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"AMERICAN DEMOCRACY":
Corporate political involvement and stakeholder evaluations

ABSTRACT

The practice of corporate sociopolitical involvement (CSPI) is riddled with variance. This paper focuses on the role and impact of variance in two areas of CSPI: (1) firm action and (2) employee partisan leanings. Using data on employee satisfaction, we examine how firms' participation in CSPI affects their ratings as an employer. We use a split-sample analysis to analyze firms within different ideological clusters, and we differentiate firm action by degree of controversiality. Our findings demonstrate a mixed impact of CSPI on employees. Employee satisfaction increased when employees were highly unified in their political ideology *and* that ideology aligned with the firm's action. When employees' ideology was mixed, or misaligned with the firm's action, firms did not reap any rewards. However, beyond the lack of rewards, we find that firms with a mix of political ideologies respond negatively to firms when their action is more controversial than other firms' actions. The paper concludes with a discussion of implications and needs for future research.

1.0 INTRODUCTION

Corporations in the United States have long-standing methods for strategically influencing the political world—such as lobbying, Congressional testimonies, building relationships with politicians, and more. These tactics provide a direct avenue for firms to influence policies and bills to their advantage (Hillman *et al.*, 2004). When considering this array of established strategic options available to a firm, why would publicly speaking up on a societal concern – or at least one beyond the firm's purview – be pursued? Some would suggest that the issue must align with the firm's identity or strategy – or both (Bundy *et al.*, 2013). Others argue that such action is the result of the CEO using their business platform to further personal beliefs (Hambrick & Wowak, 2021). And a wide range of research point us toward firm stakeholders, proposing that firms are seeking to appease those that feel strongly about the cause at hand (Briscoe *et al.*, 2014; Briscoe & Gupta, 2016; Bundy *et al.*, 2013).

Whatever the case, when firms make the choice to speak out on societal issues or concerns, audience heterogeneity presents the likelihood of a mixed impact on stakeholders – such as alienation, disapproval, or cohesion. Recent research underscores the inevitability of this paradox, particularly as societal and ideological divisions rise (Hambrick & Wowak, 2021; McKean & King, 2021; Wowak *et al.*, 2022). Even if a firm's actions are only directed at or intended for a specific audience, any stakeholder privy to the action will have their own perception and response. Thus, while any strategic choice carries the potential for undesired consequences (e.g., negative, unintended, or peripheral), this risk is heightened when dealing with an array of audiences, their values, and their relationship to the firm. No matter how thoroughly considered or well-intentioned, such strategies have the potential to backfire.

Essentially, there is no clear one-size-fits-all strategy for firm responsiveness (Bundy *et al.*, 2013), especially when related to matters beyond a firm's core product. The complexity of this increases when dealing with contested or divisive issues. While some societal concerns are relatively benign or generally accepted, many are directly political or have partisan implications. Nuance in this area comes from firms as well, as their responses to a sociopolitical event or issue even demonstrate a spectrum of controversiality, ranging from relatively neutral to taboo. Thus, we seek to address the question: **How do varying degrees of controversiality in corporate responsiveness affect stakeholders' perception of the firm?**

To examine this tension, we turn to the phenomenon of corporate sociopolitical involvement (CSPI): where action is taken by a firm related to a contested sociopolitical issue. One of CSPI's defining features is that it often deals with some degree of controversiality, which we define as relating to an issue that does not have societal consensus or is divisive, particularly one that has a clear partisan association. Thus, examining the tension above through the lens of CSPI is particularly fitting because it inherently involves contested issues. When a firm participates in CSPI, the ideological connotations of such action could lead employees to evaluate whether or not the firm is on their side – regardless of the firm's intentions.

One peculiarity of CSPI is while statements may appear rather homogenous across firms, even subtle differences could hold important effects. For instance, although research in this area places a strong focus on the CEO (e.g., Chatterji & Toffel, 2019; Hambrick & Wowak, 2021; Wowak *et al.*, 2022), the actors behind CSPI range from the firm as its own entity to a mix of individuals (e.g., CEO, VP of communications, VP of diversity & inclusion, etc.). A closer examination across firms' sociopolitical statements and action can reveal degrees of effort or resources committed to a cause (McKean, 2022). Areas for potential differences include a firm's action, rhetoric, audience, partisan associations, meaning, impact, and so on.

This multi-faceted range of factors brings challenge and complexity to researchers seeking to understand the impact of CSPI; especially when considering how to account for, measure, and evaluate interactions among these different elements. Recent research has looked at levers such as CEO characteristics (Wowak *et al.*, 2022), brand image (Bhagwat *et al.*, 2020), and ideological alignment between employees and top management (McKean & King, 2021). Thus, in this paper we seek to test and build upon recent work related to employees and CSPI; while also highlighting other factors requiring consideration when examining any set of stakeholder reactions.

One way in which we replicate and build upon recent work is by using employee ratings of a firm around a CSPI event (Wowak *et al.*, 2022). We also use the collective ideology within a firm to examine how an organization's political make-up might interact with any shifts in employee ratings. As mentioned above, incorporating organizational political ideology has been an integral part of emerging research on CSPI to better understand the dynamic between a firm's political stance and its employees' collective ideology (Gupta *et al.*, 2017; McKean & King, 2021; Wowak *et al.*, 2022). Most firms have a variety of political views and partisan associations among employees, and so the potential for mixed impact on an individual's sense of value congruence with their firm introduces challenges for strategic human resource management.

Considering this challenge, we use our analysis to investigate the variance in partisan-alignment in both CSPI and organizational ideology. This enables us to provide novel contributions to nonmarket strategy (NMS) literature. First, we highlight that CSPI can have varying degrees of controversiality, and test how employee reactions change according to this variance. Second, we break from the tendency in CSPI work to focus on CEO preferences, and thus provide a different theoretical approach. And third, as previous research has used one linear regression for the entire ideological spectrum, we instead break our sample into different ideological clusters of firms (i.e., conservative, heterogenous, and progressive) in order to better examine the nuance of effects. Our findings show that a more controversial stance was associated with an increase in the number of top ratings for liberal-leaning firms. However, ideologically heterogenous firms that took the same stance found a decrease in ratings.

Ultimately, the purpose of this paper is two-part: (1) to understand the role of controversiality in stakeholder evaluations; and (2) to employ new conditions to test and build upon previous CSPI research. This analysis provides a multi-dimensional perspective of CSPI by looking at different degrees of action taken by firms and how that impacts various ideological clusters of firms. Doing so provides us with the ability to consider the simultaneous benefits *and* risks of corporate activism and sociopolitical involvement.

2.0 BACKGROUND

With CSPI as our empirical lens, we seek to understand the interplay between two factors: (1) who it affects and (2) the degree of controversiality (i.e., partisan associations) of an action. Recent research has started to examine the impact of CSPI on the primary stakeholders of a firm: consumers (Bhagwat *et al.*, 2020; DiRusso *et al.*, 2022), shareholders (Barko *et al.*, 2021), and employees (Burbano, 2021; Wowak *et al.*, 2022). While the consequences of firms' choices have the potential to impact multiple stakeholder groups at once, we choose to focus our study on employees.

Although CSPI may seem inherently outward-facing – inasmuch as the issues typically relate to societal or political stakeholders – research shows that employees are one of the main target audiences of CSPI. For instance, recent studies suggest that CSPI could impact employees' motivation (Burbano, 2021) and P-O fit (Bermiss & McDonald, 2018). Additionally, employees could be a driver for firm participation in CSPI, indicating that political activism, in particular, is a means for firms to positively engage their employees (McKean & King, 2021).

When considering impact on employees, it is important to acknowledge the potential role of values and beliefs (e.g., political ideology) in employee perception. Research examining the collective political ideology of employees in an organization (Gupta *et al.*, 2017) has laid a foundation for scholars to understand how the values and views of internal stakeholders interact with CSPI (McKean & King, 2021; Wowak *et al.*, 2022). While some work has been done to examine employees' reactions to CSPI (e.g., Burbano, 2021, Wowak *et al.*, 2022) there is still room to explore this area of influence, especially when considering the complexities and nuance connected to CSPI (Author, 2022).

To set up how we examine the interaction between stakeholders and ideology, we will first walk through literature that explains why the audience aspect of this interaction matters. We then highlight the dynamic between perceived and actual values of those stakeholders and a firm's participation in CSPI. Afterward we explore how partisan associations play a key role in the potential impact on and evaluations from internal stakeholders.

