New Challenges, New Opportunities: Interdisciplinary Perspectives on Reputation Management
New Challenges, New Opportunities: Interdisciplinary Perspectives on Reputation Management

edited by:
Banu Baybars-Hawks & Orhan Samast
# Table of Contents

List of Figures and Tables  

Acknowledgements  

Chapter One
Introduction: How to Manage Our Reputations?
*Banu Baybars Hawks*

Chapter Two
Measuring Corporate Reputation:
The Case of a State University
*Aslı Çillioğlu Karademir and Ali Şimşek*

Chapter Three
Research on Measuring Perceptions of Reputation in the Health Sector through Social Media
*Banu Dayanç Kıyat and Cem Sefa Sütçü*

Chapter Four
Models in Reputation Measurement
*Seçil Deren van het Hof*

Chapter Five
How Do Weak and Strong Corporate Culture Influence Corporate Reputation?
*Turhan Erkmen and Emel Esen*

Chapter Six
Does Corporate Social Responsibility Really Contribute to Reputation?
*Bernd Lorenz Walter*

Chapter Seven
Corporate Sustainability and Corporate Reputation:  
An Analysis of Capital’s Most Admired Companies of Turkey  
*Arzu Özsözgün Çalışkan*

Chapter Eight
Cultural Sustainability, Branding and Reputation from a Strategic Human Resource Management Perspective
*Müberra Yüksel*
# Table of Contents

## Chapter Nine
The Role of Leader Reputation in Determining Corporate Reputation
*Turhan Erkmen and Emel Esen*

## Chapter Ten
Professional People as Brands: Exploring the Role of Public Relations Applications in Branding Professionals in Turkey
*Nihal Paşalı Taşoğlu and Ç. Derya Akbaş*

## Chapter Eleven
Media and Reputation: Terms of Contradiction or Symbiotic Brethren?
*Ayten Görgün Smith*

## Contributors’ Biography

95  
105  
117  
127
# List of Figures and Tables

**Table 2-1**  
Averages of Participants’ Views as Regards Scale Dimensions  

**Table 2-2**  
Relationships between of all Participants’ Opinions with Scale Dimensions  

**Table 3-1**  
Four Private Hospitals Which Have Received Numerous Complaints ("sikayetvar.com")  

**Table 3-2**  
Four Private Hospitals Which Have Received Numerous Complaints in 2011-2012 in Terms of the Number of Patients ("sikayetvar.com")  

**Table 3-3**  
Types of Complaints  

**Table 3-4**  
Distribution of Complaints  

**Table 3-5**  
Web-page Data of Hospitals Experiencing Problems as Indicated by Social Media  

**Table 4-1**  
Three Basic Approaches to Reputation Measurement: A Comparison  

**Table 5-1**  
Demographic Statistics of Participants  

**Table 5-2**  
Reliability Analysis Scores for Dimensions  

**Table 5-3**  
Descriptive Statistics  

**Table 5-4**  
Results of Simple Regression Analysis
# List of Figures and Tables

**Figure 7-1**  
The Most Admired Firms of Turkey, from 2001 to 2011  
73

**Figure 8-1**  
A Framework for Contextualizing Reputation and Brand Management for Social Media Platforms  
82

**Figure 8-2**  
A Common Framework for Brand Identity  
85

**Figure 8-3**  
A Model of Brand Congruence for Reputation Management  
86

**Table 8-1**  
List of Interviews Conducted from 02/2011 to 09/2012  
92

**Figure 10-1**  
Structure of the Visibility Industry  
110
This edited volume is based on selected papers presented at The International Reputation Management Conference: Corporate Reputation Management and Social Media held at Kadir Has University in Istanbul in October of 2012. I would like to express my appreciation for all the support I received from Kadir Has University and the Reputation Management Institute of Turkey, as well as our colleagues at the Faculty of Communications. We are also thankful to the Presidency of the Republic of Turkey which provided support for the conference and the ensuing edited volume.

I would also like to thank all of the participants of the conference. Their presentations and discussions played a crucial role in shaping the structure of this edited volume.

Very special thanks also must go out to all of our contributors for the quality of the chapters in this volume and for their timely and kind responses to our every request, as well as for their willingness to share their ideas with us while working on the volume. I would like to extend our gratitude to the scholars who made this possible, in order of appearance: Aslı Çillioğlu Karademir, Ali Şimşek, Banu Dayanç Kiyat, Cem Sefa Sütçü, Seçil Deren van het Hof, Turhan Erkmen, Emel Esen, Bernd Lorenz Walter, Arzu Özsözcüğün Çalışkan, Müberra Yüksel, Nihal Paşalı Taşoğlu, Derya Akbaş, and Ayten Görgün Smith. I also greatly appreciate the assistance we received from Mark David Wyers, the director of the Kadir Has University Writing Center, for helping with the copyediting of the chapters, and Aysun Şenkal, the graduate assistant at Kadir Has University, for helping to structure the book.
Chapter One

Introduction: How to Manage Our Reputations?
Banu Baybars Hawks

In today’s environment, changes in communications technologies are taking place at an unprecedented rate and information is more accessible than ever. As a result, communication strategies based solely on advertising have lost efficiency and reputation has become a key factor for remaining competitive in the business world. There is growing acknowledgement that reputation has paramount importance for corporations from almost every sector, and in contemporary global and local markets, it is crucial to build and retain a positive reputation.

Charles Fombrun has defined reputation management as a systematic process by which organizations shape how they are perceived and evaluated. Starting from the inside and moving outward, reputation management represents an organization’s values. To maintain a solid reputation, organizations must establish and maintain relations which are dependent on facts and the trust of target audiences. Today, customers and target audiences can easily share their ideas about products and services in a way that is open to all. This means that – despite its relative newness – reputation management has become more critical than ever.

The role of social media in this process has become firmly established in the last five years. Effective responses to both positive and negative developments in social media platforms are an integral part of reputation management for corporations. By knowing how to use social media to their advantage, corporations are able to survive even the worst crises.

This book represents an innovative, cutting-edge body of research that takes up multiple insights and perspectives that can be brought to bear on the numerous and multifaceted issues which relate to reputation management. The chapters contained in this volume provide a snapshot of the contributions made at The International Reputation Management Conference: Corporate Reputation Management and Social Media, which was held at Kadir Has University, Istanbul, Turkey in October of 2012. The authors included in this collection offer keen insights and thought-provoking ideas that explore reputation within a
multidisciplinary framework, drawing insights from a number of fields of research including politics, public administration, international relations, business management, human resources, communication, new media, public relations, marketing, corporate social responsibility, and sustainability. In bringing this collection together, it was our intention to provide a venue that takes into account diverse concerns on the themes of reputation management from international and interdisciplinary perspectives.

The second chapter in this volume, “Measuring Corporate Reputation: The Case of a State University,” is written by Aslı Çilloğlu Karademir and Ali Şimşek. In this engaging chapter, the authors discuss reputation management in the field of education, pointing out the importance of gauging the reputations of universities. Taking up a state university as an example, they conclude that regularly measuring perceptions of reputation within the framework of a defined plan facilitates universities’ reputation management strategies, helps maintain positive reputations, and improves reputation levels.

In the following chapter titled “Research on Measuring Perceptions of Reputation in the Health Sector through Social Media,” Banu Dayanç Kıyat and Cem Sefa Sütçü examine perceptions of reputation in the health sector and reach the conclusion that in many ways echoes Karademir and Şimşek’s arguments about the importance of gauging reputation to ensure it is successfully managed. The authors’ analysis of perceptions of reputation as regards private hospitals in Turkey suggests that social media is one of the most suitable tools for creating and measuring corporate reputation in the health sector, and the authors also suggest that companies operating in that sector should be aware of the power of institutional webpages.

In the fourth chapter, “Models in Reputation Measurement,” Seçil Deren van het Hof discusses the need for reputation measurements that originate from collaborations between the fields of sociology and political science. She claims that current conceptualizations of reputation ignore the political and sociological aspects and thus can only provide a detached analysis of reputation based solely on image, brand, and emotional charm. Hof also points out that any measures of the facets of reputation should - if possible - be capable of assessing both identity and image in order to improve reputation measurement models.

The fifth chapter, “How do Weak and Strong Corporate Cultures Influence Corporate Reputation,” written by Turhan Erkmen and Emel Esen, examines the effects of corporate culture on corporate reputation. To determine this impact, they conducted a survey with 120 employees in a variety of sectors. The findings of their study indicate that in corporations where the majority of employees
hold similar beliefs and values, a positive effect is generated on corporate reputation. This also supports the hypothesis that corporate reputation is better in strong corporate cultures than weak ones.

The following chapter by Bernd Lorenz Walter titled “Does Corporate Social Responsibility Really Contribute to Reputation?” explores whether corporate social responsibility projects have positive effects on corporations’ reputations. Walter argues that positive effects on reputation generated by corporate social responsibility endeavors can be expected when a corporation already has a positive, or at least a neutral reputation, while corporations with a negative reputation tend to receive a poor assessment. This chapter also points out that corporate irresponsibility, as in the case of scandals, has a powerfully negative effect on reputation.

Sustainability has come to be used as both a vital and valid parameter for organizations from every sector in the maintenance and enhancement of reputations. Effective reputation management is possible as long as corporations establish a sustainable channel of communication in their relationships with their social stakeholders, partners, media, society and state. It is also apparent that organizations which are able to communicate in an open, transparent, and accountable way are able stand out from the crowd in terms of their social acceptance, confidence, and reputation.

In line with this, the seventh chapter in this volume discusses the link between corporate sustainability and corporate reputation. Written by Arzu Özsözgün Çalışkan and titled “Corporate Sustainability and Corporate Reputation: An Analysis of Using Capital’s Most Admired Companies of Turkey,” this chapter assesses key trends in sustainability reporting through an examination of Turkey’s most admired companies. The findings reveal that the majority of companies which have acquired strongly positive reputations disclose their non-financial information in annual reports and have begun to prepare sustainability reports. Those firms that report the economic, social, and environmental results of their activities within a GRI framework demonstrate the best practices for sustainability. The author concludes that sustainability has gained considerable importance in every sector and contributes to companies’ reputations in the long term.

In the chapter “Cultural Sustainability, Branding & Reputation from Strategic Human Resource Management Perspective” Müberra Yüksel presents a model that assesses the links between strategic human resource management with respect to branding and the role of social media, namely Facebook and Twitter. A critical implication that emerges from her analysis is the convergence of interest and ethical dilemmas for organizations in balancing best practices of
strategic human resource management. Yüksel concludes by stating that with social media, visual brand identities and brand images as public representations and perceptions of reality cannot be based solely on impression management; she also notes that strategic human resource management and leveraging of internal stakeholders as brand advocates are required for cultural sustainability and long-term organizational and brand reputation.

As one of the drivers of corporate reputation, leadership is discussed in the ninth chapter titled “The Role of Leadership Reputation on Determining Corporate Reputation” by Turhan Erkmen and Emel Esen. Together, the authors provide detailed analyses and thought-provoking points for discussion that center on the theme of how leaders, as strategic symbols of organizations, should represent the overall reputations of organizations. Personal reputation within the framework of organizations is often tied to having good relationships with other employees and performing work effectively, as well as being a good role model who is trustable and reliable. Leader reputation, as the authors claim, also has the power to change the perceptions of employees and the general public regarding the current corporate reputation of a given organization.

In the tenth chapter of the book, titled “Professional People as Brands: Exploring the Role of Public Relations Applications in Branding Professionals in Turkey,” Nihal Paşalı Taşoğlu and Derya Akbaş argue that human brands are popular, professional individuals in society and acquire reputation through their work, goods and services. As brands, such people must be managed professionally by teams, producers, consultants, coaches and so on. Taşoğlu and Akbaş conclude that celebrities, as brands in Turkey, are not professional in terms of self-management. The problem they encounter, as the authors mention, is the balancing of their visibility in the media.

In the final chapter titled “Media and Reputation: Terms of Contradiction or Symbiotic Brethren?” Ayten Görgün Smith examines the relationship between media and reputation. She claims that media can be a mechanism both for re-building and destruction of reputation, as one paragraph of negative news about an organization can quickly spread around the globe. For that reason, organizations must develop relations with the media that are deliberate and carefully thought out.

Altogether, the chapters in this collection provide a broad array of perspectives on reputation management. Although they each highlight different aspects of the issue through a multidisciplinary approach, they offer a deeper understanding of many of the issues that surround reputation studies. We hope that you will find the chapters in this volume a useful outlook on this increasingly important field.
Education is a valuable asset in social life that makes it possible to lessen negative impacts on reputation. Along similar lines, the measurement of education institutions’ own reputation has taken on greater importance in recent years, and one major aspect of this is the examination of levels of reputation of universities which are expected to be pioneers of innovation and change based on the scholarly power of universal knowledge. It is important to identify whether corporate culture in universities is internalized and to determine if their objectives are actualized. In light of this, we need to be able to know if society is aware of these institutions’ values and if these values are deemed important or not. In this way, deficiencies and faults can be overcome and continuity of measurements can be ensured.

This pioneering study is based on research which seeks to identify the corporate reputation of a major state university in Turkey via an evaluation of its external and internal stakeholders. With this aim in mind, data was gathered from 1,254 samples including internal (academic personnel, administrative personnel, blue-collar workers and students) and external stakeholders (tradesman, merchants, manufacturers, managers of professional institutions, representatives of NGOs, press members and employees of public organizations that have close relations with the university). Corporate reputation is discussed in a six-dimensional approach including management and leadership, employees, workplace, corporate culture, products/services, and social responsibility. Within the framework of external and internal stakeholders’ perceptions, it was found that there was a variety of views in terms of the level of reputation as an entire entity and among its elements. These differences were then analyzed along with the subgroups of internal and external stakeholders. Based on the information gathered, we develop suggestions for ways to improve those areas that were found to be problematic or below expected levels.

Introduction

The need to be respected by others and acquire reputation has existed
throughout history. The concept of reputation as regards the perspective of institutions, however, came to the fore with studies conducted on enterprises starting in the 1990s. In the words of Charles J. Fombrun (1996), who pioneered studies on corporate reputation, “corporate reputation is made up of all the key constituents which the institution consults when it is compared to its competitors.” While seeming to be abstract, this concept is in fact tangible in terms of figuring out what place a corporation holds in the market because a strong reputation leads to greater competitive power.”

In the literature, reputation has been analyzed with respect to various sectors, including public and private institutions. Starting from the 1990s, reputation studies of institutions of higher education in various countries have been carried out. In a study measuring university reputation in the UK, Bakewell and Gibson-Sweet (1998) analyzed students’ perceptions regarding new universities which had been polytechnic education institutions prior to joining universities in 1992. It was determined that in order to attract future generations, these universities needed to be repositioned. Nguyen and LeBlanc (2001) in their study of university reputation noted that “corporate reputation is related to what the institution did in the past and as a result of interaction between corporate reputation and corporate image customer loyalty is established.” Argenti (2000) and Fombrun (1996) examined as the issue of how business schools establish reputations, what a positive reputation brings, and what they can do in the future about their reputations. By the end of the 1970s, MBA Magazine had begun creating lists of the best business schools, a trend which was picked up in the 1980s by US News & World Report and Business Week, and at the end of the 1990s Financial Times and Forbes had also started compiling their own lists.

In Turkey, aside from a few theses, there is a lack of comprehensive studies carried out on the issue of corporate reputation as it relates to institutions of higher education. Determining whether or not corporate culture and targets in universities are just lip-service or whether they are transferred to life through internalization is critical in terms of knowing if society is aware of the values of these institutions and if it cares about these values. Within this framework, it will be useful to measure the reputations of universities in Turkey with respect to certain criteria and make an integrative assessment by ranking them, thus eliminating deficiencies as regards the data and allowing for continuous measurements that can then be discussed. Similarly, Alsop (2004) has emphasized “the necessity of making measurements continuously and drawing attention to the necessity of monitoring decreases and increases through systematic research methods and … forming a source for reputation management strategies.”

As necessary points for successful reputation management in the measurement of universities’ corporate reputations, determination of stakeholders
and subsequent analytic modeling based on the characteristics of stakeholders and business approaches can be applied. As Hannington (2004) has pointed out, “corporate reputation is the perception regarding an institution’s ability to meet stakeholder expectations and it defines the rational and emotional loyalty these stakeholders establish with the institution. When one thinks about it from this perspective, in order to enhance their reputations universities should try to understand the thoughts of their stakeholders, to interact with them, to determine the difference between ‘reality’ and ‘perception’ and manage it.”

Stakeholders include all internal and external stakeholders, and they all have different requirements and expectations regarding the institution. By drawing attention to this point, Goldberg, Cohen and Fiegenbaum (2003) have demonstrated that a “strategic reference point” is one of the ways to establish reputation. According to this theory, when the reputation-building strategy of an institution is determined, the differing expectations of various stakeholders should be taken into account. These varying expectations regarding the institution are then used in the creation of scales that are ordered as the components of reputation in the literature:

These scales may differ from one institution to another with respect to objectives and the type of the institution. For example, when one looks to the reputation components in the best known eight reputation research and to the fact that in how many of these eight research each of them have been used commonly, the most salient values turn out to be product and service quality and financial situation. When one thinks about the definition of reputation, the characteristics of honesty and being ethical have turned out to be among the ones which emerged only once. Besides, being a company that others follow and aspire to, contributing to the local economy, financial success, globalization etc. have taken a place among these components (Fombrun, Gardberg and Sever 2000).

However, in research on “The Most Admired Companies,” which has been published by Capital magazine in Turkey since 2000 the components of reputation that are defined by Fombrun et al. (2000) are the following: “Information and technology investments, product and service quality, financial strength, new product development, innovation, management quality, social benefits the corporation provides to its employees, compensation policy, sales and marketing strategies, communication and public relations, employee qualities’ and corporation’s contribution to them, ethical behavior in competition, employee and customer satisfaction, creating value for the investor, management and corporate transparency, social responsibility and integration with international markets.” Another reputation study carried out by Şimşek and Sever (2009) entitled “Eskisehir Regional Directorate of Forestry Corporate Reputation Rese-
Interdisciplinary Perspectives on Reputation Management

arch” also has various reputation components; however, due to the fact that they serve a state institution’s purpose, they differ from the research previously mentioned.

In this study, by assessing the research touched upon briefly above, the basic reputation components in the scale prepared for a state university include management and leadership, employees, work environment, corporate culture, products/services and social responsibility.

Purpose of the Study

The general purpose of this study is to determine the corporate reputation level of Anadolu University (a state university) with respect to internal and external stakeholders’ assessments. In light of this, it will be necessary to determine those areas in which the reputation of the university is the best and worst, identify if there are significant differences in terms of total reputation level and individual reputation components, and find out if the opinions regarding reputation components change with respect to demographic characteristics. Also, we hope to provide useful suggestions regarding what should be done to improve those areas for which reputation levels are found to be low.

Methods

In the research, a general scanning model has been used to illustrate the overall corporate reputation of Anadolu University with respect to internal and external stakeholders.

Sampling

In the population for this study, internal stakeholders include students and university employees such as academic and administrative personnel as well as staff. External stakeholders consist of institutions which have connections with the university or have ties with the university due to shared objectives. Within the external stakeholder group are tradesmen, merchants or industrialists, managers of occupational organizations (chambers and unions), representatives of non-profit organizations, members of the press, and employees of various state institutions.

The sample of the research included academic and administrative staff and workers from five faculties, three colleges and three institutes which represent
various fields of four-year university study. Additionally, third and fourth-year university students and graduate students were included, making for a total of 1,149 internal stakeholders that were contacted. Moreover, 105 external stakeholders were selected via an unbiased sampling technique, and these included tradesmen, merchants, and industrialists with which the university has sales agreements, as well as employees of state institutions that have relations with the university for a variety of reasons, and also representatives of non-government organizations and local members of the press. In total, 1,254 participants were included within the scope of the study.

### Data gathering & analysis

The approach to data gathering used for this study was developed from Şimşek and Sever’s (2009) study “Eskisehir Regional Directorate of Forestry Corporate Reputation” and the authors also drew on other local and international studies related to reputation as well as discussions with specialists in the field.

The reliability of the scale was tested with internal consistency analysis (Cronbach Alfa), and it was found to be .89. The scale is comprised of two main parts, the first of which seeks to gather personal data about the participants. The second part takes into account six dimensions: management and leadership, employees, products and services, work environment, corporate culture, and social responsibility. A Likert five-point scale was created, and within the framework of the determined point intervals, a 3.41 point interval, which is at the lower end of the “I agree” choice, was determined as the threshold value which in turn was taken as the threshold of positive reputation perception (“I agree” and “I definitely agree”). Data was collected in person from stakeholders of the institution and by mail from the unions and foundations which were among the external stakeholders.

In the data analysis, an SPSS package program was used, and central distribution and variability indicators were employed. In order to measure the relationships between dimensions, the correlation coefficients were checked, and one-way analysis of variance (ANOVA) was used to determine if there was a difference between variables and to test significance levels.

Table 2-1. Averages of Participants’ Views as Regards Scale Dimensions

(on the next page)
Findings

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>n</th>
<th>x</th>
<th>SD</th>
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</thead>
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<td>3.29</td>
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<td>Employees</td>
<td>1254</td>
<td>3.37</td>
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</tr>
<tr>
<td>Products &amp; Services</td>
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<td>0.61</td>
</tr>
<tr>
<td>Social Responsibility</td>
<td>1254</td>
<td>3.48</td>
<td>0.57</td>
</tr>
<tr>
<td><strong>General</strong></td>
<td>1254</td>
<td>3.45</td>
<td>0.44</td>
</tr>
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</table>

As seen in the table above, in general the average of answers of participants is (3.45) above the threshold value of 3.41. In other words, participants in general had a positive opinion about the reputation of the university.

It was also seen that participants do not have a positive opinion as regards the dimensions of management and leadership, employees, and products and services, and they did not perceive the reputation of the institution positively. As the dimension with the highest average (X=3.76), work environment was perceived to be the most positive, while management and leadership was perceived to be the weakest aspect of the institution’s reputation.

Gender

The research indicated that in general both men and women had positive opinions about the reputation of the university, and women tended to give higher opinion scores than men. In terms of the gender variable, significant differences were found in the four dimensions aside from employees and work environment.

Education Levels

A significant difference was found as regards education in the dimensions of employees, corporate culture, and products and services. For each of them, a significant difference was observed between the groups “high school and below” and “undergraduate”. The “high school and below” group viewed the university’s reputation as positive, while the undergraduate group held a lower
opinion of reputation, although its average was above the threshold value.

