

Emilio Díez-De-Castro
Marta Peris-Ortiz *Editors*

Organizational Legitimacy

Challenges and Opportunities for
Businesses and Institutions

 Springer

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Preface

The concept of organizational legitimacy is not recent, but it has never achieved so much attention as now. It is certainly more than a fashion. Using the concept of legitimacy responds to a more current and comprehensive idea that goes beyond the traditional concepts of corporate reputation, business ethics or corporate social responsibility.

Successful entrepreneurial action has been measured in many ways, but above all, it always plans the overall vision for the survival of the organization. Financial and economic goals can be important, but good results are a fallacy if the organization does not survive over time. In essence, our book deals with the survival of organizations whose origin is, according to the Institutional Theory, achieving legitimacy.

Organizations survive because they achieve legitimacy. Legitimacy achieves objectives and achievements such as access to capital; providing new business opportunities; creating financial opportunities; affecting the competition over resources; solving social problems better; and having an influence on the value of Initial Public Offering, share prices, stock market risk and stakeholder support. But what everyone accepts and takes as an axiom is that the key for an organization is to survive and legitimacy is the guarantor for this to happen. Since Meyer and Rowan (1977), institutionalists have argued that legitimacy enhances organizational survival. This is also supported by other theory, such as Organizational Ecology.

This book provides eighteen chapters that focus on generating concern and encouraging managers and researchers. In fact, it begins by clarifying essential theoretical aspects that allow a better understanding of the legitimacy of organizations. It continues with the review of the literature, which allows us to identify what is known and to deduce those other issues that are pending to be analysed. After that, the application of organizational legitimacy to various fields and economic sectors is developed.

Those who, for the first time, are interested in the legitimacy of organizations are astonished by a profusion of terms that are sometimes similar, but with meanings that do not entirely coincide, and in other cases, because new concepts emerge, giving rise to a terminological jungle that hinders its understanding and practical use.

Therefore, Díez-de-Castro, Peris-Ortiz and Díez-Martín considered it necessary to establish a legitimacy typology that maintains the contributions of the authors who have previously dealt with the subject, but that define and group them so that researchers and experts in the field of management can understand its limits and content more clearly.

The concept of isomorphism has had significant use for legitimacy, but has been limited by its own definition. The authors Díez-Martín, Díez-de-Castro and Vázquez extend the application of isomorphism to the study of organizations, interpreting the concept of similarity. This concept is based on the idea that two organizations are equivalent if they have ties of the same kind. Therefore, organizations can be considered as equivalent when they have similar characteristics. The key question is to determine which characteristics define similarity. After reviewing the literature and based on the three traditional variables (routines, structure and strategy), the authors included four more variables that had not been focused on enough. In total, they suggest seven variables to define the organizational isomorphism model.

Organizational legitimacy has become one of the most vibrant topics in the field of business management, going from 12 research publications in 1995 to over 274 in 2016 (SSCI-Thomson database). Díez-Martín, Díez and Blanco-Gonzalez analyse the contributing countries and institutions from 1995 to 2014 by using bibliometric methods, which involve the aggregation of large amounts of bibliographic data. In the course of the analysis, the study goes beyond traditional citation and co-citation analysis is used. This research clarifies the current literature on organizational legitimacy by responding to the following research questions: which are the countries and institutions which contribute to research on the field of organizational legitimacy, the lines of research that have been developed and who share them; how legitimacy investigations between countries and institutions are connected; which countries and institutions represent real turning points in this field; how dissemination of research on organizational legitimacy between countries and institutions has evolved.

Given the importance of studying organizational legitimacy in-depth, Álvarez-García, Maldonado-Erazo and del-Río-Rama analyse what is being done in this field, who it is done by and how it is being developed. To do this, they provide a quantitative-descriptive bibliometric study. Their results support some of the conclusions of the previous study, while adding significant contributions to the knowledge of legitimacy research. This research work clearly provides information that allows the academic community to assess the maturity level of research in this thematic area.

The concept of legitimacy is also linked to government action. As Blanco, Payne and Prado point out, states with low legitimacy concentrate most of their efforts on staying in power rather than managing their institutions effectively. With a clear practical sense, the authors go deeper into the analysis of state legitimacy, which enables to establish effective policies, develop efficient social policies and apply relevant communication actions. In this sense, a government with this information could have a more robust intelligence system and could approve more reliable policies.

Why do people donate to some organizations but not to others? Why do different countries consider different causes to be worthy of their philanthropy? These are two questions that Louis Diez aims at responding by relating increasing legitimacy with donations. The study of legitimacy by Institutional Theory scholars provides a promising framework from which to study these differences and posit interventions to increase legitimacy. Conversely, non-profit fundraising presents an ideal field in which to test some of the assumptions of the legitimacy theory.

Concepts also need to be legitimized. The ultimate purpose of the chapter presented by Revilla, Cossío and Mercado is to determine whether neuromarketing is a concept that needs to be legitimized. These authors use a four-stage model – innovation, validation at local level, dissemination and general validation – to explain the legitimization of this new marketing trend. This investigation is a starting point in the search for the legitimization and future viability of neuromarketing.

There are many studies that relate legitimacy to competitive advantage. This relationship often has a causal expression, where the effect is achieving a competitive advantage. By conducting an exploratory study of the US airline case study, Payne, Suárez and Prado go a step further by pointing out that the competitive advantage is a preceding factor to survival, since legitimacy is in itself a competitive advantage.

The relationship between legitimacy and the reputation of organizations is also a field of interest that has been discussed on some occasions by the literature. Given the importance of both aspects for organizations, it is very important to develop strategies that improve these assets. In this line, Orviz, Cuervo and Del Castillo analyse the effect of ISO 9001 and ISO 14001 systems on the legitimacy, reputation and financial performance of organizations.

Retolaza, San-José and Torres Pruñonosa discuss the key factors for organizations' social legitimacy. Since the lack of legitimacy affects large companies to a greater degree, two hypotheses related to the size of firms were tested. The first one has to do with a larger presence of delegitimizing factors in large firms. The second one analyses a smaller distribution in this type of firms of value generated to stakeholders that are not shareholders assessed by means of the Social Efficiency Ratio (SER).

Relationship between legitimacy and organizational success is the issue addressed by Miranda, Cruz-Suarez and Prado-Román. Although there are numerous studies that have analysed different aspects of the concept of legitimacy, there are still gaps for some issues. Do organizations with greater legitimacy get better results? Do they have better access to the resources needed to survive? What legitimacy dimensions lead to better organizational results?

