaby, R. (2006). Institutions and institutional work. In S. R. Clegg, C. Hardy, T. B. Lawrence, & W. R. Nord (Eds.), *Sage handbook of organization studies* (2nd ed., pp. 215–254). SAGE.
- Ledingham, J. A. (2003). Explicating relationship management as a general theory of public relations. *Journal of Public Relations Research*, 15(2), 181–198. https://doi.org/10.1207/S1532754XJPRR1502_4
- Ledingham, J. A., & Bruning, S. D. (1998). Relationship management in public relations: Dimensions of an organization-public relationship. *Public Relations Review*, 24(1), 55–65. [https://doi.org/10.1016/S0363-8111\(98\)80020-9](https://doi.org/10.1016/S0363-8111(98)80020-9)
- Ledingham, J. A., & Bruning, S. D. (2000). A longitudinal study of organization–public relationships dimensions: Defining the role of communication in the practice of relationship management. In J.A. Ledingham & S. D. Bruning (Eds.), *Public relations as relationship management: A relational approach to public relations* (pp. 55–69). Lawrence Erlbaum Associates, Inc.
- Leonard, M. (2002). Diplomacy by other means. *Foreign Policy*, 132, 48–56. <https://doi.org/10.2307/3183455>
- L'Etang, J. (2009). Public relations and diplomacy in a globalized world: An issue of public communication. *American Behavioral Scientist*, 53(4), 607–626. <https://doi.org/10.1177/0002764209347633>

- Li, J., Yang, J. Y., & Yue, D. R. (2007). Identity, community, and audience: How wholly owned foreign subsidiaries gain legitimacy in China. *Academy of Management Journal*, 50(1), 175–190. <https://doi.org/10.5465/amj.2007.24162209>
- Lincoln, Y. S., & Guba, E. G. (1985). *Naturalistic inquiry*. Sage.
- Livesey, S. M. (2002). Global warming wars: Rhetorical and discourse analytic approaches to ExxonMobil's corporate public discourse. *Journal of Business Communication*, 39(1), 117–148. <https://doi.org/10.1177/002194360203900106>
- Lock, I. (2019). Explicating communicative organization-stakeholder relationships in the digital age: A systematic review and research agenda. *Public Relations Review*, 45(4), 101829. <https://doi.org/10.1016/j.pubrev.2019.101829>
- Lock, I., & Schulz-Knappe, C. (2019). Credible corporate social responsibility (CSR) communication predicts legitimacy: Evidence from an experimental study. *Corporate Communications: An International Journal*, 24(1), 2–20. <https://doi.org/10.1108/CCEJ-07-2018-0071>
- Lock, I., Seele, P., & Heath, R. L. (2016). Where grass has no roots: The concept of 'shared strategic communication' as an answer to unethical AstroTurf lobbying. *International Journal of Strategic Communication*, 10, 87–100. <https://doi.org/10.1080/1553118x.2015.1116002>
- Long, Z. (2016). Managing legitimacy crisis for state-owned non-profit organization: A case study of the Red Cross Society of China. *Public Relations Review*, 42(2), 372–374. <https://doi.org/10.1016/j.pubrev.2015.09.011>
- Lukes, S. (1974). *Power: A radical view*. MacMillan.
- Ma, X., & Lu, J. W. (2017). Business group affiliation as institutional linkages in China's emerging economy: A focus on organizational traits and institutional conditions. *Asia Pacific Journal of Management*, 34(3), 675–697. <https://doi.org/10.1007/s10490-017-9517-0>
- Maak, T., Pless, N. M., & Voegtlin, C. (2016). Business statesman or shareholder advocate? CEO responsible leadership styles and the micro-foundations of political CSR. *Journal of Management Studies*, 53, 463–493. <https://doi.org/10.1111/joms.12195>
- MacKinnon, D. P. (2008). *Introduction to statistical mediation analysis (multivariate applications series)*. Taylor & Francis.
- Macnamara, J. (2012). Corporate and organisational diplomacy: An alternative paradigm to PR. *Journal of Communication Management*, 16(3), 312–325. <https://doi.org/10.1108/13632541211245794>
- Malone, G. (1985). Managing public diplomacy. *Washington Quarterly*, 8(3), 199–213.
- Marberg, A., van Kranenburg, H., & Korzilius, H. (2016). NGOs in the news: The road to taken-for-grantedness. *VOLUNTAS: International Journal of Voluntary and Nonprofit Organizations*, 27(6), 2734–2763. <https://doi.org/10.1007/s11266-016-9757-5>
- Marschlich, S., & Ingenhoff, D. (2021a). The Role of Public Relations in Corporate Diplomacy: How Relationship Cultivation Increases Organizational Legitimacy. *Journal of Public Relations Research*, 33(2), 86–105. <https://doi.org/10.1080/1062726X.2021.1981332>
- Marschlich, S., & Ingenhoff, D. (2021b). Stakeholder Engagement in a Multicultural Context: The Contribution of (Personal) Relationship Cultivation to Social Capital. *Public Relations Review*, 47(4), 102091. <https://doi.org/10.1016/j.pubrev.2021.102091>

- Marschlich, S., & Ingenhoff, D. (2022). Public-Private Partnerships: How Institutional Linkages Help to Build Organizational Legitimacy in an International Environment. *Public Relations Review*, 48(1), 102124. <https://doi.org/10.1016/j.pubrev.2021.102124>
- Massey, J. E. (2001). Managing organizational legitimacy: Communication strategies for organizations in crisis. *Journal of Business Communication*, 38(2), 153–182. <https://doi.org/10.1177/00219436010380020>
- Mast, C. (2002). *Unternehmenskommunikation. Ein Leitfadens*. Lucius & Lucius.
