

MANAGING REPUTATION CRISES IN CORPORATE COMMUNICATION

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Abstract

In the last thirty years, the Romanian society has been in a permanent search for a way to adopt the values of Western democracy, but identifying it is difficult. The lack of transparency of political and administrative institutions, determined by the frequent "reputation" crises of their leaders, makes it difficult for the society to identify which values deserve to be defended and which are those that are better to be "adapted" to the Romanian collective mentality. Being aware of the fact that the collective mind in each of the historical-geographical regions is influenced by the common history with the neighbouring peoples, the Romanian society places itself in different positions towards condemning or defending people whose reputation is questionable. The representatives of state institutions and public relations bodies behave like the population, delivering messages as they believe they are accepted by the public, starting from the phrase "he stole but he also achieved something" to the phrase "we cannot be more Catholic than the Pope." Regardless of what we have inherited, it is necessary that, in order to stop corruption and especially to promote meritocracy, the staff in state institutions, paid from public money, have the duty to be transparent in corporate communication and especially to be in the camp of truth and not of the people with a questionable reputation, even if they are their employers.

Keywords: *crises, corporate, communication.*

1. INTRODUCTION

What makes a society functional is the set of values that individuals assume, promote and above all are determined to fight to protect.

If we take a look at the official documents of the Romanian state, in which national values should be stipulated, we find that these documents do not exist, except for the military ones (there it is normal to be because the military believes in them) and then we tend to agree with Marie Roșe Mociorniță, who claimed that she "does not know Romania's national values..." and that, in her experience, "personal comfort comes before the national values in Romania" (Epochtimes-Romania, n.d.).

If we do not have a moral contract between the individual and the state regarding "what is appropriate to do and what is not appropriate" and especially a contract by which we know what we are ready to "fight for even at the cost of life," then each of us, in relation to our home schooling, to the customs of the region from which we come or live, we shall be able to say what is good or what is not good to do for ourselves and for the community.

It is up to each of us, as the university professor Daniel David points out, to establish what values we assume and fight for: "... As a Romanian, I have pledged myself to fight for language, territory and people, but not for the practices that some promote, namely collectivism, concentration of power, fear of change, control of behaviour with punishments and hunting for mistakes... I want another Romania, of autonomous individuals who build solidary and tolerant communities, of the decentralization of social power to avoid authoritarianism/dictatorship, of the courage to embrace the future and change as opportunities for development, not with fear, of the desire to shape social behaviour through rewards, not punishments and hunting for mistakes" (News.ubbcluj, n.d.).

It is true that, as citizens of the European Union, we can declare ourselves defenders of the common values established by the treaties, namely: the inviolability of human dignity, individual freedoms (respect for privacy, freedom of thought, freedom of religion, freedom of assembly, right to information and freedom of expression), democracy, equality (before the law, between women and men, equal pay for equal work), rule of law (independence), human rights (not to be discriminated against on grounds of sex, racial or ethnic origin, religion or belief,

disability, age or sexual orientation, the right to protection of personal data and the right to obtain access to justice) (European-union.europa.eu, n.d.).

It is, at the same time, true that our accession to the Union did not mean an immediate connection to the collective mind of the old members (the founders and, especially, those from the western part of the continent), preserving in our behaviour "the acquired customs" in historical relations with our neighbours, be they Russians, Turks, Austrians or Hungarians.

The Transylvanians were administered for hundreds of years by the Austrians and Hungarians and became attentive, united, fierce in objectives, persevering in deeds and especially extremely attentive to the reputation of being men of their word.

Moldovans have been influenced by the Russians and have learned to be less demanding, perhaps less united and to say what those who lead them want to hear, but to do as they see fit without being bothered by the fact that they might be accused of too much obedience.

The Wallachians bore the influence of the Turks and understood that negotiating, paying tips and especially betraying the group interest for a personal one can represent survival formulas that they perpetuate even today, although they question their reputation as people of integrity.

These differences make our set of values, which are related to transparency, honesty, fairness and altruism, different in presence, consistency, but especially as a predisposition to defend it or, on the contrary, to compromise it.

