

# Online Appendix to Measuring Organizational Capital

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# Table A1: Window Size 10

This table reports the correlation between organizational capital calculated using a window size of 5 and organizational capital calculated using a window size of 10. \*, \*\*, \*\*\* indicate two-tailed significance at the 0.10, 0.05, and 0.01 levels, respectively.

	Org Capital (Seed Word)	Org Capital (ChatGPT)	Org Capital (Average)	Pct Org Capital (Seed Word)	Pct Org Capital (ChatGPT)	Pct Org Capital (Average)	Org Capital (Seed Word) window 10	Org Capital (ChatGPT) window 10	Org Capital (Average) window 10	Pct Org Capital (Seed Word) window 10	Pct Org Capital (ChatGPT) window 10	Pct Org Capital (Average) window 10
Org Capital (Seed Word)	1.0000											
Org Capital (ChatGPT)	0.4853***	1.0000										
Org Capital (Average)	0.8525***	0.8708***	1.0000									
Pct Org Capital (Seed Word)	0.8579***	0.4636***	0.7596***	1.0000								
Pct Org Capital (ChatGPT)	0.4504***	0.8963***	0.7892***	0.4997***	1.0000							
Pct Org Capital (Average)	0.7370***	0.7985***	0.8919***	0.8263***	0.8691***	1.0000						
Org Capital (Seed Word) window 10	0.9847***	0.4876***	0.8452***	0.8423***	0.4528***	0.7314***	1.0000					
Org Capital (ChatGPT) window 10	0.4647***	0.9894***	0.8529***	0.4407***	0.8870***	0.7818***	0.4693***	1.0000				
Org Capital (Average) window 10	0.8450***	0.8621***	0.9906***	0.7481***	0.7820***	0.8828***	0.8566***	0.8577***	1.0000			
Pct Org Capital (Seed Word) window 10	0.8446***	0.4697***	0.7558***	0.9796***	0.5051***	0.8215***	0.8544***	0.4489***	0.7599***	1.0000		
Pct Org Capital (ChatGPT) window 10	0.4323***	0.8875***	0.7737***	0.4746***	0.9870***	0.8479***	0.4366***	0.8960***	0.7778***	0.4822***	1.0000	
Pct Org Capital (Average) window 10	0.7279***	0.7930***	0.8834***	0.8131***	0.8635***	0.9887***	0.7368***	0.7884***	0.8898***	0.8273***	0.8571***	1.0000

## Table A2: Organizational Capital and ROE

This table reports the results from regressions estimating the relation between organizational capital and ROE. (ROE is multiplied by 100%.) All variables are defined in Appendix A. All regressions include industry\*year fixed effects. Standard errors clustered at the firm level are reported in parentheses. \*, \*\*, \*\*\* indicate two-tailed significance at the 0.10, 0.05, and 0.01 levels, respectively.

	(1)	(2)	(3)	(4)	(5)	(6)
	ROE	ROE	ROE	ROE	ROE	ROE
Org Capital (Seed Word)	0.886** (0.384)					
Ln(Total Assets)	2.656*** (0.391)	2.663*** (0.390)	2.651*** (0.390)	2.656*** (0.391)	2.669*** (0.390)	2.650*** (0.390)
Firm Age	0.050 (0.037)	0.052 (0.037)	0.050 (0.037)	0.049 (0.037)	0.053 (0.037)	0.050 (0.037)
Org Capital (ChatGPT)		1.572*** (0.366)				
Org Capital (Average)			1.690*** (0.447)			
Pct Org Capital (Seed Word)				0.046*** (0.014)		
Pct Org Capital (ChatGPT)					0.062*** (0.013)	
Pct Org Capital (Average)						0.060*** (0.014)
Constant	-13.951*** (3.151)	-14.073*** (3.146)	-13.933*** (3.143)	-16.239*** (3.264)	-17.294*** (3.256)	-16.947*** (3.260)
Observations	15444	15444	15444	15444	15444	15444
Adjusted $R^2$	0.044	0.045	0.044	0.044	0.045	0.045
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes

**Table A3: Organizational Capital and Firm Performance (Firm FE)**

This table reports the results from regressions estimating the relation between organizational capital and firm performance. The dependent variable is ROA in Panel A, ROE in Panel B, and Market-to-Book Ratio in Panel C. (ROA and ROE are multiplied by 100%.) All variables are defined in Appendix A. All regressions include firm fixed effects and year fixed effects. Standard errors clustered at the firm level are reported in parentheses. \*, \*\*, \*\*\* indicate two-tailed significance at the 0.10, 0.05, and 0.01 levels, respectively.

Panel A: ROA						
	(1)	(2)	(3)	(4)	(5)	(6)
	ROA	ROA	ROA	ROA	ROA	ROA
Org Capital (Seed Word)	0.264*** (0.090)					
Org Capital (ChatGPT)		0.475*** (0.074)				
Org Capital (Average)			0.514*** (0.097)			
Pct Org Capital (Seed Word)				0.014*** (0.003)		
Pct Org Capital (ChatGPT)					0.020*** (0.003)	
Pct Org Capital (Average)						0.020*** (0.003)
Ln(Total Assets)	0.212 (0.357)	0.216 (0.355)	0.218 (0.356)	0.230 (0.357)	0.190 (0.354)	0.214 (0.355)
Firm Age	-1.270 (1.394)	-1.315 (1.376)	-1.267 (1.368)	-1.244 (1.374)	-1.266 (1.338)	-1.219 (1.336)
Constant	27.922 (30.357)	28.829 (29.976)	27.805 (29.797)	26.522 (29.932)	26.946 (29.134)	25.789 (29.096)
Observations	15445	15445	15445	15445	15445	15445
Adjusted $R^2$	0.031	0.035	0.034	0.033	0.037	0.036
Firm FE	Yes	Yes	Yes	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes	Yes	Yes

Panel B: ROE

	(1) ROE	(2) ROE	(3) ROE	(4) ROE	(5) ROE	(6) ROE
Org Capital (Seed Word)	0.230 (0.371)					
Org Capital (ChatGPT)		1.007*** (0.330)				
Org Capital (Average)			0.877** (0.407)			
Pct Org Capital (Seed Word)				0.025* (0.013)		
Pct Org Capital (ChatGPT)					0.042*** (0.012)	
Pct Org Capital (Average)						0.037*** (0.012)
Ln(Total Assets)	1.856 (1.427)	1.875 (1.427)	1.874 (1.428)	1.895 (1.426)	1.821 (1.427)	1.869 (1.428)
Firm Age	0.055 (11.822)	0.026 (11.817)	0.104 (11.800)	0.145 (11.788)	0.126 (11.721)	0.201 (11.722)
Constant	-13.061 (258.528)	-12.612 (258.394)	-14.247 (258.033)	-16.533 (257.752)	-16.515 (256.286)	-18.144 (256.301)
Observations	15444	15444	15444	15444	15444	15444
Adjusted $R^2$	0.005	0.005	0.005	0.005	0.006	0.005
Firm FE	Yes	Yes	Yes	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes	Yes	Yes

Panel C: Market-to-Book Ratio

	(1)	(2)	(3)	(4)	(5)	(6)
	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio
Org Capital (Seed Word)	0.035 (0.043)					
Org Capital (ChatGPT)		0.082** (0.034)				
Org Capital (Average)			0.082* (0.045)			
Pct Org Capital (Seed Word)				0.002 (0.002)		
Pct Org Capital (ChatGPT)					0.004*** (0.001)	
Pct Org Capital (Average)						0.003** (0.002)
Ln(Total Assets)	-0.140 (0.201)	-0.139 (0.201)	-0.138 (0.201)	-0.137 (0.201)	-0.144 (0.201)	-0.139 (0.201)
Firm Age	-1.097 (1.019)	-1.096 (1.015)	-1.092 (1.015)	-1.090 (1.015)	-1.090 (1.004)	-1.083 (1.005)
Constant	27.341 (22.487)	27.296 (22.405)	27.210 (22.388)	27.045 (22.398)	27.002 (22.150)	26.845 (22.169)
Observations	14705	14705	14705	14705	14705	14705
Adjusted $R^2$	0.014	0.014	0.014	0.014	0.015	0.014
Firm FE	Yes	Yes	Yes	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes	Yes	Yes

## Table A4: Matched CEO Turnover

This table reports the results from regressions estimating the change in the firm's organizational capital around a CEO turnover. We first calculate firm-level average ROA, firm size, sales growth, leverage, firm age for the control group and the pre-period of the treatment group. We then perform an entropy balancing based on these observable characteristics and obtain the weight for each observation. We populate the treated firms' pre-period weights to their post-periods, and conduct a weighted DID, with the sampling weights equal to the entropy balancing weights.  $Post_{it}$  is an indicator variable equal to 1 for the 3 years after that type of CEO turnover. All regressions include firm fixed effects and year fixed effects. All variables are defined in Appendix A. Standard errors clustered at the firm level are reported in parentheses. \*, \*\*, \*\*\* indicate two-tailed significance at the 0.10, 0.05, and 0.01 levels, respectively.

Panel A

Before Matching						
	Treat			Control		
	mean	variance	skewness	mean	variance	skewness
Average ROA	4.599	44.800	-0.862	3.826	35.760	-0.618
Average Ln(Total Assets)	8.504	2.968	0.193	7.858	2.662	0.441
Average Sales Growth	0.065	0.015	1.018	0.084	0.012	1.495
Average Leverage	0.932	3.535	2.106	0.745	1.458	1.244
Average Firm Age	29.700	327.300	0.447	22.770	210.700	0.860
After Matching						
	Treat			Control		
	mean	variance	skewness	mean	variance	skewness
Average ROA	4.599	44.800	-0.862	4.596	28.280	0.387
Average Ln(Total Assets)	8.504	2.968	0.193	8.503	2.984	0.455
Average Sales Growth	0.065	0.015	1.018	0.065	0.009	1.294
Average Leverage	0.932	3.535	2.106	0.932	1.577	2.732
Average Firm Age	29.700	327.300	0.447	29.700	298.900	0.519

Panel B

	(1)	(2)	(3)	(4)	(5)	(6)
	Org Capital (ChatGPT)	Org Capital (Seed Word)	Org Capital (Average)	Pct Org Capital (ChatGPT)	Pct Org Capital (Seed Word)	Pct Org Capital (Average)
Post	-0.061** (0.027)	-0.007 (0.027)	-0.034 (0.023)	-2.162*** (0.753)	-1.162 (0.797)	-1.946** (0.786)
ROA	0.007*** (0.002)	0.006** (0.002)	0.006*** (0.002)	0.245*** (0.052)	0.262*** (0.058)	0.271*** (0.054)
Ln(Total Assets)	-0.020 (0.044)	-0.001 (0.039)	-0.011 (0.037)	0.688 (1.210)	-0.920 (1.218)	0.034 (1.229)
Sales Growth	0.235*** (0.076)	0.081 (0.061)	0.158*** (0.059)	5.945*** (1.986)	3.273* (1.944)	5.120*** (1.917)
Leverage	-0.006** (0.003)	-0.005 (0.003)	-0.006** (0.003)	-0.178* (0.094)	-0.171 (0.107)	-0.182* (0.097)
Firm Age	1.509 (1.097)	-0.070 (0.100)	0.719 (0.590)	10.307 (13.145)	-1.387 (10.351)	8.766 (15.647)
Constant	-36.357 (26.621)	1.597 (2.478)	-17.380 (14.328)	-202.889 (319.106)	89.581 (251.517)	-162.711 (379.703)
Observations	9729	9729	9729	9729	9729	9729
Adjusted $R^2$	0.011	0.017	0.016	0.014	0.029	0.024
Firm FE	Yes	Yes	Yes	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes	Yes	Yes

**Table A5: Organizational Capital, CEO Turnover, and CEO Ability**

This table reports the change in organizational capital around CEO turnovers. Panel A (B) uses the subsample of CEO turnovers where the succeeding CEO's General Ability Index (GAI) is higher (lower) than that of the incumbent CEO as the treatment group and firms with no CEO turnover in the sample period as control group.  $Post_{it}$  is an indicator variable equal to 1 for the 3 years after that type of CEO turnover. All regressions include firm fixed effects and year fixed effects. All variables are defined in Appendix A. Standard errors clustered at the firm level are reported in parentheses. \*, \*\*, \*\*\* indicate two-tailed significance at the 0.10, 0.05, and 0.01 levels, respectively.

Panel A: High ability CEO replacing low ability CEO

	(1)	(2)	(3)	(4)	(5)	(6)
	Org Capital (ChatGPT)	Org Capital (Seed Word)	Org Capital (Average)	Pct Org Capital (ChatGPT)	Pct Org Capital (Seed Word)	Pct Org Capital (Average)
Post	-0.099 (0.079)	-0.001 (0.072)	-0.050 (0.064)	-3.815* (1.998)	-2.532 (1.996)	-4.174** (2.026)
ROA	0.005** (0.002)	0.002 (0.003)	0.004 (0.002)	0.194*** (0.068)	0.189** (0.076)	0.198*** (0.071)
Ln(Total Assets)	-0.081 (0.062)	-0.068 (0.060)	-0.074 (0.053)	-0.361 (1.542)	-3.833** (1.636)	-2.544* (1.532)
Sales Growth	0.184 (0.114)	0.102 (0.093)	0.143 (0.088)	2.938 (2.721)	4.850* (2.670)	5.119* (2.636)
Leverage	-0.012** (0.005)	-0.007 (0.006)	-0.010* (0.005)	-0.490*** (0.170)	-0.336* (0.188)	-0.449** (0.176)
Firm Age	0.012 (0.013)	0.031** (0.013)	0.021* (0.011)	0.193 (0.291)	1.161*** (0.324)	0.914*** (0.307)
Constant	0.548 (0.490)	-0.135 (0.477)	0.206 (0.417)	54.537*** (11.360)	57.246*** (12.057)	53.569*** (11.334)
Observations	4876	4876	4876	4876	4876	4876
Adjusted $R^2$	0.009	0.012	0.013	0.013	0.028	0.023
Firm FE	Yes	Yes	Yes	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes	Yes	Yes

Panel B: Low ability CEO replacing high ability CEO

	(1)	(2)	(3)	(4)	(5)	(6)
	Org Capital (ChatGPT)	Org Capital (Seed Word)	Org Capital (Average)	Pct Org Capital (ChatGPT)	Pct Org Capital (Seed Word)	Pct Org Capital (Average)
Post	-0.166*** (0.059)	-0.071 (0.056)	-0.119** (0.049)	-5.318*** (1.553)	-2.041 (1.743)	-5.147*** (1.625)
ROA	0.006** (0.003)	0.003 (0.003)	0.004* (0.002)	0.207*** (0.067)	0.215*** (0.075)	0.225*** (0.071)
Ln(Total Assets)	-0.075 (0.059)	-0.068 (0.057)	-0.071 (0.050)	-0.504 (1.489)	-3.785** (1.606)	-2.354 (1.490)
Sales Growth	0.150 (0.112)	0.070 (0.094)	0.110 (0.088)	1.524 (2.699)	2.929 (2.647)	3.303 (2.605)
Leverage	-0.013** (0.005)	-0.007 (0.005)	-0.010** (0.005)	-0.410** (0.160)	-0.295* (0.176)	-0.377** (0.165)
Firm Age	3.017*** (0.151)	-0.009 (0.159)	1.504*** (0.138)	29.583*** (3.522)	13.390*** (3.795)	31.987*** (3.606)
Constant	-57.942*** (3.036)	0.679 (3.198)	-28.631*** (2.780)	-517.117*** (69.794)	-180.917** (76.166)	-553.618*** (71.637)
Observations	5281	5281	5281	5281	5281	5281
Adjusted $R^2$	0.012	0.011	0.013	0.012	0.026	0.021
Firm FE	Yes	Yes	Yes	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes	Yes	Yes

## Table A6: Lagged Organizational Capital and Performance

This table reports the results from regressions estimating the relation between lagged (i.e., t-1) organizational capital and firm performance. The dependent variable is ROA in Panel A, ROE in Panel B, and Market-to-Book Ratio in Panel C. (ROA and ROE are multiplied by 100%.) All variables are defined in Appendix A. All regressions include industry\*year fixed effects. Industries are defined by 2-digit SIC code. Standard errors clustered at the firm level are reported in parentheses. \*, \*\*, \*\*\* indicate two-tailed significance at the 0.10, 0.05, and 0.01 levels, respectively.

