

HEMINGTON
CONSULTING

Reputation Risk Management
building reputation resilience

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ISSUES MANAGEMENT

CRISIS

REPUTATION

SUMMARY

- The world had changed:
 - in the 'hyper-transparent world' businesses face intense scrutiny
 - crisis is a fact of life for all businesses
 - crisis + reputation risk management are inextricably linked
- Reputations are built through actions, and behaviour; not spin or PR
- Reputation resilience must become an essential component of corporate risk management
- Companies need an effective model to help pre-empt crises and mitigate reputation risk; and a framework through which this can be managed
- Should a crisis occur a reputation focus and managed information environment can mitigate damage

**Hemington helps companies implement reputation resilience and respond to crises
(drawing upon 25 years' experience)**

THE WORLD HAS CHANGED



It is no longer possible to impact reputation meaningfully by means of old-fashioned 'spin' or PR.

WE NOW LIVE IN A 'HYPER TRANSPARENT' WORLD



The revolution in access to information has transformed how people relate to and scrutinise companies. 3.247 Billion internet users (and counting).

REPUTATIONS ARE BUILT UPON DEEDS AND WORDS



Without 'reputation resilience'... your reputation becomes the crisis.

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Gabriel Resources/Rosia Montana – worldwide environmental protests 2013



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Gulf Cup, Aden, Yemen – regional football tournament, 2010



Without 'reputation resilience'... your reputation becomes the crisis.

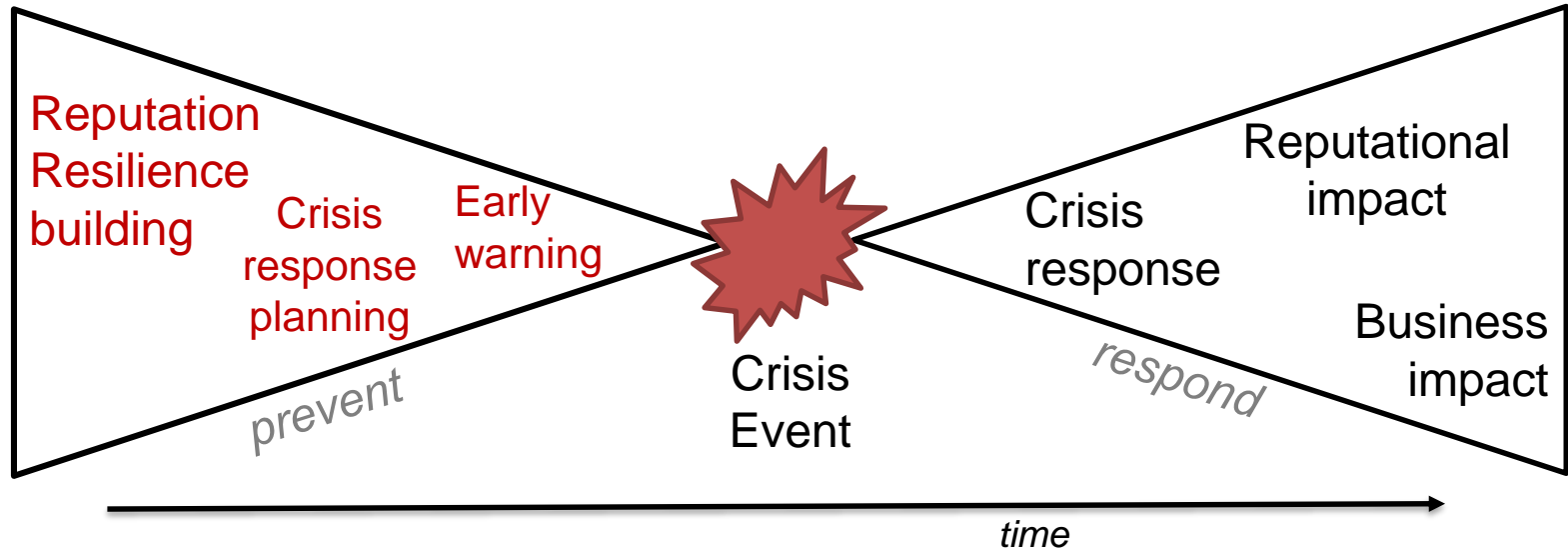
REPUTATIONS ARE BUILT UPON DEEDS AND WORDS

