Corporate Reputation Management: a Set of Drivers in the Governance-Structure-System Model. Empirical Evidences from Crisis Communication.*

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Abstract
The aim of the present study is the proposal of a set of drivers on which the organization can operate to improve its reputation. These drivers are derived from a new model (“Governance-structure-system” model), which enables the understanding of the working mechanisms of corporate communication activities of large companies. Starting from the individualization of the differences between corporate image and reputation, we propose a causal map of key influences on image and reputation. Then, we describe the factors of GSS model and select, from them, the specific drivers for corporate reputation management. In other words, we individualize the drivers through which it is possible to act on corporate key influences affecting corporate reputation. In the second part of the study, we present a critical analysis of the drivers actually used in some crisis cases, come to some conclusions and try to point out some directions for future research.

KEY WORDS: identity, image, reputation, corporate communication, reputation management, drivers, crisis communication.

1. Introduction

The present study proposes a new model of corporate communication management, based upon the systemic approach. The model constitutes a useful framework for corporate reputation management. Particularly, the objective is the individualization of a set of drivers of the model, of structural or systemic nature, on which the organization can act in order to improve corporate reputation, above all in the situations of corporate crises. In these situations, the crisis communication and other specific actions are destined to safeguard corporate image and reputation.

We propose the following roadmap in order to give to the reader a clear understanding of the steps of our study:
- indication of the differences between corporate image and reputation;
- definition of a causal map of key influences on image and reputation;
- proposal of a model of corporate communication and reputation management based on the principles of the systemic approach;
- individualization of a set of drivers of the model for corporate communication management;
- selection of the specific drivers for corporate reputation management;
- control after the use of the drivers selected in some cases studies of crisis communication;
- critical analysis of the use of the drivers of corporate reputation management in the proposed cases studies.

The study ends with the conclusions and some open matters that allow presupposing possible future directions of research for the academics.

* Although the views expressed in the paper belong to all of the authors, the paragraphs 1, 2, 3, 4, 4.1 and 6 are attributed to Alfonso Siano (sianoalf@unisa.it), paragraphs 5 and 5.1 to Agostino Vollero (avollero@unisa.it), paragraph 5.2 to Mario Siglioccolo (msiglioccolo@unisa.it). For further information, please visit our website: http://www.scienzecom.unisa.it/Siano/index_en.htm.
2. Differences between corporate image and reputation and their key influences

In this paragraph, we analyse the differences\(^1\) between corporate image and reputation and their key influences and we present a causal map of key influences on image and reputation.

Corporate image represents how an organization is perceived by its stakeholders (WEI, 2002). Corporate image is not what a company presumes to be, but it is composed of the existing opinions (the feelings and the convictions) in the mind of the stakeholders (ABRATT and SHEE, 1989: 68; BERNSTEIN, 1984; ALESSANDRI, 2001). Unlike many authors, which use in a similar way the expressions corporate identity and corporate image, in our opinion it is essential to distinguish the meanings of these two expressions. This position allows affirming that the corporate identity is a presentation of the organization conceived at strategic level, with the purpose to develop a positive corporate image and corporate reputation (ALESSANDRI, 2001).

Not only the customers, but also the suppliers and the other stakeholders elaborate an image of the organization (HATCH and SCHULTZ, 1997). A company does not have a single image but a variety of images, since the perceptions of individuals are different and influenced by subjective elements. Moreover, the organization communicates with different stakeholders (BACCARANI and GOLINELLI, 1992). Therefore, corporate image can be considered as the resultant of the average of individuals’ perceptions. These stakeholders constitute the public of an organization and corporate image represents the expression of their diffused judgment.

Up to the eighties, the attention was dedicated to corporate image; from the nineties a great importance is progressively attributed to corporate brand and to corporate reputation; this increasing interest is in part consequent to the success achieved by the programs for the management of organizational crises (ARGENTI, 1997; BENNETT and KOTTASZ, 2000).

Another reason for such interest is that reputation represents a fundamental source of the competitive advantage and offers benefits to companies.

Nowadays, reputation is considered more and more a precious and decisive factor for the competitive advantage of the organizations and for its sustainability (GRANT, 1991; CRAMER and RUEFLI, 1994); in the Resource-Based View it is considered as a firm-specific resource, among the rarest and inimitable resources, slowly accumulated through the years, during the history of a firm\(^2\). The reputation, as the corporate culture and the interpersonal relations, represents in fact a phenomenon for its own nature socially complex, tied up to the specific history of an organization; as such, reputation represents a barrier to the imitation for the competing companies (BARNEY, 1986 and 1991; DIERICKX and COOL, 1989; AMIT and SCHOEMAKER, 1993).

A good reputation favours the collaboration and the loyalty of the stakeholders, with positive effects on the profitability and on the economic-financial performances of the organizations (RINDOVA and FOMBRUN, 1997; BENNETT and KOTTASZ, 2000; FOMBRUN and van RIEL, 2004). Reputation allows to economize the investments in advertising (for the smaller necessity of investments in communication), to attract customers and differentiate the company in comparison to the competitors. Moreover, reputation allows customer satisfaction; this consents to apply a premium price to the products or services of the organization, to achieve and to justify elevated margins, to select and satisfy organizational employees (it can attract and motivate the most valid managers). Reputation permits to develop advantageous relations with the proper investors (reputation lowers the cost of the capital, attracts investments and increases the value of market of the shares) and with the suppliers and the distributors (less concern on contractual risks) (SHAPIRO, 1983; PORTER, 1991; MCMILLAN and JOSHI, 1997; GREYSER, 1999; ROBERTS and DOWLING, 2002).

Besides, a good reputation can consolidate the relations with the public authorities, the media and the opinions leaders, who can influence the perceptions of the public opinion. Reputation strengthens, at long last, the ability to overcome moments of crises (MARKWICK and FILL, 1997). In conclusion, the maintenance of a positive reputation is translated in an improvement of the economic-financial, competitive and social results of the company in the long period (FOMBRUN and van RIEL, 2004).

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\(^1\) The contributions in marketing and corporate reputation literature are distinguishable in two schools of thought: the first one considers the reputation a synonym of the image, the second considers the reputation different from the image (BROMLEY, 1993; GOTSİ and WILSON, 2001). In our study, we prefer this last formulation.

\(^2\) The length of the times of constitution of corporate reputation is testified by investigations on the field (see, among the others, HALL, 1992). The long time of constitution of the reputation can be considered as a protection for the organization. The various classifications about corporate reputation and brand equity consider at the first places brands and organizations with a long history.
After specifying this, we now try to analyse the concept of reputation. The reputation of a company and of its products depends on the degree of respect and credibility that stakeholders have about an organization (FOMBRUN, 1996; FOMBRUN and van RIEL, 1997; WEISS, ANDERSON and MACINNIS, 1999; MAHON and WARTICK, 2003). Corporate reputation is the result of a shared judgment socially expressed by the stakeholders, which is based on the actions of the firm and its previous results and on its ability to satisfy the expectations and create value for the stakeholders (customers, shareholders, employees, suppliers, etc.) (BENNETT and KOTTASZ, 2000; FOMBRUN and van RIEL, 2004). The authorities of the institutional environment of affiliation (communities and local administrations) have to be considered among the stakeholders. Reputation is based, therefore, on fiduciary elements, considered as the cognitive antecedents of the brand equity (AAKER, 1991).

Unlike corporate image, which can be limited only to one episode of perception and refers to the way the stakeholders perceive the organization in a certain instant, corporate reputation represents the result of a series of perceptions along the time, and can be considered the result of a long period of time, which allows the stakeholders to know in depth the company and to evaluate its degree of respect (FILLIS, 2003).

In fact, when, in an exact instant, an individual comes into contact with a company (and/or with its products), he achieves an image of this organization through his own perception. Such situation is not enough to let the individual mature a judgment on the reputation of the organization, because of the limited time, that does not allow a serious assessment about the level of respect and credibility of the organization. It is only possible for the individual to achieve a “contingent” judgment of trust (in case of positive perception) or of mistrust (in case of negative perception) about an organization that, as such, has a temporary validity.

For a suitable judgment about reputation is needed a long time, during which the individual can have more contacts with the organization and accumulate more signs about corporate identity, manifested during the history of the organization. The reputation has, therefore, a historical nature, deriving from a subjective and collective evaluation on the reliability of an organization that is based, in the first place, on corporate performances (FOMBRUN and van RIEL, 1997). The reputation is more stable and durable in comparison to the image, since it derives on the signs expressed by an organization during its history.

The history of the organization favours the development of a good reputation when it reflects a stable image, consequential to the coherence of the leading choices operated from the organization and from its commitment during the time (MARKWICK and FILL, 1997). The organizational commitment represents the profuse, durable and binding perseverance that allows the organization to persist along a strategic run (GHEMAWAT, 1993: 3-20). In this way, the organization can consolidate its distinctive competences and the values in which believing.

The sequence of actions implemented by the organization represents corporate history. When an organization has a history of maintained promises and coherent choices during the time, the stakeholders are suited to think to a serious and continuous commitment from the organization, consequent to structural and well consolidate elements. From this point of view, the reputation represents the respect of the ability and the wish of the company to repeat its performances in a similar way over the time (HERBIG and MILEWICZ, 1995).

The commitment has fundamental implications; it is evident in the cases in which the relationship with the stakeholders is considered so remarkable to justify the maximum effort to maintain it (MORGAN and HUNT, 1994). The commitment involves the desire to build a stable relationship and the availability to bear also some sacrifices in the brief period, in order to consolidate the relationship in the long period, trusting on the durability of the relationship.

With regard to reputation, the stakeholders mature a “consolidated” judgment of trust (in case of positive perception) or of mistrust (in case of negative perception) towards a company. Consolidated trust favours the loyalty and the cooperation of the stakeholders towards the organization.

Therefore, reputation is rooted in consistent aspects, deep and consolidated, with particular reference to the behaviours of the organization (HERBIG and MILEWICZ, 1995). Unlike image, which can relatively be altered in brief times, the judgement about reputation is so consolidated that it can not easily be modifiable.

