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EXECUTIVE SUMMARY

This study tries to find out the connection among the legitimacy, reputation, and tension. As legitimacy is a broad concept a lot of variable works on it, in this paper researcher take legitimacy in general that effects Automotive industry. Legitimacy theory has been chosen as main literature to understand and draw a connection about the relation between reputation and tension. Here researcher use tension and reputation for making a relation with legitimacy.

(Deephouse and Suchman, 2008) and Rana (2013) have been given the prime theoretical foundation of this research in his article ‘’Legitimacy in organizational institutionalism’’ and ‘’Rethinking Business System Theory from the Perspective of Civil Society, Transnational Community, and Legitimacy: Strategies of European MNCs in Bangladesh’’. Also, a unique framework has made from the various concepts later which will use for analysis.

A unique database has been made by collecting data from various secondary sources and analysis it by following theoretical concepts. The database adopts qualitative research which is divided into two major part tension and reputation of the selected MNEs those have business globally and have high reputation score also have taken place in to 10 by revenue.

A unique and short database has been made by collecting data from various secondary sources like ‘’global reptrak 100’’, sustainability report, annual report, global official website of selective companies. The database is used for the qualitative analysis. The database contains tension and reputation data of the selected MNEs. The hypotheses have been made by using the data from the database.

The study found some important relation between reputation and legitimacy, tension and legitimacy.

The study has some important findings in terms of strategic choices and its consequences in legitimacy, reputation and tensions of MNEs. Tension can identify in two ways external and internal both have impact on legitimacy then legitimacy is the base of reputation as a company can earn reputation by fulfilling demand or needs of key stakeholders.

This research has conducted business to business perspective. These findings help to understand how MNEs can maintain legitimacy. Which things have impact on legitimacy and the obstacles of earning legitimacy which later smoothing their business of further actions. This legitimacy measurement technique is also our contribution to the existing literature of legitimacy.

Keywords: Corporate Legitimacy, Corporate Tension, Corporate Reputation, Media Articles.

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Chapter-1: Introduction

1.1 Introduction and problem statement

As business is always a challenging issue, where Multinational Enterprises (MNEs) face almost in every market. In every market, Multinational Enterprises (MNEs) have to face more or less legitimacy crisis. It may be political, social, organizational, and so on. This study focuses on tension and reputation to understand the legitimacy of (MNEs). Among the scholars (Deephouse and Suchman, 2008) and (Rana, 2013) got little attention to conduct the study from a legitimacy perspective.

The study is conducted based on legitimacy from a subjective perspective. The main theory point collected from two literatures ‘’Legitimacy in organizational institutionalism’’ and ‘’Rethinking Business System Theory from the Perspective of Civil Society, Transnational Community, and Legitimacy: Strategies of European MNCs in Bangladesh’’ written by (Deephouse and Suchman, 2008) and (Rana, 2013). The study gets motivated and takes theoretical foundation related legitimacy mainly tension and reputation point of view. Previous studies mainly focused on only reputation of MNEs, but this study adds tension as a unique factor of legitimacy. Only talking reputation as only factor describes one side of the picture so, the researcher thinks legitimacy should be described from both sides. To make a good connection to elaborate legitimacy researcher suggests adding tension and reputation both. The outcome of the study is showing the connection reputation and tension over legitimacy. The idea is a company should not rely on only reputation to measure legitimacy should add more variables. If tension comes into consideration company can have a proper view and avoid the tension to achieve higher legitimacy in international settings. Also, this

study brings a new legitimacy framework based on previous studies. The study also focuses on various stakeholders related to reputation and tension which later connected with legitimacy. The influences of various Stakeholders related to tension and reputation can also consider while measuring legitimacy of a particular firm.

All the connection will make by using qualitative approach in this research. To conduct the study a database has created from multiple secondary sources. The database is really different than other studies as it developed in different manner. The details of database making later describe in methodology part.

This study is focused of legitimacy perspective, the result will help MNEs to understand and gain legitimacy while working on different foreign markets. MNEs will be benefited from this study as understanding legitimacy is necessary for MNEs because it is judged by the legitimacy actors (Bitektine, 2011). Also, legitimacy of a firm shows a company's existence to its peers (Maurer, 1971). (Suchman, 1995) explains that legitimacy is key resource of a company to have acceptance among other companies. For MNEs, having legitimacy in different markets is a great achievement. According to (Zhang, et al., 2018) along with the other benefits legitimacy reduce the liability of foreignness and simplify internalization (Yang & Cao, 2017).

The research is divided into four major parts. Firstly, the introduction, secondly, methodology, then literature review and conceptual framework, finally, analysis and conclusion part. The introduction part contains overview of the whole project and the problem formulation. Methodology part explains about the philosophical view of the researcher, method of the study and the data collection sources and process. Literature part will make a connection all related theoretical knowledge for the study and conceptual framework related these theories. The final part will explain all the connection with available data and theory also this part will contain conclusion part where researcher sum up the study and show some further scope of research and the limitation of the research.

Multinational enterprises face different legitimacy crisises in every new market as well as in an established market. The legitimation crisis gives birth to tensions and on the other hand,

high legitimation earns reputation for the companies. Be it tension or the reputation both are the reflections of the decisions made by the management and execution of those decisions. This symbolizes the importance of strategic orientations. The whole business structure and operation are the reflection of the strategic orientation just like Chandler (1963) said, "structure follows strategy". Legitimacy achieves social acceptability for the firm. It is important to achieve acceptability, especially for multinational enterprises.

1.2 Research question

Mitigating further confusion concerning research questions, Punch (2000) has proposed hierarchical orders of the concept "research question" Specifically, Punch (2000) proposes five categorizations of concepts, listed in hierarchical order:

· Research area: legitimacy related to tension and reputation.

· Research topic: Understanding the legitimacy of Multinational Enterprise.

· General research questions: How do MNEs overcome tension and gain reputation through legitimacy? A multiple case study on automotive industry.

· Specific research questions: what is the relationship between legitimacy and tension? As well as what is the relationship between legitimacy and reputation?

· Data collection questions: what are the factors which affect gaining legitimacy of MNEs?

Chapter-2: Literature review

2.1 Introduction and Search Method

This chapter collect literatures from previous research related to the study. Among the many literatures there are some specific literature used for the study which is shown here in this chapter. The major focus of this study based on legitimacy. Legitimacy point of view will be analysed with the Tension as well as Reputation construct. In this chapter the researcher also shows articles related media data. This chapter will describe nearly all the related concepts and will also try to make a relationship among the concepts.

To find out necessary related papers mainly used Google Scholar and the Aalborg University Library. Some specific keywords are used to find out literatures. The key words include “Corporate Legitimacy”, “Corporate Tension”, “Corporate Reputation”, ‘’Media Articles’’, “Legitimacy and Tension”, ‘’Legitimacy and Media Articles’’, “Legitimacy and Corporate Reputation”, The keyword are used in the Primo and Google Scholar search engine which is the official search engine of Aalborg University Library and Google Scholar. These search engines help to find out related articles from various journals or related papers from their websites. Many literatures have collected, and only related literatures have selected after final review. The review finds out following presented theories related Corporate Legitimacy, Tension, as well as Reputation.

2.2 Legitimacy, role and types of legitimacy.

Legitimacy is a board concept which has been used in different fields in different ways like in politics legitimacy means the proper way to rule (Adams, 2018). Which is also not so far from the business concept as a business firm needs to earn legitimacy to operate business activities specially MNEs seeking legitimacy to operate across the border even sometimes legitimacy means of existence. (Maurer, 1971) explains, companies earn legitimacy which give them right to operate among the peers as well superordinate. (Berger & Luckmann, 1996) states, firms get legitimacy by meeting some specific standards which can be predefined, and these predefined standards provide acceptance to any organizations.

