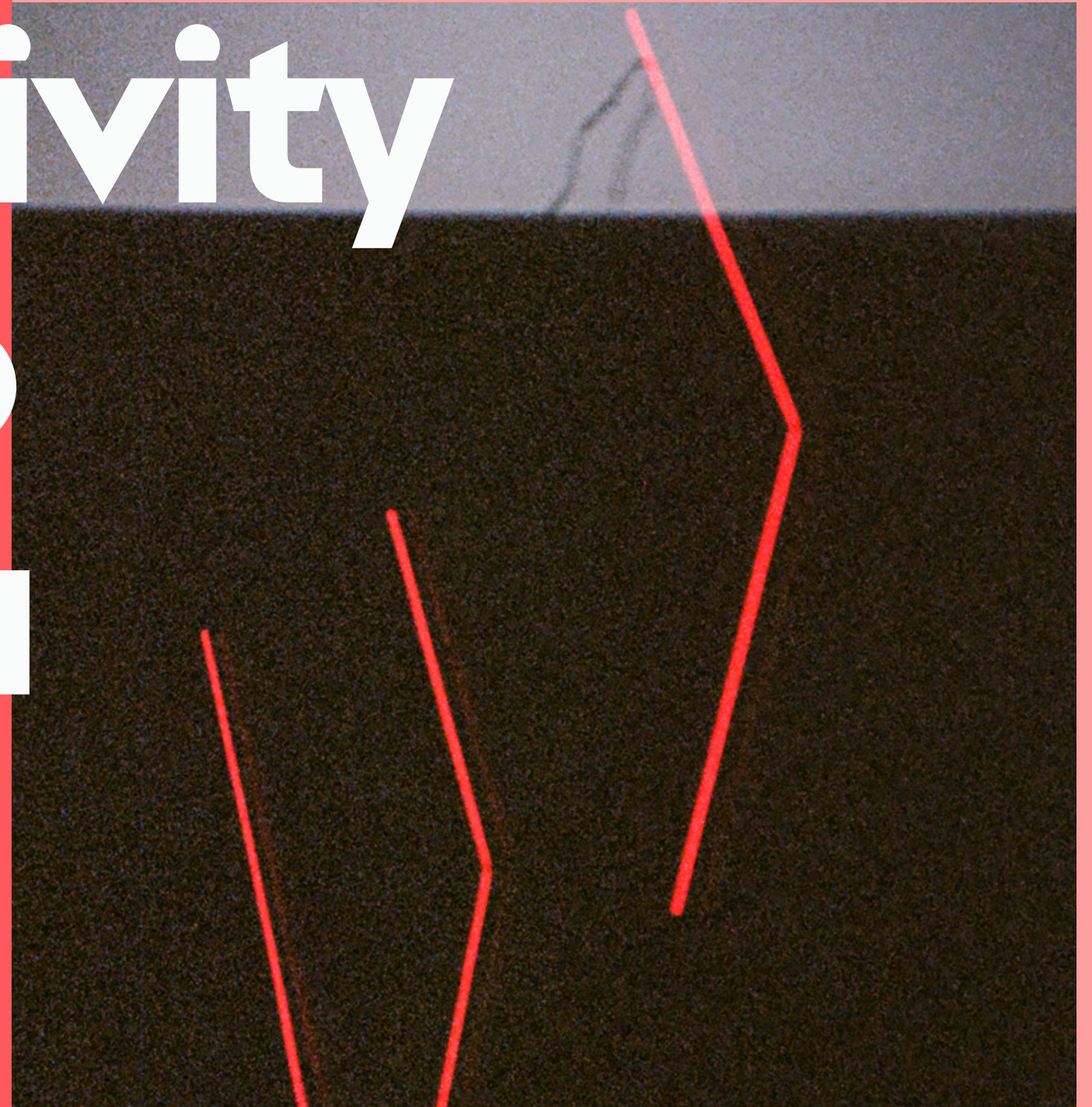


Whitepaper

Why proactivity is the key to managing a reputation

