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### What is Reputation Management?

Reputation management is the process of shaping perceptions, both internal and external, of an organization and is used to maintain and protect your brand.

In the spectrum of public relations, reputation management takes place before crisis communications because it provides crisis resilience. In other words, when your organization has a sterling reputation, it is often given the benefit of doubt in times of trouble.

A reputation management campaign is not something you start on a whim. It takes CEO buy-in, a cross-functional team, a baseline of your current reputation and a reputation risk assessment. Here are the steps:

# Step 1: Obtain CEO Buy-in

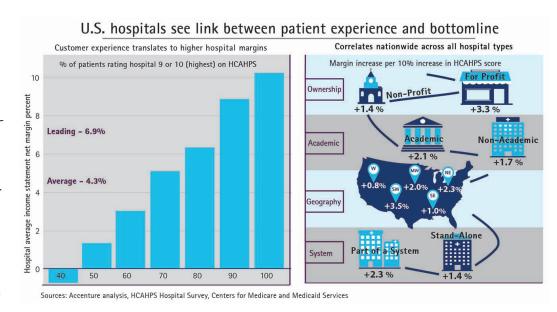
How important is reputation management? A Deloitte study showed that reputation damage was the No. 1 risk concern for business executives around the world.

Many other benefits, including delivering a competitive advantage, come with a well-executed campaign. However, before you implement a reputation management plan at your hospital, you need to make sure senior leadership is aboard.

#### **SHOW THEM THE GAINS**

A study by an IP merchant bank revealed that in 2015, 16 percent of the market capitalization of the S&P 500 came from "tangible assets" (meaning, stockholders' equity) while a whopping 84 percent came from "intangible assets" (meaning, reputation, IP and staff know-how).

Taking a further look into this, a study by Accenture found that hospital margins and revenues directly cor-



relate to Hospital Consumer Assessment of Health Providers and Systems (HCAHPS) ratings. Thus, the better your hospital was rated, the higher your margins were.



#### SHOW THEM THE LOSSES

According to the aforementioned Deloitte study, executives in life sciences and healthcare experienced these impacts after a negative reputation event:

- Loss of brand value: This can make it difficult to attract patients and talent, and it can lead to a more difficult recovery from a future crisis.
- Regulatory investigation: Consequences can include penalties, loss of accreditation and loss of Medicare reimbursement.
- Loss of customers: Hospitals are already facing reduced reimbursements from payers, higher drug costs and higher labor costs. Losing patients will only compound the problem.

If your hospital has experienced past incidents or knows of other health systems that have that led to any of these consequences, you should present them to the CEO. Otherwise, use this general data to make your point. Your mission is to explain that the hospital's reputation directly corresponds to its financial and operating health.

#### **RUN A PILOT PROGRAM**

In some cases, you may need more tangible proof. At this point, you will need to run a pilot program in which you test a prediction, gather results and then scale those results to show how the entire organization would benefit.

For example, let's say one of your hospital's goals is to improve employee retention. You then run a reputation management pilot program with nurses (a subset of the entire organization). Your key messages could be:

- Nurse managers are visible, accessible and responsive to their staff
- Nurse managers show respect and empathy toward their staff

You then execute a mini-reputation management campaign based on the prediction that nurses who believe these statements to be true will rate the hospital higher on Glassdoor (a study shows that a one-star increase leads to a four-percentage-point higher chance that employees would stay).

After the pilot program, connect the dots from the results of the prediction to define results for the whole hospital. For example, even a four percent improvement in the odds that the nurses will stay can translate into dozens of retained employees at a 1,000-person healthcare organization. Studies have shown that the replacement cost is \$15,000 for each employee earning a median salary of \$45,000 a year.

Finally, publish the results of the reputation management pilot program internally as a case study to not only earn your CEO's go-ahead but also to gain broad acceptance throughout the organization. The latter point will be important as you build a cross-functional group.



### **Step 2: Determine Your Reputation Baseline**

Like any PR, branding or marketing campaign, the reputation management campaign needs to have key performance indicators. This is true for any type of facility–including academic medical centers, clinics, VAs and community hospitals.