The majority understands that in the relations between people, in the management of institutions, in fulfilling a political or administrative program, concessions are needed that are in the spirit and not in the letter of the law, but we find that, in some situations, the same majority accepts that the minority, be it administrative or political, violates the law, compromises values without thinking that they could suffer.

"On a rhetorical level, nobody compromises in Romania, but on a practical level everyone makes them... Compromise is such an attractive concept, because it has two components: this economic, trading, bargaining, haggling

component: "I let go of some, you let go of some", but it also has an affective component, in which we make a mutual sacrifice, we sacrifice, basically, our personal interests for the common good", says Alin Fumurescu (Ziare, 2019).

2. PERSONAL REPUTATION REFLECTED IN THE REPUTATION OF THE INSTITUTION

To define the reputation crisis, it is necessary to think first about what the effort entails, but especially the loss of reputation, and in this sense, I think it fits Warren Buffet's statement that "it takes twenty years to build a reputation and only five minutes to destroy it, and if you think about it, you'll do things differently" (Avocatnet, 2017).

Reputation should not be confused with notoriety or fame, and for the simple fact that, in a world dominated by social media, we have many people with great notoriety and fame and with bad reputations. Reputation requires a certain degree of awareness of personal worth, superimposed with an acknowledgment of merit, this recognition being made by a majority who qualify to make appraisals.

Reputation is also an attribute of the person consisting in the good name gained and reflected in the positive appreciation of others, which, as a social value, is defended by the criminal law against any harm that can achieve the objective content of one of the crimes of insult or libel (Dexonline, n.d.).

The constituent elements of reputation, in our opinion, refer to professional qualities and character traits, manifesting themselves through a strategy approached to fulfil, at performance standards, a certain function, the satisfaction and loyalty of those led or of direct and indirect beneficiaries, the leadership manifested in the institution but also in personal relationships with other entities, the value of the organizational culture and organizational climate of the managed institution, as well as the management of the process of increasing the value of the institution.

As can be seen, most of the requirements go to behaviour, but this, in turn, is conditioned by the character of the person. Character, also in

personal opinion, means integrity, responsibility, transparency and, above all, altruism.

“Integrity represents a reputational advantage that others will weigh in subsequent transactions,” is another universal truth found by the same famous Warren Buffet (Avocatnet, 2017). Personally, we believe that integrity can be cultivated by each of us if we think of what is right and we think well, if we learn to say what we think without the fear of disturbing and if we learn to do what we say even if we have to take risks or sacrifices.

The person whose integrity is indisputable is the person who will show transparency in everything he does because he understands that although he might say something wrong, he could do something wrong, he will not suffer repercussions as long as the mistakes were made out of ignorance and not out of ill will and if they are assumed.

Transparency and integrity help us, both individually, by increasing personal value and self-esteem, and at the social level, through the process of healing the society and developing meritocracy.

The way to earn a good reputation is to strive to be what you want to show, said the philosopher Socrates (Serban, n.d.), and from this we infer that the reputable man becomes a reference model covering the panoply of the values of the society.

The Romanian society, in the last thirty years looking for a path of rapid integration into the European Union, wants to see in its political and administrative leaders models to follow for the cultural, social and economic development effort and is extremely disappointed when these people deviate from the values that brought them to the position of leaders.

People want their future to be managed by people who have values to manifest and defend, and especially by people who have principles that they do not compromise. Psychologist Daniel David stated that “it is important to establish a set of about three cardinal values, congruent with each other, which then colour our lives. “A” is a value, if “A” is something considered good by the society... And as values I mention tradition, excellence, honor, common sense, rationality, courage, family, career, etc.”

These values must initially be internalized, that is, to know them automatically, as we know our name and address, and then externalized through the behaviours we have, because if values remain only declarative, without behavioural externalization, they do not fulfil their psychological function” (Pescaru, 2019).

Therefore, reputation is valuable only if it is based on values that, internalized, determine us to “be” fair to ourselves and those around us, and outsourcing determines us to “do” good things and do them well without pursuing personal interests, thus confirming the words of the prose writer Valeriu Butulescu, that “a mass of people without common ideals and moral values is a population, not people” (Butulescu, n.d.).

