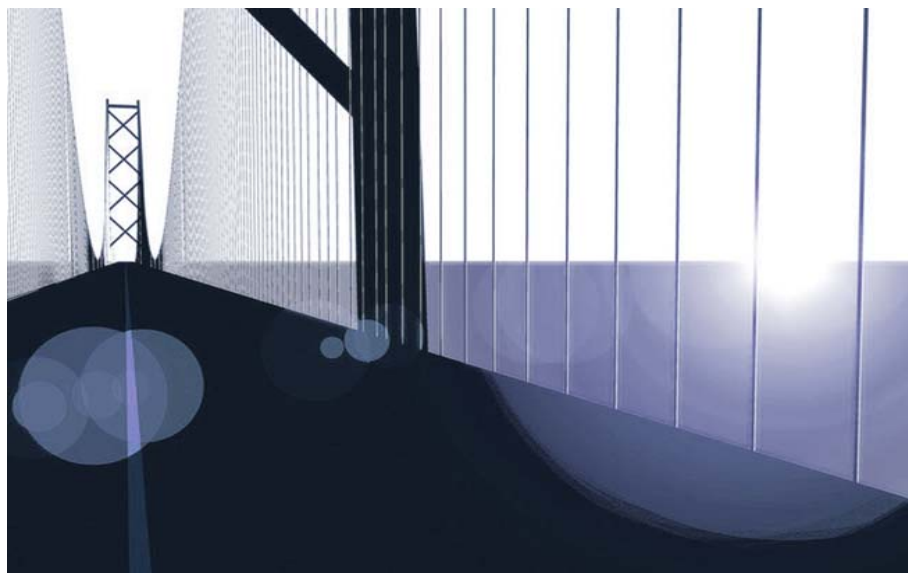


Russell Price

Continuity Forum



**Making
government
work better**



www.continuityforum.org

Creating Continuity...

Building Resilience...

Continuity Forum acts as a bridge between organisations who have interest in promoting, delivering and utilising Business Continuity and Risk Management.

The Continuity Forum encourages a uniform approach to the delivery of these critical disciplines providing an unbiased, non-commercial input to regulators, legislators, standards bodies, auditors, the media & business

We are an independent NGO working to support, advise and assist YOU!

Reputation Risk

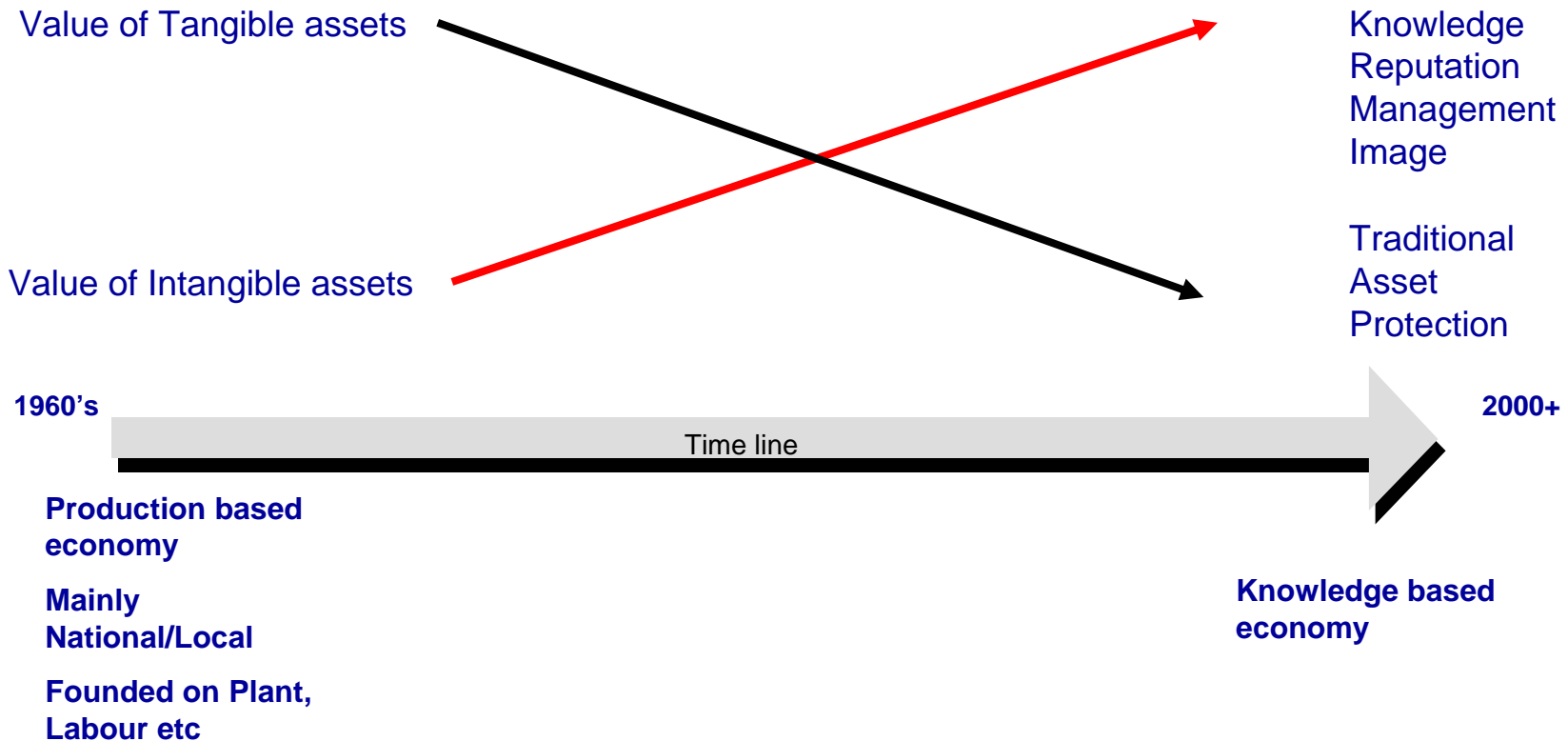
“a discussion on the importance of trust and preparation”