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3 The predictability of the organizational behaviour represents one of the fundamental elements from which the trust derives. This element is connected to the perception of organizational competences in doing its own activities in effective and reliable way and to the perception of organizational motivations to produce the results attended by its stakeholders. The “strong” trust implies the elevated ability to reach results and the positive motivation of the counterpart to do the best in the relationship (ANDALEEB, 1992; GANESAN, 1994; MAYER, DAVIS and SCHOORMAN, 1995).

4 “[…] commitment is defined as an enduring desire to maintain a valued relationship” (MORGAN and HUNT 1994).
Despite some stories can negatively influence the evaluation of the degree of reputation from the stakeholders (MARKWICK and FILL, 1997). In fact, empirical studies show that even when individuals receive a piece of negative information about an organization, they do not usually change their assessment about corporate reputation (WARTICK, 1992). The greater the stability of the judgment of respect and credibility about an organization, the smaller the negative impact on reputation, consequential to possible accidents (among which the defectiveness of product or the sabotages). The companies with a strong reputation are more able to face and overcome crises that would destroy weaker organizations (FOMBRUN, 1997). Therefore, together with the exploitation programs of the corporate identity, also the organizational performances and the behaviors of the company must be considered among the key influences on corporate image and reputation.

Image and reputation are, in fact, multidimensional issues, since they are determined or influenced by several variables; therefore, a single indicator cannot reflect adequately corporate image and reputation (DOWLING, 2001).

The variables that determine image and reputation and the determinants of contingent trust (and mistrust) and consolidated are various. The key influences are pointed out in figure 1.

The first and more important determinant to consider is represented by the direct experience of the products from the consumers; it is from the empirical sources that the stakeholders receive the most punctual and reliable signals about the way a company operates, as such, signals are not mediated by other subjects. Products and services constitute reputation dimensions in the calculation of the “Reputation Quotient” (FOMBRUN, GARDBERG, and SEVER, 2000; FOMBRUN and van RIEL, 2004).

It must be specified that direct experience does not exclusively refer to the quality of the product and to the consumers but also to other organizational performances and to other stakeholders. For instance, the economic results (revenue, dividends, patrimonial solidity, etc.) achieved by a company are fundamental elements to determine the image and the reputation of the organization developed by investors (shareholders, bondholders, banks). In fact, the financial performances of the company are also considered among the dimensions of the estimated reputation quotient (FOMBRUN, GARDBERG, and SEVER, 2000; FOMBRUN and van RIEL, 2004). The quotient also considers the workplace environment, which expresses a corporate performance that assumes importance to corporate image and reputation for both the external stakeholders and the organizational members. Among the endogenous key influences on corporate reputation, a clear vision for the future and the market leadership of the company can affect positively stakeholder’s perceptions.

The word of mouth represents another factor considered very important by the stakeholders. As a modality of spontaneous communication, the word of mouth does not have the persuasive nature of planned communication implemented by the organization (advertising, promotion, public relations, etc.). The word of mouth is concretised in the information interchange among two or more individuals (mainly consumers), which can positively or negatively influence the perception that these individuals have of the company or of its products.

After the direct experience and the word of mouth, the stakeholders can also generate an idea of the company appraising the behaviors implemented by the organization or its members, which represent unplanned communication. We do not only allude to the front-office behaviors but to the organization in its totality. Ethical and socially responsible conducts, testified by concrete and tangible initiatives (investments in echo-compatible productive, traceability of raw materials, information to consumers about the correct use of products in respect of the demands of environmental sustainability, ethical code and social balance, etc.) are perceived by the public opinion as behavior that can enhance corporate image and reputation over time.

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5 FOMBRUN and van RIEL (2004) argue that crisis costs are one way to estimate reputation.

6 In literature, several studies have tried to identify the factors able to determine image and reputation (BERNSTEIN, 1984: 71; MARKWICK and FILL, 1997; ARGENTI, 1997).

7 The Reputation Quotient represents a tool of measurement (and of monitoring) of corporate reputation, which allows a good diachronic and synchronic comparability (among companies). The measurement is based on the judgment expressed by representative individuals of different categories of stakeholders: customers, investors, employees, etc.

8 Unplanned communication refers to what “[…] employees say, how they say it, how they behave, how […] physical resources look like […]” (GRÖNROOS, 2000a: 264). The physical resources include products, packaging, corporate means of transport, etc. According to GRÖNROOS (2000b), there are two types of communication messages: planned (e.g. mass communication, brochures, direct response, etc.) and unplanned (word of mouth referrals, gossip, internet chatgroups, etc.). Unplanned communication can be considered as contingent, spontaneous, not perfectly and totally planned.
Fig. 1 - The causal map of key influences on corporate image and reputation

[Diagram showing the causal map of key influences on corporate image and reputation, with arrows indicating positive and negative perceptions, contingent mistrust, contingent trust, consolidated mistrust, consolidated trust, emotional appeal, and loyalty and collaboration.]

Legend:
- = determinants of corporate image and reputation
- = effects consequent to the action of the determinants
For this reason, reputation quotient considers among the dimensions of the reputation the social and environmental responsibility of the company\(^9\) (FOMBRUN, GARDBERG and SEVER, 2000; FOMBRUN and van RIJEL, 2004). As previously observed, the behaviors of the company appreciated by the stakeholders are based upon the commitment and provide trust towards the organization (MORGAN and HUNT, 1994). In particular, in the situations in which the stakeholders notice the existence of opportunism, they are not induced to develop a good image of company (BACCARANI and GOLINELLI, 2006); generally, we can affirm that there is an inverse relationship between the opportunistic behaviors and the level of image and reputation (MARTIN, 1991).

The news communicated by the mass media, which are about the behavior of the organization, have the ability to influence corporate image and reputation. The stakeholders attribute a certain level of credibility to this modality of communication since the informative flows activated by mass media are not directly manageable by the company. An organization can influence the messages communicated by the media only developing suitable relations with media, through initiatives of publicity, press conferences and press releases. These actions have the purpose to provide to journalists elements about the life of the organization that capture the attention and the interest of such persons and induce them to write editorials destined to practice a positive impact on the stakeholders, through the public relations (BLAND, WRAGG and THEAKER, 1996).

When a message is directly defined by the company, the influence on corporate image and reputation derives from the information spread by the organization (e.g. newsletters to shareholders), from advertising and promotional investments (radio and TV spots, head-line and body-copy on newspapers and magazines, banner on web sites, leaflets and brochures, etc., which create brand awareness) and from the perceived degree of corporate communication transparency.

The transparency and the truthfulness of corporate communication represent some features of the effective communication that can improve reputation (FOMBRUN and van RIJEL, 2004). The communication is perceived as transparent when it allows the stakeholders to recognize the real identity of the organization - expressed by organizational operations (organizational routines) - and the true intentions of corporate executives, reducing to the least the discrepancy between reality and mere appearance (SIANO, 2001 and 2002a). All things being equal, the collaboration and the loyalty of the stakeholders, consequent to a favourable reputation, allow the perception of transparency of corporate communication. The orientation to transparency aims to let stakeholders know what the organization really is and represents the alternative to the traditional orientation to image (INVERNIZZI, 1996). The capabilities of the governance group (and not only the frequency of communication activities) can show, above all, the real identity of the organization and develop reputation (BICKERTON, 2000).

Besides the transparency, the other roots of corporate reputation (as indicated in figure 1) are the visibility, the distinctiveness (obtained if communication is memorable and allows the differentiation in comparison to the competitors), the consistency in the time and in the space and the authenticity (that is the absolute honesty in all interactions with stakeholders) (FOMBRUN and van RIJEL, 2004). The last two elements (consistency and authenticity), suggested by the Authors, are related to the past actions (corporate history) and to the capability of the company in order to maintain promises and make coherent decisions during the time (commitment). The actions and communications around a core theme represent typical examples of company commitment.

As specified in the figure 1, the perception of emotional appeal of corporate communication is influenced positively from the consolidated trust that stakeholders have about a company. The emotional appeal also refers to the stakeholders’ feelings of respect and liking for the company.

The actions implemented from the competitors represent other elements affecting corporate image and reputation. The competitors can determine image and reputation through comparative advertising, based on the comparison of products of different firms, in order to influence the judgments and the evaluation of the people that receive the message. A competitor that points out the qualities of its products, together with the limits and weaknesses of the products of another company, can involve a worsening of the image and the reputation of this last. Key influences exogenous to the organization, as the actions of the competitors, the actions of people external to the company, media coverage (besides media relations activated by company) and the word of mouth, show how other companies and pressure groups can influence corporate image and reputation (DOWLING, 1993; MARKWICK and FILL, 1997).

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\(^9\) The vision and the leadership, considered by the reputation quotient, are also expressions of the behavior of the organization, although referable to the corporate executives (FOMBRUN, GARDBERG and SEVER, 2000).
3. Governance-Structure-System: a model of corporate communication and reputation management

In this paragraph, we propose a model of corporate communication management (SIANO, VOLLERO and SIGLIOCCOLO, 2007). The use of the model allows the analysis, the planning and the control of the results of corporate communication activities (above all in terms of corporate reputation) and their improvement.

Fig. 2 - The GSS model for corporate communication management
The model of corporate communication management is based on the principles of the systemic-vital approach (GOLINELLI, 2000), which proposes a clear distinction among static (structural) and dynamic (systemic) elements of communication (SIANO, 2004) and considers the company as a system in which the role of decision-making and the operations are distinguishable. Such approach individualizes a set of supra-systems in the environment of reference that interact with the organization and a set of sub-systems, which compose the company (GOLINELLI, 2000 and 2002; BARILE, 2006).