- Matten, D., & Crane, A. (2005). Corporate citizenship: Toward an extended theoretical conceptualization. *Academy of Management Review*, 30, 166–179. <https://doi.org/10.5465/Amr.2005.15281448>
- Matthes, J. (2012). Framing politics: An integrative approach. *American Behavioral Scientist*, 56(3), 247–259. <https://doi.org/10.1177/0002764211426324>
- Matthes, J., & Kohring, M. (2004). Die empirische Erfassung von Medien-Frames. *Medien & Kommunikationswissenschaft*, 52(1), 56–75. <https://doi.org/10.5771/1615-634x-2004-1-56>
- Matthes, J., & Kohring, M. (2008). The content analysis of media frames: Toward improving reliability and validity. *Journal of Communication*, 58(2), 258–279. <https://doi.org/10.1111/j.1460-2466.2008.00384.x>
- Maurer, J. G. (1971). *Readings in organization theory: Open-system approaches*. Random House.
- Maurer, M. (2010). *Agenda-setting*. Nomos.
- Mayring, P. (2000). Qualitative content analysis. *Forum Qualitative Sozialforschung / Forum: Qualitative Social Research*, 1(2). <http://www.qualitative-research.net/index.php/fqs/article/view/1089/2385>
- Mayring, P. (2008). *Qualitative Inhaltsanalyse. Grundlagen und Techniken* (10th ed.). Beltz.
- Mazzei, A., & Ravazzani, S. (2011). Manager-employee communication during a crisis: The missing link. *Corporate Communications: An International Journal*, 16(3), 243–254. <https://doi.org/10.1108/13563281111156899>
- McCombs, M. E., & Evatt, D. (1995). Los temas y los aspectos: Explorando una nueva dimension de la agenda setting [Objects and attributes: Exploring a new dimension of agenda setting]. *Comunicacion y Sociedad*, 8(1), 7–32.
- McCombs, M. E., & Ghanem, S. I. (2001). The Convergence of Agenda Setting and Framing. In S. D. Reese, O. H. Gandy, & A. E. Grant (Eds.), *Framing Public Life Perspectives on Media and Our Understanding of the Social World* (pp. 67–81). Erlbaum.
- McCombs, M. E., Llamas, J. P., Lopez-Escobar, E., & Rey, F. (1997). Candidate images in Spanish elections: Second-level agenda-setting effects. *Journalism & Mass Communication Quarterly*, 74(4), 703–717. <https://doi.org/10.1177/107769909707400404>
- McCombs, M. E., & Shaw, D. L. (1972). The agenda-setting function of mass media. *Public Opinion Quarterly*, 36(2), 176. <https://doi.org/10.1086/267990>
- McKendrick, D. G., Jaffee, J., Carroll, G. R., & Khessina, O. M. (2003). In the bud? Disk array producers as a (possibly) emergent organizational form. *Administrative Science Quarterly*, 48(1), 60. <https://doi.org/10.2307/3556619>
- McWilliams, A., & Siegel, D. (2001). Corporate social responsibility: A theory of the firm perspective. *The Academy of Management Review*, 26, 117. <https://doi.org/10.2307/259398>

- Melissen, J. (1999). *The new public diplomacy. Soft power in international relations*. Palgrave Macmillan.
- Melissen, J. (2005). The new public diplomacy: Between theory and practice. In J. Melissen (Ed.), *The new public diplomacy: Soft power in international relations* (pp. 3–27). Palgrave Macmillan.
- Melissen, J. (2011). *Beyond the new public diplomacy*. Netherlands Institute of International Relations “Clingendael.”
- Merkelsen, H. (2011). The double-edged sword of legitimacy in public relations. *Journal of Communication Management*, 15(2), 125–143. <https://doi.org/10.1108/13632541111126355>
- Merkelsen, H. (2013). Legitimacy and reputation in the institutional field of food safety: A public relations case study. *Public Relations Inquiry*, 2(2), 243–265. <https://doi.org/10.1177/2046147X13485368>
- Metzler, M. S. (1995). *A communicative theory of organizational legitimacy*. Rensselaer Polytechnic Institute.
- Metzler, M. S. (2000). The centrality of organisational legitimacy to public relations practice. In R. L. Heath (Ed.), *Handbook of public relations* (pp. 321–334). Sage.
- Meyer, J. W., Boli, J., & Thomas, G. M. (1994). Ontology and rationalization in the western cultural account. In R. W. Scott & J. W. Meyer (Eds.), *Institutional environments and organizations* (pp. 9–27). Sage.
- Meyer, J. W., & Rowan, B. (1977). Institutionalized organizations: Formal structure as myth and ceremony. *American Journal of Sociology*, 83(2), 340–363. <https://doi.org/10.1086/226550>
- Meyer, J. W., & Rowan, B. (1991). Institutionalized organizations: Formal structure as myth and ceremony. In W. W. Powell & P. J. DiMaggio (Eds.), *The new institutionalism in organizational analysis* (pp. 41–62). University of Chicago Press.
- Meyer, J. W., & Scott, W. R. (1983). Centralization and the legitimacy problems of local government. In J. W. Meyer & W. R. Scott (Eds.), *Organizational environments: Ritual and rationality* (pp. 199–215). Sage.
- Meyer, M. W., & Zucker, L. G. (1989). *Permanently failing organizations*. Sage.
