

Theorizing Bureaucratic Reputation*

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Theoretical and empirical research on bureaucratic reputation and its impact on the behavior of governmental agencies and public sector organization (I henceforth use these two terms interchangeably) have begun to find their place in modern day political science and bureaucracy research. A growing body of research has acknowledged the importance of reputational considerations in decision making by public entities, but has only just begun to scratch the surface of the scientific opportunities awaiting investigation of this subject. This body of research revolves around the ways reputation-sensitive public bodies function as organizations within a governmental system (Meier and Krause 2003), and directs our attention inside the black box of executive government. Carpenter (2001, 2010a) has offered some generalized answers to issues regarding reputation and regulatory power, and has summed up the contribution of this scholarly literature: “The lesson of this scholarship is that, when trying to account for a regulator’s behavior, *look at the audience*, and *look at the threats*” (Carpenter 2010b, 832, *italics in original*).

This chapter addresses two lines of criticism regarding Carpenter’s approach to bureaucratic reputation. First, Carpenter puts too much emphasis on the exogenous threats while underestimating their endogenous processing, given agencies’ understanding of their distinct reputations.¹ Second, Carpenter too greatly emphasizes the institutional persistence of legislative and presidential decisions which lend stability to autonomy, thereby lending stability to good reputation (Carpenter 2001, 18). In doing so, Carpenter can respond to claims regarding the fragile foundations of good reputation (Roberts 2006, 57; Miller 2010, 474) by directing attention to institutional persistence. However, this line of reasoning underestimates the ability of public bodies to act adaptively, strategically and opportunistically in developing good reputations as well as in maintaining and enhancing the stability of such reputation. This chapter seeks to evaluate where we are in understanding the aforementioned lines of criticism. It therefore focuses on what I consider to be critical themes related to this criticism which have permeated the literature on organizational reputation since the early 2000s.

Prior to that time, bureaucratic reputation in the public sector was rarely mentioned in institutional political science, which instead largely focused on political control of bureaucratic agencies by elected officials (or “principals”) and the mechanisms by which these officials could influence agency behavior (Wood 2010).² During that

time, in small numbers, some political scientists made contributions to the study of bureaucratic reputation, including the works of Quirk (1980), Rourke (1984), Wilson (1989), Heimann (1997) and Whitford (2002). However, that has changed during the last decade, since Carpenter (2001) first noticed that agencies attempt to cultivate reputation that will enable them to gain autonomy, and theorized about it. This new wave of theoretical and empirical work is different because, whereas in models of political control, the source of bureaucratic power has been the bureaucratic information advantage an agency possesses, in theories of bureaucratic reputation, the source of bureaucratic power has been the unique reputation and diverse ties to interest groups and the media, an agency cultivates.

In order to portray the key findings from research concerning the aforementioned lines of criticism, I focus on six tasks. First, I elaborate the main concept under study. Second, I highlight two kinds of pressures that agencies regularly face — pressures of political control derived from the institutional structure that agencies operate under, as well as pressures from the people whose confidence they try to retain — in order to gauge the (in)security of organization reputation. Third, I elaborate on the key insights of the literature which focus on reputation management through changes in the timing and observability of agency decisions, as well as through changes in agency outputs. Fourth, I discuss the main findings of the literature which revolve around reputation management by the strategic use of communication. Fifth, I briefly identify five main problems in applying bureaucratic reputation theories to public sector organization. Last, I suggest substantive areas ripe for further scholarly exploration.

Analytical Prelude

Over the last ten years or so, an important new approach has emerged within political science that put bureaucratic reputation center stage. It is perhaps best characterized by four elements: the specific view of reputation which enables an agency that possesses it to make a claim for unique contribution to the public good; the multifaceted nature of reputation; the existence of multiple expectations by multiple audiences,³ and the context of today's knowledge society and blame culture which foster conditions that intensify agency concerns with reputational risk. These elements are the cornerstones of

reputation-grounded and driven conceptual frameworks in political science. There are numerous questions fundamental to our understanding of these elements of bureaucratic reputation. Although I will address them, it is perhaps most critical to begin by defining the concept under study. The idea is not to provide a comprehensive, cross-disciplinary review of the literature that addresses the concept of reputation, nor to compare it with related constructs. The intent is rather to highlight the main features of this concept.