Panel A						
	(1)	(2)	(3)	(4)	(5)	(6)
	ROA	ROA	ROA	ROA	ROA	ROA
Lag Org Capital (Seed Word)	0.439*** (0.113)					
Ln(Total Assets)	0.431*** (0.130)	0.430*** (0.130)	0.425*** (0.130)	0.430*** (0.130)	0.432*** (0.129)	0.422*** (0.129)
Firm Age	0.008 (0.009)	0.009 (0.009)	0.008 (0.009)	0.007 (0.009)	0.009 (0.009)	0.008 (0.009)
Lag Org Capital (ChatGPT)		0.731*** (0.100)				
Lag Org Capital (Average)			0.804*** (0.124)			
Lag Pct Org Capital (Seed Word)				0.022*** (0.004)		
Lag Pct Org Capital (ChatGPT)					0.029*** (0.004)	
Lag Pct Org Capital (Average)						0.030*** (0.004)
Constant	0.443 (1.094)	0.407 (1.087)	0.475 (1.087)	-0.617 (1.124)	-1.084 (1.130)	-0.984 (1.125)
Observations	13387	13387	13387	13387	13387	13387
Adjusted $R^2$	0.120	0.125	0.124	0.123	0.128	0.128
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes

Panel B

	(1)	(2)	(3)	(4)	(5)	(6)
	ROE	ROE	ROE	ROE	ROE	ROE
Lag Org Capital (Seed Word)	1.059** (0.414)					
Ln(Total Assets)	2.713*** (0.418)	2.719*** (0.417)	2.708*** (0.417)	2.711*** (0.418)	2.723*** (0.418)	2.703*** (0.417)
Firm Age	0.058 (0.040)	0.061 (0.040)	0.060 (0.040)	0.057 (0.040)	0.062 (0.040)	0.059 (0.040)
Lag Org Capital (ChatGPT)		1.176*** (0.360)				
Lag Org Capital (Average)			1.517*** (0.460)			
Lag Pct Org Capital (Seed Word)				0.052*** (0.014)		
Lag Pct Org Capital (ChatGPT)					0.045*** (0.014)	
Lag Pct Org Capital (Average)						0.054*** (0.014)
Constant	-14.388*** (3.414)	-14.535*** (3.404)	-14.386*** (3.402)	-16.901*** (3.493)	-16.851*** (3.488)	-17.061*** (3.485)
Observations	13386	13386	13386	13386	13386	13386
Adjusted $R^2$	0.040	0.040	0.040	0.040	0.040	0.040
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes

Panel C

	(1)	(2)	(3)	(4)	(5)	(6)
	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio
Lag Org Capital (Seed Word)	0.140*** (0.052)					
Ln(Total Assets)	0.196*** (0.073)	0.196*** (0.073)	0.195*** (0.073)	0.196*** (0.073)	0.196*** (0.073)	0.194*** (0.073)
Firm Age	-0.001 (0.008)	-0.000 (0.008)	-0.000 (0.008)	-0.001 (0.008)	0.000 (0.008)	-0.000 (0.008)
Lag Org Capital (ChatGPT)		0.225*** (0.049)				
Lag Org Capital (Average)			0.251*** (0.061)			
Lag Pct Org Capital (Seed Word)				0.006*** (0.002)		
Lag Pct Org Capital (ChatGPT)					0.010*** (0.002)	
Lag Pct Org Capital (Average)						0.009*** (0.002)
Constant	1.740*** (0.552)	1.726*** (0.550)	1.750*** (0.552)	1.444*** (0.555)	1.199** (0.544)	1.306** (0.549)
Observations	12754	12754	12754	12754	12754	12754
Adjusted $R^2$	0.045	0.046	0.046	0.045	0.047	0.046
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes

**Table A7: Lagged Organizational Capital and Long-term Performance**

This table reports the results from regressions estimating the relation between lagged (i.e., t-1) organizational capital and future long-term firm performance (i.e., the average of future four years' performance). The dependent variable is the average of t to t+3 ROA (ROE, Market-to-Book Ratio) in Panel A (B, C). ROA and ROE are multiplied by 100%. All variables are defined in Appendix A. All regressions include industry\*year fixed effects. Industries are defined by 2-digit SIC code. Standard errors clustered at the firm level are reported in parentheses. \*, \*\*, \*\*\* indicate two-tailed significance at the 0.10, 0.05, and 0.01 levels, respectively.

Panel A						
	(1)	(2)	(3)	(4)	(5)	(6)
	Ltm ROA	Ltm ROA	Ltm ROA	Ltm ROA	Ltm ROA	Ltm ROA
Lag Org Capital (Seed Word)	0.421*** (0.112)					
Ln(Total Assets)	0.267* (0.137)	0.268* (0.137)	0.264* (0.137)	0.272** (0.137)	0.269* (0.137)	0.264* (0.137)
Firm Age	0.007 (0.010)	0.008 (0.010)	0.007 (0.010)	0.007 (0.010)	0.009 (0.010)	0.007 (0.010)
Lag Org Capital (ChatGPT)		0.559*** (0.096)				
Lag Org Capital (Average)			0.679*** (0.124)			
Lag Pct Org Capital (Seed Word)				0.018*** (0.004)		
Lag Pct Org Capital (ChatGPT)					0.022*** (0.004)	
Lag Pct Org Capital (Average)						0.024*** (0.004)
Constant	2.302** (1.129)	2.233** (1.128)	2.314** (1.125)	1.372 (1.168)	1.098 (1.172)	1.145 (1.168)
Observations	8808	8808	8808	8808	8808	8808
Adjusted $R^2$	0.127	0.131	0.131	0.130	0.133	0.135
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes

Panel B

	(1)	(2)	(3)	(4)	(5)	(6)
	Ltm ROE	Ltm ROE	Ltm ROE	Ltm ROE	Ltm ROE	Ltm ROE
Lag Org Capital (Seed Word)	1.141*** (0.328)					
Ln(Total Assets)	2.359*** (0.449)	2.370*** (0.449)	2.357*** (0.448)	2.371*** (0.449)	2.373*** (0.449)	2.359*** (0.449)
Firm Age	0.077 (0.047)	0.080* (0.047)	0.079* (0.047)	0.076 (0.047)	0.081* (0.047)	0.078* (0.047)
Lag Org Capital (ChatGPT)		0.923*** (0.331)				
Lag Org Capital (Average)			1.407*** (0.394)			
Lag Pct Org Capital (Seed Word)				0.048*** (0.011)		
Lag Pct Org Capital (ChatGPT)					0.031** (0.013)	
Lag Pct Org Capital (Average)						0.045*** (0.012)
Constant	-10.467*** (3.542)	-10.718*** (3.546)	-10.525*** (3.538)	-12.888*** (3.625)	-12.338*** (3.589)	-12.780*** (3.593)
Observations	8805	8805	8805	8805	8805	8805
Adjusted $R^2$	0.064	0.063	0.064	0.065	0.063	0.064
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes

Panel C

	(1)	(2)	(3)	(4)	(5)	(6)
	Ltm P/B Ratio	Ltm P/B Ratio	Ltm P/B Ratio	Ltm P/B Ratio	Ltm P/B Ratio	Ltm P/B Ratio
Lag Org Capital (Seed Word)	0.170*** (0.055)					
Ln(Total Assets)	0.181** (0.086)	0.184** (0.086)	0.181** (0.086)	0.183** (0.086)	0.184** (0.085)	0.181** (0.086)
Firm Age	0.003 (0.009)	0.004 (0.009)	0.004 (0.009)	0.003 (0.009)	0.004 (0.009)	0.004 (0.009)
Lag Org Capital (ChatGPT)		0.178*** (0.054)				
Lag Org Capital (Average)			0.242*** (0.065)			
Lag Pct Org Capital (Seed Word)				0.007*** (0.002)		
Lag Pct Org Capital (ChatGPT)					0.007*** (0.002)	
Lag Pct Org Capital (Average)						0.008*** (0.002)
Constant	1.883*** (0.619)	1.841*** (0.617)	1.876*** (0.618)	1.542** (0.619)	1.472** (0.611)	1.473** (0.613)
Observations	8130	8130	8130	8130	8130	8130
Adjusted $R^2$	0.054	0.054	0.055	0.055	0.055	0.056
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes

**Table A8: Lagged Organizational Capital and Long-term Performance (Controlling Lagged Performance)**

This table reports the results from regressions estimating the relation between lagged (i.e., t-1) organizational capital and future long-term firm performance (i.e., the average of future four years' performance) after controlling for lagged performance. The dependent variable is the average of t to t+3 ROA (ROE, Market-to-Book Ratio) in Panel A (B, C). ROA and ROE are multiplied by 100%. All variables are defined in Appendix A. All regressions include industry\*year fixed effects. Industries are defined by 2-digit SIC code. Standard errors clustered at the firm level are reported in parentheses. \*, \*\*, \*\*\* indicate two-tailed significance at the 0.10, 0.05, and 0.01 levels, respectively.

Panel A						
	(1)	(2)	(3)	(4)	(5)	(6)
	Ltm ROA	Ltm ROA	Ltm ROA	Ltm ROA	Ltm ROA	Ltm ROA
Lag Org Capital (Seed Word)	0.237*** (0.080)					
Lag ROA	0.469*** (0.022)	0.467*** (0.023)	0.467*** (0.022)	0.467*** (0.023)	0.466*** (0.023)	0.466*** (0.023)
Ln(Total Assets)	0.114 (0.080)	0.116 (0.080)	0.114 (0.080)	0.117 (0.080)	0.117 (0.080)	0.115 (0.080)
Firm Age	0.006 (0.006)	0.007 (0.006)	0.006 (0.006)	0.006 (0.006)	0.007 (0.006)	0.006 (0.006)
Lag Org Capital (ChatGPT)		0.227*** (0.067)				
Lag Org Capital (Average)			0.318*** (0.087)			
Lag Org Capital (Seed Word)				0.009*** (0.002)		
Lag Org Capital (ChatGPT)					0.009*** (0.002)	
Lag Org Capital (Average)						0.011*** (0.002)
Constant	1.381** (0.684)	1.334* (0.686)	1.376** (0.684)	0.930 (0.700)	0.862 (0.697)	0.856 (0.697)
Observations	8807	8807	8807	8807	8807	8807
Adjusted $R^2$	0.426	0.426	0.427	0.427	0.427	0.427
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes

Panel B

	(1)	(2)	(3)	(4)	(5)	(6)
	Ltm ROE	Ltm ROE	Ltm ROE	Ltm ROE	Ltm ROE	Ltm ROE
Lag Org Capital (Seed Word)	1.056*** (0.299)					
Lag ROE	0.153*** (0.022)	0.153*** (0.022)	0.153*** (0.022)	0.152*** (0.022)	0.153*** (0.022)	0.152*** (0.022)
Ln(Total Assets)	1.995*** (0.387)	2.008*** (0.387)	1.997*** (0.387)	2.008*** (0.387)	2.011*** (0.388)	2.000*** (0.387)
Firm Age	0.070* (0.042)	0.073* (0.042)	0.071* (0.042)	0.069* (0.042)	0.073* (0.042)	0.071* (0.042)
Lag Org Capital (ChatGPT)		0.707** (0.301)				
Lag Org Capital (Average)			1.194*** (0.354)			
Lag Org Capital (Seed Word)				0.043*** (0.010)		
Lag Org Capital (ChatGPT)					0.023** (0.012)	
Lag Org Capital (Average)						0.037*** (0.011)
Constant	-8.871*** (3.061)	-9.123*** (3.067)	-8.952*** (3.062)	-11.052*** (3.120)	-10.331*** (3.071)	-10.824*** (3.079)
Observations	8803	8803	8803	8803	8803	8803
Adjusted $R^2$	0.114	0.113	0.114	0.114	0.113	0.114
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes

Panel C

	(1)	(2)	(3)	(4)	(5)	(6)
	Ltm P/B Ratio	Ltm P/B Ratio	Ltm P/B Ratio	Ltm P/B Ratio	Ltm P/B Ratio	Ltm P/B Ratio
Lag Org Capital (Seed Word)	0.150*** (0.045)					
Lag P/B Ratio	0.333*** (0.038)	0.332*** (0.038)	0.332*** (0.038)	0.333*** (0.038)	0.332*** (0.038)	0.332*** (0.038)
Ln(Total Assets)	0.129** (0.064)	0.131** (0.064)	0.129** (0.064)	0.131** (0.064)	0.131** (0.064)	0.129** (0.064)
Firm Age	0.004 (0.007)	0.004 (0.007)	0.004 (0.007)	0.004 (0.007)	0.004 (0.007)	0.004 (0.007)
Lag Org Capital (ChatGPT)		0.122*** (0.046)				
Lag Org Capital (Average)			0.188*** (0.053)			
Lag Org Capital (Seed Word)				0.006*** (0.002)		
Lag Org Capital (ChatGPT)					0.005** (0.002)	
Lag Org Capital (Average)						0.006*** (0.002)
Constant	1.231** (0.481)	1.193** (0.480)	1.221** (0.481)	0.936* (0.480)	0.941** (0.473)	0.913* (0.474)
Observations	8104	8104	8104	8104	8104	8104
Adjusted $R^2$	0.208	0.207	0.208	0.208	0.208	0.208
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes

**Table A9: Lagged Organizational Capital and Performance (Controlling Leverage)**

This table reports the results from regressions estimating the relation between lagged (i.e., t-1) organizational capital and firm performance after controlling for leverage. The dependent variable is ROA in Panel A, ROE in Panel B, and Market-to-Book Ratio in Panel C. (ROA and ROE are multiplied by 100%.) All variables are defined in Appendix A. All regressions include industry\*year fixed effects. Industries are defined by 2-digit SIC code. Standard errors clustered at the firm level are reported in parentheses. \*, \*\*, \*\*\* indicate two-tailed significance at the 0.10, 0.05, and 0.01 levels, respectively.