Company x – citizenship by investment, 2016, ongoing



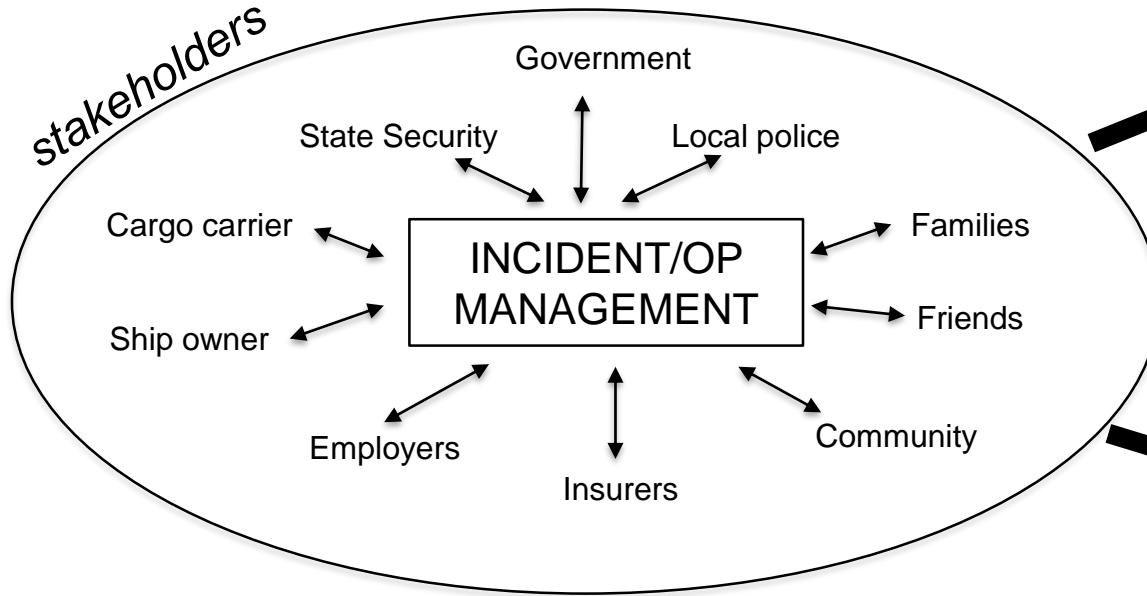
Without ‘reputation resilience’... your reputation becomes the crisis.

PREVENT - MITIGATING RISK AND ENHANCING ABILITY TO WITHSTAND A CRISIS



Reputation resilience-building must become a core organisation-wide preventive measure, alongside crisis response planning, and early warning.

RESPOND – THE MANAGED INFORMATION ENVIRONMENT



Social media

Social media represents one of the biggest challenges to managed information environment.