Much of the bureaucratic reputation theory is the product of Harvard University political scientist Dan Carpenter whose methods combine historical analysis, quantitative empirical studies and formal modeling. In this nascent sub-field, there are no disagreements among scholars over Carpenter's (2010a, 45) definition of organizational reputation as a set of symbolic beliefs about the unique or separable capacities, intentions, roles, obligations, history, and mission of an organization that are embedded in a network of multiple audiences (Carpenter 2010a, 33, 45). This definition centers on the evaluation of the organization's unique character and activities by multiple audiences. Evaluation is based on past observations and experience with the organization's ability to provide unique services capably. Reputation uniqueness, according to Carpenter (2001, 5), refers to the demonstration by agencies that they can create solutions (e.g., expertise, efficiency) and provide services (e.g., moral protection) that no other agency in the polity offers. This implies that organizational reputation relies on the external audiences' perceptions of the quality of policy outcomes that these audiences really care about and the effectiveness of its actions which distinguish the organization from others in the polity. According to Carpenter and Krause (2012, 27), "[...] what audiences see is not the perfectly tuned or visible reality of the agency". Rather, it is an image that embeds considerable uncertainty and ambiguity (Gioia, Schultz, and Corley 2000) regarding the agency's performance, the expertise of its staff, its values, and the legality of its actions (Carpenter, 2010a). "Complex public organizations are seen 'through a glass but dimly' by their manifold audiences" (Carpenter and Krause 2012, 27).

This frame of reference differs from the one that underpins the concept of legitimacy, which refers to the appropriateness or correctness of the organization's character with respect to the norms and routines required (Foreman, Whetten, and Mackey 2012). Whereas the legitimacy criteria focus on the organization's fit or

similarity with established norms and expectations, the construct of reputation revolves around the way the organization stands out compared to its peers (Deephouse and Carter, 2005). Carpenter's (2010a) statement of organizational distinction is even stronger because it directs attention away from a broad, general impression, and towards the key element of comparison, be it performative, moral, procedural, and technical traits of the organization. An agency does not have a strong reputation per se, but rather a strong reputation for the protection of public safety, public health, public morality and so on.⁴

Carpenter's four faces of an agency's reputation highlight the dimensions over which the relative standing of the organization is assessed vis-à-vis other agencies. Carpenter's statement also implies the existence of multiple reputations — and therefore, multiple expectations by external audiences regarding each of these dimensions. Each external audience selects the dimension/s of reputation which will receive priority in its assessment of the organization. In the same vein, each organization chooses the dimension/s which will receive priority and which will not (Carpenter and Krause 2012, 27). Another aspect of multidimensionality is that agencies' reputations may vary across functional areas, such as regulatees' stability, corporate governance and consumer protection (Maor, Gilad, and Ben-Nun Bloom 2013). Consequently, agency leaders pursue an alignment between agency policies and a carefully cultivated reputation for one or more of the aforementioned dimensions, in one or more of the agency's functional areas, which is distinct from other organizations (cf. Gilad, 2008; Gilad and Yogev 2012). They do so by delivering unique services and by avoiding visible failures (Carpenter 2001, 2002, 2004; Heimann 1997; Kaufman 1981, 76; Krause and Douglas 2005; Roberts 2006).

Government agencies can build reputations by creating a good and preferably superior track record; shadowing practices and policies pursued by agencies that possess strong reputations; affiliating with agencies and national, international or supranational organizations that possess strong reputations, and by appointing agency heads who enjoy strong reputations (Petkova 2012; Maor 2011). If reputations are successfully formed, cultivated and managed, they become “[...] valuable political assets – they can be used to generate public support, to achieve delegated autonomy and discretion from politicians, to protect the agency from political attack, and to recruit and retain valued employees”

(Carpenter 2002, 491). Due to the fact that strong reputations are powerful assets for agencies, and are in fact equivalent to agency coalition building (Carpenter 2001, 22), many incentives exist in order to protect them. “There are other things that bureaucracies protect and “maximize”, but for many agencies [...], reputation protection serves as the simplest and most powerful dynamic governing their behavior” (Carpenter 2004, 54). Regulatory pressures in today’s knowledge society and blame culture foster conditions that intensify agency concerns with reputational risk, which is defined as the possible loss of an agency’s reputational capital (Fombrun 1996, 27). Such risks differ “in [...] social construction from other risk categories by being a purely “man-made” product of social interaction and communication” (Power, Scheytt, Soin, and Sahlin 2009, 302). Such man-made products may potentially have disastrous impact on agency survival as they may lead to damaged reputation, and consequently, to severe budgetary cuts or auditing punishments (e.g., Banks and Weingast 1992). This is especially the case when agency failure is undertaken under conditions of high political risk and task salience, for example, during crisis response.

But even during an agency’s normal operation, “[...] satisfying some audience subset often means upsetting others or projecting ambiguity” (Carpenter and Krause 2012, 29). Therefore, each agency routinely processes criticisms from external audiences which may carry reputational risks. The prioritization of reputational risks may involve a consideration of the relative risk to society, the relative risk to the most relevant external audience, the (political) cost of damaged reputations, and the extent to which the agency is willing to expose itself, by way of policy intervention, to reputational loss. The result is an agency decision to focus its energies on handling current or future threats, over one or more functional areas, in relation to one or more external audiences (i.e., prioritizing one audience over another), by following formal or informal guidelines.