The model is based on the following factors and on the relationships between them (see fig. 2):
- the governance group, which is composed of the members who carry out the decision-making process and the planning and the control of the results (included the corporate communication results). Governance group can be considered a systemic factor, since the members who compose it interact in order to perform their actions of decision and control;
- the organizational operations, or rather the processes (organizational routine) that allow the daily functions of a company. The organizational operations represent dynamic phenomena. As such, they represent systemic factors that produce, generally, unplanned communication, that is perceived by the external stakeholders, above all through the interaction with the front-office members;
- the internal structure of communication, composed of structural elements of communication that are internal to the organization, selected through decisions of equipment assumed by the governance group;
- the supra-system of communication and of consulting: the consultants from various fields belong to this supra-system. Within this system, it is possible to individualize and map the structural elements of communication external to the organization, which are placed in the external structure of communication;
- other supra-systems, in which the various stakeholders act. The stakeholders can be considered as the receivers of corporate communication;
- the system of communication, represented by the totality of corporate communication flows, through which the company communicates its messages to the stakeholders.

Considered the factors that compose the model, we will use the expression “governance-structure-system” to denominate the proposed model, which we will point out with the acronym “GSS” for brevity. In the following paragraphs, we will analyse, in detail, such factors and we will underline the relationships (of different nature) that intervene between them.

The governance group

The governance group is the decision-maker about corporate strategy and corporate communication activities. The governance group is made up of a plurality of individuals: the C.E.O., the General Manager (Chief Operating Officer), the managers of the specific operations (responsible of the sub-systems of production, marketing, research & development, logistics, etc.) and the consultants. With regard to corporate communication decisions, in fact, the contributions of a plurality of individuals are inevitable in order to achieve good communication results. The components of the governance group interact to individualize and appraise the options and to assume the strategic and operational decisions, which typically regard the composition of corporate structural factors of communication, the determination of a communication budget, the selection of a communication-mix, etc.

The concept of governance group for corporate communication derives from an assumption widely recognized in literature, that suggests for the larger companies the constitution of a unique central corporate decision-maker (corporate coordinating body), composed of several managers, positioned at the highest level of organizational hierarchy (van RIEL, 1995; ARGENTI, 1998; DOLPHIN, 1999; TIXIER, 1999). Empirical evidences confirm such consideration (KORVER and van RULER, 2003). Such decision-maker aims to coordinate and integrate the decisions about corporate communication, to generate synergies and to guarantee the coherence in the management of the corporate image, avoiding the inconvenient caused by the fragmentation of the communication (van RIEL, 1995; CORNELISSEN, LOCK and GARDNER, 2001).

To decide the best for the organization, the governance group appraises the results of corporate communication activities through the measurement of these activities, above all for what concerns the corporate image and the corporate reputation (DOWNS, 1988; FOMBRUN, GARDBERG and SEVER, 2000; ADRIAN and DOWNS, 2004). The measurement and the evaluation of the communication results allow the governance group to receive precious informative feedbacks for the individualization of the possible corrective actions, in order to eliminate inadequacies and distortions and improve corporate image and reputation. A company can achieve such result by acting on a set of drivers, as we describe in the final part of this article.
Thanks to plan decisions, the governance group creates a planned communication, which involves the use of some predetermined non-personal channels (traditional mass media, internet, mail, etc.) and messages (radio-television spot, advertising messages on press, newsletter, etc.). The contents of these messages are repeatable on the selected channels without any limit.

In the evaluations that determine the decisions of the governance group about messages and communication mix, a fundamental aspect is represented by the compatibility of the choices of the channels (and of the relative costs to sustain for their use) in comparison to the budget decided to carry out corporate communication activities.

It has to be specified that the behaviours of governance group members, perceivable from the external stakeholders, represent unplanned communication. This circumstance happens, for example, when a journalist interviews corporate C.E.O.\textsuperscript{10}; the contents of this interview are then diffused through the press, the radio or the television. Consequently, such behaviour expresses a component of the corporate identity. The behaviour of organizational members, engaged in the organizational operations, expresses the remaining component of the corporate identity.

Alike the other members of a company, the behaviour of some exponents of the governance group derives from corporate culture - we refer there, typically, to C.E.O. and to managers -. For this reason, the behaviour of these members is an expression of corporate personality.

**Organizational operations**

The various operations (productive, logistic, marketing, research & development activities, etc.) represent the corporate processes through which the strategic formulation, defined by the governance group, is implemented.

According to systemic perspective, the operations assume importance for communication activities. Within the operations are developed, in fact, the behaviour of the organization and its members, which represent flows of unplanned communication, perceived by the external stakeholders. For this motive, the operations belong to the system of communication. The behaviour of organizational members represents a component of the corporate identity (BIRKIGT and STADLER, 1986; OLINS, 1990; van RIEL, 1995).

The operations activate additional communicative flows and, somehow, they belong to the system of communication of the company. When internal communication is activated, the members of the organization constitute the public that receives the communication.

The operations represent the fundamental component of the corporate personality (FILL, 1999: 563; BERNSTEIN, 1984; ABRATT and SHEE, 1989; van RIEL, 1995), since they express the distinctive (or firm-specific) features of the organization: the corporate culture (DEAL and KENNEDY, 1982; DAVIS, 1984; SCHEIN, 1999) and the distinctive competences (SELMICK, 1957).

The corporate culture is constituted by the values, principles, beliefs, lived and shared by the organizational members and by the diffused convictions that give a meaning to what the organizational members do; the elements of the corporate culture provide to organizational members the rules (the guiding beliefs\textsuperscript{11}). These rules regulate the behaviour of the members and their relationships with the external stakeholders (DEAL and KENNEDY, 1982; DAVIS, 1984; SCHEIN, 1999). Since corporate culture is the source of the behaviours and of the operational processes (routines), it influences in a decisive way the development of the distinctive competences, which express the firm-specific know-how (SELMICK, 1957; SIANO, 2001; GOLINELLI, 2002).

The corporate culture and the distinctive competences derive from the unrepeatable history of a firm\textsuperscript{12} and are determined by the path-dependency\textsuperscript{13}. Since it derives from specific factors of context, the corporate culture and the distinctive competences are barely imitable from competitors.

\textsuperscript{10} It must be specified that, even if its scheduling is planned, an interview is unplanned in its contents, emerging from face-to-face discussion.

\textsuperscript{11} The guiding beliefs (declared values), that express the strategic culture defined by the governance group, become daily beliefs and create daily culture (rites and rituals, etc.) - which represent the diffused culture within the organization, based on tacit shared premises - when they are actually experienced in the daily behaviours of the organizational members (DEAL and KENNEDY, 1982; DAVIS, 1984: 1-3; SCHEIN, 1999: 26-30).

\textsuperscript{12} The historical events are “...unrepeatable, since they are tied to their concrete context, to the endless determinations that make them part of a unique historical phenomenology, not repeatable in any other place and in any other moment”. (DI BERNARDO and RULLANI, 1990: 348). Such conception finds a fundamental point of reference in the contribution of SARACENO (1978).
The internal structure of communication

The structural elements of communication inside the organization (the visual identity and the corporate channels) represent the starting point for the corporate communication activities, since they can be considered as components of the “tool-box” for the various possible communication activities. The organization requires these components to implement its communication activities. For this reason, the governance group of an organization constitutes a set of structural elements of communication internal to the organization, characterized by specific features. In a specific time t, the inside structure of communication is the resultant of decisions of structural equipment assumed by the governance group.

The internal structure of communication does not have to be confused with the operations, even if both can be considered as corporate factors. The inside structure of communication represents the set of corporate elements usable by an organization for its communicative activities, while the operations are the processes implemented by the organization and, as such, they have systemic (dynamic) nature.

The elements of visual identity (or symbolism) used by the organization represent the “house style” and they are encoded in the visual identity manual, which is the corporate identity basic tool. The symbolic elements have the function to make identifiable and recognizable the company and its products to the stakeholders (BIRKIGT and STADLER, 1986; FILL, 1999; BERNSTEIN, 1984; ABRATT and SHEE, 1989). The fundamental element of the visual identity is the brand (distinguished in corporate brand and product brand).

At a structural level, the governance group not only equips the organization with visual codes of representation, but also with corporate channels, to communicate to the inside (house magazine, intranet, multimedia stands, etc.) and to the outside (letterhead, brochure, annual report, web site, front-office, etc.) of the organization. For its nature, the front-office members represent a corporate mean of communication with peculiar features; they can communicate both verbally and not verbally (gestural expressiveness, proxemics, paralinguistic).

After the constitution of a set of elements that compose the structure of communication, the governance group can use them to formulate the communication plan of the organization. In the messages, the governance group uses the brand to communicate to stakeholders the symbol of recognisability of the organization; the internal channels are used to complete the set of corporate communication channels, which are added to those outside, available in the supra-system of communication.

The supra-system of communication and of consulting

The structural elements of communication external to the organization are present in the supra-system of communication. From this supra-system, the firm can buy spaces of communication on extra-corporate channels, services from suppliers of the sector, the image of particular opinion leader, in order to answer to its own needs of communication.

More in detail, the supra-system of communication is composed of the following structural elements (COLLESEI and RAVÀ, 2004):

- the non-corporate channels of communication (traditional mass media, mail, internet, telephone, etc.);
- the opinion leaders (journalists, columnists, testimonials, experts, etc.);
- the suppliers of communication services: providers, infomediaries, press agencies and consultants (advertising agencies, which are composed of accounts, creatives, copywriters, art directors, designers, etc.).

13 The natural tendency to the inertia of the organizations is justified by the path dependency (the dependence of the path followed by the firm), especially in technological field, tied up to strategic choices made in the past. The path dependency makes possible the accumulation of resources and productive factors, inside a well-defined specific trajectory of technological change, using inertial strengths (DOSI, 1982; TEECE, PISANO and SHUEN, 1997). Such trajectory is destined to evolve in incremental way (cumulative) because of the determinism, in comparison to the initial conditions, to create a natural trajectory. (NELSON and WINTER, 1982: 258). Some authors observe: “Where a firm can go is a function of its current position and the paths ahead. Its current position is often shaped by the path it has travelled. […] Bygones are bygones. […] The notion of path dependencies recognizes that “history matters”. […] Thus a firm’s previous investments and its repertoire of routines (its “history”) constrain its future behaviour. This follows because learning tends to be local” (TEECE, PISANO and SHUEN, 1997: 522-523). In this perspective, corporate history determines the future evolution of the same entrepreneurial organization (DIERICKX and COOL, 1989; RUMELT, 1984: 558).
We consider such elements in the external structure of communication, as expression of the structural equipment of the supra-system of communication.