Russell Price

Chairman

A riskier world?

Risk Management – A changing framework



“Reputation declines when experience of an organisation falls short of expectations”

“A collection of perceptions and opinions, past and present, about an organisation which reside in the consciousness of its stakeholders”

“Reputation = Experience minus expectations”

“Reputational risk is the potential that negative publicity regarding an organisations practices, whether true or not, will cause a decline in the customer base, costly litigation,

What's changed?

- Erosion of authority / decline in trust
- 24/7 media and the Internet
- Growth in anti-business/government activism
- Public concern with “what lies behind the label”
- Growth in victim and litigation culture
- Greater scrutiny and demands for transparency/governance
- Social/cultural impacts on reputation
- Higher expectations

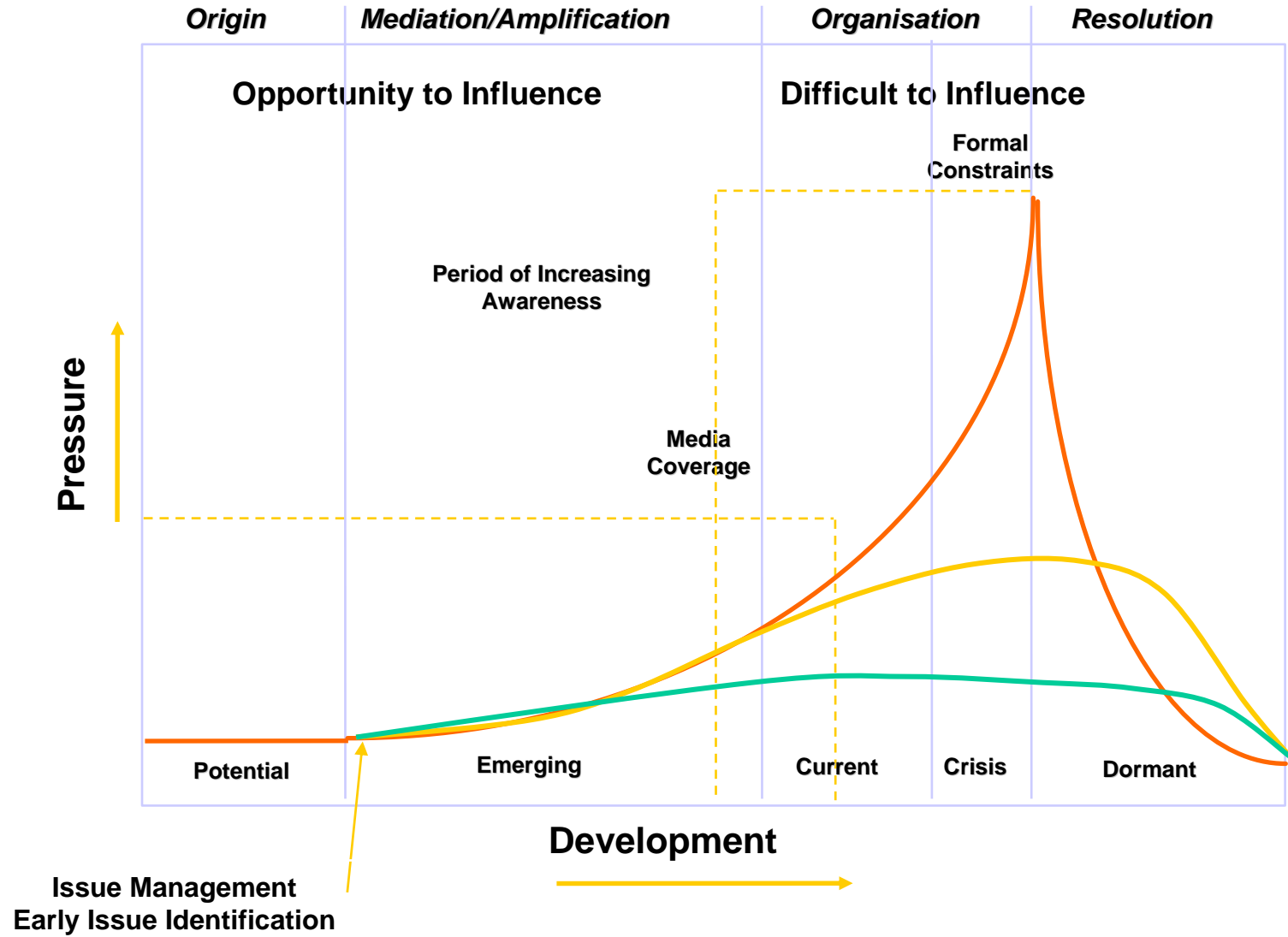
Audience participation

Perceived trust in institutions

	Little/no trust	A lot/some trust	Net 'trust'
NGOs	32	59	+2
Education system	35	62	+2
UN	34	55	+2
Religious institutions	38	57	+1
Police	40	57	+1
Doctors	40	57	+1
Press / media	30	46	+1
World Bank	47	50	-3
Press / media	47	49	+2
Trade unions	45	47	+2
Local Government	42	40	-2
Legal System	49	47	-2
Global Companies	41	39	-2
Central Government	48	39	-9
Large national companies	52	42	-10
Politician's	51	38	-13

% trust minus % distrust = net

Risk issue life cycle