The durable bureaucratic reputation of an organization may be harmed by criticism and doubts as to its expertise, capacity, efficacy and the quality of its goods and services, as evaluated by its salient functioning and interactions with external audiences with regard to its key activities. Agencies’ incentives to avoid reputational damage is incorporated in studies of organizational reputation as an assumption, namely, that regulatory agencies are rational agents, as well as politically conscious organizations

interested in protecting their unique reputations (e.g., Quirk 1980; Heimann 1997; Carpenter 2010a; Maor 2010, 2011; Maor, Gilad and Ben-Nun Bloom 2013; Maor and Sulitzeanu-Kenan 2013). Once this assumption is made, scholars turn to gauge how administrative agencies identify reputational threats and endogenously construct their reputation-protection behavior. A more nuanced picture is provided by Moffitt (2010, 882) who claims that scholars may analyze the pursuit of agency reputation in isolation from other agencies (Carpenter 2002, 2004), in competition or comparison with other agencies (Krause and Corder 2007; Krause and Douglas 2005), or as “conditions when bureaucrats’ reputations depend on others [...] who reside outside of the agency as well as those within” (Moffitt 2010, 882).

Theories of bureaucratic reputation are therefore analytic expression of the relationship between administrative agencies and their external audiences, in which the agencies protect their reputations by responding to their multiple audiences. The logic of such theories, therefore, raises critical issues related to agency decisions, such as how agencies make decisions, how they resolve goal conflicts, how external performance criteria affect agencies, how well agencies socialize their members (Meier and Krause 2003, 15), and others. The studies elaborated here — which are guided by bureaucratic reputation theories and informed by these questions — testify to the generality and promise of this approach.

The (In)Security of Good Reputation

In this section, I highlight two kinds of threats that agencies regularly face in order to gauge the implications an analysis of bureaucratic reputation has on research regarding political control of the bureaucracy. Administrative agencies confront varying pressures of political control which are derived from the institutional structure under which they operate, as well as pressures from the people whose confidence they try to retain. Although each type of pressure may lead to the other, it is conceptually important to distinguish between the two. For the former, because public bureaucracies are designed politically (e.g., Moe 1989, 1990; Krause 2010), elected officials are likely to apply control measures and design incentive systems in order to ensure that agencies do not drift from the goals set by elected authorities. So when the priorities of a president or of

congressional majorities change, agencies may be exposed to the forces of political control. A president or a congressional committee determined to rein in the power of administrative agency and influence its behavior have several mechanisms at their disposal, including oversight by congressional committees (e.g., Weingast and Moran 1983); appointments (e.g., Wood 1988); “fire-alarm” oversight (e.g., McCubbins and Schwarz 1984); control by the president and multi-institutional policymakers (e.g., Hammond and Knot 1996); direct citizen contact (e.g., Brehm and Gates 1997); a statute (e.g., Huber and Shipan 2002), administrative procedures (e.g., McCubbins, Noll and Weingast 1987), and personnel management institutions embedded in a political system (Gailmard and Patty 2007).

The aforementioned literature raises two questions in relation to the (in)security of bureaucratic reputation. First, can agencies’ concerns with reputational considerations outweigh the political control pressures that they confront? And specifically, how do reputation-sensitive agencies arrive at decisions given the institutional structure under which they operate and the uncertainty that is experienced by bureaucratic experts in the subject area of agency operation? Second, assuming an agency has multifaceted reputations, which of these bases of reputation is more/less susceptible to political moves? Turning to the first question, Krause and Douglas (2005) found that reputational maintenance is more important to an agency than succumbing to political pressures and, therefore, there is no observable relationship between political insulation and bureaucratic performance. Instead, agencies employ imitative practices in order to avoid being labeled inferior. These findings were corroborated in a related study which suggests that difference in agency design at the federal level do not explain differences in the quality of administrative performance (Krause and Douglas 2006). However, Krause and Corder (2007, 130) found evidence to suggest that “Executive branch agencies [...] possess tangible incentives to bias their forecasts towards serving a president’s interests at the expense of objective quality”, although this bias appears unrelated to long-term changes in the level of politicization within each agency. And Wood and Waterman (1991) found that agencies situated in executive departments were most responsive to executive influence, whereas the output of independent regulatory commissions remained stable over the period examined. They conclude that “structure is important — but not

overriding when multiple democratic principals jointly demand a policy outcome” (Wood and Waterman 1991, 823). So, whether Krause and Douglas’ (2006) findings could be generalized to other public bodies is questionable.

