

# Reputational Tracking

By Craig Miyamoto, APR, Fellow PRSA

(This is the 2004 Third Quarter issue of *Public Relations Strategies*, a quarterly publication of Miyamoto Strategic Counsel)

“Reputation” reached its heights as a buzz word in the late 1990s, and established itself as a relevant business and public relations strategy. This has not changed, especially in these times of crisis, when companies need as much sway with their stake holders as they can muster. Those with good reputations fare much better than those without.

Before people began talking about reputation, there used to be talk of a “bank of good will” that was supposed to be replenished to overflowing, and drawn upon in times of dire need. This “bank” was never fully validated, primarily because “good will” was something that was difficult to quantify. Decades of good service and good will toward the public could never mitigate the effects of a single disaster. What can sustain a company, however, is reputation. When an organization has a reputation of being responsive and fair-minded, willing to change with the times, and genuinely caring of its stakeholders, people know it. In difficult times, a company’s hard-earned reputation will see it through crises.

A good reputation is the result of being distinctive, focused, consistent, identifiable and transparent. Reputation is measurable. It can be indexed, it can be quantified, and it can be given value. This is done through a process called “reputational tracking,” which involves examining what the public expects of the company vis-à-vis what the public’s perception is of the organization’s performance.

What areas can be indexed and measured? Ethical leadership, industry issues, corporate citizenship, business leadership, stock performance, among others. The relative ranking may change from time to time, but the essential areas are constant. Reputational tracking begins by identifying essential elements of what identified audiences believe makes up a good reputation, and how important they are in relation to the others. These elements that can influence change a company’s reputation are then tracked, trends are identified, and potential or occurring changes in reputation can be predicted.

According to the Reputation Institute, measurable elements include:

- Emotional appeal: Admiration and respect
- Products and services: Quality, value, reliability, innovation
- Financial performance: Profitability, willingness to risk
- Vision and leadership: Direction and philosophy
- Workplace environment: Management, quality of employees
- Social responsibility: Good citizenship

Through the tracking process, which should involve a number of research methodologies, unrealistic public expectations may be uncovered, information as valuable as the comparison itself. It may also discover that the public does not fully understand what the organization can or cannot do – again information of great value.

Reputational competition is pretty much a driving force in today’s economy. If companies are in tune with their customers’ expectations, and if they meet those expectations, they will earn a

good name and reputation. The result is a competitive advantage, a direct impact on the bottom line. A good reputation is the fuel that makes an organization competitive.