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Corporate Reputation

12 Steps to Safeguarding and Recovering Reputation

THE SUMMARY IN BRIEF

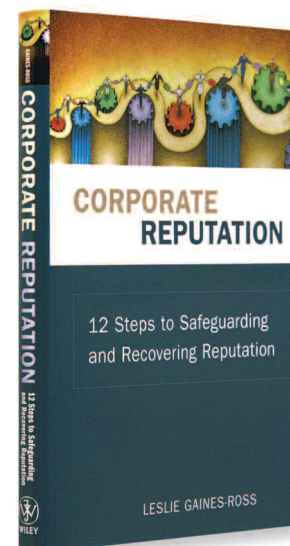
Enron. IBM. Tyco. FEMA. As the number of organizations that have suffered significant crises — and were forced to start over to restore their once-good names — continues to grow, many questions naturally arise. How did they lose their reputations? What triggers reputation loss? Were there distress signals? Why are so many companies struggling with tarnished reputations? What does it take to restore a damaged reputation? Can a company build an enduring and lasting reputation?

Dr. Leslie Gaines-Ross addresses leadership teams, board members and other professionals, providing guidance and examples to help organizations answer these key questions. She explains why reputation matters to a company's valuation and well-being and isolates a new stage — reputation recovery — that deserves its rightful place in the process of reputation building. In a four-stage, 12-step process, she reveals the most important phases in recovering reputation. She also explains the roles corporate leaders must play in reputation recovery and sustainability and provides a road map for restoring reputation over the long term.

Losing money is a setback for a company, but losing reputation is a major blow. Gaines-Ross shows how you can keep your reputation strong by rallying the support of employees, consumers, investors and other key stakeholders so that your company's most competitive asset remains alive and well.

IN THIS SUMMARY, YOU WILL LEARN:

- How to minimize the negative consequences of a lost or damaged reputation.
- How to identify what went wrong, including ways of analyzing both the negatives and the positives of the issue.
- How to rebuild a damaged reputation by making necessary changes to corporate culture, shifting business models and practices as appropriate, and using media for building new relationships.
- How to sustain a positive reputation for the long term by accentuating good news and minimizing reputation risk.



by Leslie Gaines-Ross

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THE COMPLETE SUMMARY: CORPORATE REPUTATION

by Leslie Gaines-Ross

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Reputation Matters

Reputation means how positively, or negatively, a company or similar institution is perceived by its key stakeholders — the people or entities that the company or institution relies on for its success. Companies burdened by a tainted reputation have less opportunity to engage in business as usual, which hampers their reputation comeback efforts. Steps that would otherwise be viewed with optimism, or at least equanimity, are viewed with suspicion and doubt. Once stakeholders view a reputation as having been seriously diminished, pessimism sets in as those stakeholders cling to negativism that takes time to overcome.

Reputation recovery is a step-by-step process, taken over an extended period of time. Twelve steps fit into a four-stage reputation recovery model:

- **Stage One: Rescue.** Minimize the damage.
- **Stage Two: Rewind.** Identify what went wrong.
- **Stage Three: Restore.** Rebuild reputation.
- **Stage Four: Recover.** Sustain reputation for the long term.

As Hurricane Katrina tragically demonstrated, losing reputation is a defining moment for a company, country, institution or individual. Benjamin Franklin once advised that “glass, china and reputation are easily cracked, and never well mended.” Franklin was only partially correct. Yes, reputations are inherently fragile and can tumble overnight without warning. However, the repair process has greatly improved since the 18th century. Today, companies can expect to do more than merely patch a tattered reputation back together.

Rebuilding a strong reputation is well within the realm of possibility. If the right steps are taken, reputation restoration is likely. ●

Stage One: Rescue

Step 1: Take the Heat — Leader First

A single corporate leader, almost always the CEO, must serve as the official spokesperson during troubled times. The reputation of the CEO and his or her company are inextricably linked. CEOs are regarded by many as the human face of the organization, although alternative representatives to the CEO do exist and might include the chairman, board members, lead director or a retired CEO.