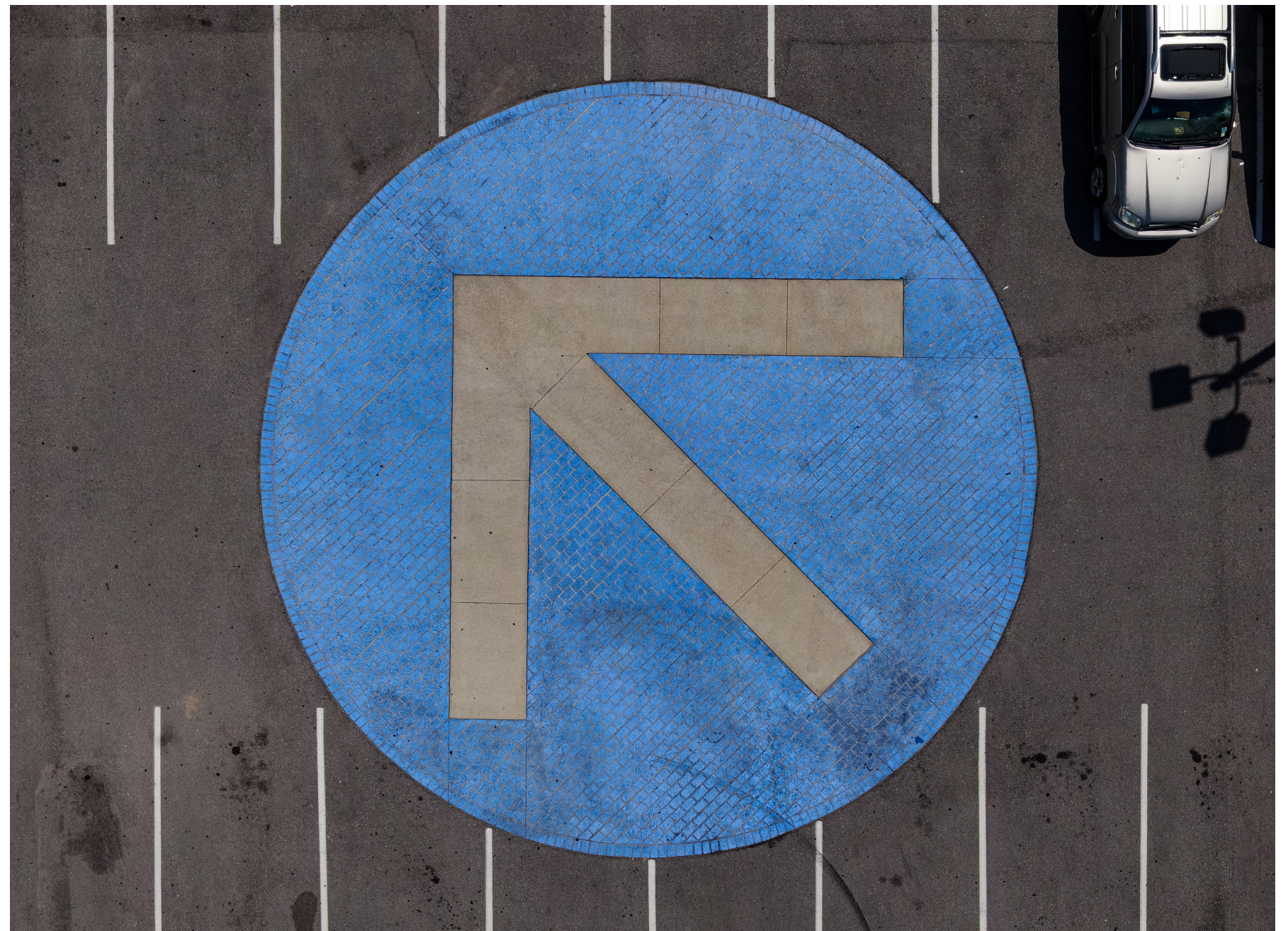
by Stuart Thomson, BDB Pitmans Head of Public Affairs