2.1 A Stakeholder Perspective of Strategic Human Capital

When considering the avenues and tactics firms use for nonmarket strategy, it seems that most often this is direct toward or motivated by external stakeholders. It is clear to see a firm's outward efforts in actions such as responding to private politics (Briscoe & Gupta, 2016; McDonnell & King, 2013), lobbying government officials (Hillman *et al*., 2004), adjusting sustainability efforts in order to improve ESG ratings (Barko *et al*., 2021), or participating in sociopolitical letter campaigns (McKean & King, 2021; Wowak *et al*., 2022). However, even though the connection to external stakeholders in nonmarket strategy is clear, it does not preclude internal stakeholders from being motivation for, participants in, and impacted by NMS. For instance, employees take on a role of 'insider activists' and push for the firm to make changes in policy or practice (Briscoe & Gupta, 2016). Another common avenue for employee involvement in NMS is by contributing to their firm's Political Action Committee (PAC) (Stuckatz, 2022). Additionally, NMS can inadvertently impact employees' sense of purpose (Carnahan *et al*., 2017), feeling of belonging (Brown *et al*., 2020), and overall commitment to the firm (Wowak *et al*., 2022).

Employees are a key group of stakeholders for a variety of reasons. Foundationally, employees are necessary for a firm to function, albeit the number and needed capabilities of employees can vary widely from firm to firm. But some perspectives view employees as a crucial asset for sustainable competitive advantage – whether it be through shaping culture, sustaining a firm's reputation, creating value, and improving customer satisfaction (Barney & Wright, 1998).

However, in order for a firm's human capital to provide a competitive advantage, it needs to be 'imperfectly imitable' (Barney, 1991.) This characteristic can be achieved via avenues such as social complexity or creating value (Barney, 1991; Barney & Wright, 1998). For instance, if a firm works to improve and sustain employee satisfaction, then it can lead to improved customer satisfaction which, in turn, generates value for the firm (Barney & Wright, 1998). Or, if a firm cultivates a culture that speaks to the values of its employees, it provides a competitive advantage by improving retention (Carnahan *et al.*, 2017) and establishing a unique environment (Barney, 1986).

Value congruence – or the alignment of firm and employee values – is an important aspect of establishing the right person-organization (P-O) fit (Bundy *et al.*, 2018; Cable & Judge, 1996; Edwards, 2010; Jones *et al.*, 2014). Individuals perceive P-O fit according to how their values match to the organizations' communicated values (Cable & Judge, 1996). One method of communicating values to employees is participation in corporate citizenship, as it provides a signal of prosocial commitments (Fombrun *et al.*, 2000; Jones *et al.*, 2014). Such efforts in corporate citizenship and social responsibility, along with some form of value or mission statement, are typically outlined on a firm's website (Capriotti & Moreno, 2007). However, this is a relatively low-cost way of demonstrating commitment, and therefore signal quality is likely to be low. CSPI, on the other hand, is a higher-cost avenue through which a firm can communicate its values through a statement or action (Author, 2022) and can serve as a stronger signal of the firm's values. However, it has the potential for demonstrating to employees just how aligned or misaligned their values are with the firm's (Brown *et al.*, 2020; Burbano, 2021).

If there is misalignment, employees may leave the firm (Bermiss & McDonald, 2018; Carnahan *et al.*, 2017) or seek to initiate change within the firm (Brown *et al.*, 2020; Briscoe *et al.*, 2014). For instance, even in the tech industry – a group with a history of leaning left (Manjoo, 2017) – we saw examples of employees speaking up about certain corporate policies or practice. In 2018, Google employees were pushing for more expansive sexual harassment policies (McGregor, 2018). And in 2020, over 1,000 Amazon employees missed work to protest against the company's environmental policies at the Global Climate Strike (BBC News, 2020). In some instances, firms can respond to these pressures by creating mission or value statements that portray a "broader purpose" (McGregor, 2018). In others, however, firms choose to respond by acting in direct relation to a specific event or issue.

2.2 Issue Salience and Controversiality

Value congruence is akin to the concept of issue salience (Bundy *et al.*, 2013)—a spectrum of stakeholders' values and management prioritizing issues related to those values. This understanding suggests that while a firm may take action on a certain issue, it does not mean stakeholders resonate with the firm's position. Decision makers may *think* that the issue being acted on has salience, but could in fact be misinterpreting the desires or values of their internal stakeholders. Or, alternatively, a misalignment between action and employees' values could be an indicator to employees that they are not the firm's top priority. Thus, we can evaluate a firm's action from either the perspective of the decision maker or the stakeholder – the former acting, the latter evaluating.

Optimal situations in the typology of firm responsiveness are when both the values-driven (expressive) logic and strategic (instrumental) logic are aligned (Bundy *et al*., 2013). These circumstances would be when issue saliency is high – that is, when the firm's values and strategic choices align. Other quadrants of this typology indicate whether the issue acted upon (1) conflicts with firm values or (2) is unrelated. However, if we use the make-up of employees' values as a proxy for firm values and identity – i.e., they are the ones driving the expressive logic – what happens when there is heterogeneity in their beliefs? An issue may resonate with some, but not others, leaving its salience ambiguous.

Another element that comes into play when considering issue salience in context and timing (Author, 2022). When it comes to CSPI, issues are relevant inasmuch as they are contemporary. For instance, it has become unsurprising – and almost expected – for CSPI to be done in response to a recent or upcoming event (e.g., passed legislation, election). However, whether the issue seems relevant to the firm's identity and values is a separate matter. If a firm does not have an accurate sense of the viewpoints and priorities of its employees, it may act in a way that feels incongruent with internal firm culture. Additionally, considering that the sociopolitical environment seems to be perpetually evolving, it becomes almost essential for a firm to keep a perpetual pulse on employees' values.

The potential for a mismatch in expressive and instrumental logics increases as controversiality is added into the mix. We define controversiality as relating to an issue that does not have societal consensus or is divisive, particularly one that has a clear partisan association. Both the sociopolitical issue and the firm's stance have varying degrees of how divisive they might be. For instance, a firm could speak up on an issue lower on the scale of divisiveness (e.g., racial equality) but use non-euphemistic language (e.g., "white supremacy," "defund the police") in a way that makes their stance more controversial. Or, a firm might act in relation to a highly divisive issue (e.g., abortion), which in itself could make whatever statement or action in relation to it highly controversial. However, how these degrees of controversiality impact stakeholders' perception and reception of CSPI has yet to be explored.

2.3 Risks and Rewards of CSPI

Considering the above, when facing a choice of if and how to address broader societal issues, there are certain risks and benefits for firms to consider. For instance, given that CSPI is inherently ideologically-charged, it stands to reason that various partisan leanings will have different reactions. As has been discussed in extant CSPI research, this emerging form of corporate action has the potential to simultaneously alienate some stakeholders while appeasing others.

When there is alignment between the ideological views of top management and general employees, a firm is more likely to engage in CSPI; thus providing a way to reflect employees' values (McKean & King, 2021). Additionally, when the CSPI action aligns with organizational ideology, a firm is more likely to see an increase in commitment to the firm (Wowak *et al*., 2022). However, when these views and values do not align, firms might find a decrease in employees' motivation (Burbano, 2021), commitment (Wowak *et al*., 2022), and retention (Bermiss & McDonald, 2018). This issue becomes increasingly important if the risks firms face with CSPI outweigh its potential benefits. For instance, Burbano (2021) not only found a strong demotivating effect from CSPI when values are misaligned, but also did not find statistical support for any motivating influences.

Thus, consistent with this research (i.e., Bermiss & McDonald, 2018; Burbano, 2021; Wowak *et al*., 2022), we would expect that CSPI would lead to either increased or decreased satisfaction with the firm, according to the general ideological alignment of values between employees and the CSPI action taken:

> **H1a**: Overall employee satisfaction will ***decrease*** for firms with an ideological leaning ***misaligned*** with their CSPI.
> **H2a**: Overall employee satisfaction will ***increase*** for firms with an ideological leaning ***aligned*** with their CSPI.

However, there are several key factors that require consideration as we seek to provide more depth in CSPI research: (1) the tendency to focus on CEOs; (2) the difference in impact across issues and contexts; and (3) the variance in *how* firms perform CSPI. First, the majority of studies on CSPI thus far place a strong emphasis on the CEO (e.g., Brown *et al.*, 2020; Burbano, 2021; Chatterji & Toffel, 2019; Hambrick & Wowak, 2021; Wowak *et al.*, 2022) in a way that paints CSPI as a predominantly CEO-centric phenomenon. However, in practice CSPI is not inherently tied to the CEO or their beliefs (Author, 2022). Thus, it is important to provide studies that look from the perspective of CSPI as a **firm**-led action, not individually led.