Duration of Employment

A significant difference was found as regards the dimensions of management and leadership and social responsibility in terms of duration of employment at the university. As regards management and leadership, a significant difference was found between the groups “21 years and more”, “5 years and less” and “6-10 years.” In terms of social responsibility there was a significant difference between the group “21 years and more” and “6-10 years.” Notably, participants in the group “21 years and more” had a negative opinion.

Characteristics of relations with the university

With respect to this variable, it was seen that participants’ views were positive. It should be pointed out that although students had a positive opinion, because of their average (X=3.41), which is exactly equal to the threshold value, their perceptions of the university were in fact not very positive as regards reputation and in fact their views can be taken as being critical.

Work units

Among internal participants’ opinions with respect to work units at the university, a significant difference was found in all dimensions. In terms of averages, the Faculty of Communication Sciences had the lowest score. In terms of employees, it was found that there was a significant difference between the Faculty of Communication Sciences and the Printing House and the Faculty of Economics and Administrative Sciences. Unlike the Faculty of Communication Sciences, the other two faculties expressed positive opinions. As regards work environment, although the Engineering and Architecture Faculty expressed a negative opinion, the Faculty of Economics and Administrative Sciences, the Faculty of Education, the Faculty of Fine Arts, the Tourism and Hotel Management College, Institutes, the Printing House and the Books Warehouse expressed positive opinions. A significant difference was found between the School of Physical Education and Sports, which offered a negative opinion, and the Tourism and Hotel Management College, Institutes, the Faculty of Economics and Administrative Sciences, and the Printing House held a positive opinion. In terms of corporate culture, the Printing House held a rather positive opinion in contrast to the Faculty of Communication Sciences which expressed a negative opinion. Likewise, the difference as regards products and services stemmed from the
difference in perceptions of the Printing House and the Faculty of Communication Sciences.

Sub-group’s perceptions of reputation

With respect to this category, a significant difference was found in all dimensions with the exception of social responsibility. In terms of management and leadership as well as employees, which had the highest average value compared to the others, it was university participants who had the most positive perceptions of the university’s reputation. University staff had a more positive outlook on work environment than students, and respondents from outside the university had more positive perceptions than both university staff and students. As regards corporate culture and products and services, again respondents from outside the university had the most positive opinions about the university’s reputation, and students had a lower valuation of the university’s reputation than university staff.

Assistant professors, teaching assistants, specialists, lecturers and research assistants expressed opinions that tended to be positive. Except for professors and associate professors, academic staff did not answer on the “I Agree” side of the scale. A significance test of the averages of academic staff members’ opinions regarding scale dimensions with respect to the academic title variable was conducted and a significant difference was not found.

Relationships between participants’ opinions

Relations of all participants’ opinions is shown in Table 2-2 on the next page.

There is only a positive relation between the dimensions. According to the limit values that Cohen (1988) gives for weak, medium and strong relations (Trf: Pallant 2005, 126), when the opinions of all the participants are assessed with respect to the relations between the scale’s own dimensions, it is seen that there is a strong correlation in the positive direction between the dimensions. The highest level relation in the dimensions occurs between the dimensions of social responsibility and products and services (.75). The lowest correlation, which is also in a positive direction, is between work environment and management & leadership (.41) dimensions.
<table>
<thead>
<tr>
<th>Management &amp; Leadership</th>
<th>Employees</th>
<th>Work Environment</th>
<th>Corporate Culture</th>
<th>Products &amp; Services</th>
<th>Social Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>r</strong></td>
<td><strong>p</strong></td>
<td><strong>r</strong></td>
<td><strong>p</strong></td>
<td><strong>r</strong></td>
<td><strong>p</strong></td>
</tr>
</tbody>
</table>

**Table 2.2: Relationships between all Participants’ Opinions with Scale Dimensions**
Comments & Suggestions

It is not only leaders or top management who are responsible for building the reputation of an institution. Corporate reputation is of critical importance and the many interactions that it engenders cannot merely be left up to an individual, group or department in a corporation. Nonetheless, management and leadership have a great stake in reputation management. In the case of this study, where reputation levels were found to be low, some improvements are needed. On this issue, we undertook an analysis of the articles of the scale. As regards management and leadership, participants responded negatively to the statement “Everyone is treated equally in the institution.” The average response was 2.83, the most negative factor reported. The statement “The institution has an abundance of resources” received the most positive response from participants. Participants expressed negative opinions about the statement “Managers are open to criticisms and suggestions, and complaints are handled with care.” The negative responses to “Representation and participation are given importance in management” and “All employees and students are valued” revealed that in contrast to external stakeholders, internal stakeholders hold negative opinions on these issues.

Participants responded negatively to the statement “Training and development of employees are given importance,” and this factor received an average of 3.32, the most negative element of the institution. In contrast, the statement “Employees are proud of the university” received the most positive response, Also notable is the fact that there is a major difference between internal and external stakeholder opinions regarding the statement “Academic staff are well-known people in their fields and the available human resources are adequate.” In this regard, while internal stakeholders perceived a negative corporate reputation, external stakeholders saw it as being positive. But reputation cannot be determined according to the opinions of a single stakeholder group; in order for a good reputation to exist, all stakeholders should have a positive perception of the institution. For this reason, the difference in opinions between internal and external stakeholders about the reputation of the institution should prompt action to determine which factors are creating this imbalance. This state of affairs suggests that the institution has not successfully communicated with one or more of its stakeholder groups and has not met the expectations of those groups.

As regards work environment, participants responded positively for all of the items indicated. However, both internal and external stakeholders responded positively to “It is an institution without transportation problems, and social facilities are adequate” but internal stakeholders held a less positive view of these matters. This suggests that these weak areas should be addressed by
In terms of corporate culture, the greatest difference of opinion among internal and external stakeholders was on the issue of “Generally it is an institution which people do not care about.” While external stakeholders tended to reply “I do not agree” internal stakeholders often answered “I am undecided.” The act that internal stakeholders expressed an undecided opinion on this matter is thought-provoking because it suggests that “they cannot see the institution positively regarding its having that particular reputation element.” One issue, however, to which both internal and external stakeholders responded negatively was “It has good relations with unions,” suggesting that this is an area in need of improvement.

As regards products and services, participants tended not to agree with the statement “It generates projects related to the problems of society.” Neither internal nor external stakeholders responded positively to this issue, and both gave strongly negative views on the matter. While the statement “It provides quality education services to all students” prompted internal and external stakeholders to respond in a positive way, this item also revealed the largest difference in the averages. In terms of reputation for an institution of higher education, this is a key element. The fact that internal stakeholders did not give scores as high as external stakeholders indicates that internal stakeholders might hold views that are critical of the institution.

In terms of social responsibility, participants tended not to agree with the statement “It creates job opportunities and maintains ties with graduates.” While both internal and external stakeholders responded positively to “It supports efforts to benefit society,” the average difference between them was higher than the other items in this dimension. In general, external stakeholders were more positive in these regards, indicating differences of opinion that demonstrate areas of reputation management that the university should focus on.

The research findings suggest that university management should take into particular consideration the opinions of employees and students and they should utilize a more participative approach. The most important part of this process will be greater sensitivity to complaints, criticisms, and suggestions so that employees and students will have a strengthened sense of belonging to the institution, leading to increased emotional attachment to the university.

Nonetheless, the quality of products and services that the university provides to students and the contributions of its academic staff are important factors in the establishment of reputation. On this point, the university should implement certain standards and a system of regular monitoring should be
implemented. Furthermore, the components of reputation demonstrate that
the key elements for stakeholders are quality education in addition to schol-
larly activities and artistic and cultural events that accurately reflect the nee-
ds of society. In order for the university to strengthen its reputation, it should
compensate for the deficiencies it has in these areas, in addition to enhancing
cooperation with the sector. In this way, the university will be able to take
education beyond the mere theoretical, allowing students to acquire real-world
knowledge about their fields, the business world, and new technologies. And a
university’s ability to generate projects that target the problems of society and
the country will play a role in transforming it into an institution highly regarded
by the public.

Through the example of a state university, this study began with the ob-
jective of drawing attention to the necessity of evaluating the reputations of
universities. But this is just one example, and it would be useful to conduct a
broader study that would include all institutions of higher education in Turkey.
The systematic implementation of such a research project would help univer-
sities develop their reputation management strategies, as well as help them
maintain positive reputations or improve how they are regarded. At the same
time, during reputation research, institutions will become more self-critically
aware, and this will contribute to a culture of transparency culture.

Notes

1. This study is based on Aslı Çillioğlu’s Master Thesis, “Anadolu Univer-
sity’s Corporate Reputation According to the Views of Internal and Exter-
nal Stakeholders”.

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Reputation is widely understood to be the trust and respect shown by society to individuals or organizations. While corporate identity is concerned with the creation of corporate image, the sum total of that image which is generated by consumers, communities, investors, and employees represents corporate reputation. In other words, the reputation of a given institution is determined by all images for a wide variety of clear assessments by its stakeholders. In the creation and measurement of corporate reputation, it should be kept in mind that the perceptions of these groups are critical.

Recent incidents in the health sector suggest that in this field in particular a number of errors have been committed which resulted in negative impacts on the reputations of the institutions involved. One of these is miscommunication between patients, patients’ relatives, and health sector employees. Unlike other service sectors, the health sector, which directly affects people’s lives, is dependent upon relationships based on mutual trust; in other words, the concept of reputation acquires a mutual meaning in this case. The difficulties faced by service institutions in correctly expressing themselves as regards the relationship between patients and health institutions may be caused by individuals with different types of training and knowledge, and emotional states can also have an impact. By trusting each other, both sides are able to create an atmosphere of confidence and credibility, and this is indicative of the importance of corporate reputation. In this respect, the corporate reputation of service-related institutions is directly related to human dignity, and in the health sector this is of utmost importance.

In light of this, studies of communications should be conducted in a manner that differs from how they are carried out for commercial marketing strategies. In particular, besides engaging in correct informative action, it is important to access customers in the target audience through the correct channel of communication. Communication-information systems and social media, as the predominant tools of communication in our age, are open and participatory tools through which those in the health sector are able to freely express themselves,
and with them effective action can be taken during crises and social responsibility projects can be made known to the masses. Likewise they facilitate rapid feedback as well as ease of archiving and access, and they are suitable for real-time monitoring and measuring. The results of measures carried out via social media suggest the issues with which we must be careful in the management of health communications and they demonstrate the importance of health information systems established for this purpose. Social media are of the most suitable tools available today for the creation and measurement of corporate reputation as regards the health sector. Through this research, we aim to contribute to the creation of a road map for increasing corporate reputation through use of social media in the service sector, which is a highly sensitive field.

Introduction

In today’s globalized markets, in which the life cycles of products have become shortened and the differentiation between products has diminished, the key to successfully becoming a preferred company lies in intangible assets (Dayanç Kıyat and Çalışkan 2012, 75). Corporate reputation is a growing factor in processes of creation as the result of four trends in business: the business environment, which is marked by the global interpenetration of markets; media congestion and fragmentation; the appearance of increasingly vocal constituencies; and, the commoditization of industries and their products (Fombrun and Gardberg 2002, 303). Reputation is directly related to such advantages in terms of greater ability to exploit profitable marketing opportunities, improved customer retention, increased sales, and reduced operation costs. In this way, reputation is a company specific value. You can imitate a company’s goods, services, strategies, company policies, buildings, human resource models and its logo, but you can’t imitate a company’s reputation (Fombrun et al. 1999, 241-242).

For economists, reputations signal a company’s likely behavior. For strategists, a company’s reputation is a barrier to rivals and a source of competitive advantages. For accountants, reputations are an intangible asset, a form of goodwill whose value fluctuates in the marketplace. For marketers, reputations are perceptual assets with the power to attract loyal customers (Fombrun et al. 1999, 241). Corporate reputation affects the way which various stakeholders behave towards an organization, influencing customer satisfaction, customer loyalty, human resources, or employee retention (Chun 2005, 91; Ross 2008, 6). Once a reputation, which is based on mutual trust and social exchange between a company and stakeholders, is developed, it represents a true impediment to rivals and barriers in the market since reputation can’t be imitated and reproduced by other firms. At this point, it will be useful to note that corporate reputation has been defined in somewhat varying terms; for example, it has been descri-
bed as a number of attributes that form a buyer’s view as to whether a company is well-known, good or bad, reliable, trustworthy, reputable and/or believable (Chetthamrongchai 2010, 209). It has also been defined as a collective construct that describes the aggregate perceptions of multiple stakeholders about a company’s performance. Alternatively, it has been related to how people feel about a company based on the information available about company activities, its messages, behavior, the workplace, prices, products quality, innovativeness, management quality, profitability, risk levels, trust, past performance and future prospects. In other words, corporate reputation is a conglomerate of the perceptions of multiple stakeholders and this leads to the construction of company’s total image. However, this is a lengthy process, and corporate reputation takes a long time to develop.

Components of corporate reputation

Definitions of corporate reputation have been seen as one dimension of corporate image and treated as synonymous with images that represent “the total impression of a company.” They have also been seen as resulting from long-term assessments made about firms by the public with incomplete information (Lloyd and Mortimer 2006, 1). Although there are a few ways to measure corporate reputation, Fombrun’s model, as a collective assessment of a company’s ability to provide valued outcomes to a representative group of stakeholders, has been utilized as an approach for the evaluation of corporate reputation. This approach takes into account six main components:

1. Products and services. The company stands behind its products and services, develops innovative products and services, offers high-quality products and services, and offers products and services that are a good value for the money.
2. Visionary leadership. The company has strong leadership, has a clear vision for its future, and recognizes and takes advantage of market opportunities.
3. The workplace environment is well-managed, the company is an attractive place of employment and looks like a firm that would have good employees.
4. Financial performance. The company has a strong record of profitability, has low-risk management, tends to outperform its competitors, and looks like a company with strong prospects for future growth.
5. Corporate social responsibility. The company is environmentally responsible, supports good causes, and maintains high standards in the way it treats people.
6. Emotional Appeal. Stakeholders have a good feeling about the firm,
and admire, respect and trust it (Fombrun et al. 1999, 253).

Based on these criteria, if a product or service doesn’t offer value to the customer or lacks a negative quality association, then it is almost impossible to create strong corporate reputation (Cravens et al. 2003, 207).

The role of social media

According to Ling and Donner, the first decades of the twenty-first century may be remembered as a historical time when the majority of the world’s population secured easy and affordable access to telephones for the first time. At that time, there were 1.7 billion telephones, including 983 million landlines and 740 million mobile phones on the planet (Ling and Donner 2009, 4). In 2011, the International Telecommunication Union estimated that this number will eventually increase to 5.9 billion mobile phones (ITU June 2012).

The importance of new media and digital technology is that they make it possible to abstract objects and then duplicate and transfer them over electronic networks (Sütcü 2012, 84). Gane and Beer have pointed out that many of the basic properties of computer networks have become metaphors for thinking about contemporary capitalist societies, and they suggest that Manuel Castells has been a key thinker on this issue because of the way that he posits networks as social structures (Gane and Beer 2008, 20). In light of this, social media have become critically influential tools of communication. Empirical studies have pointed to a positive relationship between having a good reputation and usage of social media, and corporate reputations are built from information about firms’ activities originating from the firms themselves, from the media, from other monitoring systems, and of course social media as well (Devine and Halpern 2001, 42). What has made social media platforms of communication so important is that every day there are 119 million tweets, every month 30 billion items of content are shared on Facebook, and in every minute 35 hours of video are shared on YouTube. Since 2009, Facebook has been first and Twitter has been second in the ranking of usage of social networks. Today, there are 1 billion people using Facebook, and the power of mobile and social media is increasing day by day. It has been found that Turkish citizens spend 25% of their time on social networks, and Turkey has ranked as the top sixth country in terms of social media use vis-à-vis the world average (15%) (Ermurat 2011). Social media users in Turkey can be broken down as follows: Internet users, 35 million; Facebook users, 31 million; and Twitter users, 9 million (Nadeau 2012). This indicates that social media is seen as a communication-intensive means of exchanging ideas, and as such it must be viewed in terms of its importance as regards corporate reputation.
The health sector and corporate reputation

In Turkey, the health sector is one of the most developed in the country. There is stiff competition between companies in the field of health, and for that reason corporate reputation has become an issue of strategic importance and companies need to be able to keep up with news as it rapidly spreads through social media in cases of crises as well as to protect and improve company image.

The health sector in social media

According to a survey of doctors in Turkey, young doctors look positively on the flow of digital data within their firms, suggesting the significant potential roles that social media could actively play in the medical sector in the near future. In the Turkish health sector, 54% of doctors use corporate mail (http://www.dhsturkey.com 2012). This shows that there is the risk that communications could suffer between internal and external stakeholders, a situation which could have dire consequences. According to research on internet usage among doctors in France, Italy, Spain, England and Turkey, it was found that medical firms and doctors in Europe use certain channels for information and communication but this was not the case in Turkey (http://www.dhsturkey.com 2012). There is a lack of professional sites in the health sector in Turkey, for a number of reasons. Firstly, most doctors use the internet as a source of information. Secondly, they use it as a means to communicate with colleagues. In this way, it can be seen that they tend to use social media for “peer to peer communication.” Just to give an example, 18% of doctors in France run their own blogs, while this figure is only 12% for Turkey (http://www.dhsturkey.com 2012). As this rough overview suggests, usage of social media is still in its primary stages in Turkey but it will continue to develop as times goes by.

According to a survey carried out at Rochester University, 4,400 tweets predicted that there could be an outbreak of the flu, suggesting ways that social media can be used for the identification of epidemics (O’Grady 2012). This research demonstrates that as news travels more quickly in social media, people are able to interact with each other in greater numbers, and as regards health, this can be a means of support and prevention. This is also important for companies in the health sector in terms of corporate reputation and image, both positively and negatively For this reason, social media are important for protecting corporate reputation as well as building it up. According to one study, Facebook, Twitter and the Turkish website Sikayetvar.com have become heavily used as a means of communication in Turkey (http://www.yenimedyaaduzeni.com 2011), and the site “sikayetvar.com,” which is the oldest site, having been founded in 2001, has eight hundred and fifty thousand members and receives 1,400 complaints per year.
Sampling & Methods

A convenience sampling method was utilized and answers from 185 stakeholders were collected via a web-based structured questionnaire. The questionnaire was composed of two parts, this first of which contained questions about measurements of the Turkish public’s “perceptions of the general reputation of the health sector” on a ten-point scale (Fombrun, Gardberg and Sever 2000, 20 items, 6 components). In the second part, the same questions were asked on the basis of private hospitals which have received complaints through the best-known sites for reporting dissatisfaction (the hospitals are Acıbadem, Dünya Göz, Medicana, and Medical Park).

Table 3-1. Four Private Hospitals Which Have Received Numerous Complaints (“sikayetvar.com”)

<table>
<thead>
<tr>
<th>Hospital</th>
<th>Rate of Complaints</th>
<th>Rate of Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acıbadem</td>
<td>10.20%</td>
<td>100</td>
</tr>
<tr>
<td>Dünya Göz</td>
<td>3.00%</td>
<td>100</td>
</tr>
<tr>
<td>Medicana</td>
<td>5.20%</td>
<td>68.49</td>
</tr>
<tr>
<td>Medical Park</td>
<td>8.10%</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 3-2. Four Private Hospitals Which Have Received Numerous Complaints in 2011-2012 in Terms of the Number of Patients (“sikayetvar.com”)

<table>
<thead>
<tr>
<th>Hospital</th>
<th>2011-2012 Number of Patients</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acıbadem</td>
<td>2,910,000</td>
</tr>
<tr>
<td>Dünya Göz</td>
<td>30,000</td>
</tr>
<tr>
<td>Medicana</td>
<td>1,000,000</td>
</tr>
<tr>
<td>Medical Park</td>
<td>1,700,000</td>
</tr>
</tbody>
</table>

Table 3-3. Types of Complaints

<table>
<thead>
<tr>
<th>Diagnosis-Treatment</th>
<th>Staff</th>
<th>Price</th>
<th>Others</th>
<th>Total Complaints</th>
</tr>
</thead>
<tbody>
<tr>
<td>Four Hospital Data</td>
<td>103</td>
<td>99</td>
<td>90</td>
<td>99</td>
</tr>
<tr>
<td>%</td>
<td>26.30%</td>
<td>25.30%</td>
<td>23.10%</td>
<td>25.30%</td>
</tr>
</tbody>
</table>
Table 3-4. Distribution of Complaints

<table>
<thead>
<tr>
<th>Hospital</th>
<th>Staff (%)</th>
<th>Diagnosis-Treatment (%)</th>
<th>Price (%)</th>
<th>Appointment (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acıbadem</td>
<td>24.34</td>
<td>23.03</td>
<td>19.74</td>
<td>9.21</td>
</tr>
<tr>
<td>Dünya Göz</td>
<td>13.33</td>
<td>46.67</td>
<td>13.33</td>
<td>6.67</td>
</tr>
<tr>
<td>Medicana</td>
<td>28.77</td>
<td>19.18</td>
<td>27.40</td>
<td>12.33</td>
</tr>
<tr>
<td>Medical Park</td>
<td>28.93</td>
<td>27.27</td>
<td>28.10</td>
<td>4.96</td>
</tr>
</tbody>
</table>

Image is extremely important in terms of corporate reputation. With social media, which is a rich source of information, we can also identify gaps in corporate identification and image, and thereby point out risky points which could lead to a decline of reputation. For this reason, social media can play a critical role in either the success or failure of a corporation. In this study, Dünya Göz Hospital was found to have numerous problems with diagnosis and treatment, whereas Medicana and Medical Park Hospital were found to be problematic in terms of pricing policy.