Having one person act as the single repository of communications fosters more focused, consistent and concentrated messages. It allows the company to speak with a single voice, avoiding conflicting positions and misstatements that could confuse audiences and damage credibility at a time when trust is paramount. CEOs must communicate transparently and proactively, rather than defensively. In the early stages of a corporate crisis, leaders’ messages cannot be speculative or vary even slightly.

Leaders must never underestimate the scope or depth of an issue or crisis. The natural tendency is to believe that the company’s problem will blow over, go unnoticed or fade away as new headlines emerge. For a CEO to lead effectively during times of crisis is an essential component of early reputation rescue. By acting promptly with one voice, transparently and decisively, CEOs can stabilize an unstable situation and set the right tone that, in many cases, ultimately defines the crisis.

Face Head-On

Part of what it means to lead in times of crisis is to avoid equivocation. When facing a crisis, CEOs should act with a statesmanlike degree of firmness and confi-



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dence in their statements and solutions.

CEOs should also recognize that admitting wrongdoing or poor judgment goes a long way to restoring a company's reputation. Perhaps the best way to accept responsibility and demonstrate empathy for those affected in a crisis is the apology. The apology is one way to help shift the focus from what has happened to what needs to happen next.

'The Seven-Second Bow Heard Around the World'

One example of an effective apology is the one from Citigroup's former CEO Charles Prince, who apologized for problems that eventually led to the collapse of the company's private banking license. Prince bowed deeply and symbolically for a long seven seconds at a Tokyo news conference. The global media widely captured his bent image, which powerfully communicated Prince's recognition that he was accountable and that silence was unacceptable. He also sent the symbolic signal that he respected Japanese customs and bowed in regret.

CEO consultant Carol Ballock refers to Prince's apology as "the seven-second bow heard around the world."

Apologies from the top are necessary, but clearly not all there is to rescuing reputation. Companies and their CEOs should follow public leadership expert Barbara Kellerman's advice about the elements of the perfect apology. She stresses acknowledging the mistake, taking responsibility quickly, expressing regret, being timely and providing assurance it will not happen again. ●

Step 2: Communicate Tirelessly

Communicating effectively and often during a crisis is essential. Crises create unsettling ambiguities. Companies facing crisis are usually under siege from the media, the financial community, disgruntled employees, online and offline critics, and in some cases their own boards. Rescuing reputation and taking the first steps on the path to long-term recovery require a greater level of communications than is typical in less stressful times.

These communications must combine regular and timely face-to-face contact, electronic exchanges and hard-copy messaging. Unfortunately, too many leaders rely too heavily on electronic communications to relay news about unfolding problems. Personal meetings in small or large groups can do more to rally the troops in rebuilding a company's reputation than can sanitized and consensus-driven messaging. Personal connections are hard to replicate on paper and online.

That said, companies do need to pay attention to their

online Web site communications. In times of emergency, the company's site is likely to be the first place many stakeholders go for information. The site's effect on reputation during these trying times becomes exponentially greater, with a high premium placed on immediacy and accuracy. Companies under scrutiny must be responsive and communicate constantly.

Disclose Honestly and Quickly

Brutal honesty is not easy when facing up to bad news. The advantage of transparency, especially where the disclosed facts are negative, is that it gets all the bad news out at once. When bad news is released little by little, the crisis at hand is simply prolonged, the rescue process stalls and re-establishing stakeholder confidence is postponed. Even when continuing problems are anticipated, credibility can be maintained if all disclosures are accurate and future problems are candidly acknowledged.

Reassure: Keep an Eye on Your Team

For employees who are not in the decision-making or news-update loop, the early moments of crisis are frightening and overwhelming. It is only natural that employees would be concerned about job security.