In many cases, legitimacy is confused with corporate social responsibility. With the aim of clarifying this issue, Galeana Figueroa, Escamilla Solano, Aguila-socho Montoya and Plaza Casado study business legitimacy and its relationship with corporate social responsibility, analysing through the case method, two countries, one European and one American.

We are increasingly seeing that marketers are more interested in the issue of the legitimacy of organizations. Duojezhaxi, de Esteban and Antonovica analyse the corporate image as an element of legitimacy of Chinese steel companies. The main results of the research project show that using relationship marketing in a correct way can help diverse companies to create and improve corporate image in the eyes of their clients. In this sense, the use of relationship marketing can reduce potential threats and maximize opportunities with existing and future customers while competing with other companies in the industry.

The informal economy is a reality in many countries. The effects are sometimes positive but also have a negative impact on many aspects of economic development. Iglesias, Blanco-González and Martínez-Navalón study the case of Spain, but many of their reflections apply to other countries. The methods used to reduce the impact of the informal economy are not enough. There is even an increasing gap between public administration measures and public opinion. In this context, before adopting a measure, it is necessary to analyse the legitimacy of the measure. Lack or inadequacy of legitimacy means that the measures to reduce the informal economy are not in line with social norms and values, which could lead to their failure. For this reason, the purpose of this research is to seek rational solutions to stop the existence of the informal economy through legitimacy analysis.

How citizens receive information, as well as what they receive, impact this dialogue. Justel, Micó, Payne and Ordeix-Rigo explore this process by examining shaping the agenda, the framework and other components of communication in the democratic process, through traditional media as well as social media. A major focus of this chapter is to determine how such “mediated realities” presented by the press to the public are created, and the mediation role of the press and web analytics in this process. This chapter introduces the reader into the new media scenario today and focuses on the challenges created by the contributors of today’s mediated realities.

The analysis of the motivations to adhere to quality standards has led Prado-Román, Del Castillo and Mercado to suggest that most of the companies that adhere to quality certifications in the Spanish aerospace industry do it due to “external” motivations, such as to increase their institutional legitimacy and reputation. Nevertheless, firms where “internal” motivations predominate, such as to improve their operational execution or organizational processes, showed higher benefits as a result of implementing quality standards.

Gomez-Martinez, Andreu and Díez-Martín studied the relationship between organizational legitimacy and the price of firms. The aim of this research is to define the effect of organizational legitimacy on the price of a company’s shares. To meet the objective, researchers related the stock index with the legitimacy of IBEX 35 in 19 mass media, for a 15-month period. The results show that the probability of a company’s share prices increasing depends on the legitimacy variation obtained by the company the day before. In addition, they highlight the importance of legitimacy management through mass media, mainly, social media and specialized media.

The legitimacy of organizations has become a field of research that is arousing interest in scientists, who from different approaches are making their increasingly numerous contributions. This book is an example of the variety of scholars, the diversity of approach and the large number of issues that can be addressed.

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Reference

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Chapter 1

Criteria for Evaluating the Organizational Legitimacy: A Typology for Legitimacy Jungle



Emilio Díez-de-Castro, Marta Peris-Ortiz, and Francisco Díez-Martín

Abstract The legitimacy of organizations is a conceptual and scientific approach developed theoretically from different disciplines. For the measurement and analysis of legitimacy, researchers have developed typologies, coinciding in many aspects, but with significant differences in others. The diversity of typologies has its origin in the scientific theories not only on which framework the researchers who create them move but also in the object and method of analysis. This has led to the emergence of a profusion of terms used to evaluate the legitimacy of organizations. This gives rise to a jungle of terminology that makes it difficult for researchers to work, especially when empirical research is done. The present work establishes a typology of legitimacy, by taking into account the contributions of different authors, who contribute to define different aspects of the legitimacy of organizations. At the same time, we divide some concepts to achieve a greater clarity and definition of them, a relevant issue when trying to measure and evaluate. In this way, we create a somewhat broader typology than we usually find, defining eight types of legitimacy rather than the three or four types that we generally find in the literature.

Keywords Organizational legitimacy · Types of legitimacy · Stakeholders · Constituents · Legitimacy theory · Cognitive legitimacy · Moral legitimacy · Managerial legitimacy · Technical legitimacy · Regulative legitimacy · Pragmatic legitimacy · Industry legitimacy · Relational · Emotional legitimacy

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1.1 Introduction

In the 1990s, the development of studies on organizational legitimacy led to the development of new concepts to satisfy the need of researchers. These new concepts were established around the various aspects that are considered important in evaluating legitimacy. In this way, typologies of legitimacy were developed at a theoretical level, which were later used to carry out empirical studies. In subsequent decades, always on the basis of the contributions of Aldrich and Fiol (1994), Scott (1995) and Suchman (1995), legitimacy typologies continued to be developed for two reasons. Firstly, because the initial typologies had a strong origin in the sociology of organizations and either due to the different schools of research or the entry of other areas of knowledge in the study of the legitimacy of organizations, researchers needed to use different terms and even to differentiate the original concepts, clarifying their content or segmenting them. Secondly, researchers found that some characteristics of the legitimacy of organizations were not represented in the typologies already used, and it was necessary to add new types to complete the perspective of aspects to evaluate the legitimacy of organizations. Thus, we reach a point where we face a profusion of terms that form a jungle difficult to unravel, as there are many types of legitimacy and in addition, the meaning given to each typology by authors is not always the same.

Bitektine (2011) indicated the existence of 18 types of legitimacy. However, three of them were not different aspects of legitimacy but referred to the specific audiences that granted them. This list of types of legitimacy did not remain the same as the one mentioned above but continued to expand, and we found 37 types (Table 1.1). This shows that the interest in evaluating the legitimacy of organizations has continued to grow, both in the empirical analysis and in the areas of knowledge that are of interest to them. The theory of legitimacy “is rather like a flu virus, constantly mutating as it diffuses” (Czarniawska, 2008:153).

An explanation of the diversity of criteria used and the emergence of different typologies lie in the diversity of disciplinary approaches that have emerged around the theory of legitimacy. “There is nothing so useful as a good theory” (Suddaby, 2010: 15). However, difficulties arise when problems are approached from different theories, partly because theories are linked to the key questions, and consequently, the theory contains the hypotheses and objectives that define the application parameters within it, but, in particular, the problems that arise are derived from the instrumental nature of the theory, since the tools they use are specific to the purpose and intent of the research.