Turning to the second question, Maor (2007) shows that the scientific ‘gold standard’ for agency decisions (i.e., a scientific fact-finding method which is the most accurate test possible),

“[...] is less susceptible to political moves because of its important role as a legitimating device for both government ministers and regulators. Government ministers are able to address multiple audiences and even to respond to aggressive [anti-government] strategies by powerful interest groups by undermining one reputation-protection mechanism (that is, an agency’s independence) without weakening the other (that is, the scientific barrier for granting full-subsidy status to treatments that lack comparative therapeutic advantage) (Maor 2007, 961).

Maor concludes that agency (formal) “independence may be regarded as a symbolic device, which government ministers can modify to appease interest groups that aggressively oppose the agency’s policy” (Maor 2007, 963).

But if that is so, how can bureaucratic reputation theories explain assaults on the credibility and reputation of a regulator by elected officials? At the outset, Carpenter relies too heavily on the institutional persistence of legislative and presidential decisions which lend stability to autonomy, thereby lending stability to good reputation. According to Carpenter (2001, 18), “[w]hen politicians defer to agencies, they often do so through funding and legal mechanisms that are not easily changed or reversed on short notice”. In doing so, Carpenter can respond to claims that good reputations are fragile and insecure (Roberts 2006, 57, Miller 2010, 474) because they “sit on the slippery ground of their constituents’ fickle interpretations” (Fombrun 1996, 388), by directing attention to institutional persistence. However, Carpenter (2010a, 730) eloquently demonstrates how “the rise of libertarian models and conservative politics in the United States, the accretion of power to the global pharmaceutical industry, and the globalization of economic regulation have all weakened the authority and force of the [Food and Drug] Administration’s capacities and actions”. Newt Gingrich’s shaming of the U.S. Food and Drug Administration (FDA) as America’s “number one job-killer” in 1994 (p. 731), and

President Bush's appointments, that undermined the scientific foundation of the FDA's decision-making process, have further weakened FDA authority. Does this experience expose the fragile foundations of good reputation? And if this is so, should we devote academic attention to study a phenomenon which is fragile, friable and fleeting?

According to bureaucratic reputation theories, as long as the agency can provide consistent quality of activities and effectiveness of outputs over time, and be perceived by multiple audiences as doing so, agency reputation will be solidified. It will also be of value to elected officials who may infer an agency's future decisions from its past action, thereby reducing their uncertainty about the future. The problem is that it is very difficult to assess agency reputation at any given point in time. Changes in an agency's managerial and professional leadership, industry health, globalization pressures and other unstable factors may constrain agency options and create situations where agency activities have a negative impact on some politically-sensitive aspects. An agency may also run into scandals or accidents; miscalculate regulatory opportunities, and throw itself into highly emotional debates with wide-ranging moral and scientific implications. These unfortunate events may create uncertainty about agency action in the present, and this, in turn, is bound to make agency reputation of little value in reducing elected officials' uncertainty about agency actions in the future.

But reputation-sensitive agencies are adaptive, strategic and sometimes even opportunistic actors (e.g., Oliver 1991). Their creative response is generated through interactive dynamics and mutual exchanges. They have a repository of ideas, values and strategies that they may combine in various ways, deploy them politically and redeploy them between different audiences, thereby redefining relations with these audiences. In the pursuit of reputation protection, they may simultaneously play multiple games (Sheingate 2007, 15) and their "actions can be moves in many games at once" (Padgett and Ansell 1993, 1263). Specifically, reputation-sensitive agencies are able to adapt in order to cope with criticisms by external audiences, that is, to accommodate themselves to the preferences of their external audiences. They are able to manipulate external audiences' opinions and shape, rather than simply accommodate, external audiences' opinions, turning them into a component of agency behavior. In other words, they can act to shape the criteria by which they are assessed rather than acting only to influence their

reputational ranking. And they are able to exploit opportunities with little regard for principles or consequences, for example, by trying to claim credit during another agency's crisis precisely when the crisis comes under control, or by claiming jurisdiction when judging that such a claim is perceptively timed (Maor 2010). This, in turn, enables them to initiate a change in their relations with external audiences as well as altering its direction to their own advantage.

Understanding agency behavior means understanding the execution of these strategies. Carpenter and Moore (2007), for example, have offered an illustrative example of creative response which combines all three types of agency behavior and relies on two related concepts, namely, bureaucratic cohort and the strategic use of ambiguity. They demonstrated how a new cohort of FDA officials recruited after World War II made new demands on drug companies while framing these demands as embedded in the restrictive limits of the legal authority under which they were acting. Based on strong professional and scientific signals and ambiguous claims, they tried to change the critical coordinates of FDA operations from safety standards that were legally authorized to new drug efficacy standards. And when events led Congress to seek new standards, they were able to step into the fray with a solution already at hand.