#### PERFORM RESEARCH

You obviously can't measure the results of any campaign without knowing what your baseline metrics are. You can use the results you get from HCAHPS, but if you have the resources, you should perform your own research that's tailored to your particular hospital.

To determine your baseline, you'll need to conduct both qualitative research and quantitative research. The former can be executed in the form of a focus group or interviews, and the purpose is to explore your target audience's or audiences' awareness of your hospital and its services, their experience with your services and their feelings toward/opinions of your hospital. Examples of questions include:

- What hospitals or clinics come to mind when you think of physical therapy?
- What are some traits you look for when choosing an OB/GYN?
- Did your past experience with our hospital meet your expectations? Why or why not?
- When you think of our hospital, what words come to mind?

Now comes quantitative research, which will be used to determine your reputation strengths and weaknesses with hard data. Use the information gathered in the focus groups or interviews to shape the questions in your survey. Examples of questions include:

- How much do you agree or disagree with the following statements?
- Which of these traits best describe our obstetrics department?
- How likely are you to refer a friend or family member to our hospital?
- Read this statement [insert your message]. After reading this statement, how much more likely are you to consider choosing Hospital A?

Other areas to measure include social media sentiment, online reviews, SEO rankings, PR coverage (e.g. what percent is negative?) and staff exit interviews.

### Step 3: Set Reputation Goals

According to a global risk and business consulting firm, a strong culture of responsible business behavior can contribute to lowering costs, increasing effectiveness and sustaining reputation during times of trouble. That means reputation management should not be limited to the communications department of your hospital.

In fact, the whole point of reputation management is that it helps an organization achieve its business goals.



#### TIE REPUTATION GOALS TO BUSINESS GOALS

First, list your hospital's business goals. Examples:

- Be listed as a "Best Place to Work"
- Improve 30-day readmission rates
- Achieve consistent outcomes regardless of race, ethnicity and socioeconomic class

Next, list your reputation goals, such as "We are innovative in clinical care." Sort these reputation goals underneath the corresponding business goals. Note, some reputation goals may serve more than one business goal.

#### SET AUDIENCES, OBJECTIVES

Determine the target audiences (e.g. staff, patients, community leaders, etc.) you need to reach for each reputation goal. For each audience, you will need to set feasible objectives that are specific and measurable.

If in your quantitative research you learned that 60 percent of patients view your hospital's staff as "courteous and respectful," can you increase that to 75 percent a year from now? In your reputation management plan, the objective would thus be "to increase the percentage of patients who view your hospital's staff as 'courteous and respectful' from 60 percent to 75 percent in one year."

Some of your target numbers may be best guesses. Others can be tied into external factors, such as award criteria or just outranking your competitors.

#### **DETERMINE STRATEGIES AND TACTICS**

You will need to create strategies and tactics to achieve the objectives for each audience, like you would in a PR or marketing campaign. Example:

Strategy: Have staff follow hospitality mindset

Tactics: Train staff on handling complaints, require doctors to say thank you to patients, create signs for patients about the care they should expect to receive.

Some strategies and tactics can serve multiple objectives.

#### DETERMINE TIMELINE AND BUDGET

As you would in any PR/marketing plan, you should create a timeline for executing the tactics and list any associated costs. You and the cross-functional team (see Step 4) will probably have a large list of tasks, so you likely will have to prioritize what gets done first.



## Step 4: Identify and Minimize Reputation Risks

Imagine you are the captain of a ship trying to transport precious cargo from one port to another. Any number of internal or external risks—such as a bad storm, mutiny, pirate attack or leak—could compromise your trip. You would be wise to avoid these risks.

Likewise, your healthcare organization would be wise to avoid internal and external risks, which can negatively affect your reputation. That, in turn, could affect your ability to do business—for example, it may be difficult to attract patients and talent.

Therefore, in addition to determing how to build your reputation, as seen in Step 3, you also have to figure out how to avoid reputation risks.