Research give credit to weber as he introduced legitimacy in sociological theory (Johnson et al., 2006; Ruef & Scott, 1998; Suchman, 1995). His theory is renowned to many organization theorists. (Weber, 1978) discussed '' the weight of social practice become oriented to 'maxims' or rules and suggest that legitimacy can result from conformity with both formal laws and general social norms''. (Parsons, 1956:1960) support weber's ideas and explained social laws, values, and norms coherence with legitimacy. Also added, a fully legitimate firm has no question raised about its goal, resource, control system, etc. (Meyer and Scott, 1983) emphasized on 'cognitive' legitimacy such as explanation, theorization, and the incomprehensibility of alternatives. (DiMaggio & Powell, 1991) found connection with this cognitive legitimacy within neo-institutional sociology. However (Suchman, 1995) defined that ''Legitimacy is a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions''. (Suchman, 1995) focuses on two perspectives firstly, how fundamental societal beliefs become attached in organizations, secondly, how legitimacy can support to achieve organizational targets that he discussed in strategic perspectives. These two perspectives increased the visibility to researcher especially management researchers who is working for profit organizations. If we elaborate Suchman definition the first thing comes perception or assumption, which is the prime aspect of legitimacy. He says legitimacy factor should have assumption about the action of the firm by this people will have and an assumption regarding any firm which remove the doubts from people perception as well

generate an acceptance about the any new firm which is going to operate. Having an acceptance assumption regarding the firm is the actual summary of legitimacy. The final dimension of his definition is socially constructed norms, values, beliefs and definitions which is linked with the second dimension. Which elaborates the assumption or perception should link with the generally accepted social constructs. (Rana, 2013) added that, suchman doesn't indicate about only normative and cognitive aspects rather regulative issues. Legitimacy theory often overlook regulative issues as they are enforceable by the country. However, writers called it social acceptability and credibility (Scott et al, 2001). In addition (Suchman, 1995) explains legitimacy is event-specific judgement which 'possessed objectively yet created subjectively'.

The role of legitimacy to increase company's general performance which makes company able to have rare resources and continue the support of valued stakeholders according to the Organisation theorists (Suchman, 1995; Ashford & Gibbs, 1990). However, institutional theorists believe legitimacy as finishing negative impact in the area of newness, market, and economic sector (Zimmerman & Zeitz, 2002). As (Parsons, 1960; Pfeffer & Salancik, 1978; Weber, 1978) show legitimacy is the base of survival and growth as well as precondition of having resource and gaining support from organisations' constituents. (Galaskiewicz,1985) explains that companies try to increase their legitimacy by doing social activities like charity, obtaining external endorsements, as well as making director interlocks. According to (Scott, 1995), ''Legitimacy is not a commodity to be possessed or exchanged but a condition reflecting cultural alignment, normative support, or consonance with relevant rules or laws''. (Suchman, 1995) believes that all expectations are not equally durable, to provide legitimacy both the experiences of the reality of audience's daily life as well as larger belief system are needed. For example, in 1960s when the founder of the intel think the computer will come in a small chip critics said I don't want to lose my computer in a sudden crack, and intel's founder replies that you all are going to be wrong as you will have 100 more settings on computer it doesn't matter to lose one. Here we can experience of daily life experience and belief. (Burlea & Popa, 2013) explains legitimacy helps a firm to do social and environmental execution which give them recognition. In addition, the study shows to reveal environmental and social interruptions for earning legitimacy (Burlea & Popa, 2013). (Aldrich and Fiol,

1994: 648) make a differentiation between socio-political legitimacy and cognitive legitimacy. They added socio-political legitimacy by pointing out key stakeholders such as government officials, general public, key opinion leaders grant a venture as acceptable and proper according to existing law and norms. However, cognitive legitimacy means share the knowledge about a new venture. (Scott, 1995) differentiate 'socio-political' concept into three parts regulative, normative, and cognitive. (Archibald, 2004) makes a new dimension by mixing the concept socio-political with regulative legitimacy as well as normative and cognitive legitimacy with a totally new category called cultural legitimacy. He added socio-political term is more connected with political context on the other hand, cultural legitimacy becomes accurate over the period in cultural and professional contexts. (Bansal and Clelland, 2004) come up with new dimension namely corporate environmental legitimacy.

(Suchman, 1995) divides legitimacy into three ways to clear the idea of legitimacy. They are Pragmatic Legitimacy, Cognitive Legitimacy, and Moral legitimacy. (Suchman,1995) defines Pragmatic Legitimacy with the most immediate audiences basically he points out the interest of stakeholders of the organization. In addition, he points out much boarder audiences like political, economic or social interdependence who have visible influence of any organization. More clearly, he focuses on policy making activities or adopt preinstalled policies to earn legitimacy for any company. Secondly (Suchman, 1995) defines Moral legitimacy which connects with 'sociotropic' that means ''the right thing to do''. That explains when any organization operates not only focus on stakeholders but also focus on moral activities which is good for society even it is not covered by constituencies. Moral legitimacy earns actual benefits for any organization and remove the narrow self-interest. Finally, Cognitive Legitimacy define shortly 'taken for granted' and comprehensibility. To develop a typology (Suchman, 1995) explains twelve legitimacy types based on three categories such as pragmatic legitimacy comprising exchange, influence, interest, and character; cognitive legitimacy comprising predictability, inevitability, plausibility, and permanence; and moral legitimacy comprising consequences, procedures, persons, and structures. These various dimensions allow researcher to make more research in theoretical and empirical levels. (Turcan & Fraser, 2015) emphasizes, the necessity of cognitive legitimacy for emerging economy also added it is not only the required for socio-political legitimacy. Organisation

theorists (Aldrich & Fiol, 1994) divide legitimacy into cognitive and socio-political legitimacy. There are two main forms of legitimacy in organisational management. One is cognitive legitimacy and the second is socio-political legitimacy (Aldrich & Fiol, 1994). They added that socio-political legitimacy means the way in which key stakeholders, government officials, common people, accept a company as right for the existing norms and Laws. So, ´´ socio-political´´ can be measured by public acceptance of a company, prestige of its governing body, government subsidies to the industry, acceptance of general public or society.

(Rana, 2013) explained two different kinds of legitimacy after recognising legitimacy theory they are external and internal legitimacy. Internal legitimacy connects with employees, shareholders, value chain members etc while, external legitimacy connects a company with economic transactions, regulation and normative definitions. (Rao et al., 2008) believe that, a firm can earn external legitimacy by making a partnership with established or successful external bodies. Whereas, internal legitimacy can be gain by market, scientific, locational as well as historical legitimacy. To do operation effectively in market a firm should convince their stakeholders they have market-based abilities. Scientific legitimacy refers to technological ability of a firm. Locational legitimacy refers to the ability of giving various advantages of geographical location. Finally, historical legitimacy means the future performance of a firm based on past performance.

2.3 Legitimacy, tension, and media articles

Business firms most of the time faces some anxiety while operating or going to operate in new country. Rana (2013) explained it as tension for any firm. Also added, tension is a threat for any firm to earn legitimacy. If any firm gets tension from both external and internal source its legitimacy become questionable. (Pitcher, 2013) describes tension and legitimacy are internally connected in case of politics and sate or administration. In addition, tension is

come out when a firm try to adopt pre-specified standards to become legitimized. (Adams, 2018) support Pitcher and describe legitimacy in political context as the right to rule.

Rana (2013), “the way to measure the legitimacy gap is to follow the tensions at different levels that appear in the media, or outbursts following critical incidents”. Tension which creates from a failure to fulfil the demand or need of legitimacy actors that can be a measurement option in organizational legitimacy at different level. Media articles can reflect that happen both areas inside and outside of the firm Rana (2013). He also added that media news can reflect social views and this news can be a good option understanding the level of legitimacy. (Baum and Powell 1995; Dowling & Pfeffer, 1975) added, media is one of the largest indicators which has enormous influence on society-wide legitimacy even from 1990s data scientist working with media. In addition, (Hybels, Ryan, and Barley, 1994) collected news articles related to the population of each year to measure legitimacy of the US biotech population. Similarly, (Deephouse, 1996) processed data based on media to countify the public legitimacy of several firms in the financial sector. Media articles were used to countify legitimacy of several fields by (Lamertz and Baum1998; Abrahamson and Fairchild, 1999; Pollock and Rindova 2003, Bansal and Clelland, 2004; and Deeds et al.; 2004).

(Rao et al., 2008) explains that, a firm can earn external legitimacy by making a partnership with established or successful external bodies. Whereas, internal legitimacy can be gain by market, scientific, locational as well as historical legitimacy. To do operation effectively in market a firm should convince their stakeholders they have market-based abilities. Scientific legitimacy refers to technological ability of a firm. Locational legitimacy refers to the ability of giving various advantages of geographical location. Finally, historical legitimacy means the future performance of a firm based on past performance. According to (Aldrich and Foil, 1994), ‘’ The highest form of cognitive legitimation is achieved when a new product, process, or service is taken for granted’’. Which means firms activities will continue further questioning. The level of cognitive legitimation can be measured by one renowned strategy includes counting the figure of media articles or counting the number of organizations, it means the level of legitimacy will depends on figures of articles (Archibald, 2004; Carroll & Hannan, 1989; Hybels, Ryan, & Barley, 1994). They explain that this context may be more acceptable for organizations, emerging industries rather than the established ones. Such as be

(Abrahamson & Fairchild, 1999; Hannan, Dundon, Carroll, & Torres, 1995), describes nowadays there are few media articles regarding automobile companies' quality than it used to be but they are taken for granted. (Itule & Anderson, 1994; Shoemaker, 1996) added with media has less interest to a will established firm's activities as its news has blended into cultural landscape and further not requiring 'newsworthy' for journalistic practices In addition, various authors processed media data and showed evidence that media data or reports have influence on the opinion of the common people (McCombs & Shaw, 1972; Fombrun & Shanley, 1990; Schramm, 1949).