In the face of uncertainty, all remaining employees, management and nonmanagement alike, need reassurance and reasons to stay at the company. They also need some amelioration for the other work-related stresses, such as sharp workload increases, as the company struggles to deal with a crisis as well as run its business. Be aware of how intense and debilitating the work environment can be, and take steps to ensure employees' concerns are addressed. ●

Step 3: Don't Underestimate Your Critics and Competitors

A company should not ignore or diminish what its critics and enemies have to say. They may be telling leaders something they do not *want* to hear but absolutely *need* to hear. The power of technology has increased the reach and influence of many well-organized and experienced critics.

Critics do not come and go, but have staying power that can last for years. For example, People for the Ethical Treatment of Animals (PETA), founded more than 25 years ago, was once considered a fringe movement. PETA is now the world's largest animal rights organization, with more than 1 million members and supporters. Its reach runs far and wide, and companies dismiss their complaints at their own peril.

Even a company as large and powerful as Wal-Mart has learned to not underestimate its critics. The impact of

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the company's better-organized critics, such as Wal-Mart Watch and Wake Up Wal-Mart, has been appreciable and impossible to ignore. Wal-Mart CEO Lee Scott has taken critics' relentless attacks seriously and is turning the company upside down to meet expectations, win back fleeing customers and attract new customers. Scott has even taken cues from his company's critics and launched his own grassroots group, Working Families for Wal-Mart, in an effort to rescue Wal-Mart's reputation. ●

Step 4: Reset the Company Clock

Instilling a sense of urgency often requires getting the senior team to focus more on what has to happen next and less on what went wrong in the first place. Internal politics and finger-pointing distract leaders from attending to those critical moments when moving toward recovery is essential. Wallowing in regret and recriminations is simply not helpful and keeps the company from moving forward. Even if the company is not frozen in time by recent calamities, business as usual is unacceptable. The pace of getting things done has to be accelerated.

A good solution is shock therapy in the form of an overwhelmingly heavy dose of undeniable reality. One CEO, for example, summoned his senior team and

IBM Develops a Rescue Plan

After a disastrous period of declining profits and instability, IBM's reputation rescue began in 1993 when Lou Gerstner was named IBM's chairman and CEO. He focused IBM on solutions and action, proposing the following five specific priorities for the first 90 days of his leadership in order to steer the organization toward what had to be done:

- 1. Stop hemorrhaging cash.**
- 2. Make sure IBM would be profitable in 1994 to send a message to the world — and the IBM work force — that leadership had stabilized the company.**
- 3. Develop and implement a key customer strategy for 1993 and 1994 that would convince customers that IBM was moving back to serving their interests.**
- 4. Finish right-sizing the company by the beginning of the third quarter.**
- 5. Develop an intermediate-term business strategy.**

Gerstner understood IBM had no choice but to make things happen. IBM had to stop blaming others and tweaking its internal structures. The company needed to break the reputation rescue phase into attainable pieces that employees could follow.

displayed charts of its rapidly falling market share. To stun the team further into accepting the facts, he showed slides of competitors with quotes mocking the company. The shock value alone accelerated the team's drive to rescue the company from its downward spiral.

There is no room for complacency or the status quo in turnarounds. From the top floor to the shop floor, everyone must help stop the bleeding. Crisis gives leaders permission to instill that sense of urgency and to focus on change.

Break Into Easy Pieces

Turning around corporate failure is an overwhelming task. Once the company is forced to look forward rather than backward and a healthy sense of urgency is settling inside, it is time to execute the path. The first order of business in carrying out a rescue is to make changes manageable. It is not the time or moment for grand visions. Instead, it is time to set a plan in motion that has clear, quantifiable goals.

Once a plan identifies what can be accomplished in the short and intermediate terms, the rescue or transformation process can begin. Without set deliverables and action strategies, companies will not be able to set momentum in place and will lose sight of the light shining at the end of the tunnel.