It is therefore reasonable to expect that once reputation-sensitive agencies notice that the political pendulum is about to, or has plainly, swung way too far in a direction which undermines agency reputation, they will be likely to endogenously process these reputational threats and react — in an adaptive, strategic and/or opportunistic way — or not at all, on the basis of their understanding of their distinct reputation. If successful, agency reputation will be maintained or restored. If they decide to act, agency response may include, for example, substantive re-focusing of activities across functional areas, reorganization and collaborative engagements across functional areas, distinct communication strategies (Maor, Gilad, and Ben-Nun Bloom 2013; Gilad, Maor and Ben-Nun Bloom 2013), changes in public agency outputs (Maor and Sulitzeanu-Kenan 2014), and, above all, investment in quality output across functional areas.

One has to recognize, however, that even drastic measures will not do the trick because reputation becomes a strategic asset only as a result of consistent and sustained policies, aimed at building a unique reputation, which are subjectively perceived as such

by multiple audiences over an extended period of time. Given the lack of reputation rankings in the public sector (and the controversy over proxies that exist) and the lack of a consensus over performance indicators, the process of estimating the capacity of an administrative agency to address the risks and uncertainty associated with the environments within which it operates may take some time. Where risks and uncertainty of the policy domain are low and not salient, the agency's recognition and attention will take much longer to achieve. The criteria to determine agency reputation may also change, and therefore, the cumulative result of agency efforts insofar as quality of activities and effectiveness of outcome are concerned may take time to be noticeable, during which agency reputation will still suffer from past performance. Needless to say, agencies may also miscalculate their reputation repair activities, thus worsening audiences' perception of the organization.

Taken together, these studies suggest that the protection of agency reputation may be an interest shared by both agency and elected officials in normal practice. When the latter are faced with the successful building of agency reputation among pivot groups, and recognize the derived electoral benefit for themselves, they may do their utmost to maintain the agency's good reputation. And this constant care and rebalancing of agency reputation may occur over decades (Carpenter 2001). Taking stock of the discussion so far, it can be argued that claims regarding the fragile foundations of good reputation should not inhibit further research in this sub-field.

Managing Reputation through Changes in the Timing of Agency Decisions, the Public Observability of Agency Decisions, and Agency Outputs

The key empirical insights in reputation management may be divided into two streams: (i) reputation management through changes in decision timing, decision observability and agency outputs, and (ii) reputation management through the strategic use of communication.⁵ The following set of studies examined here is drawn from the former stream.

Scholars who draw upon the predominant principal-agent approach tend to focus on the content of regulatory decisions in terms of either left-right policy differences, or as a matter of "more" or "less" enforcement (Bawn 1995, Moe 1985). However, public

bodies have another fundamental power — the power to wait (Carpenter 2003). As Carpenter, Chattopadhyay, Moffitt, and Nall (2012) argue: “Agency time discretion is the abundant leeway that agencies have over *when* to make a decision, regardless of what that decision will be” (p. 99, *italics in original*). Students of bureaucratic politics have investigated a wide variety of puzzles generated by this insight. Carpenter’s (2002) study, for example, tries to gauge why the FDA approves some drugs more quickly than others. The assumptions underlying his model are that regulators guard their reputation for protecting the safety of consumers, and “that the approval of a truly dangerous drug will carry reputational costs for the agency that cannot be regained” (Carpenter 2002). Specifically,

Although real-world agencies have the option to recall a bad product [...], the agency has no such option in the model here. Once the drug has done sufficient harm that it must be recalled, the agency cannot recover its reputational losses by recalling the drug. Everyone will know that the agency has made a “bad” decision. In this respect the decision to approve a drug is reputationally irreversible (Carpenter 2002, 492).

Carpenter finds that the FDA skillfully determines its review time so that it decreases with the “wealth of the richest organization representing the disease treated by the drug, [the] media coverage given to [the] disease, and [it is] a nonlinear function of the number of groups representing [the] disease” (Carpenter 2002, 490).

A similar set of assumptions were used in Carpenter’s (2004) study which tried to gauge whether one should infer regulatory capture when policy arrangements appear to favor well-organized and wealthy interests. In this study, Carpenter shows that regulatory agencies regularly update the information base which they rely upon when making their decisions, and proposes that even “neutral” regulators may be rationally motivated to pursue policies that help large and established firms. This is especially the case when regulators are familiar with the reputations of these firms and are able to accurately assess the quality of the information provided by these firms to the regulators.