- Mogensen, K. (2017). From public relations to corporate public diplomacy. *Public Relations Review*, 43(3), 605–614. <https://doi.org/10.1016/j.pubrev.2017.03.011>
- Mogensen, K. (2019). Legitimacy issues in corporate public diplomacy. In J. D. Rendtorff (Ed.), *Handbook of business legitimacy* (pp. 1–17). Springer International Publishing. https://doi.org/10.1007/978-3-319-68845-9_57-1
- Mogensen, K. (2020a). Dialogue and business legitimacy. In J. D. Rendtorff (Ed.), *Handbook of business legitimacy* (pp. 1–16). Springer International Publishing. https://doi.org/10.1007/978-3-319-68845-9_107-1
- Mogensen, K. (2020b). *Interdisciplinary perspectives on: The idea of corporate public diplomacy and how it differs from state public diplomacy*. Roskilde University.
- Mollada, J.-C. (2011). Global political public relations, public diplomacy, and corporate foreign policy. In J. Strömbäck & S. Kioussis (Eds.), *Political public relations. Principles and applications*. (pp. 274–293). Routledge.
- Mollada, J.-C., & Kochhar, S. (2014). Global strategic communication: From the lens of coordination, control, standardization, and localization. In D. Holtzhausen & A. Zerfass (Eds.), *The Routledge handbook of strategic communication* (pp. 585–595). Routledge.

- Moon, J. (2014). *Corporate social responsibility: A very short introduction*. Oxford University Press.
- Mundy, D. E. (2013). The spiral of advocacy: How state-based LGBT advocacy organizations use ground-up public communication strategies in their campaigns for the “Equality Agenda.” *Public Relations Review*, 39(4), 387–390.
- Murillo, D., & Lozano, J. M. (2006). SMEs and CSR: An approach to CSR in their own words. *Journal of Business Ethics*, 67(3), 227–240. <https://doi.org/10.1007/s10551-006-9181-7>
- Navis, C., & Glynn, M. A. (2010). How new market categories emerge: Temporal dynamics of legitimacy, identity, and entrepreneurship in satellite radio, 1990–2005. *Administrative Science Quarterly*, 55(3), 439–471. <https://doi.org/10.2189/asqu.2010.55.3.439>
- Neuendorf, K. A. (2009). Reliability for content analysis. In A. Jordan, D. Kunkel, J. Manganello, & M. Fishbein (Eds.), *Media messages and public health: A decisions approach to content analysis* (pp. 67–87). Routledge.
- Neuman, W. L. (2003). *Social research methods: Qualitative and quantitative approaches*. Allyn and Bacon.
- Newell, S. J., & Goldsmith, R. E. (2001). The development of a scale to measure perceived corporate credibility. *Journal of Business Research*, 52, 235–247. [https://doi.org/10.1016/s0148-2963\(99\)00104-6](https://doi.org/10.1016/s0148-2963(99)00104-6)
- Nicolini, K. M., & Hansen, S. S. (2018). Framing the Women’s March on Washington: Media coverage and organizational messaging alignment. *Public Relations Review*, 44(1), 1–10. <https://doi.org/10.1016/j.pubrev.2017.12.005>
- Nielsen, A. E., & Thomsen, C. (2009). Investigating CSR communication in SMEs: A case study among Danish middle managers. *Business Ethics: A European Review*, 18(1), 83–93. <https://doi.org/10.1111/j.1467-8608.2009.01550.x>
- Nye, J. S. (2008). Public diplomacy and soft power. *The ANNALS of the American Academy of Political and Social Science*, 616(1), 94–109. <https://doi.org/10.1177/0002716207311699>
- Nye, J. S., & Keohane, R. O. (1971). Transnational relations and world politics: A conclusion. *International Organization*, 25(3), 329–349. <https://doi.org/10.1017/s0020818300026412>
- Oliver, C. (1991). Strategic responses to institutional processes. *The Academy of Management Review*, 16(1), 145. <https://doi.org/10.2307/258610>
- Oliver Wyman. (2019). *Achieving the sustainable development goals in the UAE. Private sector contribution*. <https://www.oliverwyman.com/content/dam/oliver-wyman/v2/publications/2019/july/achieving-the-sustainable-development-goals-in-the-uae.pdf>
- Olsen, W. (2004). Triangulation in social research: Qualitative and quantitative methods can really be mixed. In M. Holborn (Ed.), *Developments in sociology* (pp. 103–118). Causeway Press.
- Ordeix-Rigo, E., & Duarte, J. (2009). From public diplomacy to corporate diplomacy: Increasing corporation’s legitimacy and influence. *American Behavioral Scientist*, 53(4), 549–564. <https://doi.org/10.1177/0002764209347630>
- Orlitzky, M., Schmidt, F. L., & Rynes, S. L. (2003). Corporate social and financial performance: A meta-analysis. *Organization Studies*, 24(3), 403–441. <https://doi.org/10.1177/0170840603024003910>

- Palazzo, G., & Scherer, A. G. (2008). Corporate social responsibility, democracy, and the politicization of the corporation. *Academy of Management Review*, 33, 773–775. <https://doi.org/10.5465/amr.2008.32465775>
- Parsons, T. (1956). Suggestions for a sociological approach to the theory of organizations. *Administrative Science Quarterly*, 1(1), 63. <https://doi.org/10.2307/2390840>
- Parsons, T. (1960). *Structure and process in modern societies*. Free Press.
- Pfeffer, J., & Salancik, G. R. (1978). *The external control of organizations*. Stanford University Press.
