

Reputation Management

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"It takes many good deeds to build a good reputation, and only one bad one to lose it."

- Benjamin Franklin

Wolfowitz. JetBlue. Spinach. Virginia Tech. What do they all have in common? Damaged reputation. Although it generally takes years of hard work to build a good reputation, a reputation can be destroyed in a matter of a few short hours. Especially when consumer confidence is low, which is easily made worse with high profile cases. Reputation is the most valuable asset an organization has, after its people. However, it is the least understood aspect of an organization and the most taken for granted. Because of this, it is often toward the bottom of the list of planning strategies for the business continuity professional.

This is surprising since the need to safeguard reputation is implied in the substantial budgets dedicated to marketing, compliance, recruiting, retention programs, public affairs, and communications. Damage to the perception of a brand can mean sharp and potentially irreversible loss of market share. Reputation risk affects the entire organization, and is no longer the role of just the communications or PR departments; it involves the entire boardroom as well.

Reputational damage strikes an organization at its core. Reputation is at peril during any crisis, and can be caused by a number of issues, including accounting scandals, product recalls, consumer safety issues, even *how* the crisis is handled by senior management. Risk to reputation becomes greater as the public becomes less tolerant of organizations that do not conform to societal and environmental principles.

Reputation management, crisis management and crisis communications are interconnected, and organizations who take all three seriously are light-years ahead of those who only focus on one or the other. A reputation management plan includes an understanding of the organization's reputation, determination of the communication strategy to keep the reputation in tact, creating a safety net, and an ongoing audit of the organization's reputation.

What an organization says, and the actions it takes, during a critical incident can be used to positively or negatively affect that organization's reputation during, and especially after, the crisis. Words and actions do affect how stakeholders perceive the organization. It is natural for people to assume that if a crisis is handled poorly, the rest of the organization must also be managed poorly.

The business continuity professional can best protect her organization's reputation by knowing which communication strategy to utilize in different crisis situations. An organization's crisis communication plan is used to positively affect its reputation during crisis. The plan eliminates causes of potential crises and minimizes the impact if a crisis does arise. The plan includes development of standards and controls to provide early warning signals as well as communication training and education of those who will be charged with providing the company "face" to the stakeholders and public at large.

Crises regularly create information voids. The news media goes into overdrive when a crisis hits, often bringing forth a great amount of speculation, particularly when there is a void of "fact". The news media and the Internet actually fuel crises. Therefore, it is imperative that an organization communicate the facts that do exist – no more and no less. This will help fill the information void, as well as reduce or eliminate the amount of rumor and speculation that is flying around. Speculation becomes perception. Perception becomes the truth.

To reduce the reputational damage, to ensure perception is your truth, be forthright – bring out the bad news early, and all at once. Honesty bolsters confidence in a situation where trust is beginning to wane. Bringing forth all of the bad news, if known, in the early stages of the crisis means that subsequent communications are likely be dominated by good – or better - news, thus lifting up the reputation that is seemingly in a downward spiral. Saving or enhancing one's reputation doesn't happen by chance. It takes organizational commitment, thoughtfulness and serious planning.

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