➤ **Monitor - Respond**

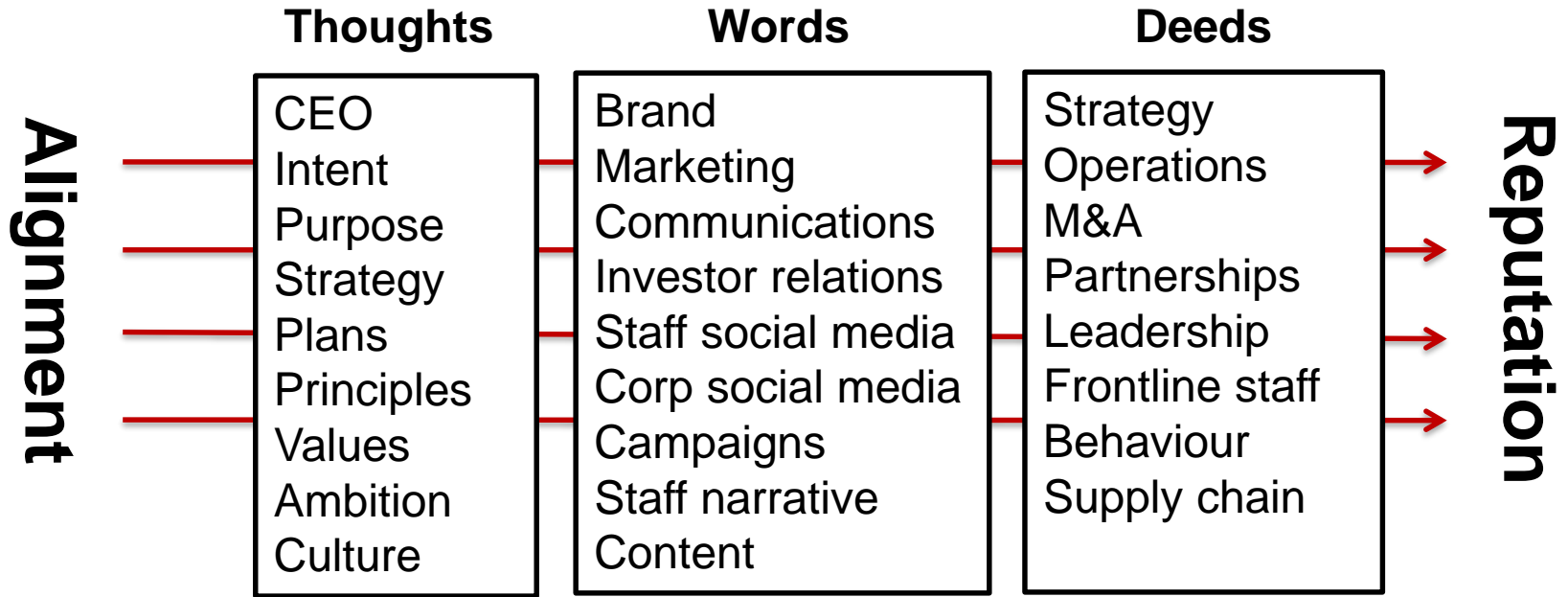
Media

Media likely to take interest in 'story' – need to retain control of the narrative.

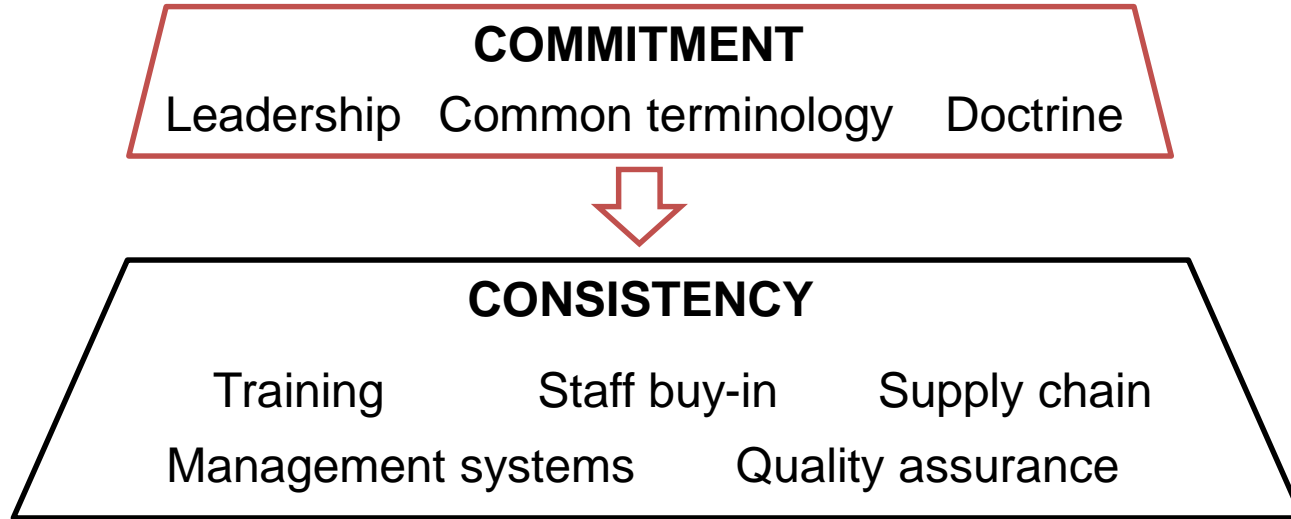
Significant risk of stakeholders making unilateral use of media

➤ **Monitor - Respond**

A MODEL FOR REPUTATION RESILIENCE BUILDING



*Reputation resilience is built through **integrity** - consistency between an organisation's intentions (thoughts), communications (words), and actions (deeds).*



Reputation resilience requires understanding and commitment from the top of the organisation, and organisation-wide buy-in.

REPUTATION RESILIENCE CAPABILITY REVIEW

PREVENT

Briefing

1-hour

- General awareness
- Key topics
- Best practice
- Case studies

✓Buy in



Review

2-5 days

- Capability and preparedness
- Policies, plans and Internal processes
- Identify risk areas

✓Action plan



Validation

Monthly or quarterly

- Validate audit actions
- Reappraise
- Continuous review
- Senior counsel

✓Advice/recommendations



Train and Test

As required

- Skills development
- Best practice
- Simulated exercise
- Test response
- Train the trainer

✓Enhanced capability

RESPOND

Response

Duration of incident

- Direct comms
- Monitor and respond
- Information advantage
- Managed information environment

✓Mitigate damage



Post Response

Half day

- Debrief
- Lessons learned
- Review procedures

✓Continuous improvement

Active measures to minimise risk, reduce loss, and demonstrate ROI

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