Check Who and What Is Missing

In the rush of events when a crisis strikes, key stakeholders can go accidentally unnoticed. Leaders must keep an eye out on employees so that their companies' hard-won customer base is not sacrificed because of preoccupation with the crisis. A corporation has to deal with a crisis, but the core business must not languish. The key players in the business cannot be ignored. Someone has to be minding the store. ●

Stage Two: Rewind

Step 5: Analyze What Went Wrong and Right

As soon as leaders sense that they have stabilized or rescued their company's reputations from the grip of destruction, they should step back and start asking questions. By studying their own mistakes and those of others, companies can avoid repeating or encountering even larger problems that may lie ahead.

When Tyco International's new CEO, Ed Breen, took over from ousted CEO Dennis Kozlowski, Breen took swift action by firing 290 of Tyco's top 300 executives and handing out pink slips to the entire board. To build the "different company" he hoped to shape, Breen

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looked to Tyco's past for lessons learned. He requested a root-cause analysis (RCA) to determine how the Fortune 500 company got itself into its deep financial difficulties and what could be done to prevent them from happening again. RCA is based on the assumption that problems are best solved by attempting to correct or eliminate underlying causes rather than merely addressing the symptoms and repairing any damage. By directing corrective measures at root causes, companies can minimize the problems' recurrence over the long term.

Companies should also carefully examine what they did right as well as wrong. It is easier for employees to accept change if they are presented with positive information as well as negative. Companies should carve out time to isolate the factors that brought them to where they are, so they can rebuild enduring and lasting reputations. Furthermore, an analysis of what went wrong, and hopefully what went right, is invaluable for measuring long-term progress, establishing metrics and achieving closure on an unpleasant chapter in a company's history.

Identify Distress Signals: Keep Antennae Alert

Reputations are not destroyed overnight but are gradually worn down over time, with the collective impact of each incident further chipping away at the foundation of the company's reputation. What this means for leaders is that if they can identify the telltale warning signs of impending reputation failure as they occur, they can take immediate steps to halt its progress.

Distress signals arrive in many forms and from a variety of sources. They can come from customers, employees and other stakeholders. What they have in common is that they eventually surface, whether it is months or years before the actual crisis. It pays to watch for troubling early warning signs. Once companies look back at the signals they missed, they can ensure that precautions are taken not to miss them again.

Find Your Beacons of Light

Many scandal-ridden companies soon learn that there are frequent unpleasant surprises on the long path to recovery. Waves of bad news can wash over companies and drown out any progress being made. Overcoming these gut-wrenching squalls is easier said than done. Boards and peers should encourage leaders to find their buoys in the storm. CEOs should seek out sounding boards that can easily look back at what they learned from confronting the demons of reputation failure and what they would have done differently. These beacons of light can guide companies to a safe landing when storm clouds darken the sky. ●

Monitoring Online Reputations

Weber Shandwick's *Safeguarding Reputation* research found that blogs, wikis, social network spaces and discussion boards are frequently home to distress signals and should be closely monitored as part of a company's reputation management strategy. Ironically, only about one-third of global executives (31 percent) report that they pay a lot of attention to reputations online. North American executives are considerably less likely to monitor their company's reputation online compared with European and Asian executives (19 versus 32 versus 38 percent, respectively).

Step 6: Measure, Measure and Measure Again

Now that the past is in full view, measurement can begin. To track progress once reputation loss has occurred, benchmarks are necessary. Now more than ever, companies and their leaders need real-time, hard evidence that the company is moving in the right direction.

Reputation measurement takes courage. Companies often do not like what they hear. The good news is that reputation measurement builds confidence — it places information out in the open, leaving no mysteries or uncertainties. Sometimes knowledge reveals that things were not as bad as the organization originally thought. Either way, leaders know what they are dealing with and have the information needed to bring about change.