- Pollock, T. G., & Rindova, V. P. (2003). Media legitimation effects in the market for initial public offerings. *Academy of Management Journal*, 46(5), 631–642. <https://doi.org/10.2307/30040654>
- Porter, M. E., & Kramer, M. R. (2006). Strategy and society: The link between competitive advantage and corporate social responsibility. *Harvard Business Review*, 84, 78–92, 163.
- Porter, M. E., & Kramer, M. (2011). The big idea: Creating shared value, rethinking capitalism. *Harvard Business Review*, 89, 62–77.
- Powell, W., & DiMaggio, P. J. (1991). *The new institutionalism in organizational analysis*. University of Chicago Press.
- Punch, K. (1998). *Introduction to social research: Quantitative and qualitative approaches*. Sage.
- Rademacher, L. (2009). *Public Relations und Kommunikationsmanagement. Eine medienwissenschaftliche Grundlegung*. Springer.
- Rao, H., Greve, H. R., & Davis, G. F. (2001). Fool's gold: Social proof in the initiation and abandonment of coverage by Wall Street Analysts. *Administrative Science Quarterly*, 46(3), 502. <https://doi.org/10.2307/3094873>
- Rao, H., Morrill, C., & Zald, M. N. (2000). Power plays: How social movements and collective action create new organizational forms. *Research in Organizational Behavior*, 22, 237–281. [https://doi.org/10.1016/S0191-3085\(00\)22007-8](https://doi.org/10.1016/S0191-3085(00)22007-8)
- Rauwers, F., Voorveld, H. A. M., & Neijens, P. C. (2018). Investigating the persuasive impact and underlying processes of interactive magazine ads in a real-life setting. *International Journal of Advertising*, 37(5), 806–827. <https://doi.org/10.1080/02650487.2018.1470918>
- Rettab, B., Brik, A. B., & Mellahi, K. (2009). A study of management perceptions of the impact of corporate social responsibility on organisational performance in emerging economies: The case of Dubai. *Journal of Business Ethics*, 89(3), 371–390. <https://doi.org/10.1007/s10551-008-0005-9>
- Richter, C., & El Difraoui, A. (2015). Arabische Medien: Eine Einführung. In C. Richter, & A. El Difraoui (Eds.), *Arabische Medien* (pp. 9–24). UVK.
- Rindova, V. P., Pollock, T. G., & Hayward, M. L. A. (2006). Celebrity firms: The social construction of market popularity. *Academy of Management Review*, 31(1), 50–71. <https://doi.org/10.5465/amr.2006.19379624>
- Rizk, A. (2005). Future of public relations in United Arab Emirates institutions. *Public Relations Review*, 31(3), 389–398. <https://doi.org/10.1016/j.pubrev.2005.05.012>
- Rodríguez Pérez, C. (2017). News framing and media legitimacy: An exploratory study of the media coverage of the refugee crisis in the European Union. *Communication & Society*, 30(3), 169–184. <https://doi.org/10.15581/003.30.3.169-184>
- Ronnegard, D. (2011). *Corporate social responsibility and the United Arab Emirates*. Sustainable Development Group.

- Rorty, R. (1991). The priority of democracy to philosophy. In R. Rorty (Ed.), *Objectivity, relativism, and truth: Philosophical papers* (pp. 175–196). Cambridge University Press.
- Rubin, H. J., & Rubin, I. S. (2005). *Qualitative interviewing: The art of hearing data* (2nd ed.). Sage.
- Ruef, M. (2000). The emergence of organizational forms: A community ecology approach. *American Journal of Sociology*, 106(3), 658–714. <https://doi.org/10.1086/318963>
- Ruef, M., & Scott, W. R. (1998). A multidimensional model of organizational legitimacy: Hospital survival in changing institutional environments. *Administrative Science Quarterly*, 43(4), 877–904. <https://doi.org/10.2307/2393619>
- Sabouni, B. (2017). *How smart companies can leverage UAE's Vision2021 for success*. <http://insights.getglobal.co/uae-usa-vision-2021>
- Sandhu, S. (2009). Strategic communication: An institutional perspective. *International Journal of Strategic Communication*, 3(2), 72–92. <https://doi.org/10.1080/15531180902805429>
- Sandhu, S. (2012). *Public Relations und Legitimität*. VS Verlag für Sozialwissenschaften. <https://doi.org/10.1007/978-3-531-19304-5>
- Sandhu, S. (2013). PR im „eisernen Käfig“? Der Beitrag des Neo-Institutionalismus für die PR-Forschung. In A. Zerfuß, L. Rademacher, & S. Wehmeier (Eds.), *Organisationskommunikation und Public Relations* (pp. 143–165). Springer Fachmedien Wiesbaden. https://doi.org/10.1007/978-3-531-18961-1_7
- Sandhu, S. (2015). Public Relations aus neo-institutionalistischer Perspektive. In R. Fröhlich, P. Szyszka, & G. Bentele (Eds.), *Handbuch der Public Relations* (pp. 243–260). Springer Fachmedien Wiesbaden. https://doi.org/10.1007/978-3-531-18917-8_16
- Saner, R., & Yiu, L. (2014). Business diplomacy competence: A requirement for implementing the OECD's guidelines for multinational enterprises. *The Hague Journal of Diplomacy*, 9(4), 311–333. <https://doi.org/10.1163/1871191x-12341292>
- Sardar, Z. (2003). *Islam, postmodernism and other futures: A Ziauddin Sardar reader*. Pluto Press.