The selection and reputation of media is also important (Carroll, 2004; Conway, 2006) describe it as 'prestige media' and include some top media names like The Wall Street Journal or The New York Times which have reputation in legitimacy studies. In addition, they argue that top medias have appealing influence on of society-wide legitimacy as they are now operating broadly in electronic form, which are reducing mostly prohibitive burden of selecting as well as coding a media sample. (Mezias & Boyle, 2005) support by explaining that the presence of media articles in library make enable to do historical research. However, 'prestige media' focus on societal elites also aspirants to best status as well as related others in cultural mainstream. (Boyle, 2001; Gans, 1979) describe about the focus of 'prestige media' and added that they have often fix the agenda while following up targeted institutional entrepreneurs or any organizations for building or repairing legitimacy. (Gans, 1979) explains that 'prestige media' working as a stabilizer for society also culturally conservative even sometimes works to remove the disparities between illegitimate and legitimate actors.

2.4 Reputation and Legitimacy

(Gottschalk, 2011) explains corporate reputation as the total judgement and perception of a company by its external as well as internal stakeholders based on their previous and further activities among the competitors. Some scholars like (Washington & Zajac, 2005) emphasize on only the previous performance. (Gottschalk, 2011) further added that reputation is a mix of economic as well as social understanding and performance. Reputation can be multidimensional and that can also be extend through service and product (economic discussion of reputation), environment friendly manufacturer, working place,

competitiveness, and so on (Shapiro, 1983; Washington & Zajac, 2005; Benjamin & Podolny, 1999; Weigelt & Camerer, 1988; Carter & Deephouse, 1999; Rindova, Pollock, & Hayward, 2006). (Deephouse and Suchman, 2008) explain reputation gives an opportunity to a firm making differentiation from their peers with uniqueness or either substantively. As, based on reputation a firm can be rank substantively. They also added that reputation is generally economic concept even reputation can be an input into effective exchange partners' expected utility functions. (Ferguson, Deephouse, & Ferguson, 2000; Fombrun, 1996; Rindova et al., 2005) explain reputation is common thinking regarding a firm's further steps which is based on some combined past behaviour or activities.

A company can use its reputation as strategic tool for gaining competitive advantage (Barney, 1991; Deephouse, 2000; Roberts & Dowling, 2002). In addition, Reputation also can be explained by Latin word re-putare means 'to think back upon.' For example, if a company as good reputation in their product quality then the customers will apparently pay more for its product than the regular price. In contrast, if a company has negative reputation then recruits will avoid this company as well as employees will search new job elsewhere (Fombrun, 1996; Weigelt & Camerer, 1988). (Higgins and Gulati, 2003) describes the previous history of any firm's higher-level employees can get approval from leading investment banks. Similarly, (Deeds et al. 2004) explain that those US companies' founder or top-level employees graduated from Master of Business Administration (MBA) programs and top ten research universities have higher IPO valuations. These both examples explain the background of top employees are measuring the level of legitimacy. (Deephouse and Suchman, 2008) describe that a reliable past indicates managerial competence which is pragmatic legitimacy, managerial accuracy which is moral legitimacy, and conventionality which shows cognitive legitimacy. In addition, training as well as visibility, and record of experience might easily promote reputation. Also, there is a common trait on literature of legitimacy that they mostly focus on cultural factors in organizational life.

Reputation gives various direction or signal based on the different stakeholders. To illustrate, (Gatzert, 2015) explains reputation gives investment direction for investors, quality and service direction to customers based on reputation company can charge extra price for the product. (Gatzert, 2015) also added that the impact of reputation on financial performance

and stakeholder behaviour is positive. It means the higher reputation provides higher financial performance also increase stakeholder support as well as loyalty. (Guilherme, 2017) shows that corporate reputation as social implication which can increase the investment relationship as well as companies' performance. Which is a combined reaction of external and internal stakeholders, customers, and investors that can bring positive vibe to a company. In addition, overall reaction increases loyalty and satisfaction to a company as well as attract aware investors and good employees that may remove white-collar criminal activities (Gottschalk, 2011). Reputation can bring a competitive advantage to a firm (Pineiro-Chousa, et al., 2016).

(Bitektine & Montreal, 2011) explains that organizational legitimacy relates to reputation and with the status which are the prime elements of organizational legitimacy theory. (Suchman, 1995) explain though legitimacy and reputation have different dimension, but both can be interconnected constructs. In addition, (Bitektine & Montreal, 2011) supports this statement and explain dimensions of reputation and legitimacy most of the time overlap. (Rao, 1994) describe complements legitimacy develop an organizational image where he showed reputation is based on signals as well as legitimacy run that symbols. Also, he states the relationship between reputation and legitimacy considered a part of identity for any organization. That shows organizations have higher reputation are more legitimate.

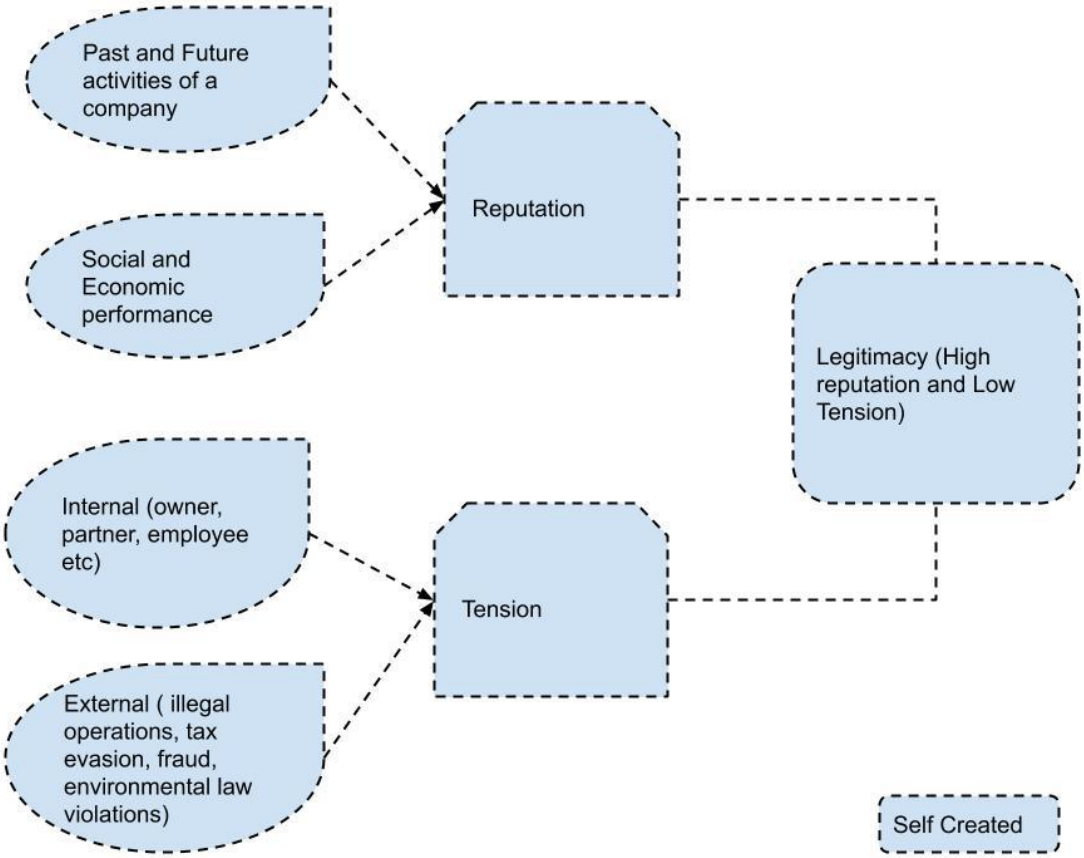

Figure 1: Conceptual framework

Chapter-3: Research Methodology

3.1 Introduction

In this chapter, researcher will give insight into the research methodology of this study. The methodology is classified as 'a theory as well as grammar of the modes of thinking and acting for knowledge creation' (Abnor and Bjerke, 2009). In addition, the research methodology is a process of organizing any research. According to (Novikov, A.M,and Novikov, D.A., 2013) "arranging it as a complete system with clearly defined characteristics, a logical structure and the accompanying process of its realization, the temporal structure". Research Methodology also give us an insight about how an operative diagram connects to a methodological overview in a specific study area as well as provide us a view about how methods (tools and

techniques) are built. In this chapter researcher describe philosophical position of this research, the method, and the research design. I have developed this Methodology chapter into three main parts they are philosophy of science, methods and research design. Firstly, Philosophy of science where I will try to make a relation between the reality and assumption. Secondly, methods which will explain tools and techniques of my study. Finally, the research design where I will explain the data collection process and the research process to give insight about reality. The details and definition of each part are given below.