In this supra-system there are the consultants of several fields, besides the communication sector (marketing, strategic management, lawyers, accountants, etc.).

*Other supra-systems*

Besides the supra-system of communication, other supra-systems are considered as factors of our model of corporate communication management. We refer to the supra-systems in which act the various stakeholders that receive the corporate communication: the supra-system of the consumption (customers), the financial supra-system (shareholders, bondholders, and banks), the supra-system of the supply (suppliers) and the distribution (distributors), the supra-system of the public administrations (national and local government), etc.

*The system of communication*

The last factor of the model (the system of communication) represents the totality of the flows (planned or unplanned, according to the cases, underlined in the figure 2) that make possible the process of corporate communication and the interaction with a multiplicity of individuals.

Through the process of communication, the firm conveys the textual, symbolic and factual elements of the organization, communicating to its internal and external stakeholders. The system of communication has a dynamic nature, unlike the structure of communication, which has, instead, a static nature. The structure of communication is constituted of a set of elements that can be noticed and catalogued at a certain moment; these elements can also be object of planning. The relationship between these two factors consists in the fact that the system of communication derives from the implementation of the structural elements of communication, both inside and outside the organization.

The textual and symbolic elements are communicated through a planned communication, effected through the choices of the governance group. The factual elements, expressed by the behaviour of the governance group and of the organizational members, represent unplanned communication, characterized, instead by a varying degree of spontaneity. The stakeholders receive such type of communication through various types of contact with the organization:

- through the front-office (sales and post-sales personnel), with the call centre representatives, etc. (direct contact);
- through the products, experienced at the act of their use (direct experience in the use of the products);
- through the editorials on the media (newspapers, magazines, radio-television), proposed or less by the organization (indirect contact);
- through the word of mouth and the actions of the competitors, which can describe the behaviour of the organization (indirect contact).

The perception of the contents of the planned messages (together with the direct experience of the products, the perception of the behaviour of the members of the company and the information concerning the organization communicated by other sources external to the firm) allows the stakeholders to create an image of the organization (corporate image) and of its products (product brand image). In a long time, these factors allow stakeholders to have an idea about the level of reputation of the firm (corporate reputation and brand reputation).

*The bonds among the elements of the model*

In our model of corporate communication management, the greatest number of bonds regards the governance group, which, as can also be seen by the figure 2, is set in connection with the other factors.

A first bond exists with the inside structure of communication and is constituted by the decisions of structural equipment regarding the elements of communication of corporate derivation, assumed by the governance group (indicated in the figure with the letter “d”).
The governance group, from time to time, according to its needs of communication, can select and use the visual elements and the suitable channels to define corporate communication plan. Communication plan, as said earlier, is previously predisposed by the governance group within the structure of communication. To reach these objectives, the governance group selects and uses, according to its requirements, the structural elements of communication external to the organization (this operation also is pointed out with the letter “u”), present in the supra-system of communication. With these elements, the governance group has a double bond.

Some bonds exist, obviously, also among the governance group and the operations developed within the organization, since these two contexts strongly interact for the good operating of the firm. In the firms of big dimensions, the interaction happens, typically, based on a two-way flow of planned communication, regulated by determined procedures, which concern the use of specific channels and shared format of message. The governance group transfers to the employees assigned to organizational operations the information to implement the guiding beliefs and the corporate strategy, in order to reach the strategic objectives and the realization of the mission of the organization. The employees assigned to the operations offer to the governance group precious informative feedbacks for the correct assumption of strategic decisions.

A bond also exists among the governance group and the various stakeholders that belong to different supra-systems and receive the messages. This bond is based upon flows of planned communication (e.g. deriving from an advertising campaign) and unplanned communication (as said earlier, on an interview granted by the C.E.O. to a journalist).

The stakeholders are also in communication with the employees assigned to the operations. The behaviour of the organization is perceived by its external stakeholders as unplanned communication every time that they have a direct (through the use of the products and the interaction with the front-office) and indirect (through news on the media and the word of mouth) contact with the firm, as observed in precedence. Through the front-office, the governance group can have informative flows of return (feedbacks) about the results achieved by the implemented communication activities.

A bond can finally be individualized also between the organizational operations and the internal structure of communication. The organizational operations exercise on such structure an action of influence, in terms of bonds and opportunities, through corporate culture values. The system of values expressed by the corporate culture is destined to influence the symbolic elements contained in the inside structure communication and, above all, the corporate brand. Such elements, to be faithfully evocative, must reflect distinctive aspects of the real identity of the organization. Corporate identity finds in the corporate culture the most meaningful and qualifying elements. The more numerous the distinctive cultural factors, the greater the opportunities for the effective creation of a brand, which allows the transparency, the recognisability and the differentiation of the firm in comparison to the brands of the competitors.

4. The drivers for corporate communication management

The suitable perception of the brand by the stakeholders and, therefore, the creation of a favourable corporate image and corporate reputation represent the final objective of the corporate communication. The recovery of a negative image and reputation (or the positive consolidation of image and reputation) implies an action of control through the measurement and the evaluation of the results of communication activities. Such evaluation can consent the individualization of the appropriate corrective actions, which allow a process of improvement of the corporate communications, destined to improve corporate image and reputation. The process follows three stages:
- a survey of the critical elements that produce inadequacies and problems to corporate communication;
- a selection of the factor of the GSS model in which any elements of inadequacy is noticeable;
- an individualization of the drivers on which the governance group can act to introduce the corrective actions for the improvement of corporate image and the development of corporate reputation. According to the problem noticed in the stage of control of the results, the drivers allow interventions of adjustment. The selected drivers can offer the adequate solution to the problem, since they have an impact, direct or indirect, on the interested factors of corporate communication, and they can improve its results.
Generally, in order to improve the results of the corporate communication it is possible to act, for each factor (F) of the GSS model, on the following drivers (see fig. 3):

- drivers for the solution of problems of inadequacy consequent to the decisions and/or the behaviour of the governance group factor (F.1):
  - D.1 - vision and leadership;
- D.2 - behaviour of governance group members (social responsibility);
- D.3 - planning (strategic plan, financial plan, marketing plan, communication plan);
- D.4 - monitoring (measurement and evaluation of corporate communication results);

- drivers for the solution of problems of inadequacy consequent to the features of the organizational operations (F.2):
  - D.5 - corporate culture (workplace environment);
  - D.6 - distinctive competences of the organization;

- drivers for the solution of problems of inadequacy consequent to the equipment of the internal structure of communication (F.3):
  - D.7 - symbolism (visual identity);
  - D.8 - corporate channels of communication, internal to the organization;

- driver for the solution of problems of inadequacy consequent to the operating of the communication system (F.4):
  - D.9 - inside flows of communication:
    - vertical (among the governance group and the sub-systems);
    - horizontal (among the members assigned to organizational operations);
  - D.10 - implementation of the communication plan.

It has to be specified that the ten individualized drivers refer only to the factors of the model, which are endogenous to a firm. The governance group can manage these factors, although they have a varying degree of change. Governance group cannot directly manage the supra-system of communication and the other supra-systems, since they are exogenous factors.

It must also be explained that the factors of the model, which manifest a determined critical state, do not necessarily represent the source of the inadequacy of the communication, and a solution could be given acting on other drivers. In some cases, the source must be found in previous actions implemented by the governance group. For instance, the possible inadequacy of the actual visual identity of the firm (which is manifest in the structure of communication) is attributable to the decisions of structural equipment decided in the past by the governance group. In such cases, the corrective actions that the model suggests are based upon the assumption that drivers act because of the bonds existing among the factors of the model.

A last specification concerns the combined use of the drivers. In order to correct the critical states, it could be essential to act on more drivers. To individualize more drivers at the same time, it is useful the analysis and the understanding of the bonds among the factors of the model, and therefore of the various cause-effect relationships on which corporate communication is based.

4.1. The drivers for corporate reputation management

In the table 1, we individualize the drivers through which it is possible to act on corporate (endogenous) key influences affecting corporate reputation. As it can be noticed, they only refer to some factors of the GSS model and, in particular, to governance group and to organizational operations. These are the only two factors of the model that can make decisions and express behaviours destined to influence in a significant way the degree of respect and credibility of the firm.

The internal structure of communication and the system of communication do not have to be considered among the main specific factors suitable to develop corporate reputation. Such factors of the model express drivers whose use is destined, above all, to improve generally the effectiveness and the efficiency of the corporate communication. The improvement of the implementation of communication plan or the addition of a new corporate channel represent, for instance, actions that usually do not have a decisive impact on corporate reputation. On the other hand, a change in the corporate logo can influence corporate image but this modification does not represent a decisive action to improve corporate reputation. Such action can be useful on
condition that it is associated with changes of the durable elements of the organization (corporate culture, distinctive competences, behaviours, etc.), which can be traced back to the systemic factors of our model.

The indicators in the table 1 point out that, using specific drivers it is possible to act on the corporate key influences, which can affect corporate reputation.