Second, further research is needed to provide understanding of whether and how the impact of CSPI varies across both sociopolitical issues and time (e.g., context). While some issues may have clear and enduring partisan associations (e.g., abortion), others are less salient. Additionally, CSPI is often done in response to a specific event (e.g., policy or law passing, a violent attack, etc.), and the variance among context-related factors could also impact how CSPI is received. Third, while some instances of CSPI involve a uniform response from firms (e.g., a letter campaign), there is often room for variance – in both words and action – in how firms display their sociopolitical stances.

Considering these factors, while our analysis has similarities to the work of Wowak *et al.* (2022) and others by looking at employee response to CSPI; but we build upon it by looking at varying degrees of controversiality in CSPI, where it is (1) associated with the firm (not just the CEO) and (2) in relation to different issues and events. At the extremes of the ideological spectrum, we would expect a more controversial action or stance to serve as an amplifier of effects. Our reasoning is that within the extremes of partisan association are found a deep commitment and engrained sense of loyalty (Finkel *et al.*, 2020). Thus, if an action is – to some degree – more controversial in a way that (mis)aligns with one's views, it will establish an even greater sense of unity (or alienation). The siloed nature of these firms with uniform ideological leanings would foster such a reaction.

However, we would anticipate a different reaction from the firms with ideological heterogeneity among employees. By nature of how the organizational ideology scores are measured, these firms are either made up of (1) many moderates or (2) a diverse range of ideologies on the conservative-progressive spectrum. In either case, by nature these firms are not as subject to an echo chamber effect and thus might be more wary of steeping toward the extreme, regardless of the direction. Thus, we anticipate that taking a more controversial stance would be off-putting to members of heterogenous firms, and thus lead to a decrease in employee satisfaction. Thus, we propose the following hypotheses in relation to degrees of controversiality:

> **H1b**: Where ideology ***misaligns*** with CSPI, controversiality will lead to a ***greater decrease*** in employee satisfaction.
> **H2b**: Where ideology ***aligns*** with CSPI, controversiality will lead to a ***greater increase*** in employee satisfaction.
> **H3**: Where firms are ideologically ***heterogenous***, controversiality will lead to a ***decrease*** in employee satisfaction.

3.0 DATA AND METHODS

3.1 Empirical Case

To examine the question of how CSPI impacts internal stakeholders, we chose to look at employee reviews before and after an external event that prodded corporate response. On January 6, 2021, the United States' Congress was meeting to vote on certification of results from the 2020 election. There were 147 members of Congress – all Republicans – who had expressed intent to vote *against* ratifying election results. (We will refer to this group as **"objectors"** moving forward.) That morning, Donald Trump held a rally by the White House, during which he gave a speech that encouraged attendees to "walk down" to the Capitol to "cheer on our brave senators and congressmen and -women … Because you'll never take back our country with weakness. You have to show strength. You have to be strong" (Leatherby *et al.*, 2021). A large crowd had already gathered at the Capitol, and soon pushed officers and breached barricades in order to enter the building. Members of Congress were evacuated before the crowd could get to them, but the event was violent and destructive.

This event produced an overarching sense of shock, fear, and anger across the country. While these negative reactions were shared across partisan lines, left-leaning individuals were more likely to express disappointment and fear, whereas right-leaning individuals were skeptical of the source of the riot[1] (Gramlich, 2022). This event was a vivid and shocking reflection of the state of U.S. politics and culture.

3.2 Data

For our risk set, we focused on the 2020 list of Fortune 500 companies, which provides a variance in industry while also providing a shared "success" indicator. Data for these companies was gathered from Glassdoor (employee reviews), the Federal Election Commission (individual political donation data), Compustat (firm size and performance), and news articles and company press releases (CSPI action). Descriptive statistics can be found in Table 1; and correlation values can be found in Appendix A, Table 13.

[insert Table 1 here]

[1] These groups thought perhaps that extremist left groups (e.g., Antifa) had started the riot, rather than Trump supporters.

Aside from the information on CSPI action, all data came from existing databases. We hand-compiled and -coded information on firms' responses to the Capitol Insurrection. We first looked for information for each firm in a few key news articles that had extensive lists of firms that took action. If the firm was not listed in those articles – or if detail on the firm's action was minimal – then we searched for "[firm name] + capitol insurrection" during the two-month period following the riot. Through these two approaches, data on firms' CSPI was found on news sites, company websites, and company social media pages. We coded for several items: whether a firm took action in general; if the firm stated they were pausing congressional donations, to whom, and for how long; and if the firm made a statement, what the statement said, and if the statement was employee-oriented. We also included information on their donation history to objectors, if available. However, in running our regressions, we only used variables related to firms pausing donations.

Out of the 500 firms in the 2020 list, we dropped firms if they had fewer than 10 reviews within the 1-year time range of our data, which totaled 17 firms. Of the remaining firms, one was a repeat company (i.e., the public- and private-arm of the firm both made the list) and 31 did not have firm size and performance data (Compustat). Thus, our final analysis examines 451 firms, with a total of 237,128 Glassdoor reviews.

Dependent Variables

Our dependent variables are all derived from data gathered from Glassdoor.com. This website is a popular space for individuals to leave anonymous reviews about a current or previous employer. Reviewers are required to rate the company on a scale of 1 to 5, and have a free space to write about pros and cons of working for the company. The review process also allows individuals to give suggestions, indicate certain 'flags' (e.g., if they approve of the CEO), and, in more recent years, rate the firm on sub-categories like Diversity & Inclusion, Culture & Values, etc. Data from this site has been used in other research to examine employee reactions to firm statements and/or action (e.g., Sharkey *et al.*, 2022; Wowak *et al.*, 2022). While we gathered review data from January 1, 2020 to December 31, 2021, we limited our analysis[2] using reviews from the one-year period surrounding the Capitol Insurrection (July 2020 through Jun 2021).

For our main dependent variable measuring employee satisfaction we look at the ***overall rating*** given to a firm. As mentioned above, this rating could range from 1 to 5 stars (see Figure 1). In addition to this, we also created binary variables for if the employee gave the firm a ***top rating*** (i.e., 5/5) or a ***low rating*** (i.e., 1/5). We use these variables to perform logistic regression examining whether firms were more likely to receive one of these extreme ends of ratings after the Capitol Insurrection.

[insert Figure 1 here]

Independent Variables

We use three sets of independent variables, accounting for time, a firm's (in)action, and political ideology. ***Post-riot*** is the variable used to indicate the time period in which a review was made. Any review made prior to January 6, 2021, was coded as a 0 to indicate the pre-riot period (July 1, 2020 – January 5, 2021). All reviews from January 6 onward were coded as a 1 for the ***post-riot*** period (January 6, 2021 – June 30, 2021).

We use two different variables to measure a firm's response to the Insurrection. First, ***paused donations*** is a binary variable which indicates whether a firm paused Congressional donations after the Insurrection. Out of 451 firms, 134 (29.71 percent) announced that they would be pausing donations. ***Congress*** is a categorical variable that indicates whether that pausing of donations was

[2] Part of this decision was to avoid noise or impact that came with the onset of COVID-19 in March 2020.

inclusive of ***all*** members of Congress (90 firms; 19.96 percent), or targeted the ***objectors*** specifically (44 firms, 9.76 percent). We argue that firms specifically targeting objectors are taking a more controversial action than those who did a blanket pause of donations.

[insert Figure 2 here]

We also use ***employee ideology*** as a way to measure the ideological leanings of the firm. We gathered individual political donation data from the Federal Election Commission (FEC) during the 10 years prior to our analysis (2011-2020). We then matched and clustered the data by firm according to the "employer" field. As with other papers in this area (e.g., McKean & King, 2021; Wowak *et al*., 2020), we follow the methods of Chin *et al*. (2013) and Gupta *et al.* (2017) to create a composite measure of a firm's aggregate ideological leaning. This method produces a measure of 'liberalness' along a scale of conservative (0) to liberal (100). However, unlike the original method of calculating organizational ideology, we exclude both the CEO's and top management team's political donations from the measure. Given that we are seeking to understand the general employee perspective, isolating ideological leanings from those of the executives' views seems prudent. The average employee ideology was 54.83, with a standard deviation of 20.88.

Control Variables

In addition to the above, we also control for a few reviewer- and firm-specific variables. On the reviewers' end, we control for whether the review is made by a ***current employee*** and their ***length of employment*** (in years). Glassdoor only indicates the general timeframe of tenure – such as "less than one year," "more than one year," "more than 3 years," and so on, with a cap of "more than ten years." Given this, *length of employment*'s range of values is 1, 2, 4, 6, 9, and 11. For firm-specific controls, we include a standardized measure of ***total employees*** to capture firm size, as well as ***ROA*** (return on assets) to capture firm performance. Both of these measures were calculated by taking the mean of a five-year period (2016-2020) to reduce catching irregular size or performance. Due to the fact that we perform a split-sample analysis (discussed below), we restricted our control variables to the four listed above because we didn't want to risk losing too many firms from the smaller sub-sets by pulling controls from more outside sources.

