SAJEMS: Replies to the Editor

Thank you for being sympathetic to the topic of our paper and seeing the combination of institutional and economic theory as attractive. We recognize the manuscript could be improved and below are the changes we made based on your suggestions.

1. Title: Add a subtitle of “South African Conglomerates: Case study evidence

Thank you, we have modified the title of the revised manuscript

1. Positioning: I suggest stressing the exploratory nature of your study more in the introduction

Thank you, we have made multiple changes consistent with this advice including modifying the introduction, changing our hypotheses to propositions, and in the discussion section.

1. Hypotheses/propositions: I suggest you replace “hypothesis” with “proposition”

Thank you, we have made this change in our revised manuscript.

1. Terminology: Mimetic motivation vs. mimetic isomorphism and motive vs. behavior.

Thank you, we have modified our terminology to be more consistent with institutional theory and its examination of behaviors.

1. Firm performance: Since performance is a multi-dimensional construct, I suggest that you make it clear that you focus on share price.

We agree and regret that this was not clear. It is difficult to measure the societal value of South African conglomerate divestment, and we focused on shareholder value. We made multiple changes in the document including wording of the propositions to make this clear.

1. Methods: Further develop that your study is a multi-case study and include more background on the four firms selected
2. Controls: Provide theoretical grounding for the controls included in the analysis.

Thank you, we apologize that our familiarity of research and needed controls was neither explained nor included supporting citations. We have moved this analysis and its discussion to an appendix.

1. Findings: The findings (page 9-10) are not very convincing. More detail on the dependent variable used, variables included in the analysis, and the models measured is needed. You need to make it clear which propositions are tested with a regression model. You need to do a better job in showing the mimetic and uncertainty elements.

Thank you, the analysis we initially performed showed that cross-sectional analysis with our small sample was largely not possible and motivated our moving to a case study approach using ideal types. We have removed the associated analysis from the text and placed it in an appendix. An additional section has been incorporated to emphasize the imitation behavior of other organizations as a response to uncertainty.

1. Discussion: Please stress the exploratory nature of your research and that the findings are tentative.

Thank you, we made multiple changes in our revised manuscript, including the discussion, to indicate that our findings are tentative.