### Tab. 1 - The drivers of the GSS model which act on corporate key influences affecting corporate reputation

<table>
<thead>
<tr>
<th>Drivers of the GSS model</th>
<th>Corporate (endogenous) key influences on corporate reputation</th>
</tr>
</thead>
<tbody>
<tr>
<td>D.3 (F.1) - planning (communication plan)</td>
<td>- public relations</td>
</tr>
<tr>
<td>D.4 (F.1) - monitoring</td>
<td>- media relations</td>
</tr>
<tr>
<td></td>
<td>- investor relations</td>
</tr>
<tr>
<td></td>
<td>- advertising</td>
</tr>
<tr>
<td></td>
<td>- actions and communications around a core theme</td>
</tr>
<tr>
<td>D.1 (F.1) - vision &amp; leadership of governance group members</td>
<td>- vision for the future</td>
</tr>
<tr>
<td></td>
<td>- market leadership</td>
</tr>
<tr>
<td>D.2 (F.1) - behaviour of governance group members</td>
<td>- behaviour of the organization and of its members (social responsibility)</td>
</tr>
<tr>
<td>D.5 (F.2) - corporate culture</td>
<td>- information available broadly about company</td>
</tr>
<tr>
<td>D.5 (F.1) - corporate culture</td>
<td>- workplace environment</td>
</tr>
<tr>
<td>D.6 (F.2) - distinctive competences</td>
<td>- organizational performance (products &amp; services, financial performances)</td>
</tr>
</tbody>
</table>

Before ending the present paragraph, it is useful to formulate two specifications. The first concerns the meaning of “the adequate behaviour of governance group members”. In crises situations, such behaviour, to be considered socially responsible, requires the promptness of the actions, the assumption of responsibility, the transparency of communications, the individualization and the implementation of proper actions. In a different way, “[…] poor management, unethical practices, a lack of engagement with customers and other stakeholders, indifferent or aggressive performances by CEOs and lack of preparedness for crisis communication severely or terminally affected […]” companies that badly handled the crisis (WATSON, 2006). Such inadequate conducts show myopia of the decision maker in managing crises (PICIOCCHI, 2003).

The second concerns the crises caused by key influences external to the organization. The sabotage represents the typical example. Also in such case, it is required the use of some individualized drivers related to the behaviour of governance group members, the planning, the distinctive comp, the monitoring.

### 5. Some cases studies of crisis communication

In order to test the utility of the drivers on which an organization can operate for the management of its reputation, we individualized some case studies of company crises. These cases are explanatory of the ability of the drivers, usable to manage the crisis and to guarantee the recovery and the development of the reputation. In other terms, the present study aims to understand if the drivers individualized by the model have shown a favourable impact on the reputation of organizations, which faced crises in the past. Each individualized driver has been related to one of the three different types of crisis (defectiveness of the product, non-ethical behaviour and sabotage). Subsequently, we verified if these drivers have been used from the organizations and their effects on corporate reputation.

We selected a plurality of cases (multiple-case design) according to logic of information richness (PATTON, 230: 2001) and of replication (YIN, 2003) of the situations, with the purpose to strengthen the possible causal connections between the crises of organizations and the actions taken by the companies for the solutions. We picked both successful and unsuccessful cases of crisis management, in order to investigate the causal links both for similarity of results and for opposite results (YIN, 2003; PERRY, 1998). The elevated number of case studies selected (16) aims to analyse a large number of homogeneous situations, in order to

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14 The Authors respectively define these logics of selection of the case studies as “literal replication” (“predicts similar results for predictable reasons”) and “theoretical replication” (“produces contrary results for predictable reasons”) (PERRY, 792: 1998).
create redundancy\textsuperscript{15}. The data collection has been conducted with desk sources (specialist literature, newspaper articles, business documents, internet sites). Where possible, we considered for each case different sources for collecting the information, in order to verify their accuracy.

We are aware that the limitations of our study consist both in the impossibility to reach results characterized by general validity, and in the difficulties to create an accurate triangulation of the data with different sources, essential to increase the reliability of the investigation. In some cases, in fact, we did not succeed in having an accurate description of the actions taken by the organizations for the management and the overcoming of crisis\textsuperscript{16}.

In the analysis, we tried to consider all the empirical evidences and to make explicit the most meaningful features in order to point out, for any case study proposed, (see tables 1 and 2):

- the type of crisis;
- the drivers of the model considered suitable for the management of the crisis and the recovery of the corporate reputation;
- the drivers actually used by the company in the management and in the overcoming of the crisis;
- the factors of the GSS model involved.

Each case is introduced with a description of the main features (among which the type of crisis); subsequently, we describe the actions taken by the company to face the crisis. Moreover, we verified if the drivers chosen by the organization match the drivers suggested by our model and the positive/negative implications of the chosen drivers on corporate reputation.

A first set of studies concerns the crises (8) caused by defectiveness of the product, a second set (8) concerns the other two types of crisis.

\subsection*{5.1. Company crises related to faulty product/service}

In the first set of proposed cases, company crises derive from defects of production process. The product also represents a channel of corporate communication: since it is an expression of corporate performances that customers can evaluate through a direct experience of consumption, the product can also develop unplanned communication and affect the perception of the external stakeholders. Therefore, the crisis of product is an unfavourable situation for the corporate reputation and it requires corrective actions concerning (tab. 2):

- the behaviour of governance group members, that has to assume responsibility of product defects and to quickly communicate the possible risks for consumers health;
- the crisis planning. Above all, the planning refers to recall campaign and communication actions addressed to company stakeholders, in order to reassure them about its ability to solve the occurred problems. Particularly, the plan of crisis communication is used to guarantee immediate and accurate answers, with messages based upon a transparent communication, destined to preserve corporate reputation;
- the direct activation of monitoring actions, taken to evaluate and measure the effects of the crisis on corporate image and reputation;
- the control and development of distinctive competences, designed to improve corporate performances.

\textsuperscript{15} Gummesson affirms that in the case study research, “The sample is [...] preferably be guided by saturation, the point where no or little new information is added.” (GUMMRESSON, 322: 2005). The information redundancy drawn by the cases should favour the attainment of the “saturation point”.

\textsuperscript{16} Particularly it has been difficult to collect information on the activity of monitoring of corporate reputation (suitable with the driver D.4), in the phases following immediately the burst of the crisis. Such driver has not been considered to the aims of the analysis of cases, except the Parmalat case, in relationship to which precise information are available.
### Tab. 2 - Company crises related to faulty product/service

<table>
<thead>
<tr>
<th>Types of crises</th>
<th>Drivers individualized by the GSS model to manage and overcome crisis</th>
<th>Case studies</th>
<th>Drivers actually used by the companies</th>
<th>Factors of the GSS model</th>
</tr>
</thead>
<tbody>
<tr>
<td>Faultiness of product/service</td>
<td>D.2 - behaviour (social responsibility) &lt;br&gt; D.3 - planning &lt;br&gt; D.4 - monitoring &lt;br&gt; D.6 - distinctive competences</td>
<td>Mercedes-Benz (cars)</td>
<td>D.3 - planning &lt;br&gt; D.6 - distinctive competences</td>
<td>F.1 - governance group &lt;br&gt; F.2 - organizational operations</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tetra Pak (food wrappings)</td>
<td>D.3 - planning &lt;br&gt; D.6 - distinctive competences</td>
<td>F.1 - governance group &lt;br&gt; F.2 - organizational operations</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Moulinex (domestic appliances)</td>
<td>D.2 - behaviour (social responsibility) &lt;br&gt; D.3 - planning &lt;br&gt; D.6 - distinctive competences</td>
<td>F.1 - governance group &lt;br&gt; F.2 - organizational operations</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Coca Cola (beverages)</td>
<td>D.6 - distinctive competences</td>
<td>F.2 - organizational operations</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Intel (PC processors)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Levi's (clothing)</td>
<td>D.2 - behaviour (social responsibility) &lt;br&gt; D.3 - planning &lt;br&gt; D.6 - distinctive competences</td>
<td>F.1 - governance group &lt;br&gt; F.2 - organizational operations</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Perrier (mineral waters)</td>
<td>D.3 - planning</td>
<td>F.1 - governance group</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SEA (airports management)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

In October 1997, the Mercedes-Benz marketed a new car: the A-Class. Through a careful advertising campaign lasted 18 months, the company tried to present the car as a myth, representing the values of high quality, comfort, safety and reliability typical of the Mercedes brand. Four days after the launch, the A Class showed problems of stability and safety: the car overturned during the execution of the “elk test”, organized and made in Sweden by the Swedish auto magazine Teknikens Värld. The story reverberated through the world press and became subject of debate for the public opinion.

A few days after the accident, the executives of Mercedes-Benz announced that the car was safe and granted the replacement of Goodyear tyres, considered not much reliable. Such decision proved rather unhappy: the company was overwhelmed by criticisms for the scarce attention to the problem and it was forced to publicly apologize to the consumers, to guarantee some changes of the car structure and, above all, to provide free ESP (Electronic Stability Program), a device able to prevent and correct car skidding. At the end of February of 1998, the A Class was marketed for the second time, and it was renamed A Class ESP, in order to avoid equivocal and negative identifications with the previous version. Customers positively welcomed the car and Mercedes-Benz succeeded in regaining the trust of its stakeholders. In the early stage, the crisis management was inadequate; afterwards the realized interventions partially followed the indications of GSS model. Nevertheless, in this case, the model would not only suggest redefining the company planning and distinctive competences (it was necessary to modify the car with the addition of a device able to provide stability), but also recommend to governance group members to adopt a proper behaviour, in order to react quickly and with responsibility to the crisis and to avoid repercussions on corporate image and reputation.

Tetra Pak, a Swedish firm leader in the sector of food packing, offers another case of crisis consequent to defects in the production process.

In 2005, in Italy, during routine examinations of the food wrappings, a regional agency of sanitary and environmental control (Arpam - Agency for the environmental protection of Marche) found traces of a foreign substance that was then identified as ITX (Isopropyl Thiocyanate), used on the Tetra Pak wrappings to fix ink. The contamination from ITX seriously worried public opinion; ITX was discovered at first in some brands of infant milk (Nestlé, Milupa) and then found in different products manufactured with the Tetra Pak.

After the Italian judges asked for the withdrawal of the food products for children and when it was clear that the alteration of the milk was caused by packing, Tetra Pak used press releases to announce that the case
was limited to a small percentage of its wrappings for sale and that the organization had immediately changed its printing process. The decision was taken as a precautionary measure to safeguard the consumers. In addition to these actions, the company immediately began the necessary tests to identify the source of this substance. As the preceding case, the company focused its attention on the activities of planning (of productive process and of media communication) and on the control and development of distinctive competences (especially in the quality control of the product and in the selection of ink fixers). The company partially did not show a full responsible attitude in reacting to the problem, because its actions were not immediate.

