

# Community Dynamics and Reputation Change

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## Introduction

Reputation is inseparably linked to both past and future organizational success. The history of an organization, existing in community memory as a series of persistent anecdotes, is a working chronical of its ability to effectively deliver value to its associated community. If this reputation is good, the organization is often well positioned to accomplish its future goals. If this reputation is poor, opportunities for future success are severely undermined. For better or for worse, reputation cannot be decoupled from success. These are co-dependent and each are both cause and effect with respect to the other. When organizational reputation is an impediment to success, then it as well as its institution suffer and there exist strong incentives to change.

## Background

Reputation represents the beliefs or opinions that are generally or widely held about someone or something by others. The reputation of an organization is not what it thinks about itself, it is entirely what others think about it. As much as we would all like to say that we create our own reputation, this is simply not factually accurate. Our reputation is both held and created by others, and it is only possible to influence, either directly or indirectly, what others think. We cannot control our community; hence we cannot dictate our own reputation. This is fine when an organization's existing reputation is positive, not so much otherwise.

There is a common idiom that says reputations are sticky. What this means is that once a reputation has been established, it tends to persist rather than change. This is because people are fundamentally pattern recognition engines. We make observations about what has happened and project them forward to make predictions about what will happen. Confirmation bias is a cognitive tendency by individuals to recognize and accept new information when it agrees with existing beliefs or opinions. Once an organization has a stable reputation, the community is highly likely to notice and recall any attitude or behavior consistent with the existing reputation and overlook those that refute it. Our affinity for patterns and our selective recognition of information means that it takes only a little re-enforcement to effectively maintain a community view about who an organization is and how they behave.

The qualities of influence and the phenomenon of bias conspire to make reputation change hard. If I spent an entire year being consistently rude to my colleagues, I would undoubtedly have a commonly held reputation for being rude. If I spent the next year trying to be polite and only occasionally being rude to my colleagues, I would likely have precisely the same reputation. The limitation of influence means I could not simply replace the old narrative, and bias means my occasional transgressions would resonate. I would have easily and sadly done enough to maintain my existing rude reputation.

## Approach

The most common approach followed by organizations to establish an improved reputation is to embark on a series of highly visible exercises that are intended to create a new narrative. This will likely fail as the community is not nearly as receptive to this new information as they are to anything that reinforces the existing reputation. Because we cannot control what people think, we cannot force the new information to replace the old information. The good news is that people are typically fair minded. They do not typically have a vested interest in any particular view about an organization. They are merely behaving normally and I dare say, predictably. We can depend on these behavior patterns and execute a multi-step plan that will eliminate the old reputation and help create a new, ostensibly better one.

The first step for change is to very carefully identify all of the attitudes, behaviors, and outcomes that have been fundamental in establishing the current reputation. This is not merely an assessment of simple project failures, but a comprehensive review of what an organization has done juxtaposed with how and why they did it. An honest and introspective assessment is vital. All things being equal, common organizational behaviors that influenced the old reputation are highly likely to continue without active intervention. Absent full candor about what created the old reputation, one is almost certainly doomed to preserve it.

The second step is to systematically and consistently eliminate everything that established the old reputation. It is absolutely critical that an organization do nothing to reinforce old perceptions as even infrequent examples are enough to maintain an existing narrative. Without new observations to add to the old reputation, the community will slowly let it go. Attitudes are harder than actions to address and must be sincere. If an organization has a reputation for apathy and attempts to pretend it is not apathetic, it will be recognized as disingenuous and fail miserably. People are quite intuitive and artificial efforts will actually reinforce the old reputation and harden the community against counter information.

The third step is to selectively introduce new attitudes, behaviors, and outcomes that are aligned with the desired reputation. These do not have to dominate and can usually be cherry picked based on opportunity. Change will take time, and there will be plenty of opportunities to establish better attitudes and behaviors. The goal here is to selectively introduce honest examples consistent with a suitable counter narrative. If lack of communication is part of a poor reputation, then the organization can introduce a targeted campaign. This does not have to be elaborate. Metered, simple communications with a predictable cadence goes a long way towards establishing that the organization keeps its community informed. If lack of transparency informed the old reputation, the organization can include the community early in the decision process. This is likely slower and a bit messy, but a community that sees the tradeoffs for a decision are far more likely to accept the outcome. If project failure drives negative views, then the organization must succeed at projects. This might mean selecting less ambitious projects or perhaps allowing key stakeholders to choose a project and work in concert with them to achieve their success. The point is not to do everything at once, but to use the gift of negative feedback to inform the elements of change.

The fourth step is to be patient. The old reputation did not appear overnight and neither will the new one. People may be fair, but they are also not nearly as invested in the new narrative as the

organization will be. They are not simply waiting to participate in this change, and it will be impeded by their lack of attention and their existing perspective about the organization. With no reinforcement of the old and persistent examples of the new, eventually confirmation bias will work in favor of the organization. This is the tipping point and the new reputational examples will resonate with a common and growing narrative. Elements of the new and presumably better reputation will have the sticky quality that made the old reputation so resistant to change.

## Conclusion

Organizational reputations can be changed. Every criticism of an organization comes from somewhere and by its very nature, frequently is suggestive of a solution to address it. There is no detailed blueprint as institutional realities will dictate the best practical efforts. The process is far more important than the specifics. A careful and deliberate approach can be followed that, when executed properly, will result in the decay of the old reputation and the growth of a new one. This does not have to be daunting if one is prepared to allow honesty, rigor, and time to work in favor of change. Eventually, the same dynamics that produced a persistent old reputation will create a stable new one.