Carpenter’s assumption that regulators cannot recover reputation losses resulting from the approval of a truly dangerous drug has also been taken for granted in few models of drug approval regulation (e.g., Carpenter 2004, 55; Carpenter, Moffitt, Moore,

Rynbrandt, Ting, Yohai, and Zucker 2010, 518). This assumption has been recently undermined by Maor's (2011) study of organizational reputation and public warnings in ten pharmaceutical markets. Maor introduces another component of agency decision, namely, the public observability of agency decisions and errors, which directs the scholarly spotlight to the "potential calculus underlying the decision of whether or not to encourage large-scale media coverage of a regulator's decision and errors" (Maor 2011, 558). Trying to ascertain how a regulator's reputation does affect the public observability of its regulatory errors, Maor (2011, 558) finds that withdrawing a dangerous drug from the market elicits a blame-avoidance reaction for expertise-based agencies (e.g., drug regulators in the U.S., Germany and the U.K.) as well as for drug regulators that "shadow" decisions and procedures made by regulators that have reputations for expertise (e.g., drug regulators in Israel, Canada, Switzerland and South Africa), and a credit claiming reaction for agencies that act as guardians of public safety *in the media* (e.g., drug regulators in Australia, New Zealand, and Ireland). He concludes that "media coverage of safety-based drug withdrawals is a function of the regulator's predominant basis of reputation. Media coverage will be lowest when the regulator has a reputation for scientific expertise in pre-approval drug evaluation (or when it "shadows" decisions made by regulators that have reputations for expertise) and highest when it has a reputation as guarantor of public safety in the media" (Maor 2011, 558). These findings undermine Carpenter's assumption regarding the irreversibility of reputational losses by indicating that the observability of errors is, in part, an agency construction, and for some agencies, errors are not really a problem at all. At a more substantial level, Maor's (2011) research also solidifies Carpenter's idea of "critical facets of agency reputation" by demonstrating that "[T]he type of reputation an organization has plays a key role in determining its behavior" (Maor 2011, 559).

A related scholarship has also recorded agency appetite for publicity. Focusing on agency choice between public participation through the invitation of public review of agency decisions and the maintenance of secrecy, Moffitt (2010) finds that the FDA seeks public advice for tasks that risk implementation failure. According to Moffitt, "public consultations support agency efforts to distribute information outside the agency and reapportion responsibility for risky policy decisions" (2010, 891). To sum,

bureaucrats pursue publicity depending on their type of reputation (Maor 2011) and on predictable characteristics of the policy tasks they implement (Moffitt 2010).

However insightful these studies are, they do not touch upon the conditions under which reputation is more or less likely to matter; the mechanisms that shape its effects; the meaning of the concept of “threat” to agency reputation, and the information that negative coverage conveys to the agency: whether punishment for past actions or threat guiding future conduct (Maor and Sulitzeanu-Kenan 2013). In a recent study, Maor and Sulitzeanu-Kenan (2013) have analyzed ‘time-to-decision’ in warning letter processes by two enforcement divisions within the FDA’s Center of Drug Evaluation and Research. Trying to identify the specific aspect of the agency’s reputation that is challenged – criticism over consumer protection versus criticism regarding over-regulation — they have found that nearly all criticism of these divisions revolves around the FDA’s primary consumer protection responsibilities (i.e., under-enforcement), thus questioning the validity of the FDA’s unique reputation. Based on a quantitative analysis of this type of criticism, they have found that as media coverage of the FDA’s consumer protection responsibilities becomes more positive, the agency takes enforcement decisions (warning letters) more slowly; in contrast, more critical media coverage leads to quicker action by the FDA. This effect is moderated by media salience; namely, it is found only for periods in which press coverage is relatively intense. Once Maor and Sulitzeanu-Kenan (2013) identified the condition in which the agency is less sensitive to external evaluations of its performance, they were able to draw attention to the context in which the relationship between organizational reputation and agency decisions operate, and more specifically, the baseline attitude of organizations to their reputation in the absence of exogenous challenges. Perhaps the most important insight of their research is that agencies may be reputationally relaxed, only to become concerned about their reputation in the advent of external criticism, or reputationally concerned, only to relax following visible public praise (Maor and Sulitzeanu-Kenan 2013).

Relatedly, Maor and Sultizeanu-Kenan (2014) have used the valence of press coverage of an agency as a dynamic measure of its reputation in order to assess the impact of reputational threats on an agency’s outputs. Focusing on the main service delivery agency for the Australian Government in the field of social policy and

administration over the period 2000-2010, they have demonstrated that the effect of negative media coverage on agency performance is moderated by the level of recent agency performance, i.e., negative coverage is followed by an increase in agency outputs when previous year performance is below average, and a decrease in agency outputs when previous year performance is above average. The two types of performance response to reputational threats appear to be the result of the agency's increased interest in change following reputational threats, which is channeled to activities that are internally identified as lagging (e.g., outputs, public relations, community engagements, and stakeholder consultation). These findings suggest that an agency's response to reputational threats is endogenously *differential*, among others, through changes in its organizational outputs or other activities. These findings are in line with Maor, Gilad and Ben-Nun Bloom's (2013) as well as Gilad, Maor and Ben-Nun Bloom's (2013) findings that reputational concerns may variably impact an agency's strategic use of communication, depending on agency's internal considerations. Attention now turns to a brief discussion of this stream of research.