3.3 Analysis

To examine whether a firm's CSPI impacted employee satisfaction, we used a difference-in-differences (DiD) design. This approach provides a way to analyze the variance (i.e., difference) in shifts (i.e., differences) of specific measures after an exogenous shock. In this instance, our shock and time-period indicator is the Capitol Insurrection, and the treatment group are firms that chose to respond to the Insurrection by pausing Congressional donations. Using DiD is the best analysis for our question because it provides a way not only to examine effects after an exogenous shock (the Capitol Insurrection), but to also examine the difference in responses between our treatment and control groups. We interact these two variables in our regressions in order to create the DiD effect. Support for our hypotheses would show statistically significant interaction terms. We use Ordinary Least Squares (OLS) regression to examine how employees rated their company – looking to see whether CSPI influence a firm's (1) overall rating, (2) likelihood to receive a top review (5-star), and (3) likelihood to receive a low review (1-star).

Using DiD is the best analysis for our question because it provides a way not only to examine effects after an exogenous shock (the Capitol Insurrection), but to also examine the difference in responses between our treatment and control groups. Given that we are also using a split-sample, there may be concern that there are more "treated" firms in the predominantly liberal group than in the conservative group. However, the treatment group consisted of about 26-31 percent of firms within each ideological sample (see Figure 3). While there is variance in degree of controversiality across ideological samples, we feel that a 5 percent range for the general treatment group is small enough to reduce concern for the treatment being endogenous to employee ideology.

[insert Figure 3 here]

In an ideal world the Glassdoor data would also have information on the reviewers' political beliefs. However, given that the reviews (1) do not include this information and (2) are anonymous, we have to use a measure of a firm's aggregate political leaning to examine value congruence. To better see the nuance and variance in response among different ideological leanings, we perform split-sample analysis where companies are divided into three ideological groups: (1) predominantly conservative (<29), (2) heterogenous/moderate (29-81.25), and predominantly liberal (>81.25). The ideological cut-offs for these groups were determined by relative percentage of the overall sample – with the heterogenous group consisting of 75 percent of the total sample (340 firms), and predominantly conservative and liberal firms each consisting of 12.5 percent of the total sample (56 and 55 firms, respectively). See Figures 2 and 3 for the distribution of firms within these groups.

4.0 RESULTS

When examining a simplified version of our treatment effect – i.e., whether they paused donations, regardless of the degree of controversiality – we find some interesting results (see Table 2). First, although ratings increased for aligned (predominantly liberal) firms that paused Congressional donations, this effect was not statistically significant (coef.=0.042, p=0.107). Second, the effect for misaligned (conservative) firms produced a positive coefficient, which was unexpected; but there was no significant change (coef.=0.008, p=0.922). Thus, our results do not support Hypotheses 1a and 2a. However, contrary to what we anticipated, there was a statistically significant decrease in ratings for moderate firms (coef.= -0.050, p=0.038) when examining just pausing donations overall.

Given the variance in firm responses – and its potential to provide nuanced results – we further break down firm's action by degree of controversiality, which also allows us to test our second set of hypotheses. We view firms choosing to pause donations to all of Congress as less controversial ("mild"), and firms choosing to only pause donations to objectors as more controversial. Results examining these conditions can be found in Tables 3 and 4. Misaligned firms did not demonstrate any changes in results when breaking the response into degrees of controversiality. Hypothesis 1b is thus not supported.

[insert Tables 2 and 3 here]

In the models examining ideologically heterogenous firms, we find no significant change for firms in the mild condition when looking at overall rating (coef.= -0.013, p=0.522), 5-star reviews (coef.=0.002, p=0.744), and 1-star reviews (coef.=0.003, p=0.419). However, when testing for the controversial condition, ideologically heterogenous firms saw a statistically significant decrease in ratings (coef.= -0.078, p=0.011), where there was a decrease of 7.8 percent following the Insurrection (see Figure 4). These firms were more likely to receive a 1-star review (coef.=0.012, p=0.005) and less likely to receive a 5-star review (coef.=-0.024, p=0.026) following the Insurrection – providing strong support for Hypothesis 3. The 1-star reviews increased by 1.2 percent post-Insurrection, and the likelihood of 5-star reviews decreased by 2.4 percent.

[insert Figure 4 here]

For aligned (predominantly liberal) firms, overall ratings increased for both the mild (coef.=0.067, p=0.295) and the controversial condition (coef.=0.033, p=0.133) – but neither were statistically significant. When examining changes in 1- and 5-star ratings for this group, they are 2.2 percent more likely to receive a 5-star review post-Insurrection when in the controversial condition (coef.=0.022, *p*=0.027). However, there was no statistically significant effect related to receiving 1-star ratings. Given these results, we only find partial support for Hypothesis 2b.

[insert Table 4 here]

4.1 Robustness Checks

We tested the robustness of our results by using different approaches that would be expected to provide similar results. For the models looking at overall employee ratings, we ran the regressions through Stata's built-in DiD function (diff). Results were consistent with the OLS regression when testing for Hypotheses 1a and 2a (see Appendix A, Table 10). However, this function does not allow for multiple options in the treatment variable, so we were not able to run the regression testing for paused donations to "all" and "objectors" at the same time. Hence our decision to use OLS for our main models. We also created parallel trends graphs to provide visual representations of how treated firms were affected (see Appendix A, Figure 5). Additionally, we followed the method used by Wowak *et al.* (2022) to provide another approach to DiD. In this approach, we took the difference between the mean of each time period (i.e., T2 mean – T1 mean), clustered by company. We then ran a set of firm-level OLS regressions (opposed to the review-level of the other two approaches) with the difference as the DV. This approach did not provide any statistically significant results (see Appendix A, Table 11). One reason behind this could be that by only using the mean for a 6-month period, we lose nuance related to timing.

To test the robustness of our models with binary DVs, we also ran them as logistic regression (see Appendix A, Table 12). Results were consistent with those from the OLS models, with one difference: predominantly conservative firms were less likely to receive 1-star reviews under the controversial position (coef.= -0.373, *p*=0.009). Granted, there were only 3 firms that fell into this category, but it is worth noting. We also ran various models with different control variables – such as CEO and TMT ideology, whether a firm's statement was employee-centric, etc. – none of which impacted results.

3.4b Limitations

While our risk set selection provides a variety of firms, we recognize that the firms within the list are not randomly selected. We also acknowledge that the treatment is not randomly assigned to the firms within the risk set, but rather left to whether firms chose to respond to exogenous shock. However, given that (1) the shock was not directed toward any specific firms and (2) there is variance among the firms that paused donations (e.g., see Appendix A, Table 14), we see fit to use a firm's choice to pause donations as the treatment condition.

Additionally, as discussed earlier, there are some limitations due to data collection issues and availability. Some of these limitations are due to firms simply not having enough reviews during the time period to provide analytical strength.

5.0 DISCUSSION

Considering the array of issues, audiences, events, and possibilities for responses, it is no surprise that CSPI is riddled with variance across the board. Previous research demonstrates rather straightforward effects and perspectives of CSPI, but this dissertation demonstrates the clear need to delve into the nuance that comes from so much variance in CSPI. Heterogeneity not only adds nuance to CSPI, but it also feeds variance of other factors that make up a firm. Our findings show that complexity in firms' responses (i.e., degrees of controversiality) lends to additional variance in how stakeholders are impacted (i.e., change in employee satisfaction). In the case of our analysis, this variance was reflected in the reaction of employees in ideologically heterogenous firms: while there was no statistically significant change for firms whose CSPI was relatively neutral, firms that took a more controversial step in their CSPI found a significant decrease in employee satisfaction. This decrease was found not only in overall rating, but these firms were also more likely to receive a 1-star review – and less likely to receive a 5-star review – after the Insurrection.

The more controversial action had the opposite effect on left-leaning firms, where they were more likely to receive a 5-star review. However, the value congruence had to be on the extreme end of the ideological spectrum in order to find this positive impact. The effect for the more heterogeneous groups, on the other hand, withstands adjustments in ideological threshold. This may be an indicator that the risks of taking greater degrees of controversiality in CSPI may outweigh the benefits. However, when it comes to longevity of effects, predominantly liberal firms find rewards to taking action that endure longer than the negative consequences for mixed firms. Which, in turn, may suggest that the boost for firms are worth it in the long-term.