Panel A						
	(1)	(2)	(3)	(4)	(5)	(6)
	ROA	ROA	ROA	ROA	ROA	ROA
Lag Org Capital (Seed Word)	0.452*** (0.113)					
Ln(Total Assets)	0.480*** (0.130)	0.479*** (0.129)	0.474*** (0.129)	0.478*** (0.129)	0.481*** (0.129)	0.471*** (0.129)
Firm Age	0.007 (0.009)	0.009 (0.009)	0.008 (0.009)	0.007 (0.009)	0.009 (0.009)	0.008 (0.009)
Leverage	-0.241*** (0.040)	-0.237*** (0.039)	-0.238*** (0.039)	-0.238*** (0.039)	-0.235*** (0.039)	-0.234*** (0.039)
Lag Org Capital (ChatGPT)		0.733*** (0.101)				
Lag Org Capital (Average)			0.813*** (0.125)			
Lag Pct Org Capital (Seed Word)				0.022*** (0.004)		
Lag Pct Org Capital (ChatGPT)					0.029*** (0.004)	
Lag Pct Org Capital (Average)						0.030*** (0.004)
Constant	0.248 (1.081)	0.210 (1.074)	0.280 (1.074)	-0.830 (1.111)	-1.275 (1.116)	-1.181 (1.112)
Observations	13335	13335	13335	13335	13335	13335
Adjusted $R^2$	0.127	0.132	0.131	0.131	0.135	0.135
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes

Panel B

	(1)	(2)	(3)	(4)	(5)	(6)
	ROE	ROE	ROE	ROE	ROE	ROE
Lag Org Capital (Seed Word)	1.215*** (0.422)					
Ln(Total Assets)	1.751*** (0.462)	1.756*** (0.460)	1.744*** (0.460)	1.747*** (0.462)	1.761*** (0.461)	1.737*** (0.461)
Firm Age	0.072** (0.036)	0.076** (0.036)	0.074** (0.036)	0.071** (0.036)	0.076** (0.036)	0.073** (0.036)
Leverage	4.362*** (0.779)	4.370*** (0.779)	4.368*** (0.779)	4.370*** (0.779)	4.372*** (0.780)	4.375*** (0.779)
Lag Org Capital (ChatGPT)		1.460*** (0.366)				
Lag Org Capital (Average)			1.821*** (0.467)			
Lag Pct Org Capital (Seed Word)				0.060*** (0.014)		
Lag Pct Org Capital (ChatGPT)					0.055*** (0.014)	
Lag Pct Org Capital (Average)						0.065*** (0.014)
Constant	-10.792*** (3.556)	-10.950*** (3.542)	-10.773*** (3.540)	-13.711*** (3.631)	-13.776*** (3.659)	-13.983*** (3.640)
Observations	13335	13335	13335	13335	13335	13335
Adjusted $R^2$	0.111	0.112	0.112	0.112	0.112	0.113
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes

Panel C

	(1)	(2)	(3)	(4)	(5)	(6)
	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio
Lag Org Capital (Seed Word)	0.174*** (0.048)					
Ln(Total Assets)	-0.131** (0.067)	-0.132** (0.066)	-0.134** (0.066)	-0.131** (0.066)	-0.131** (0.066)	-0.135** (0.066)
Firm Age	0.004 (0.006)	0.005 (0.006)	0.004 (0.006)	0.004 (0.006)	0.005 (0.006)	0.004 (0.006)
Leverage	1.455*** (0.066)	1.457*** (0.066)	1.457*** (0.066)	1.456*** (0.066)	1.458*** (0.066)	1.458*** (0.066)
Lag Org Capital (ChatGPT)		0.307*** (0.046)				
Lag Org Capital (Average)			0.332*** (0.057)			
Lag Pct Org Capital (Seed Word)				0.008*** (0.002)		
Lag Pct Org Capital (ChatGPT)					0.013*** (0.002)	
Lag Pct Org Capital (Average)						0.012*** (0.002)
Constant	2.984*** (0.510)	2.970*** (0.507)	3.000*** (0.508)	2.593*** (0.518)	2.291*** (0.515)	2.409*** (0.516)
Observations	12708	12708	12708	12708	12708	12708
Adjusted $R^2$	0.480	0.482	0.482	0.481	0.484	0.483
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes

**Table A10: Lagged Demeaned Organizational Capital on Performance**

This table reports the results from regressions estimating the relation between lagged organizational capital demeaned at the industry-year level and firm performance. The dependent variable is ROA (ROE, Market-to-Book Ratio) in Panel A (B, C). ROA and ROE are multiplied by 100%. All variables are defined in Appendix A. All regressions include industry\*year fixed effects. Industries are defined by 2-digit SIC code. Standard errors clustered at the firm level are reported in parentheses. \*, \*\*, \*\*\* indicate two-tailed significance at the 0.10, 0.05, and 0.01 levels, respectively.

Panel A						
	(1)	(2)	(3)	(4)	(5)	(6)
	ROA	ROA	ROA	ROA	ROA	ROA
Lag Demeaned Org Capital (Seed Word)	0.439*** (0.113)					
Ln(Total Assets)	0.431*** (0.130)	0.430*** (0.130)	0.425*** (0.130)	0.430*** (0.130)	0.432*** (0.129)	0.422*** (0.129)
Firm Age	0.008 (0.009)	0.009 (0.009)	0.008 (0.009)	0.007 (0.009)	0.009 (0.009)	0.008 (0.009)
Lag Demeaned Org Capital (ChatGPT)		0.731*** (0.100)				
Lag Demeaned Org Capital (Average)			0.804*** (0.124)			
Lag Demeaned Pct Org Capital (Seed Word)				0.022*** (0.004)		
Lag Demeaned Pct Org Capital (ChatGPT)					0.029*** (0.004)	
Lag Demeaned Pct Org Capital (Average)						0.030*** (0.004)
Constant	0.435 (1.094)	0.400 (1.087)	0.464 (1.087)	0.460 (1.093)	0.370 (1.087)	0.498 (1.085)
Observations	13387	13387	13387	13387	13387	13387
Adjusted $R^2$	0.120	0.125	0.124	0.123	0.128	0.128
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes

Panel B						
	(1)	(2)	(3)	(4)	(5)	(6)
	ROE	ROE	ROE	ROE	ROE	ROE
Lag Demeaned Org Capital (Seed Word)	1.059**					
	(0.414)					
Ln(Total Assets)	2.713***	2.719***	2.708***	2.711***	2.723***	2.703***
	(0.418)	(0.417)	(0.417)	(0.418)	(0.418)	(0.417)
Firm Age	0.058	0.061	0.060	0.057	0.062	0.059
	(0.040)	(0.040)	(0.040)	(0.040)	(0.040)	(0.040)
Lag Demeaned Org Capital (ChatGPT)		1.176***				
		(0.360)				
Lag Demeaned Org Capital (Average)			1.517***			
			(0.460)			
Lag Demeaned Pct Org Capital (Seed Word)				0.052***		
				(0.014)		
Lag Demeaned Pct Org Capital (ChatGPT)					0.045***	
					(0.014)	
Lag Demeaned Pct Org Capital (Average)						0.054***
						(0.014)
Constant	-14.406***	-14.546***	-14.406***	-14.354***	-14.596***	-14.351***
	(3.414)	(3.405)	(3.403)	(3.410)	(3.409)	(3.406)
Observations	13386	13386	13386	13386	13386	13386
Adjusted $R^2$	0.040	0.040	0.040	0.040	0.040	0.040
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes

Panel C

	(1)	(2)	(3)	(4)	(5)	(6)
	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio
Lag						
Demeaned	0.140***					
Org Capital						
(Seed Word)	(0.052)					
Ln(Total	0.196***	0.196***	0.195***	0.196***	0.196***	0.194***
Assets)	(0.073)	(0.073)	(0.073)	(0.073)	(0.073)	(0.073)
Firm Age	-0.001	-0.000	-0.000	-0.001	0.000	-0.000
	(0.008)	(0.008)	(0.008)	(0.008)	(0.008)	(0.008)
Lag						
Demeaned		0.225***				
Org Capital						
(ChatGPT)		(0.049)				
Lag						
Demeaned			0.251***			
Org Capital						
(Average)			(0.061)			
Lag						
Demeaned						
Pct Org				0.006***		
Capital						
(Seed Word)				(0.002)		
Lag						
Demeaned					0.010***	
Pct Org						
Capital						
(ChatGPT)					(0.002)	
Lag						
Demeaned						
Pct Org						0.009***
Capital						
(Average)						(0.002)
Constant	1.737***	1.724***	1.746***	1.740***	1.717***	1.756***
	(0.552)	(0.550)	(0.551)	(0.552)	(0.549)	(0.551)
Observations	12754	12754	12754	12754	12754	12754
Adjusted $R^2$	0.045	0.046	0.046	0.045	0.047	0.046
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes

# Table A11: The Relation between Organizational Capital and Firm Performance Over Time

This table reports the results of the cross-sectional tests on the relation between organizational capital and firm performance over time. Specifically, we split the sample into 2008-2014, when organizational capital is at a lower level based on Figure 1 and thus may not have received much attention, and 2015-2020, when organizational capital is at a higher level. In each panel, columns 1, 3, 5, 7, 9, and 11 use the sample of 2008-2014, and columns 2, 4, 6, 8, 10, and 12 use the sample of 2015-2020. The dependent variable is ROA in Panel A, ROE in Panel B, and Market-to-Book Ratio in Panel C. (ROA and ROE are multiplied by 100%.) All variables are defined in Appendix A. All regressions include industry\*year fixed effects. Industries are defined by 2-digit SIC code. Standard errors clustered at the firm level are reported in parentheses. \*, \*\*, \*\*\* indicate two-tailed significance at the 0.10, 0.05, and 0.01 levels, respectively.

Panel A

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	ROA	ROA	ROA	ROA	ROA	ROA	ROA	ROA	ROA	ROA	ROA	ROA
Org Capital (Seed Word)	0.353** (0.141)	0.782*** (0.150)										
Ln(Total Assets)	0.276* (0.147)	0.562*** (0.136)	0.278* (0.146)	0.573*** (0.134)	0.275* (0.146)	0.560*** (0.135)	0.293** (0.147)	0.544*** (0.135)	0.285* (0.146)	0.572*** (0.134)	0.286* (0.146)	0.546*** (0.134)
Firm Age	0.002 (0.011)	0.014 (0.009)	0.003 (0.011)	0.016* (0.009)	0.002 (0.011)	0.015* (0.009)	0.002 (0.011)	0.013 (0.009)	0.003 (0.011)	0.016* (0.009)	0.002 (0.011)	0.014 (0.009)
Org Capital (ChatGPT)			0.655*** (0.109)	1.144*** (0.142)								
Org Capital (Average)					0.706*** (0.150)	1.280*** (0.167)						
Pct Org Capital (Seed Word)							0.019*** (0.004)	0.032*** (0.005)				
Pct Org Capital (ChatGPT)									0.026*** (0.004)	0.042*** (0.005)		
Pct Org Capital (Average)											0.026*** (0.004)	0.042*** (0.005)
Constant	2.443** (1.204)	-1.603 (1.157)	2.408** (1.198)	-1.734 (1.146)	2.472** (1.198)	-1.634 (1.148)	1.406 (1.251)	-3.061*** (1.182)	1.040 (1.261)	-3.906*** (1.187)	1.087 (1.256)	-3.631*** (1.182)
Observations	6911	8534	6911	8534	6911	8534	6911	8534	6911	8534	6911	8534
Adjusted R <sup>2</sup>	0.103	0.136	0.109	0.144	0.107	0.142	0.105	0.140	0.110	0.148	0.110	0.147
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Panel B

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	ROE	ROE	ROE	ROE	ROE	ROE	ROE	ROE	ROE	ROE	ROE	ROE
Org Capital (Seed Word)	0.540 (0.440)	1.383** (0.639)										
Ln(Total Assets)	1.604*** (0.439)	3.469*** (0.490)	1.607*** (0.438)	3.485*** (0.487)	1.603*** (0.438)	3.460*** (0.488)	1.633*** (0.440)	3.442*** (0.489)	1.617*** (0.438)	3.485*** (0.487)	1.621*** (0.438)	3.440*** (0.488)
Firm Age	0.069 (0.043)	0.041 (0.049)	0.069 (0.043)	0.046 (0.049)	0.069 (0.043)	0.043 (0.049)	0.068 (0.043)	0.040 (0.048)	0.070 (0.043)	0.047 (0.049)	0.068 (0.043)	0.042 (0.049)
Org Capital (ChatGPT)			0.950** (0.432)	2.459*** (0.600)								
Org Capital (Average)					1.042** (0.517)	2.574*** (0.725)						
Pct Org Capital (Seed Word)							0.035** (0.016)	0.053** (0.021)				
Pct Org Capital (ChatGPT)									0.039** (0.016)	0.086*** (0.020)		
Pct Org Capital (Average)											0.043*** (0.016)	0.075*** (0.020)
Constant	-4.242 (3.489)	-21.893*** (4.140)	-4.299 (3.494)	-22.131*** (4.122)	-4.204 (3.487)	-21.928*** (4.124)	-6.105* (3.704)	-24.357*** (4.277)	-6.337* (3.690)	-26.527*** (4.255)	-6.457* (3.691)	-25.551*** (4.277)
Observations	6910	8534	6910	8534	6910	8534	6910	8534	6910	8534	6910	8534
Adjusted $R^2$	0.048	0.044	0.048	0.046	0.048	0.045	0.048	0.045	0.048	0.046	0.049	0.046
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Panel C

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio
Org Capital (Seed Word)	0.023 (0.054)	0.253*** (0.085)										
Ln(Total Assets)	0.036 (0.067)	0.251*** (0.082)	0.037 (0.067)	0.254*** (0.082)	0.036 (0.067)	0.249*** (0.082)	0.038 (0.067)	0.246*** (0.082)	0.037 (0.067)	0.253*** (0.081)	0.037 (0.067)	0.244*** (0.082)
Firm Age	-0.000 (0.007)	-0.001 (0.008)	-0.000 (0.007)	-0.000 (0.008)	-0.000 (0.007)	-0.001 (0.008)	-0.000 (0.007)	-0.001 (0.008)	0.000 (0.007)	-0.000 (0.008)	-0.000 (0.007)	-0.001 (0.008)
Org Capital (ChatGPT)			0.076* (0.042)	0.429*** (0.077)								
Org Capital (Average)					0.071 (0.057)	0.458*** (0.094)						
Pct Org Capital (Seed Word)							0.001 (0.002)	0.010*** (0.003)				
Pct Org Capital (ChatGPT)									0.003* (0.002)	0.018*** (0.003)		
Pct Org Capital (Average)											0.003 (0.002)	0.015*** (0.003)
Constant	2.736*** (0.495)	1.338** (0.638)	2.734*** (0.497)	1.295** (0.634)	2.741*** (0.497)	1.334** (0.636)	2.660*** (0.527)	0.883 (0.644)	2.559*** (0.509)	0.396 (0.628)	2.610*** (0.519)	0.603 (0.635)
Observations	6560	8145	6560	8145	6560	8145	6560	8145	6560	8145	6560	8145
Adjusted $R^2$	0.052	0.045	0.053	0.047	0.053	0.046	0.052	0.045	0.053	0.049	0.053	0.048
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

## Table A12: The Relation between Organizational Capital and Firm Performance in Different Industries

This table reports the results of the cross-sectional tests on the relation between organizational capital and firm performance in different levels of industry competition. Specifically, we calculate the HHI index of each industry-year based on market capitalization data of all public companies in Compustat. An industry is classified as competitive in a given year if its HHI in that year is below the sample median. We then split the sample into firms in competitive industries and non-competitive industries. In each panel, columns 1, 3, 5, 7, 9, and 11 use the sample of firms in competitive industries, and columns 2, 4, 6, 8, 10, and 12 use the sample of firms in non-competitive industries. The dependent variable is ROA in Panel A, ROE in Panel B, and Market-to-Book Ratio in Panel C. (ROA and ROE are multiplied by 100%.) All variables are defined in Appendix A. All regressions include industry\*year fixed effects. Industries are defined by 2-digit SIC code. Standard errors clustered at the firm level are reported in parentheses. \*, \*\*, \*\*\* indicate two-tailed significance at the 0.10, 0.05, and 0.01 levels, respectively.