Managing Reputation through the Strategic Use of Communication

Given the rapidly changing way of life and the dynamic nature of the public agenda, it will be difficult for each audience to recollect and make sense of the use of an agency's communications gear, and hence, the agency's response to criticism may appear non-recursive, complex and fluid at times, and most importantly, random and not preprogrammed. Two recent papers suggest however a more nuanced picture than the aforementioned fluid response or a dualistic image of an agency as both "good cop" and "bad cop" (Carpenter 2010a, Ch. 10).

There is little doubt that a reputation-sensitive agency hears, sees and feels the public. There is also little doubt that over some functional areas the agency feels comfortable because it possesses a strong reputation, whereas over others, it does not. Very briefly, Maor, Gilad and Ben-Nun Bloom (2013) have demonstrated that a regulatory agency tends to keep silent on issues regarding which it generally enjoys a strong reputation, and on issues that lie outside its distinct jurisdiction, while responding to opinions about core functional areas with regard to which its reputation is weaker and

areas wherein its reputation is still evolving. This implies that an agency's assessment of the relative threat to its reputation results in *selective* communication strategies (i.e., a choice between levels of a particular type of response) across functional areas. In a related study, Gilad, Maor and Ben-Nun Bloom (2013) have tried to gauge how the content of public allegations impact upon regulatory communication strategies; which type of allegations pose a higher threat to agency reputation, and how agencies manage these threats via communication. They have found that a regulatory agency has greater propensity to acknowledge problems, yet mostly shift blame to others when faced with claims that regulation is overly lenient (namely, underregulation), and to deny allegations that regulation is excessive. These findings highlight agency's *differential* response (i.e., a choice between types of responses) to particular reputational threats. The findings imply that external audiences may be able to shape agency attention and trigger different agency responses by "carefully choosing how to frame their allegations — for example, as a problem of overregulation versus underregulation" (Gilad, Maor, and Ben-Nun Bloom 2013, 3).

In acknowledging the intensity of reputation management through the strategic use of communication, and, in particular, the complex dilemma faced by the agency whether to acknowledge problems, these two studies have addressed the issue of taking agency communication with the public beyond saccharine public statements, and into spaces where reputational dilemmas can be classified, analyzed and faced. Both studies show not only the interactive nature of the relations between the agency and the public, but also the fact that the agency is not acting in an ad hoc way. Rather, the agency carefully designs its interaction with the public, and shapes the "common ground" that it shares with its critics. Although it remains attuned to the public's feeling and intuitions, it selectively or differentially responds in a way that retains its credibility.

Are All Agencies Reputationally-Sensitive?

The discussion so far clearly demonstrates the power of Carpenter's theory. His claim that agency decisions are made endogenously because of reputational considerations has significantly widened the ambit of institutional political science. Although this sub-field is still in its infancy, the foundation for a powerful theory is being put in place. It is

therefore surprising that political scientists have not made much effort to criticize theories of bureaucratic reputation.

There are at least five main problems in applying bureaucratic reputation theories to public sector organization. First, bureaucrats may be constrained in cultivating reputation by severe lack of funding and/or by administrative (or agency-specific) culture and political executives. In other words, they may not be allowed, however willing they are, to manage their organizations with the goal of reputation advancement and protection. Second, bureaucrats may be also constrained by their own attitudes and views, especially their perception of the media as a double-edged sword. Third, some agencies may be less susceptible to reputational pressures due to their relationship with external audiences and elected officials. Passive external audiences or close ties with politicians which remove any probability of budget cut or agency termination following poor performance may shield agency from the consequences of reputational threats. Fourth, administrative agencies often collaborate, rendering the identification of an agency's reputation and the link between an agency and its external audiences very difficult. Fifth, reputation-protection may be undermined by agency officials' career concerns. The most obvious of these arises because the agency's head may prefer to advance short-term reputation whereas senior agency officials may prefer to protect the agency against long-term reputational threats. These sorts of constraints, which imply that not all agencies are willing and/or able to advance and protect their reputations, are not handled by current theories of bureaucratic reputation.