In boardrooms across the world, reputation management is widely regarded as one of the most important topics on their agenda. Look at any survey, poll or interview and you will see that in the list of risks facing any organisation, reputation management features heavily

There are lots of excellent books, blogs and posts that consider the challenge of reputation management with examples of how best to cope when a crisis hits. But what many of these fail to do is take a step back and consider the steps that need to be taken to avoid a reputational challenge in the first place – and who it is who is responsible for developing the understanding necessary to make those steps.

This paper takes a look at some of the fundamentals involved in those earlier stages and how PR & Comms teams can help shape the organisation in the long term by considering what those in the boardroom should be doing and some of the questions they should be asking.



The key to good reputation management is information

It is possible to try and work on reputation management matters using instinct and there is no denying that the instinct of many senior executives is pretty good. If it wasn't then they would not have reached the positions that they have.

But instinct will only ever get you part of the way. There is also a real danger that if the instincts are wrong then the damage to reputation could be monumental. Relying on time-consuming methods to gather information can lead you down a reactive path, where you're one step behind the news. Is that a risk that any board will want to take?

Boards should not be responsible for gathering the information themselves. Instead they should be able to rely on Communications teams that support them. It is though always worth boards knowing the sort of information and issues they should be looking out for, and PR & Comms teams are well placed to provide information that can enhance decision making at a higher level.

So what sort of information should any organisation be looking for? What would give them the foundation upon which to make decisions regarding their reputation? And how can Communications teams surface these insights and help influence decision making at board level?

By answering these questions, Communications professionals can begin to shift away from tactical activities – which they are still “overwhelmingly engaged in”, according to CIPRs 'State of the Profession 19/20' report – and have more strategic influence with leadership and within the organisation as a whole.

Knowing your sources

The starting point is to consider what your sources of information are. What you are probably trying to capture is what is being said about you, potentially key team members (such as CEOs, Chairs, trustees or NEDs), your competitors, and the issues of most relevance to you.

But that is the basic approach. What you really need is, consider sentiment and changes over time. It would be too easy to take some isolated examples or a single piece of bad media coverage to over-interpret it and then over-react. Instead information should be focused on the insight it provides to enable you to make informed strategic decisions.

Average Sentiment for Adidas over 28 days in regards to the Black Lives Matter movement




A Adidas' most lucrative contract ever for a sportswoman - Japanese tennis player Naomi Osaka. She is a champion of marginalized communities of multicultural people.

B Forbes article on the impact of phoniness on brand loyalty. Adidas' fumbled response to the Covid-19 pandemic is mentioned alongside Pepsi's BLM campaign in 2017.

C Adidas faced vigorous protests from the company's minority employees in the US. Adidas was "slow to find its legs" in its response compared to competitors like Nike.

Shaded Area: Adidas reacted to the employee protests by introducing Hiring incentives - "30% of new positions in NA will be filled by Black or Latino people".

However, sentiment growth was stunted by employees still expressing that Adidas needs to do more and issues surrounding the HR Chief and their response to racial issues.



Another aspect of good monitoring is that it allows you to be more forward-thinking. So amongst your search terms think about factoring in where you want to be in 6, 12 or more months. That could be thinking about market opportunities or those organisations you want to be more like, your potential future competitors if you like. It will also help manage any future risk that may be on the horizon so that you can adapt to any need for changes in direction early on.

So consider the sources of information, what you need to monitor, which can provide the insight you need to make your decisions. That will relate directly to the audiences that have most impact on your operations. They are the people that you need to hear from.

SO YOU MAY WISH TO MONITOR:

- The media – national, regional and local;
- Trade publications – specialist magazines and sites;
- Social media – across the platforms but if your key audiences aren't on some then don't monitor them;
- Legislators – all the proceedings taking place including debates, questions, and committee proceedings;
- Government – think about speeches, announcements, consultations etc.
- Now you have some raw information, what does that allow you to do?