In addition to quantitative and qualitative research such as surveys and focus groups, daily media alerts help a company monitor potential future problems and gauge public sentiment. These "early bird" alerts should also include intelligence on competitors, which allows the company to assess whether issues affecting competitors' reputations might spread across the industry. ●

For additional information on measuring reputation, go to: <http://my.summary.com>.

Stage Three: Restore

Step 7: Right the Culture

Most chroniclers of corporate failure will readily admit that the company's culture is what failed the organization in the first place and that the only way to ensure recovery is to alter the corporate culture.

Only when employees believe that they have as much to gain as senior management and their voices are being heard just as clearly can what former IBM CEO Lou

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Gerstner called the “collective capacity of its people to create value” unleash the passion to rally behind change. When leaders engage employees and offer them something that truly resonates with their desire to help, restoration can finally begin. If an organization is committed to its work force and keeps its people motivated, employees will know how to behave when no one is watching and go the extra mile to help return the company to its former glory. To accomplish this goal, companies can consider some of the well-planned best practices that have helped other organizations recover.

Although a few individuals can usually be blamed when a company loses reputation, wrongdoing is frequently systemic. If the culture does not actually encourage misconduct, then it at least tolerates it. For example, Enron’s unethical and “anything goes” behavior was shown to be pervasive. A culture of unaccountability and poor leadership was evident at the Federal Emergency Management Agency (FEMA) when Hurricane Katrina relief efforts were badly fumbled in 2005.

To right a company’s culture and restore its reputation, top management must pay the utmost attention to its values system and apply steady pressure to replacing values that are either wrong or no longer relevant. Values-based leadership is increasingly important as companies learn that they are now living in glass houses. If employees can be mobilized to pay attention to company values as they do their jobs, reputation risk will be diminished.

Hire Right

Time and time again, restoring reputation comes down to identifying the right people and putting them in charge. A company where people are hired only to push an agenda at all costs will suffer the death of its reputation by a thousand cuts. By hiring the right people who set the right tone and share the right values, companies can avoid reputation failure, or at least mitigate its impact.

Perhaps the best way to ensure that the most qualified people are populating a company’s work force is to train and groom them internally. For those companies trying to restore reputation, lessons can be learned from organizations whose reputations have been sustainable for the long term. General Electric Co.’s durable reputation can be attributed to its ability to build great leaders. Countless articles have been written about GE’s people factory and subsequent success when GE leaders go on to lead other companies.

Reaffirm People’s Beliefs in Themselves

As the recovery process gathers steam, remaining employees have to be reassured that they have what it

takes to make the company successful once again. With their confidence shaken, employees have to begin believing that what looks impossible is possible.

One way to rebuild confidence back into a culture that has undergone extreme stress is to identify short-term wins that build momentum. Motorola’s new CEO, Ed Zander, saw an opportunity in the ultrathin Razr cell phone and fast-tracked its development. When Razr sales skyrocketed, it was declared a hit. Zander was able to rally employees demotivated by years of declining share price, stunted technology advancements and lackluster products. ●

Step 8: Seize the Shift

After crisis strikes and the painful process of recovery begins, business models and practices often need changing. A surprising number of crises can be traced to shifts in the business climate that leaders did not see, ignored or did not take seriously enough.

One classic example is IBM’s bet on the staying power of the mainframe computer and its overlooking of the PC revolution, which resulted in the computer company’s downhill slide in the early 1990s. Instead of sizing up the new market in time to develop an effective strategy against a mounting threat, the company remained dependent on its mainstay System/360 mainframe business. The PC challenge was on the horizon, but IBM had its blinders on.

It is not uncommon for companies that find themselves caught in the undertow of change to suffer from “exceptionalism” — the belief that one’s own industry is unique and unlike others. IBM had trouble imagining a world without the mainframe and had to quickly scramble to regain its prominence.