- Scherer, A. G., & Palazzo, G. (2007). Toward a political conception of corporate responsibility: Business and society seen from a Habermasian perspective. *Academy of Management Review*, 32, 1096–1120. <https://doi.org/10.5465/AMR.2007.26585837>
- Scherer, A. G., & Palazzo, G. (2011). The new political role of business in a globalized world: A review of a new perspective on CSR and its implications for the firm, governance, and democracy. *Journal of Management Studies*, 48(4), 899–931. <https://doi.org/10.1111/j.1467-6486.2010.00950.x>
- Scherer, A. G., & Palazzo, G. (2012). The new political role of business in a globalized world—A review of a new perspective on CSR and its implications for the firm, governance, and democracy. In H. Corsten & S. Roth (Eds.), *Nachhaltigkeit* (pp. 15–50). Gabler Verlag. https://doi.org/10.1007/978-3-8349-3746-9_2
- Scherer, A. G., Rasche, A., Palazzo, G., & Spicer, A. (2016). Managing for Political corporate social responsibility: New challenges and directions for PCSR 2.0. *Journal of Management Studies*, 53(3), 273–298. <https://doi.org/10.1111/joms.12203>
- Scheufele, D. (1999). Framing as a theory of media effects. *Journal of Communication*, 49(1), 103–122.

- Scheufele, D. A. (2000). Agenda-setting, priming, and framing revisited: Another look at cognitive effects of political communication. *Mass Communication and Society*, 3(2–3), 297–316. https://doi.org/10.1207/S15327825MCS0323_07
- Schöneborn, D., & Wehmeier, S. (2014). Kommunikative Konstitution von Organisationen. In A. Zerfass & M. Piwinger (Eds.), *Handbuch Unternehmenskommunikation: Strategie – Management – Wertschöpfung* (pp. 411–429). Springer.
- Schultz, F., Castelló, I., & Morsing, M. (2013). The construction of corporate social responsibility in network societies: A communication view. *Journal of Business Ethics*, 115, 681–692. <https://doi.org/10.1007/s10551-013-1826-8>
- Schultz, P. L., Marin, A., & Boal, K. B. (2013). The impact of media on the legitimacy of new market categories: The case of broadband internet. *Journal of Business Venturing*, 29(1), 34–54. <https://doi.org/10.1016/j.jbusvent.2012.11.001>
- Scott, W. R. (1994). Institutions and organizations. Toward a theoretical synthesis. In R. W. Scott & J. W. Meyer (Eds.), *Institutional environments and organizations* (pp. 55–80). Sage.
- Scott, W. R. (1995). *Institutions and organizations*. Sage.
- Scott, W. R. (2001). *Institutions and organizations* (2nd ed.). Sage.
- Scott, W. R. (2008). *Institutions and organizations. Ideas and interests* (3rd ed.). Sage.
- Scott, W. R., & Meyer, J. W. (1983). The organization of societal sectors. In J.W. Meyer & W. R. Scott (Eds.), *Organizational environments: Ritual and rationality* (pp. 129–153). Sage.
- Seele, P., & Lock, I. (2015). Instrumental and/or deliberative? A typology of CSR communication tools. *Journal of Business Ethics*, 131, 401–414. <https://doi.org/10.1007/s10551-014-2282-9>
- Semetko, H. A., & Valkenburg, P. M. V. (2000). Framing European politics: A content analysis of press and television news. *Journal of Communication*, 50(2), 93–109. <https://doi.org/10.1111/j.1460-2466.2000.tb02843.x>
- Sen, S., & Bhattacharya, C. B. (2001). Does doing good always lead to doing better? Consumer reactions to corporate social responsibility. *Journal of Marketing Research*, 38, 225–243. <https://doi.org/10.1509/jmkr.38.2.225.18838>
- Senge, K. (2011). *Das Neue am Neo-Institutionalismus*. VS Verlag für Sozialwissenschaften. <https://doi.org/10.1007/978-3-531-93008-4>
- Shirodkar, V., Beddewela, E., & Richter, U. H. (2016). Firm-level determinants of political CSR in emerging economies: Evidence from India. *Journal of Business Ethics*, 148, 673–688. <https://doi.org/10.1007/s10551-016-3022-0>
- Shoemaker, P. J., & Reese, S. D. (1996). *Mediating the message* (2nd ed.). Longman.
- Signitzer, B. H., & Coombs, T. (1992). Public relations and public diplomacy: Conceptual convergences. *Public Relations Review*, 18(2), 137–147. [https://doi.org/10.1016/0363-8111\(92\)90005-J](https://doi.org/10.1016/0363-8111(92)90005-J)
- Signitzer, B. H., & Wamser, C. (2006). Public diplomacy: A special governmental public relations function. In C. Botan & V. Hazelton (Eds.), *Public relations theory II* (pp. 435–464). Lawrence Erlbaum Associates.
- Silverman, D. (2000). *Doing qualitative research: A practical handbook*. Sage.
- Singh, J. V., Tucker, D. J., & House, R. J. (1986). Organizational legitimacy and the liability of newness. *Administrative Science Quarterly*, 31(2), 171. <https://doi.org/10.2307/2392787>

- Snow, C. (2006). Public diplomacy practitioners: A changing cast of characters. *Journal of Business Strategy*, 27, 18–21. <https://doi.org/10.1108/02756660610663781>
- Snow, D. A., & Benford, R. D. (1992). Master frames and cycles of protest. In A. D. Morris & C. McClurg Mueller (Eds.), *Frontiers in Social Movement Theory* (pp. 133–155). Yale University Press.
- Snow, N. (2009). Rethinking public diplomacy. In Nancy Snow & P. M. Taylor (Eds.), *Routledge handbook of public diplomacy* (pp. 3–11). Routledge.
