Proactively managing reputations

By Regine le Roux   28 Jan 2019

Now, more than ever before, corporates and government are being watched under society's magnifying glass. Information is available at the touch of a button with conversations readily accessible on smart devices, television, radio and social media. How did organisations fair this year with managing their reputations? How do we move away from being reactive towards being proactive? Here are the top trends from 2018 and tips for 2019 to take corporates' reputations to the next level.

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Reputations are built on stakeholder perceptions; you can either be consistently good or consistently bad, the crux is to have a strong foundation in place, which is built on moral values and ethical business conduct.

The year that was, 2018

Reputation Matters' proprietary reputation measurement tool, the Repudometer, quantifies organisations' reputations. The model measures the five corporate building blocks which make up a reputation.

Here are the insights from seven key reputation research projects conducted amongst internal and external stakeholder groups during the course of 2018, compared to nine studies in 2017:

The average reputation score of this year's studies was 79.3%, a 1.3% decline from 2017 (80.6%). It is quite clear that Corporate Management is the main reason for the decline compared to the 2017 findings. There are two key drivers that we measure when assessing Corporate Management, namely strategic intent and corporate governance. There was a substantial drop of 2.9% for this dimension, which means that stakeholders are not as attuned to what the values are of organisations as well as questioning corporate governance practices. Leaders need to be a lot more visible and vocal when it comes to setting the example and taking a stance on pertinent social and business matters. The research studies confirmed that ethics, values, governance, policies, procedures and supporting systems are instrumental in building a strong reputation in any business.

2019, the year to get it right

By having a proper foundation in place and conducting research amongst key stakeholder groups, corporates can be proactive in managing their reputations and navigate any uncertainty that may come their way. "We envisage that the trend for research will increase to understand key stakeholder groups.

To proactively manage a corporate reputation, consider the following:

1. **Core focus:** What is the main purpose of the business and is it still relevant? Do your stakeholders know what you are offering? Do a quick test and ask a few of your key stakeholders to verbalise in eight words what the business does, this will help you to ascertain whether you are on track.
2. **Values and ethics:** What is your organisation's values and is it entrenched in your organisation? Ethics, reputation and values are all interlinked. Organisations need to operate from an ethical, stakeholder inclusive perspective and influence not only the sector in which they operate, but the larger environment.
3. **Stakeholder engagement:** What value do you provide stakeholders, and how does this affect their wellbeing? Stakeholder relationships should be maintained equally and fairly by organisations. What has also been confirmed from the research, is the importance of having updated stakeholder databases in order to effectively communicate with your audience.

By knowing and living up to your strategic intent and values, and incorporating it into the stakeholder relationship strategy of how the organisation communicates with the various stakeholder groups, organisations will see an improvement in their reputations. Leaders need to be the voice of the organisation and steer the company and its employees to be a responsible corporate citizen to in return, become a trusted and reputable brand.

ABOUT REGINE LE ROUX

Regine is a reputation specialist. She founded Reputation Matters in 2005; where they measure and manage companies' reputations using their unique Repudometer® measurement tool.
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