#### CREATE A CROSS-FUNCTIONAL GROUP

The purpose of a cross-functional group is to bring together people with different areas of expertise who are all working toward a common goal. In this case, you will want the leader or the second-in-command of each business function, such as finance, HR, legal and IT. The Chief Communications Officer (or equivalent role) should lead the group, and the group reports to the board of directors.

Note the cross-functional group will end up having additional responsibilities relating to reputation management, such as developing strategic plans. The initial meeting will likely be the longest–ideally, limited to a half-day–and then subsequent monthly meetings may be 1-2 hours.

#### **IDENTIFY AND DISCUSS RISKS**

In a meeting or series of meetings, your cross-functional group should discuss your hospital's reputation risks and document the following information:

 Description: what is the reputation risk? Example: Cybersecurity breach

Hospital Chain Struggles To Get Back Online After Crippling Cyber Attack

A chain of hospitals serving hundreds of thousands of patients in the Washington, D.C., area was hit with a "ransomware" attack.

- why will the reputation risk impact your hospital? Example: Patients and the community will lose trust in our hospital if their sensitive information is stolen.
- Likelihood: How likely is this type of reputation risk? Example: FortiGuard Labs reports that in 2017, healthcare organizations each saw about 32,000 cyber attacks per day compared to about 14,000 per organization in other industries.
- Causes: What causes this type of reputation risk? Example: Lack of education among staff, primarily.
- Prevention: How can you reduce the likelihood of the reputation risk? Example: Ongoing training and testing of all staff, improving IT security measures.
- Mitigation: What is your hospital doing to reduce the current or future impact of the reputation risk? Example: Writing talking points, creating a patient alert system, developing a backup internal network.



Once you've identified your reputation risks, you will need to integrate them into your reputation management plan by matching the reputation risks with the corresponding business goals. For example, the reputation risk of a cybersecurity breach would likely correspond to the business goal (e.g. "90% of patients trust us as competent in protecting their sensitive data")? In addition, list how you will prevent and mitigate each of these risks.

Thus, each business goal will have (a) reputation goal(s) as well as reputation risks. For example:

Business Goal	
Corresponding Reputations Goal(s)	Corresponding Reputation Risk(s)
Target Audiences	Impact
<ul> <li>Objectives</li> </ul>	Likelihood
• Strategies	Causes
• Tactics	Prevention
Budget	Mitigation
Timeline	Timeline



# Step 5: Use the Cross-Functional Team to Execute the Plan

Your cross-functional team will manage both the reputation management goals as well as the reputation risk prevention and mitigation portions of the plan. For example, the IT department would be tasked with implementing new training programs to prevent employee-caused cyber breaches while the marketing department creates blog posts and handouts with tips to avoid phishing scams.

#### **MEASURE REGULARLY**

Once you commence your reputation management campaign, you want to measure how you're faring during the campaign, not just after it's complete. That way you can make adjustments if you're not seeing progress.

Assuming you have the time and budget, you should plan on conducting another round of quantitative research, perhaps halfway through your reputation management campaign. If the numbers aren't on pace, are stagnant or have decreased, then you will likely need to adjust your strategies and/or tactics. At minimum, you can use the HCAHPS results, which are reported every quarter.

In addition, the cross-functional team should reconvene monthly to report on its efforts. For example, are fewer employees clicking on phishing emails?



#### MONITOR REGULARLY

It's also important to determine what tools you will use to monitor your reputation on an ongoing basis, especially online. Mention.com tracks your brand's sentinment and can notify you when you have a sudden spike in mentions. Meanwhile, Google Alerts can notify you when your brand is mentioned in the media, including blogs.

One other way to monitor your brand is by conducting tracking polling, which is a series of individual surveys repeated over a certain period of time. The polls provide you an ongoing assessment of attitudes.

### **MAKE ADJUSTMENTS**

As you complete portions of your reputation management plan, you'll need to re-assess your reputation risks and possibly adjust your strategies and/or tactics. You also may need to adjust your objectives, as you may have succeeded in achieving them, or you discover your objectives weren't feasible.

Remember, your reputation management plan is a living document.