Table 3-5. Web-page Data of Hospitals Experiencing Problems as Indicated by Social Media (next page)

<table>
<thead>
<tr>
<th>Values</th>
<th>Acıbadem</th>
<th>Dünya Göz</th>
<th>Medicana</th>
<th>Medical Park</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year Hospital Was Established</td>
<td>1991</td>
<td>1996</td>
<td>1995</td>
<td>1995</td>
</tr>
<tr>
<td>Health Information</td>
<td>Available</td>
<td>Available</td>
<td>Available</td>
<td>Available</td>
</tr>
<tr>
<td>Sponsorship</td>
<td>More data than others</td>
<td>Available</td>
<td>N/A</td>
<td>Available</td>
</tr>
<tr>
<td>Conferences / Activities</td>
<td>More data than others</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Date of Entrance to Facebook</td>
<td>30.09.10</td>
<td>18.01.10</td>
<td>31.08.10</td>
<td>27.05.10</td>
</tr>
<tr>
<td>Number of Likes in Facebook</td>
<td>69.396</td>
<td>85.086</td>
<td>1.767</td>
<td>33.604</td>
</tr>
<tr>
<td>Sharing of Information in Facebook</td>
<td>Available</td>
<td>Available</td>
<td>Available</td>
<td>Available</td>
</tr>
<tr>
<td>Number of Likes in Twitter</td>
<td>4.612</td>
<td>2.970</td>
<td>632</td>
<td>1.422</td>
</tr>
<tr>
<td>Youtube Video</td>
<td>90.945</td>
<td>N/A</td>
<td>11.699</td>
<td>112.997</td>
</tr>
</tbody>
</table>
Total reputation perception values of hospitals:
Acıbadem: 8; Dünya Göz, 8; Medicana, 7; Medical Park, 7.
Reputation points ranked in order: Acıbadem, 1374; Dünya Göz, 1319; Medicana, 1239; Medical Park, 1196.

The general perceptions of reputation for these private hospitals can be traced to three factors:

• “Social Responsibility and Emotional Appeal”
• “Vision Leadership and Financial Performance”
• “Products and Services”

The variables related to “Workplace Environment,” which is the sixth in Fombrun’s model, are divided among these three factors, meaning that these private hospitals are not perceived to be good places to work.

Conclusion

Perceptions of reputation for Acıbadem Hospital were based on a number of factors, the first group of which are financial performance, social responsibility, and emotional appeal. The second group of factors includes products and services, vision and leadership, and workplace environment. Only one factor was observed in the perception of reputation in the analysis of Dünya Göz Hospital. According to the results of the questionnaire, Dünya Göz Hospital was not the subject of a clear set of perspectives. The reason for this is that the hospital only provides services in a single field, and it lacks a clear institutional identification and image. Detailed research is needed to discover the reasons for this. According to research carried out in the telecommunication sector, the general perceptions of reputation of Turkish institutions are analyzed through four factors. The first group of factors includes products and services, the second is workplace environment, the third group is vision, leadership and financial performance, and the fourth factors are social responsibility and emotional appeal. Perceptions of reputation in the health sector in Turkey appear to be based on two main factors, the first of which includes social responsibility, emotional appeal and products and services. The second factor is workplace environment, financial performance and union-leadership. Perceptions of the reputation of Medicana Hospital were based on two factors. The first was product services, vision leadership and workplace environment, and the second factor was social responsibility, emotional appeal and financial performance. According to the demographic analysis made on general perceptions of reputation, a meaningful difference was found between the sexes. Men focused less attention on social responsibility and emotional appeal than women. Other demographic analyses on the reputations of private hospitals revealed that there was a certain diffe-
rence between the sexes for Medical Park Hospital, with men focusing more on perceptions of reputation than women. In this study, no general perceptions of reputation were found to be related with workplace environment. In conclusion, there are a number of reasons that could underpin these differences, and more than one solution needs to be found for each sector, and, for that matter, for each individual institution. As this study has demonstrated, there are certain differences among perceptions of reputation in the health sector. The reputations of Acıbadem and Medical Park hospitals were nearly the same, and this is reflected in their web pages and by the fact that they actively use Facebook and YouTube.

In social media, the rate of reply to complaints was 100% for Acıbadem, Dünya Göz and Medical Park. On the other hand, Medicana demonstrated a lower reputation perception in comparison with the others. This is meaningful in the sense that information available through social media contains important clues for decision-making. In the world of communications today, unfortunately not everyone is aware of the power of institutional web pages, and as a result they fail to utilize this in the development of perceptions of reputation.

References


Chapter Four

Models in Reputation Measurement

Reputatio est vulgaris opinio ubi non est veritas

Seçil Deren van het Hof

Reputation measurement has been a popular field of research since Fortune’s first publication of the list of Most Admired Companies in 1983. In the scholarly literature, however, there is no unified approach to reputation measurement. Differences in the definitions and conceptualizations of reputation have given way to various models and tools of measurement. This chapter attempts to pull together different models for measuring reputation. The variations in these models emerge from the differing definitions of the concept of reputation, which are based on corporate identity and corporate image. The widely accepted definition created by Fombrun and van Riel has been used as the basis of “most admired company” lists. This approach measures the image of companies in the eyes of top executives of other companies from a predominantly financial perspective. Davies’ corporate personality approach aims to evaluate the dimensions of corporate image and corporate identity together. Based on a combination of the literature on psychology and management, this approach employs personification metaphors in measuring reputation, which itself is a human attribute. Lastly, this study points out that Newell and Goldsmith’s approach to reputation measurement is based on previous research on scales of trust, and this method proceeds from brand and marketing communications. After reviewing the three major approaches in reputation measurement, this chapter notes that there is a vital need for new methods of measurement which are more sensitive to the inclusion of social and political phenomena in understanding reputation.

Introduction

Based on a completely positivist approach, measurement and scale development in the social sciences creates significant potential for the advancement of theory. Measurement is the process of assigning a numerical value to such aspects as the level or status to an object of observation: “Consequently, measurement emerges as a quantitative expression of social reality. It provides a powerful means of reducing qualitative data to a more condensed form for
summarization, manipulation and analysis” (Bulmer, Gibbs and Hymann 2010, 1). Numerical expressions may represent labels or indicate the position of the degree of a quality in a series of degrees or relations between qualities. For a measurement to be a scale, a standard and reproducible unit of measurement must be maintained by means of which individual measurements can be compared. Similar to measures of time, length, temperature, and so on, scales allow us to compare units of the object under observation with a standardized and universal reference point.

Is Reputation Measurable?

Attempts to measure reputation are a reflection of the necessity to maintain a competitive advantage over intangible assets along with tangible ones in the face of the highly competitive atmosphere of the global market. Among intangible assets, reputation is deemed to be the most effective since it depends on an inimitable corporate past and corporate culture. This assumption has stimulated academic interest in reputation and reputation measurement and subsequently studies on the issue have proliferated. Since the mid-1980s, reputation measurement has gained popular ground in the business world with Fortune’s list of Most Admired Companies (MAC).

The diversity of definitions pertaining to reputation in the academic literature is reflected in the array of research methods and scales that have been utilized. Nonetheless a widely accepted definition of reputation emphasizes the value derived from corporate image and corporate identity, which is the organizational philosophy expressed in a firm’s description of itself as well as its beliefs communicated through vision and mission statements. Corporate image is the way the company wants to be perceived by its publics and stakeholders by means of advertising and public relations. In the literature on reputation, there are several models that relate identity and image (particularly as the perceptions of customers) (Abrat 1989; Fombrun 1996; Hatch and Schlutz 1997; Whetten 1997; Davies and Miles 1998; Balmer 1998). Some of these models assume a causal relationship and others a simultaneous change between identity and image. Problems concerning corporate reputation are often argued to originate from the gap between identity and image.

Beginning in the 1950s, reputation became a matter of research interest in the business literature with a focus on customers’ perceptions, but in the 1970s assessments of internal stakeholders pertaining to image and identity began to be incorporated into reputation studies. Kent Walker has differentiated between the desired and actual identity of organizations as regards the plans of action they initiate (2010, 366). Desired identity signifies the corporate
characteristics determined by top management whereas actual identity is the sum of characteristics experienced and reflected by internal stakeholders, particularly employees. From this perspective, the gap between desired identity and actual identity can have a negative impact on reputation. Thus, in an ideal situation, there must be a match between desired and actual identity. In other words, corporate identity cannot be defined or measured by specifications based on the ideals or preferences of the top managers in a company.

As the above discussion indicates, the first step in measurement is the definition of social facts. Poorly defined facts cannot be accurately measured. In this sense, Charles Fombrun, who developed the first reputation scale, has defined reputation as the overall attractiveness of the perceptual representation of a firm as regards its past actions and future expectations as seen by all of the major stakeholders in comparison with its competitors. Fombrun and Rindova provide the following definition:

A corporate reputation is a collective representation of a firm’s past actions and results that describes the firm’s ability to deliver valued outcomes to multiple stakeholders. It gauges a firm’s relative standing both internally with employees and externally with its stakeholders, in both its competitive and institutional environments (quoted in Fombrun and van Riel 1997, 10).

In similar vein, reputation can be understood as a firm’s perceived capacity/ability to create value in comparison with its major competitors (Rindova and Fombrun, 1999). In the formation of this perception by stakeholders, van Riel and Fombrun assign a significant role to integrated communication facilities (2007, 27). Integrated communication should bring to mind systems of visual identity, coordination teams, and application of central planning systems, which are the means of expression for an organization. When organizational expressions and integrated communications point to shared notions in corporate identity, corporate brand, and strategies, stakeholders recognize this, which leads to the construction of reputation.

Although Walker adopts a similar definition, he differs from Fombrun in that he highlights the contention that reputation is stakeholder- and issue-specific (2010, 369). He asserts that an organization may have different reputations in the eyes of different stakeholders, offering the example of Wal-Mart. While it has a positive reputation in the eyes of investors with respect to the issue of profitability, Wal-Mart has a weak reputation with respect to the education and training of its personnel. Deephouse and Carter (1999) noted that Wal-Mart has a troublesome reputation in the eyes of its suppliers, although it is highly regarded by customers and investors. For these reasons, Walker argues that different stakeholders can hold varying opinions about the reputation of a
Thus it is difficult to argue for the case of aggregate corporate reputation. Lewellyn (2002) maintains that the major question in reputation measurement should be reputation “to whom” and “what for.” Walker consequently defined reputation as “a relatively stable, issue specific aggregate perceptual representation of a company’s past actions and future prospects compared against some standard” (2010, 370). This definition conceptualizes the measurement of reputation as a comparison with a standard of issue-based perceptions in relation the previous actions and future expectations. Thus, reputation can only be measured as the aggregate of perceptions of individual stakeholders.

**Trends in reputation management**

Reputation is not only a major asset for companies but it is also an abstract element that brings along risks in its management. One approach proposed for the identification and management of reputation risks utilizes reputation measures. Early methods in reputation measurement such as benchmarking and league tables emerged under the influence of the literature on management. New methods of measurement have taken precedence, however, such as reputation quotients, case studies, and psychometric measurements which, for the last decade, have enriched the literature.

According to Rosa Chun’s (2005) classification of approaches to reputation measurement, there are three main schools of research. The evaluative school focuses on the financial achievements of an organization through research on the perceptions of a single audience which is composed of investors and managers. The impressionist school assesses the overall impression of an organization but is usually based on the perceptions of a single stakeholder such as employees, customers or the media. The relational school concentrates on gaps between internal and external stakeholders’ views, providing a comparison of multiple stakeholders’ views, primarily those of internal versus external stakeholders (Chun 2005, 94). As a result of these differing approaches, reputation measurement takes up a variety of key concerns, from general perceptions pertaining to an organization to specific dimensions of reputation such as financial performance.

Another categorization was proposed by Berens and van Riel (2004) which describes three conceptual streams in reputation measurement: social expectations, corporate personality, and trust. A summary of these streams of thought (Berens and van Riel 2004, 160-161) reveals that each originates from a different academic literature: management, psychology, and marketing, respec-
tively. The first stream of thought, social expectations, refers to the expectations that people have regarding the behavior of companies. The second stream, corporate character, is based on a personification metaphor and an analysis of the personality traits that people attribute to companies. The last stream uses the concept of trust and develops a corporate credibility scale by defining the company mainly as a source of messages and/or communications. This chapter follows Berens and van Riel’s (2004) categorization and attempts to explain the differences that these streams of thought generate in conceptualizations of reputation measurement.

Three Main Approaches to Reputation Management

Reputation Quotient and RepTrak: The most widespread practice in the business world is based on the school of social expectations and takes the form of lists of most admired companies. In the United States, Fortune magazine’s annual announcement of Most Admired Companies (MAC) is the best-known and most frequently used measure of reputation. This list is based on a model of reputation that has eight components: innovation, personnel management, use of corporate assets, social responsibility, quality of management, financial soundness, long-term investments, and product or service quality. This approach has been critiqued on the grounds that there is no theoretical justification for these determining factors (Fryxell and Wang 1994). Fortune’s ranking has also been criticized for disproportionately emphasizing the financial evaluation. Similar approaches have been adopted by Management Today’s Most Admired Companies of Britain and Asian Business magazine’s list of Asia’s Most Admired Companies. The magazine Capital conducts the same survey and has published a list of Turkey’s Most Admired Companies since 1999. In the last survey that Capital conducted in cooperation with GfK-Turkey in 2012, the Most Admired Companies were determined according to the criteria of financial strength, investments in marketing and sales networks, and effective communications with all stakeholders. In all MAC surveys, the participants are corporate managers, including executives, directors, and securities analysts who are asked to select the five companies they admire most, regardless of industry.

The Reputation Institute, which operates within the school of social expectations, was established in 1997 and provides consultation services on reputation management in 30 countries. Reputation Quotient and RepTrak, developed by the Reputation Institute, are the most widely applied reputation scales. According to Fombrun, the head of the Reputation Institute, reputation conveys information about a firm’s past and future activity which in turn influences how the firm sees and treats its customers and other key stakeholders (1996). Seen in this way, a company’s reputation is a collective representation of a firm’s past.
actions and their consequences as regards the delivery of valuable outcomes to a multitude of stakeholders (Gardberg and Fombrun 2002, 304). Fombrun and Rindova see reputational ratings as “an element of a company’s macro-culture that help reduce uncertainty about firms’ likely behaviors or future levels of performance” (1999, 699).

The Reputation Quotient (RQ) (Fombrun, Gardberg and Sever 2000) describes twenty expressions which pertain to six dimensions, which are financial performance, products and services, workplace environment, emotional appeal, vision and leadership, and social responsibility. The target of the design of this scale is not to assess a multi-faceted, complex conceptualization, but to develop a one-dimensional measure (Barron and Rolfe 2011, 4). For this reason, questions pertaining to different aspects of reputation are intentionally eliminated from this scale. But the measure is intended to be used with multiple stakeholders, which is a significant advance.

RepTrak, developed by Fombrun (2011), is an improved version of the RQ measurement and offers organizations a rating score between 0 and 100. Participating observers are asked to evaluate a company in terms of 23 key performance indicators distributed across seven dimensions. These dimensions are products and services, performance, innovation, governance, ethics, work environment, and citizenship. RepTrak allows for comparative reputation scores among different organizations and can also trace temporal changes within a single organization. RepTrak does not, however, assign different meanings and weights to different stakeholders. For this reason, it has been criticized for failing to appeal to unique stakeholder groups, a critical issue which Fombrun and his team are tackling.

Corporate personality approach: The originality of the research design proposed by Gary Davies and his colleagues lies in its quest for an approach to evaluate the dimensions of corporate image and corporate identity together. This approach defines a company through the metaphor of a person and measures assessments pertaining to its personality in the eyes of its customers and employees. The school of corporate personality is based on the literature of organizational personality and brand personality, in which personification is drawn upon in the exploration of complex phenomena. In this literature, upon which Davies and his colleagues based their model, organizations are personified. The basic assumption is that reputation itself is a concept that defines human relations, and thus the personification metaphor for the measurement of the reputation of organizations or companies has the potential to offer significant theoretical expansion (Davies 2001).

Several attempts have been made to construct a quantitative scale of
brand personality. For instance, the Big Five personality traits have been adopted from the field of psychology. The Big Five describes five broad domains or dimensions of human personality on the basis of qualitative research which is called the Five Factor Model. Those factors are openness, conscientiousness, extraversion, agreeableness, and neuroticism. Davies revised Aerker’s (1997) scale of corporate personality on the grounds that it would simultaneously allow for a synthesized measurement image and identity. The hypothesis that Davies and his colleagues set forth was based on the idea that the personality scale would reproduce the same five dimensions on a similar level of statistical reliability whether carried out with employees or customers (Davies et al. 2001, 119).

Some models of reputation, including Fombrun’s, are based on the assumption that customer and employee perspectives are interrelated or dependent on one another. Particularly with service businesses, such as hotels, restaurants, and fashion houses where employee-customer interaction is intense, it is possible to observe this assumption. In such cases, the internal and external factors that make up a company’s reputation will be simultaneously affected by mission and vision statements published on a given firm’s website. For this reason, the manager must focus primarily on how customers and employees perceive the content of the communication. Although the interfaces of internal and external perspectives in corporate reputation have been studied, only personification has allowed for the development of a scale that can measure both concurrently.

As mentioned earlier, the measurement of reputation depends on its definition and the conceptual framework determines the construct of scales. Contrary to definitions based on “image” which imply an opinion about the organization independent of experience, the definition of reputation offered by Davies and his colleagues is based on actual experience with the organization. Personification serves as the tool to measure this actual experience for a variety of companies and organizations. In this way, imagined as a person, the personality traits of an organization can be evaluated by its employees as well as its customers on the basis of actual experiences. Davies and his colleagues’ approach adopts the personification metaphor and attempts to measure the perceptions of employees and customers within the scope of “corporate character” (Davies et al. 2004, 127). In this perspective, corporate character is defined as “how a stakeholder distinguishes an organization, expressed in terms of human characteristics” (Davies et al. 2004, 127). The label “character” is intentionally preferred over “personality” to emphasize the differences of their approach from that of “brand personality,” which is more concerned with brand image than with corporate reputation. According to Aaker (1997, 647), brand personality is the set of human characteristics assigned to an organization as an outcome of
promotional activities, and it has both functional and symbolic meaning.

Davies and his colleagues’ research measures reputation with a scale developed on the basis of dimensions described in the literature on brand and human personality. The components are determined by a content analysis of the corporate texts of organizations listed in Fortune 500 such as mission and vision statements, corporate advertising, and job advertisements (Davies et al. 2004, 133). The components that emerge from this pilot study are then presented for the evaluation of 113 experts. Lastly, these components are transformed into expressions which are then evaluated via a Likert scale. The components determined in the scale to assess internal and external views of reputation are: agreeableness (honest, socially responsible); competence (reliable, ambitious); enterprising (innovative, daring); ruthlessness (arrogant, controlling); chic (stylish, exclusive); informality (easy going) and machismo (tough) (Davies et al. 2003, 152).

School of Trust: Newell and Goldsmith’s (2001) research based on scales of trust measure corporate reputation by looking at customers’ perceptions of trustworthiness and expertise. This approach explains reputation in relation to the trust ascribed to a company as a source of messages to customers and clients. Customer responses to ads, brand communications, and marketing communication processes have been the subject of several studies in this regard. Music, colors, characters, people, visuals, arguments, timing, and elements of comedy or horror in advertisements have been studied with the aim of understanding the brand perceptions, feelings, and consumer behavior of customers. A number of studies have been carried out which question the role of the narrator, celebrity, or other characters in advertisements as a source of trustworthiness in the message.

In fact, these studies mark the starting point of Newell and Goldsmith’s corporate credibility scale. They examine the organization itself as the source of the message, rather than studying the features of the message. Their hypothesis is that the reputation of an organization can be assessed by analyzing the reception of the messages by customers and their perceptions of reliability. However, trustworthiness understood by means of the reception of corporate communications has been confined to the field of marketing research. Newell and Goldsmith’s research is the first to question the firm itself as the source of message credibility. Although it seems obvious that corporations lacking trustworthiness in the eyes of customers would face extreme difficulties in the creation of demand, providing brand choice, and communicating effective messages, this has never been systematically studied in the literature on reputation.
Newell and Goldsmith (2001) developed a scale to measure consumer perceptions of corporate credibility by operationalizing corporate trustworthiness as a special type of source credibility. The scale measured corporate expertise and trustworthiness as dimensions of corporate credibility by looking at: 1) expertise, the competency and capability of the organization; 2) trustworthiness, the reliability of the organization; and 3) truthfulness and honesty, the honest or misleading practices of the organization (Newell and Goldsmith 2001, 238). They concluded that the eight-item Likert-type scale measuring expertise and trustworthiness is reliable and valid, and defend its usefulness in measuring corporate credibility (Newell and Goldsmith 2001, 245).

In these terms, corporate credibility is defined as “the perceived expertise, reliability, and truthfulness of a company” (Newell and Goldsmith 2001, 238). It represents “the extent to which consumers feel that the firm fulfills its claims and the firm can be trusted to tell the truth” (Newell and Goldsmith 2001, 235). Perceived corporate credibility is a multidimensional construct that encompasses three basic cognitive dimensions: expertise, honesty, and reliance. Expertise is the perception of aggregate competence in making and delivering products or services, and honesty is the perceived degree of truthfulness. Reliance is the perceived security sensed by counterparts. In these terms, a company’s credibility is defined as the degree to which consumers, investors, and other constituents believe in the company’s trustworthiness and expertise (Goldsmith et al. 2000). In sum, corporate credibility enhances the reputation of the company which is based on the sum of its past behaviors.

Newell and Goldsmith’s concept of the trustworthiness of the source implies the expertise, credibility, attractiveness, and power of the party which establishes the communication and sends the messages. The prestige, power, attractiveness, expertise, reliability, size, age, and other perceptual qualities of the sender shape to a great extent how the messages will be received. Therefore, Newell and Goldsmith set out with the hypotheses that there is a positive correlation between corporate credibility and (1) ad credibility, (2) attitude toward the ad, (3) attitude toward the brand, and (4) purchase intention.

In one of their studies, Newell and Goldsmith asked participants to fill out a questionnaire regarding an advertisement for the same product, but before showing the ad, half of the participants listened to a text describing the reliability of the company, whereas the other half heard a text discrediting the company. The variables examined in this survey were total trustworthiness, expertise, attitude toward the ad, attitude toward the brand, purchase intention, interest in the product, and familiarity with the company. When the two groups of participants were compared, they found a meaningful relation between familiarity with the company and interest in the product. Moreover, they produced
statistical data confirming their original hypotheses.

In sum, these three basic approaches in reputation measurement can be differentiated by looking at (1) their definitions of reputation, (2) the origin of the literature they are based on, (3) and the audience of the research. The table below condenses the ideas behind these differences in the construction of measurement.