Traditionally organizational legitimacy was considered a concept linked to the institutional theory (DiMaggio & Powell, 1983; Meyer & Rowan, 1977). Deephouse and Suchman (2008) state that organizational legitimacy is a central concept in the institutional theory. However, other theories have also been significant, such as the “resource dependency theory” (Pfeffer & Salancik, 1978), “population ecology theory” (Hannan & Freeman, 1977, 1993) and “organizational studies” (Ahlstrom & Bruton, 2001). “Organizational legitimacy has energized a large and vibrant

Table 1.1 Legitimacy jungle

Typology	Reference	Typology	Reference
Accountability legitimacy	Ahrens and Chapman (2002), Auld and Gulbrandsen (2010) and Vergne (2011)	Normative legitimacy	Deephouse and Suchman (2008) and Scott (1995)
Cognitive legitimacy	Aldrich and Fiol (1994) and Suchman (1995)	Output legitimacy	Ossewaarde, Nijhof and Heyse (2008)
Competitive legitimacy	Bitektine (2008) and Vergne (2011)	Personal legitimacy	Suchman (1995)
Consequential legitimacy	Suchman (1995)	Pragmatic legitimacy	Suchman (1995)
Cultural legitimacy	Ahlstrom and Bruton (2001) and Deephouse and Suchman (2008)	Procedural legitimacy	Suchman (1995)
Dispositional legitimacy	Suchman (1995)	Professional legitimacy	Deephouse and Suchman (2008)
Emotional legitimacy	Huy (1999) and Johnson, Ford and Kaufman (2000)	Public legitimacy	Deephouse and Carter (2005)
Environmental legitimacy	Bansal and Clelland (2004) and Vergne (2011)	Regulatory legitimacy	Scott (1995) and Tost (2011)
Ethical legitimacy	Clarke and Gibson-Sweet (1999) and Mathews (1995)	Relational legitimacy	Tost (2011), Treviño et al. (2014) and Tyler (1997)
External legitimacy	Kostova and Roth (2002) and Kostova and Zaheer (1999)	Resource legitimacy	Ahlstrom and Bruton (2001)
Financial regulatory legitimacy	Deephouse and Carter (2005)	Social legitimacy	Simcic Brønn and Vidaver-Cohen (2009) and Chen and Bouvain (2008)
Industry legitimacy	Zimmerman and Zeitz (2002)	Sociopolitical legitimacy	Aldrich and Fiol (1994) and Bitektine (2011)
Influence legitimacy	Suchman (1995)	Sociopolitical normative legitimacy	Scott (1995) and Zimmerman and Zeitz (2002)
Instrumental legitimacy	Treviño et al. (2014) and Tyler (1997)	Sociopolitical regulatory legitimacy	Zimmerman and Zeitz (2002)
Internal legitimacy	Kostova and Roth (2002) and Kostova and Zaheer (1999)	Strategy legitimacy	Chen et al. (2008) and Long and Driscoll (2007)
Interpartner legitimacy	Kumar and Das (2007)	Structural legitimacy	Suchman (1995)
Managerial legitimacy	Ruef and Scott (1998)	Technical legitimacy	Ruef and Scott (1998)
Media legitimacy	Bitektine (2011) and Deephouse (1996)	Transactional legitimacy	Kanungo (2009), Pandya and Dholakia (1992) and Vergne (2011)
Moral legitimacy	Ahlstrom and Bruton (2001), Suchman (1995) and Tost (2011)		

academic community” (Dover & Lawrence, 2010:305), and to a larger extent, we find studies that emerge in the field of accounting and finance (Spalding & Lawrie, 2017), marketing (Homburg, Hahn, Bornemann, & Sandner, 2014), business ethics (Chen, Patten, & Roberts, 2008) and social psychology (Tost, 2011).

One of the basic issues that we pay special attention to is the definition of legitimacy. The existing definitions are theoretically excellent but are difficult to understand in their entirety by those who are not academics and even by scholars from other research areas.

Generic definitions of legitimacy, as formulated, give rise to problems when they are to be used for empirical research. Research on the legitimacy of organizations is usually supported by stakeholder consultation. This implies that the groups could be asked directly by giving the definition and referring it to a particular organization. In this way, with a single question, we could know the audiences’ evaluation of the legitimacy of the organization. However, this is not done in empirical work, to a large extent, due to the lag between theoretical expressions and practical understanding. We have not found studies in which the question to the audience corresponds to a definition of legitimacy accepted academically. On the contrary, there are a number of considerable investigations in which the measurement of legitimacy is based on several questions, on each of the different types of legitimacy. Consequently, the evaluation of legitimacy is carried out on specific types of legitimacy, asking questions about each of them.

The importance of typologies is easy to accept in view of what happens in empirical studies. At the same time, we perceive the slightest empirical relevance of the general concept of legitimacy.

We propose a concept of legitimacy that is easy to understand by any audience, which will facilitate its use in empirical studies, as well as proposing a typology of legitimacy from a business and management perspective. Our objective is to develop a typology of legitimacy of organizations that is accessible, in terms of its understanding, by the directors and managers of organizations, so that it can be used by them for management and by researchers thanks to its generalization. A typology that while maintaining the essential ideas that have been developed in the last three decades, allows to do research and work in the field of legitimacy with greater detail of some concepts, avoiding duplications, different names for similar concepts and answering questions about where to fit situations that can be examined, such as belonging to one type of legitimacy or another, resolving possible overlaps.

1.2 Organizational Legitimacy

Although the concept of legitimacy enjoys a great consensus regarding the definition of Suchman (1995), other authors have contributed to clarify and complete this concept (Bitektine, 2011; Deephouse et al. (2017); Tost, 2011).

In order to understand the meaning and scope of the legitimacy of organizations clearly, we have to start from the essential questions of the concept of legitimacy.

This is based on: (a) It is a generalized judgement issued by the stakeholders; (b) the assumption that the actions of an organization are correct, fair and appropriate; and (c) the evaluation of the role that the legitimate organization plays in society and the convenience of maintaining it.

The first question highlights the use of the word “judgement” (Bitektine, 2011; Tost, 2011). Legitimacy is not an objective but a subjective concept. The legitimacy of an organization is not acquired only because a number of characteristics are satisfied. Legitimacy is granted or denied by audiences, based on the judgement they make about the organization; “legitimacy ultimately exists in the eye of the beholder” (Zimmerman & Zeitz, 2002: 416). Legitimacy is not gained but is received from those who give it (stakeholders; social actors; external components of the organization; audiences). No matter how hard the effort and how well the actions are, stakeholders may consider that these efforts or actions are not worthy of being valued to give legitimacy to the organization because they are not considered adequate, or because they are understood to be insufficient, or for other reasons that generate dissatisfaction in those who are issuing judgement about the organization. The judgements that are issued by audiences have to be considered in a generalized way, since not all the actors think alike. Audiences always judge on the basis of the cultural, ethical and knowledge environment in which they perform (Scott, 1995).