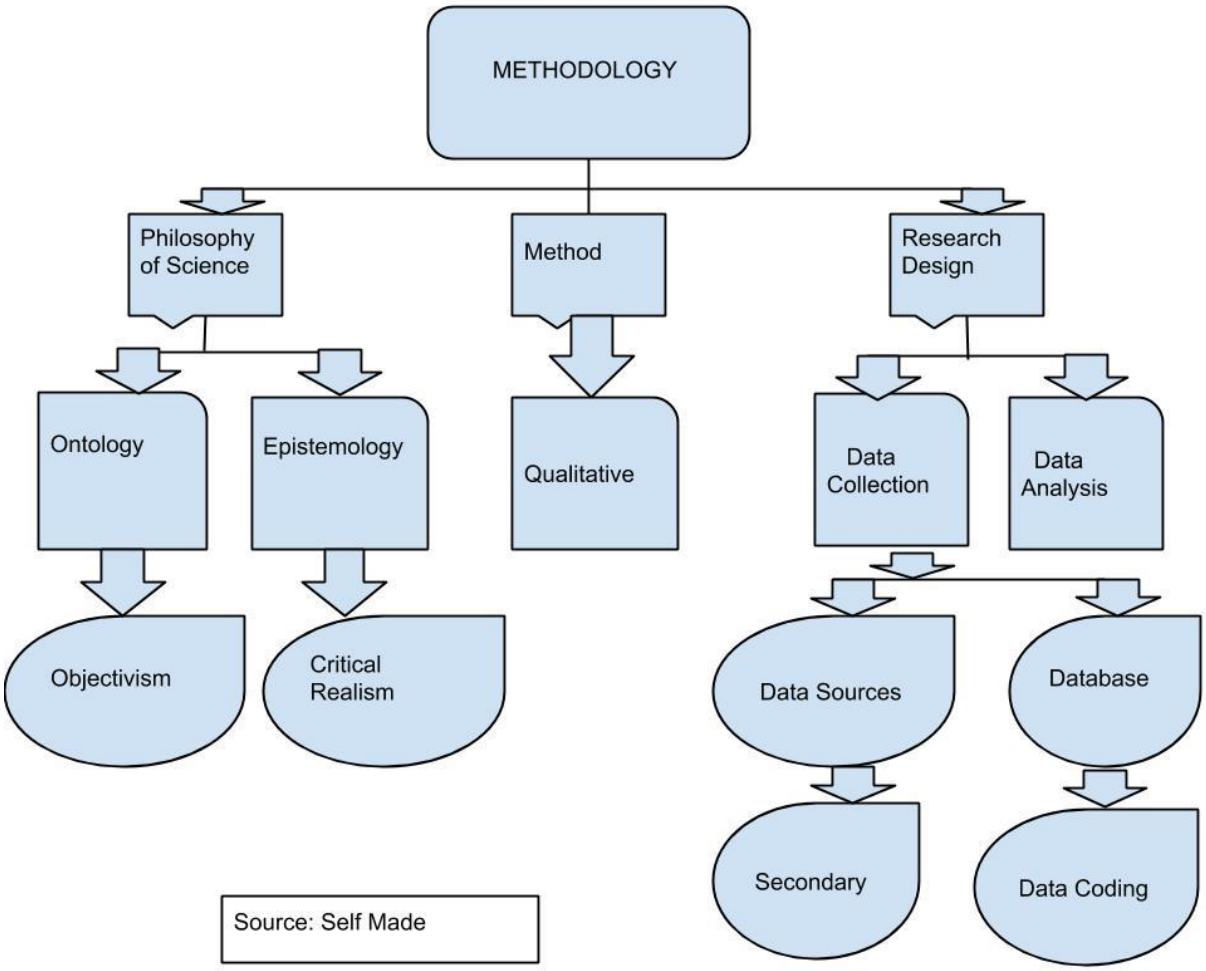

Figure 2: Methodology Framework

3.2 Philosophy of science

The philosophy of science is a systematic study which divided into basic three parts like the assumption about the nature of reality called ontology, and the process of knowing called epistemology, finally, methodology which states the systematic process of collecting data about knowing reality (Guba and Lincoln, 1994). Another study found that philosophy of science is "how scientific knowledge is generated, proved, and used for the society" (Beckholdm, 2018). Philosophy of science is helping researcher to become aware about the philosophical commitment which they make. To have a knowledge about ontology, epistemology and methodology make the researcher able to conduct his study in a proper way also give a guideline to the readers to understand the work. (Kuada, 2012) describes that to answer the research question researcher should have some kinds of understanding about philosophy of science. (Burrell and Morgan, 1979) describes two types called functionalism and interpretivism. In functionalist paradigm, helping researcher to develop the veracity of the theory while, in the interpretive paradigm, researcher describe his own findings what they experience during the study.

3.2.1 Ontology

Ontology is a term which explains the assumption or believes of the researcher about the reality. (Kuada, 2012) describes that ontology term is used in philosophy of science which shows the nature of the researcher wants to know ('knowable' or 'reality'). According to Gruber, "An ontology is an explicit specification of a conceptualization". Scholars divided ontology into two different perspectives they are objectivism and subjectivism. Objectivism explains the world is external and there is only one unchanged reality to an individual human being while subjectivism shows, every creation has its own reality, it changes by the perception of the researcher and action of social being (Kuada, 2012). In the objective aspect, social phenomena and their result are individual to human or social actors. (Bryman &Bell, 2007) describes an organisation is examined as a stable object with some certain rules,

principles or laws to understand and applied by the individual researchers who inhabit it, under an objectivism perspective. While in subjective aspect reality changes based on the subject and the person who acquires it. Social facts and its meaning are generated and re-examine by social actors or researchers via continuous interactions (Rana, 2013). In addition (Bryman & Bell, 2007) describe, rules and values like subject to change, researchers view organisations and their cultures, continuously in stages of construction and reconstruction, instead of viewing them as pre-existing and stable. In this study researcher used knowledge from the secondary sources, so I adopt objectivism ontology as reality is stable which cannot be changed, and the reality is independent from the researcher`s assumption or believes.

3.2.2 Epistemology

According to (Kuada, 2012) Epistemology provide us the knowledge about, "how we know, what we know". The epistemology of this study is critical realism. Realism points out to the philosophical position which connects to scientific enquiry (Saunders et al. 2009). According to (Saunders et al. 2009) realism can be divided into two parts which are direct realism and critical realism. Direct realism shows what we can see or experience via our senses is reality. While critical realism shows that the way of experiencing reality adding two steps: firstly, there is a research object and the sensations it conveys; secondly, the way of explanation the sensation and reaches our senses (Saunders et al. 2009). In this research I make a framework of legitimacy based on theory and the information of secondary resources. The analysis follows evidences and the sense of understanding and logic of my personal view which follow critical realism. As critical realism shows the research object and its sensation are explained via the researcher's experience.

3.3 Method of this study

Research method describes the research system adopted for the research. This study uses a qualitative approach as a method of the study which is also related to the adopted philosophy of science. In this research researcher try to make a connection from the developed theory from secondary source. In addition, researcher just present or make a connection among organizational legitimacy, reputation, and tension from various theoretical concepts and secondary data. Also, a case study fits with qualitative research (Shah and Corley, 2006). In

addition, the study is exploratory by nature and this type of study often follow the qualitative approach and this study analyse multiple case by go through multiple data to show the 'big picture' (Gilbert A. Churchill & Lacobucci, 2005). In this case study researcher use multiple case study to show the big picture together where the more or less connection of tension and reputation with legitimacy will explore through qualitative paradigms.

3.4 Research Design

This part of the study shows the overall picture of the research in brief. Which will give us a guideline to conduct our study in organized way. (Malhotra, 2010) describes, a research design which is a blueprint that shows necessary steps for collecting information to conduct a study in a systematic way. A researcher design which is the rational way that linked the empirical data of the study with research question which finally connects to conclusions. Collecting and analysing necessary data from many sources in a logical way (Yin, 2009). The research design of this study is showing in following sections.

3.4.1 Research Process

The structure of the research is given below.