Additionally, *inconsistent* with similar work, we did not find support for a negative impact on employee satisfaction when ideological views are misaligned with CSPI. That is, while results showed a decrease in employee satisfaction for firms on the extreme conservative end, these results were not statistically significant. A few factors specific to our empirical case could have impacted this. First, the Capitol Insurrection was so unexpected and violent that event conservatives expressed shock (Gramlich, 2022). Second, considering the amount of dispute around the election and voting, conservatives may have viewed pausing donations to all of Congress as a way for firms to express their concerns about the general political process. Third, no conservative firms took the more controversial action (pausing donations to only objectors) – thus, we are unable to see how a greater degree of controversiality interacts with misalignment of employees' partisan leanings.

Differences between our findings and previous work highlights some important needs for future research. These needs are related to the sociopolitical nature of CSPI, and our understanding of how firms are impacted by risks and benefits. First, considering that the results for our first set of hypotheses did not match those of Wowak *et al.* (2022), we suggest that some findings in the realm of CSPI research may not be generalizable across issues or context. Variance is abundant across the sociopolitical spectrum – in issues, timing, events, context, and so on. This fact greatly impacts our ability to fully analyze and understand CSPI. Our analysis highlights the difficulty current and future researchers face in determining whether generalizable findings are possible within this area of research; and if so, how to develop them. A driver behind initial CSPI research was the expectation that stakeholders would respond CSPI in the same way — that is, their response it to the firm taking political action, and assuming that any left-leaning action would receive the same reaction. However, our findings suggest that there is more to issue-specific details in the implications and consequences of CSPI, and thus findings in this area will be difficult to generalize.

Another need related to the *sociopolitical* in CSPI is differentiating between the social and the political. At present, these two areas are practically synonymous because social issues often have strong partisan associations – partisan has become conflated with political. While firms may not have control over how their CSPI is perceived, they do have control over their rhetoric and the degree to which it is directly political. This illustrates a spectrum adjacent to that of the controversiality (i.e., partisan) spectrum: one of political connection. The case used in our analysis – response to the Capitol Insurrection – is purely political. However, other cases – such as firm responses to North Carolina's HB 2 (McKean & King, 2021; Wowak *et al.*, 2022) – may be directed at a politician or related to a policy, yet have strong social implications. Thus, while there is very much the potential for a blending of social and political in CSPI, it should not be assumed.

In regard to contributions to strategic human capital research, our findings emphasize a way in which some firms can find longer-lasting effects on employee satisfaction, which could, in turn, could contribute to a firm's unique recipe for sustainable competitive advantage. This supports other research suggesting that nonmarket strategy can provide a way for firms to strengthen their employee relations, and not just external stakeholders. For instance, Carnahan *et al.* (2017) found that CSR practices can reduce turnover by providing a sense of meaning and purpose. Interestingly, this impact of NMS on retention was particularly strong in circumstances where employees might be reevaluating whether their job aligns with their goals or provides meaningfulness, such as after a large external shock. Thus, by strengthening culture, improving employee satisfaction, and providing retention benefits, various forms of nonmarket strategy can provide value congruence for employees. Considering that our case also examines external shocks, it would be worth further exploring long-term or unanticipated benefits of nonmarket strategy. Perhaps NMS practices can help to protect the firm from exogenous shocks by providing employees with a sense of belonging and safety.

Finally, this analysis highlights the need for understanding more about the risks and rewards of CSPI. While our results provided a look into firms that benefitted and firms that suffered as separate groups, we have yet to understand whether and how a firm is *simultaneously* impacted by risks and rewards. In other words: Does a realized risk for a firm exclude it from also reaping benefits from the same action? Logic and discussion suggest a firm will face both simultaneously, but extant research only demonstrates firms that find either or. Thus, a task for future research is to find methods for examining this nuance within a firm.

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TABLES AND FIGURES

Table 1. Means, Standard Deviations, and Descriptions for Variables Used in Analytic Sample examining Corporate Participation in CSPI

Variable	Range	Pre-Insurrection Mean/N[a]	Pre-Insurrection SD/%[b]	Post-Insurrection Mean/N[a]	Post-Insurrection SD/%[b]
Glassdoor Ratings					
Overall Rating	(1,5)	3.64	1.22	3.63	1.22
Five-Star Review	(0,1)	25,985	29.65	43,270	28.94
One-Star Review	(0,1)	7,074	8.07	12,141	8.12
Insurrection Response					
Paused Donations	(0,1)			134	29.71
To All of Congress	(0,1)			90	19.96
To Objectors Only	(0,1)			44	9.76
Control Variables					
Review-Level Variables					
Current Employee	(0,1)	45,228	51.61	83,898	56.12
Length of Employment	(1,11)	3.84	3.04	3.78	2.90
Firm-Level					
Employee Ideology	(4.86,99.6)	54.83	20.88		
# Employees (standardized)	(-0.62,4.18)	-0.493	0.282		
ROA	(0.03,7.26)	0.958	0.905		
N (reviews) = 237,128		87,637		149,491	
N (firms) =451					

[a] Mean given for continuous variables, frequencies given for categorical variables.
[b] Standard deviations given for continuous variables, percentages for categorical variables.

Figure 1. Distribution of Glassdoor Ratings (percent of total reviews in time period)

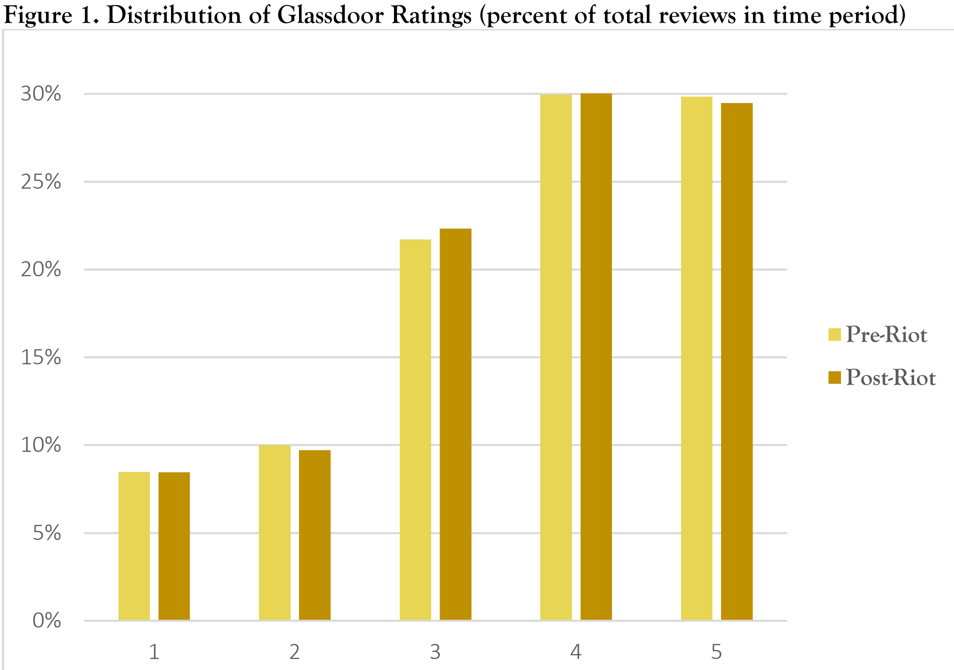

Figure 2. Distribution of Corporate Response (count)

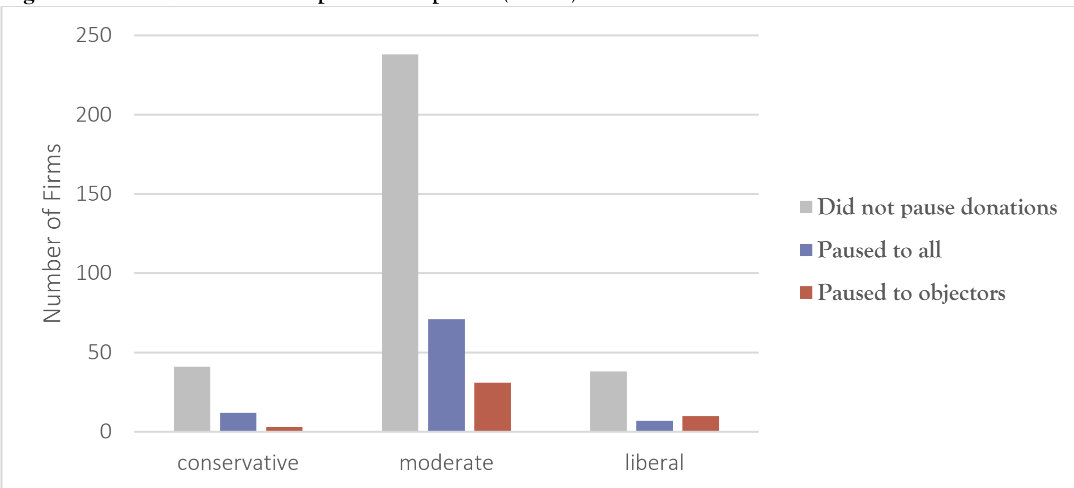

Figure 3. Distribution of Corporate Response (as a percentage of ideological group)

