Letter from the Editor

With great excitement, I proudly present the first issue of 2023 to you as a gift for Chinese New Year! The year of Rabbit is very special for me, and I decided to make this issue special as well.

First, the opening paper is a theoretical article on the moqi (默契, pronounced ‘mò-chee’) phenomenon in China (Chen & Cole, 2023), because this paper represents a great fit with MOR’s mission: building new theories to explain significant Chinese organizational phenomena. While moqi is a ubiquitous term (just like guanxi) in daily use by the Chinese people, the development of moqi as a theoretical construct is scarce. This paper conceptualizes moqi as a dyadic-level construct that describes a situated state of shared contextualized understanding without saying a word between two counterparties and treats moqi as a dyadic communication construct that is both target-specific and situation-specific. The authors then propose a nomological network of moqi that shows how shared contextualized understandings between counterparties are informed by several different layers of factors, and the potential consequences of moqi in organizational settings. Note that I am the first author of this paper, but the paper was accepted long ago by the former editor of MOR.

The following set of empirical papers has a sharp focus on a Chinese corporate strategy in fulfilling their social responsibilities. Building on recent developments in optimal distinctiveness research, Zhang, Zhou, and Lyles (2023) identify two dimensions of corporate social responsibility (CSR) practices – CSR scope conformity and CSR emphasis differentiation – and theorize that private ownership and enhanced media coverage may increase scope conformity and emphasis differentiation, while industrial context would moderate such effects. Using a database of 942 Chinese publicly listed firms between 2008 and 2016, the authors conclude that the choice of optimal CSR strategy has to be made in accordance with the embedding context. Along the same line, Zhang, Chen, and Zhou (2023) examine how government regulations affect firm disclosure strategy in terms of CSR scope and CSR emphasis. The authors used data from Chinese A-share listed firms from 2008–2018 to show that mandatory CSR disclosure is positively related to CSR scope but negatively related to CSR emphasis, while these relationships are strengthened by firm visibility but weakened by market competition. Finally, Wan, Wang, Geng, and Huang (2023) adopt Polanyi’s double movement perspective to study how a natural disaster may
push corporations to engage in more philanthropy. They found that Chinese public firms with large intra-firm pay disparities, in socially contested industries, and located in regions with more social foundations are more likely to show their increase in corporate philanthropy persists long after the disaster – China’s 2008 Wenchuan earthquake. These articles together provide a nuanced picture of how different forces – government, market, media, industry, firm ownership – independently and jointly influence the CSR of Chinese public firms.

The DDD section, introduced and overseen by Huang (2023), includes a focal article that proposes a framework to assess dynamic competition (Murmann & Vogt, 2023) and two commentaries (Blair & Teece, 2023; Jiang & Lu, 2023). Using a historical case study of electric vehicles, Murmann and Vogt (2023) integrate both ordinary and dynamic capabilities and systematically compare incumbents, start-ups, and diversifying entrants to calibrate assessments about whether the incumbents will sustain their leadership positions in the industry. The two commentaries offer broader perspectives and evidence to further our understanding of firm capabilities and the competitive dynamics during a transformational shift of products.

The last article in this issue is an editorial essay on how to measure and communicate the effect size of an independent variable on a dependent variable (Fey, Hu, & Delios, 2023). The authors develop ideas about how to extend traditional methods of evaluating relationships in multivariate models to explain and illustrate the statistical power of a focal independent variable. They also offer well-established protocols and guidance for authors on how to report and interpret effect sizes, advocating for rigor and completeness in statistical analysis.

Wish you all a very happy year of Rabbit!