<table>
<thead>
<tr>
<th>Approach</th>
<th>Based on perceptions of...</th>
<th>Definition of reputation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social expectations</td>
<td>corporate managers: executives,-directors &amp; securities analysts</td>
<td>based on the components of image &amp; identity</td>
</tr>
<tr>
<td>Corporate character</td>
<td>internal &amp; external stakeholders, namely employees &amp; customers</td>
<td>expression of personal experience of corporate behavior</td>
</tr>
<tr>
<td>Trust</td>
<td>customers</td>
<td>a function of a company’s network position, based on subjective evaluations</td>
</tr>
</tbody>
</table>

Discussion

Today, reputation has acquired an indisputable place in both the business world and in the field of communication research. Any company pursuing sustainability through the principles of strategic management research will have to deal with the question of reputation. Research has demonstrated that reputation can be measured. However, we have also seen that there are various approaches to both defining and operationalizing the concept. The definition of reputation is also dependent on whose perceptions should be taken into account. This chapter has examined some of the most popular approaches to reputation measurement that firms should consider if reputation management is part of the strategic management process. If the measurement of reputation is the first step in reputation management, managers should be informed about measurement policies, scale construct, and the samples utilized.

The results of reputation measurement facilitate reputation management and also contribute to integrated communications and stakeholder relations. Each stakeholder’s relations and communications with a firm are based on different interests and concerns. Consequently, it is unclear as to what a holistic measurement of reputation signifies. It is more meaningful and reliable to measure reputation as the perceptions of a certain stakeholder and on an issue-dependent basis. Such a research policy becomes even more critical when reputation is described at the intersection of a firm’s self-expression, its perceptions
by the stakeholders, and the place where the firm desires to see itself. Research that cannot determine the correct distance between these three points may not be capable of providing the correct answers concerning the current location and dynamics in terms of a company’s reputation. However, most well-known scales are based largely on institutional performance reviews which are configured without regard to the social agenda in a universe of isolated relationships between a company and its stakeholders.

Reputation is an important asset for companies aiming to minimize costs by doing business in an environment where the firm is accepted as a legitimate actor. For this reason, reputation means a lot more than a positive image or brand identity. Conceptualized as license to do business, any talk of reputation cannot exclude reference to political and sociological concepts such as power, influence, and legitimacy. To give an example of this phenomenon, in the context of today’s hegemonic discourse of health, no tobacco company is free of reputational risks, irrespective of its social performance. In a similar vein, in a social atmosphere of increasing nationalism, the brand and reputation of an international corporation is under threat regardless of the success of its integrated communication practices. Unfortunately, current conceptualizations of reputation ignore these political and sociological aspects and provide a detached analysis of reputation based solely on image, brand, and emotional charm. When we look at approaches in reputation measurement we discover a basic need for the inclusion of social and political phenomena. We can conclude that there is need for measurement constructs that originate from the collaboration of sociology and political science.

Notes

1 “Reputation is a vulgar opinion where there is no truth.” The Grounds and Rudiments of Law and Equity, 1749.


4 For the details of scale development, see C.J. Fombrun, N.A. Gardber, J. Sever. (2000) “The Reputation Quotient: A Multi-Stakeholder Measure of Corpo-

When we look at neuroticism as an organizational trait, we see that organizations can be “controlling” to the point that they become totalitarian or exhibit antisocial behaviour, which is not necessarily immoral. Some scholars describe a “sociopathic” firm, which can be populated by honest people, but the pressure of business can blind the organization. The five types of neurotic styles have been defined as paranoid, compulsive, histrionic, depressive, and schizoid (Davies et al. 2003, 142).

References

Models in Reputation Measurement

Interdisciplinary Perspectives on Reputation Management
Chapter Five

How Do Weak & Strong Corporate Culture Influence Corporate Reputation?
Turhan Erkmen & Emel Esen

The concept of reputation as an important asset for organizations has not yet been clearly or precisely defined, nor have means for its concise measurement been formulated. In broad terms, corporate reputation is based on stakeholders’ overall evaluation of a company over time. In other words, it is the perceptions and evaluations of employees, customers, shareholders, and competitors about an organization’s capabilities. One of the variables that has emerged as a predictor of corporate reputation is corporate culture, which is an intangible asset that involves attitudes, values, norms, beliefs and visions. Corporate culture is commonly categorized as either strong or weak. Stober (2003) has pointed out that strong corporate cultures are formed through the sharing of norms and values, while weak corporate cultures fail to establish such values.

The purpose of this study is to determine how weak and strong corporate culture affects corporate reputation. The data for the study was collected from 105 employees in a variety of sectors via a questionnaire concerning organizational culture, corporate reputation, and demographic factors. The findings demonstrate that corporate reputation is better in strong corporate cultures than weak ones and also indicate that there is a positive effect on corporate reputation when the employees in a corporation have the same beliefs and values, while the inverse is true when employees don’t share such beliefs.

Introduction

Corporate reputation has recently become a topic of great interest for both the business and scholarly community. Approaches to reputation vary, and so do definitions of this construction (Babic-Hodovic, Mchic and Arslanagic 2011). Corporate reputation is an important concern for managers and is strategically taken into account at the highest corporate levels. It has been referred to as one of the most pertinent and intangible assets of a company that must be considered as a source of competitive advantage (Podnar, Tuskej and Golob 2012).
Depending on the perspectives taken, the concept of organizational reputation has been variously defined as assessments that multiple stakeholders make about the company’s ability to fulfill their expectations, a collective system of subjective beliefs among members of a social group, and cognitive representations in the minds of the public about an organization’s past behavior and related attributes (Yang 2011).

The literature on organizational behavior has shown that there are numerous definitions for constructs of organizational culture and that a singular universal definition of organizational culture does not exist (Al-Swidi, Mahmood 2011). Organizational culture is widely considered to be one of the most significant factors in bringing about organizational change and the modernization of public administration and service delivery (Jung et al. 2009). It is also generally considered to be the shared values, beliefs and assumptions that exist among employees within a company that help guide and coordinate behavior (MacInnes and Doherty 2010).

To bolster understanding of the effect of corporate culture on corporate reputation, this study examines strong and weak cultures and the effects of corporate reputation from the perspectives of employees in a variety of sectors.

Corporate Reputation

Corporate reputation has been described in numerous ways in the literature, but common terms that are invoked include organizational standing, goodwill, esteem, organizational identity, organizational image, brand, and prestige. Some researchers have used the concepts of image, identity and reputation as if they are synonymous, whereas others have implied that they are independent but closely related. Organizational identity reflects employees’ perceptions about organizational activities, but on the other hand organizational image is about what members think about their organizations (Walsh 2009). In brief, identity is about the perceptual judgments of internal shareholders, and image is about the perceptual judgments of external shareholders. As a result, corporate reputation differs from organizational image and organizational identity in several ways, but to sum up these differences concisely, corporate reputation is viewed as a combination of image and identity.

Balmer’s (1998) overview of the evolution of the theory of corporate reputation identified three stages of development: “The first phase (in the 1950s) focused on corporate image, giving way in the 1970s and 1980s to an emphasis on corporate identity and corporate communications, and then in the 1990s to a mounting interest in corporate brand management and thence reputation.”
Corporate reputation is stakeholders’ reactions to organization actions that are perceived to be strong or weak, or good or bad. Reputations are the outcomes of repeated interactions and cumulative experiences (Castro et al. 2006; Dortok 2006). Stakeholders are generally divided into two main groups: key or primary stakeholders, who are directly affected by or who expect to benefit from the organization’s activities, and secondary stakeholders who have intermediary roles. Stakeholders may include current employees, potential employees, shareholders, customers (past, present and future), suppliers, the government, pressure groups, media, investors, competitors, local communities, opinion leaders, trade groups and trade leaders, and so on (Dalton and Craft 2003). Seen in this light, stakeholders are the main aspects of corporate reputation because corporate reputations are developed by how they balance the needs and interests of stakeholders, which are an organization’s key assets (Capozzi 2005).

Corporate Culture

Organizational culture encompasses shared values and the norms of members in a group or organization (Li et al. 2008). Organizational culture constitutes the glue that holds an organization together and stimulates employees to commit to the organization and perform (Berg and Wilderom 2004). “Organizational culture represents an active, living phenomenon by which key members of the organization, such as executives, create shared meaning.” Among the manifestations of culture are rituals, group norms, habits of thinking and espoused values (Berson, Oreg and Dvir 2008). Also, “Organizational culture refers to the shared norms, beliefs, and behavioral expectations that drive behavior and communicate what is valued in organizations” (Hemmelgarn, Glisson and James 2006).

According to Schein (2004), organizational culture is manifested at three levels. Cultural artifacts may be visible structures and processes, as well as dress, observable rituals, and ceremonies. Espoused beliefs and values are consciously developed formal organizational practices such as strategies, goals and policies, and informal practices like implicit norms. Underlying assumptions are unconscious thoughts, beliefs, expectations and theories (Armenakis, Brown and Mehta 2011).

When organizational beliefs and values are widely and deeply held, the culture is considered to be a “strong culture.” In this respect there is less need for detailed organizational rules and regulations. In contrast, in “weak organi-
zational culture,” rules and regulations are strictly enforced to control behavior (Sabri 2008). Strong cultures are defined as “a set of norms and values that are widely shared and strongly held throughout the organization.” In particular, the performance benefits of a strong corporate culture are thought to derive from three consequences of having widely shared and strongly held norms and values: enhanced coordination and control within the firm, improved goal alignment between the firm and its members, and increased employee effort (Sorenson 2002).

In the current literature on organizational studies, it has been argued that there is a clear differentiation between strong and weak organizational culture and their consequences related to organizational performance and employee behavior. Moreover, it has been widely argued by academics and practitioners that a strong culture and the degree of the belief and acceptance of shared culture are the dominant determinant of organizational performance (Al-Swidi Mahmood 2011).

The Effect of Corporate Culture on Corporate Reputation

Little attention has been paid in the literature to how culture affects corporate reputation, even though cultural values and norms play an important role in how people interpret information and behave (Bartikowski, Walsh and Beatty 2011). Culture and reputation are considered intangible assets because they add value through differentiation, are rare and difficult to imitate, and hence cannot be substituted (Flatt and Kowalczyk 2008).

Corporate reputation summarizes a company’s past and present behavior, thus serving as a reflection of the history of a company’s actions. Furthermore, good reputation perceptions have been linked to positive customer attitudes towards a company’s products, enhanced buying intentions, higher customer loyalty, higher cross-buying intentions, greater competitive advantage, and lower transaction costs (Jeng 2010). Theorists have argued that values which are widely shared and strongly held enable managers to predict employee reactions to certain strategic options, making it possible to minimize the scope for undesired consequences (Ilieş and Gavrea 2008). Strong corporate cultures are thus associated with higher performance and greater flexibility in changing market demands. A major study conducted by J. Kotter and James Hesket found that companies who successfully managed their culture surpassed comparable companies that did not (Mahrokian et al. 2010). Similarly, Deal and Kennedy (1982) have noted that that “strong culture” tends to bring success and creates an environment in which employees feel no anxiety about making a livelihood.
With a strong foundation in place, and when values and goals are communicated, employees will be more productive and effortlessly adapt to changing demands due to their strong loyalty to the organization because they clearly see how they are helping lead the organization to success (Mahrokian et al. 2010). Fombrun (1996) has discussed the cultural aspects of reputation as well, arguing that such values as credibility, reliability, trustworthiness and responsibility are at the core of the perceptual representations of a company’s reputation (Kowalczyk and Pawlish 2002).

Purpose of the Study

The purpose of this study is to examine how weak and strong corporate cultures affect corporate reputation via data gathered from 105 employees. Since the main hypothesis proposes that a strong culture has a positive effect on corporate culture, this study will explore the relationship between the two.

Methodology

Table 5-1. Demographic Statistics of Participants

The study was conducted with 105 employees in different sectors in Turkey. The majority of participants were female (%59.0) aged between 41 and above (42.8%). Most respondents held undergraduate degrees (75.2%). In terms of work experience, 38 of them had 21 or more years of experience, and 38 of them had 1-5 years of experience at the present job. 42.8% of participants held managerial positions.

Measures

Data was collected using a 44-item questionnaire sent via e-mail containing a link to the online Internet Survey Instrument to 105 employees in a variety of sectors. The questionnaire was constructed to assess 2 variables (corporate culture and corporate reputation) and demographic characteristics including position, age, gender, total length of employment, length of time at current job, and sector.
This scale consists of 16 items as developed by Richard Pascale (1984). Cultures are categorized by strong, intermediate and weak. Such items as “Reward systems, performance incentives, promotion criteria and other primary
measures of success reflect a high degree of congruence” and “Employees frequently make personal sacrifices for the firm out of commitment to the firm’s shared values” were used. Responses were rated on a scale ranging from 1 (Never agree) to 5 (Completely agree).

Corporate Reputation

The Corporate Reputation scale consists of 28 items as developed by Walsh and Beatty (2007). There are five dimensions: customer orientation, good employer, reliable and financially strong company, product and service quality, and social and environmental responsibility. Such items as “treats its customers fairly” and “offers high quality products and services” were used. Responses were rated on a scale ranging from 1 (Never agree) to 5 (Completely agree).

Data analysis

The data was analyzed in SPSS 18.0. Descriptive statistics (i.e., frequency distributions, means, and standard deviations) were used to develop a profile of the respondents and to summarize the variables. Alpha coefficients were also computed to assess the reliability of corporate reputation and corporate culture. To better understand the effects of corporate culture on corporate reputation, regression analysis was performed.

Results

The results are presented in three sections. The reliability analysis and descriptive statistics are presented in the first section. The second section includes the correlation results of the variables, followed by the multiple and simple regression analysis results.

Reliability analysis of the study

For the reliability analysis of the scale used in this study, the most frequently used Cronbach alpha coefficient was employed. The Cronbach alpha coefficient of the scale in this study was higher than the commonly accepted .60, as shown in Table 5-2.
Table 5-2. Reliability Analysis Scores for Dimensions

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
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<tbody>
<tr>
<td>Corporate Culture</td>
<td>.721</td>
</tr>
<tr>
<td>Corporate Reputation</td>
<td>.927</td>
</tr>
</tbody>
</table>

First, reliability analysis was performed for the 16-item scale which measures corporate culture. The Cronbach alpha value of corporate reputation was found to be .721. For the 28-item scale, which measures corporate reputation, reliability analysis was performed. The Cronbach alpha value was found to be .927.

Table 5-3. Descriptive Statistics

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate Culture</td>
<td>2.95</td>
<td>.54</td>
</tr>
<tr>
<td>Corporate Reputation</td>
<td>3.47</td>
<td>.65</td>
</tr>
</tbody>
</table>

Descriptive Statistics

According to the results of the descriptive statistics, the mean and standard deviation for corporate culture and corporate reputation variable were found to be 2.95 and .54, and 3.47 and .65, respectively. This result indicates that respondents primarily selected the “slightly agree” and “rather agree” alternatives for corporate culture and “more than slightly agree” for family-work conflict.

Test of Hypothesis

Table 5-4. Results of Simple Regression Analysis

<table>
<thead>
<tr>
<th></th>
<th>Sum of Squares</th>
<th>Degrees of Freedom</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>3.724</td>
<td>1</td>
<td>3.724</td>
<td>10,388</td>
<td>.002</td>
</tr>
<tr>
<td>Residual</td>
<td>15.774</td>
<td>104</td>
<td>.358</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>19.498</td>
<td>105</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

\[ r = .437 ; R^2: .191 \]

<table>
<thead>
<tr>
<th></th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate Culture</td>
<td>.531</td>
<td>.002</td>
</tr>
</tbody>
</table>

|
The results of the simple regression analysis show that corporate culture has an effect on corporate reputation (p=.002), so the H1 hypothesis has been accepted (B=.437). This result demonstrates that corporate culture is also correlated with corporate reputation (r=.437).

Conclusion

This study was carried out with 105 employees in a variety of sectors in order to understand how weak and strong corporate culture influence corporate reputation in organizations. Corporate culture is related with the shared assumptions, norms, values, and beliefs of organizations, but on the other hand corporate reputation is stakeholders’ perceptions about organizations’ past, present, and future activities. The findings about the relationship between corporate culture and corporate reputation show that there is a positive effect on corporate reputation when the majority of employees in a corporation have the same beliefs and values and the inverse is true when employees don’t share the same beliefs. In this study, corporate culture was measured with 16 items and corporate reputation was measured with 28 items.

When the means were examined, the highest mean score of corporate reputation was found to be 3.47. This result shows that employees believe that their organizations undertake activities which could be accepted as reputable. On the other hand, the mean score of corporate culture was found to be below average, suggesting that these employees believe that the organizations in which they work are near to having strong corporate cultures.

When the hypothesis test result is examined, the H1 hypothesis “There is a positive effect on corporate culture when organizations have strong culture” was supported. When the assumptions, beliefs, norms, values, and behaviors are shared throughout an organization, this brings about high performance and a positive reputation.

It should be pointed out, however, that there are limitations to this study. First, there are a number of various measurements that can be used, especially about corporate reputation, and measuring corporate reputation in Turkey by itself can be problematic. Additionally, to increase the reliability of the study, the number of the participants could be increased.
References

Consumers and other stakeholders are still concerned about the fact that they feel under-informed about the ethical claims of corporations. Furthermore, as long as stakeholders are unaware of CSR endeavors, corporations cannot expect to see positive effects on their reputations. The likelihood of acquiring positive effects increases the more information stakeholders receive; however, Morsing, Schulz and Nielsen (2008) presented this as a paradox: on the one hand, stakeholders expect corporations to take responsibility, but on the other, when corporations begin to talk about CSR, stakeholder skepticism rises. Often, stakeholders simply do not believe in CSR engagement, and condemn it as an act of corporate hypocrisy. Therefore, some authors attest that CSR is nothing more than manipulation with the intention to mislead the public. As a result, many corporations decide to act in alignment with societal norms, but do so quietly: “This is especially true when moral avowals are claimed which contain the risk to be scandalized when they are not going to be fulfilled” (Eisenegger and Schranz 2011).

Indeed, this approach minimizes the risk of negative reaction, but obviously does not solve the paradox. In addition, it means that corporations cannot benefit from the supposed advantages to corporate reputation, which can be defined as the “overall estimation of a firm by its stakeholders, which is expressed by the net affective reactions of customers, investors, employees, and the general public” (Fombrun 1996). In fact, whether CSR really does have a positive effect on corporations’ reputations depends on various factors. However, there is overall agreement that reputation and CSR are somehow interconnected, and have even been described as “two sides of the same coin,” although there is no consensus about what form this connection takes.

Positive effects on reputation by CSR endeavors can be expected when a corporation already has a good, or at least a neutral reputation, while corporations with a bad reputation receive a poor assessment: “The more problematic the legitimacy of a company is, the more skeptical are constituents of legitimation attempts” (Ashforth and Gibbs 1990).
Corporate Reputation and CSR

Corporate reputation is still one of the most valued intangible assets, and its significance will increase in the future. Corporate reputation and companies’ financial performance are directly co-related. Increasingly, corporations are trading not on products or services but on their reputations (“Corporate Reputation Monitor” 2005). Various studies confirm that improving corporate and brand reputation is still one of the most important motivations for engaging in CSR. Also, the threat of reputation loss is currently seen as a significant factor in encouraging companies to make commitments to CSR (Eisenegger and Schranz 2011). You can actually observe this move quite clearly in the banking sector.

The more societal problems that emerge (like unemployment, poverty, inflation etc.), which vary across different countries and cultures, the more reputation comes into play. Trust in businesses decreases while, at the same time, stakeholder expectations increase. The financial crisis has also increased uncertainty at all levels, leading financial institutions to rely more on their reputations. At the same time, stakeholders’ expectations have changed regarding CSR (Guillerme 2012). As a result, CSR has become one of the most important business cases for decision makers with respect to reputation building.

Today, one of the main business objectives of CSR is to safeguard, ensure, and increase a company’s reputation among its customers and employees (Witte and Reinicke 2005). But in reality, it is not very fashionable for corporate decision makers to confess to these objectives publicly. You wouldn’t go out and tell people that you have sponsored a kindergarten just because of your reputation – instead, you would be likely to use more generous terms, such as that you want to contribute to society.

Without going deeper into the definition of reputation, I want to point out that CSR is already one of the core elements of reputation. Citizenship, governance and workplace account for over 40% of reputation globally. While there are various definitions of reputation, two key points can be highlighted (Brown and Logsdon 1997):

1. This construct of reputation has a perceptual nature. Some individuals or groups gather and process information about a firm’s past actions and draw conclusions about its future prospects.
2. Reputation is a net or aggregate perception of every stakeholder, not just one or two.
However, we have to consider that corporate reputation differs among various stakeholder groups (Helm 2007) and in addition, every person is a multi-stakeholder. You might be an employee, a shareholder and a customer at the same time, and additionally you might be a member of a union, Greenpeace, and so on. This is a tremendous challenge for CSR communication.

Corporate Social Responsibility

The highly contradictory results regarding the relationship between reputation and CSR also arise because of the different perspectives and definitions of CSR. So, I conclude this introduction with a brief look at CSR itself.

CSR is a journey to social responsibility, which more and more corporations are embarking on. Depending on which motivation they follow to engage in CSR, we can distinguish between two different journeys:

• The long journey which a company takes to change their DNA. This is about creating value for stakeholders. It involves a shift in the self-concept of businesses from profit making to purpose making (Freeman 2012).
• The short trip in which a company just wants to change their image. This will definitely have negative effects on reputation in the long run.

If a company takes the long journey, there are two propositions to consider with respect to CSR (van de Ven and Graaand 2007):

• The strategic proposition: This means that the firm’s efforts with respect to CSR will have a positive influence on its financial results in the long term (Graafland 2002a/b).
• And the ethical proposition: Which is about behaving in a responsible way as a moral duty of businesses towards society, according to Kant’s categorical imperative (Evan and Freeman 1988).

Both propositions have to be considered when engaging in CSR. This is especially true in connection with reputation.

Reputation and CSR are two sides of the same coin

Reputation and CSR are two sides of the same coin (Hillenbrand and Mooney 2007) although there is no consensus about what form this connection takes (de Quevedo-Puente et al. 2007). Reputation and CSR are two approaches that are mutually enriching, but sometimes confusing (Eisenegger and Schranz...
After looking at the co-relation of CSR and reputation, and their significant importance to corporate performance, we can go back to the original questions.

**Does CSR really contribute to reputation?**

On what does this depend? In truth, there is no silver bullet to make CSR contribute to reputation because every company, every country and every culture is so different. But there are at least five aspects worth considering anyway.