Panel A

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	ROA	ROA	ROA	ROA	ROA	ROA	ROA	ROA	ROA	ROA	ROA	ROA
Org Capital (Seed Word)	0.513*** (0.119)	0.581** (0.284)										
Ln(Total Assets)	0.390*** (0.137)	0.625*** (0.215)	0.393*** (0.136)	0.640*** (0.212)	0.387*** (0.136)	0.626*** (0.213)	0.394*** (0.136)	0.609*** (0.213)	0.399*** (0.136)	0.630*** (0.210)	0.391*** (0.136)	0.604*** (0.209)
Firm Age	0.012 (0.009)	-0.004 (0.018)	0.013 (0.009)	-0.004 (0.018)	0.012 (0.009)	-0.004 (0.018)	0.011 (0.009)	-0.004 (0.018)	0.013 (0.009)	-0.003 (0.018)	0.012 (0.009)	-0.004 (0.018)
Org Capital (ChatGPT)			0.838*** (0.098)	0.977*** (0.220)								
Org Capital (Average)					0.923*** (0.128)	1.098*** (0.301)						
Pct Org Capital (Seed Word)							0.025*** (0.004)	0.029*** (0.008)				
Pct Org Capital (ChatGPT)									0.033*** (0.004)	0.041*** (0.008)		
Pct Org Capital (Average)											0.033*** (0.004)	0.041*** (0.008)
Constant	0.312 (1.137)	-0.071 (1.774)	0.260 (1.130)	-0.256 (1.750)	0.328 (1.130)	-0.120 (1.755)	-0.949 (1.177)	-1.415 (1.795)	-1.450 (1.178)	-2.324 (1.807)	-1.329 (1.177)	-2.068 (1.799)
Observations	12385	3060	12385	3060	12385	3060	12385	3060	12385	3060	12385	3060
Adjusted R <sup>2</sup>	0.130	0.091	0.136	0.098	0.135	0.096	0.133	0.096	0.139	0.104	0.139	0.104
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Panel B

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	ROE	ROE	ROE	ROE	ROE	ROE	ROE	ROE	ROE	ROE	ROE	ROE
Org Capital (Seed Word)	0.868** (0.399)	0.980 (1.208)										
Ln(Total Assets)	2.556*** (0.418)	3.100*** (0.999)	2.558*** (0.417)	3.126*** (0.996)	2.548*** (0.416)	3.111*** (0.997)	2.561*** (0.418)	3.103*** (1.003)	2.570*** (0.417)	3.123*** (0.997)	2.553*** (0.416)	3.106*** (1.000)
Firm Age	0.066* (0.039)	-0.019 (0.096)	0.069* (0.039)	-0.018 (0.096)	0.067* (0.039)	-0.018 (0.096)	0.065* (0.039)	-0.019 (0.096)	0.070* (0.039)	-0.018 (0.096)	0.066* (0.039)	-0.018 (0.096)
Org Capital (ChatGPT)			1.706*** (0.393)	0.673 (0.998)								
Org Capital (Average)					1.767*** (0.471)	1.121 (1.385)						
Pct Org Capital (Seed Word)							0.050*** (0.015)	0.022 (0.034)				
Pct Org Capital (ChatGPT)									0.070*** (0.015)	0.016 (0.036)		
Pct Org Capital (Average)											0.067*** (0.015)	0.023 (0.035)
Constant	-13.891*** (3.491)	-14.362** (6.837)	-13.962*** (3.483)	-14.596** (6.813)	-13.837*** (3.480)	-14.484** (6.823)	-16.402*** (3.641)	-15.469** (6.867)	-17.621*** (3.637)	-15.378** (6.875)	-17.201*** (3.642)	-15.600** (6.839)
Observations	12384	3060	12384	3060	12384	3060	12384	3060	12384	3060	12384	3060
Adjusted $R^2$	0.043	0.032	0.044	0.032	0.043	0.032	0.043	0.032	0.045	0.032	0.044	0.032
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Panel C

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio
Org Capital (Seed Word)	0.125** (0.051)	0.020 (0.146)										
Ln(Total Assets)	0.052 (0.060)	0.623*** (0.207)	0.053 (0.060)	0.622*** (0.206)	0.051 (0.060)	0.621*** (0.206)	0.052 (0.060)	0.618*** (0.207)	0.054 (0.060)	0.619*** (0.206)	0.051 (0.060)	0.617*** (0.206)
Firm Age	0.004 (0.007)	-0.022 (0.017)	0.004 (0.007)	-0.021 (0.017)	0.004 (0.007)	-0.022 (0.017)	0.004 (0.007)	-0.022 (0.017)	0.004 (0.007)	-0.021 (0.017)	0.004 (0.007)	-0.021 (0.017)
Org Capital (ChatGPT)			0.234*** (0.046)	0.144 (0.123)								
Org Capital (Average)					0.248*** (0.057)	0.121 (0.163)						
Pct Org Capital (Seed Word)							0.006*** (0.002)	0.004 (0.005)				
Pct Org Capital (ChatGPT)									0.011*** (0.002)	0.008* (0.005)		
Pct Org Capital (Average)											0.009*** (0.002)	0.006 (0.005)
Constant	2.696*** (0.483)	-1.112 (1.360)	2.680*** (0.482)	-1.121 (1.354)	2.701*** (0.483)	-1.105 (1.357)	2.399*** (0.495)	-1.289 (1.352)	2.127*** (0.475)	-1.512 (1.363)	2.237*** (0.485)	-1.385 (1.354)
Observations	11703	3002	11703	3002	11703	3002	11703	3002	11703	3002	11703	3002
Adjusted $R^2$	0.049	0.027	0.051	0.027	0.050	0.027	0.050	0.027	0.052	0.028	0.051	0.027
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

## Table A13: Additional Outcomes

This table reports the results from regressions estimating the relation between organizational capital and additional firm outcomes, including gross margin, asset turnover, sales growth, restatement, violation, violation penalty amounts, and Solow model residual. All regressions include industry\*year fixed effects. All variables are defined in Appendix A and Table A23 of the online Appendix. Standard errors clustered at the firm level are reported in parentheses. \*, \*\*, \*\*\* indicate two-tailed significance at the 0.10, 0.05, and 0.01 levels, respectively.

Panel A						
	(1)	(2)	(3)	(4)	(5)	(6)
	Gross Margin	Gross Margin	Gross Margin	Gross Margin	Gross Margin	Gross Margin
Org Capital (Seed Word)	0.058 (0.224)					
Ln(Total Assets)	0.532 (0.339)	0.530 (0.339)	0.528 (0.339)	0.530 (0.339)	0.532 (0.339)	0.527 (0.339)
Firm Age	-0.101*** (0.028)	-0.100*** (0.028)	-0.101*** (0.028)	-0.101*** (0.028)	-0.100*** (0.028)	-0.101*** (0.028)
Org Capital (ChatGPT)		0.542** (0.220)				
Org Capital (Average)			0.425 (0.264)			
Pct Org Capital (Seed Word)				0.009 (0.009)		
Pct Org Capital (ChatGPT)					0.022** (0.009)	
Pct Org Capital (Average)						0.017** (0.009)
Constant	40.021*** (2.667)	40.024*** (2.665)	40.056*** (2.666)	39.590*** (2.682)	38.892*** (2.659)	39.188*** (2.665)
Observations	15442	15442	15442	15442	15442	15442
Adjusted $R^2$	0.442	0.443	0.442	0.442	0.443	0.443
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes

Panel B

	(1)	(2)	(3)	(4)	(5)	(6)
	Asset	Asset	Asset	Asset	Asset	Asset
	Turnover	Turnover	Turnover	Turnover	Turnover	Turnover
Org Capital (Seed Word)	0.002 (0.006)					
Ln(Total Assets)	-0.089*** (0.008)	-0.089*** (0.008)	-0.089*** (0.008)	-0.089*** (0.008)	-0.089*** (0.008)	-0.089*** (0.008)
Firm Age	0.002*** (0.001)	0.002*** (0.001)	0.002*** (0.001)	0.002*** (0.001)	0.002*** (0.001)	0.002*** (0.001)
Org Capital (ChatGPT)		0.014*** (0.005)				
Org Capital (Average)			0.012* (0.007)			
Pct Org Capital (Seed Word)				0.000 (0.000)		
Pct Org Capital (ChatGPT)					0.001*** (0.000)	
Pct Org Capital (Average)						0.000** (0.000)
Constant	1.543*** (0.066)	1.543*** (0.066)	1.544*** (0.066)	1.535*** (0.068)	1.512*** (0.066)	1.519*** (0.067)
Observations	15445	15445	15445	15445	15445	15445
Adjusted $R^2$	0.575	0.576	0.575	0.575	0.576	0.576
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes

Panel C

	(1)	(2)	(3)	(4)	(5)	(6)
	Sales	Sales	Sales	Sales	Sales	Sales
	Growth	Growth	Growth	Growth	Growth	Growth
Org Capital (Seed Word)	0.005** (0.002)					
Ln(Total Assets)	0.003* (0.002)	0.003* (0.002)	0.003* (0.002)	0.003* (0.002)	0.003* (0.002)	0.003* (0.002)
Firm Age	-0.002*** (0.000)	-0.002*** (0.000)	-0.002*** (0.000)	-0.002*** (0.000)	-0.002*** (0.000)	-0.002*** (0.000)
Org Capital (ChatGPT)		0.015*** (0.002)				
Org Capital (Average)			0.014*** (0.002)			
Pct Org Capital (Seed Word)				0.000*** (0.000)		
Pct Org Capital (ChatGPT)					0.001*** (0.000)	
Pct Org Capital (Average)						0.000*** (0.000)
Constant	0.087*** (0.012)	0.086*** (0.012)	0.087*** (0.012)	0.075*** (0.013)	0.056*** (0.013)	0.064*** (0.013)
Observations	15242	15242	15242	15242	15242	15242
Adjusted $R^2$	0.180	0.185	0.183	0.181	0.187	0.184
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes

Panel D

	(1)	(2)	(3)	(4)	(5)	(6)
	Restatement	Restatement	Restatement	Restatement	Restatement	Restatement
Org Capital (Seed Word)	-0.001 (0.002)					
Ln(Total Assets)	-0.002 (0.002)	-0.002 (0.002)	-0.002 (0.002)	-0.002 (0.002)	-0.002 (0.002)	-0.002 (0.002)
Firm Age	-0.000 (0.000)	-0.000 (0.000)	-0.000 (0.000)	-0.000 (0.000)	-0.000 (0.000)	-0.000 (0.000)
Org Capital (ChatGPT)		-0.005** (0.002)				
Org Capital (Average)			-0.004 (0.003)			
Pct Org Capital (Seed Word)				-0.000* (0.000)		
Pct Org Capital (ChatGPT)					-0.000** (0.000)	
Pct Org Capital (Average)						-0.000** (0.000)
Constant	0.089*** (0.013)	0.089*** (0.013)	0.089*** (0.013)	0.096*** (0.014)	0.100*** (0.014)	0.099*** (0.014)
Observations	15446	15446	15446	15446	15446	15446
Adjusted $R^2$	0.020	0.021	0.020	0.020	0.021	0.021
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes

	Panel E					
	(1)	(2)	(3)	(4)	(5)	(6)
	Violation	Violation	Violation	Violation	Violation	Violation
Org Capital (Seed Word)	-0.011*** (0.004)					
Ln(Total Assets)	0.102*** (0.004)	0.102*** (0.004)	0.102*** (0.004)	0.102*** (0.004)	0.102*** (0.004)	0.102*** (0.004)
Firm Age	0.002*** (0.000)	0.002*** (0.000)	0.002*** (0.000)	0.002*** (0.000)	0.002*** (0.000)	0.002*** (0.000)
Org Capital (ChatGPT)		-0.010*** (0.004)				
Org Capital (Average)			-0.015*** (0.004)			
Pct Org Capital (Seed Word)				-0.000*** (0.000)		
Pct Org Capital (ChatGPT)					-0.000*** (0.000)	
Pct Org Capital (Average)						-0.000*** (0.000)
Constant	-0.576*** (0.031)	-0.574*** (0.031)	-0.575*** (0.031)	-0.555*** (0.032)	-0.553*** (0.032)	-0.555*** (0.032)
Observations	15446	15446	15446	15446	15446	15446
Adjusted $R^2$	0.288	0.288	0.289	0.289	0.289	0.289
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes

Panel F

	(1)	(2)	(3)	(4)	(5)	(6)
	Amount of Penalty	Amount of Penalty	Amount of Penalty	Amount of Penalty	Amount of Penalty	Amount of Penalty
Org Capital (Seed Word)	-0.134*** (0.050)					
Ln(Total Assets)	1.525*** (0.064)	1.524*** (0.064)	1.525*** (0.064)	1.525*** (0.064)	1.523*** (0.064)	1.525*** (0.064)
Firm Age	0.024*** (0.006)	0.024*** (0.006)	0.024*** (0.006)	0.024*** (0.006)	0.024*** (0.006)	0.024*** (0.006)
Org Capital (ChatGPT)		-0.133*** (0.047)				
Org Capital (Average)			-0.180*** (0.057)			
Pct Org Capital (Seed Word)				-0.005*** (0.002)		
Pct Org Capital (ChatGPT)					-0.006*** (0.002)	
Pct Org Capital (Average)						-0.005*** (0.002)
Constant	-9.182*** (0.482)	-9.161*** (0.483)	-9.177*** (0.482)	-8.918*** (0.490)	-8.869*** (0.492)	-8.905*** (0.491)
Observations	15446	15446	15446	15446	15446	15446
Adjusted $R^2$	0.303	0.303	0.303	0.303	0.303	0.303
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes

Panel G

	(1)	(2)	(3)	(4)	(5)	(6)
	Solow Model	Solow Model	Solow Model	Solow Model	Solow Model	Solow Model
	Residual	Residual	Residual	Residual	Residual	Residual
Org Capital (Seed Word)	0.003 (0.010)					
Ln(Total Assets)	0.049*** (0.011)	0.049*** (0.011)	0.049*** (0.011)	0.049*** (0.011)	0.049*** (0.011)	0.049*** (0.011)
Firm Age	-0.005*** (0.001)	-0.005*** (0.001)	-0.005*** (0.001)	-0.005*** (0.001)	-0.005*** (0.001)	-0.005*** (0.001)
Org Capital (ChatGPT)		0.015* (0.009)				
Org Capital (Average)			0.013 (0.011)			
Pct Org Capital (Seed Word)				0.000 (0.000)		
Pct Org Capital (ChatGPT)					0.000 (0.000)	
Pct Org Capital (Average)						0.000 (0.000)
Constant	-0.114 (0.085)	-0.114 (0.085)	-0.113 (0.085)	-0.122 (0.086)	-0.131 (0.085)	-0.124 (0.085)
Observations	13335	13335	13335	13335	13335	13335
Adjusted $R^2$	0.026	0.027	0.026	0.026	0.026	0.026
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes

## Table A14: Glassdoor Ratings

This table repeats the validation analysis replacing organizational capital with Glassdoor overall ratings and culture sub-ratings. Panel A estimates the relationship between Glassdoor ratings and firm performance. Panel B estimates the relationship between our measures of organizational capital and firm performance after controlling for Glassdoor ratings. All regressions include industry\*year fixed effects. Standard errors clustered at the firm level are reported in parentheses. Panel C reports the t-tests of Glassdoor ratings in firms nominated as Fortunes 100 Best Companies to Work and other firms. All variables are defined in Appendix A. \*, \*\*, \*\*\* indicate two-tailed significance at the 0.10, 0.05, and 0.01 levels, respectively.