No	Steps	Details
1.	Objective Identification	Objective of the study is to show and explain the connection of the tension and reputation with organizational legitimacy.
2.	Problem Definition	A problem was select to conduct the study. The main problem statement of research was set as, How do MNEs overcome tension and gain reputation through legitimacy? A multiple case study on automotive industry.
3.	Conducting Literature Review	Necessary related literature review was conducted to give a view from the previous literature relating to the study. Literature review haven been conducted

		on literatures related with Organizational Legitimacy, Tension, Reputation.
4.	Choosing Analytical Framework	(Deephouse and Suchman, 2008) and (Rana, 2013) give the main theoretical and conceptual foundation of the study. From that study "Legitimacy in Organizational Institutionalism" and ''Rethinking Business System Theory from the Perspective of Civil Society, Transnational Community, and Legitimacy: Strategies of European MNCs in Bangladesh'' have been chosen as an analytical foundation of the study. Which seems to be the backbone of the whole thesis.
5.	Determining Data Need	Previous literatures have created the data need. The required data were collected from different secondary sources.
6.	Developing the Database	After collecting the data researcher make a mixed comprehensive database. Data have been collected by following some predetermined data collection procedures.
7.	Qualitative Analysis	The database was made by following the qualitative method from secondary sources.
8.	Decision making	By doing the analysis the research has got some findings which is used for the research decision making

Table 1: Research Process (Self-Made)

3.4.2 Data Collection

This part of research design shows the different data sources and explains the database making procedures.

3.4.2.1 Types of Data Sources

In research there are usually two type of source secondary and primary. (Malhotra, 2010) explains those data is used or collected for other study rather than the current problem called secondary data while primary data is collected for addressing current research problem. In this study researcher uses secondary data source to make a database based on various secondary sources which later used in analysis part. (Gelo, Braakmann and Benetka, 2008) explain qualitative study mostly conduct secondary data such as personal documents, official documents, and archived research data (which includes the results of previously conducted qualitative studies).

3.4.2.2 The Database

The database was made based on two variables they are reputation and tension of 4 companies of Automotive Industry. Firstly, Reputation score was taken from official website of "Global Rep Trak 100". Which is a renowned reputation institute as the Forbes published global RT100. "Global Rep Trak 100'' displays reputation position of top Multinational Enterprise each year which is highly acceptable among the stakeholders. Only those companies have high reputation can take place in 100 list. which uses MaxDiff analysis rooted in data science and deep knowledge in preparing the Rep Trak. Here MaxDiff analysis has applied to reach a specific result about reputation, which is a long-established academic mathematical theory with very specific assumptions about how people make choices. These methods made this company more trustworthy among the various trusted reputation institution. Secondly, addition tension score is a unique procedure of this database. Which is never yet done before. Negative news or critical incidents which creates anxiety for the automotive companies in 2018 have been selected by using some selective key words like negative news, anxiety, bad news, scandal, etc that have been use. As, when that type of negative thing happens come to news or media which create pressure and effect on company legitimacy. To conduct the tension data, Google search engine has used in a limited way and select the news of 2018 also which news has take place on first five pages they are included in this study. Some more important or critical news published more than one newspaper they are considered only once.

Secondary data sources are used to create this unique database and the database has used to describe the analysis part later. The following secondary source has been used to prepare this database.

1. Global RepTrak 100, 2018
2. Global RepTrak 100, 2017
3. Global RepTrak 100, 2016
4. Published online newspapers
5. Global website of BMW, Toyota, Honda, Ford
6. Annual report of BMW, Toyota, Honda, Ford

3.4.2.3 Selection of Case Companies

To conduct this study four (BMW, Honda, Toyota, and Ford) case have been selected from automotive industry. All the companies have selected from the same industry to do comparative analysis and finalize the results from industry's context. Some standards are followed to choose the case company.

1. Companies should be from Automotive Industry.
2. All companies should have operation around the world.
3. All companies should have position in global reputation index between 1 to 100.
4. Scandal/negative/bad practices are available on publicly accessible domains.
5. All companies have positions in top 10 by revenue.

3.4.2.4 Determining the Data Need

The research problem, research question and initial data collection determined the data need for the study. The research questions and the research problem some selective key words are used. The key words are, negative news, scandal, bad practice, tension, global reputation score. Then, an initial data collection on Reputation and Tension conducted. This involves the reading some online newspapers, annual reports, reputation website, companies mother

website. The data collection system helped to determine the final data need which supports the research problem and research question later.

3.4.2.5 Data Entry Technique

The database was made by using Microsoft Excel sheet. To main heading put on the top then subheadings sources and then the relevant data was set in the database. Also, the company names are set on the left side. At the begging all information set by using Microsoft world then transferred to Microsoft Excel sheet. In multiple cases data were verified using cross checking methods among the sources and previous years data. This was done to ensure the authenticity of the data. In many cases, data on different case firm were collected from multiple sources. In order to keep find out of the data, source is showed at the end of references.

3.5 Reliability and Validity of the Study

"Reliability refers to the extent to which your data collection techniques or analysis procedures will yield consistent findings" (Saunders, M., Lewis, P. and Thornhill, A. (2009)). This research has been carried out by qualitative technique by using secondary data, which is published reliable sources like newspapers, company's website, reliable website and accessible online easily. Also, the similar sources are used by various researcher by different purposes. In qualitative research the reliability depends on data generation and research process (Stiles 1993). While, validity connects the closeness about what we wanted to do and what we are doing (Roberts P et al, 2006). It means the validity is concerned with whether the use of instruments used to conduct the study is appropriate. Researcher use google search engine by using special tools to collect data and used Microsoft Excel and Microsoft Word to organize and analysis the data. The tools used in the analysis and data collection is valid. (Punch 1998) explains "Validity is measured in way of how well the research tools works to find out the phenomena under investigation".

Chapter-4: Analysis

4.1 Introduction

In this chapter researcher will analyse the collected data. This follows qualitative paradigm. In this thesis researcher collected data from various secondary data sources which was mentioned in the methodology chapter elaborately. Also, the analysis will conduct based on available data of four MNEs of automotive industries. In addition, analysis will conduct different viewpoints and in different levels. Data were collected on reputation and tension of selected case companies. Where reputation based on future and past activities and social and economic performance, and tension based on external and internal problems of company. Firstly, researcher analysis based on data and theoretical perspective and then draw hypothesis after finishing each section of analysis.

4.2 Brief Introduction of the case companies

This research is conducted base on four MNEs in Automotive industry. Specially focus on economic, social, and environmental activities of these four companies. Data have collected from company's official global website, financial and sustainability reports. Which will briefly introduce the reader to the four selected companies. Among the four companies two from Japan, one from America and Germen based company and have business in the global market. All the four company have existence in global reputation index. The details of the case companies are describing below.

4.2.1 BMW- Bavarian Motor Works

The original company Rapp Motorenwerke was born in 1913 which later turned into BMW. The company BMW was founded in 1916 in Germany. At the beginning, BMW used to make aircraft engines. The full form in English is Bavarian Motor Works, which is a German based Multinational automotive company specially produce luxury vehicles and motorcycles. BMW, Mini and Rolls-Royce are renowned brands among the users of automobiles and BMW Motorrad name used for selling motorcycles. The headquarter of this public company BMW is located in Munich, Germany also have large production area in Germany, Brazil, China, India, South Africa, the United Kingdom, the United States and Mexico. The company 1st produced motorcycle in 1923 and become an automobile manufacturer in 1928. Now it is one of those companies who are able to take place among the global reputation 100 MNEs. In 2019, BMW's revenue was 104.210 billion euros with a net income of 5.022 billion euros also ran with nearly 134000 employees. The company's total asset was 228.034 billion euros in 2019 and produced 2,564,025 vehicles. BMW is the world most sustainable automotive company from 1999. Also, follows the guidelines of United Nations Environment Programme, the UN Global Compact and the Cleaner Production Declaration. BMW is developing the efficiency of existing fossil-fuel powered models to reduce emissions. BMW score 99 out of 100 in 2012 in the Carbon Disclosure Project's Global 500 list which was the highest score.