1) **Stakeholders must be aware of the CSR endeavors (Bortree 2009)**

That might sound quite obvious, but it is certainly not a given. Stakeholders often feel under-informed about the ethical claims of corporations. But on the other hand, there is a paradox: the more a company talks about its endeavors, the more skepticism arises (Morsing et al. 2008). In the worst-case scenario, a firm could be labeled a corporate hypocrite. This is especially true when stakeholders simply don’t believe in the CSR engagement. In addition, when a company focuses too intently on communicating its CSR associations, it is possible that consumers may believe that the company is trying to hide something (Schmitt and Röttger 2011). Thus, companies whose external communications present them as too blatantly clean run the risk of falling into the moral trap (Peloza 2006). This is precisely the mistake made by IT giant Google. It attempted to stand out with the term “Don’t be evil,” but information then came to light that Google had ceded to pressure from the Chinese regime to censor certain Internet pages. Google was accused of breaking its own ethical principles. This is only one of many examples showing that a management of values and standards that exhausts itself in pure rhetoric is extremely dangerous. Social-ethical avowals possess a markedly high character of self-obligation, and incur the risk of secondary scandal mongering in the event that the commitments they imply fail to be redeemed (Eisenegger and Schranz 2011).

So, we can come to the conclusion that the positive reputation effects of CSR are the result of “good” or “less good” communication work. However, although a company may attempt to influence its own reputation by means of active communication, it cannot be sure whether, and with what degree of filtering, its message will finally reach its stakeholders (Eisenegger and Schranz 2011).

Consequently communication about CSR is first and foremost a reputation risk (Brown and Dacin 1997). But there is no way to avoid this risk if you are to keep your stakeholders informed (Walter 2011), which is a prerequisite for
building reputation.

2) The company must already have a good – or at least a neutral – reputation (Pfau et al. 2008)

The promotion of CSR tends to evoke skepticism if a company is stigmatized beforehand with a bad reputation or if a company is experiencing a legitimacy threat, such as a corporate scandal (Ashforth and Gibbs 1990).

This means that a corporation with a bad reputation will not be well received when trying to enhance their reputation capital via CSR (Yoon et al. 2006). Furthermore, “the more problematic the legitimacy of a company is, the more skeptical are constituents of legitimation attempts” (Ashforth and Gibbs 1990). However, the “good” companies – those which successfully engage in CSR already – are also under high amounts of scrutiny and should be prepared to have their motives questioned. As Fouad Hamdan, former campaign strategist for Greenpeace contends: “‘good’ corporations are in particularly critical focus of certain stakeholder groups (and also journalists), who are waiting for the first mistake or evidence of irregularities” (Liebl 2011).

3) The CSR program has to be credible

In terms of reputation building, credibility and trust play a crucial role. The same is true for communications as a whole. To some extent, credibility is the license to communicate. If people don’t trust you, they won’t believe your words, your messages. There is a high reputation risk in terms of being labeled a green washer, or doing some window dressing, instead of making real commitments to social responsibility that are not only based on corporate philanthropy.

Consequently, CSR should not be understood in terms of moral accessories (Zadek 2012) and “one-off improvements to win quick publicity” (Barnes 2011), otherwise it may have lasting consequences on corporate and brand reputation.

4) The CSR program should demonstrate a win-win situation (Suchanek 2008)

Stakeholders expect a win-win situation, and do not believe in purely ethical claims. Therefore, you should tell your stakeholders what benefits your company will get from your CSR engagement.

Selected stakeholders, such as shareholders or employees, will not understand – and consequently not support – CSR endeavors if they see no rewards for the corporation. This is especially true when corporations engage in corporate philanthropy. I have seen corporations increase their budget for ex-
ternal social engagements, while cutting wages at the same time. This simply does not work.

Also, academic studies have shown that the credibility of a corporation is not affected if a CSR communication campaign primarily intends to make profits out of it (Schmit and Röttger 2011); in contrast, when corporations try to conceal such self-interest, negative effects are seen on credibility, and consequently reputation (Forehand and Grier, 2003). It should also be pointed out that stakeholders also expect corporations’ CSR endeavors to be linked to their core business (Haley 1996).

So, what to do?

Among the many things that should and could be done, I would like to emphasize two:

1. Listen to stakeholders, do not just talk!
   The better you know the expectations of your stakeholders, the better you will know how to engage in CSR, and the better you will know how to communicate with your stakeholders. “Intimate knowledge of the public agenda and its systematic alignment with the company’s specific strategic goals have become prerequisites for successful reputation management” (Langen and Wreschniok 2010). In addition, you will be showing respect and interest in stakeholders’ concerns.

2. Follow the involvement strategy!
   “While informing and surveying is necessary, it is not sufficient. Stakeholders need to be involved in order to develop and promote positive support as well as for the company to understand and concurrently adapt to their concerns” (Morsing, and Schultz 2006). Companies must “give sense” as well as “make sense” (Gioia and Chittipeddi 1991) to their stakeholders. You can avoid many reputation risks and even enhance reputation by involving stakeholders in the decision making process.
   Don’t just do good things for stakeholders, do it with them.
   But be aware. Dialogue with stakeholders may lead to cynicism and distrust when it is “instrumentally and superficially employed” and not “genuinely adopted” (Crane and Livesey 2003), and “participation without redistribution of power is an empty and frustrating process for the powerless” (Arnstein 1969).

   Last but not least, corporate irresponsibility such as scandals definitely has a strong negative effect on reputation. Keep in mind that a good reputation
takes years to build, but only seconds to destroy.

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Corporations, community and environment are integral parts of an economic system. Corporations have a special place among these elements since their activities create both social and environmental problems for present and future generations. Compared to the past, stakeholders, especially customers, consider not only the financial results of activities but also the environmental and social impacts of them. The growing interest of stakeholders in enhancing current and future generations’ ability to survive make it important for companies to meet their stakeholders’ nonfinancial expectations. Balancing the financial, social and environmental results of economic activities to make the world more livable for present and future generations is the main idea behind sustainability. Companies that provide contributions to sustainable development by enabling corporate sustainability gain reputation in the eyes of their stakeholders, and reputation is the most important asset of today’s corporations in the construction of competitive advantages. The purpose of this chapter is to conceptually examine the relations between corporate sustainability and corporate reputation. In addition, it seeks to clarify and assess the key trends in the sustainability reporting of “Turkey’s Most Admired Companies” which are selected by the monthly magazine Capital Business and Economy.

Introduction

Reputation as an intangible asset of companies has increasingly attracted attention from both academicians and the business world. In spite of this interest, there is no clear consensus on its definition and measurement since a company’s reputation is a result of its stakeholders’ perceptions and all the factors that are linked to a company can affect those perceptions. Stakeholders demand world-wide information and responsibility from companies regarding the result of their activities in the evaluation of corporations’ reputations. For that reason, an organization that aims to have a positive reputation must meet its stakeholders’ expectations. The growing interest of stakeholders in enhancing current and future generations’ ability to survive requires that companies
meet their stakeholders’ nonfinancial expectations as well. Balancing the financial, social and environmental results of economic activities to make the world more livable for present and future generations is the main idea behind sustainability. Companies that contribute to sustainable development through corporate sustainability tend to have a good reputation in the eyes of their stakeholders and can have a competitive advantage over organizations that do not. All these factors necessitate the definition, measurement and management of corporate reputation which is important in today’s highly competitive and turbulent environment.

The focus of this paper is a conceptual examination of the relationship between corporate sustainability and corporate reputation. In addition, the paper aims to clarify and assess the key trends in the sustainability reporting of “Turkey’s Most Admired Companies” which are selected by the monthly magazine Capital Business and Economy.

Corporate Reputation

In Turkish parlance, respectability and prestige are used to define reputation. In that respect, it is obvious that reputation is an intangible asset which is difficult to measure and express in quantitative terms. According to the American Heritage dictionary, reputation is a general estimation of the public about a thing (Esen 2011; Barnett et al. 2006). In addition, Cambridge Dictionary describes reputation as “the opinion that people in general have about someone or something, or how much respect or admiration someone or something receives, based on past behavior or character.” In the light of this, we can say that reputation is the public’s general assessment about how a person or a thing is appreciated or admired based upon its past behavior or characteristics (Esen 2011). Although the definitions of reputation in dictionaries may have some common characteristics, there is no consensus over the definition of corporate reputation in the literature. One of the reasons behind this discrepancy is the multidisciplinary nature of the concept of corporate reputation (Gotsi and Wilson 2001). The literature reviewed for this paper indicates that the terms “identity” and “image” are used as synonyms with reputation, even though they have distinctive characteristics (Gotsi and Wilson 2001; Barnett et al. 2006; Wartick 2002; Chun 2005). In corporate identity, external stakeholders have a perspective on corporate identity, since it is defined as the essential feature of the corporate from the point of view of its key members (Barnett et al. 2006; Wartick 2002; Esen 2011; Veri and Veri 2007). In contrast, corporate image reflects external stakeholders’ assessments about how they perceive the company and as such it is subjective (Esen 2011; Barnett et al. 2006; Gotsi and Wilson 2001; Veri and Veri 2007). To put it another way, identity is the answer to the question “who/
what do we believe we are?” or “how do internal stakeholders perceive the organization?,” while image is “what/who do we want others to think we are?” (Walker 2010; Whetten 1997). In addition to such definitions, corporate identity can also be defined as desired identity or actual identity. In parallel with the form of the questions definition above, a desired identity is the answer to the question of what an organization wants inside members to know/think about the company. Describing identity in this way makes it possible to conclude that it can be both positive and negative (Walker 2010). On the other hand, Whetten (1997) has described image as an answer to the question “what/who we want others to think we are.” By approaching image from this viewpoint, we can say that a company’s image should be positive as long as the firm wants it to be, because it arises from within the organization (Walker 2010).

There are also various other definitions of corporate reputation (Gotsi and Wilson 2001; Chun 2005; Walker 2010; Esen 2011; Barnett et al. 2006) and it is important to explicitly define just what corporate reputation is so that we can manage and measure it. Simply stated, corporate reputation is “a global, temporally stable, evaluative judgment about a firm that is shared by multiple constituencies” (italics retained from the original) (Helm 2011). However, a more comprehensive definition of corporate reputation is “the sum of the perceptions of a corporation’s past actions; current performance; and future prospects that result from the corporation’s ability to deliver valued outcomes to multiple stakeholders and gauge a corporation’s relative standing both internally with employees and externally with its stakeholders, in both its competitive and institutional environments” (italics retained from the original) (Reddiar et al. 2012). Gotsi and Wilson (2001) in their research on corporate reputation identify the common characteristics of different definitions of corporate reputation as follows: (1) It is not a static concept, (2) it requires time to build and manage, (3) There is a reciprocal relationship between the concept of corporate reputation and image, (4) It sheds light on how a stakeholder perceives the organization position in the field of other competitors, and (5) A company’s reputation may be different according to different stakeholders’ relationships which are based on their own economic, social and personal experiences (Gotsi and Wilson 2001).

Corporate Sustainability

There is a reciprocal relationship among corporations, the economy, community and environment, and any problem in one of these four areas can have an effect on the system as whole. For that reason, it is important to ensure that a balance is maintained to sustain operation of the system. However, there is a crucial problem in this structure which is the result of a notable lack of interest and attention on the behalf of corporations and economy as regards
Interdisciplinary Perspectives on Reputation Management

the environment and community. An approach based on corporations and the economy leads to voracious consumption and other adverse outcomes such as global warming, air and water pollution, depletion of natural and environmental resources, and negative effects on human health and quality of life (Cabezas et al. 2003; Setthasakko 2009). These implications have drawn significant attention following the publishing of Our Common Future, also known as the Brundtland Report, which was adopted by The World Commission on Environment and Development in 1987, leading to serious studies on the relationship between sustainable development and environmental issues (Quental et al. 2011; Broniewicz 2007). The United Nations established the commission to accomplish the objective of sustainable development and devise long-term environmental strategies in 1983 (EPA 2001; Quental 2011). In the Brundtland Report, sustainable development was defined as “the ability to meet the needs of present generations without compromising the ability of future generations to meet their own needs” (Glavic and Lukman 2007; Sisaye 2011; Katrinli et al. 2011; Isaksson ve Steimle 2009; Davidson 2011).

After the Rio Summit, which was in fact the second Earth Summit, environmental issues gained in prominence, and most importantly, the business world and corporations were determined to be crucial stakeholders in maintaining sustainable development (Brueckner and Pforr 2011). At the Summit, the demand was made that the business world must take action for sustainable development (Gardiner et al. 2003). In this way, corporations have been implicated as stakeholders in sustainable development.

Since corporations’ operations produce impacts that extend far beyond geographic boundaries and time, there is a need to have a holistic approach and a timeless perspective while evaluating the environmental and social results of their operations. Focusing solely on economic results is simply not enough when trying to create sustainability (Setthasakko 2009). The economy, environment, and society are integral parts of the concept of sustainable development and corporate sustainability is the equivalent of sustainability at the level of business. As a concept, corporate sustainability refers to an evolving model of corporate management that emerged as an alternative to the traditional management model, which is based on growth and profit maximization, and short-term value maximization is its core principle (Signitzer and Prexl 2007, 3; Wilson 2003). However, in the new model, growth and profitability are accepted as being just as important as social and environmental issues, such as environmental protection, social equity and justice, and economic development (Wilson 2003). Therefore, ensuring long-term economic performance in accordance with sustainability is only possible by avoiding short-term actions that create negative social and environmental effects (Porter and Kramer 2006).
The Relationship between Corporate Reputation and Sustainability

The main aim of companies is to produce value for their stakeholders. According to the conventional management approach, shareholders are prominent stakeholders and profit maximization is the main goal, but nowadays, with the increased attention of all stakeholders on the nonfinancial results of corporate operations, organizations need to consider the environmental and social consequences of their activities. Corporate sustainability as a management approach inherently attempts to balance the interests of organizations’ stakeholders. In line with this concept, an organization’s sustainability depends on how firms manage their economic, social and environmental capital and the results of their operations. If a company takes these impacts into consideration, in contrast to a firm that focuses only on profit, it accrues various benefits such as providing more value over the long term, confronting fewer risks, obtaining a competitive advantage, and improvements in profitability and reputation (Asif et al. 2011; Shrivastava 1995; Herzig and Schaltegger 2011; Porter 2003; Schaltegger 2008).

Corporate reputation depends on stakeholders’ assessments regarding issues that are specific to firms (Epstein 2008) and company reputation, as intangible capital, is “non-tradable, non-substitutable, non-imitable and rare” (Kotha et al. 2001). Although building corporate reputation requires long-term efforts and the participation of all members of an organization (Murray and White, 2005), these unique qualifications of reputation allow firms to develop a competitive advantage (Kotha et al. 2001; Lee and Roh 2012; Stuebs and Sun 2010). Having a strong reputation may preserve a firm’s revenue generation ability during economic downswings, it makes it possible to attract and retain employees, it significantly affects product attractiveness, and allows a firm to charge premium prices, create cost advantages, attract investors, and help achieve stronger market share positions (Stuebs and Sun 2010; Carter 2006; Puncheva 2008; Ou and Abratt 2006; Keh and Xie 2009; Schwaiger 2004; Helm 2011; Lee and Roh 2012). As the result of these benefits, corporations strengthen their economic sustainability and at the same time, firms that consider the social and environmental results of their activities as well as those that are economic achieve improvements in corporate reputation. However, this improvement is predicated upon the disclosure of a firm’s sustainability.

Increasingly stakeholders have expressed interest about the environmental and social results of corporations’ activities, and the benefits obtained from sustainability depend partly on the assessment of a firm’s stakeholders. This interest has prompted companies to report their non-financial corporate activi-
ties in addition to financial performance. Such reports, known as sustainability reports, include information about the economic, environmental, and social dimensions of corporations’ performance and indicate managerial commitment to and responsibilities for environmental resources. These reports also include information related to the company’s future social and environmental strategies. To put it another way, corporate sustainability reports are deemed to be an indicator of institutional behavior and as a gauge of communication between a company and its stakeholders, and they have become increasingly read by investors, customers, governments, and employees (Sisaye 2011; Murray and White 2005). The information included in these reports may enable assessments of numerous aspects of corporations’ activities by external stakeholders and, thus, reduce misperceptions that can have a negative impact on a firm’s reputation (Adams and Zutshi 2004). However, in order for firms to positively affect reputation by disclosing the results of their sustainability initiatives, they must produce high-quality sustainability reports (Brown et al. 2000).

In contrast to information pertaining to financial performance, sustainability reports are voluntarily submitted and disclosed, and a study carried out in 2005 revealed that 81% of senior executives at large American businesses are aware that sustainability implications are crucial to a firm’s strategic mission. In the study, managers noted that social and environmental responsibilities affect a corporation’s financial performance (Sisaye 2011; Murray and White 2005). In conjunction with increased community concern about social and environmental issues, more and more firms have begun generating sustainability reports. According to KPMG International’s survey of corporate responsibility carried out in 2011, “ninety-five percent of the 250 largest companies in the world” report on their nonfinancial responsibilities (KPMG International 2011). The survey results suggest that one of the main drivers in reporting is consideration of increases in firm reputation and brand value (KPMG International 2011). The result is consistent with the survey conducted by PwC in 2011, referred to as “The Evaluation Report of the Turkish Business World’s Sustainability Practices.” In this research, reputation, legal regulation, and competition were seen to be the most important drivers of sustainability initiatives. In addition, managers asserted that new business opportunities are the sixth most important issue, and the Turkish business world has begun to place more importance on reputation and has treated sustainability as a risk (PwC 2011).

Research Methodology & Results

Purpose of the study

This paper aims to bring to light some preliminary data on the sustainability reporting practices of “Turkey’s Most Admired Companies” by identifying
current practices and trends. In line with this, the results of the study will be discussed descriptively; it should be pointed out, however, that a causal and relationship study was not conducted. The results from the research will be useful for creating the foundations for further research on related issues.

Methodology

Since this paper aims to clarify and assess key trends in the sustainability reporting of “Turkey’s Most Admired Companies,” data regarding current sustainability reporting trends and practices for such firms was gathered through company web sites.

The monthly magazine Capital Business and Economy publishes a list of the most admired companies in Turkey every year. Although the list is based only on a limited number of stakeholder assessments, namely managers, the list is the sole source available for determining companies with strong reputations in Turkey. The companies are identified on the basis of approximately 1,400 managers’ assessments from more than thirty sectors regarding various dimensions of reputation. These dimensions include eighteen different criteria: information and technology investments, service or product quality, financial soundness, new product development, management quality, social opportunities and rights of employees, wage policy and levels, development of employee skills, marketing and sales strategies, communications and public relations, employee skills, ethical behavior in competition, employee satisfaction, customer satisfaction, management and corporate transparency, creating value for investors, social responsibility, and integration in international markets. The research is carried out through a research company and a team that includes communication advisors and academicians (Capital 2003).

Results

Figure 7-1 represents “Turkey’s Most Admired Companies” which were determined by the monthly magazine Capital Business and Economy from 2001 to 2011. Over the years, 45 companies have been included on the most admired companies list. These firms can be divided into six sub-groups according to the number of times they have been included:

- Group 1: 12 firms which have been on the list every year in the period, for a total of 11 times
- Group 2: 1 firm which has been on the list 10 times
- Group 3: 4 firms which have been on the list 8 times
- Group 5: 8 firms which have been on the list 4, 5, and 6 times
- Group 6: 20 firms which have been on the list 1, 2, and 3 times
These six groups are shown in Figure 7-1. According to the results, the top 12 firms listed as the most admired companies for the years 2001 through 2011 have been particularly strong in maintaining their positions. The data regarding the current sustainability reporting practices and trends of Turkey’s most admired companies gathered through the web sites of the companies indicates that 68% of the firms disclose their business activities’ non-financial results. These companies have revealed this information to their stakeholders in several ways, such as via sustainability reports, corporate social responsibility reports, citizenship reports or they have included information about corporate responsibility in their annual reports. Nearly 40% of the companies disclose their sustainability performance using the GRI (Global Reporting Initiatives) framework, and the GRI level of the reports are differentiated via the gradients C, B, B+ and A+.

Three of the companies that issue reports utilizing the GRI framework had the best practices for sustainability and in 2012 represented Turkey in Rio. Two of these, Arçelik and Coca-Cola, are the top companies listed as the most admired companies in Turkey from 2001 to 2011. Moreover, four other firms on the list also demonstrated the best practices in Turkey in terms of sustainability, including Eczacıbaşı, Sabancı Holding (via its firm Akçansa), Efes Pilsen and Ford. When the results are combined within the context of best practice projects, the emerging picture can be interpreted in two different ways: Among the most admired companies, sustainability has gained considerable attention, and firms which strive for greater sustainability have improved their competitive advantage by developing new innovations which also enhance their reputations in the long term.

In addition to firms that report on and implement practices of sustainability, there are also companies on the list which have not issued sustainability reports. However, most of the non-reporting companies have initiated at least one corporate responsibility project which could be interpreted as a limited implementation of sustainability. In light of the data gathered from the listed companies’ web pages, Turkish companies started to disclose non-financial information, namely corporate social responsibility activities, in their annual reports at the beginning of the 2000’s, and companies began to prepare sustainability reports in the second half of the 2000’s.

In the list of Turkey’s most admired companies it can be seen that a few global companies are operating in the country. Some of these global companies’ corporate social responsibility programs have received awards in the USA (www.pfizer.com), and also a firm on the list has been ranked the most sustainable company in its industry for the fourth time (www.siemens.com). It should be noted that these firms also launch corporate social responsibility activities.
Figure 7-1. The Most Admired Firms of Turkey, from 2001 to 2011
Conclusion

Sustainability has become an important issue for companies and stakeholders in recent years. As a key component of the economic, social and ecological community, corporations are expected to consider all stakeholders’ interests, and the results of all activities must be accounted for in the evaluation of business performance, not just economic performance. Taking into account the impacts of social and environmental activities, as well as economic performance, may be a significant driver in the increase of corporate reputation. However, this improvement should be related to whether or not firms disclose their sustainability, since corporate reputation depends on stakeholders’ assessment regarding issues specific to firms. The purpose of this study, in this regard, has been to conceptually examine the relationship between corporate sustainability and corporate reputation and hence clarify and assess key trends in the sustainability reporting of companies in Turkey that have been selected by the magazine Capital Business and Economy as admirable firms.