Panel A		
	(1)	(2)
	ROA	ROA
Overall Rating	1.178*** (0.167)	
Ln(Total Assets)	0.367*** (0.122)	0.376*** (0.132)
Firm Age	0.009 (0.008)	0.011 (0.009)
Culture Rating		1.108*** (0.168)
Constant	-2.992*** (1.143)	-2.935** (1.208)
Observations	15445	11963
Adjusted $R^2$	0.129	0.129

Panel B1

	(1)	(2)	(3)	(4)	(5)	(6)
	ROA	ROA	ROA	ROA	ROA	ROA
Org Capital (Seed Word)	0.101 (0.117)					
Overall Rating	1.095*** (0.182)	0.772*** (0.175)	0.721*** (0.183)	0.788*** (0.182)	0.686*** (0.174)	0.508*** (0.178)
Ln(Total Assets)	0.371*** (0.122)	0.389*** (0.122)	0.389*** (0.122)	0.387*** (0.122)	0.398*** (0.122)	0.400*** (0.122)
Firm Age	0.009 (0.008)	0.010 (0.008)	0.009 (0.008)	0.009 (0.008)	0.010 (0.008)	0.009 (0.008)
Org Capital (ChatGPT)		0.658*** (0.094)				
Org Capital (Average)			0.637*** (0.127)			
Pct Org Capital (Seed Word)				0.015*** (0.004)		
Pct Org Capital (ChatGPT)					0.028*** (0.003)	
Pct Org Capital (Average)						0.028*** (0.004)
Constant	-2.753** (1.142)	-1.892* (1.120)	-1.704 (1.121)	-2.661** (1.134)	-3.117*** (1.138)	-2.514** (1.127)
Observations	15445	15445	15445	15445	15445	15445
Adjusted $R^2$	0.129	0.133	0.131	0.130	0.136	0.135
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes

Panel B2

	(1)	(2)	(3)	(4)	(5)	(6)
	ROA	ROA	ROA	ROA	ROA	ROA
Org Capital (Seed Word)	0.067 (0.135)					
Culture Rating	1.060*** (0.189)	0.695*** (0.180)	0.671*** (0.190)	0.722*** (0.187)	0.586*** (0.179)	0.412** (0.187)
Ln(Total Assets)	0.377*** (0.132)	0.393*** (0.131)	0.391*** (0.132)	0.388*** (0.132)	0.401*** (0.131)	0.398*** (0.131)
Firm Age	0.011 (0.009)	0.012 (0.008)	0.011 (0.008)	0.010 (0.008)	0.012 (0.008)	0.011 (0.008)
Org Capital (ChatGPT)		0.775*** (0.125)				
Org Capital (Average)			0.706*** (0.155)			
Pct Org Capital (Seed Word)				0.016*** (0.004)		
Pct Org Capital (ChatGPT)					0.031*** (0.004)	
Pct Org Capital (Average)						0.031*** (0.004)
Constant	-2.797** (1.201)	-1.817 (1.181)	-1.707 (1.179)	-2.625** (1.196)	-3.130*** (1.202)	-2.499** (1.188)
Observations	11963	11963	11963	11963	11963	11963
Adjusted $R^2$	0.129	0.134	0.132	0.131	0.137	0.136
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes

Panel C

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	Firms NOT in 100 Best Company to Work List	Firms in 100 Best Company to Work List	Difference in Means	T-stats	P-value
Overall Rating	3.203	3.782	-0.580	-11.436	0.000
Culture Rating	3.163	3.859	-0.697	-12.748	0.000

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**Table A15: Website Descriptions**

Panel A: Top 50 words in the Expanded Dictionary

Rank	Word	Similarity	Rank	Word	Similarity
1	culture	0.676	26	collaborative	0.395
2	relationship	0.591	27	diverse_workforce	0.394
3	relationships	0.545	28	organization	0.393
4	management	0.508	29	integrity	0.387
5	collaboration	0.456	30	alignment	0.386
6	approach	0.445	31	entrepreneurial_spirit	0.386
7	strategy	0.437	32	strong_relationships	0.381
8	mindset	0.432	33	organizational	0.378
9	environment	0.427	34	reputation	0.376
10	strong	0.427	35	client_relationships	0.376
11	leadership	0.427	36	employee_engagement	0.373
12	collaborative_culture	0.424	37	values	0.371
13	diversity	0.423	38	framework	0.368
14	open_communication	0.414	39	operational_excellence	0.368
15	philosophy	0.414	40	workplace	0.365
16	accountability	0.413	41	understanding	0.365
17	partnerships	0.413	42	continuous_improvement	0.362
18	team	0.413	43	teams	0.361
19	commitment	0.408	44	expertise	0.359
20	engagement	0.408	45	discipline	0.358
21	teamwork	0.407	46	promotes	0.357
22	partnership	0.403	47	workforce	0.357
23	success	0.403	48	trusting_relationships	0.357
24	interaction	0.402	49	business	0.354
25	inclusive_culture	0.399	50	value_proposition	0.353

Panel B

### Prompt to ChatGPT

This is the definition of organizational capital.

Organizational capital encompasses any intangible firm asset with four properties: (1) it affects firm performance; (2) it changes slowly over time; (3) being intangible, it is not perfectly observable; and (4) it must be produced at least partly inside the firm with the active participation of the firm’s top management.

What could organizational capital be in practice? A leading example is the management practices analyzed by Bloom and Van Reenen (2007), which arguably affect firm performance (as in condition 1) and are slow-moving (as in condition 2). In support of the imperfect observability condition (condition 3), note that management practices are difficult to measure precisely (Bloom et al. [2019] estimate that 45% of the observed variance in management scores is due to measurement error). For condition 4, Simons (1994b) uses 10 years of observational data collected in over 50 US businesses to document how top managers use control systems—namely, mechanisms for influencing human endeavor within the company—to maintain or alter patterns in organizational activities; in particular, new CEOs use the first 18 months of their tenure to define and measure critical performance variables (Simons 1994a). There are other possible examples of organizational capital. Our definition includes at least partial constructs, such as relational contracts (Baker, Gibbons, and Murphy 2002), corporate culture (Schein 2010), firm-specific human capital (Prescott and Visscher 1980), or firm capabilities (Teece, Pisano, and Shuen 1997).

Based on the above definition, please give me 20 samples of a company’s description on its website’s “about” and “career” sections that show the company emphasizes organizational capital.

### 10 Sample Synthetic Website Descriptions

Visionary Tech Solutions is more than a company; it’s a catalyst for change in the digital world. Our organizational capital is our lifeblood—fueling a drive for excellence that’s reflected in our cutting-edge products and services. We believe in the power of growth from within, with management practices designed to elevate performance and shape industry standards. Explore career opportunities with us and join a team where every project is an opportunity to innovate and every role is a testament to our collective success.

Rooted in the fertile ground of innovation, Sustainable Growth AgriBusiness is reshaping the future of farming. Our organizational capital—comprising expert knowledge, ethical practices, and a forward-thinking approach—is our most valuable resource. We offer careers that extend beyond the field, into the realms of environmental stewardship and community empowerment. With us, you cultivate more than crops; you grow a legacy of sustainable success.

AquaPure Technologies leads the industry with its commitment to pure water and organizational excellence. Our success flows from our corporate culture and the intangible yet palpable dedication to quality that our team embodies. Here, your career will mirror our business: transparent, essential, and life-sustaining. Dive into a workplace where your efforts ripple through our company and the world.

At Bridge Educational Institutes, we’re educators, innovators, and believers in the transformative power of knowledge. Our organizational capital is our compass, guiding us to empower minds and connect ideas across the globe. Embark on a career with us, and you’ll find yourself at the intersection of teaching and technology, where learning is an infinite journey and your potential knows no bounds.

Continued on next page

## 10 Sample Synthetic Website Descriptions (Continued)

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In the world of finance, Bright Horizons stands out with a wealth of organizational capital that secures not just our clients' futures, but also the growth and satisfaction of our team. Our approach intertwines expert financial acumen with an environment that prizes continuous improvement and strategic foresight. Start a career with us and become part of a narrative that redefines financial success as a shared venture.

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Dynamic Designs Architecture builds more than structures; we construct dreams, supported by the organizational capital that is the foundation of our firm. Our design philosophy is a testament to the creativity and innovation that thrives in our halls. We invite you to join a career space where your vision can soar, supported by leadership that champions your professional and artistic journey.

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GreenSphere Energy Solutions stands as a testament to the sustainable future we are actively building. Our organizational capital—rooted in environmental stewardship and cutting-edge research—fuels our mission. Careers at GreenSphere are pathways to personal and professional evolution, set within a culture that celebrates visionary thinking and tangible impact.

---

NextGen Robotics is engineering the future, powered by the organizational capital of our world-class engineers and visionaries. Our robots are redefining possibilities, and we invite you to join our team to push the boundaries of what's achievable. Here, your career is a platform for innovation and discovery.

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PureLife Water Purification's essence flows from our organizational capital—our devotion to purity and clarity, in water and in our corporate mission. We offer more than careers; we offer a calling to contribute to a world where every drop of water counts. Join a team that values sustainability and impact.

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BuildRight Construction Services stands tall on the foundational organizational capital of our skilled workforce. Our projects—from skyscrapers to bridges—reflect our commitment to excellence and the growth of our people. Step into a career that builds structures and futures alike.

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Panel C: Variance Decomposition

No.	Fixed Effects	Website Org Capital(Seed Word)	Website Org Capital(ChatGPT)
1	Year Fixed Effects	1.1%	0.2%
2	Industry Fixed Effects	3.4%	3.7%
3	Industry Fixed Effects + Year Fixed Effects	4.5%	3.9%
4	Industry * Year Fixed Effects	9.9%	10.9%
5	Firm Fixed Effects	51.0%	50.4%
6	Firm Fixed Effects + Year Fixed Effects	51.8%	50.5%
7	CEO Fixed Effects	64.4%	60.5%
8	CEO Fixed Effects + Year Fixed Effects	64.7%	60.6%
9	CEO-Firm Fixed Effects	64.5%	60.6%
10	CEO-Firm Fixed Effects + Year Fixed Effects	64.7%	60.7%

Panel D1: ROA

	(1)	(2)	(3)	(4)	(5)	(6)
	ROA	ROA	ROA	ROA	ROA	ROA
Website Org Capital (Seed Word)	-0.133 (0.173)					
Ln(Total Assets)	0.475*** (0.169)	0.473*** (0.168)	0.468*** (0.169)	0.475*** (0.169)	0.470*** (0.168)	0.468*** (0.169)
Firm Age	0.025** (0.012)	0.024** (0.012)	0.024** (0.012)	0.025** (0.012)	0.024** (0.012)	0.024** (0.012)
Website Org Capital (ChatGPT)		0.335* (0.178)				
Website Org Capital (Average)			0.311 (0.262)			
Website Pct Org Capital (Seed Word)				-0.008 (0.005)		
Website Pct Org Capital (ChatGPT)					0.010* (0.005)	
Website Pct Org Capital (Average)						0.006 (0.005)
Constant	-0.827 (1.352)	-0.851 (1.346)	-0.782 (1.348)	-0.393 (1.348)	-1.312 (1.377)	-1.084 (1.369)
Observations	7049	7045	7049	7049	7045	7049
Adjusted $R^2$	0.118	0.119	0.118	0.118	0.119	0.118
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes

Panel D2: ROE

	(1)	(2)	(3)	(4)	(5)	(6)
	ROE	ROE	ROE	ROE	ROE	ROE
Website Org Capital (Seed Word)	-0.565 (0.851)					
Ln(Total Assets)	3.038*** (0.573)	3.030*** (0.571)	3.010*** (0.572)	3.022*** (0.573)	3.015*** (0.571)	3.004*** (0.571)
Firm Age	0.066 (0.046)	0.063 (0.046)	0.065 (0.046)	0.066 (0.046)	0.061 (0.046)	0.064 (0.046)
Website Org Capital (ChatGPT)		1.091 (0.778)				
Website Org Capital (Average)			0.909 (1.119)			
Website Pct Org Capital (Seed Word)				-0.003 (0.021)		
Website Pct Org Capital (ChatGPT)					0.052** (0.022)	
Website Pct Org Capital (Average)						0.030 (0.021)
Constant	-18.289*** (4.566)	-18.333*** (4.559)	-18.114*** (4.559)	-18.016*** (4.618)	-20.875*** (4.716)	-19.626*** (4.691)
Observations	7049	7045	7049	7049	7045	7049
Adjusted $R^2$	0.069	0.070	0.069	0.069	0.070	0.070
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes

Panel D3: P/B Ratio

	(1)	(2)	(3)	(4)	(5)	(6)
	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio
Website Org Capital (Seed Word)	-0.146 (0.129)					
Ln(Total Assets)	0.138* (0.084)	0.133 (0.083)	0.134 (0.084)	0.135 (0.083)	0.132 (0.083)	0.133 (0.084)
Firm Age	-0.000 (0.008)	-0.000 (0.008)	0.000 (0.008)	-0.000 (0.008)	-0.001 (0.008)	-0.000 (0.008)
Website Org Capital (ChatGPT)		0.076 (0.126)				
Website Org Capital (Average)			-0.023 (0.193)			
Website Pct Org Capital (Seed Word)				-0.002 (0.003)		
Website Pct Org Capital (ChatGPT)					0.005 (0.004)	
Website Pct Org Capital (Average)						0.001 (0.004)
Constant	2.224*** (0.641)	2.253*** (0.632)	2.257*** (0.639)	2.358*** (0.624)	1.987*** (0.615)	2.187*** (0.606)
Observations	6702	6698	6702	6702	6698	6702
Adjusted $R^2$	0.046	0.046	0.046	0.046	0.046	0.046
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes

Panel E1: Glassdoor Ratings

	Website Org Capital (Seed Word)	Website Org Capital (ChatGPT)	Website Org Capital (Average)	Website Pct Org Capital (Seed Word)	Website Pct Org Capital (ChatGPT)	Website Pct Org Capital (Average)	Overall Rating	Balance Rating	Culture Rating	Opportunities Rating	Compensation Rating	Management Rating
Website Org Capital (Seed Word)	1.00											
Website Org Capital (ChatGPT)	0.02*	1.00										
Website Org Capital (Average)	0.63***	0.79***	1.00									
Website Pct Org Capital (Seed Word)	0.61***	0.24***	0.56***	1.00								
Website Pct Org Capital (ChatGPT)	0.01	0.89***	0.70***	0.26***	1.00							
Website Pct Org Capital (Average)	0.40***	0.79***	0.86***	0.60***	0.86***	1.00						
Overall Rating	0.03***	0.01	0.02**	0.03**	0.01	0.02*	1.00					
Balance Rating	0.00	-0.01	-0.01	-0.00	-0.01	-0.02	0.66***	1.00				
Culture Rating	0.01	-0.00	0.01	-0.00	0.00	0.00	0.84***	0.71***	1.00			
Opportunities Rating	0.02*	-0.01	0.01	0.02	0.00	0.01	0.79***	0.53***	0.75***	1.00		
Compensation Rating	0.03***	-0.01	0.01	0.03***	0.01	0.02*	0.63***	0.47***	0.59***	0.60***	1.00	
Management Rating	0.01	-0.01	-0.00	0.01	-0.01	-0.01	0.82***	0.64***	0.85***	0.74***	0.55***	1.00

Panel E2: Best Company to Work

	Firms NOT in 100 Best Companies to Work	Firms in 100 Best Companies to Work	Difference in Means	T-stats	P-value
Website Org Capital (Seed Word)	0.011	0.068	-0.057	-0.879	0.380
Website Org Capital (ChatGPT)	0.180	0.061	0.119	1.417	0.157
Website Org Capital (Average)	0.095	0.065	0.031	0.570	0.569
Website Pct Org Capital (Seed Word)	51.673	52.773	-1.100	-0.374	0.709
Website Pct Org Capital (ChatGPT)	56.127	52.247	3.880	1.322	0.186
Website Pct Org Capital (Average)	56.199	52.464	3.735	1.263	0.207

**Table A16: Job Postings**

Panel A: Top 50 Words in the Expanded Dictionary

Rank	Word	Similarity	Rank	Word	Similarity
1	culture	0.667	26	influencing	0.352
2	relationship	0.657	27	governance	0.349
3	relationships	0.539	28	team	0.349
4	leadership	0.515	29	focus	0.346
5	management	0.493	30	delegation	0.343
6	collaboration	0.473	31	organisational	0.343
7	partnerships	0.463	32	credibility	0.342
8	teamwork	0.449	33	climate	0.341
9	relations	0.446	34	approach	0.339
10	conflict_resolution	0.442	35	trust	0.338
11	engagement	0.441	36	track_record	0.337
12	partnership	0.425	37	empowerment	0.336
13	trusting_relationships	0.409	38	collaborative	0.336
14	organization	0.407	39	environment	0.336
15	mindset	0.397	40	priority_setting	0.336
16	strategy	0.386	41	organizational	0.334
17	teambuilding	0.380	42	strategic	0.334
18	stakeholder_engagement	0.376	43	communication	0.332
19	rapport	0.375	44	facilitation	0.332
20	lasting_relationships	0.374	45	intercultural	0.329
21	negotiation	0.372	46	teams	0.328
22	acumen	0.364	47	fosters	0.325
23	executive_presence	0.363	48	growth	0.325
24	reputation	0.360	49	interpersonal_savvy	0.321
25	dialogue	0.353	50	relationship_builder	0.320

Panel B

Prompt to ChatGPT

This is the definition of organizational capital.