The judgements made by audiences or stakeholders can be based on data or perceptions and often on a combination of both. In empirical investigations, in many cases, the information comes from interviews and surveys whose results are transformed into variables using scales.

Legitimacy is “a psychological property” (Tyler, 2006) which is formulated by an authority or by interest groups. In the literature, those who have the power or ability to grant legitimacy are identified with audiences with power (constituents) or interest groups (stakeholders) (Ashforth & Gibbs, 1990; Deephouse, 1996; Pfeffer & Salancik, 1978). The basic question is that several relevant groups can give their judgement, and the judgement of each group may be different with respect to the legitimacy of the organization. For one group, the organization may have legitimacy, and for another group it may not. Does this make sense? The explanation is based on the constituents judging the legitimacy of the organization on the basis of different criteria. The criterion that serves a group to grant legitimacy to the organization may be of no importance to another group, which uses different criteria.

Organizations need to find out what the relevant groups are and what the legitimacy issues relevant to those groups are (Baum & Oliver, 1991; Deephouse, 1996). Precisely, these issues are those that demonstrate the need to differentiate the different aspects of the legitimacy of the organizations and force to establish a typology of legitimacy.

Secondly, we have defined our position on the expression that serves to establish the judgement. These judgements are expressed as “approved” (Aldrich & Fiol, 1994; Bitektine, 2011), “accepted” (Zimmerman & Zeitz, 2002), “authorized” (Bitektine, 2011) and “assumed” (Suchman, 1995). We use the word “approval”, but any of the other expressions have a similar meaning. This approval is based on

the fact that the actions of an organization are considered fair because they maintain ethical and equity principles (Aldrich & Fiol, 1994; Tyler, 2006) and appropriate because they are considered adequate and consistent with the purpose of the organization in the social framework (Aldrich & Fiol, 1994; Suchman, 1995).

Thirdly, we give special significance to stakeholders' approval, recognizing the legitimacy of the organization, its role in society and the convenience of maintaining it. This is an issue that is present in several studies (Parsons, 1960) in which it is recognized that legitimacy justifies the role of the organization in society. Bitektine (2011: 163) asked the questions: "Does the organization have the right to exist?" and/or "Is the organization beneficial or hazardous to (a) me, (b) the social group(s) to which I belong to, and (c) the society in which I live?"

In this way, the legitimacy of an organization is a generalized judgement, issued by stakeholders, that are guided by different dimensions or criteria and, based on them, assume that the actions of an organization are correct, fair and appropriate, approving the role it plays in society and the convenience of its maintenance.

Focusing on the contents of the concept of legitimacy is a previous step that has allowed us to reveal its broadness and richness. Legitimacy is a plural concept; audiences give legitimacy to a given organization on the basis of different issues. In addition, each relevant group, in its judgements about the legitimacy of the organization, considers aspects that are often irrelevant to others. This plurality of legitimacy criteria forces us to classify them. The judgements that are made on the legitimacy of organizations are usually based only on some aspects and rarely use a complete vision that includes all of them.

Consequently, we build a categorization or typology of the legitimacy of organizations based on the dimensions defined by academics in their theoretical studies and empirical research. This categorization reflects the wide range of aspects that may be relevant to evaluating legitimacy.

1.3 Typologies of Legitimacy

The typologies of legitimacy have in practice, problems of interpretation due to the number of adjectives used to describe each type of legitimacy. The selection of terms referring to the legitimacy of organizations reminds us of the classic work of Koontz (1961) who used the term "jungle" to refer to the wide disparity of approaches in management theory. The typologies aim to systematize the different aspects of the concept of legitimacy, since legitimacy is a multilevel construct (Treviño, den Nieuwenboer, Kreiner, & Bishop, 2014; Vergne, 2011).

From the table above, we can make some general considerations. In the first place, the basis of typologies was created in 1994 and 1995 by Aldrich and Fiol (1994), Scott (1995) and Suchman (1995). After the previous works, other typologies were carried out without providing many innovations. In the twenty-first century, there has been an evolution of these typologies consisting of the expansion of the number of grouping elements, going from typologies of three elements to others of

four. This occurs because issues that can hardly be framed in the previous typologies begin to be identified. However, there was no consensus among researchers. Among these contributions, we can find that Ahlstrom and Bruton (2001) changed the term cognitive legitimacy for cultural legitimacy and, in addition, introduced resource legitimacy as a new concept. Zimmerman and Zeitz (2002) added the concept of industry legitimacy. Ossewaarde et al. (2008) refer to output legitimacy, and Treviño et al. (2014) provide the concept of relational legitimacy in their typology.

The differences between typologies can be seen in some researchers' considerations. Ruef and Scott (1998: 877) point out that "Suchman's (1995) typology of legitimacy is also closely related. He also identified the 'cognitive' element. His category of 'moral' is similar to our normative; and the third category, 'pragmatic' includes our regulative element but broadens it to include all conformity based on self-interested calculations". Zimmerman and Zeitz (2002: 419) state that "Sociopolitical normative legitimacy (Hunt & Aldrich, 1996), also known as normative legitimacy (Scott, 1995), or Sociopolitical regulatory legitimacy (Hunt & Aldrich), also known as regulative legitimacy (Scott, 1995)". Among the different types of legitimacy, we can find points of contact and overlap. For example, Thomas (2005; 191) states that "cognitive legitimacy is a second-order perception, derivative of its pragmatic utility or normative consonance".

We dispensed with a concept widely used by scholars of the institutional theory, which is normative legitimacy. This is a concept that from the usefulness of its measurement, we consider it to be excessively broad and diverse, which has led us to assign to other different types of legitimacy, the usual contents of normative legitimacy. Some references to the concept can help us explain this issue. Normative legitimacy refers, among others, to the concept of moral legitimacy. Moral legitimacy occurs when we find that the actions of the organization are consistent with social values (Suchman, 1995). Moral legitimacy is based on judgements about what organizations should and should not do. Public legitimacy is linked to this concept of normative legitimacy (Deephouse & Carter, 2005) which is the denomination that is given to moral legitimacy when the content analysis of the media is used for its measurement. Deephouse and Carter (2005) also indicate that they prefer to use public legitimacy because they want to refer exclusively to moral legitimacy and not to normative legitimacy based on professional endorsement. Professional legitimacy is based on respect for the principles and values that should guide good management, both at technical level and management and strategy level. Professional legitimacy is encouraged and taught especially in business schools, so that managers are aware of it and its importance (Ruef & Scott, 1998). In view of the above considerations, we decided to use the following criteria to cover the different aspects of normative legitimacy: moral legitimacy, managerial legitimacy and technical legitimacy.