According to data gathered through the web sites of these firms, it has been ascertained that 68% of the firms disclose their business activities’ non-financial results. It was also found that Turkish companies began to disclose non-financial information in their annual reports at the beginning of the 2000’s, and they started to prepare sustainability reports in the second half of the 2000’s. It was found that companies that report the economic, social and environmental results of activities within the GRI framework had the best practices for sustainability, and two of these were top companies listed as the most admired companies in Turkey from 2001 to 2011. There were four other firms on the list that also had best practices in Turkey for sustainability. This indicates that sustainability has gained considerable attention for the most admired companies and a few of them have achieved notable successes in the field which also enhances firms’ reputations in the long term.

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Corporate Sustainability and Corporate Reputation

Both reputation and brand management have been primarily dominated by marketing and communications, even though there is an emerging consensus that organizational reputation and good governance with organizational trust are built from the inside out. In this study, I will draw on my previous research from often disparate bodies of literature to develop a model of the links between strategic human resource management (SHRM) and brand reputation. The implications for a holistic model suggest that there is a convergence of interest, but also highlight some dilemmas for organizations in balancing best practices of SHRM.

This paper will also attempt to define organizational reputation as a multidimensional, temporally stable, evaluative judgment about a corporation that is shared by multiple constituencies, and can provide the organization with an intangible asset that affects subsequent performance. My focus will be on internal stakeholders, particularly employees and potential employees as “internal customers” of an organization. Reputation is normative and subjective; different stakeholders may perceive reputations of the same company differently based on their own economic, social, and personal backgrounds. Reputation should also be assessed from the organization’s perspective - that is, from the inside.

I will attempt to reframe and re-conceptualize organizational reputation with respect to employer branding within the context of emerging economies which continually face crises. I will also look into a case study as an example of best practice from an emerging economy. By using structured interviews with selected employees of that company and comparing my qualitative findings with the quantitative analysis of university campus surveys about student expectations’ of that particular company in the same year, I will try to link the theoretical framework with the empirical findings, while making suggestions for further inquiries.
Introduction

Reputation and brand management has been dominated by marketing and communications; nevertheless, there is an emerging consensus that organizational reputation and good governance with organizational trust are built from the inside out. In this study, I will draw on my previous research from disparate bodies of reputation, branding, and human resource management literature to develop a model of the links between strategic human resource management (SHRM) with respect to branding and the role of social media, e.g., Twitter and Facebook. The implications for a holistic model suggest there is a convergence of interest, but also highlight some ethical dilemmas for organizations in balancing best practices of SHRM. This article is an attempt to define organizational reputation as a multidimensional, temporally stable, evaluative judgment about branding that is shared by multiple constituencies that can provide the organization with an intangible asset that affects subsequent performance.

In today’s turbulent arena of business and commercial communication, there is a growing concern for reputation, identity, and brand management. The need for an operational conceptualization of reputation as a strategic resource in communications and management studies with a stakeholder framework has been agreed upon in both fields. The ultimate goal is to provide conceptual and methodological clarity for future research that seeks to develop a better understanding of both organizational reputation and branding in the context of interdisciplinary understanding and practice.

Reputation is normative and subjective; different stakeholders may perceive the reputation of the same company differently based on their own economic, social, and personal backgrounds. Reputation in conjunction with branding may well be assessed from the organization’s perspective – that is, from the inside. In short, investment in social capital (e.g., trust, team building, fairness, networking and identification) often stems from value-based talent management and corporate, internal and/or employer branding, and these are prerequisites for building the foundations of a customer-oriented organization with a good reputation from the inside out.

While numerous studies have been carried out on reputation management and measurement, three main streams of thought may be summarized to facilitate a focus on perceptions about trust, social expectations and personality traits that people attribute either to their companies or to their brands (Berens and van Niel 2004). The first two streams are concerned mostly with external stakeholders, whereas the latter is focused on internal stakeholders, i.e., employees and the corporate personality (Ibid). Although prior research has mostly emphasized company or organization identity, image or personality, there are
a few recent studies that have emphasized branding (Amber & Barrow 1996; Aaker 1991 and 1997). Hardly any studies, however, have emphasized corporate branding along with employer branding and internal marketing and communication or internal branding (Keller 2008; Barrow & Mosley 2005; Foster et al. 2010). Even less research has linked employer branding with organizational or corporate reputation (Balmer 2008).

As the employment environment has become progressively more dynamic, organizations attempt to be the “employer of choice” by concentrating on employer branding (EB). Ambler and Barrow (1996) have defined EB as an employee value promise inclusive of all benefits offered to attract and retain them, which also means the corporate’s brand image and reputation projected onto prospective employees and the public (Davies 2008). Based on Sparrow’s theory of employer branding and internal employee communications, this relationship between reputation, branding and SHRM represents a potentially fruitful area for further critical research since such policy-relevant research will focus on the strategic leadership of core employees.

In sum, this chapter attempts to reframe and re-conceptualize organizational reputation with respect to employer branding in the context of emerging economies which continually face crises. It draws on a literature review of organizational reputation that is cumulative in quantity and quality, and reveals a bilateral relationship between the concepts of brand reputation and brand image - the latter being a limited perception from the outside, an issue which will not be taken up in this research. Our focus is primarily on internal stakeholders, particularly employees, as both the “internal customers” and “brand representatives” of an organization. This chapter also looks into a few case studies as examples from Turkey as an emergent economy. By using structured interviews with employees selected from six companies, this study aims to link the theoretical framework with the empirical findings, while making suggestions for further inquiries.

Theoretical Framework & the Conceptual Model

As the use of digital technology becomes more widespread, both reputation management and brand management are facing significant challenges. Since social media has become increasingly important, businesses have applied brand management and internal marketing to the employment experience just like the customer experience, particularly in practice. Among the limited academic research on employer branding and corporate reputation, the split between internal or external stakeholder as well as corporate image versus corporate culture and personality are still salient. Therefore, I suggest that both brand mana-
agement and reputation management are critical for strategic human resource management in this epoch of information and communication.

![Diagram of Interdisciplinary Perspectives on Reputation Management](image)

**Figure 8-1. A Framework for Contextualizing Reputation and Brand Management for Social Media Platforms**

Due to the growing importance of identity in both branding/marketing and human resource management literature and practice, in the next section I formulate a “brand alignment for reputation model” based on a human resource management perspective (See Fig. 8-1). Moreover, I propose that how a brand personality is perceived by employees is the common denominator of brand and reputation management. Since employees act both as brand ambassadors and reputation guardians who represent and promote their corporations’ brand, the values associated with the core employees have to be taken into account. That is why brand image from the outside needs to be studied, and internal brand identity, particularly how brand personality is perceived by current employees, needs to be studied as well. So that companies can sell values and the promises of the brands in this era of increased competition, instead of mere products or services, employees should know what they are doing along with why they are doing it. Therefore, before marketing and selling a brand’s promise to customers, companies need to communicate it to their employees first.

How core employees use social media and electronic world-of-mouth (WOM) has combined reputation, marketing and human resource management perspectives (Fournier & Avery 2011). Most of the research is on reputation risks and crises rather than benefits (Aula 2010), and some researchers point out the importance of selecting a particular segment of employees as representatives (Kaplan & Haenlein 2010). New interdisciplinary perspectives and models
Ambler and Barrow (1996) have introduced employer branding as a significant construct that can be operationalized and measured by applying brand management tools to strategic human resource management. Inspired by Aaker’s (1991) emphasis of strong brands with static, sender-focused inside-out notion employer brand DNA determined by corporate identity and personality, the focus of the employer brand has been on the “the package of functional, economic and psychological benefits provided by the employment” (Aggerholm et al. 2011). Likewise, Balmer (2008) supported a strong corporate brand as the most significant navigational tool for key stakeholders including existing employees and shareholders, and also potential employees due to the rise of the service era. Employees are advocated as the interface between organizations and customers (King and Grace 2008). They all suggest that delivering the corporate brand promise and employer brand promise is derived from understanding corporate culture and identity.

Adding potential employees as key stakeholders to corporate branding is a more recent development that involves greater comprehension of employer branding and this relation between the two types of branding. Internal branding is the third concept related with internal marketing and communication as it pertains to the fulfillment of the corporate brand compromise through consistent delivery by employees (Foster et al. 2010). Following Foster (2010) and Aggerholm (2011), I have re-conceptualized employer branding from a more social-constructivist HRM perspective in this chapter.

Prahalad and Ramaswamy (2004) have defined the market as “a forum for conversations and interactions” between consumer communities, partners or other employees, and they changed the locus of firm-centric economic value extraction into “a locus of co-creating values.” From the strategic employer branding standpoint, this can be interpreted as a move from a linear, static transmission of value promises and benefits from the employer as the sender within working hours into a 24/7 process of co-creating not only economic, functional and psychological values pertaining to the workplace, but also a concern of what is valuable, responsible and meaningful. With the increasing significance of social media in corporate communications, the construct of co-creating values/promises fosters a major shift in brand management and stakeholder relationships.

The underlying premise of this redefinition is that employer branding has contextualized branding as well as reputation management since corporate priorities and norms and policies may change depending on the conjunctures; for
example, brand promises in times of prosperity may be different from those in times of crisis. That is why we have to redefine the prior static notion of value proposition in employer, corporate, and internal branding as an universal principle and realize that continuous renegotiation of values with stakeholders with respect to changing stakes and expectations may even translate into changing corporate culture and identity (Aggerholm 2011). Such “a process and internal stakeholder focus” demands an enactment of new sustainable relations between the organization and its current and potential employees. For instance, to sustain trust and fairness within an organization among employees in turbulent times, this must be continuously maintained.

As Berens and van Riel (2004) have outlined, among the three schools of reputation management literature, two perceptions are often measured on the basis of social expectations or on the basis of creditworthiness of companies; however, they are both contextual. Only the last school of thought, which is on corporate identity and corporate personality traits that are attributed to companies, is long lasting. Yet, in both the conceptualization and operationalization of corporate identity and personality disagreements arise due to differences in actual, communicated, conceived, ideal, and desired identities along with the fact that an outside-in approach from an external stakeholder view, i.e. external identity, predominates. Consequently, the corporate image of receivers rather than corporate culture and identity is often highlighted. Additionally, the confusion between corporate, organizational and visual identity along with ambiguity regarding the organizational personality concept as summarized by Balmer (2001) has limited our inquiry to corporate reputation that poses the question: What distinctive attributes are assigned to a particular organization? In addition to considerable disagreement in the literature on corporate culture and identity, determining to what extent employees may be aligned with corporate identity and whether it is functional or not is debatable (Nair 2010). I therefore focus on branding and its relation to reputation management from an internal stakeholder perspective.

Instead of regarding employers and corporate and internal branding as static outcomes, analyzing branding processes, e.g., communication as a dynamic and interactive process (as in social media) still from the sender aspect (e.g. in social media with respect to branding and reputation management) may pave the way for exploring what an interactive dialogue between employer and employee would mean in the near future. Regarding brand personality as the anchor of streams of brand management for reputation may aid us in helping employees understand and experience the brand personality in their dialogues so that there can be congruence in corporate, employer, and internal brands (See Fig. 8-3). Due to the need for consensus between branding and reputation management perspectives, particularly on social media platforms, I developed
a “brand congruence model from internal stakeholder perspective” since there are few studies on this topic and none of them are from a human resource management perspective (Deans 2011).

In Fig. 8-2 below, I first advocate that emplacing the brand personality would frame the perceptions of employees since it would make them think of the brand as if it were a human being and it would distinguish the attributes that make them different from their competitors. Second, I suggest that a corporate culture stressing mission, vision, and values and how these affect employees’ attitudes and behavior would be significant for corporate reputation. The rest of the attributes demonstrated in the diagram of brand identity shown below would come after these two pivotal aspects are studied.

**Figure 8-2. A Common Framework for Brand Identity (Adapted from Kapferer, 2004; also cited in Nurmela, 2009)**

![Brand Identity Diagram](image)

Although reputation may also be studied as corporate, organization/workplace and social reputation, we have based our model mainly on corporate reputation as an integral part of corporate and employer branding so that it is also aligned with brand personality (Fig. 8-3). People have a tendency to grant human traits to non-human entities such as organizations and brands; in that way, the significance of current employees as both brand ambassadors and reputation guardians has been acknowledged for employees as they deliver brand promises to customers (King and Grace 2008). The critical point here is that all types of corporate communications need to be coordinated to create positive reputations; in other words, they need to have a common basis, such as brand personality. Moreover, they need to be based on a sustainable corporate story, which reconciles the competing demands of external and internal stakeholders over time (Van Riel 2003). That is why it has been argued that the success of employer branding depends on creating a realistic analysis of external and in-
ternal brand propositions and aligning them when there is a consensus between the two through core employee value propositions (Sparrow 2008).

Figure 8-3. A Model of Brand Congruence for Reputation Management

(PS: The anchor/ pivot in the model is where the overlap of three brands is, i.e. brand personality).

Empirical Analysis: Methodology & Findings

Methodology

Prior empirical research on reputation has shown that social media platforms offer challenges and risks mostly from the perspective of external stakeholders. In this article, however, I have looked into the process of reputation and branding in social media, focusing on the process of the brand ambassador role of current employees in a number of selected companies with respected brands from three significant sectors in Turkey as an emerging market: High-tech industries, airways and the finance sector.

This exploratory research is based on structured interviews with sixteen employees from top management that were conducted between 2011 and 2012. The titles are listed in Appendix 1. The interview questions revolve around the research topic regarding what the role of key employees are as brand ambassadors and reputation guardians. What are the checks and balances for the authorization of employees and what are the leverages of internal brand management and on-line customer dialogue? Although twice the companies were approached, contact with managers from only half of them was sustained during the course of the year. Face-to-face interviews lasting about an hour
were held with 16 managers from seven different companies, so the sample is representative even if the size is small.

The two banks are the largest in Turkey in terms of the number of branches, and an additional successful mid-sized brokerage house from the finance sector was also included in the study. The two commercial airlines are both medium-sized domestic companies; one of them was founded in the 90s, and the other ten years later. As for the three high-tech companies, one is a widespread retail chain, and the other two are the largest GSM operators - one of them has a global brand, while the other have a domestic brand. In all these companies, top executives and key managers of the branding process were consulted (see the List in the Appendix 1). Arranging meetings with top-level managers was carried out with the support of two graduate students who were employees in the high-tech and banking sectors.

The most time-consuming part of the research was arranging, conducting and interpreting these interviews by comparing and analyzing similarities and differences with respect to the key topics addressed. We encountered more difficulty setting up interviews with the interviewees from high-tech industries and airlines, as well as getting information about the research. The reason for this is probably related to the fewer number of rivals and high levels of competition in those fields. Company names have been concealed to facilitate the gathering of data and publishing of the results of the research. By and large, interviews lasted from 45 to 60 minutes and some responses were restricted by the interviewees themselves.

**Summary of findings**

All of the interviewees from the seven companies believe in the brand ambassador role of core employees and the positive impact of reputation on performance. All companies officially use both Facebook and Twitter. They also have call centers; however, almost all interviewees emphasized the differences between the role of call centers, on-line services and social media - the first is the reactive intermediary role based on past issues, service failures, or quality gaps of expectations at operational levels of individual customer services for maintenance. The second is focused on direct e-services, whereas the latter provides preventive or comprehensive information at either strategic or tactical levels for improving current and future service quality. Unlike call centers, they have a significant impact on the perceptions of targeted stakeholders not only about service, but also regarding the company reputation. Thus, dialogue through social media is directly linked with reputation and brand management in all of the companies despite the fact that the framing and contexts are different in each sector, as there are differences between their lines of business as regards
the extent of social media adoption.

**Diverse approaches regarding the presence of Twitter and Facebook**

During the interviews at the three different financial institutions (two banks, one broker house), the interviewees stated they all have profiles in Facebook, but not all in Twitter (only one). They also said they use social media rarely. Their doubtful responses revealed a lack of trust and concern for privacy. The senior managers of banks also stated that there are special units for arts and cultural events at their banks and they are active in the use of social media with customers. They believe that sponsorships and the voluntary social responsibility activities of employees along with relationships with customers through social media platforms have to be separate from the main services and operations of the banks. In the hi-tech industry, excluding the retail stores, social media is the primary channel for reputation building. The employees are encouraged through relevant position managers to act as brand ambassadors both between and among the dialogues of employees along with customers. However, professional media agencies carry out the social media campaigns and reporting. The company site and blogs and an open forum are up-dated by most of the key employees. There is an active sharing of information, especially within the company. There are incentives by their academies as well as the relevant divisions; however, there are some limitations set through norms and policies with respect to external stakeholders.

While customer security requires a cautious attitude towards social media at banks, top-level executives stated the difficulty of having long-term goals. In contrast, the high-tech firms emphasized internal marketing and branding as well as internal communications through social media platforms. There were sanctions, disclosure policies and norms concerning the latest services or innovations since there is fierce competition between rival companies, all of which are large-sized. At the two airlines, the managers definitely saw the significance of interactive dialogue with current and prospective customers as well as the importance of regarding employees as brand and reputation ambassadors. The rivalry is different in this sector and the promises offered to customers and employees are based on relational marketing with a long-term vision. Thus, there is more long-range planning and clearer objectives paving the way for more transparent and interactive marketing communication among the managers.

Although the awareness of internal branding and marketing was highest in the high-tech firms, there was more emphasis on the opportunities offered by social media networking as an arena for brand and reputation building as indicated by the responses of interviews with the airline employees. One even stated that picking up the latest rumors through networks and controlling them may
be important in crisis management. Yet, social media strategies and campaigns are often planned together with outsourced media agencies, as was the case with the high-tech industries.

It was found that, in principle, almost all sixteen interviews revealed the significance of employees in both brand building and reputation building. Consequently, all managers mentioned the brand and/or reputation ambassador role of employees. How active employees should be in social media during working hours and outside working hours was another issue that was raised. Although most companies emphasize using social media networks only during employees’ free time, high tech industries allow and even encourage its usage at work, however, for internal purposes mostly, including employees or suppliers.

Notably, one branch manager of a bank noted that the content of communication has “to reveal a high profile and there cannot be too many different voices that may lead to confusion rather than persuasion.” Since financial services operate in a tightly regulated environment, employees cannot respond naturally and in real-time as in other industries or services, a manager at the broker house noted.

In the hi-tech industries, key employees are permitted to contribute to dialogues on social media platforms also within the confines of rules and regulations. Tweeting and broadcasting too much, or always showing a high-profile format or being aggressive or being conspicuously company-promotional when trying to act as an ambassador might have a boomerang effect, according to the managers from the high-tech industry. Balancing self-promotion with company-promotion seems to be possible only through being personal and having multiple voices; therefore, reputation at times may be managed by key employees such as top executives in the list only to a limited degree. Yet, building brands particularly through internal and employer branding, starting with recruitment, and going on in all functions of human resource management are all important, as suggested by a human resource director of a high-tech industry.

By and large, gaining visibility in social media through the support of key employees in conjunction with the guidelines of the company as well as the outsourced media agency is favored in both high-tech industries and airlines. As Turkey is one of the most connected countries with a large size of young consumers, short-term Twitter or Facebook campaigns with embedded games/contests for promotion and sales of such items as flight tickets or smart phones are common. The value of engaging employees in social media as brands and building short-term relations, which may lead to transaction of sales, is often still more favored than relational marketing. There are alternative interactive
services that even integrate the TV screen with the digital experience to actively involve people and make the brand communication more efficient, both in the short and long term.

Even if the impact of social media is appreciated and digital media agencies are used by most of the companies for marketing communications, still its internal usage is limited; however, top executives are aware of the fact that they can benefit from employer branding as brand identity and personality among their employees. While this inside-out approach is preferred by most of the top executives that were interviewed, whether or not senior managers themselves should build and maintain long-term relations with key customers is still being questioned.

Concluding Remarks

Based upon the empirical insights of both brand management and reputation management that may be derived from the three growing sectors considered here, it was found that there are both similarities and differences in the perspectives of these selected sectors. They are all aware of the challenges and risks involved in extensive and uncontrolled usage of social media; therefore, they suggest that only key employees at the upper echelons should be approved as brand ambassadors or reputation guardians in the social media interfaces of companies. However, there are discrepancies as to how to balance the process of empowerment and control those key employees in their on-line dialogues with respect to services provided as well as personal relations.

On the whole, the size of the companies and the nature of the sectors seem to matter in determining the extent of active participation of employees in social media. In general, control is emphasized and centralized responsibility and a hands-off policy on risky matters is preferred. There are broad differences with respect to their distinct branding content in social media, which might stem from their brand personality differences, which were not analyzed in this chapter. Only the authenticity, sincerity and transparency of content are the dimensions that all interviewees emphasized.

The integrative focus of corporate branding and reputation places a significant role on both internal branding and marketing as well as on employer branding and communication. The premise behind this is that employees play an important part in company brand promises and in conveying brand values to both employees as internal customers and of course other outside customers. Prior research has addressed the dangers and opportunities of social media platforms and viral marketing through online word-of-mouth concerning products, services or customer-centric views, but this has disregarded employees
and their roles (Fournier and Avery 2010; Aula 2010).

In reality, even our preliminary findings concerning social media usage reveal the fact that employees play a significant role even in such limited and controlled contexts. Companies such as high-tech telecommunication firms and airlines emphasize authenticity and transparency in direct communication, stating that brand and reputation management is more significant than the possibility of negative online word-of-mouth or other risks that social media may create as a side effect. Others, such as in financial services, are more prudent than anticipated and the management of banks’ overall social media presence is mostly limited to official brand sites. Yet, there is full trust in key employees at the banks selected for this study. Only at airlines were top managers allowed a personal style on their private as well as official sites. They work collaboratively with a number of digital media agencies for different purposes. Since employees’ private sites are also considered, using official or branded language cannot be possible. Top-down and integrated brand management seems to be difficult in the controlling of social media.

Overall, honesty, sincerity, authenticity, and creativity were emphasized both as brand values and brand personality. Although a single voice online may appear artificial, imposed, and unreliable to stakeholders, we still have only found in one sector the possibility of developing a sense of balance between being creative, friendly, and having an individual style as well as being in line with integrated formal communications. This is not easy for more established larger sectors such as banks and telecommunications, which already have a recognized brand name. It is more convenient for new services, like airlines in our case, which are new in the sector.

