

THE HONG KONG POLYTECHNIC UNIVERSITY DEPARTMENT OF MANAGEMENT AND MARKETING

Departmental Research Seminar

Firms' Rhetorical Nationalism: Theory, Measurement, and Evidence from a Computational Analysis of Chinese Public Firms By



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Venue : Online via Zoom

Abstract

In this paper, we develop a computational measure of rhetorical nationalism for Chinese public firms. We first review the literature and develop a four-dimensional theoretical framework of nationalism relevant to firms: national pride, anti-foreign, dominant agenda (national revival), and corporate role. We then use machine-learning-based text analysis of over 41,000 annual reports of Chinese public firms from 2000 to 2020 and identify a dictionary of words for each dimension. Using a weighted ratio of nationalism-related words, we describe the overall picture of Chinese public firms' rhetorical nationalism and provide the first empirical evidence regarding rising rhetorical nationalism among Chinese firms. Firms' demonstration of rhetorical nationalism is related to both strategic and socialization factors; Firms that are SOEs, older, larger, more profitable, consumer-facing, with more individual investors and less income from overseas demonstrate a higher level of nationalism. Firms that demonstrate more rhetorical nationalism also have a better future financial return. Our study provides a theoretical framework for organizational study of nationalism and a new measure for firms' rhetorical nationalism, and demonstrates that the rising rhetorical nationalism among Chinese firms is more strongly driven by firms' motivations to appeal to domestic investors and consumers than to obtain government subsidies.

Dr Lori Yue is Associate Professor at the Management Division in Columbia Business School. Her research focuses on the relationship between business and society, especially regarding how organizations respond to contentious social environments and regulation uncertainty. She has published papers on industry self-regulation, business collective action, business responses to social movement, and corporate political strategies. Her recent research studies how firms, especially digital platforms and other nascent industries that develop from technological innovations, adopt political strategies to shape regulation, and how multinational corporations respond to the grand challenges in the global context and also exert their own influences. Her recent research adopts the computational research method. Her research has been published in leading peer-reviewed scholarly journals including the *Administrative Science Quarterly*, *American Journal of Sociology*, *American Sociological Review*, *Organization Science*, and *Business & Society*. Her recent research awards include the Responsible Research in Business & Management (RRBM) Award in 2020 and the Rigor in Research Award by the Strategic Management Society in 2020. She currently serve in the editorial boards of leading journals, and was previously an Associate Editor of *Management Science*, a consulting editor for the *American Journal of Sociology*, and the Research Committee Chair of the *Organizational Management and Theory Division of the Academy of Management*.

She teaches Top Management Process, a popular MBA and EMBA elective course about the role of general managers in the organization, strategy, and operation of both entrepreneurial and established firms. She previously served as a faculty member of the University of Southern California's Marshall School of Business. There, she taught the undergraduate core course, Strategic Management, served as the course head, and led the course redesign. She also taught other short MBA courses and the PhD seminar of Organizational Theory, and won both teaching and research awards.

All interested are welcome.



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