The American businessman, Ray Dalio, states that “principles are those that allow us to live a life in accordance with the values and that principles are also those that connect our values with our actions” (Dalio, n.d.), and senior Corneliu Coposu said that “we negotiate anything but we do not negotiate principles,” (Corneliu-Coposu, n.d.) both leading us to think that a reputation is solid and deserves to be defended only if it is built on a foundation recognized and appreciated by those around you.

Reputation is based, apart from values and principles, on the professionalism proven by a person throughout his activity and on the value of the relationships built in the community.

The professionalism of the person with reputation implies not only mastering the knowledge required by a certain occupation, but also the skills required to accede to the career, the attitude towards those with whom he collaborates and leads and especially the skills developed in this regard.

Professionalism means permanent vulnerability in order to offer collaborators or subordinates the opportunity to offer their own options in solving problems and in this way to reduce the degree of risk in committing mistakes that can affect reputation.

Reputation means awareness of personal value, but it does not become reality if this value is not confirmed by the circle of relationships that is both a trusted provider and beneficiary of the effects produced by the reputable person.

A Romanian proverb highlights the role of relationships when it says that “tell me who you are with so I can tell you who you are,” translating the responsibility of the person from what he knows and does to what he is. The system of relationships is not built to form a circle of adulators to maintain or increase reputation, but as a system of interdependencies in which each individual brings “added value” to achieving the goal.

3. THE LOSS OF REPUTATION - A PHENOMENON IN THE ROMANIAN SOCIETY

In the Romanian society, civil servants have a significant responsibility in the administration and management of public affairs, and their reputation is confused with that of the institution.

Their reputation plays a crucial role in gaining and maintaining public trust, however, there are many ways in which a Romanian civil servant can lose their reputation, and these aspects can have significant consequences on their career and professional integrity and, implicitly, on the credibility of the institution.

One of the most serious threats to a public official’s reputation is engaging in corruption caused by accepting bribes, favouring stakeholders, or using office for personal advantage, actions that can shake the foundation of public trust.

In addition to corruption, nepotism and favouritism are other ways in which the reputation of a public official can be seriously damaged, especially when there are suspicions that decisions are influenced by personal relationships, to the detriment of objectivity and general interests, public trust is undermined.

Power abuse and violation of citizens’ rights are behaviours that can lead to the loss of reputation and simply because citizens expect civil servants to uphold high ethical standards and behave with integrity in the performance of official duties, and any violation of these principles can seriously damage the image of the official in the eyes of the public.

Negligence or incompetence in fulfilling responsibilities can also have a negative

reputational impact because when civil servants fail to effectively manage problems or provide adequate solutions, public confidence in their competence can drop considerably.

Unethical conduct, such as lying, falsifying documents or other practices that violate moral and professional principles, represent behaviours that attract critical attention and can lead to the rapid damage of reputation.

Personal scandals, including those relating to private life, should not be underestimated, although the private life of a civil servant should remain outside the professional world, because when it becomes the subject of public attention and affects the ability to carry out official responsibilities, the reputation of the institution can suffer serious damage.

4. CRISIS MANAGEMENT AND INSTITUTIONAL REPUTATION REBUILDING

The great actor Charlie Chaplin, referring to reputation, said: “worry about your conscience, not your reputation. Consciousness is what you are, reputation is what others think of you. And what others think of you is their problem” (Corneliu-Coposu.eu, n.d.), and this could lead us to think that we do not have to worry about what is thought about us, which can be quite risky in the case of a public figure.

We could agree with the actor’s words only on condition that we apply, when discussing reputation, the words of the poet Octavian Goga, who stated that: “I believe in my conscience, the only one who has the right to show me if I was wrong or not,” (Goga, n.d.) and for the simple reason that through this we have control over the concessions we make.

In order to manage a reputation crisis, in a transparent manner, the person concerned is challenged to respect some basic principles, related to clarity, credibility, interaction, adequacy, consistency and continuity of the message, so that the interested public, the organization and, in particular, the community in which that person lives, have the opportunity to understand what happened and the consequences of the facts.

