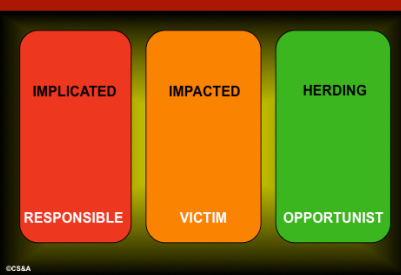


## Saving, Protecting and Enhancing Reputation in Today's Chaos: Challenge or Opportunity?

### WHERE ARE YOU IN THE CURRENT CRISIS?



Whether you are directly implicated in the current crisis, impacted like most, or herding and grabbing the momentum to “fix” some basics, the challenge and the opportunity will be to save, protect and/or

enhance your organization’s reputation. Taking stock of where you are in the current turmoil is a good place to start. It will help you determine your stakeholders’ position, the areas you can influence, and define a strategy based on a number of possible scenarios. By taking the lead in this process, you will likely survive in a stronger place than where you are now.

Comparing the “crisis” to a dark tunnel, we do not know how long it is, whether it is straight or what awaits around the next bend. But one thing is certain, there is light at the end, even if you cannot see it yet, and this light presents an exciting opportunity if you are willing to embrace it.

There is little use in looking backward and standing still is not an option. So the only worthwhile proposition is to move forward. However, how to do so in the current climate of uncertainty and volatility? When faced with crises or changes, human nature craves “doing” and “fixing”, giving the illusion of “tackling” the situation to get on top of it sooner and better. What if you can’t fix it or are unable to forecast?

According to Hugh Courtney, a professor at the University of Maryland’s Robert H. Smith School of Business, more companies should be using “scenario planning” alongside their financial models, which do not produce a large enough spread of possible outcomes to capture the flavour of today’s uncertainties.<sup>1</sup>

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So, first take a fresh look at your mission statement: where would you like to be and how would you like to look at the end of the tunnel? Articulate this vision and it will stand as the foundation of your strategy, drive your actions and communications, motivate your stakeholders to rally behind you, and ensure consistency.

Second, utilize the slowdown in activity level caused by the downturn and assign manpower and resources to an effective and practical reflection process: listen to your stakeholders, assess issues and risks, develop scenario permutations, explore options and articulate flexible strategies accordingly. Adopting a pro-active and visible leadership stance will not only prevent knee-jerk reactions to new twists and turns but also help you unravel opportunities that can be leveraged to strengthen your reputation.

By engaging internal and external stakeholders in this mapping process, you will help raise your credibility among them, place yourself in a leadership position on the recovery slope and ultimately contribute to saving, protecting or enhancing your organization’s reputation.

For information on CS&A’s stakeholder, scenario and strategy mapping tools, please contact: [caroline.sapriel@csa-crisis.com](mailto:caroline.sapriel@csa-crisis.com)

**1 . Managing in the Fog, Feb 26th 2009 | SAN FRANCISCO, From The Economist print edition**

## Retaining Customers in The Midst and Beyond the Trust Crash

Reputation management is a key component of crisis anticipation, response and recovery and no one will argue that customer service is a cornerstone of corporate reputation. A solid reputation depends on trust. In the current crisis and trust crash context, restoring customer trust is fundamental to maintaining and enhancing reputation and ultimately to establish a leadership position on the recovery slope.

Below, Amsterdam-based Nicolette Wuring, offers some thoughts on customer advocacy, operations and service and tips for retaining customers in this rough and tumble environment.

General Electric's Jeff Immelt recently noted that the global economy is not simply undergoing an economic downturn, but an emotional, social and economic reset. If Mr. Immelt is right, your management team will need to radically change its playbook and place customers at the center of the new game board.