The Moulinex case seems, instead, to show a perfect correspondence between the drivers individualized by the GSS model and those actually used by the company.

In May of 1997, some centrifuges of the Moulinex exploded because of a defect of production, provoking wounds to some Italian consumers. The echo of the accident on the media was notable: national newscasts presented the new as a front page news (or in a prominent location).

In a short time, the company was able to individualize which products were defective and, consequently, decided to implement a communication crisis campaign. Moreover, the organization decided to replace the centrifuges for free. In this situation, the model recommends a cooperative behaviour of the governance group and interventions on the distinctive competences, in order to quickly individualize the cause of the production defect and find a remedy for the future.

In Coca Cola and Intel cases, though there were some differences, companies responses to crises seemed to lack some drivers individualized for this type of crises (crisis planning and behaviour of governance group members).

In June 1999, thirty students of a high school in Bornem (Belgium) were hospitalised because of various indispositions (vomit, abdominal pains and nausea) following the assumption of Coke in 20 centilitres bottles. A first analysis did not reveal any defect inside the bottles, but in the following days other cases of presumed Coke poisoning occurred. After the withdrawal of a small quantity of product from food shops, the company did not explain the causes of the incident.

The uncertainty shown by the governance group about the management of the event provoked the negative reactions of the press and the governments of some Countries. Under pressure from Belgian government, the organization had to recall over 15 million its own beverages from cafes, supermarkets and automatic distributors (CANTALUPPI, 2000). Despite these safety measures, the Belgian government forbade the sale of all drinks produced by the company (including Fanta, Sprite, and Minute Maid). The decision of the government was revoked only when, after ten days from the beginning of the problem, the C.E.O. of the Coca Cola, Douglas Ivester, decided to go to Europe to assure his collaboration to sanitary authorities and to apologize to its consumers. The organization paid approximately 60 million dollars for the accident and the withdrawal of 14 million cans strongly damaged corporate image. Indeed, the responsibilities of the company in the accident were never fully verified; some traces of bunker sulphur, responsible of the bad odour of the drink, were found in a plant of bottling in Anversa, but the found quantities were not such to cause the symptoms. Anyway, the communicative activities implemented from the Coca Cola were late and, certainly, not in line with the expectations of its customers. As said previously, the differences between the individualized drivers and those actually utilized concern communication planning and behaviour of governance group, in order to assume its responsibilities for what happened and to protect consumers’ health.

In November 1994, a teacher of mathematics of the Lynchburg College, Thomas Nicely, found out that Pentium microprocessor produced by the Intel committed some errors of calculation in performing complex elaborations. Such discovery was quickly communicated to the company, but the company rejected these signalling. The interactions by

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17 The identified substance (ITX) was present neither in OMS/WHO (World Health Organization) list of toxic substances nor in UE list that indicated the banned substances for food packing. ITX was defined, however, as slightly toxic.

18 In those days, France’s Health Minister stated that it was astonishing that a company so expert in advertising and marketing should be so poor in communicating on this situation. (DEOGUN, HAGERTY, STECKLOW and JOHANNES, 1999).

19 Some famous toxicologists, on the prestigious medical magazine Lancet, sustained the hypothesis that the epidemic could be due to a collective hysteria (a “mass sociogenic illness”), in an already “shocked” population for the recent food scandals (as, for instance, dioxin poisoning) (NEMERY, FISCHLER, BOOGAERTS and LISON, 1999).
From that moment on, the company experienced a massive and spontaneous campaign of a negative word of mouth, which was interrupted only when the organization announced the availability to replace the old chips with new ones, in which the bug was not present. Intel paid about 475 million dollars for such action of replacing (MOHR, SENGUPTA and SLATER, 2005: 317), besides the negative effects on corporate image and reputation. Beyond the specific technical problem in the production of the processor, Intel showed incapability to suit its behaviour to the consolidated expectations in the perception of its customers. In other terms, in this situation, the organization did not succeed in confirming the features of reliability, professionalism and helpfulness that had characterized corporate reputation in the past. Moreover, the company did not implement a crisis communication campaign, which would have contained the negative effects on corporate image and reputation. The drivers of our model supposed corrective interventions on the behaviour and the decisions of governance group members, in order to read in time the signals originated from the market and to predispose a plan of crisis communication. Besides, the model suggests the verification of the competences, in order to avoid future defects of the products.

Similar aspects are found in the Levi’s case, even though there are substantial differences in communication decisions implemented from the organization.

At the end of August 2001, Levi’s voluntarily decided to recall from the European market the items of clothing of the “Glossy Finish” line (a limited production), which had been in the shops only for one month. The decision was taken because two employees of the firm, after having a prolonged exposure to the products of this line, had complained skin irritations and respiratory problems.

The Levi’s quickly informed its customers and immediately activated a telephone number in order to inform customers about the procedures of product return and the reimbursement. On the other hand, the organization announced that the withdrawal had a precautionary purpose, in order to avoid any possible health hazard to its consumers. The withdrawal of the products was completed in a short time, thanks to a track-and-trace system, that succeeded quickly in identifying the locations of the items of the “Glossy Finish” line. In Levi’s case, the corrective interventions suggested are a proper communication plan and an appropriate behaviour of governance group members, oriented to the maximum transparency of corporate communication. These actions, actually implemented, prevented negative effects on corporate reputation.

In the second half of the eighties, the consumption of mineral waters was becoming a fashion in the United States. In that period, Perrier was synonymous of purity (words like “pure”, “natural” and “health” were central in promotional slogans) and it conquered an important share of market. In 1990, during some routine controls, the FDA (Food and Drugs Administration) revealed traces of benzene (a toxic gas, potentially carcinogenic) in some samples of Perrier water. The company, after a moment’s hesitation, communicated that the source of its water was pure and the contamination had been caused by a human error during the process of bottling.

In the early stage of the crisis, the governance group gave different and inaccurate versions of the facts. The lack of transparency in the communication activities produced unsuccessful effects on corporate image: despite there was no real danger for the health of consumers, some local importers stopped the distribution of the water Perrier. After this event, the president of the Perrier, Gustave Leven, realized to have underestimated the situation and decided to recall all the products from the food shops. Anyway, the decision was made quite late; also in other Countries, the products were withdrawn from shops, with negative consequences for the company. Even if the company did not adapt immediately its own behaviour (social responsibility), it successfully designed a planned crisis communication, in order to reduce the impacts of the crisis on corporate reputation and offering coherent answers to its customers. “In the aftermath, Perrier […] was perceived to have been authentic in its actions and consumers flocked back to the brand when it was reintroduced” (FOMBRUN and van RIEL, 2004: 163). We have no information if Perrier made interventions on organizational operations, to improve the production routines (distinctive competences) to avoid the repetition of human errors of such gravity.

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20 When a similar problem occurred again in 2003 with the Pentium IV, Intel decided to stop the distribution of the faulty microprocessors immediately, without great losses in terms of image.

21 Initially, product recall affected only the United States and Canada (approximately 70 million bottles), immediately afterwards it was made worldwide (160 million bottles) (BROWNING, FREEDMAN and KING, 1990).
The last case, in this first set, considers elements of inadequacy of a services firm that, in a situation of emergency, does not succeed in maintaining the guaranteed levels of service to its customers.

In 2000, during Christmas holidays, the SEA (the company that manages Malpensa airport) was forced to close the airport for several hours, because it was not able to handle an intense snowfall. As it was subsequently revealed, the snowy precipitation that fell on the airport of Malpensa could not be considered exceptional or unpredictable and, however, it could not be considered as a situation beyond the control of SEA. Many people were leaving for the winter holidays, thus the discomforts brought to passengers were remarkable.

The responsibilities ascribed to the SEA were several: lack of information about the situation, shortage of employees (which were on vacation for the Christmas period), inadequate number of means to make the runways and the airplanes feasible (in the whole airport, there was only one machine for the deice of airplanes wings), inadequate assistance to the passengers (e.g. non distribution of warm meals). In this case, the drivers, individualized by the model, would concern interventions on the distinctive competences, which, at that time, were inadequate to manage an event of emergency. Afterwards, the behaviour of the governance group should have been different: governance group members should have admitted the organization responsibility for what happened.

5.2. Company crises related to unethical behaviour and sabotage

The second set of cases concerns the crisis due to unethical behaviours and sabotage of the products (see tab. 3). In comparison to the crises of defectiveness of product, in the crises caused by unethical behaviour it is necessary to add the driver “vision & leadership” within the drivers of the factor “governance”, since it appears difficult to overcome a situation of this type without a strong leadership, essential to drive in the future the company on guiding beliefs, different in comparison to the past. Such concept justifies the action on the corporate culture, in order to spread the values strategically defined by the governance group among the members of the organization. Moreover, the driver “planning” refers to, in cases of insolvency, both the financial and the productive-commercial plans, necessary to overcome the crisis.

In the crises related to the sabotage of the products, the drivers individualized to manage and overcome the crises are similar to those individualized in the type of crisis related to the defectiveness of the product. Such consideration is based on the consideration that in the perception of the public opinion, the organization must, anyway, show to be interested in the managing of the situation (responsible behaviour), planning a campaign of communication to describe what happened and, where possible, changing the productive process (distinctive competences) to reduce the risks related to similar situations.

The first four cases (Parmalat, Cirio, Enron and WorldCom) are quite similar, since the governance group realized fraudulent behaviours through the credibility of the financial supra-system institutions (auditors, analysts, rating agencies, banks and public authorities).

In 2003, Parmalat was among the first ten Italian industrial groups, with product brands very well known in various branches of the food sector, and active in 30 Countries of the world. The situation apparently seemed enviable, with revenues in constant growth and a continuity of the governance group, guaranteed by the presence of the same C.E.O. and president, Calisto Tanzi, from over 40 years. Actually, the real financial situation of the firm was so compromised to bring it to the failure in a few months. The crisis was due to problems related to the development policies (a number of acquisitions led to indebtedness, due to excessive costs), and to the insufficient transparency of the economic-financial communication of the organization, caused by a fraudulent behaviour of the corporate governance group members.

