

# Reputation & Relationships - Pass the rhubarb please, we need to purge our reputation

By [John Bradfield](#)

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In 2002 many corporate reputations were severely bruised, questioned, damaged and some ruined entirely as the global technology bubble burst, recession tightened its grip, and company scandals dominated the business news.

Now predictably the communications experts are finding opportunity to step up the reputation drumbeat to help corporations and their CEO's rise from purgatory. Articles, websites, books, seminars all implore company bosses and their communications people to give more attention to managing their reputation. In many instances the tone of the experts is so scolding that one comes away with one's head in shame. There's nothing wrong with shouting for attention, but scare tactics, perhaps once effective in industries like life insurance, seem a bit heavy handed. Still, motivation by pain or gain is effective.

Companies in business for the long run and sensitive to their external and internal environments know they need a good reputation because without one they'll quickly feel it in the marketplace. Smart CEOs, who take a lead in shaping their company's reputation, can quickly sense where something's wrong, though they may not be able to place their finger on exactly what to do, or where their company can gain competitive advantage from doing the right thing. They will pay top Rand for communications practitioners to give them advice and help them move closer to the reputation they wish for. But like any other professional services, they don't need more broad strategic advice but rather practical, implementable and innovative ways to build a more virtuous and likeable company *persona* in the market.

Personal relationships and honest advice play an important role between the communications professional, the CEO and other senior management. Confident, candid and caring practitioners are on top of issues and concerns that, however difficult to raise, need to find the ear of top management. As top UK practitioner Roger Haywood says, "Companies with good public reputations employ the best practitioners in the business. In truth, the best is always the cheapest option. Good people made fewer mistakes ... mistakes in public relations can be desperately expensive."

As in any other part of a business, building a good reputation starts with a thorough look at where your company or client is right now. Some questions to consider:

- How is your company perceived?
- What are the attitudes of those whose goodwill you need for success?
- How do you wish the company to be perceived (what gaps are there between reality and perception?)?
- How effective is your current communications programme?
- What issues might affect your company today and in the future?

- How effective are your competitors' reputations (are they making greater strides than your company?)?

These and other questions are what leading companies consciously or unconsciously ask themselves continually in a rapidly changing marketplace. The Financial Times Pricewaterhousecoopers "World's most respected companies" special report earlier this year ranked the top five world's most respected companies as:

1. General Electric
2. Microsoft
3. IBM
4. Coca Cola
5. Toyota

This fifth annual global survey was based on interviews with 1000 senior executives and opinion formers in twenty countries. Apart from having top reputations in branding, respected leaders create the most value for shareholders, and show the most environmental concern. A striking result was the link between being admired and being seen as ethical: the five most respected companies over three years dominated the list for those demonstrating the most integrity (GE first, Toyota second, Microsoft third, IBM fourth and Coca Cola sixth - fifth place was taken by Wal-Mart).

Although attributes of reputation change over time according to market and stakeholder requirements, the basics remain fairly stable. In a Fortune (4 March 1996) survey, the eight key attributes of reputation listed were:

1. Quality of management
2. Quality of products or services
3. Ability to attract and develop and keep talented people
4. Value as a long-term investment
5. Use of corporate assets
6. Financial soundness
7. Innovativeness
8. Community and environmental responsibility

However you prioritise this list, and no matter how terms for describing essentially the same things change, good reputations are still based on these fundamentals. For South Africa add progress attained in black economic empowerment and paying special attention to development of human capital.

Top management - CEOs and MDs - set the tone for and comprise a very large element of overall corporate reputation. Leslie Gaines-Ross, chief knowledge and research officer of global public relations firm, Burson-Marsteller, recently wrote a book - "CEO Capital, a guide to building CEO reputation and company success", which gives some elements of the new corporate reality for 2003:

## What's in, what's out for today's CEO's in 2003

### What's in

Show me  
Company first  
Managed earnings  
Culture  
Socially responsible  
Character  
Execution  
Corporate governance  
Credibility

### What's out

Trust me  
CEO first  
Manufactured earnings  
Cult  
Social climber  
Charisma  
Excuses  
Crony governance  
Celebrity

South African companies are starting to be judged increasingly by similar criteria as the start to this year with fresh corporate sagas shows just how closely company behaviour is under scrutiny. If companies don't get their act together, it will feel like walking around on eggshells. But who needs a threatening message? There's already enough of that going around.

When you prepare a wholesome meal there's no need to reach for the rhubarb for any purging afterwards. Companies in the year ahead need a healthy mix of ingredients including thorough analysis, a programme of action and commitment from the top to serve up the right reputation in 2003.

## ABOUT JOHN BRADFIELD

John Bradfield, BA (Communications) and MBA, has expertise in developing communication systems for companies. He runs workshops on communications. His articles cover business matters and consumer lifestyle subjects for a variety of publications. He has travelled widely and studied different ways of doing business abroad. For further information, email [johnbradfield@tiscali.co.za](mailto:johnbradfield@tiscali.co.za).

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