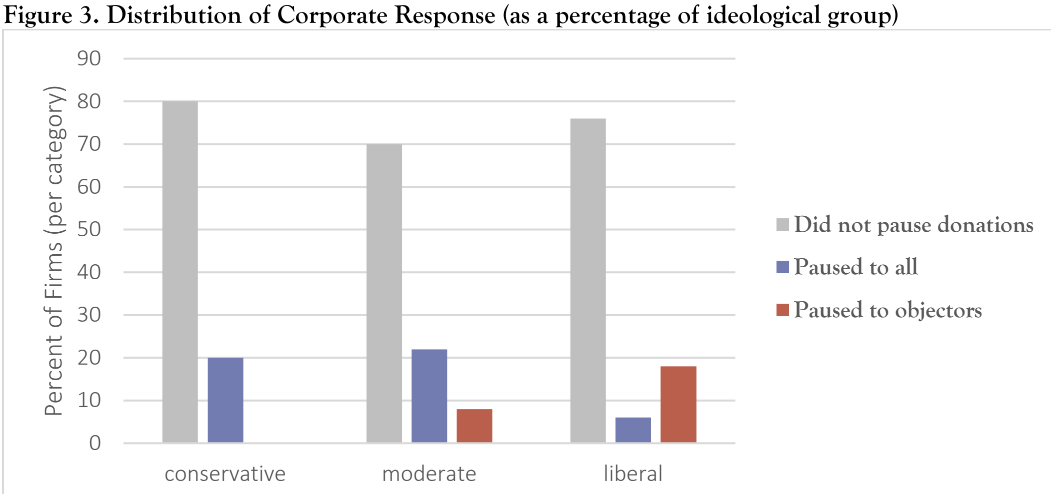

Figure 4. Predictive Margins for Employee Ratings from Ideologically Heterogenous Firms

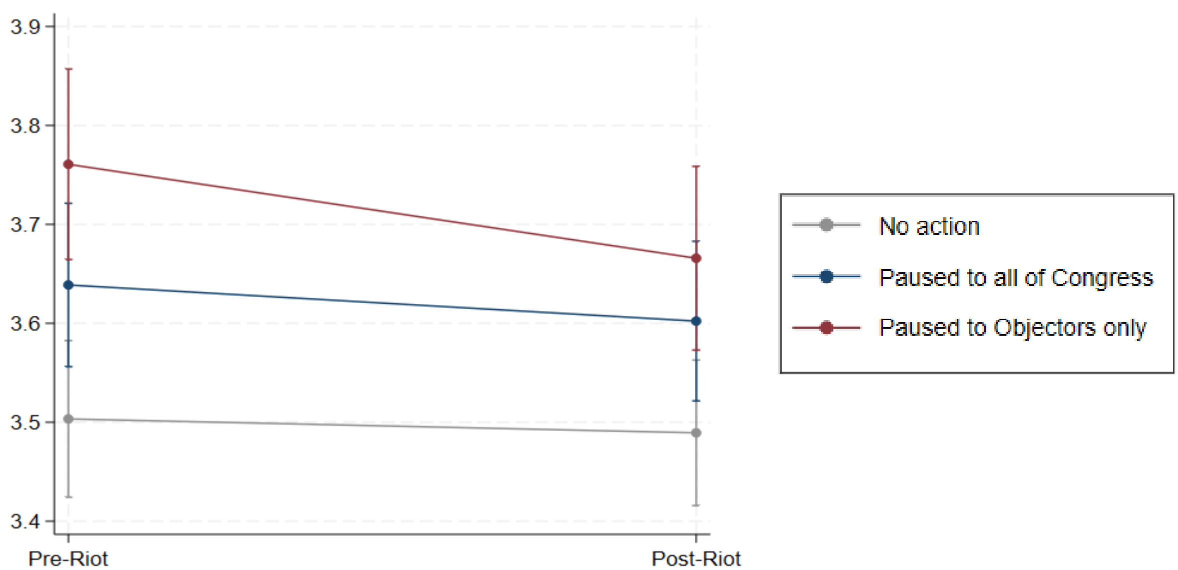

Table 2. Condensed IV – *OLS regression examining individual Glassdoor reviews, clustered by firm*

	Model 1 conservative (<29)	**Model 2** mixed (29-81.25)	**Model 3** liberal (>81.25)
Post-Insurrection	0.035	-0.014	-0.046
	(0.538)	(0.359)	**(0.002)**
Paused Congressional Donations	0.027	0.200	0.262
	(0.902)	**(0.000)**	**(0.043)**
Post-Insurrection **x** Paused Donations	0.008	-0.050	0.042
	(0.922)	**(0.038)**	(0.107)
Employee Ideology	-0.022	0.004	0.027
	(0.070)	**(0.010)**	(0.090)
Current Employee	0.590	0.419	0.431
	(0.000)	**(0.000)**	**(0.000)**
Length of Employment	-0.028	0.000	-0.020
	(0.176)	(0.976)	**(0.020)**
Number of Employees	-0.716	-0.074	0.362
	(0.495)	**(0.000)**	**(0.020)**
ROA	0.036	-0.068	-0.212
	(0.656)	**(0.039)**	**(0.000)**
Constant	3.289	3.133	1.606
	(0.000)	**(0.000)**	(0.239)
Model R^2	0.0684	0.0466	0.0813
N (reviews)	7,381	195,690	34,057
N (firms)	56	340	55

P-values reported in parentheses; two-tailed tests

Table 3. Degrees of Controversiality – *OLS reg. examining individual Glassdoor reviews, clustered by firm*

	Model 1 conservative (<29)	**Model 2** mixed (29-81.25)	**Model 3** liberal (>81.25)
Post-Insurrection	0.039	-0.014	-0.046
	(0.496)	(0.359)	**(0.002)**
Paused Congressional Donations			
To all of Congress	-0.115	0.144	0.157
	(0.634)	**(0.008)**	(0.392)
To objectors only	0.648	0.257	0.293
	(0.000)	**(0.000)**	**(0.024)**
Post-Insurrection **x** Paused Donations			
To all of Congress	-0.007	-0.013	0.067
	(0.930)	(0.522)	(0.295)
To objectors only	0.057	-0.078	0.033
	(0.419)	**(0.011)**	(0.133)
Employee Ideology	-0.029	0.003	0.026
	(0.027)	**(0.034)**	(0.120)
Current Employee	0.580	0.418	0.430
	(0.000)	**(0.000)**	**(0.000)**
Length of Employment	-0.027	-0.000	-0.021
	(0.143)	(0.949)	**(0.017)**
Number of Employees	0.146	-0.085	0.313
	(0.903)	**(0.000)**	(0.055)
ROA	0.038	-0.070	-0.206
	(0.623)	**(0.030)**	**(0.000)**
Constant	3.914	3.163	1.729
	(0.000)	**(0.000)**	(0.215)
Model R^2	0.0832	0.0471	0.0819
N (reviews)	7,381	195,690	34,057
N (firms)	56	340	55