In the first six months following the failure, the Special Administrator, Enrico Bondi, tried to rebuild corporate image, in order to recover the approval of the different stakeholders and to sustain the revival plan. After the financial scandal, the governance group seems to have followed the indications of our model: its behaviour has been absolutely transparent and this has led to an appropriate choice of communication channels and messages (press releases and face-to-face meetings with the financial community, detailed report of the economic-financial situation, monthly updated on the corporate web site, press campaign aimed to emphasize the quality of the products, etc.). Such actions had positive effects on Parmalat image: in Italy, the market share of the different brands and the attitude to consumption (the 84% of the consumers maintained...
the same propensity to purchase) remained constant in comparison to the past, as shown by a research on the brand awareness conducted by two independent institutes, Ipsos and Millward Brown.

The Cirio, another Italian leading company of the food sector, represents a case of crisis similar to Parmalat.

Even though the origins of the financial crack can be traced back to the wrong strategic choices beginning from the nineties, the story became note only when, at the end of 2002, Cirio Finance Luxemburg (a Dutch company referable to the group of the entrepreneur Sergio Cragnoti) declared not to be able to refund a bond debt of 150 million of Euros. Despite the insolvency, the most serious aspect of the case was the lack of ethics and transparency of the governance group that had falsified the budget for a long period.

Subsequently, the Special Administrator, with the support of the employees of the Cirio Group, succeeded to restructure the productive-commercial plan, not without difficulty. From 2004 the Cirio Group has progressively been acquired by Conserve Italia, a firm leader in Europe in the sector of the processed fruit and vegetables that is currently investing in the products Cirio, trying to expand the share of market in different countries both European and extra European. Even though after a few years of distance, the new gov-

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22 The Nielsen Italia also confirmed such data from a research. Source: Largo Consumo, 2/2005: 25.
23 According to an official statement of the company, during the crisis, “[…] according to recent investigations on the consumers, Cirio is among the five brands with the best reputation in the whole Italian food sector. The consumer recognizes to Cirio the ability to preserve the whole genuine taste of the products of the land, to bring it intact on the table of the Italians thanks to its secular know-how and to the full control of all the phases of the production […]” (VARANINI, 2003).
24 “[…] “To be able to get the best results and to maintain and subsequently strengthen our leadership on the global market, - says the President [of Conserve Italia] - we also intend to push more always on the internationalisation of the

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Tab. 3 - Company crises related to unethical behaviour and sabotage
In the ranking of the magazine Fortune about the America’s Most Admired Companies (SUNSERI and ROTTMAN, 2006), Nike governance group seem to follow the indications proposed by our model: the governance group adapted its behaviour, planning and implementing concrete actions of social responsibility and spreading new values of transparency. After replacing the corrupt board, the actions taken from the Enron Corporation led to a new “vision” and to a transparent management; in such way, the company has succeeded in selling some of its activities, in re-funding creditors and in reopening some offices (CEPRINI, 2005). In this case, the actions implemented, even if partially coincident with those suggested by the drivers of the model, have not succeeded in containing the negative effects on corporate reputation. Enron dissipated a patrimony of reputation and became the symbol of some problems related to negative behaviours of corporate governance.

After the financial crisis, from February 2004, the WorldCom Corporation, after replacing the board, tried to go out of the failure under the guide of a new management and the approval of a plan of indebtedness (3 years) that will allow, at least partly, settling the losses of its employees and its shareholders. The following acquisition of MCI/WorldCom from Verizon seems to have marked a clear change in comparison to the past. Also in this case, it is rather difficult to appraise correctly if the actions of the new board match with the drivers of the model: the temporal distance between the crisis and actions of restructuring of the society deeply engraved on corporate reputation.

In the Nike case, the governance group seems to have underestimated problematic situations that concerned the company and exposed it to the risk of damage of corporate image and reputation.

In 1996, a television report of the CBS revealed the conditions of the employees working in Nike factories in Vietnam and in other developing Countries, where the company had production advantages. The American newspapers gave a great echo to the story, publishing investigations that accused Nike of paying low wages and imposing awful work schedules. After these events, in 1997 Nike had a consistent diminution of the profits that, in the following years, continued to be lower in comparison to 1996.

Only in 1998, Nike governance group appeared ready to the dialogue, admitting such violations and announcing a program of improvement of job conditions in the factories. These planned activities ensured the increase of wages (an average rise of 37% to all the workers that perceived the minimum wage), no employment to those under 18 years of age as well as best safety conditions. The president of the company shifted the age limit of hiring in the firms from 14 to 18 years. The organization assigned 1,5 million dollars to the monitoring of factories in the developing Countries in order to improve safety conditions, and decided to reveal its suppliers and to adopt a new policy of transparency and social responsibility.

After a first stage characterized by a scarce transparency of corporate communication, the interventions of Nike governance group seem to follow the indications proposed by our model: the governance group adapted its behaviour, planning and implementing concrete actions of social responsibility and spreading new values of transparency.

The Enron was one of the world biggest multinational in the energy sector. In 2002, without any premonitory signal, the company failed. Such event was completely unexpected, since the firm had had a very rapid growth in ten years, and in the last year it had a billing of about 130 million dollars. Actually, the financial situation had incorrectly been created through a sequence of accounting expedients (e.g. the creation of organizations in fiscal heavens, in order to dodge paying taxes) and advantages on environmental legislation, obtained with donations to some political leaders. Enron employees, who had been persuaded to purchase shares of the organization that, in a few days, arrived to nearly have a void value, experienced the most meaningful damages. Moreover, the pension fund was also subtracted to the employees (SEEGER e ULMER, 2003). On the other hand, the top executives of the company sold their shares before the failure, realizing consistent gains.

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Also the sector of the telecommunications was shocked in 2001 from the sudden crack of WorldCom, the second American operator for the long distance calls. Also in this case, the incorrect behaviours of the governance group caused huge damages to the investors and the employees of the society.

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After a first stage characterized by a scarce transparency of corporate communication, the interventions of Nike governance group seem to follow the indications proposed by our model: the governance group adapted its behaviour, planning and implementing concrete actions of social responsibility and spreading new values of transparency.

25 In February 2001, Enron was at the first place for the “innovation” and to the second for “quality of the management” in the ranking of the magazine Fortune about the America’s Most Admired Companies (SUNSERI and ROTTMAN, 2006).
within the factories. Moreover, an appropriate crisis communication was implemented; the company used, particularly, public relations to show its own “not indifference” on a much felt topic by public opinion.

The last case proposed refers to the possible effects that an insufficient diffusion of guiding beliefs within the organization can have on corporate communication process.

In 1989, the oil tanker Exxon Valdez hit against the cliffs of the Prince William Sound (Alaska) and run aground. The enormous quantity of oil poured in sea caused huge damages to the environmental ecosystem of the zone, with effects visible still today. According to the National Transportation Safety Board, the causes of the disaster were to attribute primarily to human errors (lack of preparation of the crew, abuse of alcoholic drinks from the captain) and to organizational problem of the Exxon Shipping Company, which did not furnish a sufficient crew to the ship and that, therefore, had overloaded of job the existing workers.

According to different people, the behaviour of Exxon governance group was irresponsible, because the reaction to the disaster was late and limited. The company pointlessly tried to recover the oil, but refused to inform its stakeholders in a transparent way both about the disaster and about the procedures of emergency activated to contain the damage. The declarations of the managers were contradictory and inaccurate and this deteriorated the catastrophic situation of the company. In this type of cases, the drivers should concern not only the behaviour of the governance group (its absolute indifference is in contrast with the environmental disaster) but also the distinctive competences and the corporate culture (the behaviour held by the ship crew was not professional). Moreover, it seems to lack a clear new direction in corporate leadership; after many years, Exxon did not take the blame of the disaster\textsuperscript{26}. The company tried to recover its reputation only after several years, with a change of the top managers, a new vision and a new corporate name (Exxon-Mobil).

The second set of case studies suggests that corrective actions, if taken quickly, can prevent negative effects on corporate reputation of sabotage crises.

In December 1998, a French animalist group (ALF, Animal Liberation Front) delivered two “panettonis” (Christmas Milanese cakes) of the brands Motta and Alemagna (Nestlé group), contaminated with a powerful rat poison (the Racumin), to the main Italian news agency (Ansa). An Italian judge immediately ordered the seizure of the wrappings of Motta and Alemagna cakes that had holes or irregular features (CANTALUPPI, 2000).

The organization tried to react quickly, in order to avoid the risk of a sales collapse in Christmas time (the most profitable of the year) and to prevent serious damages to corporate image and reputation. The president of Nestlé Italia, Yves Barbieux, called a press conference to explain the criminal act (the poisoned “panettonis” were only the two delivered to the press agency) and to announce the replacement of all products from food shops. In the following weeks, the firm reassured consumers on the good quality of its products through the implementation of communication activities (e.g. events with famous testimonials that distributed free samples of the product\textsuperscript{27}). Such actions permitted not to have losses in terms of reputation; this is demonstrated by the fact that consumers, in a few months, regained trust in product brands and continued to buy the products Motta and Alemagna with the same propensity as in the past. The Nestlé case reveals that corporate image and reputation can be preserved if the governance group is able to assume correct decisions and a proper behaviour (oriented to the maximum transparency of communication), following the prescriptions of our model, even if a company is subjected to actions of sabotage.

The following case refers to Johnson & Johnson and shows how, also in crises “non-imputable” to the firm, immediate corrective interventions are necessary to avoid damages to image and reputation.

In 1982, in Chicago area, seven people died after eating some tablets poisoned with Tylenol cyanide, a popular analgesic produced by McNeil company, property of Johnson & Johnson group. Afterwards, through a rapid internal investigation, the company discovered that the poisoning had been caused by an external sabotage and committed itself to make products packing impenetrable from tampering.