Ask the Right Questions

When confronted with restoring reputation, leaders need to be alert to small and large business shifts that can impact their future. If these changes are relevant — and they often are — reputation restoration should occur within the context of these seismic shifts. Several key questions that leaders should be asking themselves as they face a new future include the following:

- What are the biggest shifts in the world today? How do they affect us?
- Where will our industry be in the next two to three years? Who and what is driving our industry?
- What will be expected of leading companies in three years?
- What will customers need from us in three years?

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- Where should we be in three years? What is stopping us from getting there? What should we be doing?
- What signals are weak but already on the horizon?
- Can we change the game? What game-changer would propel us beyond all others?
- Will our answers to these questions astound our competitors?
- Will our answers to these questions inspire our people, resonate with our customers and capture the world's imagination?

Only by understanding and recognizing these business shifts will companies improve their chances of keeping the grim reaper away. When companies are in recovery mode, the answers to these questions can mean the difference between success, failure and mediocrity. ●

Step 9: Brave the Media

The media is no longer what it once was. At one time, companies were largely dependent on select business newspapers, magazines and major broadcast networks to convey their message to the public. With the ubiquity of the Internet and powerful social networks, traditional media has lost some of its status as the single most powerful intermediary. Referred to as the disintermediation of the media, this revolutionary change carries both benefits and disadvantages for companies in reputation trouble.

Companies now have numerous channels to get their messages heard without exclusively relying on the major media as they did in the past. On the downside, however, companies now have to worry about how a minor glitch can unexpectedly boil over into headline news once it surfaces online. The challenge for companies trying to restore their reputations is to know how and when to strategically use these new media outlets to their advantages and keep their reputations from spiraling further downward.

Don't Believe Your Own Propaganda — Bring in the Critics

Reality can be a difficult pill to swallow for companies accustomed to having their own way and often the final say. Facing up to the hard, cruel facts that created the initial reputation failure can be very painful, especially when it comes from the fiercest critics. Yet there is no better time to put a company's house in order than when it is humbled and eager to get its reputation back on track. Just showing stakeholders that the company understands what went wrong and is willing to take its licks like everyone else can help restore reputation. One way to keep a repair process moving ahead is to ignore your own propaganda.

It is also important to welcome constructive critics into the discussion, not push them away. Not every critic is going to agree with how a company changes its ways, and some may refuse to cooperate, but many will be more than willing to lend a hand with their unfettered opinion during the restoration process. Most important, critics keep companies from believing their own half-truths.

The final stage of reputation recovery is now in sight. A new culture is rising; attention is being paid to outside forces and critics, and new avenues of communications are being paved to reach critical stakeholders. The next phase of reputation recovery is to make momentum known, dig in for the long term and stay ahead of the vortex. ●

Stage Four: Recover

Step 10: Build a Drumbeat of Good News

Although conditions may steadily improve, the slippery slope still appears in the rearview mirror. In some cases, companies might hear enthusiastic applause for the first time, although they should not let praise distract them from restoring their good names. As IBM CEO Sam Palmisano said about the company's recovery, "Once things got better, there was another kind of danger: that we would slip back into complacency."

After months or even years of less-than-good news, many companies find themselves ready to turn the corner toward vigorously restoring their good names. Recovering reputation typically does not come from one major event or announcement, but rather from a series of small incremental steps that slowly generate positive momentum. At this stage, companies must be cautious not to appear too boastful or overconfident as good news surfaces. Companies on the recovery continuum should remain humble and always on guard.

Make It Simple

Reputation recovery should be accompanied by clear communications from the top. A rebounding company needs leadership that articulates a disciplined, straightforward and easy-to-absorb message. A centralized and unified communications strategy involves responding quickly, cohesively and consistently when any emerging negative issues or criticisms arise. Companies cannot afford the risk of ad hoc or complex communications as they recover reputation.

Communications should not be limited to words alone. Symbolic acts serve as powerful signs that corporate recovery is in progress and change is in the air.