There is no point listening to those who have little relevance or impact on you

And then where...?

You now have the information presented in a way that you can draw some conclusions from it. But what do you do?

You can adopt a proactive or a reactive approach.

If you choose to be reactive, then you are really waiting for your issue or organisation to be raised and seeing that on the monitoring. Then you decide whether to follow-up or not. There can be a lag but you are, at least, trying to manage your reputation. It may be though that your approach is simply to put mis-information right and that is considered sufficient. That is quite limited in scope but may be all, given the size of the team or the resources available, that can be achieved.

The alternative, proactive approach, does take more time and effort but the potential benefits are much higher. With a AI-powered platform that automates some of the more tactical elements of gathering information from the media and regulatory sources, Communications teams can look ahead with more certainty.

That approach is focused on what your organisation wants to achieve in the coming period. So consider what your 12 month goals look like when aligned with your business objectives. Based on the information you now have in your hands, these goals could be related to profile raising, increasing your presence, shifting perceptions or contributing to policy change.

A proactive approach requires you to time travel a year in the future and see what you want to have achieved.

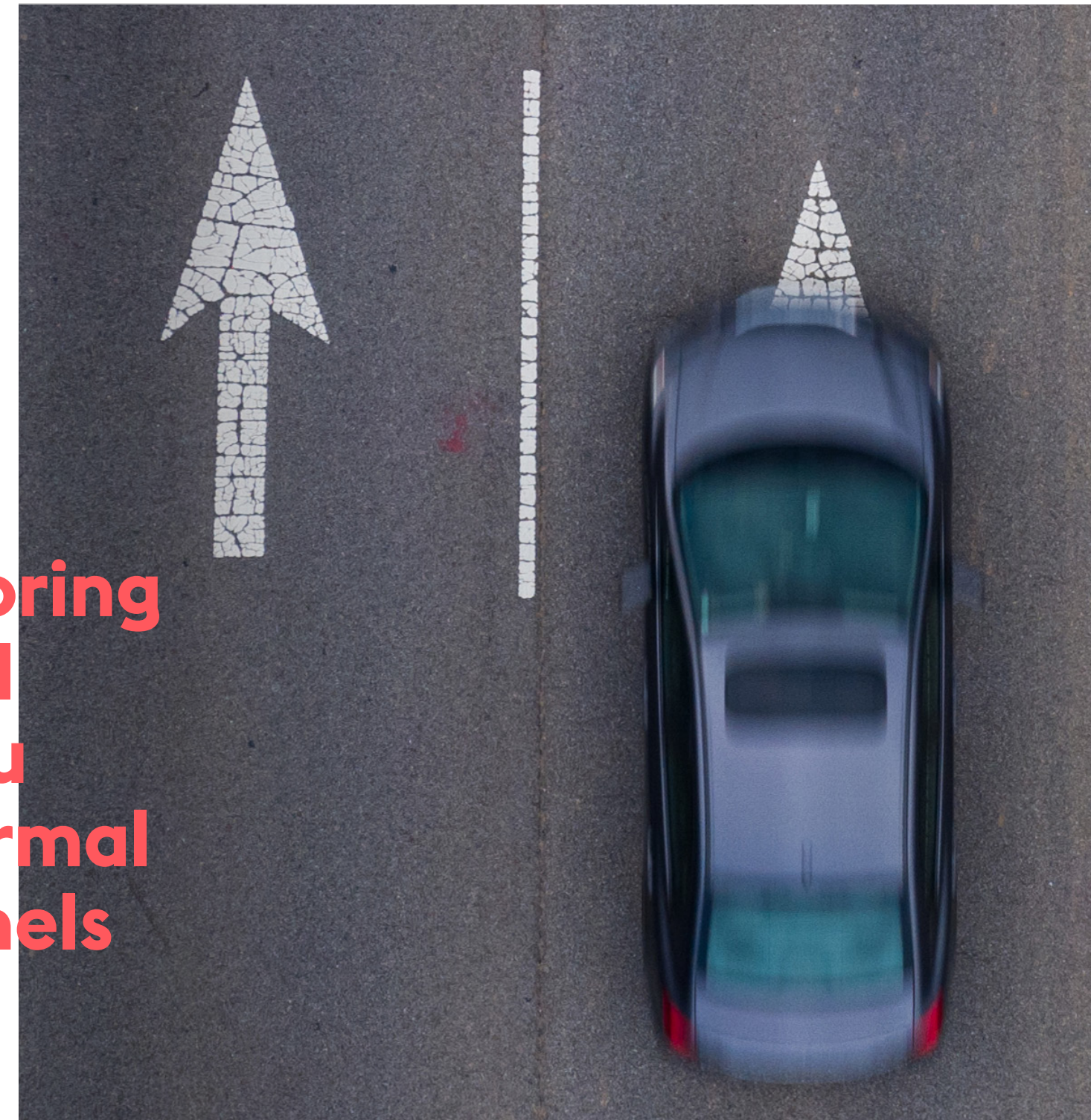
Then you can consider the actions that will help you to get there. What are the milestones that will help you achieve your aims?