- Snow, N. (2014). Public diplomacy and public relations: Will the twain ever meet? In G. J. Golan, S.-U. Yang, & D. F. Kinsey (Eds.), *International Public Relations and Public Diplomacy: Communication and Engagement* (pp. 73–90). Peter Lang.
- Sriramesh, K., & Verčič, D. (2002). International public relations: A framework for future research. *Journal of Communication Management*, 6(2), 103–117. <https://doi.org/10.1108/13632540210806973>
- Sriramesh, K., & Verčič, D. (2009). A theoretical framework for global public relations research and practice. In K. Sriramesh & D. Verčič (Eds.), *The global public relations handbook* (2nd ed., pp. 3–21). Routledge.
- Sriramesh, K., & Verčič, D. (2019). *The global public relations handbook: Theory, research, and practice* (3rd ed.). Routledge. <https://doi.org/10.4324/9781315173290>
- Steger, U. (2003). *Corporate diplomacy: The strategy for a volatile, fragmented business environment*. Wiley.
- Stinchcombe, A. L. (1965). Social structure and organizations. In J. G. March (Ed.), *Handbook of organizations* (pp. 142–193). Rand McNally & Company.
- Stoll, M. L. (2014). Corporate political speech and moral obligation. *Journal of Business Ethics*, 132, 553–563. <https://doi.org/10.1007/s10551-014-2355-9>
- Suchman, M. C. (1995). Managing legitimacy: Strategic and institutional approaches. *Academy of Management Review*, 20(3), 571–610. <https://doi.org/10.5465/amr.1995.9508080331>
- Suddaby, R., & Greenwood, R. (2005). Rhetorical strategies of legitimacy. *Administrative Science Quarterly*, 50(1), 35–67. <https://doi.org/10.2189/asqu.2005.50.1.35>
- Sundaram, A. K., & Inkpen, A. C. (2004). The corporate objective revisited. *Organization Science*, 15, 350–363. <https://doi.org/10.1287/orsc.1040.0068>
- Tao, W., & Song, B. (2020). The interplay between post-crisis response strategy and pre-crisis corporate associations in the context of CSR crises. *Public Relations Review*, 101883. <https://doi.org/10.1016/j.pubrev.2020.101883>
- Taylor, M. (2018). Reconceptualizing public relations in an engaged society. In K. A. Johnston & M. Taylor (Eds.), *The handbook of communication engagement* (pp. 103–114). John Wiley & Sons, Inc. <https://doi.org/10.1002/9781119167600.ch8>
- Taylor, M., & Kent, M. L. (2014). Dialogic engagement: Clarifying foundational concepts. *Journal of Public Relations Research*, 26(5), 384–398.
- The Arab Investment & Export Credit Guarantee Corporation. (2016). The United Arab Emirates: Inward and outward FDI. <http://dhaman.net/wp-content/uploads/2016/02/UAE.pdf>
- The National. (2017). *UAE minister told of frustration at Emirati unemployment levels*. <https://www.thenational.ae/uae/uae-minister-told-of-frustration-at-emirati-unemployment-levels-1.682011>
- Theis, A. M. (1994). *Organisationskommunikation*. Westdeutscher Verlag.

- Thomass, B. (2013). Mediensysteme vergleichen. In B. Thomass (Ed.), *Mediensysteme im internationalen Vergleich* (2nd ed., pp. 12–41). UVK.
- Thompson, J. D. (1967). *Organizations in action: Social science base of administrative theory*. McGraw-Hill.
- Thornton, P. H., & Ocasio, W. (1999). Institutional logics and the historical contingency of power in organizations: Executive succession in the higher education publishing industry, 1958–1990. *American Journal of Sociology*, *105*(3), 801–843. <https://doi.org/10.1086/210361>
- Thornton, P. H., & Ocasio, W. (2008). Institutional logics. In R. Greenwood, C. Oliver, K. Sahlin, & R. Suddaby (Eds.), *The SAGE handbook of organizational institutionalism* (pp. 99–129). Sage.
- Thurmond, V. A. (2001). The point of triangulation. *Journal of Nursing Scholarship*, *33*(3), 253–258. <https://doi.org/10.1111/j.1547-5069.2001.00253.x>
- Tilt, C. A. (2016). Corporate social responsibility research: The importance of context. *International Journal of Corporate Social Responsibility*, *1*(2), 1–9. <https://doi.org/10.1186/s40991-016-0003-7>
- Tolbert, P. S., & Zucker, L. G. (1996). The institutionalization of institutional theory. In S. R. Clegg, C. Hardy, & W. R. Nord (Eds.), *Handbook of organization studies* (pp. 175–190). Sage.
- Tost, L. P. (2011). An integrative model of legitimacy judgments. *Academy of Management Review*, *36*, 686–710.
- Tourish, D. (2005). Critical upward communication. *Long Range Planning*, *38*(5), 485–503. <https://doi.org/10.1016/j.lrp.2005.05.001>
- Tsetsura, K. (2010). Social construction and public relations. In R. L. Heath (Ed.), *The Sage handbook of public relations* (pp. 163–175). Sage.
- Tuch, H. N. (1990). *Communicating with the world*. Palgrave Macmillan US.
- Türk, K. (2000). Organisation als Institution der kapitalistischen Gesellschaftsformation. In G. Ortmann, J. Sydow, & K. Türk (Eds.), *Theorien der Organisation. Die Rückkehr der Gesellschaft* (pp. 124–176). Westdeutscher Verlag.