P-values reported in parentheses; two-tailed tests

Table 4. Degrees of Controversiality – *OLS reg. examining individual Glassdoor reviews, clustered by firm*

	conservative (<29)		mixed (29-81.25)		liberal (>81.25)	
	Model 1	**Model 2**	**Model 3**	**Model 4**	**Model 5**	**Model 6**
	1-star reviews	5-star reviews	1-star reviews	5-star reviews	1-star reviews	5-star reviews
Post-Insurrection	-0.004	0.029	-0.000	-0.009	0.004	-0.022
	(0.761)	(0.211)	(0.898)	(0.053)	(0.256)	**(0.001)**
Paused Congressional Donations						
To all of Congress	0.069	0.014	-0.022	0.034	-0.011	0.051
	(0.282)	(0.724)	**(0.012)**	**(0.047)**	(0.576)	(0.530)
To objectors only	-0.082	0.154	-0.031	0.080	-0.018	0.108
	(0.006)	**(0.006)**	**(0.004)**	**(0.002)**	(0.118)	(0.051)
Post-Insurrection **x** Paused Donations						
To all of Congress	-0.005	-0.019	0.003	0.002	-0.011	0.022
	(0.789)	(0.488)	(0.419)	(0.744)	(0.375)	(0.433)
To objectors only	-0.015	0.017	0.012	-0.024	-0.005	0.022
	(0.251)	(0.467)	**(0.008)**	**(0.026)**	(0.216)	**(0.027)**
Employee Ideology	0.005	-0.005	-0.001	0.000	-0.003	0.009
	(0.086)	**(0.047)**	**(0.035)**	(0.755)	**(0.037)**	(0.214)
Current Employee	-0.069	0.164	-0.053	0.118	-0.042	0.151
	(0.000)	**(0.000)**	**(0.000)**	**(0.000)**	**(0.000)**	**(0.000)**
Length of Employment	0.006	-0.006	-0.001	-0.001	0.001	-0.011
	(0.330)	**(0.040)**	(0.229)	(0.187)	(0.655)	**(0.000)**
Number of Employees	-0.335	-0.459	0.009	-0.026	-0.075	-0.002
	(0.217)	(0.103)	**(0.005)**	**(0.000)**	**(0.000)**	(0.971)
ROA	-0.008	0.003	0.007	-0.017	0.022	-0.066
	(0.652)	(0.879)	(0.097)	(0.066)	**(0.002)**	**(0.003)**
Constant	-0.170	0.050	0.158	0.203	0.280	-0.377
	(0.446)	(0.790)	**(0.000)**	**(0.000)**	**(0.018)**	(0.519)
Model R^2	0.0352	0.0515	0.0146	0.0260	0.0183	0.0638
N (reviews)	7,381	7,381	195,690	195,690	34,057	34,057
N (firms)	56	56	340	340	55	55

P-values reported in parentheses

APPENDIX A | ADDITIONAL FIGURES AND TABLES

Table 9. OLS regressions examining individual Glassdoor reviews without split sample, *clustered by firm*

	Model 1 Individual ratings	**Model 2** Logistic 1-star review	**Model 3** Logistic 5-star review
Post-Insurrection	-0.016	0.000	-0.009
	(0.179)	(0.948)	**(0.016)**
Paused Congressional Donations			
To all of Congress	0.120	-0.015	0.029
	(0.018)	(0.055)	(0.090)
To objectors only	0.258	-0.028	0.083
	(0.000)	**(0.002)**	**(0.002)**
Post-Insurrection **x** Paused Donations			
To all of Congress	-0.003	0.001	0.004
	(0.862)	(0.772)	(0.552)
To objectors only	-0.063	0.009	-0.018
	(0.023)	**(0.016)**	(0.075)
Employee Ideology	0.005	-0.001	0.001
	(0.000)	**(0.000)**	**(0.015)**
Current Employee	0.422	-0.051	0.123
	(0.000)	**(0.000)**	**(0.000)**
Length of Employment	-0.004	-0.000	-0.003
	(0.233)	(0.783)	**(0.010)**
Number of Employees	-0.086	-0.008	-0.029
	(0.000)	**(0.004)**	**(0.001)**
ROA	-0.087	0.009	-0.025
	(0.003)	**(0.023)**	**(0.006)**
Constant	3.104	0.157	0.162
	(0.000)	**(0.000)**	**(0.000)**
Model R^2	0.0551	0.0155	0.0333
N (reviews)	237,128	237,128	237,128
N (firms)	451	451	451

P-values reported in parentheses; two-tailed tests

Table 10. Robustness Test – *Diff-in-Diff Regressions examining individual Glassdoor reviews, clustered by firm*

	Model 1 conservative (<29)	**Model 2** mixed (29-81.25)	**Model 3** liberal (>81.25)	**Model 3** all ideologies
Pre-Insurrection				
Control	3.289	3.133	1.606	3.068
Treated	3.316	3.334	1.868	3.259
Diff (T-C)	0.027	0.200	0.262	0.191
	(0.902)	**(0.000)**	**(0.043)**	**(0.000)**
Post-Insurrection				
Control	3.324	3.119	1.560	3.051
Treated	3.359	3.270	1.864	3.205
Diff (T-C)	0.035	0.151	0.303	0.154
	(0.862)	**(0.001)**	**(0.019)**	**(0.002)**
Diff-in-Diff	0.008	-0.050	0.042	-0.037
	(0.922)	**(0.038)**	(0.107)	(0.083)
Model R^2	0.07	0.05	0.08	0.05
N (reviews)	7,381	195,666	34,057	237,104
N (firms)	56	340	55	451

P-values reported in parentheses

Table 11. Robustness Test – *OLS reg. examining difference between each time period's average rating, clustered by firm*

	Model 1 conservative (<29)	Model 2 mixed (29-81.25)	Model 3 liberal (>81.25)
Paused Congressional Donations			
To all of Congress	-0.079	0.037	-0.043
	(0.251)	(0.063)	(0.311)
To objectors only	-0.077	0.042	0.056
	(0.504)	(0.156)	(0.130)
Employee Ideology	0.001	-0.000	-0.004
	(0.822)	(0.820)	(0.218)
Average Employment Length	-0.003	-0.025	-0.020
	(0.885)	**(0.009)**	(0.345)
Number of Employees	0.257	-0.040	-0.068
	(0.604)	(0.129)	(0.551)
ROA	0.004	0.006	-0.025
	(0.907)	(0.494)	(0.161)
Constant	0.356	0.349	0.678
	(0.281)	**(0.000)**	**(0.018)**
Model R^2	0.0391	0.0342	0.1319
N (firms)	56	339	55

P-values reported in parentheses; two-tailed tests

Table 12. Robustness Test – *Logistic regression examining individual Glassdoor reviews, clustered by firm*

	conservative (<30)		moderate /mixed (30-85)		liberal (>85)	
	Model 1 1-star reviews	**Model 2** 5-star reviews	**Model 3** 1-star reviews	**Model 4** 5-star reviews	**Model 5** 1-star reviews	**Model 6** 5-star reviews
Post-Insurrection	-0.044	0.157	-0.002	-0.046	0.066	-0.102
	(0.725)	(0.207)	(0.949)	(0.056)	(0.249)	**(0.000)**
Paused Congressional Donations						
To all of Congress	0.614	0.080	-0.277	0.176	-0.234	0.213
	(0.187)	(0.726)	**(0.010)**	**(0.042)**	(0.469)	(0.552)
To objectors only	-0.976	0.766	-0.434	0.398	-0.433	0.458
	(0.000)	**(0.004)**	**(0.004)**	**(0.001)**	**(0.045)**	**(0.048)**
Post-Insurrection **x** Paused Donations						
To all of Congress	-0.017	-0.096	0.040	0.013	-0.176	0.101
	(0.915)	(0.542)	(0.464)	(0.728)	(0.408)	(0.391)
To objectors only	-0.373	0.045	0.162	-0.117	-0.128	0.096
	(0.009)	(0.720)	**(0.015)**	**(0.016)**	(0.131)	**(0.019)**
Employee Ideology	0.055	-0.029	-0.008	0.002	-0.056	0.037
	(0.037)	**(0.035)**	**(0.049)**	(0.692)	**(0.025)**	(0.214)
Current Employee	-0.698	0.895	-0.695	0.608	-0.799	0.670
	(0.000)	**(0.000)**	**(0.000)**	**(0.000)**	**(0.000)**	**(0.000)**
Length of Employment	0.052	-0.035	-0.009	-0.007	0.011	-0.048
	(0.235)	**(0.050)**	(0.260)	(0.172)	(0.673)	**(0.000)**
Number of Employees	-3.183	-2.592	0.098	-0.148	-1.287	0.006
	(0.134)	(0.098)	**(0.013)**	**(0.000)**	**(0.000)**	(0.985)
ROA	-0.072	0.015	0.094	-0.088	0.304	-0.312
	(0.699)	(0.873)	(0.065)	(0.077)	**(0.000)**	**(0.002)**
Constant	-4.975	-2.323	-1.519	-1.385	1.732	-3.747
	(0.006)	**(0.024)**	**(0.000)**	**(0.000)**	(0.418)	(0.138)
Pseudo R^2	0.0501	0.0455	0.0252	0.0226	0.0411	0.0490
N (reviews)	7,381	7,381	195,690	195,690	34,057	34,057
N (firms)	56	56	340	340	55	55