Organizational capital encompasses any intangible firm asset with four properties: (1) it affects firm performance; (2) it changes slowly over time; (3) being intangible, it is not perfectly observable; and (4) it must be produced at least partly inside the firm with the active participation of the firm’s top management.

What could organizational capital be in practice? A leading example is the management practices analyzed by Bloom and Van Reenen (2007), which arguably affect firm performance (as in condition 1) and are slow-moving (as in condition 2). In support of the imperfect observability condition (condition 3), note that management practices are difficult to measure precisely (Bloom et al. [2019] estimate that 45% of the observed variance in management scores is due to measurement error). For condition 4, Simons (1994b) uses 10 years of observational data collected in over 50 US businesses to document how top managers use control systems—namely, mechanisms for influencing human endeavor within the company—to maintain or alter patterns in organizational activities; in particular, new CEOs use the first 18 months of their tenure to define and measure critical performance variables (Simons 1994a). There are other possible examples of organizational capital. Our definition includes at least partial constructs, such as relational contracts (Baker, Gibbons, and Murphy 2002), corporate culture (Schein 2010), firm-specific human capital (Prescott and Visscher 1980), or firm capabilities (Teece, Pisano, and Shuen 1997).

Based on the above definition, please give me 100 samples of a company’s job postings that indicate the company’s emphasis on organizational capital.

10 Sample Synthetic Job Postings

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Senior Manager, Corporate Culture Development: At InnovateTech, where we’re revolutionizing the tech industry with cutting-edge solutions, we’re seeking a Senior Manager of Corporate Culture Development. This role is responsible for developing strategies to strengthen corporate culture, fostering an inclusive environment, ensuring alignment with organizational goals, and collaborating with top management to align cultural development with strategic objectives. Ideal candidates will have experience in organizational development, strong interpersonal skills, and the ability to lead cultural change initiatives.

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Director of Management Practices: Global Finance Group, a leading financial services provider committed to excellence and integrity, is on the lookout for a Director of Management Practices. The director will evaluate and enhance management practices to improve performance, implement best practices, and drive continuous improvement processes. An MBA, experience in management consulting, and analytical thinking skills are required. The role demands collaboration with executive leadership to drive the adoption of innovative management practices.

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Chief Learning Officer: EduFuture, at the forefront of educational innovation, transforming learning with technology-driven solutions, is seeking a Chief Learning Officer. The officer will oversee the development and implementation of programs enhancing firm-specific human capital, create personalized learning and development plans, and work with department heads and top management to identify skill gaps and develop strategies. An advanced degree in education or human resources, experience in learning and development, and leadership skills are essential.

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Continued on next page

## 10 Sample Synthetic Job Postings (Continued)

**Innovation Manager:** EcoSolutions, dedicated to developing sustainable technologies and a green tech pioneer, is hiring an Innovation Manager. The role entails leading innovation within the firm, managing cross-functional teams to develop new products or services that enhance firm capabilities, and working directly with senior management to align innovation projects with organizational strategies and goals. Candidates should have a degree in business administration or engineering, project management and innovation experience, and demonstrate creativity.

**Organizational Development Consultant:** HealthBridge, a healthcare innovator improving patient care through technology, is looking for an Organizational Development Consultant. The consultant's duties include conducting assessments to identify improvement opportunities, designing and implementing solutions for relational contracts and internal processes, and engaging with top management to tailor solutions to the firm's specific needs and strategic direction. A degree in organizational psychology, consulting and change management experience, and strong analytical skills are required.

**Business Process Improvement Specialist:** Join NextGen Innovations, a leader in delivering future-ready solutions across industries, as our Business Process Improvement Specialist. Tasked with streamlining operations to enhance efficiency and effectiveness, the ideal candidate will possess a keen understanding of workflow analysis and process redesign. Coordination with executive management to implement process enhancements that contribute to long-term success is expected.

**Talent Development Manager:** At CyberTech Dynamics, a powerhouse in digital transformation, we're seeking a Talent Development Manager. This role focuses on elevating our workforce's capabilities, aligning talent development with strategic business goals, and fostering a culture of continuous learning. A background in human resources, a knack for leadership coaching, and strategy implementation in collaboration with top-tier executives are required.

**Strategic Planning Analyst:** Strategic Planning Analyst wanted at GreenWave Energy, a trailblazer in sustainable power solutions. The role involves developing long-range strategic plans, performing market analysis, and driving business growth initiatives. Applicants should hold a degree in business or economics, have strong analytical skills, and be prepared to work closely with senior leadership to shape the company's future direction.

**Corporate Communications Director:** Elevate our brand narrative as the Corporate Communications Director at Luxe Fashion Group, the epitome of high-end retail. Craft communication strategies that embody our values, manage public relations efforts, and lead our corporate messaging to new heights. Experience in brand management, media relations, and executive collaboration is crucial for this pivotal role.

**Employee Relations Manager:** PeopleFirst Health, dedicated to compassionate care, is recruiting an Employee Relations Manager. You'll be resolving workplace issues, upholding our values of respect and integrity, and developing policies that nurture a positive organizational environment. The role requires HR expertise, conflict resolution skills, and a record of effective management-level negotiations.

Panel C: Variance Decomposition

No.	Fixed Effects	Job Posting Org Capital(ChatGPT)	Job Posting Org Capital(Seed Word)
1	Year Fixed Effects	3.0%	40.3%
2	Industry Fixed Effects	17.0%	5.1%
3	Industry Fixed Effects + Year Fixed Effects	20.3%	45.6%
4	Industry * Year Fixed Effects	23.7%	48.0%
5	Firm Fixed Effects	66.3%	39.6%
6	Firm Fixed Effects + Year Fixed Effects	70.2%	78.7%
7	CEO Fixed Effects	71.5%	54.5%
8	CEO Fixed Effects + Year Fixed Effects	74.3%	82.4%
9	CEO-Firm Fixed Effects	71.6%	55.0%
10	CEO-Firm Fixed Effects + Year Fixed Effects	74.3%	82.7%

Panel D1: ROA

	(1)	(2)	(3)	(4)	(5)	(6)
	ROA	ROA	ROA	ROA	ROA	ROA
Job Posting Org Capital (Seed Word)	-0.155 (0.169)					
Ln(Total Assets)	0.368*** (0.133)	0.354*** (0.134)	0.365*** (0.135)	0.369*** (0.133)	0.346** (0.138)	0.359*** (0.136)
Firm Age	0.019** (0.009)	0.019** (0.009)	0.019** (0.009)	0.019** (0.009)	0.019** (0.009)	0.019** (0.009)
Job Posting Org Capital (ChatGPT)		-0.013 (0.143)				
Job Posting Org Capital (Average)			-0.104 (0.192)			
Job Posting Pct Org Capital (Seed Word)				-0.006 (0.006)		
Job Posting Pct Org Capital (ChatGPT)					0.001 (0.006)	
Job Posting Pct Org Capital (Average)						-0.002 (0.006)
Constant	0.555 (1.149)	0.664 (1.174)	0.578 (1.179)	0.840 (1.114)	0.662 (1.110)	0.704 (1.107)
Observations	8176	8176	8176	8176	8176	8176
Adjusted $R^2$	0.118	0.117	0.118	0.118	0.117	0.117
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes

Panel D2: ROE

	(1)	(2)	(3)	(4)	(5)	(6)
	ROE	ROE	ROE	ROE	ROE	ROE
Job Posting Org Capital (Seed Word)	0.077 (0.834)					
Ln(Total Assets)	2.718*** (0.476)	2.707*** (0.474)	2.706*** (0.483)	2.718*** (0.475)	2.690*** (0.490)	2.681*** (0.489)
Firm Age	0.074 (0.049)	0.074 (0.048)	0.074 (0.049)	0.074 (0.049)	0.074 (0.048)	0.074 (0.049)
Job Posting Org Capital (ChatGPT)		0.148 (0.572)				
Job Posting Org Capital (Average)			0.176 (0.866)			
Job Posting Pct Org Capital (Seed Word)				0.003 (0.029)		
Job Posting Pct Org Capital (ChatGPT)					0.008 (0.026)	
Job Posting Pct Org Capital (Average)						0.011 (0.028)
Constant	-14.659*** (3.995)	-14.554*** (4.039)	-14.551*** (4.086)	-14.797*** (3.897)	-14.819*** (3.850)	-14.897*** (3.848)
Observations	8176	8176	8176	8176	8176	8176
Adjusted $R^2$	0.053	0.053	0.053	0.053	0.053	0.053
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes

Panel D3: P/B Ratio

	(1)	(2)	(3)	(4)	(5)	(6)
	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio
Job Posting Org Capital (Seed Word)	0.393*** (0.141)					
Ln(Total Assets)	0.216** (0.093)	0.199** (0.092)	0.186** (0.094)	0.215** (0.093)	0.173* (0.094)	0.179* (0.095)
Firm Age	-0.003 (0.009)	-0.004 (0.009)	-0.003 (0.009)	-0.003 (0.009)	-0.003 (0.009)	-0.003 (0.009)
Job Posting Org Capital (ChatGPT)		0.417*** (0.107)				
Job Posting Org Capital (Average)			0.600*** (0.153)			
Job Posting Pct Org Capital (Seed Word)				0.014*** (0.005)		
Job Posting Pct Org Capital (ChatGPT)					0.018*** (0.005)	
Job Posting Pct Org Capital (Average)						0.018*** (0.005)
Constant	1.960*** (0.721)	2.131*** (0.718)	2.227*** (0.731)	1.264* (0.688)	1.440** (0.691)	1.359** (0.688)
Observations	7831	7831	7831	7831	7831	7831
Adjusted $R^2$	0.051	0.052	0.053	0.051	0.054	0.053
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes

Panel E1: Glassdoor Ratings

	Job Posting Org Capital (Seed Word)	Job Posting Org Capital (ChatGPT)	Job Posting Org Capital (Average)	Job Posting Pct Org Capital (Seed Word)	Job Posting Pct Org Capital (ChatGPT)	Job Posting Pct Org Capital (Average)	Overall Rating	Balance Rating	Culture Rating	Opportunities Rating	Compensation Rating	Management Rating
Job Posting Org Capital (Seed Word)	1.00											
Job Posting Org Capital (ChatGPT)	0.40***	1.00										
Job Posting Org Capital (Average)	0.84***	0.84***	1.00									
Job Posting Pct Org Capital (Seed Word)	0.98***	0.41***	0.83***	1.00								
Job Posting Pct Org Capital (ChatGPT)	0.42***	0.88***	0.77***	0.42***	1.00							
Job Posting Pct Org Capital (Average)	0.86***	0.73***	0.95***	0.87***	0.79***	1.00						
Overall Rating	0.16***	0.15***	0.19***	0.16***	0.18***	0.20***	1.00					
Balance Rating	0.15***	0.19***	0.20***	0.15***	0.22***	0.21***	0.66***	1.00				
Culture Rating	0.14***	0.17***	0.19***	0.14***	0.20***	0.19***	0.84***	0.71***	1.00			
Opportunities Rating	0.15***	0.13***	0.17***	0.15***	0.16***	0.18***	0.79***	0.53***	0.75***	1.00		
Compensation Rating	0.15***	0.12***	0.16***	0.15***	0.15***	0.17***	0.63***	0.47***	0.59***	0.60***	1.00	
Management Rating	0.13***	0.13***	0.15***	0.13***	0.15***	0.16***	0.82***	0.64***	0.85***	0.74***	0.55***	1.00

Panel E2: Best Company to Work

	Firms NOT in 100 Best Companies to Work	Firms in 100 Best Companies to Work	Difference in Means	T-stats	P-value
Job Posting Org Capital (Seed Word)	-0.007	0.337	-0.344	-4.324	0.000
Job Posting Org Capital (ChatGPT)	-0.012	0.611	-0.624	-7.863	0.000
Job Posting Org Capital (Average)	-0.010	0.474	-0.484	-7.275	0.000
Job Posting Pct Org Capital (Seed Word)	50.305	59.919	-9.614	-4.188	0.000
Job Posting Pct Org Capital (ChatGPT)	50.067	71.764	-21.697	-9.494	0.000
Job Posting Pct Org Capital (Average)	50.160	67.106	-16.945	-7.399	0.000

# Table A17: Interview Questions

## Panel A

Top 50 words in the Expanded Dictionary

Rank	Word	Similarity	Rank	Word	Similarity
1	culture	0.648	26	business_acumen	0.370
2	relationship	0.625	27	communications	0.368
3	relationships	0.600	28	personalities	0.366
4	management	0.559	29	stakeholders	0.365
5	rapport	0.482	30	teams	0.365
6	partners	0.457	31	demeanor	0.361
7	collaboration	0.450	32	mindset	0.360
8	reputation	0.445	33	globally	0.354
9	attitude	0.440	34	diverse	0.353
10	partner	0.423	35	growth	0.352
11	credibility	0.419	36	relations	0.350
12	cultural	0.414	37	morale	0.349
13	mission	0.411	38	team	0.348
14	interaction	0.402	39	engagement	0.348
15	managing	0.393	40	partnering	0.346
16	building_relationships	0.391	41	trust	0.346
17	professional_relationship	0.390	42	backgrounds	0.344
18	partnership	0.389	43	professionalism	0.343
19	organization	0.387	44	moral	0.343
20	partnerships	0.382	45	build_relationships	0.342
21	cultural_fit	0.380	46	staff	0.339
22	track_record	0.377	47	executives	0.338
23	relationship_building	0.375	48	experience	0.337
24	senior_management	0.372	49	multiple_stakeholders	0.336
25	interactions	0.372	50	personality	0.334

## Panel B

### Prompt to ChatGPT

This is the definition of organizational capital.

Organizational capital encompasses any intangible firm asset with four properties: (1) it affects firm performance; (2) it changes slowly over time; (3) being intangible, it is not perfectly observable; and (4) it must be produced at least partly inside the firm with the active participation of the firm's top management.

What could organizational capital be in practice? A leading example is the management practices analyzed by Bloom and Van Reenen (2007), which arguably affect firm performance (as in condition 1) and are slow-moving (as in condition 2). In support of the imperfect observability condition (condition 3), note that management practices are difficult to measure precisely (Bloom et al. [2019] estimate that 45% of the observed variance in management scores is due to measurement error). For condition 4, Simons (1994b) uses 10 years of observational data collected in over 50 US businesses to document how top managers use control systems—namely, mechanisms for influencing human endeavor within the company—to maintain or alter patterns in organizational activities; in particular, new CEOs use the first 18 months of their tenure to define and measure critical performance variables (Simons 1994a). There are other possible examples of organizational capital. Our definition includes at least partial constructs, such as relational contracts (Baker, Gibbons, and Murphy 2002), corporate culture (Schein 2010), firm-specific human capital (Prescott and Visscher 1980), or firm capabilities (Teece, Pisano, and Shuen 1997).

Based on the above definition, please give me 100 interview questions that demonstrate the company's intent to identify candidates capable of augmenting its organizational capital. Please ensure the questions are formulated in the professional tone typical of job interviews.

### 10 Sample Synthetic Interview Questions

Describe a situation where you had to implement a significant change in your previous role. How did you manage it?
How do you measure the success of your management practices?
Can you provide an example of how you've contributed to improving team performance?
How do you ensure your team stays aligned with the company's strategic goals?
What strategies do you use to foster creativity and innovation within your team?
How do you handle feedback from your team, especially if it's critical of existing processes?
How do you prioritize tasks and projects within your team?
Describe a time when you had to adapt your leadership style to better manage your team.
How would you describe your ideal company culture?
Can you give an example of how you have contributed to building or enhancing a positive workplace culture in the past?