There are various *evaluative criteria* that contribute to individual perceptions of legitimacy. For the evaluation, sometimes the type of organization that is examined is determinant, if it is public (Cashore, 2002) or private (Kuilman & Li, 2009). At other times, what is essential to discover the state of legitimacy of the organization is the theoretical approach that is used, which can be based on intuition (Ortiz & BehmMorawitz, 2015), on information (Deephouse & Carter, 2005) or on a mixed

system of intuition and data (Ashforth, Kreiner, Clark, & Fugate, 2007). The stakeholders that legitimize organizations are also relevant and whether they come from internal or external sources to the organization. External sources include licensing agencies, funding agencies, professional bodies, trade unions, business communities and public opinion (Bansal & Clelland, 2004; Bitektine, 2011; Deephouse, 1996; Díez-Martín, Blanco-González, & Prado-Román, 2016; Pollock & Rindova, 2003), consumers, suppliers and investors (Certo, 2003; Rao, Chandy, & Prabhu, 2008; Rao, Greve, & Davis, 2001). Although legitimacy based on internal stakeholders, such as workers, managers, staff specialists, etc., is less frequent, it is sometimes analysed (Díez-Martín, Prado-Roman, & Blanco-González, 2013; Ruef & Scott, 1998).

1.4 A Typology Focused on Business Management

When investigating the concept of legitimacy, with so many different perspectives, it is important to be able to clearly identify which type of legitimacy is being measured, at each moment and in each case. Researchers need to use concepts that are common and above all, understandable within their field of research. They need common concepts since it is not easy to carry out empirical studies, whether qualitative or quantitative, if the concepts use different words to define contents that partially coincide with each other. A better delimitation of the concepts will contribute to the development of empirical studies on the legitimacy of organizations. This is why we have developed a typology, considering it as the appropriate instrument to facilitate the measurement of legitimacy, especially in the field of management.

Another issue that generates the need to have a more precise typology of legitimacy has its origin in stakeholders' needs. The different stakeholders demand organizations to support their legitimacy in different aspects. Ossewaarde et al. (2008) highlighted this issue when dealing with the case of international NGOs. To be legitimate, international NGOs have to meet various expectations. NGOs receive their resources from entities, which they need to show how they manage their resources (technical legitimacy). International NGOs are also expected to comply with international law (regulative legitimacy) and be able to act on behalf of the stated mission, demonstrating the effectiveness of their objectives (managerial legitimacy).

Different words are used to differentiate the different sources of legitimacy. Suchman (1995) refers to *dimensions*. Scott (1995) speaks of legitimacy *pillars* or bases. In some cases, the concept of *categories* is used, since these are the means through which on a routine basis, the events and experiences are observed and classified (Clegg, 2010). Deephouse et al. (2017) prefer to use the term *criteria because it more clearly evokes the presence of implicit or explicit standards for evaluating organizations*. But, we also very often find the expression *types of legitimacy* (Ahlstrom & Bruton, 2001; Bitektine, 2011; Cruz-Suárez, Díez-Martín, Blanco-González, & Prado-Román, 2014; O'Dwyer, Owen, & Unerman, 2011). In our case, we prefer to use the expression *types of legitimacy*. Since we tried to establish the types of legitimacy as clearly as possible, we were forced to increase the number of

Table 1.2 Types of legitimacy

Typology	Meaning	Identified by
Cognitive legitimacy (cultural)	Legitimacy is granted by audiences because they assume that the image they have of the organization corresponds to what the organization is	Identity of the organization
Regulatory legitimacy	Organizations are institutionalized because they are regulated by governments or other authorities through the establishment of rules, norms, laws and sanctions that force them to act and behave in a certain way	Norms, compliance and sanctions
Moral legitimacy (ethical)	Audiences grant legitimacy when they perceive that an organization defends and pursues principles accepted and valued as socially positive, which are above private interests	Initiatives based on values
Pragmatic legitimacy (instrumental or resources)	It occurs when stakeholders achieve their objectives through the organization, getting a contribution of value, while they acquire certain commitments with the organization	Balance of the organization with interests of internal and external forces
Managerial legitimacy (output)	Organizations must demonstrate to all their audiences that they fulfil their mission and take decisive steps to achieve their vision and move clearly towards the achievement of their strategic objectives in the medium or long term	Fulfilment of mission, vision and general objectives
Technical legitimacy	Legitimacy comes from the fact that the actions of the organization are carried out in the best possible way, innovation is applied, the best managers and staff are available, new management techniques are developed, existing ones are updated, and smart strategies are adopted	Deployment of management capabilities
Emotional legitimacy (relational)	The actors assume that the organization represents an ideal which they are completely identified with, emotionally linked with it, whatever the specific activities it develops, the people who manage it or the way in which it is managed	Emotional bonding to the organization
Legitimacy of the industry or sector	Integrated organizations, belonging to or admitted as members, within legitimized groups or sectors, are also considered to be legitimized	Integration in sector or group with legitimacy

types usually used (up to three or four depending on the case) to eight. This extension of types of legitimacy, we think makes each of them more understandable and reduces the complexity (Table 1.2).

Cognitive Legitimacy

When we deal with the concept of legitimacy in organizations, cognitive legitimacy refers to the knowledge that the groups or audiences that evaluate it have of the organization (Aldrich & Fiol, 1994). The greater the knowledge, the more understandable

the organizations will be, and the audiences will have better criteria to judge them and define them as appropriate and interpretable (Suchman, 1995). Sometimes information about the organization is scarce, which affects the degree to which the organization is understood. In these situations, stakeholders substitute reliable and direct information for symbols and signals that represent indirect indications of the legitimacy of the organization. Cognitive legitimacy is based on “*symbols—words, signs, gestures—have their effect by shaping the meanings we attribute to objects and activities*” (Scott, 2014, p. 66). These symbols are very diverse; among them we can mention the availability of brilliant and socially recognized leaders, favourable consideration by governments, close ties with important financial entities, strong growth of the organization or having a corporate structure considered appropriate. These symbols, when presented, allow us to assume the legitimacy of the organization.