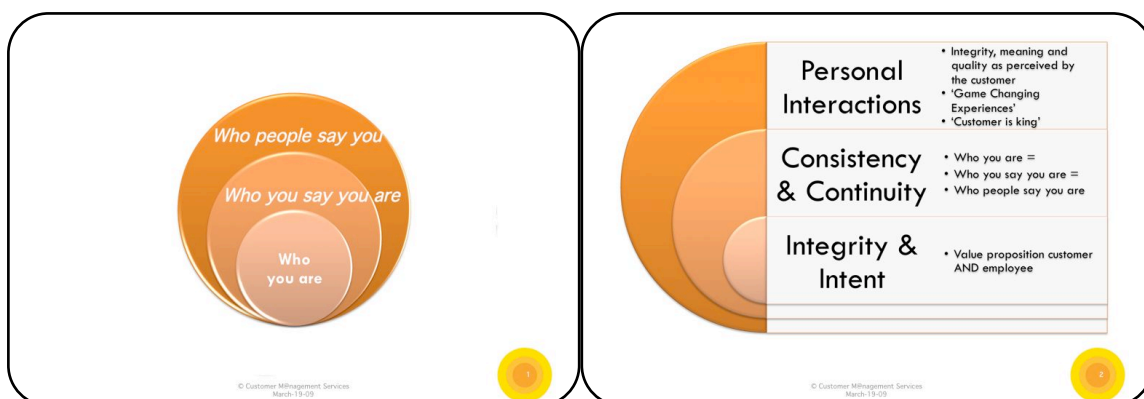
As your management team works its plans to manage the current downturn, it is worth remembering that we are all at once suffering a financial market crisis, a global economic crisis, a management crisis, an ethics/values crisis, and a crisis of changing consumer purchase and lifestyle priorities.

Most fundamentally, this crisis is about trust. Trust is earned slowly and lost quickly. Trust is about people and behaviours. Over many years, businesses became so short-term profit-focused that the managers, employees and even customers became just variables in the profit equation, traded off as assets or liabilities, not as the human beings they are. "Customer right sizing" is but one of hundreds of examples of this. In too many cases the "right" was for profits, not the customer. The customer knew this and promptly withdrew credits on deposit from the company's earned trust bank.

The BIG question for industries and companies is how to become profitable again? The answer for 2009 is that you must get much better at finding ways to keep your customers by earning/regaining their trust. Relationships develop between people, not between "corporations" and "customers." That is where those in your organization facing customers enter into the equation.

A good starting point is to answer the following questions:

1. Do we have a solid foundation of "earned" trust among our customers?
2. How do we know? Can we quantify it?
3. Do we have strong managerial and operational competency to build trust through our customer-facing operations?
4. Have we set the right goals to drive trust, and are the right metrics in place to track progress?



Customer Service, Customer Care, Customer Operations are all functions filled with people. These people manage the trust you build in your business and cannot be treated as dehumanized robots, as 'human doings', managed at an operational level for their quantitative output. One of management's top priorities right now should be to boost their role as the window to 'the corporation'. Trust can be rebuilt and relationships improved when your organization starts interacting with customers as human beings.

As Stephen M.R. Covey (in his 2006 book “The Speed of Trust; the one thing that changes everything”) calls it, the higher your ‘Trust Tax’ (comparing it to ‘Trust Dividend’), the more time and money it will take to restore it and find your way back to profitability.

But where do you start restoring trust? And how fast can you restore it? To answer these questions, you must identify where you lost the trust in the first place. In the current crisis, is your organization and/or is your industry ‘part of the problem’? Are you directly implicated? Have you lost the trust of all your stakeholders? Are you and/or your industry impacted, part of the domino effect, trying to hold course through the storm? Or are you merely herding, using the momentum that is created by the crisis to ‘bring your house in order’ and fix some long overdue basics?

Some tips for retaining customers in this rough and tumble environment:

- Brand reputation is made by the people you interact with as a company, especially your employees and customers. Successful marketing today is about meaningful interactions and emotional connections. Your customer-facing employees are ideally positioned to create, both for and with, your customers. Unleash the hidden asset your employees represent, trust them to do what is best for the customer AND the company and start paying attention to passion, compassion, interconnectedness, friendship, intelligence and creativity. Right-size Customer Service and equip your customer-facing people with the environment in which they are enabled to build meaningful relationships and emotional connections with your customers through every interaction they have with them. This is where you can start to restore trust, trust that will spread, like a positive ‘domino effect’. When your employees and customers spread the “good” word for you, you can build and count on their advocacy.
- Start balancing efficiency & effectiveness, quantity & quality. Adjust your governance and performance measurement to include KPI’s that reflect the quality as perceived by your employees and customers and leverage the impact of ‘soft’ KPI’s on ‘hard’ KPI’s.
- Look at the DNA of your company and make sure that there is consistency and continuity between who you are (really), who you say you are (marketing; PR) and who people (starting with your employees and customers) say you are.
- Trust starts from the inside out, according to Stephen M.R. Covey. Self trust (of your employees) leads to relationship trust (between your employees) leads to organizational trust (between the different departments within your organization) leads to market trust (from consumers in general and your customers specifically as well as other external stakeholders) leads to societal trust.
- FOCUS! Ultimately, what core values does each employee, each department and the company as a whole represent for internal and external customers? Alignment of core values throughout the organization will create THE source of commitment and energy for your company, it will generate trust at all levels and the emotional connection of stakeholders, and set you up for success.