Panel C: Variance Decomposition

No.	Fixed Effects	Interview Org Capital (Seed Word)	Interview Org Capital (ChatGPT)
1	Year Fixed Effects	1.1%	5.4%
2	Industry Fixed Effects	1.2%	5.9%
3	Industry Fixed Effects + Year Fixed Effects	2.3%	11.3%
4	Industry * Year Fixed Effects	7.4%	15.8%
5	Firm Fixed Effects	18.8%	27.4%
6	Firm Fixed Effects + Year Fixed Effects	19.8%	32.2%
7	CEO Fixed Effects	29.5%	38.0%
8	CEO Fixed Effects + Year Fixed Effects	30.4%	41.8%
9	CEO-Firm Fixed Effects	29.9%	38.5%
10	CEO-Firm Fixed Effects + Year Fixed Effects	30.7%	42.3%

Panel D1: ROA

	(1)	(2)	(3)	(4)	(5)	(6)
	ROA	ROA	ROA	ROA	ROA	ROA
Interview Org Capital (Seed Word)	-0.047 (0.074)					
Ln(Total Assets)	0.299** (0.131)	0.298** (0.130)	0.299** (0.130)	0.286** (0.132)	0.299** (0.130)	0.299** (0.130)
Firm Age	0.008 (0.009)	0.008 (0.009)	0.008 (0.009)	0.008 (0.009)	0.008 (0.009)	0.008 (0.009)
Interview Org Capital (ChatGPT)		0.041 (0.094)				
Interview Org Capital (Average)			-0.008 (0.107)			
Interview Pct Org Capital (Seed Word)				0.004 (0.003)		
Interview Pct Org Capital (ChatGPT)					0.000 (0.003)	
Interview Pct Org Capital (Average)						-0.001 (0.003)
Constant	1.824* (1.097)	1.837* (1.092)	1.824* (1.096)	1.756 (1.090)	1.811 (1.133)	1.857* (1.111)
Observations	11918	11918	11918	11918	11918	11918
Adjusted $R^2$	0.109	0.109	0.109	0.110	0.109	0.109
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes

Panel D2: ROE

	(1)	(2)	(3)	(4)	(5)	(6)
	ROE	ROE	ROE	ROE	ROE	ROE
Interview Org Capital (Seed Word)	-0.253 (0.374)					
Ln(Total Assets)	2.483*** (0.438)	2.461*** (0.436)	2.475*** (0.438)	2.495*** (0.443)	2.474*** (0.437)	2.469*** (0.438)
Firm Age	0.057 (0.043)	0.054 (0.043)	0.056 (0.043)	0.057 (0.043)	0.054 (0.043)	0.056 (0.043)
Interview Org Capital (ChatGPT)		0.893** (0.392)				
Interview Org Capital (Average)			0.497 (0.487)			
Interview Pct Org Capital (Seed Word)				-0.004 (0.014)		
Interview Pct Org Capital (ChatGPT)					0.030** (0.015)	
Interview Pct Org Capital (Average)						0.013 (0.015)
Constant	-11.830*** (3.617)	-11.564*** (3.596)	-11.742*** (3.610)	-11.755*** (3.626)	-13.204*** (3.731)	-12.363*** (3.708)
Observations	11917	11917	11917	11917	11917	11917
Adjusted $R^2$	0.029	0.029	0.029	0.029	0.029	0.029
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes

Panel D3: P/B Ratio

	(1)	(2)	(3)	(4)	(5)	(6)
	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio
Interview						
Org Capital (Seed Word)	-0.047 (0.051)					
Ln(Total Assets)	0.139* (0.077)	0.137* (0.077)	0.139* (0.077)	0.137* (0.078)	0.138* (0.077)	0.138* (0.077)
Firm Age	-0.000 (0.008)	-0.000 (0.008)	-0.000 (0.008)	-0.000 (0.008)	-0.000 (0.008)	-0.000 (0.008)
Interview						
Org Capital (ChatGPT)		0.047 (0.059)				
Interview						
Org Capital (Average)			-0.003 (0.068)			
Interview						
Pct Org Capital (Seed Word)				0.000 (0.002)		
Interview						
Pct Org Capital (ChatGPT)					0.001 (0.002)	
Interview						
Pct Org Capital (Average)						0.000 (0.002)
Constant	2.317*** (0.602)	2.331*** (0.603)	2.318*** (0.602)	2.309*** (0.601)	2.268*** (0.610)	2.317*** (0.609)
Observations	11374	11374	11374	11374	11374	11374
Adjusted $R^2$	0.039	0.039	0.039	0.039	0.039	0.039
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes

Panel E1: Glassdoor Ratings

	Interview Org Capital (Seed Word)	Interview Org Capital (ChatGPT)	Interview Org Capital (Average)	Interview Pct Org Capital (Seed Word)	Interview Pct Org Capital (ChatGPT)	Interview Pct Org Capital (Average)	Overall Rating	Balance Rating	Culture Rating	Opportunities Rating	Compensation Rating	Management Rating
Interview Org Capital (Seed Word)	1.00											
Interview Org Capital (ChatGPT)	0.19***	1.00										
Interview Org Capital (Average)	0.77***	0.77***	1.00									
Interview Pct Org Capital (Seed Word)	0.80***	0.19***	0.64***	1.00								
Interview Pct Org Capital (ChatGPT)	0.17***	0.94***	0.72***	0.17***	1.00							
Interview Pct Org Capital (Average)	0.60***	0.78***	0.90***	0.66***	0.80***	1.00						
Overall Rating	0.01	0.01	0.01	0.07***	-0.00	0.02**	1.00					
Balance Rating	0.01	0.01	0.01	0.03***	0.00	0.01	0.66***	1.00				
Culture Rating	0.01	0.05***	0.04***	0.08***	0.03***	0.05***	0.84***	0.71***	1.00			
Opportunities Rating	0.01	0.03***	0.03***	0.08***	0.02**	0.04***	0.79***	0.53***	0.75***	1.00		
Compensation Rating	0.04***	0.02**	0.04***	0.06***	0.01	0.04***	0.63***	0.47***	0.59***	0.60***	1.00	
Management Rating	0.01	0.03***	0.03***	0.04***	0.03***	0.03***	0.82***	0.64***	0.85***	0.74***	0.55***	1.00

Panel E2: Best Company to Work

	Firms NOT in 100 Best Companies to Work	Firms in 100 Best Companies to Work	Difference in Means	T-stats	P-value
Interview Org Capital (Seed Word)	0.002	-0.057	0.059	0.765	0.444
Interview Org Capital (ChatGPT)	-0.001	-0.077	0.076	0.980	0.327
Interview Org Capital (Average)	0.000	-0.067	0.067	1.133	0.257
Interview Pct Org Capital (Seed Word)	48.460	54.812	-6.353	-2.558	0.011
Interview Pct Org Capital (ChatGPT)	50.467	46.721	3.746	1.668	0.095
Interview Pct Org Capital (Average)	50.586	48.467	2.119	0.943	0.346

**Table A18: Excluding Firms with Fewer Than Five Reviews**

Panel A: Variance Decomposition

No.	Fixed Effects	Org Capital(Seed Word)	Org Capital (ChatGPT)
1	Year Fixed Effects	4.0%	1.2%
2	Industry Fixed Effects	2.6%	5.3%
3	Industry Fixed Effects + Year Fixed Effects	6.9%	6.6%
4	Industry * Year Fixed Effects	11.5%	11.6%
5	Firm Fixed Effects	34.8%	39.8%
6	Firm Fixed Effects + Year Fixed Effects	39.3%	41.1%
7	CEO Fixed Effects	46.1%	49.8%
8	CEO Fixed Effects + Year Fixed Effects	48.8%	50.9%
9	CEO-Firm Fixed Effects	46.4%	50.0%
10	CEO-Firm Fixed Effects + Year Fixed Effects	49.0%	51.1%

Panel B1: ROA

	(1)	(2)	(3)	(4)	(5)	(6)
	ROA	ROA	ROA	ROA	ROA	ROA
Org Capital (Seed Word)	1.019*** (0.191)					
Ln(Total Assets)	0.342** (0.134)	0.364*** (0.132)	0.342*** (0.132)	0.335** (0.133)	0.367*** (0.133)	0.335** (0.132)
Firm Age	0.007 (0.009)	0.010 (0.009)	0.008 (0.009)	0.007 (0.009)	0.010 (0.009)	0.008 (0.009)
Org Capital (ChatGPT)		1.701*** (0.174)				
Org Capital (Average)			1.760*** (0.204)			
Pct Org Capital (Seed Word)				0.033*** (0.004)		
Pct Org Capital (ChatGPT)					0.046*** (0.005)	
Pct Org Capital (Average)						0.046*** (0.004)
Constant	1.275 (1.124)	0.987 (1.115)	1.239 (1.116)	-0.304 (1.159)	-1.372 (1.172)	-0.999 (1.162)
Observations	12132	12132	12132	12132	12132	12132
Adjusted $R^2$	0.135	0.146	0.143	0.138	0.148	0.148
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes

Panel B2: ROE

	(1)	(2)	(3)	(4)	(5)	(6)
	ROE	ROE	ROE	ROE	ROE	ROE
Org Capital (Seed Word)	1.707** (0.698)					
Ln(Total Assets)	2.788*** (0.453)	2.825*** (0.452)	2.787*** (0.452)	2.782*** (0.454)	2.830*** (0.452)	2.784*** (0.453)
Firm Age	0.081* (0.043)	0.087** (0.043)	0.083* (0.043)	0.081* (0.043)	0.087** (0.043)	0.083* (0.043)
Org Capital (ChatGPT)		2.912*** (0.677)				
Org Capital (Average)			2.989*** (0.790)			
Pct Org Capital (Seed Word)				0.050*** (0.018)		
Pct Org Capital (ChatGPT)					0.074*** (0.018)	
Pct Org Capital (Average)						0.068*** (0.018)
Constant	-15.831*** (3.748)	-16.312*** (3.740)	-15.885*** (3.738)	-18.263*** (3.846)	-20.065*** (3.839)	-19.263*** (3.831)
Observations	12131	12131	12131	12131	12131	12131
Adjusted $R^2$	0.038	0.039	0.039	0.038	0.039	0.039
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes

Panel B3: P/B Ratio

	(1)	(2)	(3)	(4)	(5)	(6)
	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio	P/B Ratio
Org Capital (Seed Word)	0.276*** (0.103)					
Ln(Total Assets)	0.192** (0.081)	0.199** (0.080)	0.191** (0.080)	0.190** (0.081)	0.198** (0.080)	0.189** (0.080)
Firm Age	0.000 (0.008)	0.001 (0.008)	0.001 (0.008)	0.000 (0.008)	0.001 (0.008)	0.001 (0.008)
Org Capital (ChatGPT)		0.538*** (0.104)				
Org Capital (Average)			0.527*** (0.121)			
Pct Org Capital (Seed Word)				0.009*** (0.003)		
Pct Org Capital (ChatGPT)					0.016*** (0.003)	
Pct Org Capital (Average)						0.014*** (0.003)
Constant	1.787*** (0.620)	1.699*** (0.612)	1.781*** (0.617)	1.369** (0.618)	0.909 (0.610)	1.120* (0.612)
Observations	11593	11593	11593	11593	11593	11593
Adjusted $R^2$	0.034	0.036	0.036	0.034	0.037	0.036
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes

Panel C1: Glassdoor Ratings

	Org Capital (Seed Word)	Org Capital (ChatGPT)	Org Capital (Average)	Pct Org Capital (Seed Word)	Pct Org Capital (ChatGPT)	Pct Org Capital (Average)	Overall Rating	Balance Rating	Culture Rating	Opportunities Rating	Compensation Rating	Management Rating
Org Capital (Seed Word)	1.00											
Org Capital (ChatGPT)	0.54***	1.00										
Org Capital (Average)	0.88***	0.87***	1.00									
Pct Org Capital (Seed Word)	0.91***	0.53***	0.83***	1.00								
Pct Org Capital (ChatGPT)	0.51***	0.95***	0.83***	0.54***	1.00							
Pct Org Capital (Average)	0.81***	0.85***	0.94***	0.86***	0.87***	1.00						
Overall Rating	0.64***	0.45***	0.62***	0.65***	0.43***	0.61***	1.00					
Balance Rating	0.47***	0.19***	0.38***	0.49***	0.17***	0.37***	0.70***	1.00				
Culture Rating	0.65***	0.47***	0.64***	0.68***	0.46***	0.64***	0.88***	0.75***	1.00			
Opportunities Rating	0.56***	0.47***	0.59***	0.57***	0.45***	0.57***	0.84***	0.58***	0.80***	1.00		
Compensation Rating	0.30***	0.14***	0.25***	0.30***	0.12***	0.23***	0.69***	0.51***	0.62***	0.65***	1.00	
Management Rating	0.65***	0.52***	0.67***	0.67***	0.51***	0.66***	0.87***	0.70***	0.88***	0.82***	0.60***	1.00

Panel C2: Best Company to Work

	Firms NOT in 100 Best Companies to Work	Firms in 100 Best Companies to Work	Difference in Means	T-stats	P-value
Org Capital (Seed Word)	0.009	0.450	-0.441	-8.368	0.000
Org Capital (ChatGPT)	0.002	0.437	-0.435	-8.417	0.000
Org Capital (Average)	0.006	0.444	-0.438	-9.583	0.000
Pct Org Capital (Seed Word)	49.851	72.144	-22.293	-10.975	0.000
Pct Org Capital (ChatGPT)	50.523	69.455	-18.932	-9.530	0.000
Pct Org Capital (Average)	50.338	73.323	-22.986	-11.527	0.000

## Table A19: Cumulative SG&A and Additional Outcomes

This table reports the results from regressions estimating the relation between organizational capital and additional firm outcomes, including gross margin, asset turnover and Solow model residual, after controlling for cumulative SG&A. All regressions include industry\*year fixed effects with industries defined by 2-digit SIC code in Panel A and Panel B and by Fama-French 17 industries classification in Panel C, as the Solow model residual is constructed based on Fama-French 17 industries classification according to Eisfeldt and Papanikolaou (2013). All variables are defined in Appendix A and Table A23 of the online Appendix. Standard errors clustered at the firm level are reported in parentheses. \*, \*\*, \*\*\* indicate two-tailed significance at the 0.10, 0.05, and 0.01 levels, respectively.