Obviously, the audience’s interpretation of the organization depends on a core issue, the environment in which such audiences perform, “*the shared conceptions that constitute the nature of social reality and create the frames through which meaning is made*” (Scott, 2014, p. 66). Legitimacy, according to this point of view, is mainly due to existing cultural models that provide plausible explanations for the organization and its efforts. In the presence of these types of models, the organizational activity is predictable, meaningful and appealing. Precisely for this reason, Ahlstrom and Bruton (2001) call this type of legitimacy “cultural legitimacy”. Legitimacy is granted by the audience because it understands that the actions of the organization conform to its system of beliefs and presumptions (Treviño et al., 2014). To point out the difference between cognitive and pragmatic or moral legitimacy, Treviño et al. (2014) mentioned that “the distinction between them is linked to motivation, and cognitive legitimacy is based neither on interests nor on moral motivations” (Treviño et al. 2014: 200).

The sources of cognitive legitimacy commonly referred to in the literature are “comprehensibility” and “taking it for granted”.

Comprehensibility. Audiences have to understand the organization in all dimensions, its structure, the way it does things, its processes, its growth or its location. Comprehensibility includes familiarity, knowledge of the organization being analysed and the use of products and services, as audiences will not approve the cognitive aspects of the organization if they do not know them. To facilitate this understanding, organizations develop communication and information policies.

Taking it for granted. Audiences believe or think about how organizations have to be and what structural or performance features they can expect from them. In the presence of cultural models, for audiences it is literally unthinkable for things to be otherwise, and therefore the organizational activity will be meaningful, predictable and appealing if it adjusts to those models. “If alternatives become unthinkable, challenges become impossible, and the legitimated entity becomes unassailable” (Suchman, 1995, p.583). For example, they may expect clients to be heard and cared for in certain circumstances, or there may be a claims department, so they do not think the organization could be or act otherwise. Consequently, cognitive legitimacy is closely linked to the identity and the image that is transmitted about the capacity, stability and coherence of the organization creating the framework through which the meanings of the organization are constructed.

Regulatory Legitimacy

The legitimacy which is obtained by complying with regulations is a type of legitimacy that has been studied practically by all researchers of the subject (Baum & Oliver, 1991; Deephouse, 1996; Rao, 2004). Regulatory legitimacy reflects the conformity of the organization's actions with the standards established by the authorities (Benbasat & Zmud, 2003).

Organizations are institutionalized because they are regulated by governments or other authorities through the establishment of rules, norms, laws and sanctions that force them to act and behave in a certain way (Cruz-Suárez, Prado-Román, & Díez-Martín, 2014; Díez-de-Castro, Díez-Martín, & Vázquez-Sánchez, 2015; Scott, 1995). "To be sure, regulatory systems usually involve sanctions that can be used to ensure that organizations address rules, regulations, standards, and expectations" (Zimmerman & Zeitz, 2002, p. 419). In the regulatory pillar, organizations act in a certain way because there is a higher authority that forces them and coerces them directly with sanctions or indirectly through loss of rights, benefits or positioning, and even, with exclusion, "*regulative institutions, such as Weber's 'guaranteed law' stress the presence of 'explicit regulative processes: rule-setting, monitoring, and sanctioning activities'...*" (Scott, 1995, p. 35).

Such activities are often supervised by state agencies or authorized private agencies. This authority is generally governmental, but sometimes it is associations, stakeholders or even other powerful organizations (Scott, 1995; Zimmerman & Zeitz, 2002).

To evaluate regulatory legitimacy, data on certified organizations or with certain licenses have been used (Baum & Oliver, 1991; Pfeffer & Salancik, 1978; Singh, Tucker, & House, 1986) and also the registration of sanctions to the regulated organizations (Deephouse, 1996).

Moral or Ethical Legitimacy

Audiences grant legitimacy when they perceive that an organization defends and pursues principles accepted and valued as positive taking into account the ethical framework in which the organization operates. These and other principles are important, although it is not enough to publish them, or be revealed by the managers or their knowledge by the staff or other groups. It is necessary for the stakeholder to perceive them with the sufficient force so that these ethical principles are valued at a level that actually gives legitimacy to the organization. Ethical legitimacy goes beyond doing no harm (Simic Brønn & Vidaver-Cohen, 2009) and respecting laws.

The activities of an organization demonstrate if its actions are acceptable according to the moral standards of society and typical of the organization. For example, hospitals often feel obliged to acquire and use the latest technology to ensure that patients receive the best care, even if new investments are not profitable (Ahlstrom & Bruton, 2001).

The beliefs and values of the organization are usually transformed into basic principles that allow the interpretation and application of those values and beliefs by the management. For example, the Spanish public university maintains the principle of “participation of the entire university community in the governing bodies”, which builds on social beliefs and values related to the administration and management of public bodies. “The ethical norms, rules and ideologies of society represent the appropriate behaviours by which organizations should be governed (Meyer & Rowan, 1983: 8) and by which they gain legitimacy (Deephouse, 1996; Suchman, 1995). Ethically motivated companies operate with socially responsible behaviour because it is the right thing to do. Doing the right thing seems to be a stronger motive for social initiative than the benefits that can be generated for the organization (Hahn & Scheermesser, 2006; Steurer, Langer, Konrad, & Martinuzzi, 2005).

We prefer to use the expression ethical legitimacy instead of the most frequently used expression moral legitimacy since “morality is thought to reside within the person” (Skitka, Bauman, & Lytle, 2009:569). Actors within companies, such as management teams, make decisions based on their cognitive biases and personal values (Cyert & March, 1963), which are disseminated through the general values of the organization and business ethics, generating the moral obligation to “do what is right” and guiding values about the “right thing” to do (Cashore, 2002). Suchman (1995) suggests that one of the dimensions of moral legitimacy in organizations is personal legitimacy, demonstrating integrity and trustworthy behaviour among organizational leaders and representatives.

Bartlett and Preston (2000) wondered if it could really exist in a business. The administration theory suggests that organizational actors lead organizations based on morale, or company values, which takes them beyond economic interests (Davis, Schoorman, & Donaldson, 1997). Social legitimacy is an aspect of ethical legitimacy. Carroll (1979) refers to the ethical responsibilities of corporations. This refers to the legitimacy that it provides for the organization, its concern for social issues. The usual way to evaluate this type of legitimacy is through social disclosure, the information that is revealed or made available to the public by the organization on social issues. The greater the concern of the organization about social issues, the greater the information provided concerning them (Patten, 1992).