Customer Service offers you the opportunity to use the momentum that is created by the crisis to create true customer-focus and emerge as an envied leader in your industry.

**Nicolette Wuring is an internationally acclaimed and awarded Customer Advocacy thought leader, speaker, author and advisor to Fortune 500 companies. She is the founder of Customer M@nagement Services, a strategic consulting firm dedicated to helping businesses increase their economic value by creating emotional connections and trust with their employees and customers.**

## Terrorist Invasion The Terrifying Challenge Facing International Hotel Chains

The Mumbai attacks of 2008 saw a frightening escalation in the methodology of terrorist groups wishing to cause mass fatalities aimed at seemingly “Western” targets. This change in tactic can perhaps be traced to the horrific events in Russia throughout the nineties and early part of this decade. The attackers in Mumbai were, similar to those in Russia, highly trained and willing to die.

The Mumbai attacks were not hostage situations in the strictest sense. There was no attempt at negotiation and it was clear from the outset that the attackers were eager to inflict as much death and destruction as was possible with no regard to their own eventual safety or political/religious aims. The attacks in Mumbai were also frighteningly similar to those in the United States, at Columbine and other mass fatality events, and may herald a new “popular” terrorist culture. The recent attack on the Sri Lankan cricket team in Lahore produced scenes terrifying in their sense of “dèjà vu”. We can expect more repeats of these scenes.

In Mumbai it was also clear that the Indian Government knew there would be no quarter offered and there was little use in trying to negotiate. Consequently an armed response went into action immediately. We can expect other Governments in similar circumstances to act likewise, since it is a long standing policy of most Governments not to negotiate with terrorists, even were they willing to do so.

The service industries rely on offering their customers hassle free access to their facilities, which make hotels easy targets for terrorists. International hotel chains make particularly attractive targets given they attract foreign tourists, business people and “Western” targets, even if the chain itself is not identified with the West.

But Hotel chains are not helpless. There are defensive strategies and warning signs that could identify whether you are being targeted for attack and should the worst still happen these preparations may still save the lives of many of your customers, securing your reputation even in the face of such adversity.

Building on lessons learned from the Mumbai attacks, where CS&A personnel were deployed, CS&A have developed mechanisms for just such defensive action, risk analysis, horizon scanning and worst case preparations. To learn more, and to set up a bespoke solution please contact [caroline.sapriel@csa-crisis.com](mailto:caroline.sapriel@csa-crisis.com).

**Alan Morrison is an Associate of CS&A based in Dhaka, Bangladesh. With extensive experience in developing emergency and business continuity plans for British diplomatic missions, Alan is an expert in maintaining organisations core functions throughout a crisis or business continuity event. Alan has had first hand experience in responding to real crises, like the Asian tsunami and the Bali bombings, and more recently the Mumbai attacks.business continuity event. Alan has had first hand experience in responding to real crises, like the Asian tsunami and the Bali bombings, and more recently the Mumbai attacks.**

## CS&A expands its team of Associates:

- **Annanya Sarin** joins in London
- **Rebecca Lee** joins in Singapore
- **Agnes Hui** joins in Hong Kong.

For details on our new colleagues, please visit : <http://www.csa-crisis.com>

## Hot Off The Press:

Recent articles from Brussels-based CS&A Associate, Lina Kolesnikova. For full stories please contact: [caroline.sapriel@csa-crisis.com](mailto:caroline.sapriel@csa-crisis.com)

**Commanding Crises in Russia, Exploring the Role of EMERCOM of Russia** - Lina Kolesnikova looks at the Russian National Crisis Management Centre and its many operations – ***Crisis Response Journal, Volume 5: Issue 2 - March 2009***

**Critical Protection** - Lina Kolesnikova outlines the steps being taken in the Netherlands to protect its critical national infrastructure and its work with its European neighbours to secure cross-border infrastructure - ***Intersec November/December 2008***