A proactive approach will also allow you to assess the range of information that comes into you on an ongoing basis which could mean that you need to change your approach.

Is there, for instance, a government regulation, policy announcement or social trend gathering pace that can affect you? For example, take an automotive firm. There is a campaign to decrease emissions from vehicles by taxing heavy emitting vehicles and providing relief for owners of electric cars, which gathered pace and support from legislators and eventually lead to manufacturers pivoting and scrambling to design cars that fit the new specifications. If our automotive firm was aware of the initial coverage of the campaign, this information could've been passed to leadership who would've made better strategic decisions ahead of time. They could ultimately experience less of a disruption to business, less of a dip in sales and a better reputation by acting ahead of the times and addressing a key issue with stakeholders.

Another essential source of information that should be utilised is your network of contacts. Networking and meetings are often viewed narrowly through the prism of how best you can convey information and key messages to them. But a big part of the discussions is the information and intelligence that you gather and how others are taking action. So think about the development of your networks in this context as well.

**Think about monitoring
as being a mix of all
the information you
acquire through formal
and informal channels**



***Whatever actions
an organisation
undertakes
should be viewed
through the prism
of reputation
management***

The three pillars of reputation management

We are all aware of the benefits of a good reputation. It can help with everything from attracting and retaining the best team members through to improved sales or fundraising.

But get it wrong and there are personal career consequences as well as those for the organisation. Reputations take time, effort and resources to build, over sometimes a long period of time.

Reputation also has to be factored into decision-making processes and all communications rather than just being a 'nice to' which can be bought with some smart advertising or by having a few contacts across government.

Reputation is everyone's responsibility because everyone associated with an organisation can contribute both to its development but also its destruction.

Organisations should think about reputation management as having three stages:

- Building
- Maintaining
- Protecting

Building – in early stages for any organisation there will need to be a period of awareness raising and letting stakeholders know what you do and what you stand for;

Maintaining – the steady state of keeping stakeholders informed but also keeping on top of new issues as they arise. This stage is as much about trying to look to the future and taking pre-emptive actions;

Protecting – taking the actions needed, especially, during a crisis to reassure stakeholders and take corrective measures, if needed.



If you are going to adopt a proactive approach to managing your reputation then you need to think about:

- Do stakeholders know us? What do you know us for?
- Are we part of the conversations that we want to be driving or informing?
- Do we know the decision-makers?
- How does that compare to our competitors and aspiring peers?
- What is driving the media and social media coverage we receive? Is it positive or negative?
- What do stakeholders think about us / our issues? Are we the go-to-organisation?
- Do we lead or follow the debates relevant to us? Do we want to be thought leaders?
- What are we planning for in the future? Are we bringing the whole organisation along?
- How do we effectively use our (internal) resources (to be more externally facing)?
- What kind of organisation do we want to be?