- UAE Government. (2018). *UAE VISION*. <https://www.vision2021.ae/en>
- UAE Government. (2020). *National agenda—The official portal of the UAE Government*. <https://u.ae/en/about-the-uae/strategies-initiatives-and-awards/federal-governments-strategies-and-plans/national-agenda>
- Ulrichsen, K. C. (2017). *The United Arab Emirates: Power, politics and policy-making*. Routledge.
- Unilever Middle East. (2018). *United Arab Emirates. Mobilizing collective actions to achieve the sustainable development goals*. https://www.unileverme.com/Images/unilever-sustainability-report-2017_tcm1337-512012_en.pdf
- Van Ruler, B., & Verčič, D. (2005). Reflective communication management, future ways for public relations research. *Annals of the International Communication Association*, *29*(1), 239–274. <https://doi.org/10.1080/23808985.2005.11679049>
- Vasileiou, K., Barnett, J., Thorpe, S., & Young, T. (2018). Characterising and justifying sample size sufficiency in interview-based studies: Systematic analysis of qualitative health research over a 15-year period. *BMC Medical Research Methodology*, *18*(1). <https://doi.org/10.1186/s12874-018-0594-7>

- Veil, S. R., & Anthony, K. E. (2017). Exploring public relations challenges in compounding crises: The pariah effect of toxic trailers. *Journal of Public Relations Research*, 29(4), 141–157. <https://doi.org/10.1080/1062726X.2017.1355805>
- Vergne, J.-P. (2011). Toward a new measure of organizational legitimacy: Method, validation, and illustration. *Organizational Research Methods*, 14(3), 484–502. <https://doi.org/10.1177/1094428109359811>
- Vogler, D., & Eisenegger, M. (2020). CSR communication, corporate reputation, and the role of the news media as an agenda-setter in the digital age. *Business & Society*, 000765032092896. <https://doi.org/10.1177/0007650320928969>
- Wakefield, R. I. (2011). "World-class" public relations one decade later: Does the model still apply? *Public Relations Journal*, 5(3), 1–26.
- Walgenbach, P. (2006). Organisationstheorien. In A. Kieser & M. Ebers (Eds.), *Neoinstitutionalistische Ansätze in der Organisationstheorie* (pp. 353–401). Kohlhammer.
- Walgenbach, P., & Meyer, R. (2008). *Neoinstitutionalistische Organisationstheorie*. W. Kohlhammer Verlag.
- Wang, J. (2005). Consumer nationalism and corporate reputation management in the global era. *Corporate Communications: An International Journal*, 10(3), 223–239. <https://doi.org/10.1108/13563280510614483>
- Wang, J. (2006). Public diplomacy and global business. *Journal of Business Strategy*, 27(3), 41–49. <https://doi.org/10.1108/02756660610663826>
- Warren, R. (1999). Company legitimacy in the new millennium. *Business Ethics: A European Review*, 8(4), 214–224. <https://doi.org/10.1111/1467-8608.00156>
- Wæraas, A. (2007). The re-enchantment of social institutions: Max Weber and public relations. *Public Relations Review*, 33(3), 281–286. <https://doi.org/10.1016/j.pubrev.2007.05.007>
- Wæraas, A. (2018). On Weber: Legitimacy and Legitimation in Public Relations. In Ø. Ihlen and M. Fredriksson (Eds.), *Public Relations and Social Theory Key Figures, Concepts and Developments* (2nd., ed., vol., pp. 19–38). Routledge.
- Weber, F., & Larsson-Olaison, U. (2017). Corporate social responsibility accounting for arising issues. *Journal of Communication Management*, 21(4), 370–383. <https://doi.org/10.1108/jcom-02-2017-0028>
- Weber, M. (1922). *Grundriss der Sozialökonomik, III. Abteilung, Wirtschaft und Gesellschaft*. Mohr-Siebeck.
- Weber, M. (1947). *The theory of social and economic organizations*. Oxford University Press.
- Wehmeier, S. (2006). Dancers in the dark: The myth of rationality in public relations. *Public Relations Review*, 32(3), 213–220. <https://doi.org/10.1016/j.pubrev.2006.05.018>
- Weinberg, J. (2008). Bound and gagged: Silent censorship in the Arab Press. *Harvard International Review*, 30(1), 12–13.
- Westermann-Behaylo, M. K., Rehbein, K., & Fort, T. (2015). Enhancing the concept of corporate diplomacy: Encompassing political corporate social responsibility, international relations, and peace through commerce. *Academy of Management Perspectives*, 29(4), 387–404. <https://doi.org/10.5465/amp.2013.0133>
- Westney, E. (1993). Institutionalization theory and the MNE. In S. Ghoshal & E. Westney (Eds.), *Organization theory and the multinational corporation* (pp. 53–76). St. Martin's Press.

- White, C. (2012). Brands and national image: An exploration of inverse country-of-origin effect. *Place Branding and Public Diplomacy*, 8(2), 110-118. <https://doi.org/10.1057/pb.2012.6>
- White, C. (2015). Exploring the role of private-sector corporations in public diplomacy. *Public Relations Inquiry*, 4(3), 305-321. <https://doi.org/10.1177/2046147X15614883>
- White, C., & Alkandari, K. (2019). The influence of culture and infrastructure on CSR and country image: The case of Kuwait. *Public Relations Review*, 45(3), 101783. <https://doi.org/10.1016/j.pubrev.2019.05.004>
- White, C., & Fitzpatrick, K. R. (2018). Corporate perspectives on the role of global public relations in public diplomacy. *Public Relations Journal*, 11(4).