The members of Johnson & Johnson governance group were oriented to guarantee the maximum transparency in terms of communication: before verifying the responsibilities, the pharmaceutical company made a press conference to invite its customers not to consume the product, and created a crisis unit (directed by the president of the firm James E. Burke). Moreover, the organization founded a toll-free number for the as-

\textsuperscript{26} It is still in progress a legal battle to set the extent of the compensation; the last sentence (December 2006) of the U.S. Court of Appeals for the Ninth Circuit quantified in 2,5 million dollars the damages to pay by the Exxon Mobil Corporation.

sistance and withdrew the products from the market. As reported in CUTLIP, CENTER and BROOM (1994), the organization called back 31 million wrappings of Tylenol, for a market value of over 100 million dollars. Afterwards, through a rapid internal investigation, the firm discovered that the poisoning had been caused by an external sabotage and committed itself to make products packing impenetrable from tampering.

One year after the accident, also thanks to the favourable reactions of the media, which had positively judged the implemented actions, Tylenol regained its original market share without meaningful repercussions on corporate reputation. The case shows how the Johnson & Johnson was able to manage adequately the crisis produced by causes not imputable to the organization and succeeded this way in safeguarding its image and reputation. This case seems to perfectly follow the indications of the drivers: a correct behaviour of governance group members and the development of competences (in outsourcing) to adjust wrappings and to avoid the repeating of sabotage actions.

6. Conclusions, questions and directions for future research

The “Governance-Structure-System” model can constitute a useful support for both the researchers and the practitioners of corporate communication and reputation management. Knowing the nature structural (static) or systemic (dynamic) of the factors (and of the related drivers) of the model means to be able to decide consciously and effectively about corporate communication and reputation issues. The governance group (decision-maker for corporate communication) selects, from time to time, the more suitable drivers for the improvement of corporate image and reputation.

The model suggests that the some systemic drivers are suitable to manage corporate reputation, which represents a complex phenomenon, both for the plurality of the factors that can determine it and for the length of the time necessary to its development, as widely underlined in the introductory part of the present study.

The structural drivers involve less complex and more directly achievable actions (e.g. change of the logo or the addition of a corporate channel of communication). Anyway, they are considered to have a minor role in the managing of the corporate reputation. For corporate reputation management it is essential to act on some systemic drivers, some of these drivers represent variables characterized by high social complexity and uncertainty of results and times to reach them (changes of the corporate culture or development of new competences). The features of the systemic drivers allow, therefore, pointing out the practicability and the necessary times of improving actions for reputation.

The empirical evidences, represented by some cases of crisis communication, show that systemic drivers, individualized by the GSS model to manage and overcome crisis and to safeguard reputation, are used by the companies, according to the type of crisis. Generally, the most selected drivers refer to capabilities, to skills, to behaviours and to the activities developed by governance group. As predictable, the drivers related to organizational operations are widely used to manage and overcome the crises due to faulty products/services, since this problem is caused by company sub-systems and organizational routines.

Anyway, for any type of crisis, the companies behave in a different way: some of them make a wide use of the drivers and succeed in an adequate management and overtaking of the crisis (above all, Johnson & Johnson and Parmalat, but also Levi’s and Moulinex), even if sometimes with a wide and damaging delay (Nike); some other companies make a more limited use of the drivers, reaching, anyway, positive results (Mercedes-Benz, Tetra Pack, Coca Cola, Perrier, Nestlé, Enron, WorldCom, Cirio); some other companies do not make any use of the drivers, and show an inadequate management of the crisis (Exxon and SEA).

We are aware that the evaluation of the explanatory ability requires that the model be broadly tested at empirical level, in order to be considered a reliable tool for the decision-maker, which is engaged in very

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28 “Johnson & Johnson conveyed to the public a clear sense that it handled the crisis appropriately, that it was authentic in its expression of concern. […] its speedy recall and out-front handling of the crisis remain a lesson for corporate communicators and legal staffs who often advise careful and measured response rather than speedy and vocal handling of the crisis.” (FOMBRUN and van RIEL 2004: 162).

29 It is important to remind that the Reputation Quotient points out the Johnson & Johnson to the top of the North American classification for reputation since 2000. Among the great American corporations, the Johnson & Johnson “… has been ‘far away from the spotlights’ in the last years, devoting all its own efforts to the maintenance of quality and attention to the needs of physicians, nurses and patients, mothers and fathers and children; these persons, during its over one hundred years of life, have contributed to the construction and the strengthening of the image of the company” (RAVASI, 2001).
complex analyses and evaluations, since it has to consider a wide range of factors concerning corporate reputation.

**Fig. 4 - Management/overcoming of the crisis and Reputation Quotient Ranking of the most visible companies in the United States (2003)**

![Management/overcoming of the crisis and Reputation Quotient Ranking of the most visible companies in the United States (2003)](image)

The availability of data of Annual Reputation Quotient 2003 - year following the last crisis - allows a deeper critical analysis and to elaborate some assumptions concerning U.S. companies, considering both the RQ and the successful (or unsuccessful) management of the crisis (see fig. 4). The RQ is chosen for being able to make reference to a non limited meter of reputation in the opinion expressed by exponents of the business community (as typically it happens for other available indicators in subject) but wide to the evaluation of the general public, comprehensive of the clients, of the shareholders and of the employees of the enterprises, so that to get a more meaningful parameter. In this paper we choose RQ to make reference to a tool for reputation measurement which is not based only on the opinions of the members of the business community (as it typically happens for the other tools usable to measure reputations), but considers the evaluation of the general public, including customers, shareholders and employees, in order to obtain a more meaningful standard.

This cross analysis shows that:

- Johnson & Johnson sabotage crisis was, paradoxically, an opportunity (chance) to increase and strengthen its reputation. Johnson & Johnson benefited enormously from the fact that the company was not to blame for the tampering (FOMBRUN and van RIEL 2004). Tylenol tampering offered to Johnson & Johnson governance group an opportunity to demonstrate the ability of its members in difficult circumstances. The company, at the time of the crisis, had a positive reputation and handled adequately the
critical situation, confirming to deserve credibility and respect, since it was first in the Annual Reputation Quotient ranking from 1999 to 2005 and second in 2006; - for Coca Cola and Intel the crisis, even though not handled in a proper way, does not seem to weaken in meaningful way their reputation, considering that they are respectively positioned third and sixteenth place in classification. Coca Cola, in particular, is already third in RQ ranking in 2002, a few years after the crisis of 1999. We can suppose two different hypotheses, in order to individualize the reasons for the preservation of the reputation of these two companies. The crises of Coca Cola and Intel are attributable to the defectiveness of the product; this circumstance probably makes less penalizing the judgement of the stakeholders in comparison to the situations of crises determined by unethical behaviours. On the other hand, it has to be verified to what extent the respect and the credibility of the companies, if already high before the crisis, are able to act as "lightning-rod" in case of difficulty. Empirical studies show that even when individuals receive negative information about a company, they do not usually change their assessment about corporate reputation (WARTICK, 1992). Moreover, it has been observed that crisis managers believe in the value of a favourable pre-crisis reputation (COOMBS and HOLLADAY, 2006). The companies with a strong reputation are more able to face and overcome crises that would destroy weaker companies (FOMBRUN and van RIEL, 2004). The greater the stability of the judgment of respect and credibility about an organization, the smaller the negative impact on reputation, consequential to possible accidents, among which the defectiveness of product or the sabotages;
- for Exxon-Mobil and Enron, among the several different reasons to a most unfavourable position in the ranking (rank 30°, 47° and 60° respectively), it is also possible to hypothesize a more negative halo effect of the crisis since the crisis is originated from an unethical behaviour; such behaviours make the companies perceived as not authentic. Apart from the particular cases, which involve serious hazards to consumers’ health, the stakeholders generally express, as observed, more severe judgments about the unethical behaviours in comparison to problems deriving from the defectiveness of the products and services. It has been verified that Exxon-Mobil ranking is low because of its management of the crisis (FOMBRUN and van RIEL, 2004). The lower ranking of Enron and the exclusion of WorldCom from the 60 U.S. companies with the most nominations is also justified, in our opinion, by the particular gravity of the reasons of their crisis. Corruption, speculation, fraud, bookkeeping irregularity have heavily damaged the image and the reputation of these companies;
- the last notation refers to the Levi’s, a company out of the 60 U.S. companies with the most nominations. Without considering the specific reasons for the exclusion, we can observe that a good handling of the crisis does not help to give a meaningful rush to the reputation of a company, if a company is missing other presuppositions, considered fundamental for the stakeholders.

It has to be underlined that our hypotheses have several meaningful limits, about which we are fully aware. The validity of these hypotheses has to be, therefore, verified through special cognitive investigations. In particular, future studies should verify the bonds between a good (or a bad) management of the crisis and a good (or a bad) reputation, in order to explain some contradictory situations. There are, in fact, conflicting situations in which it is difficult to determine if the timely and correct management of the crisis determines a positive reflex in terms of reputation or if a favourable preceding reputation can minimize the impacts of the crisis.

We specify, therefore, that the formulated hypotheses do not claim to constitute conclusions. They have to be considered, rather, as first considerations that allow to guess possible directions for future research. For further close examinations a wide availability of relative information is necessary: about the effects on the corporate reputation in the different types of crisis; about the weight of the corporate reputation before the crisis, in the phase of crisis and in the phase after the crisis; about the times of recovery of the corporate reputation in comparison to every typology of crisis and in comparison to the specific situation of corporate reputation before the crisis; about the influence of the media to give resonance to the situation of crisis and the value system of the stakeholders that express the judgment about the reputation of a company; to the incidence of other corporate factors post-crises that can influence the reputation, etc.

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30 With relation to preparedness and speed of response, KNIGHTS and PRETTY (1999) classified 15 large companies, involved in manmade catastrophes, into two categories: “recoverers” and “non-recoverers”. On average, all the companies took an initial hit of 8 per cent. In the first few weeks, the recoverers’ stock dropped only 5 per cent, while non-recoverers took an average 11 per cent loss in value. Also considering the balance of the year, the recoverers stayed in “positive territory” while the non-recoverers, by contrast, finished the year down by 15 per cent.
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