Stakeholders

Monitoring is fundamental to all three stages of reputation management. Without insight organisations cannot take the decisions needed. It should not just be about gut instinct.

Proactive information gathering should consider drawing information from a number of sources. Multiple channels of stakeholder information need to be monitored in a consistent and comprehensive way. Stakeholders could include your customers, the communities you operate in, investors, chairs, trustees, CEOs, board members, employees, affiliated organisations, and plenty more.

All organisations should be looking at what their key stakeholders are saying, doing and what their views are, and, of course, considering the impact on reputation. Consider CrossFit, whose owner's racist and crass jokes about the death of George Floyd resulted in the company being sold and – more importantly, arguably – significant long-term damage to the reputation of the organisation.

The nature of stakeholders and the impact they have will vary with each organisation and over time as well. Prioritisation will change. But think of some of the main audiences being employees, customers, suppliers, regulators, politicians, consumer groups, etc. Gaining an insight into their thinking and understanding requires:

- Regular and ongoing engagement
- Good internal channels of communications with feedback loops
- Regular consideration of feedback
- Having the right communications in place, so effective messages get to the stakeholders
- Effective listening
- A leadership team that takes communications seriously and factors it into decision-making

All this means that the communications team needs a degree of centralised control and ideally the resources to help organisations deliver a strong reputation.

That does not mean that employees, for example, are not trusted. Far from it. If the engagement channels are open and employees feel empowered then they can be fantastic spokespeople. With the democratisation of content creation, they can play their own role in building an organisation's reputation. This will doubtless become even more important in the future. But knowing what is being said and done will remain critical, and with the communications of so many stakeholders to monitor, taking a tive approach could result in a reputational headache.

Thinking ahead

Whatever actions an organisation undertakes should also be viewed through the prism of reputation management. If you do X how will the stakeholders that matter most to you / have most impact on you react?

Just take some of the examples we have seen during the Covid-19 crisis – staff furloughed whilst dividends are paid to shareholders, requests for government support made whilst wealthy owners fail to offer support, and failures to pay staff. By monitoring in real-time coverage of similar events in your industry, insights on how you might act or communicate differently can be brought to bear.

This simple question is one of the most important that can be asked. It can only though be answered with any degree of certainty if the engagement and monitoring has taken place.

But on the other side, the support offered to key workers by supermarkets, coffee outlets and recently the campaign for free school meals led by Manchester United's Marcus Rashford shows that listening and doing the right thing can boost reputations even when that isn't the aim.

Those companies who failed to ask themselves the golden question now face customer boycotts, and political and regulatory intervention, whilst having to endure persistent adverse comment and media coverage.

That takes some getting over and could have been so easily avoided if we take the right steps.



About the author

Stuart Thomson heads the specialist public affairs and communications consultancy of law firm, [BDB Pitmans](#). He advises clients on all aspects of their political and corporate communications, including reputation management. He has also advised on a number of high profile media relations and crisis communications programmes.

As well as being a CIPR Chartered PR Practitioner (Chart. PR), Stuart is an honorary research fellow at the University of Aberdeen and is the author of books including [‘New Activism and the Corporate Response’](#), [‘Public Affairs in Practice’](#), [‘The Dictionary of Labour](#)

[Quotations’](#) and [‘Public Affairs: A Global Perspective’](#). He is currently working on his new book, ‘Building Reputations: Lessons for Leaders’.

Stuart regularly writes and lectures on a range of business and political issues and as well as blogging for BDB Pitmans he has contributed to the Huffington Post and Management Today. He is an adviser to the Entrepreneurs Network (TEN), a regular speaker and chair at conferences, and appears on TV and radio.



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