Panel A							
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Gross Margin	Gross Margin	Gross Margin	Gross Margin	Gross Margin	Gross Margin	Gross Margin
Org Capital (Seed Word)	0.333 (0.251)						
Cumulative SG&A	4.853*** (0.579)	4.870*** (0.574)	4.859*** (0.576)	4.846*** (0.577)	4.873*** (0.572)	4.856*** (0.574)	4.857*** (0.581)
Ln(Total Assets)	2.413*** (0.398)	2.424*** (0.397)	2.409*** (0.398)	2.404*** (0.397)	2.423*** (0.397)	2.402*** (0.397)	2.426*** (0.398)
Firm Age	-0.124*** (0.034)	-0.123*** (0.034)	-0.124*** (0.034)	-0.124*** (0.034)	-0.123*** (0.034)	-0.124*** (0.034)	-0.124*** (0.034)
Org Capital (ChatGPT)		0.822*** (0.261)					
Org Capital (Average)			0.811*** (0.308)				
Pct Org Capital (Seed Word)				0.022** (0.010)			
Pct Org Capital (ChatGPT)					0.035*** (0.010)		
Pct Org Capital (Average)						0.031*** (0.010)	
Constant	27.167*** (2.983)	27.064*** (2.976)	27.195*** (2.981)	26.131*** (3.021)	25.306*** (2.975)	25.711*** (2.994)	27.056*** (2.983)
Observations	10852	10852	10852	10852	10852	10852	10852
Adjusted $R^2$	0.483	0.484	0.483	0.483	0.484	0.484	0.483
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Panel B

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Asset Turnover	Asset Turnover	Asset Turnover	Asset Turnover	Asset Turnover	Asset Turnover	Asset Turnover
Org Capital (Seed Word)	0.010 (0.007)						
Cumulative SG&A	0.150*** (0.021)	0.151*** (0.021)	0.150*** (0.021)	0.150*** (0.021)	0.151*** (0.021)	0.150*** (0.021)	0.150*** (0.021)
Ln(Total Assets)	-0.055*** (0.011)	-0.055*** (0.011)	-0.056*** (0.011)	-0.055*** (0.011)	-0.055*** (0.011)	-0.056*** (0.011)	-0.055*** (0.011)
Firm Age	0.001 (0.001)	0.001 (0.001)	0.001 (0.001)	0.001 (0.001)	0.001 (0.001)	0.001 (0.001)	0.001 (0.001)
Org Capital (ChatGPT)		0.025*** (0.007)					
Org Capital (Average)			0.025*** (0.008)				
Pct Org Capital (Seed Word)				0.000 (0.000)			
Pct Org Capital (ChatGPT)					0.001*** (0.000)		
Pct Org Capital (Average)						0.001*** (0.000)	
Constant	1.418*** (0.079)	1.415*** (0.079)	1.419*** (0.079)	1.397*** (0.079)	1.361*** (0.078)	1.374*** (0.079)	1.415*** (0.079)
Observations	10852	10852	10852	10852	10852	10852	10852
Adjusted $R^2$	0.599	0.600	0.600	0.599	0.601	0.600	0.599
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Panel C

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Solow Model Residual	Solow Model Residual	Solow Model Residual	Solow Model Residual	Solow Model Residual	Solow Model Residual	Solow Model Residual
Org Capital (Seed Word)	0.005 (0.011)						
Cumulative SG&A (Undemeaned)	0.055** (0.022)	0.056** (0.022)	0.055** (0.022)	0.055** (0.022)	0.055** (0.022)	0.055** (0.022)	0.055** (0.022)
Ln(Total Assets)	0.058*** (0.015)	0.059*** (0.015)	0.058*** (0.015)	0.059*** (0.015)	0.059*** (0.015)	0.058*** (0.015)	0.059*** (0.015)
Firm Age	-0.005*** (0.001)	-0.005*** (0.001)	-0.005*** (0.001)	-0.005*** (0.001)	-0.005*** (0.001)	-0.005*** (0.001)	-0.005*** (0.001)
Org Capital (ChatGPT)		0.021** (0.010)					
Org Capital (Average)			0.018 (0.013)				
Pct Org Capital (Seed Word)				0.000 (0.000)			
Pct Org Capital (ChatGPT)					0.000 (0.000)		
Pct Org Capital (Average)						0.000 (0.000)	
Constant	-0.189* (0.110)	-0.190* (0.110)	-0.188* (0.110)	-0.197* (0.111)	-0.211* (0.111)	-0.204* (0.111)	-0.191* (0.110)
Observations	9820	9820	9820	9820	9820	9820	9820
Adjusted R <sup>2</sup>	0.023	0.024	0.024	0.023	0.024	0.023	0.023
Industry*Year FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes

**Table A20: Correlation between Organizational Capital and Cumulative SG&A**

This table reports the correlation between organizational capital and cumulative SG&A. \*, \*\*, \*\*\* indicate two-tailed significance at the 0.10, 0.05, and 0.01 levels, respectively.

	Org Capital (Seed Word)	Org Capital (ChatGPT)	Org Capital (Average)	Pct Org Capital (Seed Word)	Pct Org Capital (ChatGPT)	Pct Org Capital (Average)	Cumulative SG&A
Org Capital (Seed Word)	1.0000						
Org Capital (ChatGPT)	0.4853***	1.0000					
Org Capital (Average)	0.8525***	0.8708***	1.0000				
Pct Org Capital (Seed Word)	0.8579***	0.4636***	0.7596***	1.0000			
Pct Org Capital (ChatGPT)	0.4504***	0.8963***	0.7892***	0.4997***	1.0000		
Pct Org Capital (Average)	0.7370***	0.7985***	0.8919***	0.8263***	0.8691***	1.0000	
Cumulative SG&A	-0.0086	-0.0186*	-0.0161*	-0.0006	-0.0180*	-0.0128	1.0000

**Table A21: Correlation between Organizational Capital and Firm Performance**

This table reports the correlation between organizational capital and firm performance. \*, \*\*, \*\*\* indicate two-tailed significance at the 0.10, 0.05, and 0.01 levels, respectively.

	Org Capital (Seed Word)	Org Capital (ChatGPT)	Org Capital (Average)	Pct Org Capital (Seed Word)	Pct Org Capital (ChatGPT)	Pct Org Capital (Average)	ROA	ROE	P/B Ratio
Org Capital (Seed Word)	1.0000								
Org Capital (ChatGPT)	0.4853***	1.0000							
Org Capital (Average)	0.8525***	0.8708***	1.0000						
Pct Org Capital (Seed Word)	0.8579***	0.4636***	0.7596***	1.0000					
Pct Org Capital (ChatGPT)	0.4504***	0.8963***	0.7892***	0.4997***	1.0000				
Pct Org Capital (Average)	0.7370***	0.7985***	0.8919***	0.8263***	0.8691***	1.0000			
ROA	0.0538***	0.1067***	0.0941***	0.0770***	0.1269***	0.1186***	1.0000		
ROE	0.0223***	0.0424***	0.0379***	0.0308***	0.0479***	0.0452***	0.4213***	1.0000	
P/B Ratio	0.0262***	0.0475***	0.0433***	0.0377***	0.0634***	0.0571***	0.1844***	0.4762***	1.0000

## Table A22: Raw Org Capital

### Panel A: Variance Decomposition

No.	Fixed Effects	Raw Org Capital (Seed Word)	Raw Org Capital (ChatGPT)
1	Year FE	1.8%	0.5%
2	Industry FE	1.5%	2.5%
3	Industry FE + Year FE	3.3%	3.0%
4	Industry * Year FE	7.8%	7.4%
5	Firm FE	21.9%	23.9%
6	Firm FE + Year FE	23.7%	24.3%
7	CEO FE	34.7%	35.8%
8	CEO FE + Year FE	35.7%	36.2%
9	CEO * Firm FE	35.0%	36.1%
10	CEO * Firm FE + Year FE	35.9%	36.4%

### Panel B: Firm Performance

	(1)	(2)	(3)	(4)	(5)	(6)
	ROA	ROE	P/B Ratio	ROA	ROE	P/B Ratio
Raw Org Capital (Seed Word)	1.146*** (0.243)	1.944** (0.843)	0.250** (0.106)			
Raw Org Capital (ChatGPT)				6.395*** (0.683)	11.762*** (2.734)	1.657*** (0.319)
Ln(Total Assets)	0.434*** (0.123)	2.656*** (0.391)	0.159** (0.066)	0.439*** (0.122)	2.663*** (0.390)	0.160** (0.066)
Firm Age	0.009 (0.008)	0.050 (0.037)	-0.001 (0.007)	0.010 (0.008)	0.052 (0.037)	-0.001 (0.007)
Constant	0.431 (1.018)	-13.635*** (3.147)	2.006*** (0.492)	0.624 (1.006)	-13.239*** (3.129)	2.065*** (0.493)
Observations	15445	15444	14705	15445	15444	14705
Adjusted $R^2$	0.124	0.044	0.045	0.131	0.045	0.046
Industry * Year FE	Yes	Yes	Yes	Yes	Yes	Yes

Panel C: Glassdoor Ratings

	Raw Org Capital (Seed Word)	Raw Org Capital (ChatGPT)	Overall Rating	Balance Rating	Culture Rating	Opportunities Rating	Compensation Rating	Management Rating
Raw Org Capital (Seed Word)	1.00							
Raw Org Capital (ChatGPT)	0.49***	1.00						
Overall Rating	0.57***	0.39***	1.00					
Balance Rating	0.40***	0.17***	0.66***	1.00				
Culture Rating	0.60***	0.42***	0.84***	0.71***	1.00			
Opportunities Rating	0.47***	0.38***	0.79***	0.53***	0.75***	1.00		
Compensation Rating	0.26***	0.13***	0.63***	0.47***	0.59***	0.60***	1.00	
Management Rating	0.57***	0.44***	0.82***	0.64***	0.85***	0.74***	0.55***	1.00

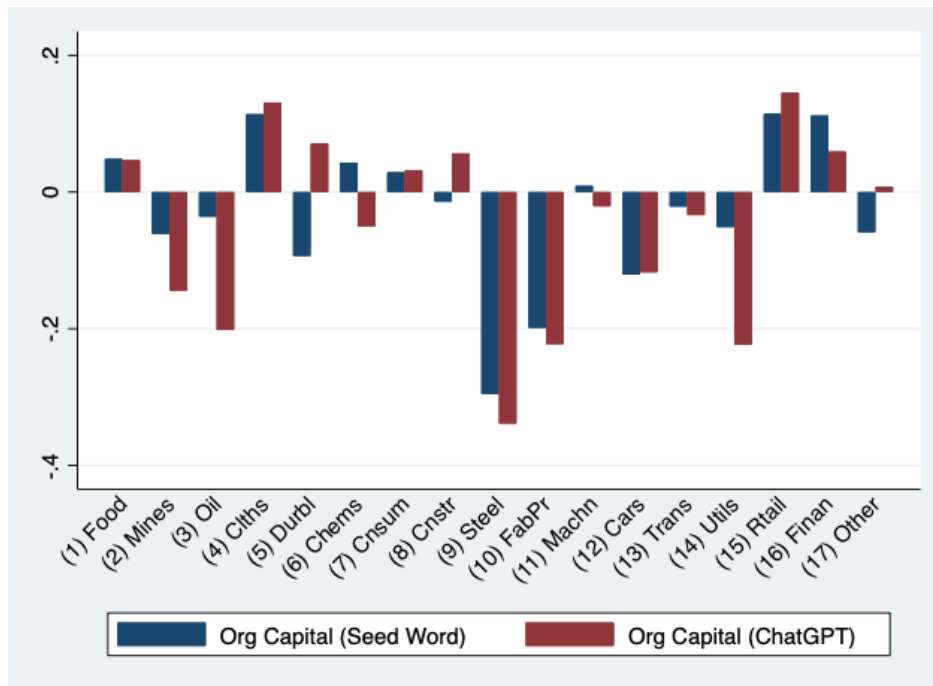
Panel D: Best Company to Work

	Firms NOT in 100 Best Companies to Work	Firms in 100 Best Companies to Work	Difference in Means	T-stats	P-value	
Raw Org Capital (Seed Word)	-0.162		0.039	-0.201	-6.134	0.000
Raw Org Capital (ChatGPT)	-0.071		-0.015	-0.056	-5.488	0.000

## Table A23: Additional Variable Definition

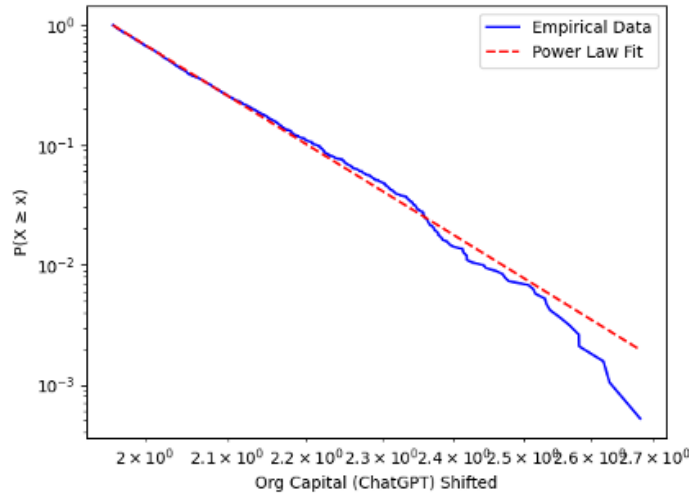
Variable	Definition	Data Source
ROE	Net income / book value of common equity * 100%, winsorized at the 1st and 99th percentile	Compustat
CEO Tenure	The number of years since the CEO has been in office	Execucomp
# CEOs in Past 10 Years	The number of CEOs of firm i in the past 10 years	Execucomp
Org Capital Growth	$(OrgCapital_{i,t} - OrgCapital_{i,t-1}) / OrgCapital_{i,t-1}$ . Note that we added a constant to all Org Capital to avoid negative denominators.	Glassdoor
E-index	Entrenchment Index calculated as the sum of six indicator variables of proxies for poor corporate governance: staggered boards, limits to shareholder bylaw amendments, supermajority requirements for mergers, supermajority requirements for charter amendments, poison pills, and golden parachutes	ISS
Pay Ratio	CEO-to-Median-Employee Pay Ratio	<a href="https://aflcio.org/paywatch/company-pay-ratios">https://aflcio.org/paywatch/company-pay-ratios</a>
Annual Return	12-month compounded stock return	CRSP
CEO Turnover (i,t+1)	Indicator variable equal to 1 if there is a CEO turnover in firm i in the next year	Execucomp
ln(CEO Total Compensation)	Natural log of the CEO's total compensation in her first year in the company	Execucomp
Change in Org Capital in Prior Firm	The change in the organizational capital of the CEO's prior firm from her initial year in the prior firm (or the earliest of our sample period, whichever is later) to her last year	Glassdoor and Execucomp
Gross Margin	(Sales - COGS)/Sales	Compustat
Asset Turnover	Sales/Total Assets	Compustat
Solow Model Residual	We estimate the following equation in each of the Fama French 17 industries in each year following Eisdeldt and Papanikolaou (2013): $\ln(Sales)_i = \ln(PPE)_i + \ln(\#Employees)_i$ , and obtain the residuals as Solow Model Residual	Compustat
Restatement	Indicator variable equal to 1 if the firm issues a restatement in this year	Audit Analytics
Violation	Indicator variable equal to 1 if the firm commits a violation this year according to the Violation Tracker Database	Violation Tracker
Amount of Penalty	Natural log of the amount of violation penalties charged against the firm this year according to the Violation Tracker Database	Violation Tracker

Figure A1: Organizational Capital in Fama French 17 Industries

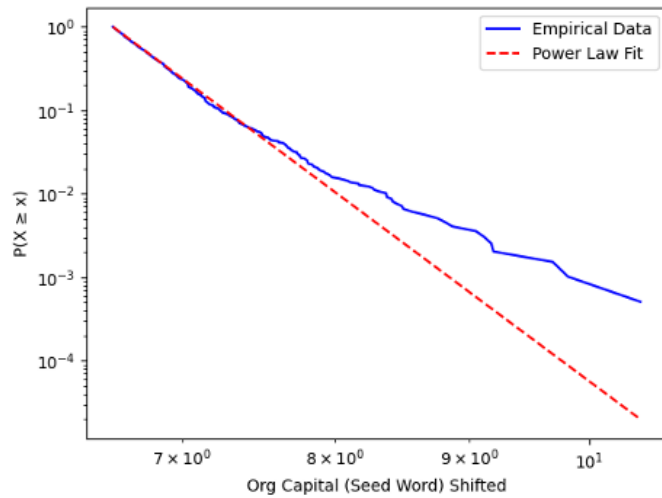


This figure plots the average organizational capital of firms in Fama French 17 Industries.

# Figure A2: Distribution of Organizational Capital



(a) Organizational Capital (ChatGPT)



(b) Organizational Capital (Seed Word)

This figure shows the distribution of our measures of organizational capital compared with power law fit. Figure A2a uses Organizational Capital (ChatGPT), and Figure A2b uses Organizational Capital (Seed Word).