4.2.2 Toyota- Toyota Motor Corporation

Toyota was founded in 1937 in Toyota, Japan. Toyota runs with almost 371000 employees and was able to make revenue $272 billion which was the 10th largest revenue earned company in 2019 according to fortune 500. Toyota is the second largest automobile manufacturer in the world and the largest in Japan. Which produced 10,634,905 units in 2019. Now it is one of those companies who are able to take place among the global reputation 100 MNEs. From 2012, Toyota is making 10 million vehicle per year. This company is listed in Tokyo, London, and New York stock exchange and have the largest

market capital and revenue in Japan. Toyota is the market leader of selling hybrid electric vehicles and hydrogen fuel-cell. Toyota practices a wide range of philanthropic work like education, conservation, safety, and disaster relief. Also, in US Toyota works with American Red Cross, Boys and Girls Club, Leaders in Environmental Action for the Future (LEAF), as well as the National Centre for Family Literacy. Also, Toyota woks for Food Bank For New York City as well as support a variety of philanthropical work in Japan. Globally Toyota works in three perspectives They are human and natural environments, social welfare, and education and culture.

4.2.3 Honda- Honda Motor Company

Honda is the largest motorcycle producer from 1959 and touched almost 400 million units in 2019. The headquarter of this motorcycle giant located in Minato, Tokyo. Also, Honda is the Japanese second largest automobile company from 2001. This company was founded in 1948 and now listed in both New York stock exchange and Tokyo stock exchange. The company runs with almost 220000 employees. Honda gives priority to its quality and safety based on established standards also, concern about its partners activities to follow this global standard. Honda puts extra effort to educational, environmental, community and traffic safety. For doing social activities Honda divided its business area into six regions. Which helps Honda to do proper management also, follow the various international code of conducts like SDGs. The principles of Honda's social activities come from the slogan "a company that society wants to exist,". In 2019, Honda sent 8850 million yen for its social activities for their major social practice area (educational, environmental, community and traffic safety).

4.2.4 Ford- Ford Motor Company

Ford motor company established in 1903. This public company is listed in New York Stock Exchange and the second largest automobile producer in America from 2015. The company produced nearly 5.5 million units an had 84 billion dollars net profit in 2019. Nearly 190000 employees work to run the US second largest automobile company. The headquarter of Ford located in Dearborn, Michigan, which is also known as the Glass House. Ford concentrates

on eco-friendly production like flexible fuel vehicles, compressed natural gas (CNG), electric drive vehicles etc. ford is working to reduce greenhouse gas by making fuel efficient car and driving towards electrification. Also work with large area like human rights, Bribery and Corruption, Environment and Sustainability. Ford strictly monitor its business suppliers and enforce them to follow similar policies of code of conduct (President and Chief Executive Officer).

4.3 Data Coding

A organize data coding system has followed to code the data required for the study. The data coding system is explained in the following sections.

Automotive industry 2018

Name	**Reputation**	**Tension**	
Company Name	Past and future activities & social and economic performance	External (illegal operations, tax evasion, fraud, Environmental law violations)	Internal (Owner, Partner, Employee etc)
BMW	Downtrend	Fraud (Investigation) Policy trouble (SA) Policy trouble (CHI) Trouble (GER) Tariffs (US, CHI) Emission Scandal (US)	Recall (safety) Recall (software)
Toyota	Downtrend	Emission Scandal Tariffs (US)	Recall (system) Recall (fire) Production (airbags) production (steel) production (exhaust)
Honda	Downtrend	Political issue (UK)	Production (engine) Recall (software) Internal issue Production (airbags)

Ford	Downtrend	Tariffs (US) Emissions Scandal Fraud (US)	Job loss (US, CAN) Termination (Co. executive) Fraud (dealers) Product (airbags)

Table 2: database of reputation and tension (Self-creation)

4.4 legitimacy and tension

Tension can affect legitimacy in two ways they are external and internal (Rana, 2013). Internal legitimacy connects with employees, shareholders, value chain members etc while, external legitimacy connects a company with economic transactions, regulation and normative definitions. In the case of automotive industry, external tension can be illegal operations, tax evasion, fraud, Environmental law violations, etc, while internal tension can be Owner, Partner, Employee etc. Tension is a threat for any firm to earn legitimacy (Rana, 2013). If any firm gets tension from both external and internal source its legitimacy become questionable. From the database we can see that, except German automotive company BMW everyone faced internal issues more than external issues. And BMW faced comparatively more external issues covered by media attention in 2018. Rana (2013), "the way to measure the legitimacy gap is to follow the tensions at different levels that appear in the media, or outbursts following critical incidents". Tension which creates from a failure to fulfil the demand or need of legitimacy actors that can be a measurement option in organizational legitimacy at different level. Tariffs, emissions scandal, fraud, political issue, policy trouble expresses the failure to fulfil the demand of external legitimacy actors, on the other hand, recall, job loss, termination, production, internal issues express the failure to fulfil the need of internal legitimacy actors in case of selected automobile industry which is also draw attention by media. Media articles can reflect that happen both areas inside and outside of the firm Rana (2013). Also, added that media news can reflect social views and this news can be a good option understanding the level of legitimacy. Another viewpoint is that external and internal tensions are mainly related with political of administrative issues. According to (Pitcher, 2013) tension and legitimacy are internally connected in case of politics and sate or

administration. However, legitimacy and tension relation can be also described by ´´ socio-political´´ explained by (Aldrich & Fiol, 1994). External and internal tension can generate by unfulfilled needs of key stakeholders, government officials, common people, existing norms and Laws. (Aldrich & Fiol, 1994) added that socio-political legitimacy as the way in which key stakeholders, government officials, common people, accept a company as right for the existing norms and Laws.

(Rao et al., 2008) believe that, a firm can earn external legitimacy by making a partnership with established or successful external bodies. In case of our selected four automotive multinational companies, tariffs, emissions scandal, fraud, and political issue, and policy trouble these external tensions can be solved or earn legitimacy by making a partnership or collaboration with established or successful external bodies. Whereas, internal legitimacy can be gain by market, scientific, locational as well as historical legitimacy. However, in terms of internal tension recall and production can convey with scientific legitimacy as it relates to technological ability of a firm. Job loss with locational legitimacy as it refers about gain differential advantage as a result of their geographic location. Termination and internal issues convey with market legitimacy as it refers market-based abilities. This research is conducted based on a small-scale case analysis which find out some evidences among the case companies.

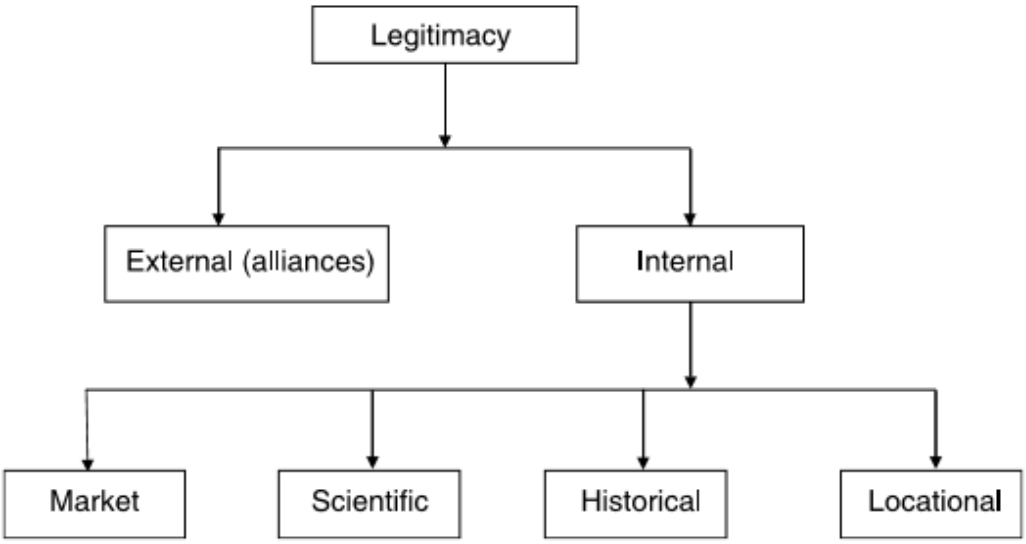

Figure 3: Dimensions of Legitimacy (Rao et al., 2008)

At this level, the study wants to suggest some hypothesis that could be proved by conducting future large-scale empirical studies. The hypotheses are,

Hypothesis 1: If the firm get tension from external sources then firm face more legitimacy crisis.

Hypothesis 2: A firm's external tension can be solved by making a partnership with established or successful external bodies.

Hypothesis 3: If the firm get tension from internal sources then firm face more legitimacy crisis.

Hypothesis 4: A firm's internal tension can be solved by adopting market legitimacy.

Hypothesis 5: A firm's internal tension can be solved by adopting scientific legitimacy.

Hypothesis 6: A firm's internal tension can be solved by adopting historical legitimacy.

Hypothesis 7: A firm's internal tension can be solved by adopting locational legitimacy.

Hypothesis 8: If the critical or problematic issues appear in media attention then a firm face legitimacy crisis.