In a nutshell, this chapter has explored the relationship between corporate reputation, branding, and SHRM, which represents a fruitful area of further research. One particularly fertile area of interest is international human resource management; comparisons between different sectors, regions and countries may reveal interesting positioning strategies and balancing tactics. With the increasing expertise in social media and storytelling to target audiences who are at times authors, both an inside-out perspective as suggested here and an outside-in view may be useful (Ulrich, 2009). The issue is not only about where to focus, but how to combine narrating, messaging, and acting authentic; that is, being good as well as looking good. With social media, visual brand identities and brand images as public representations and perceptions of reality cannot be based solely on impression management; strategic human resource management and leveraging of internal stakeholders as brand advocates are required for cultural sustainability and continual, if not continuous organizational and brand reputation.
Appendix 1.

Table 8-1. List of Interviews Conducted from 02/2011 to 09/2012

<table>
<thead>
<tr>
<th>Number</th>
<th>Business Line</th>
<th>Position</th>
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<tbody>
<tr>
<td>1</td>
<td>Bank</td>
<td>Branch Manager</td>
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<tr>
<td>2</td>
<td>Bank</td>
<td>Human Resources Director</td>
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<tr>
<td>3</td>
<td>Bank</td>
<td>Marketing Manager</td>
</tr>
<tr>
<td>4</td>
<td>Bank</td>
<td>General Manager</td>
</tr>
<tr>
<td>5</td>
<td>Finance</td>
<td>Group Head of Marketing</td>
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<tr>
<td>6</td>
<td>Finance</td>
<td>Human Resources Management</td>
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<tr>
<td>7</td>
<td>Airlines</td>
<td>Assistant General Manager</td>
</tr>
<tr>
<td>8</td>
<td>Airlines</td>
<td>Marketing Manager</td>
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<td>9</td>
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<td>Hi-Tech</td>
<td>People Manager</td>
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<td>16</td>
<td>Hi-Tech</td>
<td>Communication Director</td>
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</table>

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Chapter Nine

The Role of Leader Reputation in Determining Corporate Reputation
Turhan Erkmen & Emel Esen

Corporate reputation has been described in the academic literature as organizational standing, goodwill, esteem, organizational identity, organizational image, brand and prestige. It is a form of emotional capital that reflects various stakeholders’ perceptions about an organization’s past and future actions and inimitable, intangible assets in general. Based on the reputation quotient (RQ), which was created by Haris Interactive, there are six drivers of corporate reputation. These are emotional appeal, products and services, vision and leadership, workplace environment, financial performance and social responsibility. Among these factors, leadership is important from a number of perspectives. Zinko et al. (2007) state that leadership reputation is about others’ perceptions of a leader and the results of leaders’ characteristics, behavior and images that have been observed directly over time. According to Burson-Marsteller’s (1997) study, a leader’s reputation can represent nearly 45% of corporate reputation.

This study investigates the role of leader reputation on corporate reputation. For this purpose, an extensive literature research has been conducted in order to develop a theoretical framework that takes into account the positive role that leader reputation plays. This study intends to provide and discuss the relationship between the theoretical background of leader reputation and corporate reputation. As a future study, an empirical research model could be developed to further investigate the relationship between leadership, leader reputation and corporate reputation.

Introduction

There has been considerable interest and research on corporate reputation and it has been a major business issue since the 20th century (Mishina et al. 2012; Hasanbegovic 2011), especially for organizations that wish to focus on reputation in order to create better products and services as well as enhance their credibility and image (Srivoravilai 2011). Corporate reputation is generally defined as the collective, stakeholder group-specific assessment regarding an
organization’s capability to create value based on its characteristics and qualities (Mishina et al. 2012). It has been interpreted as a competitive advantage and increasingly recognized as an important asset of the organization (Helm et al. 2009). Intangible assets such as research and development, brands, intellectual property, infrastructure, employees, and customers contribute to reputation (Dalton and Croft 2003). As such it is an intangible asset that is extremely hard to imitate, which makes it a valuable means to achieve a competitive advantage (Alsop 2004).

In this study, the theoretical background of the relationship between leader reputation and corporate reputation will be examined. With this aim in mind, first corporate reputation will be examined through a discussion of definitions of the concept as regards personal reputation, antecedents and the consequences of personal reputation and leader reputation.

Corporate Reputation

Corporate reputation is described in various ways in the literature as organizational standing, goodwill, esteem, organizational identity, organizational image, brand and prestige. Some researchers have particularly focused on the concepts of image, identity and reputation as if they are synonymous, whereas others have implied that they are independent but closely related. Organizational identity reflects employees’ perceptions about organizational activities, while organizational image is about what members think about their organizations (Walsh 2009). In brief, identity is about the perceptual judgments of internal shareholders and image is about the perceptual judgments of external shareholders. As a result, corporate reputation differs from organizational image and organizational identity in several ways, and corporate reputation can be seen as a combination of image and identity.

Balmer’s (1998) review of the evolution of the theory of corporate reputation identified three stages of development. “The first phase (in the 1950s) focused on corporate image, giving way in the 1970s and 1980s to an emphasis on corporate identity and corporate communications, and then in the 1990s to a mounting interest in corporate brand management and thence reputation” (Bennett and Kottasz 2000).

Corporate reputation is stakeholders’ reactions to organization actions that are perceived to be strong or weak, or good or bad. Reputations are the outcomes of repeated interactions and cumulative experiences (Castro et al. 2006; Dortok 2006). Stakeholders are generally divided into two main groups: key or primary stakeholders, who are directly affected by or who expect to be-
benefit from the organization’s activities, and secondary stakeholders who have intermediary roles. Stakeholders may include current employees, potential employees, shareholders, customers (past, present and future), suppliers, the government, pressure groups, media, investors, competitors, local communities, opinion leaders, trade groups and trade leaders, and so on (Dalton and Craft 2003). Seen in this light, stakeholders are the main aspects of corporate reputation because corporate reputations are developed by how they balance the needs and interests of stakeholders, which are an organization’s key assets (Capozzi 2005).

**Personal Reputation & Leader Reputation**

 Scholars often discuss the term reputation at the organizational level, but recently a group of researchers has been exploring reputation at the individual level. Developing a positive reputation is important, especially for employees who are new to an organization (Foste and Botero 2011). Personal reputation is a fact of both social and organizational life. Individuals can develop reputations for many things in everyday life, but at work, reputations most likely focus on issues related to individuals’ capacity to perform their jobs effectively and to be cooperative and helpful towards others (Zinko et al. 2011).

 As a social construct, “Reputation is considered to represent a general consensus regarding how others view an individual.” This consensus often allows individuals with positive reputations to be viewed as being more legitimate, competent, and trustworthy. Furthermore, such individuals often enjoy the benefits of possessing higher status and receiving the benefits associated with favorable social exchange relationships, when compared with those of lower perceived standing (Hall et al. 2009).

 Reputation is a key construct in the organizational sciences and refers to “a perceptual identity reflective of the complex combination of salient personal characteristics and accomplishments, demonstrated behavior, and intended images presented over some period of time as observed directly and/or as reported from secondary sources” (Blass and Ferris 2007).

**Antecedents of Reputation**

 There are many antecedents of personal reputation that can be discussed. These factors are time, human capital, experience, social control and competency, self-efficacy, political behavior, political skill and social capital.

 **Time:** Reputations take time to develop, in that observers need to perceive
a consistency of behavioral demonstration across occasions (Zinko et al. 2011).

**Human Capital:** “Human capital is the knowledge, skills and experience of individuals and also their willingness to share these attributes with the organization to create value” (Baron, 2011). As a result of human capital, corporate responsibility benefits increase motivation and loyalty, improve skills and competencies, attract qualified personnel, and help in the development of systems of knowledge sharing and team working (Pedrini 2007).

**Experience:** A positive reputation is based on being known for excelling in a specific task. It can be argued that perceived expertise by one’s peers is the first step toward gaining a reputation (Zinko et al. 2007).

**Social control and competency:** In order for individuals to influence their personal reputations, they must be able to communicate effectively to those around them in a consistent manner with the reputations they wish to develop and do so in influential ways (Zinko et al. 2011).

**Self-efficacy:** Self-efficacy is defined as “people’s belief in their capabilities to mobilize motivation, cognitive resources and courses of action needed to exercise control over events in their lives” (Tams 2008).

**Political behavior and political skill:** Politically skilled individuals possess greater adaptive capacity, which results in positive and strong leader reputation (Blass and Ferris 2007). They are effective at building their personal reputations because they transmit signals that establish favorable images to the public by using appropriate influence tactics (Laird, Zboja and Ferris 2012).

**Social capital:** Social capital are the features of social organizations such as trust, norms and networks that can improve the efficiency of society by facilitating coordinated actions (Ferri, Deakins and Whittam 2009).

### Consequences of Reputation

As a result of personal reputation, there are some outputs of personal reputation such as autonomy, power, promotions and career success, accountability and trust.

**Autonomy:** Autonomy is defined as “the amount of freedom and discretion an individual has in carrying out assigned tasks” (Langfred 2004). It is not as direct of an outcome of reputation as career success. It has been proposed that although reputation can bring about coercive and reward power, it does so through autonomy (Zinko et al. 2007).

**Power:** As individuals gain personal reputation, they gain power, which may derive not only from formal but also from informal authority, and the aut-
Promotions and Career Success: Reputation can have considerable influence on an individual. The effects of these first impressions can be seen in discussions of mobility and how people get positioned and can influence their ability to be successful in such competitions (Zinko et al. 2007).

**Accountability:** Accountability involves “an expectation or assumption that an individual will behave in a certain manner” (Hall et al. 2004). Accountability forms a key element in organizational stability and with the growing profile of organizations and the increased recognition of their role in societal development (Connolly and Kelly 2011).

**Trust:** Trust is “one party’s level of confidence in and willingness to open oneself to the other party.” Trust has multiple dimensions; Hon and J. E. Grunig (1999) defined the following dimensions of trust: (a) integrity: “the belief that an organization is fair and just,” (b) dependability: “the belief that an organization will do what it says it will do,” and (c) competence: “the belief that an organization has the ability to do what it says it will do” (Yang 2011).

Leader Reputation

Mercer (2004) characterizes management’s reputation for credible financial reporting as a “more enduring trait about a firm’s managers, referring to investors’ perceptions of managers’ competence and trustworthiness” (Cianci and Kaplan 2010). In the management process, the leader is a significant symbol of any organization and the leader’s actions and words can be more important symbolically than operationally; for example at a time of crisis, the leader can have a major impact on reputation (Davies and Mian, 2010). The actions of the CEO and the Board of Directors provide a role model and, thus, represent a platform for evaluating the ethical belief system for all employees (Stanwick and Stanwick 2003). A leader with direct and indirect friendship ties to a specific group, therefore, is in a better position to create a favorable personal reputation for leadership among members (Mehra et al. 2006). The key skill for a CEO is the ability to maintain an external perspective throughout the decision-making process and incorporate this into the design of a business decision (Diermeier 2011).

Building a reputation as a strong leader involves many facets of role success. These are:

- Leaders need to do the right thing, keep others informed, and build the respect of their staff.
- Leaders should be clear about the balancing act and the tradeoffs that
they will have to make on a daily basis.

- Leaders should be sure to engage the staff individually and collectively in unit success.
- Leaders need to consider the ability to get better at taking more risks.
- Leaders need to set and stay on strategies, and this will require that they manage their time well. (Vestal 2010)

There seem to be two major aspects in this definition of reputation: recognition/perception and characteristic/ability. The dual aspects of CEO reputation are clearly demonstrated in an examination of the two reasons why CEOs become well-known in the business community. Some CEOs become famous because they have superior abilities, and this translates into superior performance which becomes widely recognized because they receive favorable media press (Lee 2006).

The importance of reputation in business has been widely documented in the literature. In the arena of practitioners, recent studies by Gaines-Ross (2000) and a leading consulting firm, Burson-Marsteller (2003), show that CEO reputation accounts for up to 50% of corporate reputation and has a significant influence on financial analysts’ stock recommendations and investors’ stock purchase decisions. These evaluations, which are a reflection of the fact that firms place value on their CEOs’ behavior, can be influenced by a CEOs’ reputation (Karuna 2009).

A Burson-Marsteller study indicated that CEO image continues to be a significant determinant of shareholder value. Burson-Marsteller surveyed approximately 1,400 influential business people from five key stakeholder categories, including CEOs, other senior executives, financial analysts, government officials, and journalists. The findings of the survey suggest that:

- CEO reputation can represent a staggering 45% of a company’s reputation.
- Companies whose CEOs were rated most admired by respondents achieved a 13 per cent annual shareholder return.
- 95 percent of financial and industry analysts surveyed said they would purchase stock based upon a CEO’s reputation.
- 81 percent of respondents said a CEO’s reputation would influence their opinion of a company under media scrutiny.
- 80 percent of respondents said a CEO’s reputation would influence whether or not they would recommend a company as a good place to work. (Gaines-Ross 2000)

According to a study carried out by Mehra et al., a group leader’s centrality
in internal and external friendship networks is directly related to the leader’s personal reputation (Mehra et al. 2006). Research in CEO celebrity has also shown that a leader’s reputation may affect the reputation of the company, and the same process should apply to departments. If an HR department has a strong, powerful leader, the members of the department should feel an increase in power (Ferris et al. 2007).

Conclusion

Corporate reputation refers to the overall perceptions of a firm’s activities held by stakeholders such as customers, employees, suppliers, government, financial institutions, shareholders, media and the public. Researchers have investigated reputation at the organizational level, but this term should be also analyzed at the individual level which in terms of personal reputation represents a general consensus regarding how others view an individual. In organizations, personal reputation is related with having a good relationship with other employees and performing jobs effectively, as well as being trustable, reliable a good role model. As a strategic symbol of an organization, leaders should represent the overall reputation of the organization.

Leader reputation influences the general evaluation of employees and how they behave, how they make decisions, and how they reflect their activities and behavior. Leaders should do the right things; they should evaluate the general beliefs of their employees and be helpful and honest towards others to create a strong reputation. According to research about the role of leader reputation on corporate reputation, it was found that it represents nearly 50% of the overall reputation of an organization. This percentage represents the importance of a leader’s role among other factors which impact corporate reputation. In this way, leader reputation has the power to change corporate reputation as well as the personal reputation of employees and the general ideas of the public. It should be noted, however, that there are some limitations to this study, foremost of which is that it is theoretical and could be bolstered by empirical research in which the consequences of personal reputation could be developed.

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Today it has become common practice to seek out different ways to develop personal and professional brands and to enhance the values of their products or services. Although the concept of personal branding is used for everyone who is an expert in their fields, research on human brands has been limited only to the context of celebrities such as sports players, musicians and film stars. Like film stars or politicians, non-celebrities such as doctors, lawyers, nutritionists or businessmen must also successfully manage their personal branding strategies to achieve distinctive brand equity.

When a professional succeeds in managing his or her brand, that person becomes not only well-known to the target audience and succeeds in standing out in the crowd but also has valuable products and services which draw premium prices. Some of the most important elements of human brands are visibility management, press relations, saving of image and reputation, building up mystery and myths, being in the right place at the right time, having talent and being qualified.

In Turkey, celebrities in the limelight are often not successful in managing their brands, and it appears that professionals and their managers tend to lay heavy focus on talent and mystique. In general, musicians in Turkey have a team which consists of managers, communication consultants, producers, surveillants and bodyguards.

Introduction

Traditionally, brands have been associated with businesses, products, organizations, or services, but today researchers recognize that brands can also be human (Fournier 2010; Hirschman 1987). According to Thomson (2006), human brands refer to any well-known persona who is the subject of marketing communications efforts.
Celebrities can be considered brands because they can be professionally managed and because they have the additional associations and features of a brand. The features of a celebrity (attractiveness, credibility, trustworthiness, etc.) all can have an impact on the perceived appropriateness and effectiveness of the celebrity as an endorser (Hovland, Janis and Kelley 1953; Hovland and Weiss 1951 in Lieb 2007).

Much research has noted that when an individual perceives a celebrity as being reliable and predictable, they are more likely to develop a form of loyalty to the celebrity (Horton and Wohl 1956 in Lieb 2007). The aim of this study, however, is not to examine the dimensions of consumer-human brand attachment but rather to look at how human brands are managed.

McCracken (1989) explains that modern celebrities are powerful because of their ability to embody the lifestyle aspirations of their audiences, while still conveying similarity or relevance to such audiences in terms of gender, class and status. This relevance can be real or constructed. According to Rindova (2006) the degree of manipulation in the production of celebrity affects its extent, sustainability, and value. Whereas “celebrity personas” can be entirely fabricated, resulting in “minor,” short-lived, or “flash in the pan” celebrities, individuals with real ability and a unique style become “stars,” “superstars,” or cultural icons.

According to marketing scholars of consumer culture theory, a brand’s meaning is authored not only by those on the side of the firm, but also by those consuming it and/or its associated marketing messages. A brand, then, is co-created by brand managers, consumers, and cultural intermediaries such as journalists, pundits (experts), and bloggers who may have something to say about it, whether good or bad (Arnould and Thompson 2005). Further, these theorists argue that once a brand is circulating in a culture, it is at least partially out of the firm’s control. In other words, a brand can claim to be whatever it wants, but the marketplace will decide for itself (Lieb 2007).

As can be seen with the case of Madonna’s brand, culture dictates that a brand must change its tactics, and sometimes even its strategies, to remain historically relevant. Although her core product is her music, what Madonna is selling, at a strategic level, is not music, but rather female power, playfulness and sexuality (Lieb 2007, 49). A brand – in this case, for a pop star – is presented to audiences in numerous forms, such as through songs, videos, magazines, clothes, or fragrances, and these frame the way we see and experience it. According to Fournier and Herman (2006, 44), brand portfolios can be constructed to balance risks across cultural contexts and time, as opposed to revenue-maximizing considerations of audience coverage and market reach. Thus “cultural
context” and “time” become central considerations, displaying, to some extent, the old measures of “coverage” and “market reach” (Lieb 2007, 134).

Human Brands: Theoretical Framework

Besides celebrities, today many people seek different ways to develop their personal and professional brands and to enhance the values of their products or services. Although the concept of personal branding is used for everyone who is an expert in their fields, research on human brands has been limited only to the context of celebrities such as sports players, musicians and film stars. Like film stars or politicians, non-celebrities such as doctors, lawyers, nutritionists or businessmen must also manage their personal branding strategies to achieve distinctive brand equity.

Keller’s Brand Resonance Model (1993, 2001) can be used to explain the transference of the branding process to non-celebrity brands. Keller (2001) recommends the six brand building blocks in his Brand Pyramid Model. These are salience, performance, imaging, judgments, feelings and resonance. According to Jillapalli (2011), salience relates to non-celebrity brand awareness and how easily a consumer can recall and recognize the non-celebrity brand. Performance refers to the way the non-celebrity brand meets the functional needs of the consumers. Brand imagery deals with the extrinsic properties of the non-celebrity brand. Brand judgments are the personal opinions of the consumer and are based on the non-celebrity brand performance and imagery associations. Consumer feelings are the emotional reactions of the consumer engendered by the marketing of the non-celebrity brand. Brand resonance focuses on the nature and depth of the relationships consumers have with the non-celebrity brand.

Personal brand aspirants are generally supported by a professional team including press agencies, media advisors, personal managers, coaches, and so on. By virtue of non-traditional media such as the internet and social networks, today aspirants can enhance their visibility using these media tools individually. Human brands may be classified as celebrities, experts in a specific occupation or ordinary people who are interesting and popular as regards public opinion (Kotler 2010, 252). Celebrities especially are common in the music or cinema sectors, and they are often in the limelight of the magazine world. In this way, they often evaluate their success in terms of visibility and fame.

Experts are another category in human brands, and they can be quite famous as professionals in their fields, working as doctors, business people, dieticians, politicians, and so on. Ordinary people can also become human brands, such as housewives who have succeeded on cooking shows or showmen who
have succeeded through strong communication skills. Such people have high media visibility and are well-known by the public. In general, there is no specific competence or qualification for achieving fame, but rather it depends on how much the public likes and follows them.

This study will examine celebrities and their strategies for achieving and perpetuating their fame. Celebrities who successfully manage their brands generally have a professional team that includes managers, press consultants, and coaches. This is in fact a form of industry, in this case a visibility industry, that is used by a team to promote a celebrity.

Sub-industries for Branding Professionals

There are numerous sub-industries which function to turn unknown aspirants into human brands. In these sub-industries there are various individuals such as producers, publicists, marketers, managers, and photographers who image and manage these aspirants professionally. In other words, they act as gatekeepers of visibility, popularity, and branding.

Figure 10-1 shows the major participating sub-industries whose services the industry must coordinate in order to produce and promote personal and professional brands (Rein et al. 2006). The entertainment industry consists of all the organizing involved in producing entertainment and entertainers, including actors, actresses, directors, producers, makeup artists, wardrobe advisors, film editors, musicians, and photographers.

The representation industry includes all those who solicit for or negotiate engagements for their clients for a fee, typically for a commission. Agents and personal managers work within this industry. An agent’s most important function is to find work for the client, and they also provide advice and coaching so that clients become more marketable. In contrast, personal managers represent fewer clients than agents but do so more comprehensively. These specialists often orchestrate their clients’ complete lives.

The publicity industry consists of publicists, public relations firms, advertising agencies and marketing research firms. Personal publicists, many of whom are former journalists, are the first celebrity promoters. PR firms that specialize in individuals take on aspirants and established stars and celebrities and provide them with access to various forms of media, event management, marketing, and other promotional opportunities. The advertising industry uses highly visible people in four basic ways:
• Actors, who demonstrate a product or service.
• Spokespeople, who promote products and services
• Testimonial providers, who have used a product or service in their careers
• Endorsers, who lend their names or likenesses to products.

It has been pointed out that celebrities appear in 20% of advertisements in the United States (Solomon 2009); however, a recent Ace Metrix study found celebrity advertisements do not perform any better than advertisement without celebrities (Daboll 2011). Advertising managers may consider celebrities to be more effective as brand owners. Celebrities who are more involved in the development of their brand extensions and the promotions of these products may be more successful than celebrity endorsers. The reason for this may be that consumers relate to celebrities on a more personal level, and celebrity-branded products can help make this connection.

The communications industry is also a classic tool for human brands. Television, radio, film, newspapers, magazines and the internet have each developed specialized ways to take advantage of the ever growing public interest in personalities. With image so critical for personal and professional branding, the appearance business is one of the industry’s fastest-growing components. The alteration or enhancement of appearance is now handled not merely by hairstylists and makeup artists but also by clothing stylists, color consultants, image coordinators, dermatologists, and plastic surgeons. The coaching industry is also necessary for any aspirant to improve his/her skills; aspirants may need singing, speech or sport lessons depending on their needs.

