

# Reputation is a board level concern and deserves the attention

It took the RMS Titanic a mere 160 minutes to sink. It was originally believed that the iceberg had caused a long gash in the hull. But after examining the wreck, it was found that the collision had produced a series of thin gashes as well as brittle fracturing and separation of seams in the adjacent hull plates, allowing water to flood five of the 16 compartments. It also received six ice warnings before the collision.



Source: [www.pexels.com](https://www.pexels.com)

Government and corporate reputations are similarly sunk when warnings over smaller acts of maleficence and misdemeanours are treated as cost of doing business and more resources are expended in spinning the event rather than communicating the recourse. Public Relations, like lifeboats on the Titanic is often deployed late causing immense reputational harm both to the company and its CEO, according to Magna Carta Reputation Management.

As the industry marked the first World PR Day on 16 July 2021, Magna Carta remains enthused by the fact that corporate South Africa is increasingly seen making room at the boardroom table for PR professionals. The same cannot be said about the government, as reputation management is often brushed aside by bureaucrats and not considered a critical component to the daily running of the administration.

## Reactive cycle of news

A good example of this is the current reactive cycle of news from the government over the ongoing violent protests and looting. Their inability to coordinate communication from the ground has created a vacuum that is allowing certain narratives to take hold and feeding into the insecurities of South Africans.

Proactive communications underpinned by a strategy and a firm handle on all its channels would have had a different outcome for the government. Ample evidence exists to show that some of the violence is simply being fuelled by fake news.

“Reputation is vital to the overall health of the business. It’s a trophy you need to shine every day,” says Moliehi Molekoa, MD at Magna Carta Reputation Management.

“In a digital world, every smartphone wielding individual is a stakeholder. So gone are the days when trust and credibility came with age, today reputation is earned and demands a 24/7 attention. It begins with brand experience which is just one aspect of the reputation mix. Many professionals in the industry are doing a world class job with campaigns and communication enhancing engagement, driving sales and increasing share of voice.”

But there is a world both inside and outside of people buying a company’s brand. Companies today can be held accountable for the behaviour of their employees even in their social spaces, for things that happen in the global supply chain and regulators can even demand you review questionable business practices of third-party suppliers and contractors.



“This is not alarmist. Each event no matter where it occurs in the world, has the propensity to land in the local media. More than a quarter of crises spread to international media within an hour and over two-thirds within 24 hours,” says Molekoa.



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“South Africans are realising the power they possess and voting with their wallets and voices on social media. Corporate South Africa is yet to give social media its due credit, most preferring to react than engage. The use of digital technology as an accountability tool makes reputation a strategic risk and just limiting its management to press releases is proving to be detrimental to the industry. We all have to make a conscious effort to show up at the table.”

### Reacting to reputational impact

Organisations need to start being more responsive to addressing risks that have a potential reputational impact as the speed of these risks has materially accelerated thanks to social media. This should not lull corporates into believing that traditional media has lost any grip on reporting. The rebirth of investigative units within mainstream media following the sorry saga of the SARS rouge unit, points to traditional media’s ability to pivot at will.

“As an industry we need to do justice to the media holding the mirror to the actions and inactions of the public and private sector. It’s a responsibility we need to stop taking lightly. Unfortunately, we have also failed our practitioners. We have done little to shine light on why we are not the dark side,” adds Molekoa.

Like a canary in a coalmine, PR professionals often have an ringside view on issues likely to impact the business and can help manage the risks but this ability is only rarely used to full effect. This is exactly why PR should have a seat at the boardroom table. With PR sitting at the center of a company’s communications activities, it can offer an unsanitised view of how an issue can manifest itself. The media in such instances is a partner and not an adversary.

“As consultants we have been in a fortunate position to make meaningful recommendations to boards on how the company and its management should move the business forward. That said no amount of creative writing replaces an authentic engagement of leaders with the fourth estate,” says Molekoa in conclusion.

World PR Day celebrated on 16 July pays homage to Ivy Lee who was born on the day and is regarded as one of the

forefathers of the public relations profession.

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