P-values reported in parentheses; two-tailed tests

Table 13. Correlation Table for Regressions Examining Capitol Insurrection

	VIF	Overall Rating	Time Period	Paused Donations	Employee Ideology	Current Employee	Emp. Length	Number of Emp.	ROA
Overall Rating		1.000							
Time Period	2.20	-0.005	1.000						
Paused Donations	2.88	0.053	-0.006	1.000					
Emp. Ideology	1.03	0.100	0.010	-0.079	1.000				
Current Employee	1.02	0.185	0.044	0.031	0.051	1.000			
Emp. Length	1.04	0.011	-0.010	-0.032	-0.051	0.063	1.000		
Number of Emp.	1.44	-0.078	0.013	0.310	-0.153	-0.034	-0.129	1.000	
ROA	1.30	-0.102	-0.008	-0.057	-0.046	-0.085	-0.155	0.424	1.000

Figure 5. Parallel Trends Graphs, divided by ideological groups

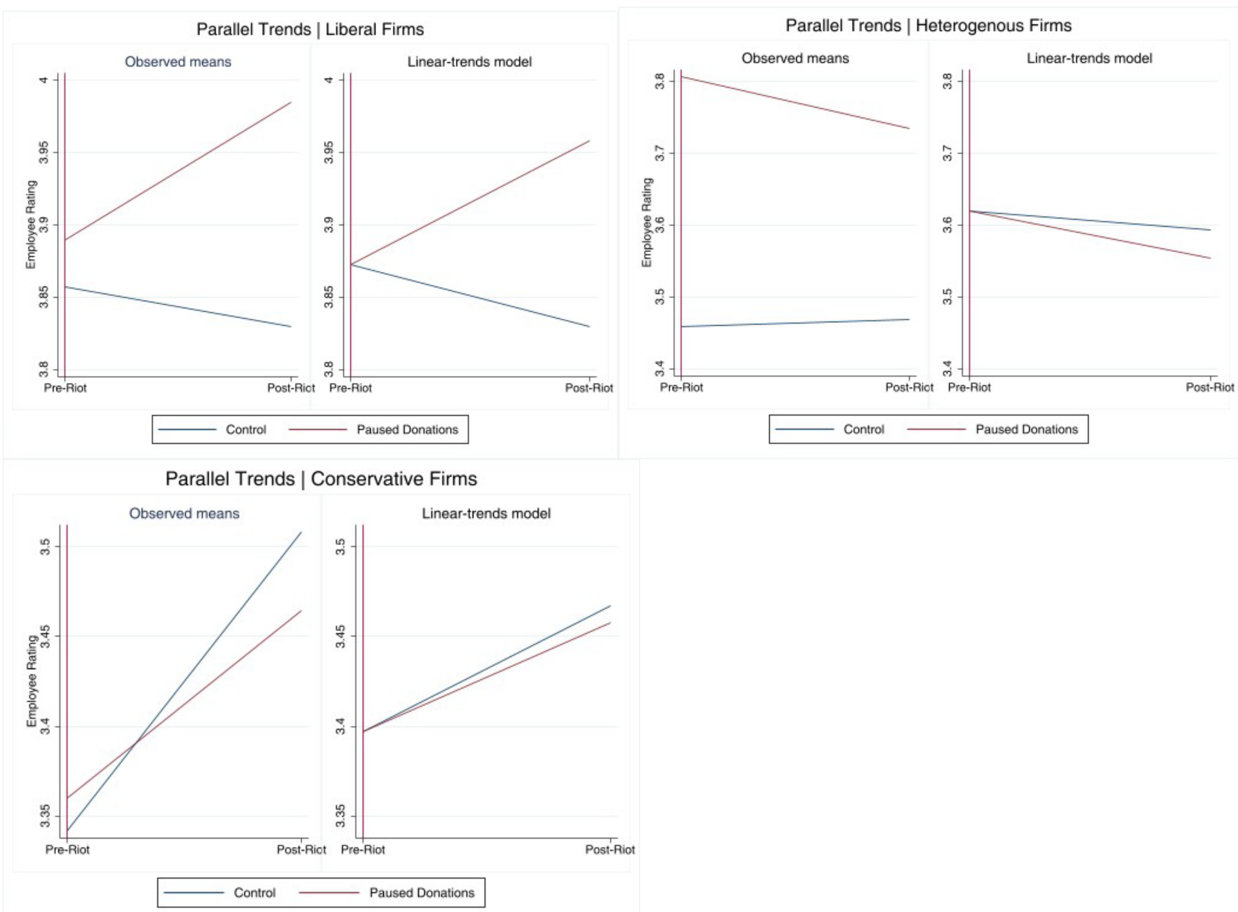

Table 14. Companies that paused donations to Objectors only

Company	Employee Ideology	Donations	To # objectors	HQ	Industry	TMT Ideology	CEO Ideology
PSEG	21.78	$16,000	4	NJ	Energy & Transport: Electric Services	18.69	12.29
Newmont	26.15	$8,000	2	CO	Energy & Transport: Gold/Silver	27.87	16.69
Texas Instruments	28.21	$15,000	11	TX	Manufacturing: Semiconductors	7.26	N/A
PPL	32.89	$59,000	14	PA	Energy & Transport: Electric Services	15.55	30.90
AES	34.83	$10,000	3	VA	Energy & Transport: Small Power	56.19	39.16
AT&T	39.26	$764,000	98	TX	Technology: Communications	N/A	N/A
Walmart	41.19	$211,000	75	AR	Trade: Retail	48.20	N/A
Dow	41.96	N/A	N/A	MI	Industrial Applications	44.94	38.10
Walgreens Boots Alliance	41.99	$25,000	13	IL	Retail Trade	18.29	N/A
Pfizer	44.02	$158,000	37	NY	Pharmaceutical	46.42	36.99
Allstate	46.23	$93,000	27	IL	Finance/Insurance	76.58	33.84
Qurate Retail	50.00	$10,000	4	PA	Trade: Retail	N/A	N/A
Dell Technologies	51.72	$62,000	16	TX	Technology: Computers	30.21	N/A
State Street	53.63	$23,000	13	MA	Finance: Banking	71.79	N/A
Exelon	53.90	$114,000	32	IL	Energy & Transport: Electric Services	40.15	21.59
Morgan Stanley	54.76	$172,000	28	NY	Finance/Insurance	59.78	88.16
McKesson	55.65	$31,000	9	TX	Trade: Wholesale	69.94	93.74
PNC Financial Services	55.83	$68,000	17	PA	Finance/Insurance	44.71	N/A
Marsh & McLennan	58.54	$20,000	10	NY	Finance/Insurance	84.29	97.08
General Electric	59.29	$201,000	58	MA	Misc.	40.56	57.83
Cigna	61.59	$181,000	36	CT	Finance	38.85	51.45
General Mills	62.53	$14,000	4	MI	Manufacturing: Food	61.73	36.50
Verizon	63.50	$169,000	49	NY	Technology: Communications	62.59	35.22
Marriott International	63.91	$11,000	6	MD	Services: Hospitality	75.34	27.95
Home Depot	64.02	$465,000	63	GA	Trade: Retail	39.05	41.07
Cerner	64.44	$20,000	9	MO	Technology: Computers	31.85	N/A
Best Buy	64.88	$14,000	10	MN	Trade: Retail	71.58	51.92
Comcast	66.61	$755,000	95	PA	Technology: Television Services	53.09	22.33
PG&E	67.85	$58,000	15	CA	Energy & Transport: Electric Services	N/A	N/A
Oracle	72.02	$12,000	13	TX	Technology: Computer Programming	52.20	21.36
Cisco Systems	74.18	$21,000	5	CA	Technology: Computer Communications	73.78	47.37
Intel	75.72	$50,000	15	CA	Manufacturing: Semiconductors	84.99	29.02
Amazon.com	79.41	$220,000	76	WA	Trade: Retail	86.02	97.94
American Express	80.45	$76,000	19	NY	Finance/Insurance	64.96	76.26
NRG Energy	81.27	$1,000	1	TX	Energy & Transport: Electric Services	85.63	96.54
Microsoft	83.81	$178,000	59	WA	Technology: Software	89.43	81.79
Walt Disney	87.28	$11,000	8	CA	Technology: Television Services	68.36	93.75
Nike	87.65	$8,000	4	OR	Manufacturing: Footwear	89.74	N/A
Mastercard	88.21	$25,000	8	NY	Finance/Insurance	83.90	98.95
Kraft Heinz	88.67	$31,000	15	IL	Manufacturing: Food	N/A	N/A
ViacomCBS	91.58	$20,000	11	NY	Technology: Television Services	99.37	N/A
Alphabet / Google	91.61	$177,000	37	CA	Technology: Computer Programming	67.05	57.43
Eli Lilly	93.75	$64,000	15	IN	Pharmaceutical	N/A	N/A
S&P Global	97.60	$21,000	4	NY	Trade & Services	N/A	N/A