The legal and business services industry is also a component of the visibility industry. There are a number of issues that are critical to the management of aspirants that revolve around the issue of protection. Seeing the potential in this area, some law and accounting firms have specialized in providing services to entertainers, sports figures, and politicians.

The endorsement industry is crucial for a celebrity or a star. The use of endorsements and licensing has expanded dramatically precisely because it is a powerful way for a manufacturer to distinguish its product from those offered by competitors.

Figure 10-1. Structure of the Visibility Industry (on the next page)
(Source: High visibility: Transforming your personal and professional brand, 2006).
When a professional succeeds in managing his or her brand, that person becomes well-known not only well known to the target audience but also has valuable products and services corresponding to a premium price paid for his or her popularity.

In the celebrity industry, public relations operatives may be employed by organizations with the aim of image protection. On the other hand, publicists may be hired by the celebrity, by their management, by a specialist publicity or public relations firm, or by the production unit, network or promoter involved with the celebrity's current project (Turner 2004, 44). They write press releases and secure their placement; they stage-manage photo opportunities that will feature on the news and orchestrate personal appearances the celebrity performs; they negotiate with magazine editors about how their client will be represented in an article; they will vet the questions asked by journalists and television interviewers, and sit with their client while the interview takes place to ensure that it follows the established rules of engagement (Turner 2004, 45).

Being a brand generally means being visible in public. In some senses, the brand management of people is visibility management. Even though enhancing
visibility to become a well-known person has its advantages, such individuals have also noticed that this visibility can degenerate their positions and fame. Over-visibility may inflict harm on a reputation, and make it difficult to maintain a certain level of mystery. Therefore, a (human) brand has to have a strategic plan about how to be visible, and when, where, and how much they will be visible. It is crucial to realize that visibility is a very effective but subtle tool for a celebrity.

In Turkey, celebrities are especially in the limelight but the rules of the game are quite different from other countries. In this study, this state of affairs is examined through interviews with professional human brand management team members.

Public Relations in the Branding of Professionals in Turkey

By interviewing experts who have worked directly with professional people (especially celebrities), we tried to learn about the strategies and tactics used to promote these professionals to the public. In-depth interviews were conducted with individuals who work with celebrities professionally with the aim of constructing or reconstructing the images of these celebrities for mass consumption. The questionnaire we used is given below:

1. How long have you been working in the industry?
2. Which professionals or celebrities have you worked with?
3. Could you please explain your position precisely? What are your duties and responsibilities as regards your clients?
4. How many people are there on your team which creates/protects and enhances the brand image of the celebrity? What are their positions and functions?
5. Do you intervene in celebrities’ private lives/affairs when you work with them?
6. How do you manage demands for interviews (especially with reporters) regarding your celebrity?
7. How are your relations with the press in general?
8. Have you conducted any public opinion research regarding your clients?
9. In your opinion, what assets or attributes must a celebrity make salient to succeed? Why?
10. What do you think about imitating a star? Is this a valid (or applicable) strategy for endeavors? Why?

The informants were not only limited to professional team members but
also experts such as sociologists and academicians. One of these, sociologist and editor Can Kozanoğlu stated:

Celebrities, idols and stars are different... For big stars you can’t say they have a lack of qualifications, but rather they have become stars for a reason. Society may have had a need for such people and given them a quota. Among the thousands of people who are in this quota, there are only one or two who have the potential to become a celebrity with his or her voice or talent, and they must have the potential to perpetuate this existing fame. For such people, there are certain things that distinguish them from others...

According to Kozanoğlu, being a well-recognized brand and being able to maintain this situation is not the usual state of affairs. Such people have major potential and may have fulfilled one of society’s needs. As will be seen, the answers to our questions were especially clustered around creating/protecting and enhancing the brand image of the celebrity.

Nino Varon, a musician, composer and producer, noted that the quality of a product is very important if it will become a sustainable brand in the music sector. He said, “If the singing isn’t good, you can’t have a singer... Some producers make singers sing the wrong songs, and these songs don’t suit the singers...”

Correspondingly, Hakan Yonat, a director of pop music videos and advertisements, implied that it is very important to do the job well. He stated, “Although you may think you are not interested in this sector, some people have begun to deal with you and your work. Once this happens, you must be aware of this opportunity and use it properly.”

As mentioned before, visibility management is crucial in the management of the branding process. According to Serhan Lokman, a manager, “Everything about the artist must not be revealed to the public... This approach will prevent the artist from becoming depressed... If the artist isn’t knowledgeable about a subject, he or she shouldn’t say a word about it...”

According to Kozanoğlu, Orhan Pamuk, as a writer, is very successful in the management of his fame and visibility: “Orhan Pamuk has succeeded in managing his brand. Once he writes a new book, he knows where to release a speech or interview and which words to use, which topics to discuss in interviews, and which sentences to emphasize.”

Press relations are another important component of brand management, and managers tend to be rather careful in this regard. Press relations always
pose a major risk for celebrities and their managers. Ahmet Can Taşdemir said, “The thing we pay close attention to is whether or not the artist handled a subject properly. Messages may be open to manipulation. Who are these people asking questions, and what do they want? This is the first filter. Managers always tend to be paranoid on this issue.”

Celebrities work with professional teams in Turkey too. Fehmi Ketenci, a veteran magazine writer and publicist, said: “The team members of musicians in Turkey consist of managers, communication consultants, producers, surveillants and bodyguards. While managers often work for the short term abroad, in Turkey they usually are retained for a long period of time.”

As regards artist-manager relations, Taşdemir stated that an artist must be clear in sharing and discussing new ideas with their manager. The manager decides everything about the artist, meaning that they control the artist’s traffic.

In Turkey, professionals and their managers agree that artists must be talented and also mysterious. Yonat stated, “In the cinema sector, talent is very necessary. We say that a person has a certain texture which suits certain roles. If someone wants to work in cinema, they must be an arduous worker, in like the visual arts, and be creative and fast.”

Kozanoğlu noted that “Orhan Gencebay – a very famous artist and musician in Turkey – is a real brand. Although his albums have not topped the charts since 1982 he has maintained his popularity for thirty years. He is very dignified, a real musician, and an intellectual. Gencebay differs from the others in these ways. Also, he has refused to play on stage. But this is not perceived as being stage fright. Rather, it has been transformed into something mysterious.”

It is very important for a celebrity to be in the right place at the right time. According to Kozanoğlu, Orhan Pamuk – who has become a very famous writer around the world – was in the right place at the right time. He is especially successful at addressing urban, intellectual people. He knows very well what European intellectuals want when they read a Turkish novel. His image is just right. And of course he is very talented.”

Kerem Görsev – a very popular jazz musician and pianist in Turkey – has noted, “I’m an artist of the music of various ethnic groups. Audience members may hear me for the first time at a concert. I sometimes change my repertoire for these people...”

According to Lokman, “There is no distinction between artist and enter-
tainer in Turkey. This is a very big problem for Turkish singers and musicians. For example Miles Davis is an artist. Rihanna is an entertainer. Now that some celebrities are not thought to be artists abroad, they can be absolved from their responsibilities. But such individuals will not remain to be celebrities for years to come.”

Conclusion

Human brands are professional, popular individuals in society as the result of their work or goods and services which they produce and present. Some of them may also be referred to as celebrities, icons or stars. Becoming a major brand and then retaining this status does not occur often. But people who do succeed generally have a large amount of potential and are able to fulfill a need in society.

Such brands must be managed professionally by managers, producers, or media or communication consultants and coaches. When a professional person succeeds in managing his or her brand, that person becomes well known not only to the target audience and stands out in the crowd but also has valuable products and services for which people pay a premium.

Visibility management, press relations, saving an image or reputation, being mysterious and building myths, being in the right place at the right time, being talented and qualified are all critical in the professional management of a human brand.

Being a brand generally means being visible in public. In some ways, the brand management of people is actually visibility management. In Turkey, celebrities in the limelight do not have so many professionals to manage their brands. As a result, they can’t balance their visibility in the media; some celebrities may be very visible and make a statement in the media, even if they are not experts on the subject. Also, they may be over-exposed in the media which makes image-saving difficult.

In general, the team members of musicians in Turkey consist of managers, communication consultants, producers, surveillants and bodyguards. While the handlers of celebrities abroad tend to work short-term, they often work long-term in Turkey.

On the other hand, there are a lot of celebrities who have succeeded in creating a myth around their character or developing an aura of mystery through charisma and talent, such as Orhan Gencebay, Orhan Pamuk, and Tarkan. Being
in the right place at the right time is a key strategy for Turkish celebrities too. Kerem Görsel, Hakan Aysev, and Orhan Pamuk use their talents well to address the audiences they want to reach.

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This article aims to present definitions of media and reputation and examine how the notions of media and reputation intersect and diverge. Media do not always play a helpful role in building good and sustainable reputations and they can also be harmful if used improperly. This chapter discusses how people in virtual and real life can utilize new approaches to successfully manage reputation. Although it is doubtful that a complete synergy between media and reputation is possible, a more theoretical and analytical approach to media and reputation suggests ways that they intersect and interconnect through an intermediary approach.

Introduction

Reputation

There is common belief that reputation is an image that pertains to someone’s particular habits or something’s characteristics in a social process. Although it has a major impact on a target image, reputation is clearly distinct from image.

Our appearance, attitudes, behavior, and character perhaps serve our reputation as a totality. If we assume that a human being is a container, reputation is like a tag or label on which is written what others generally think.

This tag/label may be widely acclaimed, appreciated, and admired - or not. It is in fact a social practice; it is the result of a social evaluation based on a set of criteria and for that reason it may be referred to as a social entity.

Reputation is recognized to be an omnipresent and instinctive mechanism of social control. As it has been the subject of study in several fields such as sociology, psychology, and management, there are also numerous definitions of the term:
“It is a distributed, socially ascribed, and collective belief of a society towards the stand-point of a single person, group, or role. It is developed based on the general belief of society actors whether or not a given identity has fully satisfied the expectations of its roles. A high degree of reputation directly contributes to the development of stronger social status and influence. The formal definition of reputation structure is reliant on contextual features, societal values, and environmental goals of the target domain where reputation is being defined and deployed.” (Bagheri et al. 2009, 410-411).

Simply put, it is a result of social evaluations of a set of criteria. It cannot be definitively ascribed to reputation as there is no precise definition of reputation, so we can not talk about an ultimate reputation as a whole. It has has several facets, and it may have different influences over people. It is a dynamic and an unstable feature which an organization cannot control. As it is a one step forward one step backward movement for every aspect of things, an initial reputation may be detrimental to or improve the existing reputation of an organization through social and environmental interactions.

Reputation is a perception which is temporal in nature. In other words, it can be built up year by year but also lost very quickly, so the reputable being/saying/doing process needs to be sustainable.

According to Fox (2001, 34) “reputation is the estimation in which a person or thing is held, especially by the community or the public generally; repute: a man of good reputation; favourable repute; good name: to ruin one’s reputation by misconduct; a favourable and publicly recognized name or standing for merit, achievement, etc. to build up a reputation; the estimation or name of being, having, having done, etc.”

Reputation is one of many signals providing information about the likely behavior of an individual. Furthermore, it not only has an impact on individuals but also acts in different degrees.

“At the supra-individual level, it concerns groups, communities, collectives and abstract social entities (such as firms, corporations, organizations, countries, cultures and even civilizations). It affects phenomena of different scales, from everyday life to relationships between nations” (Tennie et al. 2010, 482).

As a fundamental instrument of social order, we can say that reputation transmission is a communication of an evaluation.

“More precisely, reputation is a believed, social, meta-evaluation; it is built upon three distinct but interrelated objects:
1. a cognitive representation, or more precisely a believed evaluation - this could be somebody’s image, but is enough that this consist of a communicated evaluation;
2. a population object, i.e., a propagating believed evaluation; and
3. an objective emergent property at the agent level, i.e., what the agent is believed to be” (Tennie et al. 2010, 482).

Corporate reputation

Reputation receives a great deal of attention among organizations. Supra-individuals need differentiation to survive in the competitive market. It reveals the need for an emotional response to the expectations of its stakeholders. This has produced an abstract concept which is defined as reputation management. Sub-aspects of reputation managements are corporate reputation competitiveness, corporate responsibility, cultural representations, risk management and measurement.

Bagheri and his colleagues (2009, 411) stated that “the current state of the art in reputation management systems can be categorized in two main classes:

1. those which employ social networking features by accumulating all of the available feedback in the community in order to develop a robustness reputation estimation mechanism; and
2. probabilistic methods that rely on probabilistic estimation techniques on a limited fraction of the available information in the community.”

As the reputation system naturally prepares, incubates, illumunates and distributes feedback about the behaviors of actors, “the dimensions of reputation which is an organization’s culture and management, its products and services, success, corporate responsibility, public image, and its ability to change and develop” (Aula 2011, 29) should also be considered.

Corporate reputation reflects collective views about an organization or a synthesis and overall evaluation of an organizational stakeholder’s joint opinions and attitudes actualized about the organization over time. This evaluation is based on the stakeholder’s direct and/or indirect experiences with the organization, all types of communications that provide information about the organization’s actions and discourse and/or a comparison with the actions of other matches. To put it another way, it reflects an accumulation of views held by multiple layers of stakeholders about an organization.

There are direct and indirect sources of reputation as well. Direct observa-
tions of cooperative behavior and/or of the signals of such behavior are a major source for determining reputation. The “audience effect” suggests that the individual being judged automatically takes into account observers who are potential partners. Indirect sources of reputation, for instance provided by gossip, are particularly important in human societies. Hence, this tool of reputation management strongly depends on our ability to mentalize. (Tennie et al. 2010, 484).

Although input is subjectively created by the outside world, the outcome is an objective reality for an organization. In turn it determines the concept of organizational identity “that represents insiders’ perceptions and beliefs about what distinguishes their organization from others. In a sociocultural context, when the role of public relations is set in the management of organizational social ecology, it conceptualizes organizational reputation through the property of cultural selection. Organizations operate as social collectives or as dynamic systems of organizational members who communicate purposefully with influential stakeholders to ultimately achieve organizational goals” (Johnston and Everett 2012, 14-15).

Media reputation

The concept of image effects reputation. Organizations make a conscious effort to be situated in media in space and time via targeted, deliberate, controlled, predictable and well framed images and texts to obtain positive feedback to contribute to and/or maintain reputation.

Therefore, organizations need media support to maintain their reputations as desired. On the other hand, the media does not always play a helpful role in building good and sustainable reputations for organizations. The media itself has difficulty within the context of the protection of its own reputation.

“And media reputation is a discrete phenomenon, a collective concept connecting the firm, media workers, stakeholders, sources of news about firms, and the readers of news that develops over time through a complex social process. This description captures such key features of reputation as instability, roots in multiple experiences, and the influences of environmental factors that an organization cannot control. It particularly reflects the nature of reputation as depicted in the media, which, means record/influence public knowledge and opinions about firms” (Murphy 2010, 211).

The press release is a commonly used form of communication in media. It needs to be strategically framed and shaped in the writing stage. The audio/visual phenomenon is gathered and the issue, idea or event is passed through a process which entails a selection, sorting, filtering, highlighting and writing
An organization’s expectation from a press release is to maintain the organization’s good reputation or build reputation, yet the media’s expectation is to sell news and therefore journalists look for news which has release value. Therefore, the news release, which is itself a process, undergoes another process in the eyes of the media. In these circumstances, the media space can be transformed into dangerous territory. The selection-making process about what is right or wrong, good or bad changes according the organization and media.

To give an example, in a media ecosystem basic questions need to be answered. The world-renowned news value in media is called negativism; news writers seek out negativism in core of the news instead of success factors when searching for answers to questions.

Murphy (2010, 209) highlighted the important of new releases on periods of crisis through the use of “reputation management with a reasonable degree of control through strategy-driven campaigns involving techniques like news releases, interviews, and issues advertisements. Especially after a crisis or a major news event, reputation cannot effectively be controlled by an organization. Instead, reputation often takes on a life of its own, evolving in ways that defy attempts by organizations to channel it in directions of their own choosing.” He defines the influence of news coverage on corporate reputations as follows (2010, 211-212):

“
1. The greater the amount of media coverage, the greater the public awareness
2. Attributes emphasized in media coverage become attributes the public uses to define a firm.
3. The valence of media coverage, positive or negative, is reflected in corresponding public perceptions about those attributes and
4. The substantive and affective attributes associated with a firm in business news coverage prime public attitudes about that firm. Thus, media coverage helps to shape an entity’s reputation by establishing called media reputation.
”

As Kempner puts it (2005, 4): “Well-executed communications in the earliest stages create a positive framework and generate goodwill to be leveraged throughout the process. Failure to create this communications infrastructure and control messaging and positioning from the outset can lead to a never-
The tips above can be applied by an organization or with PR professionals: “The production of media reputation through the interaction of multi-perspectives such as public relations output, media news values, type of events. This concept of media reputation is apt to be more disorderly and diffuse than strategic and targeted, a collective concept connecting the firm, media workers, stakeholders, sources of news about firms, and the readers of news” (Murphy 2010, 212).

The organization may not need the media to create itself, and what is more important is that its quality of production and services provide the market and the customers. On the other hand, the organization may need media to maintain its reputation especially during crises because media spreads the news as well as records and influences public information and public opinions about an organization. Given the fact that reputation is dependent on the media, the flow of information must be deliberate, managed and planned so that the spreading of news to the social ecology is controlled.

It particularly reflects the nature of reputation as depicted in the media. According to Deephouse (2010, 1094-1098), “media reputation is a discrete phenomenon, a collective concept connecting the firm, media workers, stakeholders, sources of news about firms, and the readers of news that develops over time through a complex social process.”

Deephouse (2000, 1099) also argued that “media themselves act not only as vehicles for advertising and mirrors of reality reflecting firms actions, but also as active agents shaping information through editorials and feature articles.”

However, there is a clear path to controlling dangerous situations and safeguarding reputation, and increasing the chances for a positive transaction outcome.

“The first step is making a planning and implementation process. It involves communications professionals in the earliest stages of decision making and a comprehensive campaign. The communications experts understand the dynamics of key stakeholders. They know the identities of the stakeholder groups and how to reach them with clear messages. The second step is tailoring a multi-platform external communication strategy with a defined set of goals and messages. The key element to a successful communications program is a detailed media plan. As the universal channel for all stakeholder groups, the media could be a organization’s best friend or worst enemy - a force for equalizing the message to all constituents or alternatively heaping fuel on the fire of negative
speculation. Understanding how the media functions is vital to crafting a strategy because the media operate as a pack” (Kempner 2005, 1-2).

In fact, we should not overlook the fact that the protection of the reputation of media itself also requires reputation management.

As regards media and reputation, Gentzkow and Shapiro (2005, 2) noted: “The survey evidence revealing rising polarization and falling trust in the news media has prompted concerns about the market’s ability to deliver credible information to the public. A media firm wants to build a reputation as a provider of accurate information. Media tend to distort information to make it conform with consumers’ prior beliefs. Media firms try to build a reputation for truthful reporting, and consumers’ assessments of the quality of news sources depend on prior beliefs. Media firms’ desire to maintain a reputation for accuracy in reporting.”

Conclusion

There is no exact determination for the ultimate reputation, neither for individuals nor for organizations. It is common knowledge that people need to know what is happening in the environment. The desire to be aware of this environment ranges from the local to the global. Individuals need information to make decisions and act to make an evaluation of something or somebody.

An overabundance of information rests with media, and this is then disseminated as news which is significant because it purports to be an essential reflection of the fact. The ideology of the media, the type of the media, the perceptions of reporters, and the norms of journalism are an integral part of the issues at hand.

Therefore it would be very optimistic to say that the news is a kind of insular information. This information can be transformed into a powerful piece of news, thereby losing its innocence. Via this re-created form of information, media have an impact on public and private opinions.

As the labor-intensive elements of corporate reputation can suddenly collapse, organizations attempt to resort to this risky media environment to rebuild their reputations. Media can be a mechanism both to re-build and to destroy, as one paragraph of negative news about an organization can spread around the world via media.

In other words, organizations need the media - which possesses a potentially devastating power of credibility - to maintain and rebuild their credibility.
In particular, organizations need the media during periods of crisis. However, the relationship with media during this time may in fact exacerbate the crisis at hand. That is why the relationship with media needs to be deliberate, sensitively thought out and pre-planned. There are some ways, however, to protect or minimize the negative effects that media can have on an organization’s reputation:

1. Keep your brand strong. (Your product or service should be reliable)
2. Monitor media coverage. (What are they saying about the organization?)
3. Media coverage helps shape an entity’s reputation by establishing media reputation but the amount of media coverage is important. Public awareness is not created by large amounts of media coverages but rather by quality and well-framed content.
4. Plan your communications. (To whom you are writing, in which media can you reach them.) Attract the media by attractive news values. (Media feeds itself with new and interesting things.)
5. Misinformation and disinformation puts the organization more at risk in the media world. Write your press bulletin according to the news writing style. (It should answer the questions of 5W1H: Why, Where, What, When, Who and How)
6. Beware that media will re-shape the information through the editorial process. (The piece of writing for the media must be written in an inverted pyramid news writing style; in other words the most important things should be written at first).
7. Set up a agenda by organizing exclusive events for media such as press launching or press conferences. (Tell about the organization.)
8. Arrange an open and honest interview with the CEO. (An absence of communication may lead to speculation and more questions. If you are a part of negative story, it is more likely that you may be perceived negatively.)
9. Solve negativism with a positivism. (Your rhetoric should not take an aggressive tone. A proactive can approach creates a positive atmosphere and positive news in media.)
10. Admit you did wrong and do not hesitate to apologize and then produce a solution to the problem. Show your ability to change and develop straightaway.

Lastly, the terms of media and reputation cannot easily be mentioned in one phrase, unless there is a controlled communication environment. Otherwise, media has the potential to destroy the reputation of an organization rather than protect or re-build it.
References

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New Challenges, New Opportunities: Interdisciplinary Perspectives on Reputation Management aims to investigate questions and the multifaceted issues which relate to reputation management. The chapters in the volume offer keen insights and thought-provoking ideas that explore reputation within a multidisciplinary framework, drawing insights from a number of fields of research including politics, public administration, international relations, business management, human resources, communication, new media, public relations, marketing, corporate social responsibility, and sustainability. In bringing this collection together, it was our intention to provide a venue that takes into account diverse concerns on the themes of reputation management from international and interdisciplinary perspectives.

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