- White, C., & Kolesnicov, I. (2015). Nation branding in a transitional democracy: The role of corporate diplomacy in promoting national identity. *Place Branding and Public Diplomacy*, 11(4), 324-337. <https://doi.org/10.1057/pb.2015.13>
- White, C., Vanc, A., & Coman, I. (2011). Corporate social responsibility in transitional countries: Public relations as a component of public diplomacy in Romania. *International Journal of Strategic Communication*, 5(4), 281-292. <https://doi.org/10.1080/1553118x.2010.549815>
- Wiggill, M. N. (2014). Communicating for organisational legitimacy: The case of the Potchefstroom Fire Protection Association. *Public Relations Review*, 40(2), 315-327. <https://doi.org/10.1016/j.pubrev.2013.10.007>
- Wigley, S. (2011). Telling your own bad news: Eliot Spitzer and a test of the stealing thunder strategy. *Public Relations Review*, 37(1), 50-56. <https://doi.org/10.1016/j.pubrev.2011.01.003>
- Williams, B. A., & Delli Carpini, M. X. (2011). *After Broadcast News: Media regimes, democracy, and the new information environment*. Cambridge University Press.
- Wimmer, R. D., & Dominick, J. R. (2000). *Mass media research: An introduction* (6th ed.). Wadsworth.
- Windsor, D. (2006). Corporate social responsibility: Three key approaches. *Journal of Management Studies*, 43(1), 93-114. <https://doi.org/10.1111/j.1467-6486.2006.00584.x>
- Woods, P. (1992). Symbolic interactionism: Theory and method. In M. K. LeCompte, W. L. Millroy, & J. Preissle (Eds.), *Handbook of qualitative research in education* (pp. 337-404). Academic Press.
- Wooten, M., & Hoffman, A. J. (2017). Organizational fields past, present and future. In R. Greenwood, C. Oliver, T. B. Lawrence, & R. M. Meyer (Eds.), *The SAGE handbook of organizational institutionalism* (2nd ed., pp. 130-148). Sage.
- World Economic Forum. (2014). *Rethinking Arab employment. A systemic approach for resource-endowed economies*. http://www3.weforum.org/docs/WEF_MENA14_RethinkingArabEmployment.pdf
- Wright, M., Filatotchev, I., Hoskisson, R. E., & Peng, M. W. (2005). Strategy research in emerging economies: Challenging the conventional wisdom*. *Journal of Management Studies*, 42(1), 1-33. <https://doi.org/10.1111/j.1467-6486.2005.00487.x>
- Yasin Fadol, Y., & Sandhu, M. A. (2013). The role of trust on the performance of strategic alliances in a cross-cultural context: A study of the UAE. *Benchmarking: An International Journal*, 20(1), 106-128. <https://doi.org/10.1108/14635771311299515>

- Yim, M. C., & Park, H. S. (2019). Why legitimacy matters in crisis communication: A case study of the “nut rage” incident on Korean Air. *Journal of Business & Technical Communication*, 33(2), 172–202. <https://doi.org/10.1177/1050651918816360>
- Yoon, Y. (2005). Legitimacy, public relations, and media access: Proposing and testing a media access model. *Communication Research*, 32(6), 762–793. <https://doi.org/10.1177/0093650205281081>
- Young, I. M. (2004). Responsibility and global labor justice. *Journal of Political Philosophy*, 12(4), 365–388. <https://doi.org/10.1111/j.1467-9760.2004.00205.x>
- Young, L. D., & McCann, J. A. (2019). Comparative political systems and public relations. An overview. In K. Sriramesh & D. Verčič (Eds.), *The global public relations handbook: theory, research, and practice* (3rd ed., pp. 3–13). Routledge. <https://doi.org/10.4324/9781315173290>
- Zaharna, R. (2009). Mapping out a spectrum of public diplomacy initiatives: Information and relational communication frameworks. In N. Snow & P. Taylor (Eds.), *Public diplomacy* (pp. 86–100). Routledge.
- Zaharna, R. (2010). *Battles to bridges: U.S. strategic communication and public diplomacy after 9/11*. Palgrave Macmillan.
- Zakaria, S. (2017, June 13). CSR to be compulsory for UAE companies. *Khaleej Times*. <https://www.khaleejtimes.com/business/local/csr-to-be-compulsory-for-uae-companies>
- Zerfass, A. (2004). *Unternehmensführung und Öffentlichkeitsarbeit* (2nd ed.). Springer.
- Zerfass, A. (2008). Corporate communication revisited: Integrating business strategy and strategic communication. In A. Zerfass, B. Van Ruler, & K. Sriramesh (Eds.), *Public relations research* (pp. 65–96). Springer.
- Zerfass, A., Verčič, D., & Wiesenberg, M. (2016). Managing CEO communication and positioning: A cross-national study among corporate communication leaders. *Journal of Communication Management*, 20(1), 37–55. <https://doi.org/10.1108/JCOM-11-2014-0066>
- Zimmerman, M. A., & Zeitz, G. J. (2002). Beyond survival: Achieving new venture growth by building legitimacy. *The Academy of Management Review*, 27(3), 414–431. <https://doi.org/10.2307/4134387>
- Zucker, L. G. (1987). Institutional theories of organization. *Annual Review of Sociology*, 13(1), 443–464. <https://doi.org/10.1146/annurev.so.13.080187.002303>
- Zucker, L. G. (1988). Where do institutional patterns come from? Organizations as actors in social systems. In L. G. Zucker (Ed.), *Culture and environment* (pp. 23–49). Ballinger.