Reputation pollution

“The vacuum caused by a failure to communicate is soon filled with rumour, misrepresentation, drivel and poison.”

C. Northcote Parkinson,

“Everything you read in newspapers is absolutely true, except for that rare story of which you happen to have first-hand knowledge.”

Erwin Knoll

What the media actually does

- “News-ertainment” is a business
- Constructs a “media reality”
- Applies selective reporting, adding its own noise



The voice of experience?

“The fundamental truth, which you only discover when you have gone through the fires of hell, is that your reputation will always mirror the absolute reality of who you are.”

“Anyone who thinks that they can change their reputation without changing the organisation is mistaken.”

Steve Marshall, Chief Executive Railtrack

Successful reputation risk management

- Acknowledge that reputation is a vital asset
- Finely tune your 'risk radar'
- Design clear and robust BCM and risk management systems
- Create your own code of good behaviour
- Treat all stakeholders intelligently
- Work as if everything you say and do is in public
- **Put people first, not finances or physical assets**
- **Do the right thing, and be seen to!**

Maintaining Reputation

“The way to gain a good reputation is to always endeavour to **be** what you desire to appear”

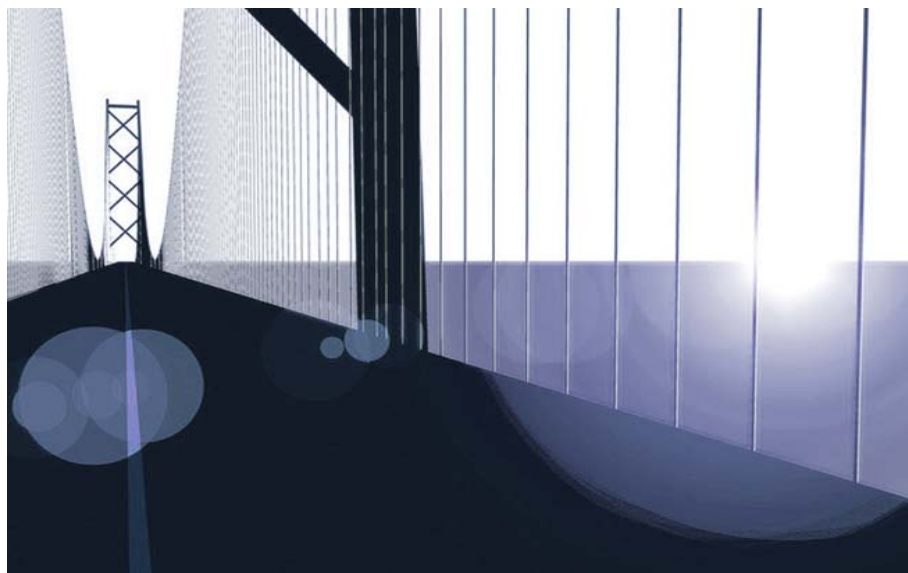
Socrates, 469-399 BC

Thank you

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