Small actions can carry a heavy weight. As new Boeing

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CEO James McNerney dug deep into restoring the aircraft manufacturer's reputation after several highly publicized ethical lapses, he replaced the company's Chicago "World Headquarters" label with "corporate offices." Although not earth-shattering, the subtle change sent a resounding message that pomposity would no longer be associated with the Boeing name. Large or small, unspoken messages can signal needed change to key stakeholders watching for genuine signs of recovery.

Make Signs of Progress Visible

If recovery is on the horizon, observable signs need to be made evident. Neither profit results nor share price are always leading indicators of a turnaround. Management must find other proof points to consistently demonstrate that upward momentum exists at the tarnished company. When it was time for Tyco International to formally declare that its recovery process from the leadership lapses of its previous CEO was officially in place, new CEO Ed Breen initiated two advertising campaigns that emphasized the company's new, streamlined leadership team and the important products Tyco made. Both campaigns reminded stakeholders that Tyco was a company worth knowing better and a company proud to be stepping back into the spotlight.

If reputation recovery progress is being made and employees are being inspired, companies will have an easier time accelerating the momentum needed to push forward. Companies should start small but relentlessly build momentum until it catches fire and spreads exponentially. ●

Step 11: Commit to a Marathon, Not a Sprint

Too many companies appear to recover, only to stumble soon afterward. For this reason, stakeholders do not regard recovery as certain until a successful track record is long in place. Even so, recovery is a continual process.

Hard as it may be to accept, leaders should recognize the permanency of a recovery campaign. Every day demands winning over the hearts and minds of employees, customers, investors and other key stakeholders. Just as presidents and other politicians must win the vote every day, companies and their leaders must prove that their company is worth support, attention and loyalty. The ongoing recovery and restoration of a company's reputation requires extreme patience and endurance.

Reputation recovery is an epic voyage full of courageous daily actions, small victories and deeds

that never truly slay the twin dragons of doom and gloom. Employees and those vested in a company's turnaround can never be completely satisfied. Recovery has too many epic cycles that cannot be rushed to a final close. ●

Step 12: Minimize Reputation Risk

As the recovery process turns the final corner and the company feels healthier, reputation risk should be faithfully monitored. The once-tarnished company has to guard against any risk of further reputation damage. Minimizing reputation risk now becomes everyone's responsibility.

Minimize risk by always keeping your eyes firmly on the horizon. This includes planning for the worst-case scenario that could set the company back several steps or nearly back to the beginning when the crisis first struck.

Plan for the Worst-Case Scenario

Royal Dutch Shell has been in the business of scenario planning for more than three decades. Its highly regarded Global Scenarios are developed by the Shell Scenario team, with contributions from external experts from around the world. The impressive list of outside individuals contributing to the series demonstrates Shell's willingness to draw insights from wherever they originate.

Shell's scenarios can even be purchased on Amazon.com. Shell CEO Jeroen van der Veer explains, "These scenarios are different from forecasts in that they provide a tool that helps us to explore the many complex business environments in which we work and the factors that drive changes and developments in those environments." As Shell repairs its tarnished reputation of the past few years, its scenario planning helps the company make sense of the world and gives it a sharp competitive advantage.

Minimizing risk is critical to maximizing reputation recovery. Anticipating problems should be practiced every day to avoid unforeseen problems and keep companies on the straight and narrow path to full recovery. ●

RECOMMENDED READING LIST

If you liked *Corporate Reputation*, you'll also like:

1. ***Why Some Companies Emerge Stronger and Better From a Crisis* by Ian I. Mitroff.** Learn seven competencies that are crucial to surviving unthinkable yet inevitable circumstances.
2. ***A Leader's Legacy* by James M. Kouzes and Barry Z. Posner.** The authors examine critical questions all leaders must ask themselves in order to leave a positive and lasting impact.
3. ***Judgment* by Noel M. Tichy and Warren G. Bennis.** Whether you're discussing former United States presidents, Fortune 500 CEOs or college coaches, leaders are remembered for their best and worst judgment calls.