Directions for Future Research

While the bureaucratic reputation literature which is motivated by core theoretical concerns has done much to validate Carpenter's insights, there are still questions that are ripe for further investigation. Perhaps the most obvious implications of the discussion so far is that scholars should continue to look at how bureaucratic reputation shapes agency strategies while taking into account the variance among agencies over their sensitivities to reputational threats. In this endeavor, scholars can focus on the amount of media coverage that an agency gets, as opposed to the amount of coverage that one of its problems (e.g., a disease) gets (Carpenter 2002); the valence of the coverage (positive or

negative), and the specific facet of reputation that is challenged (e.g., criticism about consumer protection versus criticism about over-regulation). A central question is how weak reputation factors into agency decision making. In addition, scholars should analyze the relationship between an agency's reputation and agency behavior by using longer time periods because some variation in media coverage may be historically contingent, that is, coming from a short period of time of a decade or so. If one were to look at a few decades of criticism directed at an agency, more criticism of different sorts could be observed. Relatedly, Carpenter's (2005) call for more historical studies of administrative agencies — ranging from military agencies to large or small government agencies, and revealing the importance of “reputation, prestige, professional esteem, and historical legacy as motivating factors driving bureaucratic behavior” (Carpenter 2005, 65) — should be seriously taken on board by students of bureaucratic reputations.

In addition, considerable scholarship deals solely with one agency, mainly the FDA. Scholars should analyze how the reputational considerations of one agency are similar or different from other agencies in telecommunication, environmental protection, financial security and others, rather than just the pharmaceutical field, and from agencies that operate in policy domains where enforcement is not part of the agency's core mission [e.g., the National Aeronautics and Space Administration (NASA) and the Federal Emergency Management Agency (FEMA)]. Scholars should also analyze how the reputational considerations of one agency are similar or different from agencies entrusted with similar regulatory missions in other countries. Additionally, future research should address whether a firm's size, strength, and other traditional measures bear on the regulatory agency's reputational calculation. If, for instance, the media is more likely to cover problems of large firms, what appears to be media influence may reflect firm influence, which may invite different interpretations than a reputational one. Addressing this issue could rule out whether firm characteristics help explain agency decisions. Students of bureaucracy may also see endogeneity as a potential avenue through which agencies, operating in a context of large, well-established firms, might use media coverage as part of its arsenal to punish regulated entities or to justify extending agency regulatory activities.

Much work needs to be done to unravel how an agency's basis of reputation impacts upon its behavior. Important questions include how an agency prioritizes among its dimensions of reputation. Would an agency not cultivate a specific type of reputation because it also seeks to expand another type of reputation? A classic example is Carpenter, Chattopadhyay, Moffitt, and Nall's (2012) examination of whether administrative deadlines shape agency's decision timing by focusing on "the tradeoff between an agency's interest in using its expertise to produce accurate, valid decisions—and in protecting its long-run reputation for reliable expertise, against its interest in sufficient staff and funding and its short-run reputation for prompt action" (Carpenter et al. 2012, 101). Understanding the process by which administrative agencies strike a balance between conflicting bases of reputation (e.g., legal enforcement vs. prevention) and between different aspects of their performance (e.g., swift vs. accurate decision making) should be at the core of bureaucratic reputation research. Future research should also look at how each of the agency's multiple audiences learns about the agency's quality of decisions and effectiveness of outcomes, and how agencies enhance or limit this process. How does the information provided by administrative agencies and the communication channels they use affect this process? What are the criteria by which bureaucratic reputations are assessed by multiple audiences, and what factors explain continuity and change in these criteria? These questions are entirely uncharted realms. In addition, future research may rely on Moynihan's (2012, 572) study of interagency collaborations, which proposes that "(i)f extra-network reputation and political responsibility is more important than intra-network reputation and norms of reciprocity, blame avoidance strategies are more likely". One salient question is how reputational considerations affect the motivation of government agencies to engage in interagency collaborations and to select particular modes of collaboration?

As we are just beginning to understand the magnitude of the role of bureaucratic reputation, we are also just beginning to grasp the breadth of research opportunities available concerning this topic. I anticipate that the next ten years will bring about pivotal research regarding this topic, and this research will redefine the manner with which administrative agencies and public bodies are viewed and studied.

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¹ I thank Sharon Gilad for raising this point.

² A notable exception is Moe's (1984) review essay entitled "The New Economics of Organization" which lays out in simple terms the role of reputation of bureaucrats as an important mechanism that facilitates the monitoring job of politicians over the bureaucracy. According to Moe (1984, 767), "[o]ne [mechanism] is the reputation of bureaucrats. Over time, politicians are able to observe bureaucratic behavior and, for many of the more important actors, arrive at tacit agreement as to their honesty, competence, ideology, innovativeness, and other qualities of relevance". This insight, however, did not trigger much research on bureaucratic reputation in the scholarly community that employs principal-agent models.

³ At present, this is an important factor that distinguishes bureaucratic reputation theories from blame-avoidance theories (Hood 2011; Carpenter and Krause 2012, 29).

⁴ For an alternative view of reputation as socially constructed, see Rao (1994).

⁵ On the problems most public organizations will face when adopting the reputation management logic, see Waeraas and Byrkjeflot (2012).