Finally, we must point out what intentionality is, why things are done, which allows to categorize the actions into ethical or into another category such as the professional one. A teaching institution can seek excellence in teaching because it wants to satisfy the students’ needs for knowledge (professional), or because it feels responsible for training its students (ethical), or because good teaching will attract more students and that will allow them to achieve their economic (managerial) goals.

Pragmatic Legitimacy

Pragmatic legitimacy (Suchman, 1995) is based on the selfish calculations of an organization’s stakeholders. Pragmatic legitimacy is granted to an organization, when its stakeholders achieve their goals through it.

Pragmatic legitimacy captures the degree to which an organization represents the particular interests of stakeholders or provides them with favourable exchanges (Foreman & Whetten, 2002).

Ahlstrom and Bruton (2001) use the concept of resource legitimacy in a similar way to the concept of pragmatic legitimacy. Resource legitimacy is granted when organizations create value for their relevant groups (internal or external groups), such as favourable contracts, gifts, profit sharing, etc. In some cases, pragmatic legitimacy is termed instrumental legitimacy (Treviño et al., 2014), representing the fulfilment of the evaluator's personal expectations.

This concept is related to what Galbraith (1984) denominates compensation power. Collectives provide legitimacy to organizations that compensate them adequately. Sometimes the compensation is not agreed or requested directly; it simply exists in the minds of the groups not as a requirement but as an awareness that in case of need the compensation will occur, so we are faced with what Suchman (1995) denominates influence legitimacy. Thomas (2005) indicates that in order to identify pragmatic legitimacy, it is necessary to ask the audience: Do you believe that the organization's performance will help (consumers, staff, etc.) to achieve its goals and aspirations?

Technical Professional Legitimacy

One of the sources that provide legitimacy to organizations is to do the job well and to perform good management in an effective and efficient way. Consequently, legitimacy can be granted because it is understood by audiences that the actions of the organization create value because they apply innovation, have the best managers and staff and develop efficient management techniques. Suchman (1995) refers to this concept, calling it procedural legitimacy, when "good practices", processes and procedures can serve to demonstrate that the organization is socially accepted.

Obviously, doing things well and applying the best management techniques is not enough; it is necessary for the audiences to know it, value it and understand it, which is sometimes very difficult to achieve. In this way, audiences can grant legitimacy because they are aware that the organization carries out its activities using the best, most useful and efficient instruments and value its actions, stating that at a technical and management level, things could hardly be done better. "Technical legitimacy is focused on aspects of core technology, including normative support for staff qualifications, training programs, work procedures, and quality assurance mechanisms" (Ruef & Scott, 1998:883).

An organization shows its desirability and acceptance by engaging and developing methods, models, practices, assumptions, knowledge, ideas, realities, concepts, thoughts and others that are widely accepted and considered useful and desirable by the professional body where it operates, that is, it develops activities that help to simplify decision processes, making the decisions better and more rational. In the presence of this type of legitimacy, the organizational activity will be predictable, meaningful and appealing (Díez-Martín, Blanco González, & Prado Román, 2010).

On the other hand, Berger, Berger, and Kellner (1973) had previously made statements about the means and procedures, which when appropriate allow the acceptance of the organization as legitimate.

Professional legitimacy is possibly the most difficult to perceive. Individuals and stakeholders do not easily grasp the internal aspects of the organization, such as the capacity and training of management teams, good management and continuous improvement, or the application of rigorous technical principles or the professionalization of its management. For this reason, it is necessary to have instruments that improve its visibility. The great instrument used to identify professional legitimacy is the certification based on ISO or TQM models, such as the EFQM model (Blanco-González, Cruz-Suárez, & Díez-Martín, 2015).

Managerial Professional or Output Legitimacy

Organizations have to demonstrate to their stakeholders that they fulfil their mission, take determined steps to achieve their vision and move clearly towards the achievement of their goals. An organization is justified because its mission and vision are linked to the general interest. It is clear that the mission and vision are a matter of time and progress, sometimes quickly and other times with doubts and certain obstacles. But the organization has to justify its interest and position in society and this is achieved by its results over time. Audiences value and give legitimacy to the organization because they accept that the products, services and results of the organization justify it socially and play a role that society needs. Managerial legitimacy involves mechanisms such as personnel management, accounting practices and the rules of conduct and structure of the administrative staff (Ruef & Scott, 1998: 883).

The question that has to be asked is: Is the continuity of the organization of any interest for society in general and all the groups of stakeholders? Is what it does worthwhile or is it only of interest because it benefits some interest group? Output legitimacy is strengthened when organizations report their achievements to their stakeholders. Organizations have to demonstrate how they actually materialize their general goals, those that give content and clarify the meaning of their mission and vision (output legitimacy (Ossewaarde et al., 2008)). In Suchman's consequential legitimacy typology (1995), it is implied that organizations must be judged by what they achieve or the effects they produce.

It is impossible to evaluate the fulfilment of the mission and the accomplishment of the general objectives of an organization, if we only consider the short term. At times, the evaluation of managerial or output legitimacy may require very long periods of time. A newly created university needs decades to acquire the necessary significance and the fulfilment of a mission valued by the whole of society and its stakeholders. Performance measures are essential as a means of communicating effective and efficient operations to a broad range of stakeholders. Performance and measurement evaluation serves not only to gain legitimacy for external stakeholders but also for internal stakeholders.

Emotional Legitimacy

Perhaps the aspect of the legitimacy of organizations that has been less dealt with, or that has been insufficiently advised by scholars, is that which has its origin in the affective link between people and organizations, which we call emotional legitimacy.

Emotional legitimacy occurs when the actors assume that the organization represents an ideal which they are completely identified with, which leads them to be emotionally linked to the social meaning of the entity, ignoring the specific activities developed by the organization, the people who run them or the way in which it is managed. Dispositional legitimacy of Suchman (1995) approaches the concept described here. Constituents are likely to accord legitimacy to those organizations that “have our best interests at heart”, that “share our values” or that are “honest”, “trustworthy”, “decent” and “wise” (Suchman, 1995: 578). In the same line, although focusing on the internal legitimacy of the organization, Tost (2011) and Treviño et al. (2014) identified relational legitimacy as a dimension of legitimacy, based on the studies of Tyler (1997, 2006) and Tyler and Lind (1992).

In certain cultural areas, there are expressions of the type “there are few things that are chosen forever, one of them is your football team”. When we initially make a choice forever, such as religion, football team, political party, profession, etc., we find that people and groups will support and defend, apologize and be forgiving of the mistakes of the organizations with which they have established a special emotional bond. They will be happy with their success and be sad with their failures because the individual and the group are so involved that they have a sense of belonging to that organization. Relational legitimacy is acquired when one affirms another person’s social identity and reinforces their self-worth, generally through identification with the group or organization (Treviño et al., 2014: 200). Audiences form part of the organization not in a personal, noneconomic, nonownership way but affective way. Emotional legitimacy represents a feeling that is neither rational nor rationalized because for audiences, feelings will always prevail over reason.