4.5 Legitimacy and Reputation

Both organizational reputation and legitimacy are perceptions of approval of an organization' s actions based on stakeholders' evaluations (Rao, 1994; Ruef and Scott, 1998). When a firm become legitimate, gets opportunity to operate business activities in new market as well as existing market which also connected to its reputation. But showing reputation of a company is a critical process as it is a judgemental thing also depends on perception of different stakeholders. (Gottschalk, 2011) explains corporate reputation as the total judgement and perception of a company by its external as well as internal stakeholders based on their previous and further activities among the competitors. In case of four companies from

automotive industries, reputation is going down based on their previous and further activities among the competitors. Here MaxDiff analysis has applied to reach a specific result about reputation, which is a long-established academic mathematical theory with very specific assumptions about how people make choices. Seven major cognitive factors taken into consideration they are product and service, innovation, workplace, governance, citizenship, leadership, performance. Based on these seven cognitive factors, emotional connection esteem, feelings, admire, and trust taken into consideration to valuate reputational outcomes.

(Suchman, 1995) defined that ‘’Legitimacy is a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions’’. (Suchman, 1995) focuses on two perspectives firstly, how fundamental societal norms, values, beliefs, and definitions become attached in organizations. In this research reputation was measured by emotional connection esteem, feelings, admire, and trust based on product and service, innovation, workplace, governance, citizenship, leadership, performance comprising predictability, plausibility, inevitability, and permanence of selected companies where cognitive factors only taken into considerations. (Suchman, 1995) divided cognitive factors into comprising predictability, plausibility, inevitability, and permanence, which connects to esteem, feelings, admire, and trust in this study. Secondly, how legitimacy can support to achieve organizational targets that he discussed in strategic perspectives. Which relates with reputational outcomes like purchase, advocate for, accept, defend, work for, invest in. A company’s ups and downs of reputational outcome show the level of legitimacy. Having an acceptance assumption regarding the firm is the actual summary of legitimacy (Suchman, 1995).

Reputational outcomes (purchase, advocate for, accept, defend, work for, invest in) reflect a company social and economic level. (Gottschalk, 2011) added that reputation is a mix of economic as well as social understanding and performance. Ours case companies (BMW, Ford, Honda, and Toyota) reputation is also measured by its overall reputational outcomes. By follow up positively these reputational outcomes they can increase their reputation. (Galaskiewicz,1985) explains that companies try to increase their legitimacy by doing social activities like charity, obtaining external endorsements, as well as making director interlocks.

Also, they can increase competitive advantage as A company can use its reputation as strategic tool for gaining competitive advantage (Barney, 1991; Deephouse, 2000; Roberts & Dowling, 2002). In addition, (Deephouse and Suchman, 2008) explain reputation gives an opportunity to a firm making differentiation from their peers with uniqueness or either substantively.

Hypothesis 9: If a firm have high reputation then get competitive advantages.

Hypothesis 10: If a company has high social performance then earn high reputation.

Hypothesis 11: If a company has high economic performance then earn high reputation.

Hypothesis 12: If a company has high economic and social performance then earn high reputation.

Chapter 5: Conclusion

Multinational Enterprises (MNEs) face legitimacy crisis in not only new market as well as established market at different level. Legitimacy crisis creates tension for any firm, in another way, if a company become able to earn legitimacy that create reputation for a firm. It means a firm's legitimacy depends on the ability of dealing tension. A firm can have high legitimacy with less tension of low legitimacy with more tension. In one sense, legitimacy is not a stable thing which ups and downs by its related variables. On the other hand, reputation related with legitimacy firm have high legitimacy earn high reputation.

Tension of a firm can come from both ways external and internal. One sense is, the thigs which birth tension for a firm that draw attention of media. The published media news shows the fact to everyone. Based on these articles tension can be calculate effectively. A firm can deal external tensions by making a partnership with established or successful external bodies. Whereas, internal tensions can be gain by dealing market, scientific, locational as well as

historical ways. However, reputation of a firm is a judgmental thig of various stakeholders. It is related with emotional activities of individual.

Reputation is only display one sided story of legitimacy. But when we see reputation and tension together can have the bigger picture or see the both sides. In this research I selected 4 companies have high reputation in automotive industry and show their tension to show the bigger picture of legitimacy. Their tensions which drew attention or media and created tension for BMW, Honda, Toyota, and Ford. Also, make an internal connection with legitimacy and draw some hypothesis, which show the connection in deep.

Chapter 6: Limitations and Future Research Scope

This research explained almost every possible relation of tension, and reputation with legitimacy. As research is always a never-ending job which come with more aspects in every new research. This is open for criticism and new deployment. Though researcher tried to show every possible outcome, but some thigs left because of limited time, resource and recent consequence. Which may be done in near future or draw the attention of new researcher. The limitation and further scopes are given below:

Limitations	Further research scopes
• Only used secondary sources. • Small sample size with qualitative study • Limited period of comparative analysis with previous years • More theoretical support could add to enrich literature review • Only based on one industry • Only selected specific area of data collection.	Future research can be done with more bigger sample size, primary source, quantitative for testing the hypothesis, wide range of previous data area based on different industries. Also, with more theoretical justifications can be added with different judgemental technique of collecting reputation, and other media sources of tension with wide range of keywords.

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Appendix

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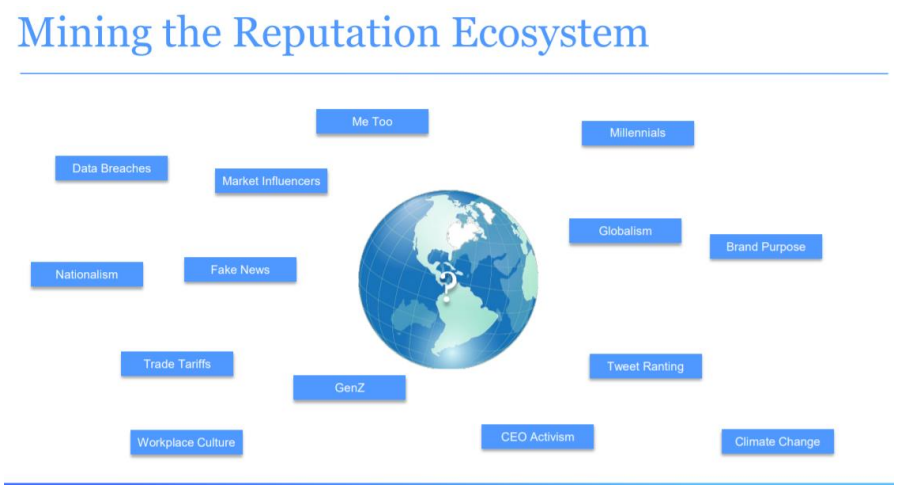

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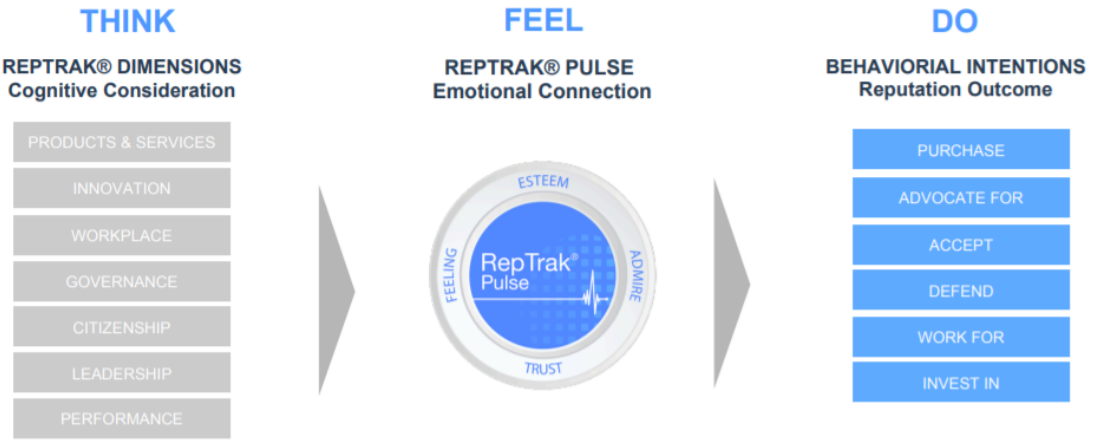

- BMW Tension

Title	Link	News	Time
BMW Offices Raided by Authorities in Emissions-Cheating Investigation	https://www.nytimes.com/2018/03/20/business/energy-environment/bmw-diesel-emissions.html	***BMW Offices Raided by Authorities in Emissions-Cheating Investigation***	Mar 18
South Korea mulls a ban on fire-prone BMW cars	https://www.dw.com/en/south-korea-mulls-a-ban-on-fire-prone-bmw-cars/a-45033751	recall safety check after more than 30 incidents in which cars caught fire.	Aug 18