It is important that the message is expressed in a clear and simple way, so that the audience easily understands the information transmitted, even if we could assume that this information could affect the image of the person and expose him to a certain degree of vulnerability.

To be effective, a message must be personalized and adapted to the needs, interests and values of the audience not only because it is also, in the case of the political person, the voter, but also because, above the person and his interests, lies the community, taxpayer and contributor to the development process.

Hiding information or manipulating messages can seriously affect the personality and reputation of an organization and in this sense sincerity in communication, as well as providing relevant and verifiable information is an extremely important requirement of transparency.

The two-way communication represents another line of effort in crisis management, because it facilitates mutual understanding and allows messages to be adjusted according to the needs and expectations of the audience and gives those whose reputation is questioned the chance to progressively express their intentions.

In addition to the rational perceptions, professional ethics, in managing a reputation crisis, there are emotions, connections between people, perceptions about what was intended and what was produced and, especially, confusion between concessions and compromises. Reputation restoration is, within the institutional framework, teamwork that demands concessions from both the public and those whose reputation is questioned.

The first concession, common to the parties, is to assume the mistakes made and to explain them in a transparent and vulnerable way, that is, to emphasize the character traits, correctable by exercise, which led to the commission of those acts that damaged the reputation, followed by the commitment not to repeat them.

Another concession could be to ask both collaborators and the public for realistic feedback on their perception of the facts, the causes that caused them and the effects produced, in order to understand the phenomenon, identify the lessons to be learned and develop possible procedures so that the

facts do not happen again. Mutual empathy, that of the person towards the public's grievances, but also of the public towards the vulnerability of the public figure, could be another joint concession that could reduce the degree of public opprobrium when the reputation of the public figure is questioned.

Concession can also be called the commitment of the public figure to correct his mistake through personal effort and not institutional, thus proving that for him it is more important the public responsibility he has, compared to his comfort or that of his family.

What happens in the reality we live in is the use, rather, of compromises of any kind that lead to the restoration of reputation without acknowledging the mistake and especially without apologizing for what happened.

One of the typical compromises of our society is lying by providing false information or intentionally manipulating the truth, which damages public trust in both the person and the institutional apparatus and creates a climate of scepticism towards the institution.

Refusing to listen and react to negative feedback is another compromise that proves both a lack of consideration for the public's opinions and concerns and the perception that the person and institution work for them and not for the community.

Abusive behaviour, in the sense that all instruments of the institution are used for personal purposes, to protect reputation, is another compromise that leads to a strong reaction from the public and negatively affects people's trust in the system.

5. INSTEAD OF CONCLUSIONS

Being followers of American pragmatism, we decided instead of conclusions to come up with a "recipe" by Glen Foreman, communication expert, who says that rebuilding reputation is done by rebuilding trust and bringing added personal and organizational value to the community:

"Reputation is also based on trust and relationships between an organization and the colleagues or communities it collaborates with".

Dialogue with these stakeholders is essential in restoring trust and loyalty, which can be gained through regular updates and feedback throughout the recovery process.

It's important to give your mistake recognition period the time it needs, but at some point, it's just as important to move forward because perception can quickly become one of failure and harm.

It's important to highlight positive stories and testimonials from stakeholders and announce successes along the way.

The tone used is important because it is not appropriate to convey arrogance or the feeling of burying the past under a rug, but must present real progress and change through social proof and support from credible sources.

Some actions are also recommended, such as:

- ✓ Inviting or involving stakeholders in the recovery or decision-making process.
- ✓ Offering value-added services or benefits to change stakeholders.
- ✓ Working with influential or reputable individuals or organizations that can guarantee credibility.
- ✓ Participating in or contributing to social causes or initiatives that align with the values or goals of the person and institution.
- ✓ Improving reputation by strengthening personal and organizational mission, vision, values and goals.
- ✓ Highlighting the capabilities, expertise, experience and excellence of the organization and the individual.
- ✓ Opening, engaging or interacting with stakeholders through various channels and platforms such as social media, blogs, podcasts, seminars or events as ways to return to the attention of the community.
- ✓ Develop a culture of transparency, accountability, integrity and excellence in the organization as evidence that the reputation crisis was just an accident (Foreman, 2023).

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