Emotional legitimacy has some special features that allow a significant differentiation regarding moral legitimacy. An organization with moral legitimacy, even if it is considered stable and respected for a long time, can lose its legitimacy in a very short time, in situations such as corrupt behaviour of the management. However, emotional legitimacy has some special and unique characteristics, such as its greater stability and survival in time, as well as its hardly erodible character by the circumstances or events of the organization.

Emotional legitimacy is maintained over time, and it is difficult to lose because to achieve this, it is necessary to undermine the feeling, an issue that requires very long processes and generally produces very profound and even catastrophic social changes. Another characteristic of emotional legitimacy is that when organizations are threatened socially or pursued, it sinks and seems as if it stops existing, but it appears at the slightest chance. The emotion is not based on the rational, nor is it linked to ethics, nor professional recognition, nor the perception of an image that audiences expect to find, although all these can be triggering elements of emotions. Emotions are feelings that for certain audiences are above any rational valuation.

Industry Legitimacy

Industry and, in general, economic sectors have standards, norms and common practices. They use certain technologies, and they have characteristic organizational structures. Those organizations that participate in standards, practices, etc., considered to be the right ones in the industry, which are taken for granted, acquire legitimacy (Zimmerman & Zeitz, 2002). Industrial legitimacy occurs because there is previously an industrial sector that is legitimized. The legitimacy of the organization is achieved by belonging to that industry or sector, that is, as a matter derived from the legitimacy of the industry considered. There is legitimacy “when the organization is classified as a member of some already known and already legitimate class of organizations” (Bitektine, 2011; 157). This type of legitimacy is sometimes considered a form of cognitive legitimacy.

When a sector is evaluated as legitimate, “legitimate organizations become almost self-replicating” (Suchman, 1995: 575). The legitimized organization is as such, due to its isomorphism regarding structure, routines and strategy, in relation to the organizations of the sector.

1.5 Discussion

Legitimacy is a latent concept that cannot be observed directly (Zimmerman & Zeitz, 2002). When legitimacy is attributed to an organization, it is necessary to measure it. For this, it is essential to answer the question: what are the issues that serve the constituents to grant legitimacy? It is there, where we begin to find a great variety of elements of judgement that we need to bring together and systematize. Legitimacy, considered as a construct, needs to identify the categories that represent the different aspects that serve to issue a judgement of legitimacy to an organization. This has been the core work of our study. The objective of creating a categorization of organizational legitimacy that could cover the different faces of the prism, or what is the same, the different issues that serve the constituents to grant legitimacy, has led us to identify eight basic types. These types have the characteristic that they can be measured and they can be identified and differentiated from the others clearly.

Although social science research gives little relevance to these issues, we understand that it is not something minor. Typologies facilitate measurement, allowing researchers to formulate hypotheses. The confusion and intermingling of concepts is not good when you want to move from the field of theory to its practical application. Empirical studies need a good theory to support them, and that theory requires good tools. How do you know what the right instruments are if there is so much disparity in the dimensions that are considered? “Not all the dimensions will be relevant every time, so scholars should pick those they need based on their research question” (Vergne, 2011:487). In order to establish judgements based on relevant dimensions, it is necessary to know what those dimensions are in advance. Research

requires information and data on these dimensions. Sometimes, the judgement can come from information and data that can be extracted from primary sources (Blanco-González, Prado-Román, & Díez-Martín, 2017; Deephouse, 1996; Katsikas, Manes Rossi, & Orelli, 2016; Ruef & Scott, 1998), in other cases, the information is obtained by compiling the responses expressed through the opinions based on surveys and interviews (Ahlstrom & Bruton, 2001; Blanco-González et al., 2017; Bruton & Ahlstrom, 2003; Treviño et al., 2014). We think that the categorization and definition of dimensions and their contents is an instrument that will help the progress of future research work.

Our typology is broader than any of the others found in the literature, both at theoretical and empirical studies level. It is a typology that collects all the basic criteria or aspects of legitimacy of the organizations that we can find in the studies on the subject.

We have joined the name of the types of legitimacy whose concept is similar, for example, the concepts of pragmatic legitimacy and instrumental legitimacy or the concepts of cognitive legitimacy and cultural legitimacy. We have separated some concepts frequently used like normative legitimacy, which is linked to moral legitimacy and professional legitimacy, both managerial and technical. We have shown the meaning of the concepts of types of legitimacy. This is important because intentionality often helps to place an issue into one type or another of legitimacy, for example, charity. If it is a question of providing a better image thanks to charitable donations, we are referring to cognitive legitimacy. If charity is carried out due to responsibility and commitment to society, we are talking about moral legitimacy.

On the other hand, legitimacy has its moment and its time and its measurement is valid for an environment and a time dimension, since the legitimacy of an organization corresponds to a specific moment in its history. When we speak of legitimacy in any of its characteristics and events, we know that none of them are exempt from the fact that time changes their position or makes them obsolete. Many aspects relating to the environment and its preservation were not visible or considered important by society for a long time; therefore, they did not affect the legitimacy of an organization. Subsequently, society became aware of the harmful effects of pollution, toxic spills and other environmental issues, becoming a matter of moral legitimacy. Over time, governments felt that they should intervene to preserve an adequate environment for future generations and improve the existence of current ones, which became a matter of regulatory legitimacy. Some companies take unregulated environmental measures thinking about the positive image they can create in their stakeholders, which corresponds to cognitive legitimacy (e.g. Red Bull and its sponsorship of extreme sports).

Another advantage of expanding and delimiting the characteristics of legitimacy and expanding the criteria that judge it is that it forces to specify what is truly relevant to stakeholders. Many times, stakeholders give legitimacy to an organization but we cannot know why. And it is necessary to know what the criteria used are and what the most relevant criteria are. Sometimes, legitimacy is granted especially by a criterion. For example, the emotional criterion is basic and essential in the case of ideological affiliation, belonging to religions or sports entities. In other cases,

cognitive legitimacy is essential and almost exclusive. For example, the belief that public health is superior to private health gives cognitive legitimacy to public hospitals by the mere fact of being so. In other cases, many aspects or features of legitimacy must be considered at the same time. This is the case of the requirements to be met by organizations that compete to obtain international contracts.

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