BMW issues strong warning on policy	https://www.iol.co.za/business-report/companies/bmw-issues-strong-warning-on-policy-13999949	German based vehicle manufacturer BMW has cautioned the South African government about proposed changes to its automotive policy that would endanger the growth and future existence of the domestic industry.	Marc h 18
China's trade threat could hurt German automakers more than US car companies	https://www.cnbc.com/2018/04/05/chinas-trade-threat-could-hurt-german-carmakers-more-than-us-auto-giants.html	Analysis suggests German automakers would be big losers in any US/China trade war.	Apr 18
German auto stocks suffer as Trump's tariff plan hits Daimler forecast	https://www.cnbc.com/2018/06/21/daimler-vw-and-bmw-suffer-as-trumps-tariff-plan-hits-profit-forecast.html	Schuldt said BMW coul d also suffer as it produced more cars in the United States than Daimler	Jun 18
BMW says the German government' s diesel fix 'doesn't make sense for us'	https://www.cnbc.com/2018/10/02/diesel-bmw-says-the-german-government-fix-doesnt-make-sense.html	**BMW says the German government's diesel fix 'doesn't make sense for us'**	Oct 18
US-China trade dispute could force BMW to move factory	https://uk.motor1.com/news/238427/us-china-trade-dispute-bmw-exports/	**US-China trade dispute could force BMW to move factory**	Apr 18

BMW Being Sued In US For Diesel Vehicle Emissions Cheating	https://cleantechnica.com/2018/03/28/bmw-being-sued-in-us-for-diesel-vehicle-emissions-cheating/	**BMW Being Sued In US For Diesel Vehicle Emissions Cheating**	Mar 18
BMW to recall 11,700 cars after installing wrong engine software 2 MIN READ	https://www.reuters.com/article/us-bmw-emissions/bmw-to-recall-11700-cars-after-installing-wrong-engine-software-idUSKCN1G728U	**BMW to recall 11,700 cars after installing wrong engine software** 2 MIN READ	Feb 18

- Ford Tension

Title	link	news	time
Due to Trump tariffs, Ford cancels 2019 Focus	https://www.metrotimes.com/news-hits/archives/2018/08/31/due-to-trump-tariffs-ford-cancels-2019-focus	**Due to Trump tariffs, Ford cancels 2019 Focus**	Aug 18
25,000 auto jobs at risk in Ford restructuring plan: analyst	https://globalnews.ca/news/4731397/ford-auto-job-cuts-restructuring/	**Ford's restructuring plan could eliminate as many as 25,000 jobs, including some in the U.S. and Canada, Morgan Stanley analyst Adam Jonas wrote in a recent note to investors.**	Dec 18
Trump tariffs have cost Ford $1 billion, according the carmaker's CEO	https://www.businessinsider.com/r-ford-ceo-says-metals-tariffs-cost-company-1-billion-2018-9?r=US&IR=T	**Trump tariffs have cost Ford $1 billion, according the carmaker's CEO**	Sep 18

Ford North America President Leaves Following Misconduct Allegations	https://www.wsj.com/articles/ford-north-america-president-leaves-following-misconduct-allegations-1519249044	A top Ford Motor Co. executive has been fired following misconduct allegations, the latest business leader to be shown the door amid broader scrutiny of workplace behavior in the U.S.	Feb 18
Ford Motor sued over alleged emissions cheating	https://www.dw.com/en/ford-motor-sued-over-alleged-emissions-cheating/a-42101844	**Ford Motor sued over alleged emissions cheating**	Jan 18
Ford: This may be one of the largest frauds in the history of the United States	https://www.kcbd.com/story/38858910/ford-this-may-be-one-of-the-largest-frauds-in-the-history-of-the-united-states/	**Ford Motor Credit filed additional documents with the bankruptcy court Friday morning, claiming this may be one of the largest floor-plan financing frauds in the history of the United States.**	Aug 18
Ford Motor Credit Company sues Reagor-Dykes Dealerships; RD files for bankruptcy	https://www.kcbd.com/story/38789426/ford-motor-credit-company-sues-reagor-dykes-dealerships-rd-files-for-bankruptcy/	**Ford Motor Credit claims the dealerships have sold Ford Credit vehicles without sending required payments to Ford Credit, have repeatedly submitted false or inaccurate**	Aug 18

		information to Ford Credit and its representatives	
Ford to customers: Your airbag may kill you, now please wait for the repair	https://www.consumeraffairs.com/news/ford-to-customers-your-airbag-may-kill-you-now-please-wait-for-the-repair-011818.html	**Ford recently promised free and fast repairs to customers driving with potentially explosive airbags. But are dealerships following through?**	Jan 18

- Honda Tension

Title	link	news	time
Consumer Reports: Honda CR-Vs plagued by engine trouble	https://edition.cnn.com/2018/10/05/cars/consumer-reports-honda-cr-v-engine-trouble/index.html	**Consumer Reports: Honda CR-Vs plagued by engine trouble**	Oct 18
Honda recalls more than 200,000 cars over software problem	https://nypost.com/2018/09/28/honda-recalls-more-than-200000-cars-over-software-problem/	**Honda recalls more than 200,000 cars over software problem**	Sep 18

Honda apologizes after dealership mocks rival Nissan on Twitter over Ghosn scandal	https://www.japantimes.co.jp/news/2018/11/20/business/corporate-business/honda-apologizes-dealership-mocks-rival-nissan-twitter-ghosn-scandal/#.XpzAJsgzZPY	**Honda apologizes after dealership mocks rival Nissan on Twitter over Ghosn scandal**	Nov 18
10 years after Takata recall began, thousands of 'time bomb' air bags are still on the road	https://www.latimes.com/business/autos/la-fi-hy-takata-recall-20180423-story.html	10 years after Takata recall began, thousands of 'time bomb' air bags are still on the road	Apr 18
Honda Cars India to recall 22,834 cars including City, Jazz and Accord; Here's why	https://www.financialexpress.com/auto/car-news/honda-cars-india-to-recall-22834-cars-including-city-jazz-and-accord-heres-why/1021605/	Earlier in January 2018 Japanese air bag maker Takata announced that it would additionally recall 3.3 million faulty air bag inflators globally and now Honda Cars India has confirmed that it will voluntarily replace Takata passenger front airbag inflators of 22,834 Honda cars in India.	Jan 18

Honda warns no-deal Brexit would cost it tens of millions	https://www.theguardian.com/business/2018/sep/18/honda-no-deal-brexit-tariffs-swindon	Honda warns no-deal Brexit would cost it tens of millions	Sep 18

- Toyota Tensions

Title	link	news	time
Consumer Reports: Honda CR-Vs plagued by engine trouble	https://edition.cnn.com/2018/10/05/cars/consumer-reports-honda-cr-v-engine-trouble/index.html	**Consumer Reports: Honda CR-Vs plagued by engine trouble**	Oct 18
Honda recalls more than 200,000 cars over software problem	https://nypost.com/2018/09/28/honda-recalls-more-than-200000-cars-over-software-problem/	**Honda recalls more than 200,000 cars over software problem**	Sep 18
Honda apologizes after dealership mocks rival Nissan on Twitter over Ghosn scandal	https://www.japantimes.co.jp/news/2018/11/20/business/corporate-business/honda-apologizes-dealership-mocks-rival-nissan-twitter-ghosn-scandal/#.XpzAJsgzZPY	**Honda apologizes after dealership mocks rival Nissan on Twitter over Ghosn scandal**	Nov 18

10 years after Takata recall began, thousands of 'time bomb' air bags are still on the road	https://www.latimes.com/business/autos/la-fi-hy-takata-recall-20180423-story.html	10 years after Takata recall began, thousands of 'time bomb' air bags are still on the road	Apr 18
Honda Cars India to recall 22,834 cars including City, Jazz and Accord; Here's why	https://www.financialexpress.com/auto/car-news/honda-cars-india-to-recall-22834-cars-including-city-jazz-and-accord-heres-why/1021605/	Earlier in January 2018 Japanese air bag maker Takata announced that it would additionally recall 3.3 million faulty air bag inflators globally and now Honda C ars India has confirmed that it will voluntarily replace Takata passenger front airbag inflators of 22,834 Honda cars in India.	Jan 18
Honda warns no-deal Brexit would cost it tens of millions	https://www.theguardian.com/business/2018/sep/18/honda-no-deal-brexit-tariffs-swindon	Honda warns no-deal Brexit would cost it tens of millions	Sep 18