Good reputations are like insurance policies, money in th bank for a rainy day

South Africa's best companies, as identified by the book "The Best Companies to work for in South Africa", have two things in common - they have performed well and their corporate reputation has been duly noted. "Corporate reputation is a combination of both perception and reality," says Janine Bührmann, managing director of Livewired Communications, a leading hi-tech public relations agency and local partner of the RainierNet network of PR agencies around the globe.

"Seeing the list of best companies, some companies are undoubtedly wondering why superior performan at their company has gone unnoticed."

According to Bührmann, it could be that they have been invisible, hiding their business success and good works. Or it could be that competitors have defined their reputation for them. There is a saying in the publi relations business: "If you don't tell your story, someone else will."

"Our mission as public relations professionals is to ensure that perception is aligned with business reality,' she says. "The proliferation of information and media, intense public scrutiny and constant corporate chan has created confusion, distrust, and cynicism that continues to erode the reputations of businesses with th employees and external publics."

Why care...unless reputation contributes to a company's business or stock performance. It does. "Busine experience and research has demonstrated time and again that a good reputation helps a company sell its products, recruit the best and the brightest, and attract the most desirable business partners," believes Bührmann.

Convincing sceptical third parties is the primary - and toughest - job of public relations, particularly when things are not going well.

"A strong reputation is like an insurance policy, money in the bank for a rainy day," she says. "It probably won't help a company avoid a nasty story in the newspaper, but it may keep it to a one-day story rather tha the continued haemorrhaging in the media that can take a toll on a company's sales, stock price and strategy."

Building the relationships that preserve company reputations in good times and bad requires proactive communications. There is a direct correlation between high levels of corporate equity and the frequency w which a company's publics hear about it.

"Communications and relationships have taken on new and increasing importance as intangible assets represent more and more of companies' total worth. Not just reputation, but intellectual capital, employee commitment, public trust, and corporate brands are corporate assets that must be developed and preserv for business success," concludes Bührmann.

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